



Remarks on the MTA’s Proposed 2025-2029 Capital Plan

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President Andrew S. Rein delivered [these remarks](#) to the MTA:

“The Citizens Budget Commission commends the MTA for:

1. Rightly focusing the vast majority of its capital plan on projects that rebuild and improve the system;
2. Showing the proposal’s impact on the system’s state of repair, which is critical for the public and policymakers to consider priorities and tradeoffs; and
3. Not proposing a radically unachievably sized capital plan.

Still—despite success in speeding capital delivery and projects being ready to go and roll—the plan is larger than can be accomplished in the next five years. Also, the \$8.6 billion in proposed and previously planned expansion projects, while beneficial, diverts resources from essential rebuilding and improvement efforts.

Therefore, the MTA should trim the plan to a more achievable level to reduce the funding gap and transparently present what will happen in the next five years. If the plan is not trimmed, the MTA should at least transparently schedule essential rebuild and improve projects before expansion projects.

The biggest unknowns are the sources and amount of money to fill the gaping financing hole. First, the State should unpause congestion pricing; any alternative makes financing these new projects harder.

Then, it should develop a funding plan that:

1. Is sustainable—it should not require a new tax increase every five years;
2. Ensures riders, taxpayers, and drivers across the region pay their share; and
3. Does not harm New York’s competitiveness, by balancing two facts—that New York already has the nation’s highest taxes and New York needs reliable transit to thrive.

Also, as much as MTA needs capital financing, the proposed \$10 billion in new MTA bonds is not affordable now. The MTA's structural budget gap will exceed \$1 billion by the end of the decade; 15 percent of an operating budget that is not fully funded does not make debt affordable.

For its part, the MTA must reduce fare evasion, and labor must be a partner to increase productivity; both are essential to stabilize the operating budget and provide the capacity to finance debt.

To be clear, CBC urges the Board and the State to support a realistic, tightly focused, and smartly financed MTA capital investment plan. Without it, New York will risk the reliable service and financial stability on which our economy depends, and which New Yorkers deserve."

For additional background, please read CBC's report, [Focus, Fix, and Finance](#).

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