



Legislation Details (With Text)

File #: Res 0834-2003 **Version:** * **Name:** Direct the MTA board to rescind its approval of the recent transit fare increase.
Type: Resolution **Status:** Adopted
In control: Committee on Transportation

On agenda: 4/30/2003

Enactment date: **Enactment #:**

Title: Resolution calling upon the Governor of the State of New York to direct the Metropolitan Transportation Authority board to rescind its approval of the recent transit fare increase.

Sponsors: John C. Liu, Michael C. Nelson, Joseph P. Addabbo, Jr., Tony Avella, Charles Barron, Gale A. Brewer, Yvette D. Clarke, Leroy G. Comrie, Jr., James E. Davis, Lewis A. Fidler, James F. Gennaro, Vincent J. Gentile, Alan J. Gerson, Robert Jackson, Allan W. Jennings, Jr., Melinda R. Katz, G. Oliver Koppell, Margarita Lopez, Miguel Martinez, Michael E. McMahon, Bill Perkins, Christine C. Quinn, Domenic M. Recchia, Jr., Diana Reyna, Joel Rivera, Larry B. Seabrook, Helen Sears, Jose M. Serrano, Kendall Stewart, Albert Vann, David Yassky, David I. Weprin

Indexes:

Attachments: 1. Committee Report, 2. Hearing Transcript, 3. Hearing Transcript - Stated Meeting 5/14

| Date | Ver. | Action By | Action | Result |
|-----------|------|-----------------------------|-----------------------------|--------|
| 4/30/2003 | * | City Council | Introduced by Council | |
| 4/30/2003 | * | City Council | Referred to Comm by Council | |
| 5/1/2003 | * | Committee on Transportation | Hearing Held by Committee | |
| 5/1/2003 | * | Committee on Transportation | Approved by Committee | Pass |
| 5/5/2003 | * | City Council | Laid Over by Council | |
| 5/14/2003 | * | City Council | Approved, by Council | Pass |

Res. No. 834

Resolution calling upon the Governor of the State of New York to direct the Metropolitan Transportation Authority board to rescind its approval of the recent transit fare increase.

By Council Members Liu, Nelson, Addabbo, Avella, Barron, Brewer, Clarke, Comrie, Davis, Fidler, Gennaro, Gentile, Gerson, Jackson, Jennings, Katz, Koppell, Lopez, Martinez, McMahon, Perkins, Quinn, Recchia, Reyna, Rivera, Seabrook, Sears, Serrano, Stewart, Vann, Yassky and Weprin

Whereas, On March 6, 2003, the Metropolitan Transportation Authority (MTA) Board of Directors unanimously approved a fare increase for all New York City subways and buses; and

Whereas, The fifty-cent increase, which brings the fare to two dollars, presents a hardship to many New Yorkers who cannot afford another cost of living increase; and

Whereas, The MTA sponsored a series of ten public forums to discuss the potential fare increase throughout New York City's five boroughs and surrounding counties in January and February of 2003; and

Whereas, The public response at these forums was resoundingly opposed to any fare increase; and

Whereas, In creating formulas to raise revenues to close a reported \$2.8 billion budget gap in early 2003, the MTA never presented any options that excluded a fare increase and declined to seriously consider alternatives proposed by others; and

Whereas, Despite voting to increase the fare and disclosing that its budget deficit is actually less than \$1 billion, the MTA is insisting on closing 62 token booths and laying off hundreds of workers this year; and

Whereas, the Comptrollers of New York State and City announced the results of their audits of MTA and New York City Transit (NYCT) on April 23, 2003; and

Whereas, New York State Comptroller Alan Hevesi's audit found that the MTA's internal documents "revealed previously undisclosed transactions that moved resources off budget and from one year to another" wherein an undisclosed surplus of \$512.5 million was split and used to fill budget deficits in 2003 and 2004

Whereas, These transactions had the effect of grossly reducing the projected size of the 2002 surplus to a mere 24.6 million in 2002; and

Whereas, According to the Hevesi audit of such undisclosed surplus, "\$248 million was transferred to 2003 and \$264 million was transferred to 2004," thereby creating the appearance of a larger deficit and allowing the MTA to make the unjustified argument to the public that a fare increase was immediately necessary; and

Whereas, New York City Comptroller William C. Thompson, Jr.'s audit states that the MTA "may not have included \$300 million in budget documents" that were presented to the public and the MTA Board before the fare hike vote; and

Whereas, Comptroller Thompson's audit further states that NYCT "overstated more than \$850 million in operating expenses in Fiscal Year 2001" and failed to disclose "critical" information in its budget presentation, thereby leading elected officials and the riding public to believe that a fare increase was immediately necessary; and

Whereas, Government officials and the riding public alike have called the MTA's lack of transparency with regard to its fiscal situation "outrageous," and have joined the public in calling for a delay or repeal of the looming fare increase; now, therefore, be it

Resolved, That the New York City Council calls upon the Governor of the State of New York to direct the Metropolitan Transportation Authority board to rescind its approval of the recent transit fare increase.

APB
LS# 2350