**PCAC Testifies to the State Legislature on the MTA Budget Gap and Proposals**

**Testimony Before Joint Legislative Budget Hearing for Transportation Calls on Legislators and Governor to Fund Transit Like the Essential Service it is**

PCAC Executive Director Lisa Daglian testified at the Joint Legislative Budget Hearing on the FY2023-2024 Executive Budget in support of proposals to fund and improve the MTA for its millions of riders. The hearing comes in response to the Governor’s proposed Executive Budget, which would dedicate more funding to the MTA to fill ongoing budget gaps in the face of a looming fiscal crisis. [The full testimony is available here](https://pcac.org/testimony-before-joint-legislative-budget-hearing-on-the-fy2023-2024-executive-budget/).

PCAC called on state leaders to solve the MTA’s deficit that, if not addressed, will lead to devastating cuts in bus, subway, and rail service and/or crippling fare increases – any of which would significantly hinder the return of riders to transit and have far-reaching negative consequences for the regional economy, and for riders themselves. PCAC’s testimony argued that transit should be funded like the essential service it is: the backbone of our city, state, and region.

Noting enthusiastically that the Governor’s proposed Executive Budget is a great start, PCAC argued that the $300 million direct payment to the MTA should be carried over annually, off budget, and adjusted for inflation. Using future casino revenue will be a win for riders— transit will be the best way to get there, so using profits to support subways, buses and commuter trains is a sure bet. A slight increase in the Payroll Mobility Tax would be a small price to pay to ensure riders have a strong and stable system to get to jobs that support the region’s economy. Having New York City contribute $500 million a year for paratransit and student MetroCard programs is also important to ensuring financial stability for transit.

Additional funding sources should also be considered in light of potential political landmines that come with some of the Governor’s proposed options. Some possibilities that would raise funds for the MTA include:

* + Progressive income tax increases for high income earners – $12-18 billion
	+ Progressive tax on inheritances over $250,000 – $8 billion
	+ Sales Tax increase in NYC to MTA to 0.75%  – $1 billion
	+ Increasing sales tax for alcohol sales in NYC by 3% – $150 million
	+ Tax of $.01 per ounce of sweetened beverage – $288 million

PCAC also testified in support of proposed bills that would help improve the speed, efficiency, and safety of transit for riders, including investing in Automated Bus Lane Enforcement (ABLE); strengthen enforcement of bridges and tunnels tolls; strengthen laws to protect transit workers; and invest in mental health, housing, and gun safety.

As part of larger efforts to improve and fund the MTA for its millions of riders, PCAC showed support for several key legislative priorities of the Fix the MTA package, including giving a voting seat on the MTA Board to the existing representatives from the New York City Transit Riders Council (NYCTRC), Long Island Rail Road Commuter Council (LIRRCC), and Metro-North Railroad Commuter Council (MNRCC). PCAC also testified in support of bills to remit the Internet Marketplace Sales Tax directly to the MTA, which is expected to deliver $329 million in 2023; improve transparency by improving the MTA’s Capital Program reporting; and speed up the MTA’s construction process through streamlining utility relocations.

As representatives for millions of riders on the MTA’s subways, buses, Metro-North, and LIRR, PCAC enthusiastically called on state leaders to fill the MTA’s looming budget gap. A stronger, more reliable, and more transparent MTA will help bring riders closer to the 21st century transit system we deserve.