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New York MTA Delays \$1 Billion Bond Sale as It Scrambles for Funds.

Deal postponed until next week as state announces cuts in aid to authority

New York's Metropolitan Transportation Authority postponed a roughly \$1 billion bond sale this week as it grapples with a drastic reduction in ridership and cuts in state aid, highlighting how the global pandemic is upending the finances of mainstays in the normally staid municipal debt market.

The bond deal would be the first for the state-controlled operator of New York City's subways and buses since the spread of Covid-19 sparked a selloff in its bonds that significantly increased its borrowing costs. The authority is also seeking additional federal aid to boost cash needed to meet obligations, Chief Financial Officer Robert Foran said in an interview.

The MTA and its investment bank Jefferies LLC told investors Tuesday that they would delay the sale of the debt until next week, people familiar with the matter said. Money from the deal is earmarked to repay \$1 billion of debt that falls due May 15.

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The Wall Street Journal

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Updated April 30, 2020 4:46 pm ET

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