



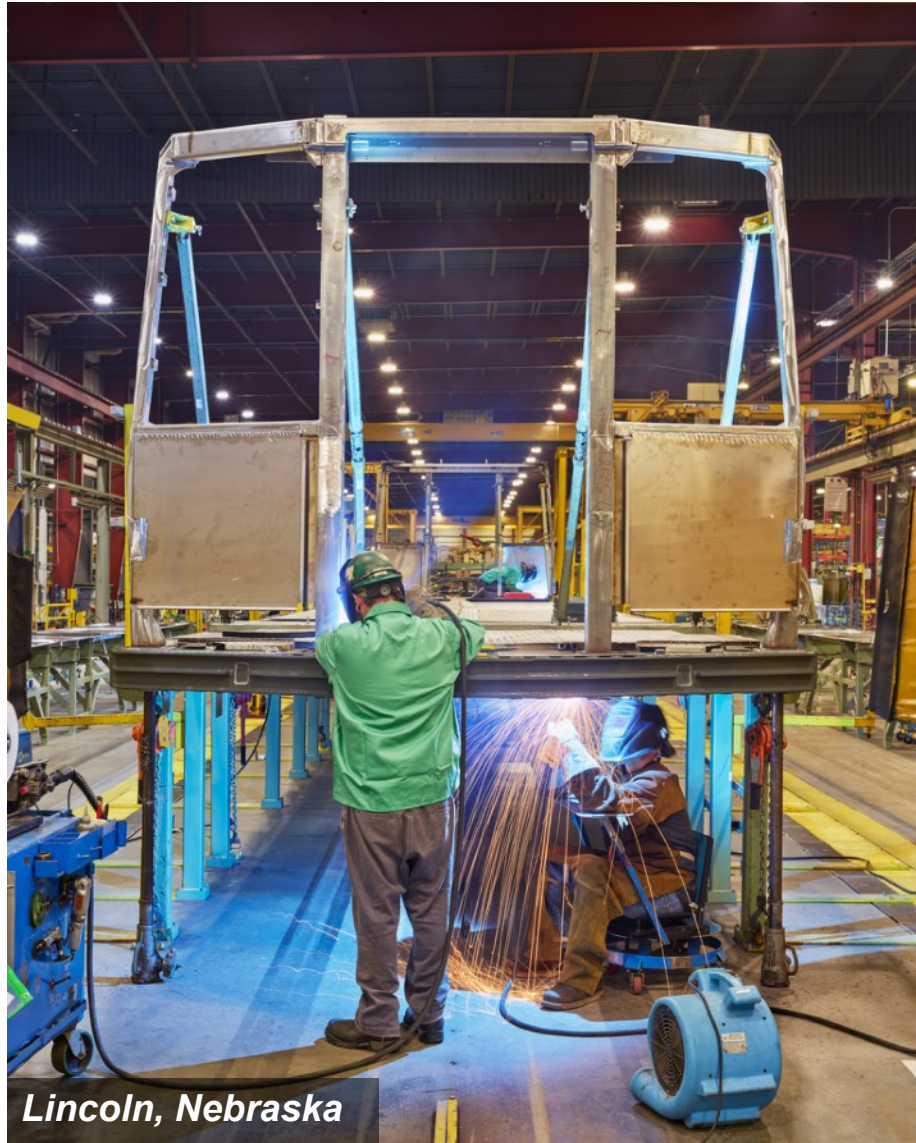
Tariffs on MTA rolling stock

Presentation to the MTA Board

September 30, 2026



MTA's rolling stock program supports American manufacturing jobs



New trains and buses are made with both domestic and imported parts

Federal contracts require Buy America compliance

- 70% USA-made parts and assembled domestically

American-made rolling stock still relies on the global supply chain for specialized materials

- New trains and buses contain up to 30% foreign-sourced components, all subject to tariffs

Tariffs make buying new trains and buses more expensive, not only jeopardizing our ability to provide transit service but also American jobs



Lincoln, Nebraska

© Christopher Payne. Commissioned by MTA Arts & Design for the exhibition *In Service: MTA*
Photographs by Christopher Payne.

MTA estimates tariff costs for trains and buses will total at least \$1 billion

Tariff rates fluctuate for specialized components

- Vehicle frame parts
- Wheels and axles
- Motors and compressors
- Modern signals, electronics and controls

Industry is disrupted

- Destabilized supply chains
- Delayed manufacturing
- Reduced competition
- Less cost visibility

MTA faces higher costs

- \$1 billion tariff bills on \$23 billion of rolling stock
- Tariffs have sent prices soaring, with the material costs needed to build each subway car skyrocketing nearly 30% since January 2025

\$1 billion buys us...

Most of the Metro-North coach replacement that will bring a more comfortable commute for riders



\$1 billion buys us...

150 M-9A rail cars that will
reduce crowding on LIRR



\$1 billion buys us...

Nearly 1,000 new buses to replace
a rapidly aging fleet and provide
more reliable rides



\$1 billion buys us...

Almost 300 subway cars on the 123
456 lines for more comfortable
commutes



We have a strategy to minimize risk and keep delivery on track

- ✓ New commercial approach to minimize “risk premium” while incentivizing vendors to contain their exposure
- ✓ Advocate for tariff exemption for Buy America compliant rolling stock contracts



© Christopher Payne. Commissioned by MTA Arts & Design for the exhibition *In Service: MTA Photographs* by Christopher Payne.

**Celebrating delivery of
the 1000th new R211
subway car**



Thank you

