

June 27, 2017

Hon. Andrew M. Cuomo
Governor of New York State
State Capitol Building
Albany, NY 12224

Hon. John J. Flanagan
Temporary President and Majority Leader
Room 330, State Capitol Building
Albany, NY 12247

Hon. Carl Heastie
Speaker
New York State Assembly
LOB 932
Albany, NY 12248

Hon. Joseph Lhota
Chairman
Metropolitan Transportation Authority
2 Broadway
New York, NY 10004

Dear Governor Cuomo, Majority Leader Flanagan, Speaker Heastie and Chairman Lhota:

The deteriorating condition of the Metropolitan Transportation Authority's physical plant is known and continuing. MTA leadership and state elected officials have expressed concern and promised an effective response, even as public anger rises.

The problems, as we understand them, are operational as well as financial. With this letter, we are suggesting action well within your practical abilities to help swiftly address the financial needs of the system, even as the more time-consuming engineering and construction challenges are worked out.

In the past, we have urged that cash received from settlement of various enforcement actions by the state Department Financial Services be used to help meet the capital needs of both the MTA and the transportation network in the rest of New York. Based on publicly available information, it appears that at least \$5 billion of the \$10 billion in settlement funds received since 2014 have not yet been spent. We suggest that you consider reprogramming and appropriating at least \$4 billion of this money for an "Emergency Repair and Maintenance Program," divided between needed New York City transit upgrades and highway and bridge capital needs in the rest of the state. It is essential that such a program be focused on bringing these systems to a "State of Good Repair."

An emergency appropriation consistent with this recommendation could be submitted and enacted as soon as tomorrow's special session. At the same time, the MTA Board should consider a Capital Plan amendment consistent with the transit share of the proposed funding stream. In addition, the state Department of Transportation can be directed to recommend priority bridge and highway construction projects in the rest of the state for expedited review and approval by the Legislature at the earliest opportunity.

However desirable system improvements may be—and this administration has made notable efforts to move such projects ahead—it is now obvious that fundamental maintenance and replacement activities have been short of what is required to ensure that the New York City subway system can reliably serve a growing ridership. We are aware that solving the financial shortfalls in bringing the system to a state of good repair leaves complicated and time consuming practical problems best left to the MTA professional staff to address. It would be a pleasant surprise if such additional funding would have a practical impact on service in the short run. In any event, the state should address those problems immediately before us and plan to expedite the improvements that the system needs and riders demand.

If it would be useful, we are available for further discussion of this proposal.

Sincerely,

Handwritten signature of Richard Brodsky in black ink, with the initials "mw" written in small letters at the end of the signature.

Richard Brodsky
Former Assembly Member

Handwritten signature of E.J. McMahon in black ink, written in a cursive style.

E.J. McMahon
Research Director, Empire Center

cc: MTA Board Members
Andrew Albert
Norman E. Brown
Ira Greenberg
David R. Jones
Susan G. Metzger
Charles G. Moerdler
John J. Molloy
Mitchell H. Pally
John Samuelsen
Andrew Saul
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Vincent Tessitore, Jr.
Polly Trottenberg
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Peter Ward
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