



DEDICATED TRANSIT FUNDING IS UNDER ATTACK

OPPOSE: S6206 (Martins)/A9124 (Thiele)

AN ACT to exempt political subdivisions from the imposition of the metropolitan commuter transportation mobility tax

BACKGROUND:

The recession dried up many sources of revenues for our transit systems across the state. In response, in 2009, Albany enacted the metropolitan commuter transportation mobility tax (MTA payroll tax) to fill the gap. This tax has proven to be crucial to the operations of downstate transit systems. In 2010, it accounted for approximately \$1.3 billion in revenues, one-third of all dedicated tax and fee revenue for the downstate region, and more than one-tenth of the MTA's overall operating budget.

Unfortunately, dedicated revenues for transit NYS are under attack. In December 2011, the MTA payroll tax was partially repealed, and now, approximately \$310 million will be subject to annual appropriations in Albany. In Washington, similar attacks are currently playing out concerning reauthorization of the federal transportation bill.

NEED:

New York's transit systems carry about a third of all transit riders in the country, who make over 2 billion transit trips a year to work, school, health care, shopping, recreation and other daily errands. Whether riding by choice or necessity, transit users make a huge impact on upstate and downstate communities in the form of: economic activity and jobs, energy savings, cleaner air, reduced traffic congestion, improved public health and sustainable transportation.

Attacks to dedicated transit funding put the systems at risk. After NYS diverted \$143 million of dedicated transit funding to balance its budget, New Yorkers were struck with the harshest service cuts in a generation. The MTA was forced to cut 2 subway lines, 36 bus routes and 570 bus stops. The MTA payroll tax was explicitly created to provide the MTA with a stable and reliable funding source. Without it, the agency may be forced to make further cuts, delay major construction projects and increase already scheduled fare hikes.

Until Albany seriously discusses alternative revenue sources for transit, all attacks to dedicated transportation funding should be opposed.

Tri-State and Straphangers oppose this legislation.