

New York State Is So Broke It Steals From Itself To Pay Off Unapproved Debt

Submitted by [Tyler Durden](#) on 10/29/2009 15:50 -0500

The surrealities of a "healthy" economy never end. The latest indication of the new *banrkupt* normal is New York State itself. A new report by NY state comptroller Thomas DiNapoli entitled "[Highway Robbery: State's ailing road and bridges robbed; State siphoned money to pay for operations and debt service](#)" tells you all you need to know about just how prosperous the ailing economy really is. According to DiNapoli, "only one-third of the money in the Highway and Bridge Trust Fund has actually been used to pay for highways and bridges. The rest has been siphoned off to pay for debt service on back-door borrowing and to fund operational costs for the DMV and the state Department of Transportation." Is that lack of stolen pocket change Mr. DiNapoli can believe in? Apparently not - Mr. DiNapoli's words: "I think outrage and anger is certainly appropriate; we need to channel that into thoughtful public policy." Yet anger is so September 2008. Welcome to the Xanax highs of the new credit bubble.

"This money should be going toward keeping our roads and bridges safe, not to fund state agency operations. The bridge closing in Crown Point is just one more example of why this is so important. If this trend continues, the state will have to transfer nearly \$4 billion into the Trust Fund over the next five years. Using this dedicated capital money to pay for operations and debt service is just one more gimmick on the list of New York's bad fiscal choices."

Should one cry or laugh here? New York State is stealing from itself, and its own comptroller is bitching against this practice, seemingly powerless to do anything to prevent it in the first place. Perhaps the state's transportation trust fund should put all its stimulus money in CIT stock or whatever the HFT megavol stock de jour is and hope and pray. These days the market has odds that are just a little better than Craps (although the likelihood of being comped by your broker when the ponzi market loses all your money, are still slim to none).

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