Crain's Insider

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Ravitch plan revisited

New budget scenarios released by the Metropolitan Transportation Authority could strengthen the case for the Ravitch plan to plug gaps in the agency's budget. The scenarios show that even if the plan is approved, the MTA could be $650 million short next year because of plummeting real estate tax revenues and falling ridership.

But growing budget-gap estimates are also fodder for opponents of the Ravitch plan. They say that if tolls are allowed on East River bridges—a key part of the proposal—those tolls will be increased on a regular basis, given the MTA's insatiable appetite for money. In fact, they point out, the Ravitch plan would allow the MTA to increase tolls every two years, at a rate based on inflation, without public hearings. Increases beyond the inflation rate would require public notice and comment.

"The new MTA revenue forecasts demonstrate the folly of relying on an unfair, inequitable economy-killing toll-tax on the free bridges as part of any revenue stream for transit," says Corey Bearak, policy adviser to Keep NYC Free, a group opposed to tolls.

Other funding options have been floated, according to Gene Russianoff, director of the Straphangers Campaign. One prominent alternative is a weight-based vehicle registration fee. The idea is popular among budget analysts because it is a user-based fee that avoids tolls.

"But highway folks think [registration fees] are their money," says Russianoff.

Assemblyman Richard Brodsky says "all options are being considered" in Albany. He says the MTA's new budget numbers will help him make his case to reform the authority. A bill he has been pushing for a few years would give the state comptroller the ability to approve authority contracts.

"If you give an organization all of this money, you want to make sure it's reformed so this doesn't happen again," Brodsky says.

Below find additional comments Corey shared with Crain's"

The new federal dollars available which were not part of the initial conversations but which Keep NYC Free raised in our October 2008 submission and during all preceding discussions on transit funding should be the first place we go, especially since mass transit investment so drives the New York economy.
It remains clear how such economically sensitive taxes offer a most unreliable source when we need stable and broad-based support for transit.   Keep NYC Free's revenue plan looks even better than before against the unfair/ inequitable toll-tax reliant Ravitch scheme.