



NEW YORK STATE SENATOR

Andrew J. Lanza

SENATOR ANDREW LANZA & SENATE REPUBLICANS TO COMPTROLLER: AUDIT THE MTA

ANDREW J. LANZA March 10, 2023



ALBANY, N.Y. – Today, members of the New York State Senate Republican Conference announced they sent a **letter** to the Office of NYS Comptroller Thomas DiNapoli requesting a forensic audit of the MTA to identify what wrongful actions led to the corporation’s fiscal crisis and determine what steps can be implemented to close its \$600 million annual budget shortfall without turning to the taxpayers as a last resort.

The **letter** follows weeks of havoc engulfing the MTA. Commuters have become increasingly frustrated with scheduling problems, frenzied transfers, packed trains and increased fares.

“It’s one cash grab scheme after another with the MTA. Congestion pricing tax. Payroll tax. Gasoline tax. Cellphone tax. Mortgage recording tax. And all taxpayers get in return is a dirty, mismanaged and crime ridden subway system coupled with inadequate transportation options. Senate Republicans have passed my legislation to mandate an audit of the MTA time and again in past years. A forensic audit is needed now more than ever,” said Deputy Senate Republican Leader Andrew Lanza.

“It is vitally important to ensure that there is complete transparency and openness pertaining to this issue. Whether it is the MTA Payroll Tax or congestion pricing, enough is enough. The MTA needs to exhibit some fiscal responsibility and get its own financial house in order before asking for the taxpayers of our state to bail them out,” the Senators wrote.

Last year, it is estimated that the MTA lost over a half billion dollars as a result of riders not paying their fares, a loss that could have been avoided with efforts to install head to foot turnstiles. Exploring any and all alternatives to a tax or fare increase should take priority in addressing this issue.

“We look forward to your prompt attention to our request for a forensic audit of the MTA so we can ensure they are following best practices and prudent financial management. Please provide a timeframe for the completion of this audit so a thorough review of all options can be explored,” the Senators concluded in the letter.

“There is frustration all around with the MTA, from a lack of fare enforcement, to overcrowded cars, to schedule changes that cause chaos and confusion for commuters. New Yorkers should not have to pay for the fiscal mismanagement of the MTA. If this issue remains unaddressed, it will result in a year after year snowball effect and continuous tax and fee increases dropped on commuters and taxpayers. Instead, the cause of this enormous budget shortfall should be dissected piece by piece to ensure transparency, openness, and proper solutions to fix the problem once and for all,” said Senate Republican Leader Rob Ort.

“It’s one cash grab scheme after another with the MTA. Congestion pricing tax. Payroll tax. Gasoline tax. Cellphone tax. Mortgage recording tax. And all taxpayers get in return is a dirty, mismanaged and crime ridden subway system coupled with inadequate transportation options. Senate Republicans have passed my legislation to mandate an audit of the MTA time and again in past years. A forensic audit is needed now more than ever,” said Deputy Senate Republican

Leader Andrew Lanza.

“Whether it is the MTA Payroll Tax or congestion pricing, enough is enough. The MTA needs to exhibit some fiscal responsibility and get its own financial house in order before asking for the taxpayers of our state to bail them out. At this point, turning to the taxpayers should be a last resort, not a first option,” said Senator Dean Murray, 3rd District.

“When it comes to the Metropolitan Transportation Authority’s financial position, the people of Long Island deserve clarity and transparency. At a time when the MTA is cutting services, and trying to raise taxes, New Yorkers should know exactly how their funding is being spent. An independent audit by Comptroller DiNapoli would shed much needed light on the MTA’s financial practices,” said Senator Jack Martins SD 7th.

“The MTA has a long and sordid history of financial instability that has required the people of New York State to bail them out more than once. In addition, despite receiving the MTA payroll tax - which directly burdens the business of the 9th District and Nassau at large - they simply can’t figure out how to operate solvently. Their financial mismanagement, coupled with disastrous service changes that have inconvenienced commuters across Long Island, necessitates the request we make today: there must be a full audit of the MTA so that we can understand why they continue to fail our residents and push them to do better,” said Senator Canzoneri-Fitzpatrick, SD 9th.

“At a time when the MTA is requesting more state funding and advocating for increased fares and taxes, it is important that our residents have a clear and independent examination of the authority’s books. While I am appreciative of the MTA’s willingness to discuss issues with my office, an audit by Comptroller DiNapoli will provide all of our taxpayers and commuters with a transparent view of their finances so they know their money is being safeguarded. That way we can proceed forward with a clear understanding of their reality and work together to solve the problems New York travelers face,” said Senator Mario R. Mattera, a member of the Senate Standing Committee on Transportation.

“The MTA continues to neglect its transportation responsibilities on Long Island, while at the same time, requesting new and higher taxes be placed on Long Island taxpayers, motorists and businesses. Our conference believes this failure is a direct result of gross mismanagement at the authority. To improve mass transit for Long Island residents, we urge the State Comptroller to conduct a forensic audit as a first and needed step in turning the MTA around,” said Senator Anthony Palumbo, SD 1st.

“Time and again Long Islanders are being told by this Governor that we have to bail out an MTA

notorious for service cuts, safety concerns, scheduling issues and fiscal mismanagement. We deserve better. The MTA has lost public trust and they must be held accountable. The forensic audit we are demanding will help uncover the waste and abuse that plagues this agency and continues to rob commuters of the competent, efficient and safe transportation they deserve. Why don't we stop the Hochul payroll taxes, congestion pricing or whatever the next gimmick will be and actually clean up the MTA? My constituents have had enough, we need a forensic audit now," said Senator Steven Rhoads, SD 5th.

"It is time for a forensic audit of the MTA. Before we burden the commuters and taxpayers further, we must take a close look at reforming an authority that is plagued with inefficiencies, fraud, and mismanagement. This is the reason we are calling for an extensive audit of the entire system. The answer cannot just be increasing taxes, rider fares and the cost of tolls. Congestion pricing, another hefty lift for the MTA, another tax for New Yorkers - at what point have we paid enough?" stated Senator Alexis Weik, SD 8th.

"The MTA's so-called 'fiscal cliff' cannot and should not become the responsibility of taxpayers and commuters. The authority is infamous for its poor fiscal management, bloated payroll, over-budget capital projects and lack of transparency. Because the MTA's operations are so crucial to the city and its economy, we need to know why it is continually hemorrhaging money so that appropriate solutions can be implemented. Simply throwing more taxpayer funds into the MTA's fiscal abyss isn't the answer," said Senator George Borrello, SD 57th.

"This is about transparency and accountability. When taxpayers invest in something, it should work well and it should be cost-effective. Right now, the MTA is failing on both fronts. A forensic audit will detail exactly what's going wrong and will provide us with a roadmap to turn things around. Other metro areas around the world have reliable, efficient public transit. New Yorkers deserve it, too," said Senator Jake Ashby, SD 43rd.

"Concerns over management of the MTA have persisted for years. It is time for a complete audit of the agency in order to identify problem areas and how best to fix them. Residents who rely on the MTA, and all New Yorkers, deserve nothing less," said Senator Patrick M. Gallivan, SD 60th.

"I am concerned that the taxpayers of New York could be responsible for bailing out the MTA because of budgetary issues and poor fiscal management and planning. While I understand that fixing the MTA and addressing New York City's transportation issues are important, we must ensure that there is parity in the investments between upstate and downstate for transportation and

other public infrastructure. Upstate communities need reliable, resilient and modern infrastructure to help them to grow and develop their economies,” said Senator Joseph Griffo, SD 53rd.

“Transparency - that word is vocalized incessantly in Albany, yet follow through on the concept is half hearted at best. People deserve answers when millions of dollars are being lost by any state agency or authority and it is time for the MTA to come under the microscope. I join with my Senate Republican colleagues in calling for a complete and full forensic audit by the comptroller to get the MTA on track,” said Senator Peter Oberacker, Senate Transportation Committee Ranking Member.

"The MTA is proposing another tax hike without providing much-needed services to suburban commuters in places like Orange County. This is unacceptable. I'm joining my colleagues to call for a comprehensive audit of MTA finances so taxpayers and riders understand exactly how the transit provider spends its revenues. You cannot manage what you can't measure," said Senator Rob Rolison, SD 39th.

"Rockland County needs to cease being an ATM for the MTA! My constituents do not have a one-seat ride to the city and are paying excessively into a money pit that refuses to serve them properly. Instead of throwing money at the problem, the MTA needs a top-to-bottom audit by the State Comptroller's office to determine where taxpayer dollars are going," said Senator Bill Weber, SD 38th.

“The MTA has been negligent with New Yorkers' money for far too long. It's time for the Governor to clean the rats out of the subway and send the money upstate to fix our roads and bridges instead,” said Senator Mark Walczyk, SD 49th.

A copy of the letter is attached.