



NEW YORK STATE SENATOR

Andrew J. Lanza

Statement From Senator Andrew J. Lanza on Mta Debt Downgrade

ANDREW J LANZA September 14, 2011

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Recent news that Fitch Ratings, one of the world's leading credit agencies, downgraded the MTA's debt rating from an A+ to an A is another blow for the cash-strapped agency and the people it serves. Fitch cited increasing operating costs, concerns about financial projections and skyrocketing pensions for its rating action. The MTA will now pay more for its debt, worsening its budget woes and leaving less money for rider services. It will now cost more for the MTA to operate, and this will hit New Yorkers where it hurts—fare hikes and service cuts.

It is clear that Fitch Ratings is not comfortable with the financials of the MTA. I share that concern which is why I

authored and passed legislation in the Senate, bill S.4637, which requires a forensic audit of the Authority.

The MTA

consistently deals with a deficit of its own creation and consistently comes to the taxpayers of this state with their hands

out. They create mess after mess and then pass the buck onto taxpayers by hiking fares and cutting services. Taxpayers

deserve to know how their money is being spent. The MTA is one of the most costly authorities in the nation and it is

wrong to ask the people and employers of New York State to spend one more dime funding this authority until a

complete accounting of their finances is made public. Staten Islanders pay a lot of money to fund the MTA; we need to

make sure that those funds are being used effectively. After being hit with numerous fare hikes and a burdensome

payroll tax, Staten Islanders want to know how the MTA is spending their money. An independent audit of the MTA's

finances would allow the public to see how their money is being spent, while enabling state government to pinpoint the waste and inefficiency that has allowed the agency's spending to spiral out of control.

Fitch's decision to downgrade the MTA's debt rating should be a clear signal to move forward with my legislation. I urge the Assembly to take a fresh look at the bill and pass it immediately so that it can be sent to the Governor for his approval.