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Review of Transit Funding in One House Budget Bills

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The Senate and Assembly released their 2023-24 budgets on Tuesday afternoon that contain significant increases in STOA for all transit systems. Below is an early summary of the bills.

Senate

The Senate recommends:

- A 20% STOA increase from 2022-23 levels for all non-MTA transit systems as recommended by NYPTA, with revenue from the general fund.
- Increases the Executive Proposal for a non-MTA 5-year on-demand service pilot program from \$10 m. to \$20 m.
- Provides the same level of STOA appropriations for the MTA as proposed in the Executive Budget.
- Rejects the Executive proposal to increase the payroll mobility tax for the MTA, and instead increased the corporate tax surcharge to the MTA.
- Provides the same level of non-MTA capital funding as in the Executive Budget (\$159.5 m.).
- Proposes a 50-cent fee on all TNC trips statewide:
 - In upstate counties revenue flows to PTOA
 - In the MTA district outside NYC, revenue flows to MMTOA to be provided to systems other than the MTA.
 - In NYC revenues flow to the MTA.

Assembly

The Assembly recommends:

- A 26.5% STOA increase for upstate transit systems from 2022-23 levels.
- A 41% STOA increase for downstate non-MTA systems from 2022-23 levels (NYPTA estimate).
- Provides an additional \$1.158 billion in STOA appropriations to the MTA above the Executive Budget to avert the Executive's payroll mobility tax increase, hold fares at current levels, offset the Executive's proposed increase in NYC aid, and fund a free-fare pilot program on two MTA bus routes per Borough.
- Revises the Executive proposed non-MTA on-demand service pilot program to be \$10 m. for one year, not over 5 years.



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- Adds \$80 m. in capital funding for Non-MTA transit, for a total of \$239.5 m. This capital funding is lined out to individual systems:
 - CDTA - \$6,688,200
 - CNYRTA - \$5,172,200
 - RGRTA - \$6,387,300
 - NFTA - \$8,940,100
 - Upstate Formula Systems - \$4,495,100
 - Rockland - \$2,422,200
 - Westchester - \$7,271,800
 - Nassau - \$8,498,500
 - Suffolk - \$3,987,100
 - NYC - \$19,390,100
 - Downstate Formula Systems - \$6,727,400
- Authorizes a 25-cent fee per package delivery to fund transit statewide.
 - Revenue collected in NYC is provided to MTA.
 - Revenue collected in the MTA district other than NYC is deposited in MMTOA
 - Revenue collected in upstate counties is deposited in PTOA
- Increases the business tax to fund transit statewide (see below).
- Authorizes a sales tax on streaming services to fund MTA and upstate transit.

Taxes

- Assembly modifies the Governor’s proposal to extend the corporate business income tax rate of 7.25% to a rate of 9.25% for three years, through tax year 2026, for taxpayers with a business income base over \$5 million, and accepts the Governor’s proposal to extend the current 0.1875% capital base tax rate for three years, through tax year 2026.

Attached is a comparison of the STOA appropriations contained in the Executive, Senate and Assembly budgets.