



Cleaning up the MTA Mess

BY STATE SENATOR
TOBY ANN STAVISKY

If the Metropolitan Transportation Authority (MTA) is the agency New York City residents love to hate, whether for its financial shenanigans or for its penchant for threatening service cuts instead of reforming its practices, some might wonder why we in the State Senate voted to bail them out.

We didn't. We voted to prevent massive service cuts. We voted not to place tolls on the free East River crossings. And, we voted to keep fare increases to 25 cents.

Of all the proposals to close the MTA's \$2 billion budget gap, the bridge tolls on East River and Harlem River crossings were among the most unpopular and our plan avoids them. Those bridges are extensions of New York City streets, and charging drivers to use them would be as unthinkable as tolling Jewel Avenue to cross Flushing Meadows-Corona Park.

The payroll tax was not an ideal measure, charging businesses \$3.40 per \$1,000 of payroll, but it will generate more than \$1.5 bil-

lion in revenue annually for new capital spending. It is irresponsible for a legislator to oppose cuts without providing a revenue source.

The Senate plan also succeeded in minimizing subway and bus fare hikes. The MTA had sought to raise fares by 30 percent, but we know that New Yorkers who use public transportation every day are trying to get to work, to feed their families and make ends meet. The 10 percent increase we approved is not only less painful, it will generate \$500 million annually.

We are proud of the reforms which were enacted. The legislation requires a forensic audit of the MTA, gives Albany the tools and oversight to clean out waste and fraud within the agency, and the opportunity to follow up every two years.

For the first time in decades, the MTA must account for its spending, its fiscal planning and the privileges it awards its board and staff. The Senate Republicans permitted the MTA's two sets of books and rampant fraud, and the taxpayers and riders suffered for it. Last week, we made the best of the mess we inherited, and our reforms are a major step

toward ending the MTA's reign of irresponsibility and raid of riders' pockets.

We also committed to fully funding a five-year capital plan for the MTA that we will examine in October, once the Legislature has a full accounting of necessary projects and costs. Proposed projects must now be submitted to Albany before the MTA can borrow billions in taxpayer dollars. Gone are the days when the MTA could get a blank check and then direct the funding for uses other than its original intent, which is one way the MTA got itself into this fiscal mess.

The plan is not perfect. But it gives the MTA the resources it needs in order to continue serving its ridership – which, let's not forget, is its purpose – while requiring it to adhere to new standards of accountability and transparency. The Legislature finally will have the tools to make sound decisions about the MTA's finances and future. The new Senate majority inherited a squalid mess, and we cleaned it up.

Senator Toby Ann Stavisky represents the 16th Senate District in Queens.



State Senator
Toby Ann Stavisky

NY Takes Action To Support Film Production Tax Credit

By State Senator George Onorato

During exceptionally difficult fiscal times like these, when many jobs are being lost and New York families are suffering tremendously from the national economic downturn, all of us in government must think long and hard about making thoughtful investments in New York State that will provide significant returns aimed at helping our economy recover and prosper.

To my mind, one of these thoughtful investments, which was included in the 2009-2010 State Budget, was the approval of new funding for the Empire State Film Production Tax Credit. The spending plan provides \$350 million for this program, which was first enacted in 2004 to provide a 10 percent tax credit for certain television and film production costs, and expanded last year to provide a 30 percent tax break.

As some of you may recall, when this program was expanded in 2008, it was meant to run through 2013. However, it became so successful that its funding quickly became depleted.

As the Senate representative of an area that is home both to Silvercup Studios and Kaufman-Astoria Studios, I strongly urged the Governor and my legislative colleagues to pro-

vide funding to continue this very valuable program, which has provided significant economic and job benefits to New York State.

The tax credit program, particularly in concert with a similar New York City film production tax break, has greatly encouraged economic activity in the film industry. This activity, in turn, has provided jobs and resulted in a positive impact on other businesses in the city and state that serve production companies – from restaurants, to paint stores, to lumber stores, and many other entities in between.

It is a testament to the importance of this program that we were able, in these hard economic times, to provide the \$350 million. I wish it had been more, that the funding had been provided for more than one year, and that we are one day able to make this program permanent.

By providing a permanent funding stream for television and film production tax credits, we would be able to provide more stability for this important industry, as well as a long-term view, when projects are being undertaken. I will continue to advocate for a permanent program, because it is clear that these tax credits have had a vital positive impact on our economy.

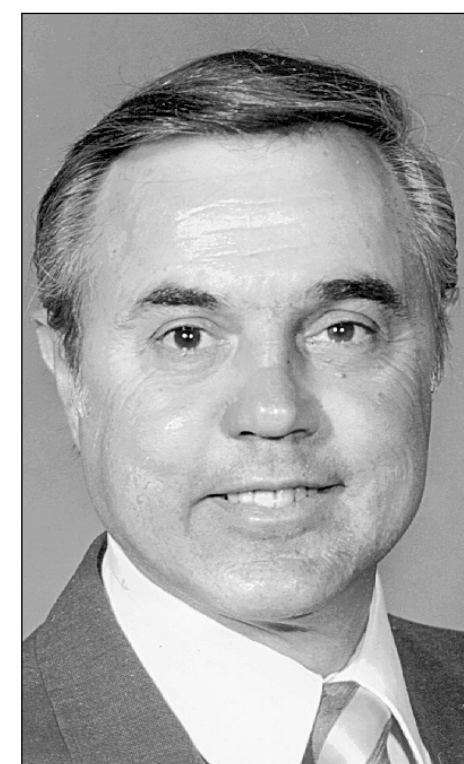
For example, a recent study prepared by Ernst and Young for the Motion Picture

Association of America and New York State's Office for Motion Picture and Television Development said that the state and city film credits can together keep or create about 19,500 jobs while yielding some \$404 million in tax revenue at a cost of only \$215 million in tax credits.

Clearly, this program more than pays for itself. In addition, the tax incentives have been credited with spawning billions of dollars in new business, significant increases in film production sector employment and leading to some 27,250 days of New York City location shoots in 2008 – as compared to less than 15,000 in 2002.

Although we are clearly facing an economic crisis of very dire proportions that is requiring very hard decisions and shared sacrifice to move New York forward into a more hopeful and prosperous future, I strongly believe that a continued commitment to New York's film production tax credit program is vital to achieving this goal. In the end, providing state support for the film production tax credit program is equivalent to saying Lights, Camera, and Action for a brighter and more prosperous New York economy.

State Senator George Onorato represents the 12th Senate District in Queens.



State Senator George Onorato