



NEW YORK STATE SENATOR
Susan Serino

SERINO: MTA GIMMICK GOES TOO FAR

SUSAN SERINO December 23, 2019

| ISSUE: **MTA (METROPOLITAN TRANSPORTATION AUTHORITY), MTA FORENSIC AUDIT, MTA FUNDING**

ALBANY, NY—Following the release of a flimsy report by the MTA claiming to be its independent audit, Senator Sue Serino today is calling on the MTA to go back to the drawing board and undergo a full, comprehensive, independent forensic audit—as required by state law—before the 2020 State Budget is voted on.

Senator Serino said, “The New York Daily News got it right: this is nothing more than a ‘fake audit.’

Shame on the MTA for wasting almost \$1 million on this flimsy report and ignoring their responsibility to taxpayers and riders. With a major fiscal crisis looming before the state, now more than ever, New Yorkers deserve answers as to how their hard-earned money is being spent. The MTA and lawmakers have a duty to ensure that those answers are forthcoming before they vote on a budget that provides the MTA with any funding, which is why I am calling on the MTA to follow the letter of the law and undergo a full, comprehensive, independent, forensic audit before the final 2020 State Budget is voted on.”

Back in March, Senator Serino **released a statement** urging New Yorkers to pay close attention to the MTA's finances after the legislature approved a state budget that included a new commuter tax, a requirement for a reorganization plan and a forensic audit. While Serino has been calling for an independent forensic audit of the MTA since she took office, she was skeptical that the budget required an audit to be completed after the reorganization plan was to be developed.

Under the ‘MTA Reform and Traffic Mobility Act’ included in the Senate Revenue bill passed in March, (S. 1509C), the MTA was required to complete a reorganization plan by June 30, 2019, but the independent forensic audit was not scheduled to be completed until January 1, 2020. Importantly, the Act also authorized the MTA to implement a commuter tax less than a year later on December 31, 2020, regardless of the findings of the audit.

At the time, Serino warned that the plan could be nothing more than a gimmick developed to silence naysayers and justify wasteful spending by the struggling authority. These concerns seem to be well founded, as the weak 'audit' only commented on the MTA's planning process, and did not take a deep dive into its financials as was mandated by the new law.

The release of the audit comes on the heels of announcements by the MTA aimed at taking even more money from cash-strapped New Yorkers to fund it. Last month for example, the MTA began considering a proposal to increase parking fees at over twenty Metro North train stations, a move Serino vehemently opposes.

Serino continued, reiterating the points she made earlier this year saying, "Since the job-killing MTA payroll tax was put into place in 2009, the entire \$1.5 billion that the tax brings in has been consumed by growing operating costs. An in-depth analysis shows that the MTA construction costs are about seven times higher than the global average. Enough is enough. We have to take a hard look at the way the MTA spends New Yorkers' money if we want to create a public transportation system worthy of the 21st Century. Using gimmicks to fake fiscal responsibility, and nickel and diming hard-working New Yorkers to cover wasteful spending are absolutely not the answers."