**Summary of State Transit Funding in 2025-26 Executive Budget 1/22/25**

**Bob Zerrillo and Bob Reid**

Governor Hochul released her FY 2025-26 Executive Budget on January 21 totaling $252 billion, a 3.6% increase from 2024-25.

Thanks to the advocacy work of NYPTA leaders, membership and staff, the Governor’s Executive Budget provides increases in transit funding for the state’s transit systems. The Executive Budget proposal provides additional operating assistance for all upstate and downstate transit systems above the levels contained in last year’s 2024-25 State Budget. Capital funding for non-MTA transit systems is proposed to rise to $219.5 million, a significant increase over last year and over the level specified in the 5-Year Non-MTA Capital Program. The budget proposal also contains a $3 billion state appropriation to the MTA 2025-29 Capital Program, to be matched by New York City.

Following is a summary of the funding for public transit and related legislation.

**STOA**

* **Upstate STOA**: Funding for upstate systems is increased by 3.4% from 2024-25 enacted budget levels. The increase is funded largely from general funds and a slight increase in PTOA funds, primarily as a result of an increase in revenue from the auto rental tax. Dedicated Trust Fund appropriations decline by a small amount. CNYRTA receives an additional $730,900 for the takeover of Cortland County transit service, with that amount also subtracted for the Upstate Formula appropriation.
* **Downstate Suburban County STOA**: Funding is increased by 7% from 2024-25 levels. The increase is funded entirely from state dedicated funds. Downstate funding Includes $11 m. for the Lower Hudson Transit Link bus service, the same level as 2024-25 and a new $1 million for a study of Hudson Valley transit services.
* **MTA Funding:** MTA would receive a total of $8.2 billion in operating funding, a 3.6% increase from 2024-25 levels. This includes state appropriations to the MTA as well as the payroll mobility tax and other revenues received directly. State appropriations to MTA total $4.41 billion, an increase from $4.27 billion in the 2024-25 enacted budget.

Below is a table showing FY 2025-26 appropriations to each transit system.



**Transit Capital Funding**

* 1. The budget proposes $219.5 m. in capital appropriations to non-MTA systems in FY 2025-26, an $80 million increase, as follows:
  2. $30.6 m. for state match to federal aid (same as 2024-25)
  3. $20 m. for upstate systems (same as 2024-25, **see table below**)
  4. $68.9 m. for non-MTA capital (same as 2024-25)
  5. **$80 m. for non-MTA capital (new funding)**
  6. $20 m. for electrification of non-MTA bus fleets (same as 2024-25)



The Executive Budget does not include separate funding for the NFTA light rail system as provided in the past.

* 1. The $20 m. to electrify non-MTA bus fleets is the sixth year of this program. NYSDOT has recently solicited zero-emission projects for the first 5 years of this program, totaling $100 million.

The budget provides a $3 billion state appropriation towards the MTA $68.4 billion 2025-29 Capital Program, to be matched by New York City. Even with this state and local commitment, projected federal funds and other MTA funds, the MTA Capital Program has a reported $33 billion funding gap that is expected to be addressed this legislative session.

**Article VII Legislation**

Transportation, Economic Development and Environmental Conservation:

Part B – Adds a Cortland County contribution to CNYRTA

Part I – Extends MTA tax increment financing

Part J – MTA compulsory arbitration

Part K – Extends MTA property valuation agreement

Part L – Makes permanent MTA paratransit reimbursement

Part M – Requires New York City to match the $3 billion in state aid for MTA’s 2025-29 Capital Plan

Part N – Overweight vehicle enforcement using weigh-in-motion technology

Part O – Automated camera enforcement for “Blocking the Box”

Part Q – Make permanent and expand work zone speed camera program

Part R – Enhance transportation worker protections

Public Protection and General Government

Part N – Enhance the transit ban for MTA facilities

Part O – Expand definition of criminal trespass and burglary to add transportation facilities

Part P - Aggravated transportation offense