



Analysis of the SFY 2018-19 Executive Budget Funding for Public Transportation Bob Zerrillo, Bob Reid and Padraic Bambrick

On January 16, the Governor released his 2018-19 Executive Budget which includes appropriations for transit operating and capital aid, and other legislation impacting transit systems. The overall 2018-19 state budget is projected to grow at 2%, similar to previous years.

Transit Budget Summary

- STOA funding to upstate and downstate non-MTA systems increases by 1%
- MTA funding on a cash basis will increase by \$334 m., or 7.4%.
- Provides a total of \$84.5 m. for non-MTA transit capital projects as outlined in the 2016-2020 Transportation Capital Program MOU, \$20 m. less than 2017-18 funding levels.
- Provides \$1.467 b. in capital aid to MTA as part of the 5-year capital program plus \$174 m. for the subway action plan.
- Combination of \$174 m. in new MTA capital and \$254 m. in new operating aid provides \$428 m. in state aid as part of the \$836 m. MTA emergency action plan.

State Transit Operating Assistance (STOA)

The Budget provides a total of \$4.026 b. for the STOA program, a \$1.111 b. decrease from 2017-18 levels. The decrease is the result of the Executive Budget proposal to provide approximately \$1.4 b. in MTA payroll mobility tax revenues directly to MTA, rather than through an appropriation in the state budget.

STOA appropriations to the MTA total nearly \$3.5 b., including \$194 m. from settlement funds. On a cash basis, including \$1.4 b. in expected payroll tax revenues, MTA will receive a \$334 m. funding increase above last year (7.4%).

Upstate and downstate transit systems other than the MTA receive a 1.0% across the board STOA increase above 2017-18 levels. There is also a new appropriation of \$8 m. to NYSDOT to fund the first year of operations of the new Trans-Hudson (Rockland to Westchester) bus service. The STOA increases are achieved through greater use of upstate and downstate MTOA funds, offsetting a \$10 m. reduction in state general funds.



The following table provides the specific appropriation levels compared to the prior year.

STOA Appropriations – FYE 2019 Executive Budget vs FYE 2018 Enacted				
Line Item	FYE 2019	FYE 2018	Change	% Change
	Executive	Enacted	FYE19– FYE18	FYE19-FYE18
DOWNSTATE				
MTA (1)	\$2,810,017,000	\$3,937,435,080	(\$1,127,418,080)	-28.63%
MTA Rail	673,854,800	668,019,000	5,835,800	0.87%
MTA Toll Subsidy	10,300,000	13,375,000	(3,075,000)	-
MTA Total	3,494,171,800	4,618,829,080	(1,124,657,280)	-24.35%
Rockland	3,467,200	3,432,900	34,300	1.00%
NYC SI Ferry	33,824,100	33,489,200	334,900	1.00%
Westchester	56,772,200	56,210,100	562,100	1.00%
Nassau	68,665,000	67,985,200	679,800	1.00%
Suffolk	26,708,100	26,443,700	264,400	1.00%
NYCDOT	90,389,400	89,494,500	894,900	1.00%
NYSDOT Trans-Hudson	8,000,000	0	8,000,000	-
Formula	32,787,500	32,462,900	324,600	1.00%
Supplemental	4,312,000	4,312,000	0	0.00%
Non-MTA Total	324,925,500	313,830,500	11,095,000	3.54%
Downstate Subtotal	3,819,097,300	4,932,659,580	(1,113,562,280)	-22.58%
UPSTATE				
CDTA	36,800,900	36,436,500	364,400	1.00%
CNYRTA	33,592,900	33,260,300	332,600	1.00%
RGRTA	40,788,600	40,384,800	403,800	1.00%
NFTA	52,985,500	52,460,900	524,600	1.00%
Formula	40,507,400	40,106,300	401,100	1.00%
Supplemental	1,960,000	1,960,000	0	0.00%
Upstate Subtotal	206,635,300	204,608,800	2,026,500	0.99%
STOA Total	\$4,025,732,600	\$5,137,268,380	(\$1,111,535,780)	-21.64%
(1) MTA will also receive \$1.410 b. in Payroll Mobility Tax revenues directly rather than through the state budget.				

Transit Capital Funding

The budget includes a \$1.467 b. capital appropriation to MTA as part of the state commitment to fund the 2015-19 MTA Capital Program, plus an additional \$174 m. as part of the subway action plan.

Upstate and downstate transit systems receive a total of \$84.5 m. in capital funding in 2018-19, a \$20 m. reduction from 2017-18 levels, as follows:

- \$20.0 m. specified to upstate transit systems, with line items to each Authority
- \$18.5 m. for state 10% match to federally aided projects
- \$18.5 m. state aid for non-MTA capital projects
- \$27.5 m. state NY Works funding for non-MTA capital projects

Upstate transit systems receive \$20 m. in capital funding, the same as 2017-18 level. The 4 upstate regional transportation authorities each receive a separate appropriation from this amount (shown below). The budget retains language allowing these upstate capital funds to be used to offset the local match to capital projects.

The budget again includes an \$18.5 m. capital appropriation for the state 10% matching program, \$18.5 m. for the 100% state share program for Non-MTA transit, and \$27.5 m. in capital aid for non-MTA systems from the New York Works program.

The combination of the \$18.5 m. 100% state program and the \$27.5 m. new capital appropriation will provide \$46 m. for non-MTA capital projects (separate from the \$20 m. dedicated to upstate transit). This funding has limited flexibility and may replace any local matching funds other than the required 10% local share.

Following are the specified capital appropriations to upstate transit systems:

	FYE 2019 Capital Funding			
	FYE 2019	FYE 2018	Change	% Change
UPSTATE	Executive	Enacted	FYE19– FYE18	FYE19-FYE18
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%

Rural Transit

The budget does not include the \$4 m. in special DOH funding for rural transit systems impacted by the state’s Medicaid changes.

Article VII Legislation – Transportation and Economic Development

- Part C – Public Transportation Safety Board (PTSB) – Provides PTSB with the ability to enforce new federal rail fixed-guideway safety requirements.
- Part K – Directs MTA Payroll Mobility Tax revenues to be provided directly to the MTA rather than through an appropriation in the state budget.
- Part L – Establishes a process to recoup costs for major capital construction projects by the MTA through creation of “transportation improvement subdistricts”.
- Part M – Requires NYC to match state capital appropriations to NYC Transit in cases of emergency.