

Testimony of

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Mr. Chairman. Members of the Committee. My name is John Samuelsen. I am President of the Transport Workers Union of Greater New York, Local 100. We represent 38,000 men and women who operate the New York City bus and subway system; line service and express bus service from Westchester County; New York Waterways, and at numerous school bus companies in Yonkers and Westchester County. Our members are the Train and Bus Operators, Conductors, Station Agents; Track, Signal and Power Maintainers; Bus and Car Equipment Maintainers; Station, Bus and Car Cleaners and many other job titles. I myself have been an employee of New York City Transit since 1993 as a Track Inspector.

Collectively, we are responsible for the safe transit of more than five million New Yorkers on a daily basis. It is an awesome responsibility that my members take very seriously. To us, it is not just a job, but also a deep sense of duty to the MTA and New York's working families.

I very much appreciate the opportunity to present the views of my organization on today's topic – the Governor's budget for transportation, as it relates to NYC Transit.

We in TWU recognize that the financial stability and health of the Metropolitan Transportation Authority is of the utmost importance to the City, State and region. Our public transportation system is a crucial factor, which affords New York its position as the center of world commerce, finance and innovation. Mass transit is an essential public service that makes up the invaluable and irreplaceable core of the region's economic engine. If properly funded, it will form the bridge to the region's economic recovery and growth.

We realize that the MTA's funding streams, which supplement its very substantial fare box revenues, are economically sensitive. Underperforming tax receipts and fees, as a result of Wall Street's greed-driven meltdown, have put financial pressures on the MTA. Unfortunately, this problem, along with the slow recovery of the economy, isn't the only factor squeezing the MTA's budget.

On the capital side, we note that from the disaster of the disinvestment of the 1970's, the MTA reemerged with funding commitments for both operations and capital needs. Governor Hugh Carey acted quickly to rescue public transit from the brink of collapse. In addition to providing adequate operations funding through a "fair fare concept" he instituted the first five-year capital budget, with dedicated funding coming from state and city coffers.

However, this commitment didn't last. During the boom years of the 1990's, Governor Pataki and Mayor Giuliani enacted a political agenda, which trumped the long-term needs of all citizens in the MTA region for a quick bump in the polls. A sharp decline in government support forced the MTA to engage in large-

scale borrowing in order to deal with its state of good repair needs.

After a brief reprieve was granted in 2000 from the crushing debt burden through an ill-advised back-loaded restructuring of the MTA's debt, the bill has again come due. Debt service has been growing faster than any other expense and is squeezing the operations budget of the MTA.

Beyond the current and projected debt load, more bad news awaits that will impact jobs and service in the near future. The current five-year Capital Plan has a funding gap of almost \$10 billion. With a pattern of state funding cuts to transit emerging, the prospect of additional aid to support investments to maintain the infrastructure of the MTA in a state of good repair is unlikely. The Office of the State Comptroller estimates that if bonds are issued to cover the funding gap, debt service would balloon from \$1.5 billion in 2009 to \$3.5 billion in 2020.

Public transportation cannot afford additional burdens.

Yet, last year the State of New York has "stolen" statutorily obligated monies from the MTA and redirected them to the general fund. Governor Paterson's budget stripped public transportation of \$160 million in lost revenue from their dedicated tax receipts.

Governor Cuomo in his Fiscal Year 2011-12 Executive Budget piles on by proposing yet another raid of \$100 million in dedicated transit funds.

The Chairman of the MTA, Jay Walder, an appointee of the Governor of New York, dutifully told the press that these cuts would not result in additional service cuts this year.

Such a statement is lunacy, madness; and deceitful. As a result of last year's

theft of \$160 million, riders were hit with the largest service cuts in New York City history. Nearly 1,000 transit workers were put on the unemployment lines.

No matter what the MTA says, the loss of \$100 million more *will result* in diminishment of crucial transit functions, which will eventually lead to wide-spread service reductions, more dangerous stations and platforms, and a needless decrease in quality-of-life throughout the transit system.

We in Local 100 believe that the MTA will extract this lost revenue from areas like cleaning; bus, subway and track maintenance; and possibly even more subway booth closings.

These cutbacks mean dirtier trains, buses and stations; more frequent breakdowns of the rolling stock; derailments; and increased petty and serious crime in the subways.

A recent report published by the Center for an Urban Future, entitled "Behind the Curb," adds a new wrinkle to the transit debate. It states that declining bus service in the outer boroughs is having a harmful effect on economic development in otherwise growing job centers in places like Flushing and East Flatbush. The report notes that the number of commuters who travel to work within their own boroughs, other than Manhattan, or to neighboring boroughs or counties has been growing much faster than the number of commuters who make the more traditional trip into Manhattan. For example, in the Bronx, the number of commuters traveling to Queens and Westchester County grew by 38 percent between 1990 and 2008, whereas the number going to Manhattan increased by just 13 percent in the same time period. Similarly lopsided numbers

hold for Brooklyn, Queens and Staten Island, according to the report.

We in TWU believe that immediate steps must be taken place to insure proper service, and economic opportunities for New York's working families:

The Legislature MUST create a public transportation funding "lock box." A lock-box is essential to insure that taxes and fees collected for the express purpose of underwriting public transportation be used solely for that purpose. Last year's theft, and this year's proposed robbery must not be allowed to continue.

In addition, the Legislature must not allow the so-called "millionaire's tax" to sunset, as is currently proposed. With the State's current funding crisis, such a blatant giveaway to New York's wealthiest is outrageous.

New funding mechanisms are also needed to guarantee the viability of public transportation. Numerous concepts have been debated in the past. This debate must be renewed.

In closing I would like to say that today, I am accompanied by only a few colleagues to promote our position.

On March 29, 2011, we will be back in Albany for a mass Lobby Day with thousands of transit workers from my union, and other unions of the MTA. Like-minded allies from our community partners and rider advocacy groups will also join us.

I hope we can count on your help and support for our agenda.

Thank you.