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March 25, 2025

Comptroller Elaine Phillips Holds MTA/LIRR Accountable for Use of Nassau County Tax Dollars

MINEOLA, NY – Each year, Nassau County taxpayers contribute more than **\$137 million** to the MTA, including **\$100,000 per day** in Long Island Rail Road (LIRR) **station maintenance fees**, despite the deteriorating conditions of local train stations.

The Office of Nassau County Comptroller Elaine Phillips recently sent a formal letter¹ to the MTA demanding a full accounting of how the LIRR is spending \$36.5 million that the County is mandated to pay for maintenance of Nassau's 58 LIRR stations. Under New York State Law, the County is required to pay the sum, which amounts to \$100,000 per day, and yet many LIRR stations are in major disrepair with inadequate and decaying infrastructure and limited (if any) waiting room and bathroom hours.

Site visits by the Comptroller's Office to LIRR stations revealed crumbling concrete, pitted steel, dripping water, unsafe conditions and peeling paint at local stations, platforms and waiting areas.

Research and analysis conducted by Comptroller Phillips also revealed that 15 of Nassau's LIRR stations fail to offer riders an enclosed waiting room or bathroom, and the stations that do have these facilities typically close by 7 p.m. or earlier, leaving commuters and travelers out in the cold and dark with no facilities. Only 21 stations open their waiting rooms on weekends for an average of 4.6 hours a day.

Riders are also faced with customer service and ticket counters being replaced by vending machines and the MTA's mobile app. Only 17 out of 58 stations have staffed customer service/ticket counters and those are only open for an average of 7.3 hours on weekdays, typically between 6 a.m. and 2 p.m. Only two are staffed on weekends, plus Long Beach during the summer.

In addition to the \$36.5 million per year that Nassau is required to pay the MTA for LIRR station maintenance, the MTA also charges taxes and fees every time taxpayers register a motor vehicle, renew a driver's license, record a mortgage and pay sales tax. These charges amount to another \$85 million a year in Nassau County.

(more)

¹ Attached, p.3

The 12 counties served by the LIRR and Metro North also pay NYS-mandated Local Operating Assistance to the MTA. Nassau's annual portion is roughly \$11.6 million.

Employers over a certain size² also pay an "MTA Payroll Tax" formally known as the Metropolitan Commuter Transportation Mobility Tax (MCTMT). Nassau County government pays the MTA approximately \$4 million a year in payroll taxes. Now there is talk of the Governor raising the payroll tax in the five boroughs for the second time in three years to help close the agency's budget gap.³

The controversial Congestion Pricing plan in Manhattan took in \$48.66 million in revenue in the first 27 days of its operation (Jan 5-Jan 31, 2025), netting the MTA \$37.5 million after expenses.⁴

Even with all these MTA taxes and fees, LIRR fares continue to go up. A single roundtrip peak ticket from Nassau County to NYC on the LIRR costs \$29; average monthly commuter tickets in Nassau have reached a peak of \$287.⁵

Whether Nassau residents drive into NYC or take the train – and even if they don't use mass transit or go into the city at all – they are subsidizing the mass transit system to the tune of millions of dollars with little accountability to taxpayers.

U.S. Transportation Secretary Sean Duffy has notified the MTA that federal funding may be withheld until the agency cracks down on waste, fraud and abuse, including fare evasion, violence, and criminal activity in the city's transit system.⁶

For \$137 million each year plus rider fares, the MTA should be providing well-maintained train stations and facilities in Nassau. The Office of the County Comptroller looks forward to a response to its letter about spending and station maintenance from MTA and LIRR management.

For more information call (516) 571-2386 or email <u>NCcomptroller@nassaucountyny.gov</u>.

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² Employers whose payroll expense for covered employees in the Metropolitan Commuter Transportation District (MCTD) exceeds \$312,500 in any calendar quarter. <u>https://www.tax.ny.gov/bus/mctmt/emp.htm</u>

 ³ <u>https://gothamist.com/news/gov-hochul-eyes-nyc-tax-hike-to-fund-mta-in-closed-door-talks-sources-say</u>
⁴ <u>https://www.mta.info/press-release/mta-releases-revenue-congestion-relief-zone-tolling-showing-</u>

program-line-projections

⁵ <u>https://fares.mta.info/</u>

⁶ <u>https://ny1.com/nyc/all-boroughs/news/2025/03/19/u-s--transportation-secretary-threatens-to-pull-mta-funding-over-crime</u>

Hon. Elaine Phillips Jeffrey Schoen, Esq. Nassau County Comptroller Deputy Comptroller OFFICE OF THE NASSAU COUNTY COMPTROLLER 240 Old Country Road Mineola, New York 11501 nccomptroller@nassaucountyny.gov March 13, 2025 Robert Free, President MTA Long Island Rail Road Jamaica Station Jamaica, NY 11435-4380 Dear President Free: Pursuant to Section 1277 of the Public Authorities Law of the State of New York, the County of Nassau is billed yearly for the cost of the operation, maintenance and use of the Long Island Rail Road (LIRR) stations located in the County of Nassau, including the buildings, appurtenances, platforms, lands and approaches adjacent or incidental thereto. Understanding that under the statute each year a change in the CPI is applied against the prior year's bill to arrive at the current year's billed amount, the County of Nassau hereby requests the following documentation or schedules. With respect to the billing period of April 1, 2023 to March 31, 2024, for stations located in the County of Nassau, please provide documentation or a schedule of: •actual services performed for station and/or bathroom cleaning and the cost incurred by the LIRR for such services, •actual services performed for maintenance of way and the cost incurred by the LIRR for such services, and •any other services performed which are associated with the operation, maintenance and use of the buildings, appurtenances, platforms, lands and approaches incidental or adjacent thereto and the cost incurred by the LIRR for such services. Respectfully, Khohn. Jeffrey R. Schoen Deputy Comptroller c. John McCarthy, Esq. Chief of Policy and External Relations David S. Mack Member of the Board