

**NYPIRG Straphangers Campaign**  
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**STATEMENT ON MTA 2012 MTA BUDGET  
BY STRAPHANGERS CAMPAIGN  
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Today, the MTA is issuing its preliminary budget for the year 2012. The public will have until December to review and try to influence the agency's budget priorities and actions. The MTA is also issuing a plan for financing the last three years of its vital five-year capital rebuilding program.

We view today as the start of a conversation on the future of metropolitan transit.

We have yet to see your operating budget, so I will limit my comments to the capital program proposals.

I'd like to begin by praising the MTA for pledging another \$2 billion in savings in the capital plan with the promise of not deferring any of the projects in the plan.

But the Straphangers Campaign has the following questions about your capital plan proposals:

- What does borrowing nearly \$8 billion for the capital program – backed by operating funds – mean for the long-term fiscal health of the MTA?
- Will a fare hike every two years be locked in by this \$8 billion borrowing?
- What will the financial burden be on riders? Right now, the “fare box burden” is a whopping 64% for MTA New York City Transit, by far the highest burden in the nation. What would it be under your proposal?
- How much will borrowing \$8 billion cost the MTA, including the large fees for financial advisors, bond counsel and insurers?
- Why are the State of New York and City of New York slated to give so little to the last three years of your five year capital plan? Your plan puts the State down for \$770 million and the City \$550 million. Shouldn't there be more State and City aid to reduce the burden on riders.

Again, we look forward to discussing and debating these issues in the months to come.