



PCAC

PERMANENT CITIZENS
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PCAC Testimony
Joint Legislative Hearing on Transportation: MTA
Delivered by Lisa Daglian, Executive Director
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Greetings, I am Lisa Daglian, Executive Director of the Permanent Citizens Advisory Committee to the MTA, PCAC. Created by the State legislature, PCAC is the MTA's official rider advocacy organization, representing riders on New York City's subways, buses, and Staten Island Railway and the Long Island Rail Road and Metro-North Railroad. Thank you for holding this hearing today and allowing us to weigh in on funding and legislation for the region's critical transit system.

The last two years have driven home the point that transit is an essential service: we could not have gotten through the pandemic without our subways, buses and commuter trains carrying our essential workers to and fro, allowing us to stay home and stop the spread, while they kept us going. However, the transit system was at the point of financial ruin just a year ago. Without billions of dollars in federal aid thanks to key support from Senator Schumer – and the hard work of all of you, MTA leadership, and our colleagues in advocacy across the nation – we would be looking at a very different budget picture today.

Transit that's Affordable, Reliable and Safe

We'd like to thank Governor Hochul for including \$6.6 billion in operating aid for the MTA in her Executive Budget. This additional funding will keep fares from rising through 2022. Taking it a step further, the MTA is instituting new pilot fare discount programs across the system, including fare capping after 12 trips with OMNY, a 10% discount on monthly commuter tickets, and two that are particularly close to our hearts, a 20-trip ticket at a 20-percent discount on commuter rails, and expanded City Ticket to include all off-peak travel on Metro-North and the LIRR within the city. We are looking forward to the day it goes further and becomes an expanded Freedom Ticket, our proposal for a more affordable all-day ticket with an available weekly purchase option that includes transfers to subways and buses, but until then we're all on board. We're thankful to have the support of many legislators, particularly Senator Comrie, in calling for the full Freedom Ticket proposal.

These pilot programs are designed to help entice riders back onto transit. One of the major takeaways from the pandemic – particularly from the Delta and Omicron surges – was that reliable service is also key to getting and keeping people in the system. Standing on a subway platform for 18 minutes is a surefire way to get riders to look at other choices like Lyft and Uber or Citibike or even buying a car, if that's an option. For too many, however, there are no other options. Similarly, if people have to wait 90 minutes between trains on the LIRR or Metro-North, they are more likely to get in their personal cars than in train cars. We also support automated bus lane and toll enforcement and the Mayor's call for the city to be able to manage its programs. Providing reliable, efficient, and affordable transit will help

attract drivers out of their cars, ultimately reducing CO2 emissions to help combat the impacts of climate change – supporting the state’s goals to reduce statewide greenhouse gas (GHG) emissions by 85-percent from 1990 levels by 2050, as detailed in the Climate Leadership and Community Protection Act (CLCPA).

Now, as our region reopens – really this time – it’s more important than ever that funding and human resources exist to keep the trains and buses running.

It's time to reassess how our essential transit services are funded. We have a backdrop of red ink in 2025 to work from, but the time to start looking at options is now, and we are committed to working with all of you, the MTA and our partners in advocacy at options and opportunities for sustainable and recurring operating revenue. It’s clear that the time has come for new dedicated operating revenue streams. We need a paradigm shift, including “flipping the gas tax” to provide the lion’s share of funds for transit, as opposed to highways and bridges, in the equation. Tripling the gas tax to 24 cents could yield hundreds of million dollars for the MTA and would also benefit upstate transit systems – including with improved AMTRAK service – and roads and bridges. Another option could be to increase the percentage of the gas tax and Petroleum Business Tax that the MTA gets; currently it’s 19 percent and 37 percent respectively. An eighth of a percent increase in the sales tax in the MTA region, dedicated to the MTA – something Bob Foran touted – would also go a long way. We look forward to continuing this important conversation.

All revenue that’s dedicated to the MTA needs to be moved off-budget so that it needn’t go through the regular budgetary process and is available to the MTA as needed.

Another timely option would be allocating a portion of state taxes from recreational marijuana sales and mobile sports betting, both recently legalized and projected to bring in tens of billions of dollars in annual revenue. Marijuana legalization is projected to raise around \$670 million in tax revenue in its first year, while mobile sports betting will likely bring in around \$250 million this year alone. Ensuring that a portion of this tax revenue directly funds transit is a great way to promote equity in a previously criminalized industry that has historically put New Yorkers of color at a disadvantage.

But even as the “hows” and “whens” of commuting continue to evolve as people and businesses figure out their next normal, safety is the number one concern on the minds of all riders. We’ve heard the horrible stories of unsuspecting people pushed to their deaths, we see daily the sad tales of too many people living underground – some of whom spark fear in us and our fellow passengers. No one should live in the subways, and those who may harm themselves or others should absolutely not be left to their own devices. The best way to get riders back on board is to make them feel safe and to keep them safe. What we’ve seen is an unacceptable situation: riders are scared to travel, and that’s going to hinder our region’s recovery. Addressing both the perception and reality are key. It is essential that riders get back onboard to support the future of the MTA so that the MTA can support the region’s economic recovery.

There are myriad problems in the transit system – and in stations and on the streets – so there must be solutions that address them at their root causes. We support funding for additional mental health services that are in the budget and that Mayor Adams requested. There must be a safe place for people to go who are in need of these services, so that they don’t see returning to the transit system as their only option.

We also support the S.O.S. program that was announced, and whatever funding it takes to make it as robust as possible. Twenty outreach teams is a start, but the system is vast – and it doesn't just include the subways. Our commuter rails also face the same issues and need the same commitment to assistance. Similarly, we support additional funding for MTA Police that are dedicated for the railroads – traveling the trains, in key stations along the lines and to be deployed as needed. Combining additional police with outreach specialists to offer services to those in need will also help the most vulnerable, including those who may be a danger to themselves and others.

Not just riders, but transit workers also must feel and be safe in the system that can't run without them, and we strongly support the addition of transit employee titles to the Penal Law to increase MTA employee safety.

Building the System

If transit is our region's circulatory system, keeping it in shape is critical for its longevity. Investing in state-of-good-repair and maintenance, resiliency and sustainability efforts and expansion projects are important not just for today's riders, but for tomorrow's too. We were glad to see ongoing inclusion of the state's \$3 billion for the MTA's Capital Program, and as always request that the MTA be as transparent in how and when it is used, particularly as it upgrades and updates its Capital Program Dashboard and under the Open Data Law requirements. Thank you again for that Senator Comrie!

Building the second phase of the Second Avenue Subway will finally keep the promises made with the teardown of the el all those years ago. Expanding to 125th Street will allow tens of thousands of people to get on a subway, rather than walking blocks and blocks or transferring to a bus and subway, saving precious time. Penn Access will finally allow trains to stop in Co-op City and other Bronx neighborhoods, shortening commutes by up to an hour each way for people going into midtown. That's lifechanging! And the Interborough will bring to life a dream for many of us who seek an additional way to travel between Brooklyn and Queens without going through Manhattan. Now let's see how we can connect it to Penn Access and LaGuardia.

Penn Station is a story unto itself. Janno Lieber himself called it a "hellhole" the other day, and we agree, something must be done and soon. The transit-focused improvements that the Governor outlined should go forward without the distractions of the GPP and expansion. As we testified last year, "Value capture and Tax Increment Financing (TIF) are vital to sustaining the MTA, but not at the expense of an endless fight with the city over the funds. The TIF proposal in the Executive Budget would only apply in New York City and the city's approval would not be required. It would end up starting an unnecessary fight. TIFs are a good way to fund critical capital projects – but the economic value brought by transit should also be shared by all the winners. We're concerned that a protracted brawl with the city will be resolved at the same time the Gateway tunnels are opened for business – and we can't afford to wait that long. The Citizens Budget Commission pointed out that: 'Given that State law already allows the MTA to use TIF, the current proposal is not necessary to promote the use of value capture to raise revenue for the Authority.' We believe that a collaborative effort is a more prudent approach and would be a win for the state, a win for the city, and a win for riders." We know it's an extender, but the fight is already ramping up, and we just can't wait for Penn Station improvements. We ask that the transit improvements move forward, while this larger fight is fought separately.

In any scenario, congestion pricing will be part of the MTA's funding solution. It is critical to ensuring the solvency of the system and funding the improvements that will create jobs and help bring riders back on board, while decreasing congestion and air pollution around the region. We look forward to its implementation — ideally, with few exemptions — and hope that next year we hear an update on how its initial months in place have been going. The MTA and its millions of riders need those critical funds so that we will finally have the 21st century system our 21st century region deserves.

Transparency

While it is improving somewhat in its efforts to be more transparent, the MTA still has a ways to go. We are hopeful that the culture shift in Albany will lead to more open data sharing. To that end, we are thrilled that Senator Comrie's MTA Open Data Act has been enacted and that the MTA is moving to put it in place and must include Capital Program Dashboard improvements; resiliency and Sandy project updates; and day-by-day ridership numbers to be specific to line and time-of-day. We would also like to see the oft discussed but never before seen McKinsey Report, which seems to be used as a baseline for ridership return and financial decision making. It is the basis for so many decisions and discussions but has not been publicly released. In addition, to engender trust with the public, the Traffic Mobility Review Board must abide by the Open Meetings Law as it discusses exemptions for congestion pricing and setting tolling rates. Similarly, the Capital Program Review Board must be called on to meet publicly before the next capital plan is adopted and as required by statute.

The Future

The MTA is the economic engine of the region, and for many of us, it's the only engine we have to get around. It is critical that its funding situation become more stable so that we don't always have to rely on Washington to bail us out. The pandemic was clearly an exceptional situation, but the conversation was otherwise the same. Finding recurring and sustainable sources of operating revenue to maintain service and keep fares as low as possible is essential. Safety and security should be the norm as we return to normal. Prioritizing the capital plan through a lens of resilience and climate change will ensure we can continue to get around, even when the creek does rise. Getting riders back onboard, even as we collectively look to the future, is critical for the future of the MTA, the region, and everyday New Yorkers.