



THE CITY OF NEW YORK
OFFICE OF THE MAYOR
NEW YORK, NY 10007

April 28, 2009

The Honorable David Paterson
Governor of the State of New York
Executive Chamber
Albany, NY 12224

The Honorable Sheldon Silver
Speaker
New York State Assembly
Albany, NY 12248

The Honorable Malcolm Smith
Majority Leader
New York State Senate
Albany, NY 12247

The Honorable Brian Kolb
Minority Leader
New York State Assembly
Albany, NY 12248

The Honorable Dean Skelos
Minority Leader
New York State Senate
Albany, NY 12247

Dear Governor Paterson, Senate Majority Leader Smith, Assembly Speaker Silver, Senate Minority Leader Skelos, and Assembly Minority Leader Kolb:

The future of the metropolitan region's mass transit network – which powers so much of New York State's economy – lies in your collective hands. And time is rapidly running out to prevent what would be a catastrophic mistake: failing to address the Metropolitan Transportation Authority's fiscal crisis.

An extraordinary civic coalition of labor unions, business leaders, straphangers, and environmental leaders, both liberal and conservative, have come together to support a comprehensive, long-term solution. We understand how vitally important the MTA is to the region's economic health, and we urge you to reach across the aisle – and rise above the forces of gridlock – to save the State from certain decline.

As you know, the MTA has been relying far too much on debt financing and volatile real estate tax revenues to fund the region's network of buses and subways. Now, it faces a more than \$1.8 billion deficit in its operating budget, and a multi-billion dollar deficit in its capital budget. If no rescue plan is adopted, the consequences would be devastating.

- The MTA would eliminate some bus and subway routes across the city, stranding many commuters, and hike fares by at least 23 percent. Working class New Yorkers, who are the majority of people who use the system, cannot afford that hard and steep

of an increase, particularly in the midst of a national recession. Making it significantly more difficult and more expensive for people to get to work would be a big step in the wrong direction.

- Upstate jobs would be destroyed, because the MTA would not be able to purchase the trains, buses, and other infrastructure that these New Yorkers build. Upstate New Yorkers have already experienced an exodus of manufacturing jobs. Losing these jobs would be a severe blow to many working families.
- There would be more overcrowded, less frequent, and less reliable train service for suburban and urban commuters, who already have some of the longest commutes in the nation. This will impact commuters' quality-of-life in a very negative way, and likely force more commuters into cars – further increasing congestion, worsening air quality, and enlarging our carbon footprint.
- Within just a few months, the MTA would be forced to embark on another round of fare hikes and service cuts, further hurting the system and further infuriating New Yorkers.
- Most importantly, inaction by Albany would make the entire metropolitan region a less attractive place to invest and start businesses. That would mean fewer jobs, lower property values, and a darker future.

In the 1970s, the State allowed the MTA to deteriorate badly. Trains broke down every 6,600 miles (compared to every 140,000 miles today), the system was on the verge of collapse, and the damage to the regional economy was enormous: middle class flight, loss of half our corporate headquarters, and massive disinvestment from working class communities.

We cannot afford to repeat that history, but nor can we afford a stop-gap measure that, once again, kicks the problem down the road – and shifts the costs onto future generations. A stop-gap measure will only make the problem that much harder to solve a few months from now, when the MTA will be right back in the same position, facing more fare increases and more service cuts.

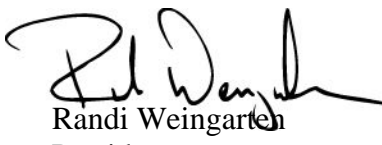
The only way to save New York State from serious economic harm is to create a stable long-term revenue stream that can fund the MTA's capital budget and wean the MTA off its over-reliance on debt financing, which helped create the current crisis. This will require everyone who benefits from the system – everyone – to be part of the solution. That means subway, bus, and commuter rail passengers, drivers, and employers. There can be no free riders.

Tough choices must be made in Albany, and we appreciate the hard work you have been doing to move towards a consensus. No plan will be perfect, but the cost of failing to act on a plan that is fair and far-reaching would be disastrous to the city, the suburbs, and the entire state. As the leaders of New York State's government, you have a golden opportunity to show that the State can deliver results when New Yorkers need it most. We urge you to rise to the occasion – and keep the state's economy from going off the rails.

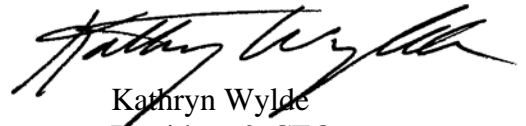
Sincerely,



Michael Bloomberg
Mayor
City of New York



Randi Weingarten
President
United Federation of Teachers



Kathryn Wylde
President & CEO
Partnership for NYC