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New York State County Highway Superintendents Association
New York State Association of Town Superintendents of Highways
Joint Legislative Public Hearing on the
2016-2017 Transportation Executive Budget Proposal

Good afternoon Senator Young, Assemblyman Farrell and other members of the legislature. I am, Jeffrey Griswold, President of the New York State Association of Town Superintendents of Highways (NYSAOTSOH) and the town of Preble Highway Superintendent. With me representing the New York State County Highway Superintendents Association (NYSCHSA) is their President, Niagara County Commissioner of Public Works, Kevin O'Brien. We appreciate this opportunity to submit testimony for your consideration as you review the Governor's 2016-2017 Executive Budget.

We'd like to begin by thanking you, the members of the legislature for your steadfast support of local roads and bridges. As you know, our collective membership is responsible for ensuring the safe operation of 87 percent of the state's public roads, half of its bridges and plowing not only our huge system but over a quarter of the New York State Department of Transportation(DOT)'s roads. Every time there is a winter weather event, the hard working men and women on our local crews ensure New York's drivers get to and from work, homes, schools, hospitals and other destinations safely.

We are pleased to see Governor Cuomo propose increased funding levels in the Executive Budget for the NYSDOT capital plan and the new additional programs for local and state bridges and roads. Part of this proposed capital plan is a \$1B PAVE NY program to be split evenly between the state and locals. Another new program is \$1B BRIDGE NY to replace and rehabilitate bridges. Like PAVE NY, we have been told the monies for BRIDGE NY will also be split 50/50 between the state and the localities. However, it is imperative to note that this \$20.1B proposed five-year NYSDOT capital plan funding level is not enough to prevent the further deterioration of New York's highway and bridge system.

The Governor's proposal maintains the CHIPS funding level at \$438M and \$39.7M for Marchiselli but does not include the \$50M Extreme Winter Recovery money we received last year. There is also \$500M for an Extreme Weather Infrastructure Hardening program

for investments in roadways statewide that are susceptible to flooding, but it is not clear how this funding would be distributed or if local roads are eligible for a fair share. Our

associations support a five year allocation of \$3.7 billion (\$742 million annually) in CHIPS/Marchiselli funding and \$750 million (\$150 million annually) for a local bridge and culvert program.

STATE AND LOCAL BRIDGE PROGRAM

The Executive Budget includes a 5-year, \$1B BRIDGE NY program split between the state and localities. This proposal appears to be an improvement over the state and local bridge initiative that is part of the current budget. When the first two years of the 5-year \$750 million program was allocated, NYSDOT—who chose the projects without local input—split the number of state and local projects equally (23 are local bridges and 23 state-owned).

However, the state bridge projects total 55% of the funds and just two local-owned bridges in NYC accounted for 66% of the local bridge funding allocation. We're hoping that the new BRIDGE NY program is more effective in achieving regional balance and maximizing local decision making and flexibility which is why we are requesting the local BRIDGE NY funding be distributed through CHIPS.

We cannot emphasize enough the importance that both local portions of the PAVE NY and BRIDGE NY programs be distributed through the CHIPS formula and be funded with state dollars not federal funds. By using CHIPS as the funding mechanism for the local side of the program, every municipality across the state will benefit. The CHIPS formula is based on local highway mileage (for all municipalities) and motor vehicle registrations (for counties and NYC). This formula allows the local highway superintendents and commissioners of public works, the experts in their localities to make decisions on what road, bridge and culvert rehabilitation and reconstruction is most important.

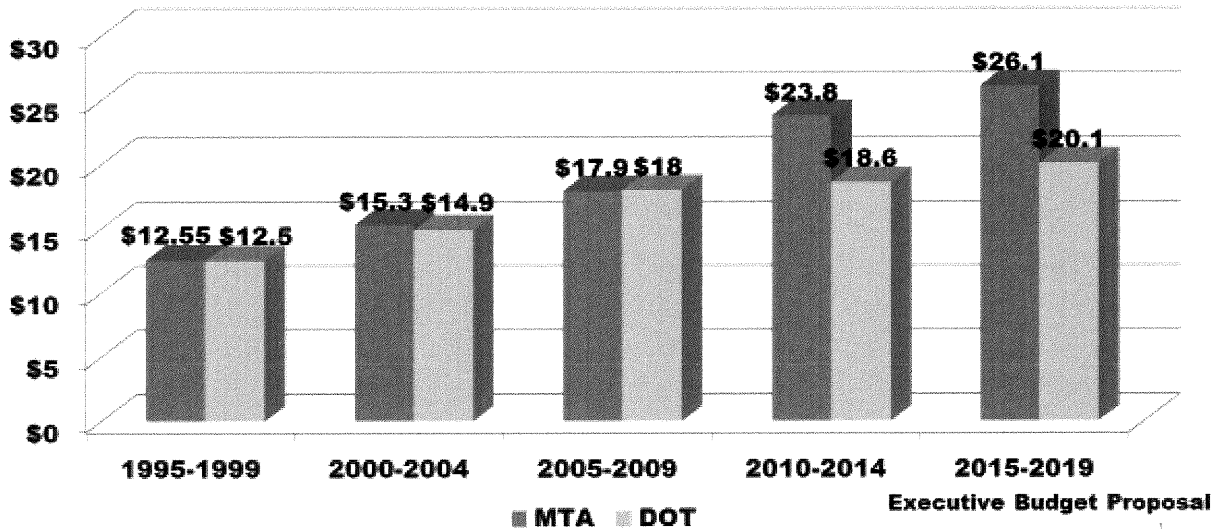
We are also pleased that the Executive Budget includes a five-year DOT Capital Plan which will allow long-term predictable funding levels and more effective planning. This fall, for the first time the administration did not release a DOT five-year capital needs analysis – which we believe to be in excess of \$28B. Traditionally, the funding levels for both the DOT and MTA systems were based on multi-year needs analysis and were released in advance of the adoption of their five-year capital programs.

MTA/DOT PARITY

In the fall, Governor Cuomo and Mayor de Blasio announced an agreement to jointly subsidize the Metropolitan Transportation Authority's (MTA) nearly \$11B funding gap for its \$26.1B 2015-19 five-year capital program. While we are not clear on where the funding for this state commitment of \$8.3B will come from, we certainly appreciate this vital investment in downstate transit. We are hopeful that you and your fellow legislators can work with us to ensure that funding parity is restored between the Department of Transportation's (DOT)

highway and bridge five-year capital program and the MTA's capital program, with each program receiving an equal level of funding (\$26.1B).

MTA & DOT Parity 5-Year Capital Programs



As you can see from the chart included in our testimony, three of the last four DOT/MTA five-year capital programs were virtually identical in size. In the early 1990's the Dedicated Highway and Bridge Trust Fund (DHBTF) was created to pay for the New York State Department of Transportation (NYSDOT) capital program and the Dedicated Mass Transit Trust Fund (DMTTF) to assist with the MTA and other transit system capital programs.

At that time, drivers statewide were asked to have a portion of their gas taxes and auto fees directed toward the DMTTF. Today, New York's drivers pay hundreds of millions of dollars annually to mass transit, about 90 percent of which goes to the MTA. In return for drivers' financial assistance to transit it was originally agreed that the DOT and MTA's five-year capital programs would be similar in size (parity) and would be negotiated simultaneously.

Having a five-year highway and bridge capital program that truly meets the needs of our state's residents is our top priority. We believe it is essential the MTA and DOT capital programs are equal and that a significant portion of the resulting additional funding be allocated directly to local highway departments throughout the state. To meet a greater portion of the critical needs of the local transportation system, we request a five year allocation of \$3.7 billion (\$742 million annually) in CHIPS/Marchiselli funding and \$750 million (\$150 million annually) for a local bridge and culvert program.

LOCAL SYSTEMS' NEEDS ARE GREAT

The New York State Comptroller's studies indicate that a large number of road mileage is deteriorating and many bridges in the state are rated structurally deficient and functionally obsolete. According to a 2014 Comptroller's report, thirty four percent (34%) of bridges are deficient and forty-eight percent (48%) of road pavements are rated fair or poor and getting worse. The Comptroller estimates that there will be \$89 billion in unmet local infrastructure needs over the next 20 years, with much of this shortfall on the already deteriorating local transportation system.

In November of 2013, we conducted our own needs study of the local transportation system. The analysis determined that on average local governments (excluding New York City) should be spending \$2.32 billion annually on their highways and bridges. Currently these municipalities spend about \$1 billion annually on these facilities, leaving an annual shortfall of \$1.32 billion.

WHAT IS NEEDED NOW

In previous years, even in tough economic times, the Legislature has responded to the dire conditions of the state's transportation systems and augmented CHIPS and other local transportation funding but more is required. MTA/DOT parity will provide the funding needed to reverse the deteriorating conditions of our local transportation systems and make significant progress in its rehabilitation.

We are urging support for a significant increase for the CHIPS program to help all municipalities in the state extend the life of our assets and maintain our vast system; and an adequately funded local bridge and culvert program that will provide direct funding to local governments and add flexibility needed to address local conditions.

Our associations and the mutual constituencies and communities we serve appreciate the support of our state elected officials who partner with us to insure we all "get the job done" when it comes to providing the public with a safe and functional statewide transportation system; one that supports jobs and economic growth for our communities. We request that you and your Legislative colleagues make the same state funding commitment of \$26.1 billion to our roads, bridges and culverts as the Governor has pledged to mass transit. We look forward to continuing working with you to make more state funding and resources available to meet the critical needs of our local transportation systems.

Thank you.

January 20, 2016