In 1831, the DeWitt Clinton, a small locomotive with three cars, traveled from Albany to Schenectady. This began the era of the railroad. Railroad lines began to spring up across New York. A faster and cheaper way to move goods and people was established.

By the time of the Civil War, New York had more than 2,600 miles of track. During the Civil War, railroads were extensively used for moving troops and supplies throughout the year. This was another advantage over canals, which could not be used in winter. Trains also reached areas without waterways. Following the Civil War, industries prospered and grew in New York, as did the railroads. In the 1860s Cornelius Vanderbilt purchased two railroads connecting New York City and Albany. He then bought another railroad, which linked Albany and Buffalo. These were networked and became the New York Central Railroad.

By 1870 all major cities in the state were connected. Grand Central Terminal was built in 1871, becoming the largest railroad terminal in the world! (Railroads opened the West, furthering the success of the Erie Canal. Eventually, the transcontinental railroad was built virtually linking the east and west coasts of the U.S.)