December 17, 2010

The Honorable Andrew Cuomo
Governor-Elect
Church Street Station P.O. Box 683
New York, New York 10008

Dear Governor-elect Cuomo:

Congratulations on your election. Our groups wish you success in addressing the many challenges facing New York.

We write to urge that your upcoming 2011-2012 State budget ensures that all dedicated transit funds go to transit – and are not diverted to other purposes.

That is not the case in the current budget. Twice in the last year, the Paterson Administration has raided funds dedicated solely to transit and taken a total of $160 million for other purposes.

The diversion of dedicated transit funds in the fall of 2009 directly triggered the worst transit service cuts in memory. These included axing 36 bus routes; eliminating 570 bus stops; killing 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.

Our groups understand that New York State faces extremely serious financial woes. But raiding dedicated transit funds is poor policy. These funds were explicitly created to provide the MTA with a “stable and reliable dedicated funding source.” According to its 2011 Preliminary Budget in July, the MTA estimates that its dedicated taxes are already raising hundreds of millions below original estimates, as illustrated in the chart below:

<table>
<thead>
<tr>
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<th>2010</th>
<th>2011</th>
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</thead>
<tbody>
<tr>
<td>Payroll Mobility Tax</td>
<td>($386 million less)</td>
<td>($219 million less)</td>
</tr>
<tr>
<td>Real Estate Taxes</td>
<td>($112 million less)</td>
<td>($102 million less)</td>
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<tr>
<td>Sales/Corporate Taxes</td>
<td>($33 million less)</td>
<td>+ $56 million</td>
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<tr>
<td>Petroleum Business Tax</td>
<td>($32 million less)</td>
<td>($27 million less)</td>
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<tr>
<td></td>
<td>($563 million less)</td>
<td>($292 million less)</td>
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(Over)
The $160 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 city riders now pay the highest fare box burden in the nation.

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. This same logic would apply to not diverting funds for New York’s road, bridge and tunnel program.

You campaigned on a pledge of restoring honest and ethical government. What could be more basic to good governance than keeping the promise to taxpayers and transit riders that dedicated transit funds be spent for the sole purpose for which they were enacted? One quarter of the state’s workforce relies on mass transit to get to work.

We urge you to ensure that all dedicated transit funds go to transit – and that the $160 million in diverted dedicated transit funds be restored. We appreciate your considering our concerns.

Sincerely,

Paul Steely White
Executive Director
Transportation Alternatives

Gene Russianoff
Staff Attorney and Chief Spokesman
NYPIRG Straphangers Campaign

Joan Byron
Director of Sustainability and
Environmental Justice Initiative
Pratt Center for Community Development

Mary Barber
Campaign Director
Environmental Defense Fund

Kate Slevin
Executive Director
Tri-State Transportation Campaign

William Henderson
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PCAC to the MTA

Ricardo L. Gotla
Legislative Director
NY League of Conservation Voters, Inc.

Patricia Bowden
President
TWU Local 252

Norman Brown
Legislative Director
New York State Council of Machinists

Michael Cordiello
President
ATU Local 1181

(More)
Arthur J. Davidson  
Chair  
Metro North Labor Council  

Dean DeVita  
General Chairman  
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Joe Mauro  
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Bridge and Tunnel Officers Benevolent Association  

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John Samuelsen  
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Andrew Sandberg  
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IAMAW LL 754  

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Bob Yaro  
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Steering Committee  
NYS Transportation Equity Alliance  

cc: Hon. David Paterson

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