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PCAC Testifies to the State Senate on the Need to Fund Transit as Budget Negotiations Advance

Testimony Before Joint – Senate Standing Committees on Transportation & Corporations, Authorities and Commissions Hearing on the MTA Budget, Ridership, and Penn Station Revitalization Calls on Legislators and Governor to Fund Transit Like the Essential Service it is

PCAC Executive Director Lisa Daglian testified at the Joint – Senate Standing Committees on Transportation & Corporations, Authorities and Commissions Hearing on the MTA Budget, Ridership, and Penn Station Revitalization to call on legislators to fund and improve the MTA for its millions of riders. The hearing comes as negotiations advance ahead of the upcoming One-House Budget 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.

PCAC called on state leaders to work together and with the Governor to fully fund transit in this year's budget. Without adequate funding to solve the MTA's deficit, riders will bear the impacts of devastating cuts in bus, subway, and rail service, 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. Weeks after similar remarks at the Joint Legislative Budget Hearing on the FY2023-2024 Executive Budget, PCAC's testimony maintains that transit should be funded like the essential service it is: the backbone of our city, state, and region.

PCAC testified in support of the funding proposals that Governor Hochul put forth in her Executive Budget as a great starting point for budget negotiations. This includes the \$300 million direct payment to the MTA— an important lifeline for transit— that PCAC argued should be made annual, baselined, moved off-budget, and adjusted for inflation. Even better would be to double the initial investment in transit to \$600 million— particularly this year, with the state's funding surplus.

The testimony also voiced support for the Governor's proposed increase in the Payroll Mobility Tax (PMT), which would impact just the top 5-percent of large businesses, as a small price to pay for ensuring a strong and stable transit system that will get riders to the jobs that support the region's economy.

PCAC shared news of its <u>new operations funding tool</u> that allows legislators and stakeholders to add up, weigh, and consider different combinations of revenue streams. Including and beyond the Governor's proposals, PCAC argued that there are additional revenue alternatives that are worth including in the conversation. There are dozens of options and billions of potential dollars that could be used to support transit and its millions of daily riders.

At the hearing, which also focused on the Penn Station Revitalization Plan, PCAC argued that the key issue must be the millions of New Yorkers who rely on Penn Station, and that riders must be the prime consideration. Redesigning Penn Station, with or without Madison Square Garden atop it, is fundamental to the city's economy, culture and global stature, and the long-term vision should be guided by a mandate to solve regional problems.

PCAC's testimony centered around the fact that as we work to rebuild and recover from the pandemic, funding transit in the state's FY2024 budget and beyond to address the MTA's structural deficits, prioritizing the needs of transit riders, and investing in the infrastructure that makes it all possible is key. Public transit is essential to the success and vitality of New York City, connecting millions of New Yorkers to their jobs, schools, and communities. It's now up to our state leaders to invest in the MTA.