



# PCAC

PERMANENT CITIZENS  
ADVISORY COMMITTEE TO THE MTA

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**Remarks of PCAC Executive Director William Henderson  
on Funding MTA Operating and Capital Expenses  
Before the MTA Board Finance Committee  
MTA Headquarters, 2 Broadway, New York, NY**

**December 13, 2017**

I'm Bill Henderson, Executive Director of the Permanent Citizens Advisory Committee to the MTA. For many years we have advocated for MTA funding sources that are stable, reliable, and able to grow to meet the system's needs over time. We appreciate the efforts of the MTA Board and senior staff to craft this proposed 2018 budget and four-year financial plan. While there is a great deal of uncertainty in this budget, it appears to be self-sustaining within the accepted meaning of that term. We have serious concerns, however, about the long term sustainability of the MTA and its agencies given existing and anticipated demands and funding. We are particularly troubled by the MTA's rising level of debt and the burden of fares on the riders.

Our members recognize that this Board has limited leverage with respect to its revenues and expenses. On the revenue side, the Board can enhance the revenue it derives from riders. We believe that if anything you've done too much in this area, as the proportion of the cost of service borne by riders is the highest of any major transit system in the nation. You can also adjust spending, which we learned from the experience of 2009 and 2010 can have long lasting consequences. The remainder of the financial picture largely rests with what are euphemistically termed our funding partners.

There are impending funding decisions at the State and local level and, while elected officials must make these decisions, we believe that MTA Management and this Board must be heard with respect to the adequacy and reliability of proposed funding. We intend to make our voice heard and we call this Board and MTA management to be candid in their assessment of the adequacy, suitability and reliability of proposed revenue sources. We need a mature discussion of the options, in which the MTA must participate. Not only must the MTA benefit as intended from existing funding sources, new revenue sources must be structured to ensure that they continue to provide appropriate support for the long term health of the system.