

## Analysis of the SFY 2017-18 Executive Budget Funding for Public Transportation

On January 17, Governor Cuomo released his 2017-18 executive budget which includes appropriations for transit operating and capital aid, and other legislation impacting transit systems. The budget also includes legislation authorizing Transportation Network Companies (TNCs) to operate outside of NYC and designates a portion of revenues from TNC fares to a new fund for local transit systems other than the MTA.

### State Transit Operating Assistance (STOA)

STOA funding to upstate and suburban downstate transit systems remains flat at 2016-17 levels; STOA appropriations to the MTA decrease by \$35 m, but cash payments will increase by \$30 m.

STOA Appropriations – FYE 2018 Executive Budget vs FYE 2017 Enacted				
Line Item	FYE 2018	FYE 2017	Change	% Change
	Executive Budget	Enacted	FYE18– FYE17	FYE18-FYE17
<b>DOWNSTATE</b>				
MTA	\$3,937,435,080	\$3,977,107,000	(\$39,671,920)	-1.00%
MTA Rail	668,019,000	662,946,000	5,073,000	0.77%
MTA Toll Subsidy	10,300,000	10,300,000	0	-
<b>MTA Total</b>	<b>4,615,754,080</b>	<b>4,650,353,000</b>	<b>(34,598,920)</b>	<b>-0.74%</b>
Rockland	3,365,900	3,365,900	0	0.00%
NYC SI Ferry	32,835,300	32,835,300	0	0.00%
Westchester	55,112,600	55,112,600	0	0.00%
Nassau	66,657,800	66,657,800	0	0.00%
Suffolk	25,927,400	25,927,400	0	0.00%
NYCDOT	87,747,100	87,747,100	0	0.00%
Formula	31,829,100	31,829,100	0	0.00%
Supplemental	4,312,000	4,312,000	0	0.00%
<b>Non-MTA Total</b>	<b>307,787,200</b>	<b>307,787,200</b>	<b>0</b>	<b>0.00%</b>
<b>Downstate Subtotal</b>	<b>4,923,541,280</b>	<b>4,958,140,200</b>	<b>(34,598,920)</b>	<b>-0.70%</b>
<b>UPSTATE</b>				
CDTA	35,725,100	35,725,100	0	0.00%
CNYRTA	32,610,900	32,610,900	0	0.00%
RGRTA	39,596,300	39,596,300	0	0.00%
NFTA	51,436,600	51,436,600	0	0.00%
Formula	39,323,200	39,323,200	0	0.00%
Supplemental	1,960,000	1,960,000	0	0.00%
<b>Upstate Subtotal</b>	<b>200,652,100</b>	<b>200,652,100</b>	<b>0</b>	<b>0.00%</b>
<b>STOA Total</b>	<b>\$5,124,193,380</b>	<b>\$5,158,792,300</b>	<b>(34,598,920)</b>	<b>-0.67%</b>

## **Transit Capital Funding**

The budget includes a \$1.467 b. capital appropriation to MTA as part of the state commitment to fund the MTA 2015-19 Capital Program.

Upstate and downstate transit systems receive a total of \$84.5 m. in capital funding in 2017-18, the same level as received in 2016-17 and consistent with the 2016-2020 Transportation Capital Program MOU:

- \$18.5 m. for state 10% match to federally aided projects
- \$20.0 m. specified to upstate transit systems
- \$18.5 m. state aid for non-MTA capital projects
- \$27.5 m. state aid for non-MTA capital projects

The 4 upstate regional transportation authorities and the upstate formula systems group each receive a separate line item in the budget from the \$20 m. upstate appropriation. The budget retains language allowing these upstate capital funds to be used to offset the local match to capital projects.

## **Rural Transit**

A provision in the DOH budget repeals a section of the Social Services Law to eliminate the supplemental payment to emergency medical transportation providers. The funding associated with the repeal of this payment would be reinvested into transportation reimbursement rates based on recommendations contained within the statutorily required Medicaid Transportation Rate Adequacy Report. More details on this to come.

## **Article VII Legislation – Transportation and Economic Development**

- Part A: Extends the Transportation and Transmission tax now deposited into the upstate PTOA account, and removes the 2018 sunset provision.
- Part C: PTSB – Increases the enforcement ability of PTSB to comply with new FTA safety requirements and provides for suspension of STOA payments for non-compliance by a public transportation provider.
- Part G: TNCs – Allows operation of Transportation Network Companies in New York State beyond NYC. Implements a 5.5% fee on fare revenues of TNCs and designates 27.27% of those revenues for deposit into a Local Transit Assistance Fund. Revenues in the Local Transit Assistance Fund shall be used to support local transit systems, operations or projects (other than the MTA), according to a plan to be developed by the Commissioner of Transportation. The first year's plan is due by March 31, 2018.
- Part J: Buy America – Requires a "Buy America" preference for all state agency and authority procurements over \$100,000.

## **Conclusion**

The 2017-18 Executive Budget recommends flat funding for the STOA program, while the cost to provide transit service grows. NYPTA supports increased STOA funding for all systems, and continued transition aid for rural transit systems impacted by lost Medicaid riders and revenue.

The Executive Budget proposes \$84.5 m. in capital funding to non-MTA transit systems, the level contained in the 5-year transportation capital program MOU. This funding should be included in the final budget agreement.

***Invest In Transit. Keep New York Moving.***