

NEW YORK STATE LEGISLATURE

March 1, 2021

Hon. Andrew M. Cuomo Executive Chamber State Capitol, Second Floor Albany, NY 12224

Hon. Andrea Stewart-Cousins Temporary President and Majority Leader Room 907 LOB Albany, NY 12247

Hon. Robert G. Ortt Senate Minority Conference Leader Room 315 Capitol Albany, NY 12247

Hon. Timothy M. Kennedy Chair, Senate Transportation Committee Room 708 LOB Albany, NY 12247 Hon. Marie Therese Dominguez, Commissioner NYS Department of Transportation 50 Wolf Road Albany, NY 12232

Hon. Carl E. Heastie Speaker of the Assembly Room 932 LOB Albany, NY 12248

Hon. William A. Barclay Assembly Minority Conference Leader Room 933 LOB Albany, NY 12248

Hon. William B. Magnarelli Chair, Assembly Transportation Committee Room 830 LOB Albany, NY 12248

Dear Governor Cuomo and Legislative Leaders:

For the ninth consecutive session, on behalf of local transportation leaders, municipalities and taxpayers from throughout our respective legislative districts and across New York State, we welcome this opportunity to address the urgent need for greater state investment in local roads, bridges and culverts.

We appreciate the enormous fiscal challenges COVID-19 has placed on our state and its local governments. The Executive's proposed 2021-22 budget attempts to strike an important balance between fiscal constraint and ensuring the continuation of critical spending. In light of these challenges, the Governor proposes increasing the State's multiyear capital spending from \$275 billion in last year's budget to \$306 billion this year. In announcing his fiscal plan the Governor noted, "Not even COVID stopped us. We used the period of reduced traffic to accelerate projects throughout the state. Altogether, we are expanding our infrastructure plan to invest \$306 billion in the future of New York. That's not just the largest infrastructure plan in New York history. It's the largest, most ambitious plan put forward by any state in the nation."

We agree but unfortunately, some state-funded capital programs were not accelerated and, instead, were actually reduced. State spending on local highway and bridge funding was delayed by 69 days after

the budget was adopted in April. And even then, every community in the state had their Consolidated Local Street and Highway Improvement Program (CHIPS), PAVE-NY and Emergency Winter Recovery funds reduced by 20 percent or more than \$120 million.

We believe that New York State's <u>investment in local transportation infrastructure</u> must be a foundation of the nation's most aggressive infrastructure program in order for this program to ever achieve its envisioned goals.

It's important to be clear at the outset that equitability, fairness and parity remain essential when funding our state's infrastructure. We recognize the importance of funding for the MTA Capital Plan as a critical infrastructure investment that is necessary to meet the transportation needs of residents, commuters and visitors for our downstate region. The Executive's budget calls for state taxpayers to take on \$10.3 billion in new capital bonds to support the current MTA's five-year capital plan and \$1.3 billion for the Empire Station Complex, otherwise known as the Penn Station.

We also recognize that funding for the DOT Capital Plan is an equally necessary and critical investment for all the residents, motorists and taxpayers of the State of New York. We are one state, with challenging infrastructure needs statewide, and therefore we believe it is critically important that the capital needs of the MTA and the DOT each receive the level of funding necessary to keep both systems in a state of good repair. While overall spending on highways and bridges remains flat in the Executive's budget, an increased share of this spending is being devoted toward signature projects rather than core pavement and bridge repair. The Governor's proposed 2021-22 budget projects that \$1.3B will be spent on signature projects while only \$2.25B will be spent on core preservation, the lowest level in five years. Additionally, \$426 million in federal COVID relief eligible for use by the NYS Department of Transportation should be appropriated to support projects on top of the existing \$5.9 billion DOT capital plan proposed in the Executive budget.

While the proposed budget calls for continuation of such valuable programs as CHIPS, BRIDGE-NY and PAVE-NY, the budget proposal holds CHIPS funding at \$438 million for what will be the ninth year. The BRIDGE-NY and PAVE-NY programs are also proposed to have no increases. In addition, the Extreme Winter Recovery program is cut to zero, all this despite the 33% funding increase in the overall two-year DOT Capital Program. As currently proposed, this means just \$678 million per year will be distributed to all localities throughout the state, including New York City, to address the needs of their systems.

We once again stress that New York State's direct investment in local roads and bridges through the Consolidated Highway Improvement Program (CHIPS) remains fundamental to the mission highlighted above. It deserves priority consideration in the final allocation of state infrastructure investment the Executive proposes for the 2021-22 fiscal year.

CHIPS is the key difference for local communities, economies, governments, motorists and taxpayers throughout the Empire State, including New York City and surrounding metro areas, and we should no longer ignore this fact. This legislative session we believe the opportunity exists to strengthen our investment to address the tremendous, still unmet needs and challenges facing the effective maintenance and improvement of local roads, bridges and culverts in every region of New York State.

It is warranted. Local governments, for the foreseeable future, will continue to struggle to address budgetary demands in the face of the state-imposed property tax cap, rising pension and health care costs, unfunded state mandates, cuts in AIM and other local assistance, and, now, the loss of revenue due to COVID-19 economic restrictions and shutdowns, among other burdens – including, as noted previously, that the CHIPS base level has remained stagnant since 2013.

This is not the time to reduce state funding for local roads, bridges and culverts. Therefore, we put forth two funding requests, the first based on the state receiving up to \$6 billion in federal aid and the second if the state receives more than \$6 billion.

If New York State receives up to \$6 billion in federal aid, we request the following as part of the 2021-2022 budget:

- > Full restoration of the \$120.6 million 2020-21 state budget cut;
- > Fully fund CHIPS at \$438 million;
- > Increase Extreme Winter Recovery funding to \$100 million;
- > Fully fund BRIDGE-NY at \$100 million; and
- > Fully fund PAVE-NY at \$100 million.

If New York State receives federal aid above \$6 billion, we request:

- > Full restoration of the \$120.6 million 2020-21 state budget cut;
- > Increase CHIPS base funding level by \$150 million to a total of \$588 million;
- > Increase "Extreme Winter Recovery" to \$100 million;
- > Double PAVE-NY local funding from \$100 million to \$200 million; and
- > Double BRIDGE-NY local funding from \$100 million to \$200 million, with additional funding for culverts.

The case is compelling for New York State to take these proposed steps to address undeniable local transportation infrastructure shortcomings, and we believe it is simply the right thing to do. Local governments, for the foreseeable future, will continue to struggle to address COVID-19-related budgetary demands.

A stronger state-local partnership is the only solution to meeting the critical investment level needed to maintain and improve local roads, bridges and culverts. Keep in mind that:

- Local governments are responsible for maintaining nearly 87 percent of the roads in New York State and one-half of the state's 18,000 bridges;
- Drivers on local roads contribute nearly half of the gas taxes collected in New York State;
- Forty-eight percent of the vehicle miles traveled in New York are on local roads, yet less than 12 percent of the taxes and fees paid to the state by these drivers go back to maintaining local roads;
- Estimates by the State Comptroller, state Department of Transportation (DOT), and other independent studies have shown a large number of local road mileage deteriorating and many local bridges rated structurally deficient or functionally obsolete;

- Thirty-six percent of bridges are deficient and 38 percent of road pavements are rated fair or poor, and getting worse;
- According to TRIP, a national transportation advocacy group, roads and bridges that are deficient. congested, or lack desirable safety features, cost New York motorists an additional \$24.9 billion annually — nearly \$2,300 per driver in some areas — due to higher vehicle operating costs, traffic accidents, and congestion-related delays;
- If the overriding goal is this state's economic competitiveness, it cannot be overlooked that businesses locate in towns, villages and cities and, therefore, it is imperative to ensure that local roads and bridges are maintained to spur economic development and job creation, while helping to control property taxes for individuals and businesses;
- Every \$1 invested in the CHIPS program is \$1 less the local property taxpayer has to pay. Additionally, every \$1 invested in the CHIPS program can save from \$6-\$14 in long-term rehabilitation costs. This state assistance benefits the middle class struggling with high local property taxes;
- Each \$150 million increase in funding for local roads, bridges and culverts results in up to 4,200 highway construction-related jobs;
- The State Comptroller has estimated there will be \$89 billion in unmet local infrastructure needs over the next two decades. In an October 2017 report, the comptroller estimated that bridges owned by local governments require an estimated \$27.4 billion in repairs; and
- According to a recently updated analysis by the New York State Association of Town Superintendents of Highways, the local highway system outside NYC faces an annual funding gap of \$1.7 billion.

A long-overdue increase in the CHIPS base level, restoration of "Extreme Winter Recovery" assistance, and enhanced BRIDGE-NY and PAVE-NY allocations will significantly strengthen the foundation we have built over the last several state budgets and further solidify our fundamental belief that "Local Roads are Essential!"

Through the renewed, vigorous, long-term state investment we have outlined, we will finally move toward the safe and reliable local infrastructure we envision, an infrastructure that will serve as the catalyst for future community and economic development, job creation, and overall public and motorist safety.

Once again, thank you for your leadership and thoughtful consideration. We look forward to working with you to achieve these critical goals and make the 2021-22 New York State budget truly transformative for our local roads, bridges and culverts.

Sincerely,

Thomas F. O'Mara

The 50th

Senate District 58

Philip A. Palmesano Assembly District 132

Chi a. Cho

Robert G. Ortt Senate District 62

Senate District 24

Joseph A. Griffo Senate District 47

Senate District 52

Leoye M Bouello George M. Borrello

Senate District 57

Patrick M. Gallivan Senate District 59

Daphne V. Jordan Senate District 43

Senator Mike Martucci Senate District 42

Peter Oberacker Senate District 51

Naphne V. Jurdan

Mario R. Mattera Senate District 2

Fred Akshar

Phil Boyle Senate District 4

Famela S. Helminy

Pamela Helming Senate District 54 Am-

Anthony H. Palumbo Senate District 1

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Patty Ritchie Senate District 48

Daniel G. Stec Senate District 45

Alexis Weik Senate District 3

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Edward A. Rath III Senate District 61

Sue Serino

Sue Serino Senate District 41

Jim Cedisor

James Tedisco Senate District 49 Willia a. Barely

Will Barclay Assembly Minority Leader

Jacob Ashby 107th Assembly District

Harl A Fachenic

Karl Brabenec 98th Assembly District

Kevin M. Byrne 94th Assembly District

Joseph P. DeStefano 3rd Assembly District

Michael Durso 9th Assembly District

Christopher S. Friend 124th Assembly District

Joseph Angelino 122nd Assembly District

Ken Blanfenbus

Kenneth D. Blankenbush 117th Assembly District

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Keith P. Brown 12th Assembly District

Maijoris I Syms

Marjorie L. Byrnes 133rd Assembly District

Howl J. DiPrite

David J. DiPietro 147th Assembly District

Michael J. Fitzpatrick

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8th Assembly District

Sandy Galef

95th Assembly District

Total L. gelle

Jeffery Gallahan 131st Assembly District

Jodi Ciglio

Jodi Giglio 2nd Assembly District

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Andrew Goodell 150th Assembly District

Joshua T. Jensen

Joshua T. Jensen 134th Assembly District

John Lemondes, Jr. 126th Assembly District

David G. McDonough 14th Assembly District

Jarot Jandet

Jarett Gandolfo 7th Assembly District

Joseph M. Lighi

Joseph M. Giglio 148th Assembly District

Have Howery

Stephen M. Hawley 139th Assembly District

Michael Lawler 97th Assembly District

Bein D. Market

Brian D. Manktelow 130th Assembly District

John K. M. Lin John Mikulin

17th Assembly District

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Melissa "Missy" Miller 20th Assembly District

Angelo J. Morinello
145th Assembly District

Edward P. Ra
19th Assembly District

Jeh L

John J. Salka 121st Assembly District

Matthew Simpson 114th Assembly District

Robert J. Smullen

Robert J. Smullen 118th Assembly District Brian D. Miller

Brian D. Miller 101st Assembly District

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Michael A. Montesano 15th Assembly District

Muchael J. Norris Michael J. Norris 144th Assembly District

Michael W. Reilly, Jr. 62nd Assembly District

Colin J. Schmitt 99th Assembly District

Douglas M. Smith 5th Assembly District

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Christopher Tague 102nd Assembly District

Michael Tannousis 64th Assembly District

Mark C. Walczyk 116th Assembly District

Fred Thiele, gr

Fred W. Thiele, Jr. 1st Assembly District

Mary Beth Walsh

112th Assembly District

Summary of Senate Signees ~ Local Roads/Bridges/Culverts Funding

Senators:

Fred Akshar, 52nd SD George M. Borrello, 57th SD Phil Boyle, 4th SD Patrick M. Gallivan, 59th SD Joseph A. Griffo, 47th SD Pamela Helming, 54th SD Daphne Jordan, 43rd SD Andrew Lanza, 24th SD Mike Martucci, 42nd SD Mario R. Mattera, 2nd SD Thomas F. O'Mara, 58th SD Peter Oberacker, 51st SD Robert G. Ortt, 62nd SD Anthony H. Palumbo, 1st SD Edward A. Rath III, 61st Patty Ritchie, 48th SD Sue Serino, 41st SD Daniel G. Stec, 45th SD James Tedisco, 49th SD Alexis Weik, 3rd SD

Summary of Signatures for CHIPS/Bridge Funding (2021)

Assemblymembers:

Joe Angelino 122nd A.D Jake Ashby 107th A.D. Will Barclay 120th A.D. Kenneth D. Blankenbush 117th A.D. Karl Brabenec 98th A.D. Keith Brown 12th A.D. Kevin M. Byrne 94th A.D. Marjorie L. Byrnes 133rd A.D. Joseph DeStefano 3rd A.D. David J. DiPietro 147th A.D. Michael Durso 9th A.D. Michael J. Fitzpatrick 8th A.D. Christopher Friend 124th A.D. Sandra R. Galef 95th A.D. Jeffery Gallahan 131st A.D. Jarett Gandolfo 7th A.D. Jodi Giglio 2nd A.D. Joseph M. Giglio 148th A.D. Andrew Goodell 150th A.D. Stephen Hawley 139th A.D. Joshua Jensen 134th A.D. Michael Lawler 97th A.D. John Lemondes, Jr. 126th A.D. Brian D. Manktelow 130th A.D. David McDonough 14th A.D. John Mikulin 17th A.D. Brian D. Miller 101st A.D. Melissa Miller 20th A.D. Michael Montesano 15th A.D. Angelo J. Morinello 145th A.D. Michael J. Norris 144th A.D. Philip A. Palmesano 132nd A.D Edward Ra 19th A.D. Michael W. Reilly, Jr. 62nd A.D. John J. Salka 121st A.D. Colin Schmitt 99th A.D. Matthew Simpson 114th A.D. Douglas Smith 5th A.D. Robert Smullen 118th A.D. Christopher Tague 102nd A.D. Michael Tannousis 64th A.D. Fred W. Thiele Jr. 1st A.D. Mark Walczyk 116th A.D.

Mary Beth Walsh 112th A.D.