



NYPIRG Straphangers Campaign

a division of the State of New York Public Interest Research Group (NYPIRG)

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NEWS RELEASE

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‘Hallelujah!’ Say Petitioners After Court Orders MTA to Roll Back the Fare

The NYPIRG Straphangers Campaign — and millions of riders — cheered the decision of Manhattan State Supreme Court Justice Louis York that the Metropolitan Transportation Authority ordering the MTA to roll back its recent fare increase.

The ruling came in a lawsuit brought by the NYPIRG Straphangers Campaign, New York State Senate Democratic Leader David A. Paterson and several transit riders. Transport Workers Union Local 100 President Roger Toussaint has also intervened on the side of the plaintiffs.

“Hallelujah!” said Gene Russianoff, staff attorney for the NYPIRG Straphangers Campaign. “Today’s decision is a victory for truth in government. And it’s very welcome relief to riders reeling from the recession.”

Russianoff added that he hoped the decision would force sweeping changes in the way the MTA reports its finances. The state legislature is considering a range of reforms, including an Independent Budget Office for the MTA; a computerized registry for MTA contracts; and more independence and clout for the MTA Inspector General.

“The MTA must now start leveling with its riders,” said Eric Schneiderman, counsel for the Straphangers Campaign and New York State Senator for the 31st District.

“We won today because the MTA misled the public about its finances and made a sham of the ten public hearings it held last February,” said Tom Shanahan of the law firm Shanahan and Associates, P.C., who is also representing the campaign.

The base fare for New York City subways and buses rose by 33.3% on Sunday May 4th, the commuter railroad fares went up an average of 25% on Thursday, May 1st.

The lawsuit noted that in December 2002, the MTA approved a financial plan that projected a surplus of only \$24.6 million at the end of 2002, with gaps of \$235.9 million in 2003 and \$715.6 million in 2004.

- more, more, more -

However, according to New York State Comptroller Alan Hevesi's affidavit in the suit, the MTA "moved resources off budget and from one year to another, that had the effect of grossly reducing the projected size of the 2002 surplus from \$537.1 million to \$24.6 million." Without these actions, the MTA's surplus in 2003 would have been \$83 million, according to Hevesi.

The plaintiffs are represented by Tom Shanahan and Anthony LoPresti of the law firm Shanahan and Associates, P.C.; Daniel Bright of the law firm of Kennedy, Schwartz and Cure; attorney Lisa De Lindsay; and Eric Schneiderman, New York State Senator for the 31st District. Schneiderman represented the Straphangers Campaign in a 1995 civil rights lawsuit against a subway and bus fare hike. He also represented a coalition of civic groups that prevented the MTA from closing station booths in 2002.

The defendants in the case are the Metropolitan Transportation Authority; MTA New York City Transit; MTA Chairman Peter Kalikow and MTA New York City Transit President Lawrence Reuter, in their official capacities.