



For Immediate Release

December 5, 2018

In July, Watchdog Groups Asked MTA Board to Ban Outside Income for the CEO/Chair and Eliminate Conflicts of Interest

On Monday, December 10, the Governance Committee will Vote on a Revised MTA Code of Ethics

Will the Board Act to Restore Trust in MTA?

Reinvent Albany again calls upon the MTA Board of Directors to act upon the [recommendations in a July 2018 letter from five watchdog groups](#) - Reinvent Albany, Citizens Union, Common Cause NY, the League of Women Voters of NYC, and the NYPIRG Straphangers Campaign. In the letter, the groups call for outside income to be banned for the Chairman/CEO and for the MTA to overhaul its conflicts of interest rules.

The MTA Audit Committee [voted at its July 23, 2018 meeting](#) to refer the groups' letter to the Governance Committee, which is [meeting next on Monday, December 10, 2018](#). According to the [Governance Committee 2018 Workplan](#), at this meeting the Governance Committee will be voting to "Review and Approve Revisions to MTA Code of Ethics".

The public learned in February 2018 that the former head of the MTA, Chairman and CEO Joe Lhota, was receiving outside income from Madison Square Garden, an organization which is highly enmeshed with MTA activities ranging from the New Penn Station, to the Belmont Development project involving the LIRR. Despite at least 10 months of public outcry that the Chairman/CEO should work full-time for the public,

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the MTA has not yet taken action to ensure that going forward, the public has confidence that the Chairman/CEO is devoting all of his or her energies to the MTA. This is particularly crucial given the immense financial challenges that the MTA is facing.

While Chairman Lhota has since resigned, the MTA Board needs to act now to ensure that the public can have full confidence that the next leader of the MTA is only working for them.

The groups full recommendations are provided below.

1. The MTA must ban outside income for the MTA Chairman/CEO - whether compensated or not;
2. The MTA Board must affirm that the Chairman/CEO is the head of the agency and is subject to all Public Authorities Law, Public Officers Law (Sections 73, 73-a and 74) and MTA internal ethics policies requirements covering heads of agencies, not just those for per diem board members;
3. The MTA Ethics Codes should require notification to the full MTA Board of any board member's and the Chairman/CEO's potential conflicts of interest, and keep a public record of conflicts via Board and/or Committee meeting minutes, as recommended by the Authorities Budget Office;
4. The MTA should post on their website the list of "prohibited sources" of gifts as defined in the MTA Codes of Ethics.
5. The MTA Ethics Codes should be amended to eliminate double standards between board and/or management and employees regarding accepting directorships and attendance at prohibited-source sponsored events.
6. The MTA should conduct an internal review to consider revisions to the MTA's code of ethics as relates to the "revolving door" or post-employment restrictions for MTA staff accepting positions with those who do business with the MTA.
7. The MTA Board must affirm that campaign contributions to the governor from MTA board members are banned, as stipulated in the MTA Board Code of Ethics, and ban campaign contributions to the governor from board members' businesses and family.