

# Regional Plan Association

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**Testimony of Christopher Jones before the  
Metropolitan Transportation Authority Hearing on  
Proposed Service Changes, Student Fares, and Crossing Charges  
Fashion Institute of Technology  
Haft Auditorium  
Seventh Avenue at 27th Street, Manhattan  
Thursday, March 5, 2010**

My name is Christopher Jones. I am Vice President for Research of 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 subway, bus, commuter rail and Paratransit service and elimination of student Metrocards. 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 and making good on reimbursing the MTA for student Metrocards. 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 City is in the same boat. While their contribution to student Metrocards has remained stable since 1995, costs have gone up and the MTA has been left holding the bag on the remainder of the bill. **A new agreement needs to be worked out between the MTA, city and state that relieves the MTA of most (if not all) of the cost of the student transport and that increases the city and state's contribution as costs escalate in the future.** No other transit agency in the country is on the hook for moving students to the degree the MTA is. This policy is overdue for a change.

**The MTA is in the midst of finding their own major efficiencies and they should squeeze ever 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: graffiti-strewn cars, track fires and broken down 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.

#### GOING FORWARD

Pressure must remain on politicians to come up with reasonable solutions. This 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](http://www.rpa.org) – and connects with their elected officials in Albany and at City Hall. We urge the state and 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.

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