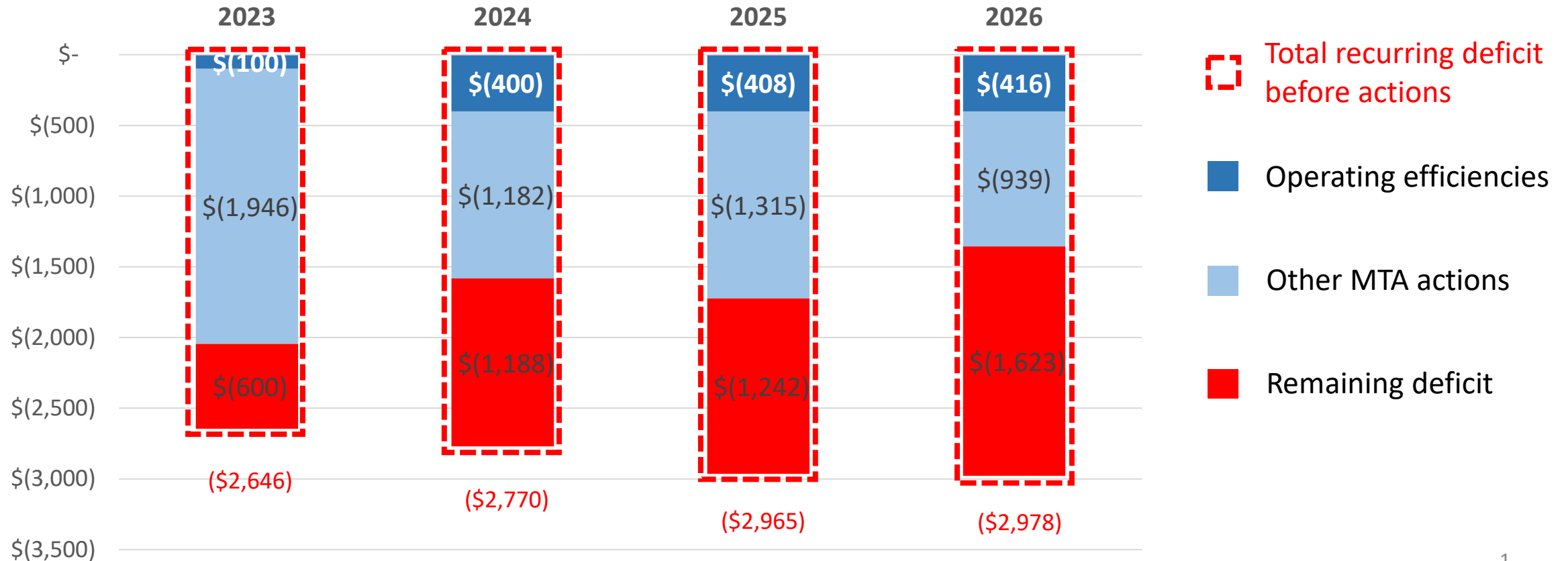


MTA's approved December budget included a package of MTA actions to significantly reduce recurring structural operating deficits.

Despite these actions, the operating budget was short \$600M to \$1.6B a year.



# New revenues dedicated to MTA in the State Budget fully address MTA's remaining deficits

<b>\$1,100 million annually</b>	Increase the top rate of the Payroll Mobility Tax (PMT) for the largest businesses in New York City (from 0.34% to 0.60%)
<b>\$165 million annually</b>	Increase New York City's share of funding for paratransit services to 80% <sup>1</sup>
<b>\$300 million one-time</b>	Provide State General Fund aid to MTA
<b>Expected to start in 2026, \$500 - \$700 million per year</b>	100% of three downstate casino license fees (\$500 mm each) and 40-50% of gaming tax revenue (depending on location)

1. Two-year sunset provision (reverts to 50% if not extended).

## The Budget also includes \$150 M a year to offset additional service-related costs

- |                                |  |
|--------------------------------|--|
| <b>(\$65) million annually</b> | Reduce the proposed fare increase from 5.5 percent to 4 percent    |
| <b>(\$35) million annually</b> | Add subway service on weekday middays, weekends and weeknights     |
| <b>(\$35) million annually</b> | Safety and fare enforcement investments                            |
| <b>(\$15) million annually</b> | Pilot program providing five fare-free bus routes in New York City |

# New State and City funding, MTA operating savings, and a reasonable fare and toll change, provide a balanced solution to fully address MTA's fiscal cliff

<i>\$ millions</i>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
<b>MTA Deficits in Approved Budget (reduced by efficiencies, etc.)</b>	<b>(600)</b>	<b>(1,188)</b>	<b>(1,242)</b>	<b>(1,623)</b>
<b>Additional Service-Related Costs in State Budget Agreement</b>	<b>(75)</b>	<b>(150)</b>	<b>(150)</b>	<b>(150)</b>
<b>Adjusted Deficit to be Funded</b>	<b>(675)</b>	<b>(1,338)</b>	<b>(1,392)</b>	<b>(1,773)</b>
<b>New Government Funding</b>				
PMT Increase to 0.60% in New York City	460	1,100	1,135	1,170
Increase NYC funding for Paratransit	80	165	165	165
Spend-down of one-time direct State subsidy	135	73	92	0
Revenue from casino licenses and taxes	0	0	0	500
<b>Total New Government Funding</b>	<b>675</b>	<b>1,338</b>	<b>1,392</b>	<b>1,835</b>
<b>MTA Revised (Deficit)/Surplus</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>62</b>