

New York State Legislative Joint Budget Hearing SFY 2026/2027 - Transportation

First Transit's written Testimony: submitted February 3, 2026

First Transit is a transportation services company that provides public transportation, fixed-route, and paratransit options for many rural communities in New York State. We have been a consistent presence and an integral member of New York's public transportation landscape in the communities we serve for over four decades.

On behalf of the First Transit Team members and our rural communities, we are grateful for the opportunity to provide written testimony for the NYS Joint Budget Hearing SFY 2026/2027 on Transportation.

As a member of the New York Public Transit Association (NYPTA), we support its budget recommendations for all non-MTA systems, including the rural formula systems we operate.

In addition, we call on the State to develop and implement policies and initiatives to achieve mobility parity for New York's rural communities. There have always been more resources and focus on the MTA and regions served by the NY State Transportation Authorities. However, over time, the lack of consistent policy and financial support for the specific circumstances and needs of rural mobility has adversely affected rural communities, particularly the economically and medically disadvantaged.

All Non-MTA Transit Systems Support

State Transportation Operating Assistance (STOA)

We are grateful that the Governor's budget included a 5.75% funding increase for the non-MTA formula systems; however, this amount falls short of the much-needed operating support for rural county public transportation.

- A minimum 15% increase in STOA appropriations for non-MTA systems in FY 2026-27, with the same sustained increase in the following 2 years.

Dedicated Revenue for Transit

Growth and service-focused, robust public transit systems are not possible without adequate planning, which requires relatively predictable and reliable year-to-year revenue streams and timeframes. In rural communities, revenue forecasting and subsequent planning for public transportation are impossible because rural counties cobble together transportation funding, resulting in years of funding delays and uncertainty. Therefore, rural public transportation systems operate in a constant state of survival, never achieving a comfortable level of sustainable service for the communities they serve. Unlike downstate systems, the bulk of State operating assistance continues to come from the general fund, leaving it vulnerable.

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- Additional dedicated revenue streams for Non-MTA transit systems, including the rural formula systems, not just for the Upstate Transportation Authorities. For example, we suggest extending the \$25 annual supplemental vehicle registration fee, which benefits the MTA region, to the rest of the State.

Rural Transit Systems Support

Non-Emergency Medicaid Transportation

We recognize that the funding for rural public transportation for Medicaid recipients falls within the Department of Health portfolio, and we will also submit written testimony for that hearing. However, it is a necessary revenue stream to sustain public mobility options for vulnerable populations in rural communities, which continue to struggle under the non-community-based centralized NEMT authorization system implemented under Governor Cuomo's 'Medicaid Redesign'. Therefore, as a policy issue with critical fiscal implications, it is a primary concern of transportation decision-makers, and they should be aware of NEMT's reliance and impact on rural public transportation.

This funding has remained flat for over a decade, with no improvement in public transportation use by the NEMT transportation manager vendor. Ridership levels remain below pre-Medicaid Redesign; we echo NYPTA's call for an increase.

- Requesting an increase in the DOH funding from \$4M to \$6M to adjust for over a decade of inflation.

Interagency Coordinating Committee on Rural Public Transportation

Community-Centered and Coordinated Transportation has always been at the heart of our business and is the best way to serve vulnerable populations in rural communities. For a community-centered approach, there needs to be an ongoing effort to use transportation resources as efficiently as possible in remote rural areas. This requires coordination, which can be improved and facilitated through the existing but underutilized Interagency Coordinating Committee on Rural Public Transportation.

- We request that the statute be updated to address vacancies, establish NYSDOT staff support, and include modest funding for the rural transportation study originally scheduled for completion by 2023, which remains incomplete.

Thank you again for considering our feedback and requests to improve rural county public transportation systems.

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