



NEW YORK STATE LEGISLATURE

March 25, 2009

David A. Paterson
Governor
State Capitol
Albany, NY 12224

Dear Governor Paterson:

Our work as Chairs of the legislative committees with jurisdiction over the MTA has included hearings, investigations, and cooperative efforts with our colleagues to assure the kind of quality mass transit that our economy and our communities demand. We are clearly at a point of crisis. We recognize the strong differences that have arisen on MTA financial issues, and are committed to a thoughtful and responsible resolution of those differences.

But we note an area of wide agreement that has not yet emerged in the efforts of your office, the Legislative Leaders, and the membership of both Houses. We speak of the clear need for fundamental reform of the way in which the MTA operates.

The fundamental problems of transparency, accountability, Board responsibilities and functions, oversight, and public trust have become slogans that we all speak, but have not yet enacted. All of us wish such reforms, and yet they have not occurred. We write because we strongly believe this financial crisis is an opportunity to, at last, fundamentally reform the MTA.

We have specific recommendations for these reforms. We need to open up the operations of the MTA, to provide regular outside oversight, and to ensure that the MTA and its Board are required to fulfill their mission. While this sounds simple and obvious, it has become clear to us that the MTA and its Board have not been able to meet these standards.

We mean no disrespect to any individual at the MTA, but the events of recent years, including the 2 Broadway deal, the 7 Line extension, the failure to publicly acknowledge cash resources, the failure to seek state and city support before voting for fare increases, the focus on non-essential matters such as EZ-Pass, and others have left us, and the public with little confidence in the MTA. Accordingly, we propose that any financing legislation include the following:

- 1) Board Members of the MTA should be subject to a statutory fiduciary duty to the mission and purpose of the MTA, as set forth in existing statutes.
- 2) There should be created a MTA/Authority Accountability Office to oversee that fiduciary duty and MTA operations, to recommend to the Legislature effective reforms of debt, compensation,


MWBE, property disposition and other issues, to inquire into MTA activities and resolve complaints, and to receive and publish MTA documents. This is modeled on the successful NYC Budget Office.

3) The MTA should be required to publish, in real time, its finances, policies, plans and decisions. The current system relies heavily on post-facto audits. These do a reasonable job in telling us what went wrong. They do little to stop mistakes. Real-time review by the public, the Legislature, and the Authority Accountability Office could prevent problems not just explain why they happened.

4) The Comptroller should be empowered, consistent with the constitutional duties of the Office, to review selected contracts issued by the MTA.

There are additional reforms that ought to be enacted as well. We ask for an opportunity to meet with you to enlist you in the efforts to reform the MTA. We all seek to provide the MTA with the operating and capital funds it needs to serve the people of the MTA Region. But we must reform the MTA before we hand it billions of new taxpayer and farepayer dollars. To do less would be to abandon our commitment to reform, a goal that you have spoken passionately about, as has the Speaker, the Majority Leader, and Members of the Legislature. We look forward to our discussions.

Best wishes,




Richard Brodsky
Chairman of the Assembly Committee
on Corporations, Authorities, & Commissions

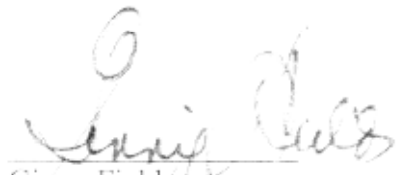


Bill Perkins
Chairman of the Senate Committee
on Corporations, Authorities, & Commissions


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85th Assembly District



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72nd Assembly District


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5th Assembly District


Andrew Hevesi
28th Assembly District

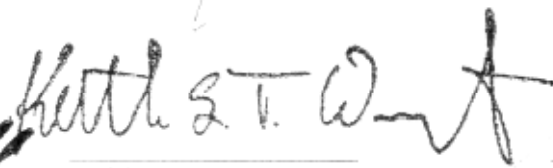

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