



May 5, 2009

Dear Legislator:

The undersigned organizations have been leading advocates of a balanced plan to finance the long-term capital needs of the MTA and its immediate operating deficit.

In this context, we supported a new state payroll tax, known as the mobility tax, in the twelve counties served by the MTA, exclusively for the purpose of investing in a capital program to maintain, modernize and expand the regional public transportation system, with the sole exception being that this revenue stream could be used in the first year for operating needs in conjunction with increased fares of approximately 8% -- far less onerous than the fare increases and service cuts being considered in the absence of any new state assistance.

The mobility tax was never intended, however, to create a permanent revenue stream for operating needs and we are distressed that it has been hijacked in the recent negotiations with no consideration of long-term capital needs.

The only circumstances under which we can support the actions being taken by the state to deal with the MTA emergency are that the authorizing legislation include the following provisions:

1. Revenues generated by the mobility tax during the first year in which it is collected may be used to support the operating needs of the MTA, provided, however, that such revenues may only be used for this purpose if toll and fare increases of at least 8% relative to their current levels are in effect during this time.
2. Revenues generated by the mobility tax during the first year in which it is collected may be used to support new borrowing and direct expenses related to the MTA's capital program and the debt service associated with the MTA's current portfolio of expansion

projects. Revenues generated by the mobility tax after the first year in which it is collected shall be used exclusively to support new borrowing and direct expenses related to the MTA's capital program and the debt service associated with the MTA's current portfolio of expansion projects.

Sincerely,

Gary LaBarbera, President
Building & Construction Trades Council

Kathryn Wylde, President & CEO
Partnership for New York City

Carol Kellermann, President
Citizens Budget Commission

Kate Slevin, Executive Director
Tri-State Transportation Campaign

Mike Fishman, President
32BJ, Service Employees International Union

Bob Yaro, President
Regional Plan Association

Lou Coletti President
Building Trades Employers Association

Marcia Bystryn, President
NY League of Conservation Voters

Michael J. Forde, Executive Secretary
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NYC District Council of Carpenters

Rich Kassel, Senior Attorney
Natural Resources Defense Council

Denise Richardson, Managing Director
General Contractors Association of New York

John Delgado, Business Manager
Construction and General Building Laborers Local 79

Richard T. Anderson, President
New York Building Congress

Bobby Bonanza, Business Manager
Mason Tenders District Council of Greater New York and Long Island

William C. Rudin, Chairman
Association for a Better New York

Paul Steely White, Executive Director
Transportation Alternatives

Dick Dadey, Executive Director
Citizens Union

Joanne Derwin, Executive Director
Urban Agenda

Kevin Corbett, Co-Chair
Empire State Transportation Alliance

Elizabeth Yeampierre, Chair
New York City Environmental Justice Alliance

Stuart Appelbaum, President
Retail, Wholesale and Department Store Union (RWDSU)

Joseph Ramaglia, Business Manager
Painters District Council 9