



Niagara Frontier Transportation Authority
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May 8, 2026

Hon. Mark C. Poloncarz
Erie County Executive
Rath Building
95 Franklin St.
Buffalo, NY 14202

Re: **26 INTRO 7-3**

Dear County Executive Poloncarz,

Thank you for your May 1 letter outlining the projected financial impact of 26 INTRO 7-3, the proposal before the Legislature to alter Erie County's sales tax structure on motor fuels. Your analysis, identifying an anticipated recurring annual revenue loss of approximately \$500,000 to NFTA Metro, is deeply concerning. These funds are vital to sustaining affordable, reliable public transportation - a necessity for tens of thousands of residents who rely on transit every day.

As policymakers consider replacing the current percentage-based sales tax with a fixed per-gallon rate, it is important to recognize the long-term fiscal risks of such an approach. A useful precedent can be found at the federal level. The federal excise tax on gasoline and diesel - set at 18.4¢ and 24.4¢ per gallon respectively - has remained unchanged since 1993 because any adjustment requires congressional action. As transportation experts across the political spectrum have repeatedly noted, this static rate has failed to keep pace with inflation, infrastructure needs, evolving fuel technology, and the rising cost of providing mobility. As a result, the Highway Trust Fund has faced chronic shortfalls and must now rely on unpredictable general fund transfers to sustain highway and transit programs, including those supporting NFTA Metro.

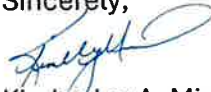
Implementing a similar fixed-rate structure locally carries the same risks: revenues that fall further behind each year and increasing uncertainty in the ability to plan, invest, and meet

the region's transportation needs. Such unpredictability would directly undermine the stability of NFTA Metro's operations and, by extension, the mobility of the communities we serve.

NFTA Metro plays a critical role in the economic vitality of our region. By 5:00 a.m., our buses and trains are already moving residents to work, school, medical appointments, and essential services. By 6:30 a.m., many of our busiest routes are full - evidence of just how essential public transit is to economic opportunity and upward mobility. Protecting the revenue that keeps this system functioning is not only in the interest of our riders; it is a direct investment in Erie County's workforce, employers, and long-term prosperity.

We are grateful for your continued leadership in recognizing the importance of strong, stable transit funding and for your commitment to ensuring that public transportation remains a viable, affordable option for all residents.

Sincerely,



Kimberley A. Minkel
Executive Director

Cc: Hon. Erie County Legislature
c/o Olivia Owens, Clerk of the Legislature
NFTA Board of Commissioners