



County of Rockland

Office of County Executive C. Scott Vanderhoef

NEWS RELEASE

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Rockland County sues MTA for “unconstitutional” payroll tax

Suit names Paterson, MTA officials; also seeks relief from \$42 million value gap

New City, NY – County Executive C. Scott Vanderhoef announced today that Rockland would file suit against the Metropolitan Transportation Authority (MTA), stating that the mobility tax levied by the State on behalf of the agency earlier this year is a violation of the New York State Constitution.

The suit, filed today in Rockland County Supreme Court, also seeks monetary damages from the MTA for the County’s \$42 million value gap, or money paid by Rockland County taxpayers to the MTA for services it does not currently receive “in quantifiable benefits” from the agency. The lawsuit names Governor David A. Paterson, Assembly Speaker of the House Sheldon Silver, Comptroller Thomas DiNapoli and other New York State officials as well as Jay Walder, Commissioner of the MTA, as defendants in the action.

“Here is an agency that cries poverty, promotes the imposition of unfair taxes, raises fares and doesn’t provide services. This is a classic case of taxation without representation, or a return on our considerable investment. It’s time for us to take legal action,” Vanderhoef said. “Something has to fundamentally change in how the MTA is managed, and if suing them will get their attention, then that’s what we’ll do.”

The lawsuit cites the creation of an unconstitutional “special law” which required, among other statutes, a request of two-thirds of the legislative body to enact. The bill was passed with only 60-percent of the Assembly vote and 52-percent of the Senate, therefore not meeting the legal requirements for approval. The action also stated that Article X of the New York State Constitution also prohibits the legislature from accepting, authorizing or imposing liability on the state for the debts of a public corporation, further violating the state Constitution.

Vanderhoef also slammed the MTA for recent reports of more than \$600 million in overtime it paid to employees. He called for audits of the agency and blamed MTA officials for wasting millions of taxpayer dollars.

“It is incomprehensible that an agency so reliant on financial assistance from counties could waste so much taxpayer money,” Vanderhoef said. “This has very little to do with legitimate overtime costs and more to do with sloppy management. It’s inconceivable that someone could make overtime equivalent to their annual salary.”

Vanderhoef said excessive absenteeism, poor management of workers' schedules and pension boosting contributed to the MTA's skyrocketing overtime costs.

"Top-to-bottom forensic audits, including Metro-North and Long Island Railroads, should be done immediately," Vanderhoef said. "This is an enormous red flag of poor management and an egregious waste of taxpayer dollars. Every taxpayer should be outraged by it, especially those in Rockland County."

Vanderhoef said Rockland County's existing annual \$42 million value gap in services not provided by the MTA and the estimated annual \$18 million Rocklanders pay in the MTA's mobility tax made the soaring overtime costs even more disturbing to Rockland residents.

"A fraction of those overtime costs could effectively eliminate Rockland County's value gap," Vanderhoef said. "We intend to force the MTA to sit up and listen to us. The burden of the MTA's gross mismanagement and their collusion with Albany's blatantly unfair taxation cannot be allowed to continue."

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