Bond Case Briefs

Municipal Finance Law Since 1971

NY MTA Gets $500 Million Loan Backed by Congestion Toll Revenue.

New York's Metropolitan Transportation Authority entered into a $500 million loan agreement with a group of investors that's backed by congestion pricing revenue as the Trump administration tries to end the tolling program, according to a loan document.

The operator of the city's subways, buses and commuter rails closed the tax-exempt deal on May 2, the document posted on the Municipal Securities Rulemaking Board's website said. The floating-rate borrowing is expected to cost the agency about $20 million in interest and matures in one year, according to court documents filed in MTA's lawsuit that seeks to continue congestion pricing.

The transit agency anticipates repaying the loan with the toll receipts or proceeds from a long-term bond sale that's backed by that revenue source. That debt issuance is expected to price late this year or in early 2026. The MTA began charging drivers on Jan. 5 to enter parts of Manhattan and transit officials have said the program needs about a year of revenue collections before issuing long-term debt.

Continue reading.

Bloomberg Industries

By Michelle Kaske

May 7, 2025

Copyright © 2026 Bond Case Briefs | bondcasebriefs.com