



Analysis of Transit Funding in 2021-22 Executive Budget January 21, 2021

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Governor Cuomo released his 2021-22 Executive Budget on January 19 totaling \$192.9 billion. According to Executive Budget documents, the proposed budget keeps spending in SFY 2022 at less than the 2% spending benchmark, closes a two-year \$15 billion deficit and lowers the multi-year budget gap over the next five years to \$17.5 billion.

The Governor proposes to achieve \$500 million in new revenue by authorizing online sports betting and another \$350 million from legalizing adult use marijuana, \$100 million of which would go to a social equity fund.

The budget greatly focuses on continued COVID-19 pandemic response, relying on anticipated federal funding, and provides for two possible paths to reach a balanced budget this year:

Option 1: Assuming receipt of only \$6 billion in federal funding (which is what the executive budget is based on), the proposal relies on revenue raisers like a new tax on very high earners, halting middle class tax cuts, reducing school aid by \$2 billion, imposing \$600 million in Medicaid cuts and saving \$900 million from a 5% across the board cut in aid to localities funding.

Option 2: Assuming the state receives the requested \$15 billion from the federal government, the above cuts and high earners tax would not be needed, and instead funding would be provided to restore budget cuts and support those struggling most with the ongoing pandemic.

The budget reportedly includes a contingency appropriation that would allow budget cuts to be reversed or modified if sufficient federal relief funding is delivered.

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

Due to the state's fiscal crisis caused by the Coronavirus pandemic, transit operating assistance is reduced from the levels contained in the 2020-21 enacted budget, while capital funding is held flat at 2020-21 levels. Note that the actual annual level of STOA for the current year (2020-21) is not yet known pending the 4th quarter STOA payments expected in February. The executive budget states that 2021-22 proposed STOA levels are a 9% increase year over year.

State Transit Operating Assistance (STOA)

- STOA funding to upstate systems is reduced by 9.36% from 2020-21 enacted budget levels.
- STOA to downstate suburban county systems is reduced by 16.23% from 2020-21 levels.



- Downstate funding Includes \$11 million for the Lower Hudson Transit Link bus service which was not reduced from the 2020-21 level.
- MTA would receive a total of \$5.2 billion in operating funding, a decrease from the \$6.2 billion contained in the 2020-21 enacted budget. This includes mobility tax and other revenues received directly from the state.
- Preliminary table of STOA appropriations is below.

STOA Appropriations – FYE 2022 Executive Budget vs FYE 2021 Enacted				
Line Item	FYE 2022	FYE 2021	Change	% Change
	Executive	Enacted	FYE22– FYE21	FYE22-FYE21
DOWNSTATE				
MTA	\$2,286,113,100	\$2,642,486,200	(\$356,373,100)	-13.49%
MTA Rail	684,268,200	809,481,000	(125,212,800)	-15.47%
MTA Toll Subsidy	13,800,000	13,800,000	0	0.00%
MTA Total (1)	2,984,181,300	3,465,767,200	(481,585,900)	-13.90%
Rockland	3,658,100	4,366,400	(708,300)	-16.22%
NYC SI Ferry	35,685,500	42,597,100	(6,911,600)	-16.23%
Westchester	59,896,900	71,497,500	(11,600,600)	-16.23%
Nassau	72,444,100	86,475,000	(14,030,900)	-16.23%
Suffolk	28,178,100	33,635,600	(5,457,500)	-16.23%
South Fork Bus Service	500,000	500,000	0	0.00%
NYCDOT	95,364,400	113,834,300	(18,469,900)	-16.23%
NYSDOT Trans-Hudson	11,000,000	11,000,000	0	0.00%
Formula	34,592,200	41,291,900	(6,699,700)	-16.23%
Supplemental	4,312,000	4,312,000	0	0.00%
Non-MTA Total	345,631,300	409,509,800	(63,878,500)	-15.60%
Downstate Subtotal	3,329,812,600	3,875,277,000	(545,464,400)	-14.08%
UPSTATE				
CDTA	38,470,100	42,442,800	(3,972,700)	-9.36%
CNYRTA	35,116,400	38,742,900	(3,626,500)	-9.36%
RGRTA	42,638,600	47,041,900	(4,403,300)	-9.36%
NFTA	55,388,600	61,108,600	(5,720,000)	-9.36%
Formula	42,344,300	46,717,400	(4,373,100)	-9.36%
Supplemental	1,960,000	1,960,000	0	0.00%
Upstate Subtotal	215,918,000	238,013,600	(22,095,600)	-9.28%
STOA Total	\$3,545,730,600	\$4,113,290,600	(\$567,560,000)	-13.80%

State Capital Funding

- Provides \$124.5 million in capital appropriations to non-MTA systems, essentially the same as received on 2020-21 as follows:
 - \$18.5 m. for state match to federal aid (same as 2020-21)
 - \$20 m. for upstate systems capital projects (same as 2020-21)
 - \$46 m. for non-MTA capital projects (same as 2020-21)
 - \$20 m. for electrification of non-MTA bus fleets (same as 2020-21)
 - \$20 m. for NFTA light rail capital projects (same as 2020-21)
- The additional \$20 million to electrify non-MTA bus fleets is the second year of a five-year, \$100 million commitment to assist transit systems to transition to electric buses.
- Maintains the state’s 2019-20 \$3.0 billion capital appropriation to the MTA as part of the state’s multiyear commitment.
- The \$20 million for upstate systems is detailed below:

FYE 2022 Capital Funding				
	FYE 2022	FYE 2021	Change	% Change
UPSTATE	Executive	Enacted	FYE22– FYE21	FYE22-FYE21
CDTA	\$3,596,000	\$3,596,000	\$0	0.00%
CNYRTA	\$3,282,600	\$3,282,600	\$0	0.00%
RGRTA	\$3,985,700	\$3,985,700	\$0	0.00%
NFTA	\$5,177,500	\$5,177,500	\$0	0.00%
Formula	\$3,958,200	\$3,958,200	\$0	0.00%
Upstate Subtotal	\$20,000,000	\$20,000,000	\$0	0.00%

Infrastructure Investment

\$190 billion over 5 years for transportation infrastructure projects including transit, rail, airports, and highways across the state. This includes several major downstate transit projects in the MTA 5-year capital plan and adds the expansion of Penn Station.

Rural Transit Funding

The availability of the \$4 million in the DOH budget for rural transit systems is not yet known. NYPTA will continue to monitor the budget and advocate for transit funding for the rural transit systems impacted by the state’s Medicaid changes.

Article VII Legislation

Transportation and Economic Development:

- B - Enhances protections for transportation workers, pedestrians, and the public by increasing violation fees and penalties
- E – Toll enforcement for MTA and other state toll facilities

- F – MTA procurement reforms
- G – MTA utility relocation
- H – Clarifies that MTA subway projects undertaken by private developers are MTA facilities
- I – MTA worker assault and harassment provisions to protect MTA employees
- DD – Rail Advantaged Housing Act – Accelerates environmental review of housing projects in commuter rail corridors

Revenue:

- R – Clarifies collection and reporting of taxicab tax and congestion surcharge
- EE – Extends alternative fuels tax exemption for 5 years