

The logo for the Citizens Budget Commission features the organization's name in a dark blue, serif font. The text is centered and overlaid on a background of several light blue, semi-transparent rectangular blocks of varying sizes and orientations, creating a modern, architectural feel.

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CBC REPORT CALLS MTA CAPITAL PLAN PRIORITIES “MISPLACED”

Urges Greater Public Discussion of How \$32 Billion in Proposed Funding Would Be Spent

New York, NY – October 23, 2014 – The Citizens Budget Commission (CBC) today released a policy brief titled “[Misplaced Priorities in the MTA’s Capital Plan](#).” The study analyzes the Metropolitan Transportation Authority’s proposed capital plan for 2015-2019 and recommends that its priorities be adjusted before the plan is approved by the State’s Capital Program Review Board. The plan calls for \$32 billion in investments over the next five years.

Much of the discussion and controversy over this plan has focused on the fact that it omits specifics on how the proposed \$32 billion in spending will be funded. The plan identifies \$16.9 billion in available funding, but a gap of about \$15.2 billion remains unfunded. Far less attention has been focused on how the MTA plans to spend the money. The CBC study focuses on how the money would be spent and recommends that the proposed plan be revised to address three serious shortcomings:

- *It does not make sufficient progress in bringing aged infrastructure to a state of good repair.* Although the MTA has been making substantial investments in its assets for more than 30 years, most of the facilities are not in a state of good repair. The CBC report contains a description of the needed investments to achieve a state of good repair at New York City Transit, Metro-North Railroad, and the Long Island Rail Road. At New York City Transit, for instance, only 2 of 14 categories of assets – subway cars and mainline track and switches – are currently rated 100 percent. The proposed plan will leave many features of the mass transit and commuter rail systems, such as stations and less visible power stations and pumps, in need of repairs and renovations; the consequence will be less reliable and less safe service than the public needs.
- *The proposed plan does not make sufficient progress in modernizing the signal and communication systems in the subways.* The schedule for adopting Communications-Based Train Control, currently available on the L line and being installed on the 7 line, is too slow; in the next five years work will begin on only two additional segments, leaving the vast majority of the system with outdated components for at least the next 20 years.

- *The proposed plan allocates substantial sums, and implicitly commits even larger sums in the future, to new projects that expand the transit network without analyzing their benefits relative to other possibilities and without identifying their total cost. The MTA's expansion efforts have two deficiencies – lack of clear priorities for selecting projects and weak capacity for implementing projects efficiently. Given the multiple possibilities for beneficial expansion of the transit system, explicit criteria should be established to select priority projects and evidence should be considered about how well a range of potential investments meet these criteria. Better planning and greater transparency should precede investments in such system expansions.*

“The MTA is a core asset of the New York region’s economy, and funding its capital needs wisely should be a high priority,” said CBC President Carol Kellermann. “The public debate over the proposed MTA capital plan should focus on what the funds would achieve as well as how much funding is needed.”

“All three of the deficiencies identified in this report should be addressed as the proposed MTA plan is revised,” said Charles Brecher, CBC’s Consulting Co-Research Director. “Commitments to expansion projects might best be postponed until an improved planning process is established and used to assess multiple potential projects.”

The full report is available at www.cbcny.org.

Founded in 1932, the Citizens Budget Commission (www.cbcny.org) is a nonpartisan, nonprofit, civic organization devoted to influencing constructive change in the finances and services of New York City and New York State governments.