



NEW YORK STATE SENATOR

Lee M. Zeldin

## Zeldin to Cuomo: Add MTA Payroll Tax Repeal to Your Agenda

LEE M. ZELDIN May 13, 2011

| ISSUE: **MTA (METROPOLITAN TRANSPORTATION AUTHORITY)**

*Senator Sends Governor Open Letter Highlighting Potential Solutions to MTA Fiscal Woes*

In an open letter to Governor Andrew Cuomo, State Senate Lee M. Zeldin (R-C-I, Shirley) today called on the Governor to become more involved in addressing the MTA's fiscal woes, and repealing the MTA Payroll Tax.

In addition to reiterating his support for a thorough top-down forensic audit of the MTA, Senator Zeldin also highlighted a dozen potential cost saving solutions. These include:

- Eliminate overtime abuse- well over \$400 million is spent on overtime annually;
- MTA should share in enforcement camera fines in MTA bus lanes;
- Competitive bidding/ privatization of NYC bus system;
- Public/private partnerships;
- Reduce outside litigation costs by increasing utilization of in-house attorneys or the NYS Attorney General's office;
- Sell some of the MTA's capital assets currently valued at over \$50 billion;

- Reduce the cash and investment float, which amounts to billions;
- Reduce the amount of managers and supervisors, which is currently over 10,000 of the MTA's 66,000 employees;
- Crack down on pension padding where possible;
- Cashless tolls throughout the system;
- Reduced "vacancy/absentee" coverage of MTA Bridges and Tunnels; and
- Improve process for approving personal and miscellaneous services contracts.

"During my campaign for State Senate, I repeatedly said that if the MTA did not figure out how to survive without the payroll tax by the end of 2010, I would work as hard as I can to figure it out for them in 2011," said Zeldin. "I have spent my first few months in office, questioning Chairman Walder, MTA board members, state legislators, transportation experts, economists and others to identify ways for the MTA to do more with less. I have studied the MTA's budget, consolidated balance sheets, real estate portfolios, news articles and more. I have spent many hours reflecting on what would be the perfect legislative solution for Albany to act on."

Zeldin is currently drafting legislation for a multi-year phase out of the MTA Payroll Tax, which will be introduced this legislative session.

"MTA Chairman Jay Walder has repeatedly suggested that if the payroll tax is repealed he would be left with no choice but to cut services and increase fares," continued Zeldin. "I simply do not buy this argument and strongly believe that the MTA can and should survive with less taxpayer funded subsidies."

Zeldin also noted that real estate transfer collections are starting to increase beyond original estimates due to a recovering economy, which will help offset the loss of the payroll tax revenue following a repeal.

“This is a time where federal, state, and local governments are all tightening their belts.

Businesses, families, and individuals are doing so as well. It is time for the MTA to do more to cut expenses and become more efficient and self-sustaining,” concluded Zeldin. “I will do everything in my power to help lead the fight for more MTA accountability and reduced dependence on government subsidies like the MTA Payroll Tax.”

A copy of Senator Zeldin’s letter to Governor Cuomo can be [viewed here](#).