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Press Release

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IMMEDIATE

Fare Dispute Is Settled

E. Virgil Conway, Chairman of the Metropolitan Transportation Authority, announced today that following a federal appellate decision in favor of the MTA, the lawsuit challenging the allocation of subsidies to mass transportation has been discontinued and a settlement reached.

The settlement was reached between the MTA and the New York Urban League, the Straphangers Campaign, and several private citizens. The MTA Board approved increases in MTA New York City Transit, MTA Long Island Rail Road, and MTA Metro-North Railroad fares in October 1995 to meet operating expenses in response to reduced City, State and Federal funding.

At that time, the plaintiffs challenged the way funds were allocated by New York State and the MTA for mass transit in New York City and surrounding suburbs, and sought to block the fare increase. However, the distribution of MTA funds is determined by New York State statute.

Chairman Conway said, "We are very pleased with the outcome of the settlement, which will have no impact on the allocation of funds or the fare increase".

According to the settlement, the plaintiffs will select a group to study and report on the distribution of subsidies and other resources by New York State and the MTAs operating agencies.