Bond Case Briefs

Municipal Finance Law Since 1971

S&P Bulletin: Postponement Of Congestion Pricing Could Strain Revenue Sources For Metropolitan Transportation Authority, NY

NEW YORK (S&P Global Ratings) June 7, 2024–S&P Global Ratings said today that the likely indefinite postponement of the Metropolitan Transportation Authority, N.Y.'s (MTA) central business district tolling program (CBDTP) increases uncertainty regarding funding sources for MTA's current and next multiyear capital plan. At the same time, the postponement could eliminate the risk of lower traffic on MTA's bridges and tunnels.

As a result of these two developments, we don't anticipate revising the MTA's transportation revenue bonds (TRB) rating or outlook (A-/Positive) at this time. However, we are expecting MTA's upcoming July and November financial plans to provide clarity on this funding shortfall. We also anticipate the MTA will release the cost and funding plan for its next multiyear capital program this fall.

We also do not expect to change our rating on MTA's payroll mobility tax bonds (AA+/Stable), given that the pledge of revenues consists mainly of employer mobility tax collected from private- and public-sector employers within the Metropolitan Commuter Transportation District and is not dependent on MTA's operation or ridership levels.

Continue reading.

7 Jun, 2024

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com