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Metropolitan Transportation Authority, New York: Fitch New Issue Report

Expectations for pledged payroll taxes and certain transportation fees reflect the large, diverse and wealthy economic base of the Metropolitan Commuter Transportation District (MCTD). The payroll component constituted an estimated 89% of receipts in 2023 and will constitute a larger share following the July 2023 rate increase. Pledged receipts are economically sensitive, particularly the component levied on regional payrolls, but the bonds' structure supports resilience against revenue volatility at a level consistent with a 'aaa' assessment. A statutory prohibition against a Metropolitan Transportation Authority (MTA) bankruptcy filing, the allocation of dedicated revenues to the MTA without appropriation and the state legislature's ability to change the taxable base eliminates MTA operating exposure and caps it at the state's Issuer Default Rating.

ACCESS REPORT

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