



**Testimony to the NYS Commission on MTA Financing  
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Chairman Ravitch, members of the commission, thank you for the opportunity to testify on this critical issue. As you know, robust public transit is the foundation of New York's economy, the single most important element in developing a sustainable region, and essential to providing opportunity to millions of people across lines of income, race, and neighborhood. You have a difficult task before you – how to provide a sound fiscal future for a system that was neglected for over a decade, in a time of rising energy costs and economic uncertainty – and one upon which millions of us depend. Thank you for your efforts.

We urge that you include the following steps in your report:

**Invest in a robust Bus Rapid Transit (BRT) network for New York City and ultimately the metropolitan region.**

While you must of course focus on financing mechanisms, we believe that one of the most important steps you can take to address the MTA's operating shortfall while improving service for a growing region is to establish bus rapid transit (BRT) as a very high priority for the MTA in the years to come. BRT is extremely cost effective, can be done quickly and deliver benefits incrementally, and is the best way to serve "extreme commuters" (the 750,000 NYC residents, two-thirds of whom earn less than \$35,000 per year, plus many more in the suburbs, with commutes of over 1 hour each way).

We urge you to build upon plans put forth by the NYC Department of Transportation to roll out six select bus routes by 2011, but to work with them to do so more rapidly, to connect and expand the network, and to implement a full network of BRT routes. COMMUTE! (coalition of community-based, environmental justice, and civic organizations) has put forth a plan for such a network, which we are including. More than 5.8 million New York City residents, including 2.1 million workers, live within 1/2 mile of the BRT routes that COMMUTE is proposing. These include 235,000 of the 464,000 New Yorkers who now commute over 60 minutes each way to jobs paying less than \$35,000 per year. All of COMMUTE's proposed routes are combinations of existing MTA/NYCT local, limited or express bus routes. The MTA could build upon this network to serve suburban commuters as well.

BRT is not only more cost-effective and much quicker to implement than rail, but it also begins delivering benefits incrementally as the network is phased in. Rail projects require multi-billion dollar, all-or-nothing commitments and don't deliver any benefit until many years after debt is taken on. Cities around the globe have succeeded in making bus service attractive to commuters across the income scale. We must not allow perceptions of bus service as somehow second-class to blind us to the most fair and feasible solution. BRT may not be as sexy as new as new rail projects, but in many cases it is more responsible.

**Reconsider MTA funding for several of the large-scale projects for which the MTA does not have sufficient resources, and which could either be covered by a strong BRT route, at much less cost, or are primarily real estate projects, with few transit benefits.**

It may be anathema to say so, but we need to take a hard look at several of the projects which have become accepted as part of the canon of anticipated MTA projects. While we believe strongly in new sources of revenue (including a congestion pricing, a commuter tax, and/or a millionaire's surcharge), in a time of gaping budget deficits we must prioritize "fix-it-first" maintenance of the system to maintain a state of good repair, and focus on strategies like BRT that deliver widespread benefits at relatively low costs.

We should consider putting the Second Avenue Subway on hold to implement and evaluate the success of the First/Second Avenue BRT route, which will be running the length of Manhattan by the end of next year, and could be simply connected to a Brooklyn route of the Williamsburg Bridge a year or two later. Let's make this work – with a genuinely separated lane, off-board fare payment, bulbs and stations that make for rapid boarding, signal-light timing, and inter-borough connections – and see how much of the need we can satisfy at a fraction of the cost.

The MTA should also reconsider the level of its investment in Moynihan Station. Is there value in developing an attractive rail hub for commuters, and investing in a real estate project that could galvanize further development of Class A office space on the West Side of Manhattan? Yes. Should the MTA pay for a project that adds no transit capacity with dollars that we desperately need for transit? No. If the city and state want to provide hundreds of millions or billions of dollars in subsidy for this real estate development project, they should step up and do it, and not look to our transit dollars.

**Implement congestion pricing, to provide revenue for public transportation with an appropriate charge on those who choose to drive to the most congested, most well-served-by-transit part of the region, and to reduce traffic.**

The Pratt Center is already on record in support of congestion pricing, so I will not repeat the details here. But it is something that the Commission should seek to revive, despite the political challenges of doing so. Contrary to the claims of opponents, it is not a tax on the middle class. Fewer than 5% of New Yorkers drive to Lower Manhattan as a commuting option, and their average household income is nearly \$100,000, double that of average New Yorkers. While it may not be the easiest transition to make, we must rise the challenge of reducing car usage and investing more in public transit, and this is the best way to combine those goals. There are many ways to address the flaws in earlier proposals, and make the system fair and workable.

**New York State must provide additional revenue for public transit in a fair and progressive way, through either (a) implementing a millionaire's tax surcharge on the wealthiest New Yorkers, or (b) reinstating a commuter tax, with a significant portion of this revenue dedicated to transit.**

Even if we take all of the steps proposed above – reconsidering several major projects, moving to BRT as a cost-effective priority, and implementing congestion pricing – we will not be able fill the fiscal gap that the MTA is facing.

So, we essentially face five choices:

1. Soak the riders – those who use the most sustainable method of mass commuting by choice or necessity, and who are before the least able to pay – with ever-increasing fares.
2. Cripple the system with further debt, until the MTA and perhaps New York State itself go the way of Lehman Brothers.
3. Defer maintenance and allow the system to revert to the state of decay that prevailed in the 1970s.
4. Seek to gut the health care, employment, and retirement security of the men and women who operate the system, and turn our backs both on their service, and on the goal of insuring that working-class people who serve the public can expect even a semblance of a middle-class life.
5. Put in place a progressive tax, through which the wealthiest New Yorkers pay their fair share, and help contribute to a sustainable region of broadly-shared prosperity and opportunity.

This is not a difficult choice. As the Working Families Party and Fiscal Policy Institute have shown, a millionaire's tax surcharge could generate sufficient revenue for New York State without risking our state's economic health. I would prefer this option, together with congestion pricing, over a reinstated commuter tax (since middle-class suburban transit users are already struggling with the fact that the cost of the more sustainable option of public transit costs more than driving). But one way or another, we must provide a dedicated revenue stream for public transportation from those who have the most ability to pay.

It would, of course, be politically attractive to grandstand against any new or higher taxes, blast critical infrastructure and transportation projects as pork, and call for offshore drilling by Big Oil as the cure for what ails us.

We are proud instead to live in a state that understands the critical value, to all New Yorkers, of a state that invests in public transportation as a key to a strong economy, a foundation for broadly-shared prosperity, and a sustainable future. Thank you, and good luck in your work to secure our transit future for the years and decades ahead.