

1 BEFORE THE NEW YORK STATE SENATE FINANCE
AND ASSEMBLY WAYS AND MEANS COMMITTEES

2 -----

3 JOINT LEGISLATIVE HEARING

4 In the Matter of the
2019-2020 EXECUTIVE BUDGET
5 ON TRANSPORTATION

6 -----

7
8 Hearing Room B
Legislative Office Building
Albany, New York

9
10 January 30, 2019
9:36 a.m.

11

12 PRESIDING:

13 Senator Liz Krueger
Chair, Senate Finance Committee

14
15 Assemblywoman Helene E. Weinstein
Chair, Assembly Ways & Means Committee

16 PRESENT:

17 Senator James L. Seward
Senate Finance Committee (RM)

18
19 Assemblyman William A. Barclay
Assembly Ways & Means Committee (RM)

20 Senator Timothy M. Kennedy
Chair, Senate Committee on Transportation

21
22 Assemblyman William B. Magnarelli
Chair, Assembly Committee on Transportation

23

24

1 2019-2020 Executive Budget
Transportation
2 1-30-19

3 PRESENT: (Continued)

4 Senator Leroy Comrie
Chair, Senate Committee on Corporations,
5 Authorities & Commissions

6 Assemblywoman Amy Paulin
Chair, Assembly Committee on Corporations,
7 Authorities & Commissions

8 Assemblyman Michael Cusick

9 Assemblywoman Stacey Pheffer Amato

10 Senator Joseph Robach

11 Assemblyman Jonathan G. Jacobson

12 Senator David Carlucci

13 Assemblyman Charles D. Fall

14 Senator Robert E. Antonacci

15 Assemblyman Edward P. Ra

16 Senator Andrew Gounardes

17 Senator Jessica Ramos

18 Assemblywoman Karen McMahon

19 Assemblyman Félix W. Ortiz

20 Senator Brian A. Benjamin

21 Assemblyman Joe DeStefano

22 Senator James Skoufis

23 Senator Diane J. Savino

24 Assemblyman Steven Otis

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3 PRESENT: (Continued)

4 Assemblywoman Jo Anne Simon

5 Senator Anna M. Kaplan

6 Assemblyman David Buchwald

7 Assemblywoman Nily Rozic

8 Assemblyman David G. McDonough

9 Senator Gustavo Rivera

10 Assemblywoman Alicia Hyndman

11 Senator Todd Kaminsky

12 Assemblywoman Nicole Malliotakis

13 Senator Kevin Parker

14 Assemblyman Robert C. Carroll

15 Senator John C. Liu

16 Assemblyman Kevin Byrne

17 Assemblywoman Patricia Fahy

18 Senator Kevin Thomas

19 Assemblywoman Kimberly Jean-Pierre

20 Senator Shelley Mayer

21 Assemblyman Walter T. Mosley

22 Senator Brad Hoylman

23 Assemblywoman Tremaine Wright

24 Senator Jamaal T. Bailey

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3 PRESENT: (Continued)

4 Assemblywoman Deborah J. Glick

5 Assemblyman Mark Walczyk

6

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9 STATEMENT QUESTIONS

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Patrick Foye

11 MTA President

Veronique Hakim

12 Managing Director

Robert Foran

13 Chief Financial Officer

Janno Lieber

14 Chief Development Officer

Metropolitan Transportation

15 Authority (MTA)

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16 Ron Epstein

Executive Deputy Commissioner

17 New York State Department

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Theresa Egan

19 Executive Deputy Commissioner

New York State Department

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21 Matthew J. Driscoll

Acting Executive Director

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6	Commissioner of Public Works		
	1st Vice President		
7	NYS Association of Town		
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-and-

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1 CHAIRWOMAN WEINSTEIN: We're ready to
2 begin our hearing. Morning rush hour, and
3 we're running out of seats.

4 Good morning. I'm Assemblywoman
5 Helene Weinstein, chair of the New York State
6 Assembly Ways and Means Committee and cochair
7 of today's hearing.

8 Today we begin the fifth in a series
9 of hearings conducted by the joint fiscal
10 committees of the Legislature regarding the
11 Governor's proposed budget for fiscal year
12 2019-2020. The hearings are conducted
13 pursuant to the New York State Constitution
14 and the Legislative Law.

15 Today the Assembly Ways and Means
16 Committee and the Senate Finance Committee
17 will hear testimony concerning the Governor's
18 budget proposal for transportation.

19 I'll introduce Democratic members from
20 the Assembly, and Senator Krueger will
21 introduce members from the Senate. In
22 addition, our ranking Ways and Means member,
23 Assemblyman Barclay, will introduce members
24 in his conference, as likewise will Senator

1 Seward.

2 We have -- I'll go down the row --
3 Assemblyman Magnarelli, Assemblywoman Paulin,
4 Assemblyman Cusick, Assemblywoman Rozic. And
5 on the lower dais, Assemblywoman McMahon,
6 Assemblyman Fall, Assemblyman Buchwald,
7 Assemblyman Jacobson, and Assemblywoman
8 Amato. And Assemblyman Carroll has joined
9 us.

10 Assemblyman Barclay?

11 ASSEMBLYMAN BARCLAY: Thank you,
12 Chairwoman.

13 We are joined by Dave McDonough, who
14 is the ranker on Transportation; Joe
15 DeStefano, in the audience; and Kevin Byrne.
16 And Ed Ra, sorry, member of Ways and Means.

17 CHAIRWOMAN KRUEGER: And for the
18 Senate, we are joined by Senator Kennedy,
19 chair of Transportation; Senator Comrie,
20 chair of Authorities and -- Corporations,
21 thank you; Senator Liu, Senator Kaminsky,
22 Senator Gounardes. Behind them, Senator
23 Mayer, Senator Thomas, Senator Benjamin. And
24 down on the first tier, Senator Kaplan,

1 Senator Hoylman, Senator Ramos, Senator
2 Carlucci.

3 And my ranker will introduce his
4 members.

5 SENATOR SEWARD: Thank you, Madam
6 Chair.

7 And good morning, everyone. My list
8 isn't quite as long, but I'm very pleased to
9 acknowledge the presence of our ranking
10 member of the Transportation Committee,
11 Senator Robach, as well as Senator Antonacci.

12 CHAIRWOMAN KRUEGER: Thank you.

13 CHAIRWOMAN WEINSTEIN: Thank you. So
14 before introducing our first witness, I'd
15 like to remind all of the witnesses
16 testifying to keep your statement within the
17 allocated time limit so everyone can be
18 afforded the opportunity to speak. And
19 witnesses will be reminded that testimony
20 that's been submitted has been made a part of
21 this record, has been distributed to members,
22 so there's no reason to read your testimony
23 verbatim. Instead, concise highlights will
24 allow for better dialogue between the

1 members.

2 And just to point out to all, we have
3 new time clocks for these budget hearings.
4 When your time starts, there will be a green
5 light. When it gets to one minute, the light
6 will turn yellow. And when it gets to red,
7 it will flash and you'll hear a chime, and
8 it's time to leave the stage.

9 As I said, we have a full house, so I
10 would ask both the witnesses and the members
11 to be mindful of the clock and the time. For
12 the members who haven't been here before at
13 previous budget hearings, that the time is
14 both for your question and the answer. So we
15 want to make sure that everybody has
16 opportunities to be heard today.

17 And before we turn to our first
18 witnesses, we've also been joined by
19 Assemblywoman Alicia Hyndman.

20 CHAIRWOMAN KRUEGER: And, I'm sorry,
21 also we've been joined by Senator Gustavo
22 Rivera in the audience, because we've run out
23 of chairs, and Senator Diane Savino.

24 But I also just wanted to point out a

1 number of our colleagues brought large photos
2 as part of their questions, and we're not
3 allowing the use of those photos. But if you
4 get the smaller version or the JPEG version
5 of the photos, Senate Finance staff will make
6 sure they're included on the hearing website
7 so that they can be available for making your
8 point.

9 So I'm just saying you can do it that
10 way, but we're going to ask you not to hold
11 up the large photos as you ask your
12 questions. You could also ask the MTA to
13 look at them outside in the hallway
14 afterwards as well.

15 Assemblywoman.

16 CHAIRWOMAN WEINSTEIN: Yes, thank you,
17 Senator Krueger.

18 So we begin with the Metropolitan
19 Transportation Authority. Seated at the
20 table, Patrick Foye, MTA president;
21 Veronique Hakim, managing director;
22 Robert Foran, chief financial officer;
23 Janno Lieber, chief development officer.

24 You have 10 minutes, and I'm sure

1 there will be a lot of give-and-take
2 afterwards.

3 MTA PRESIDENT FOYE: Good morning,
4 Chairs Krueger, Weinstein, Paulin, Comrie,
5 Kennedy, Magnarelli, and members of the
6 Senate and the Assembly. I'm MTA President
7 Patrick Foye, and I'm here with my
8 colleagues, to my left, MTA Managing Director
9 Ronnie Hakim; Chief Development Officer Janno
10 Lieber, and to my right Chief Financial
11 Officer Robert Foran. Thanks for inviting us
12 to discuss Governor Cuomo's 2019 Executive
13 Budget and its impact on the MTA.

14 Senators and Assemblymembers, I'll
15 start with a quote: "The MTA faces its
16 greatest challenge in decades." These are
17 the words of New York State Comptroller Tom
18 DiNapoli in his October 2018 report on the
19 financial outlook of the MTA. That report
20 paints a troubling picture of massive and
21 looming fiscal gaps rapidly approaching in
22 the MTA's operating and capital budgets.
23 According to the Comptroller's report,
24 "Without support from the MTA's funding

1 partners, fares and tolls could rise faster
2 than planned or the system will further
3 deteriorate." This analysis is sadly
4 spot-on, as I'll describe later in my
5 testimony. We are clearly at a historic
6 crossroads with respect to the MTA where
7 desperately needed funding must be secured to
8 ensure the future of mass transit in
9 New York.

10 As a start, the MTA and its customers
11 need congestion pricing. That's critical.
12 If congestion pricing were to fail to pass
13 this session, the MTA would need to raise
14 fares and tolls by about 27 percent by the
15 end of our next capital program in 2024. Let
16 me repeat that. Without congestion pricing,
17 fares and tolls would increase by nearly
18 30 percent by 2024. That means that in a
19 span of about five years, the base fare for
20 subways and buses would increase from \$2.75
21 today to approximately \$3.50, while the cost
22 of a monthly MetroCard would jump from \$121
23 to approximately \$154. This is necessary
24 simply to bridge upcoming gaps in our

1 operating and capital budgets.

2 Beyond congestion pricing, and in
3 addition to continued federal funding of the
4 MTA, we need enhanced funding from state and
5 city sources split between the two partners.
6 Currently, the city has not yet agreed to
7 pay.

8 Therefore, similar to last year's
9 funding for the Subway Action Plan, after
10 congestion pricing revenues, we request the
11 Legislature to require the major capital
12 needs of New York City Transit be funded
13 equally between the state and the city.

14 A fiscal crisis is hardly the only
15 problem we face. Just as urgently, the MTA
16 must be reformed in a fundamental way so we
17 can continue to improve service for the
18 millions of customers who rely on our network
19 each and every day. According to the
20 Metropolitan Transportation Sustainability
21 Advisory Workgroup report -- the Kathy Wylde
22 report, on which Chairman Paulin was one of
23 the members -- issued in December: "The MTA
24 has struggled and largely failed to meet

1 expectations of the Tri-State region for
2 dependable, modern and accessible transit."

3 All of us here today agree. And
4 although we have seen promising concrete
5 indications that our work is paying off and
6 that service is clearly improving, much more
7 needs to be done. We must together continue
8 our efforts to reform the agency.

9 So with that as a backdrop, we would
10 like to first discuss in more detail the
11 substantial looming operating deficits we
12 face beginning in 2020. Second, we will
13 address the need for congestion pricing and
14 additional recurring or sustainable revenue
15 to fund our 2020-2024 capital program,
16 including New York City Transit's Fast
17 Forward plan, the Long Island Railroad's
18 Forward plan, and Metro-North's Way Ahead.
19 Third, we will discuss actions we are already
20 taking and the steps we will continue to take
21 to reform the MTA.

22 On the operating side, since 2017
23 passenger revenues and economically sensitive
24 subsidies have softened, resulting in an

1 average revenue loss of more than
2 \$350 million a year.

3 To make matters worse, we lost about
4 \$215 million last year to fare evasion, a
5 trend which increased significantly from
6 2017. And while we applaud the Governor and
7 the Legislature's work to implement the first
8 phase of congestion pricing for for-hire
9 vehicles, we're losing about \$30 million a
10 month -- a million dollars a day -- due to
11 the ongoing legal challenge you're all aware
12 of.

13 As a result, we project significant
14 outyear operating budget deficits of
15 \$510 million as early as next year, 2020,
16 growing to nearly \$1 billion by 2022. These
17 numbers assume that we will implement
18 critically important biannual fare and toll
19 increases this year and again in 2021. The
20 proposed 2019 fare increase would provide the
21 MTA with about \$316 million on an annual
22 basis. The proposed 2021 increase, together
23 with the 2019 increase, would provide us with
24 an aggregate of about \$646 million a year.

1 If, however, we do not raise fares and tolls
2 in 2019 and 2021, outyear deficits will rise
3 to \$836 million next year, and a staggering
4 \$1.6 billion by 2022. These colossal
5 deficits must be closed through new funding
6 sources and continued cost cutting, which I
7 will discuss in more detail in a moment.

8 Everybody in the room I'm sure is
9 aware that as a matter of state law, the MTA
10 must end each fiscal year in balance. Absent
11 new funding, our only options will be some
12 combination of service cuts, significant
13 additional fare and toll increases beyond
14 those currently being discussed by the MTA
15 Board, as well as a reduction in our
16 workforce. From a credit rating point of
17 view, the MTA was downgraded twice last year
18 by S&P, Standard & Poor's, and put on
19 negative outlook by Moody's. Just last week
20 another credit rating agency, Kroll, revised
21 its outlook to negative due to a growing
22 concern over the MTA's tightening financial
23 position and its critical need for new,
24 sustainable revenue streams.

1 That's why I'd like to take a moment
2 to thank the Governor for proposing
3 congestion pricing in his Executive Budget as
4 a mechanism to generate approximately
5 \$15 billion for the next MTA capital plan.
6 This stream of reliable, recurring and
7 hopefully growing revenue could be a critical
8 component of our next capital program,
9 covering capital projects from New York City
10 Transit, the Long Island Rail Road, and
11 Metro-North. But it is not enough. Given
12 our aging infrastructure and a need to
13 resignal most of the subway system --
14 resignaling is the single most important step
15 we can take to bring our subway system into
16 the modern age -- we anticipate needing
17 additional funds to support our next capital
18 program, which at this point we project to be
19 approximately \$41 billion, as cited by the
20 Metropolitan Transportation Sustainability
21 Advisory Workgroup report -- that's quite a
22 mouthful. This figure excludes MTA Bridges
23 and Tunnels, which is self-funding.

24 We realize, however, that improving

1 service is about much more than increased
2 funding. We need to change the way we do
3 business. Because let's admit it, we know
4 you're hearing it from your constituents,
5 because we're hearing it regularly from our
6 customers. The state of the system is
7 currently unacceptable to us and to the MTA
8 Board.

9 But as I think you know, the MTA has a
10 new leadership team in place. We're taking
11 action to turn the system around, and we're
12 making real progress. You can see this
13 progress reflected in our latest on-time
14 subway performance statistics, which have
15 improved month after month after month. You
16 can also see the progress in on-time delivery
17 of transformative projects like Long Island
18 Rail Road Double Track, which finished
19 14 months early. And you can see the
20 progress in the execution of the Subway
21 Action Plan, through which we've: First,
22 repaired or rebuilt more than 1700 signal
23 components; second, made maintenance
24 practices more efficient, so subway cars can

1 final installment of the state's historic
2 \$8.6 billion commitment to our current
3 capital plan. And we thank the Governor, all
4 of you in the Legislature, and the City of
5 New York for that continued critical support.
6 In addition to the largest-ever state
7 commitment to our current capital program, a
8 share of its funding comes from our own
9 efficiencies as we continue the most
10 aggressive cost-cutting in the MTA's history.

11 Over the last decade, we have
12 implemented savings programs that have
13 reduced our annual operating expenses on an
14 ongoing basis by more than \$2 billion, and
15 that number is growing. We're on pace to
16 achieve an additional \$400 million in annual
17 savings from cost cutting by the end of 2022.
18 Scores of budget-tightening initiatives have
19 allowed us to achieve these cost savings,
20 including administrative staff reductions,
21 implementation of a company-wide hiring
22 freeze in 2018, and consolidating departments
23 to streamline operations for both efficiency
24 and effectiveness.

1 But it's still not enough. We're fast
2 approaching a point of diminishing returns
3 with this approach, so we're looking toward
4 major structural reforms, including but not
5 limited to creating efficiencies through
6 restructuring, dramatically reducing
7 consultant expenses, and eliminating
8 duplicative functions to achieve savings that
9 have not been available to us before.

10 Board and key staff have also begun
11 implementing strategies to revolutionize the
12 way we handle procurements, to increase
13 competition and deliver capital projects more
14 efficiently and effectively -- better,
15 faster, and cheaper. As a result, we're
16 seeing far more projects delivered on time
17 and on budget or on schedule to be delivered
18 on time and on budget, along with hundreds of
19 millions of dollars in savings. We have much
20 more to do in all these areas.

21 Senators and Assemblymembers, it's
22 also important to remember --

23 CHAIRWOMAN WEINSTEIN: Excuse me.

24 MTA PRESIDENT FOYE: Chair?

1 CHAIRWOMAN WEINSTEIN: Yes, I was
2 going to suggest we have your written
3 testimony, we have many anxious members that
4 would like to ask questions. I'm sure you'll
5 have opportunity during the questions to be
6 able to get to some of those other points --

7 MTA PRESIDENT FOYE: Sure. Happy to
8 take your questions.

9 CHAIRWOMAN WEINSTEIN: Sure. So we're
10 going to start -- because we do have a lot of
11 members in both the Assembly and Senate.
12 Thank you, President Foye.

13 So we're going to start with the
14 Assembly chair of Corporations, Assemblywoman
15 Paulin. Oh, and before -- I'm sorry, Amy.
16 Before Amy starts, I just want to acknowledge
17 that a number of Assemblymembers have come in
18 since we began: Assemblywoman Simon,
19 Assemblyman Otis, Assemblywoman Malliotakis,
20 Assemblywoman Wright, and Assemblyman Mosley.
21 Ms. Paulin.

22 CHAIRWOMAN KRUEGER: And --

23 CHAIRWOMAN WEINSTEIN: Oh, excuse me.
24 Yes, and Senate.

1 CHAIRWOMAN KRUEGER: And we've also
2 been joined by Senator Skoufis. Thank you.

3 CHAIRWOMAN WEINSTEIN: And
4 Assemblywoman Pat Fahy.

5 Now, Amy, please. Thank you.

6 ASSEMBLYWOMAN PAULIN: Is this on?
7 Hello? Ah, there we go.

8 So I have a lot of questions, so the
9 shorter the answer, the better, to stay in my
10 time-limit framework.

11 First, on congestion pricing. You
12 know, those of us who had the privilege and
13 honor to be on the workgroup participated in
14 a large congestion pricing-devoted meeting.
15 And one of the things that we learned was
16 that congestion pricing might take more than
17 the two years. In London, it took three, and
18 they thought that was cutting it very short.

19 So what -- I guess several questions
20 related to that. You know, when do we
21 budget, when did we anticipate the revenue?
22 And what kind of deficit are we looking at if
23 congestion pricing doesn't happen within that
24 two-year time frame that is proposed?

1 MTA PRESIDENT FOYE: So, Chair Paulin,
2 let me start off and then I'll turn to Bob
3 Foran, our CFO.

4 Two points. One is it's important to
5 note that phase one of congestion pricing,
6 which the Legislature passed last year, is
7 currently subject to a TRO. That's costing
8 us a million dollars a day until that's
9 resolved, about \$30 million a month. We were
10 counting on that in the budget. A prompt,
11 successful resolution of that would be quite
12 important.

13 Point two that I'd like to make is the
14 following, that to some extent it is going to
15 be difficult to answer your question in
16 detail given the fact that the Governor's
17 Executive Budget will surely be discussed and
18 negotiated with the Legislature back and
19 forth, and there are issues in there that
20 could impact timing.

21 The third point I'd make before
22 turning it over to Bob is the following, that
23 you're quite right, it did take London three
24 years. I think the state of technology and

1 know-how on this has increased. Our
2 colleagues at the MTA and TBTA have been
3 talking with London but also in Singapore,
4 which is quite advanced on these issues. And
5 we are taking every step we can to make sure
6 that when congestion pricing -- and I
7 underline when, because it's so critical --
8 that when it starts, we'll be in a position
9 to hit the ground running.

10 MTA CFO FORAN: The operating deficits
11 that Pat Foye mentioned -- \$510 million next
12 year, \$816 and close to a billion the next
13 year -- are independent of any consideration
14 of congestion pricing. Those are just the
15 operating deficits we have now.

16 Congestion pricing we're looking as a
17 capital infusion into it. So what we will
18 suffer is we'll suffer a deficit on our
19 capital program if those monies are delayed.
20 The next capital program should be
21 approved -- should be presented no later than
22 October 1st. And then it's going to start
23 2020, to go to 2024. So to the extent we
24 have a delay in the implementation of

1 congestion pricing, that's a delay in the
2 availability of capital funds. That would
3 just increase our capital deficit.

4 ASSEMBLYWOMAN PAULIN: So you work on
5 an annual basis, your budget, right?

6 MTA CFO FORAN: Yes.

7 ASSEMBLYWOMAN PAULIN: Our fiscal year
8 overlaps with your next year's annual, which
9 you then anticipate a deficit. So we don't
10 have anything in the Executive Budget that
11 would cover that anticipated deficit, nor do
12 we have anything -- I'm assuming there's
13 going to be a great deal of deficit this year
14 because of the lawsuit, and the fare increase
15 is not going to be able to take place
16 March 1st because of the delayed vote.

17 So what is the deficit that you
18 anticipate for this year, and what kind of
19 cost savings to offset that are you looking
20 at? And also, you know, will we expect to
21 see some service cuts?

22 MTA CFO FORAN: Good question. So we
23 were projecting a balanced budget this year,
24 but it was a balanced budget not structurally

1 balanced, meaning revenues exceed expenses,
2 or equal expenses. It was not structurally
3 balanced. We're using one-shots to close the
4 gap. We're running out of money to do
5 one-shots. So this is the last year we can
6 do that.

7 We were expecting additional cost cuts
8 on our own. The original target for 2019 was
9 \$536 million. We've identified \$417 million
10 worth of cuts. So we have another
11 \$123 million yet unidentified that we have to
12 hit. So that was a target for us.

13 Well, we have been surprised because
14 of the TRO; right now we're looking at
15 another \$30 million we're going to have to
16 make up. Roughly every month that we have a
17 delay in the fare increase, fare and toll
18 increase, costs us about \$25 million, more or
19 less.

20 So a delay in the fare increase, the
21 TRO -- right there you're looking at
22 something around \$58 million additional. We
23 will find the way of balancing it, we will
24 have to find it. But I'd say if we don't get

1 the fare and toll increase this year, that
2 blows a \$270 billion budget, because it was a
3 partial year.

4 We have had conversations with the
5 New York State Division of Budget, and we're
6 talking about different ways that we might be
7 able to handle the outyear deficits. The
8 bond market, I think, has been pretty --
9 while we've had downgrades, I think they have
10 understood that we're doing what we can on
11 our own with cost cuts, that we are --

12 ASSEMBLYWOMAN PAULIN: So I guess just
13 to, you know, cut to the chase, are there
14 service cuts anticipated?

15 MTA CFO FORAN: We are not
16 anticipating service cuts now, but that will
17 be an option that we'll have to look at very,
18 very seriously.

19 ASSEMBLYWOMAN PAULIN: Back to
20 congestion pricing. You know, in the
21 Executive Budget there's no targeted
22 congestion relief. You know, there's no
23 number. And I wondered what we anticipate
24 from the proposal that's been suggested.

1 And, you know, also looking at the
2 London example, you know, there was a great
3 deal of capacity buses, you know, to
4 anticipate the number of people that they
5 thought would then be forced, because of the
6 limitation or the extra expense -- what kind
7 of capacity increases do we have planned to
8 accommodate congestion pricing if it gets
9 adopted?

10 MTA PRESIDENT FOYE: Well, as to the
11 first part of your question, we believe that
12 the congestion pricing plan described in the
13 Governor's Executive Budget would have a
14 significant impact on congestion, resulting
15 in higher not only bus but vehicles speeds on
16 city streets. To quantify that today is not
17 really possible, Chair, but we think it would
18 be a significant amount.

19 You want to talk about the service
20 issue?

21 MTA MANAGING DIR. HAKIM: Yeah. So
22 what we want to do is provide good bus
23 service, particularly in all of our service
24 areas, but we know that we have a traffic

1 problem in the central business district.
2 Our buses are running at 6 to 7 miles per
3 hour. That is not an acceptable level of
4 service for our customers who are trying to
5 navigate through the central business
6 district.

7 So congestion pricing does a couple of
8 things. Obviously, importantly, it provides
9 revenue to the MTA and our capital program,
10 critically important. Two, it will have an
11 impact on congestion in areas that are
12 currently just providing a level of bus
13 service that's unacceptable. Three, I will
14 note that buses are completely
15 ADA-accessible. Every single one of our
16 buses is ADA-accessible. Critically
17 important for our communities to be able to
18 provide good bus transportation service. And
19 all we're trying to do is increase the amount
20 of bus service, not decrease it.

21 So as we redesign the bus network --
22 we've recently redesigned the Staten Island
23 network looking at Queens and the Bronx and
24 Brooklyn, obviously, to follow. We really

1 have an interest in improving our bus
2 network.

3 ASSEMBLYWOMAN PAULIN: I'm just going
4 to jump now to some of the reform measures,
5 and you outlined a lot of them in the
6 testimony. And we heard over and over again
7 in the workgroup that, you know, we don't
8 really need legislation to accomplish most of
9 the reform.

10 In the Executive proposal there is a
11 very -- in the Article VII language it would
12 give the MTA the authority to assign,
13 transfer, share or consolidate powers and
14 duties of its departments, its subsidiaries,
15 pending approval from the board.

16 What are some of those? I mean, you
17 alluded a little bit in the testimony to more
18 things that need to be done. Do you need
19 specific legislative approval that that would
20 accomplish? And, you know, what is the
21 timetable? I get that you can't share
22 everything because you need to share with
23 your board, to some degree. But, you know,
24 give us a hint of what some of that language,

1 you know, would go toward.

2 MTA PRESIDENT FOYE: Well, Chair, I'll
3 do my best at giving a hint. I would divide
4 it into two pieces. I think the two pieces
5 first are fundamental MTA Board governance.
6 I think that is senior managers of MTA. It's
7 not for us to give advice to the board or the
8 Governor's office or the Legislature as to
9 that fundamental issue.

10 I do think that the statement in the
11 Kathy Wylde report that's an easier term,
12 rather than going through the full term, as
13 well as Governor Cuomo's statement earlier in
14 the week about the byzantine complexity of
15 governance at the MTA, defusing
16 accountability. And I think that's true.
17 I'll leave governance to elected officials
18 here in Albany.

19 On your second point, as we said when
20 Bob and Ronnie and I and Janno appeared with
21 the sustainability group, I think there's
22 much that has already been done. The
23 \$2 billion in annual recurring savings were
24 done without the need for legislation. I

1 believe there are significant opportunities
2 for restructuring, combining departments,
3 combining functions that can be done under
4 the current statutory framework.

5 ASSEMBLYWOMAN PAULIN: And -- oh,
6 sorry. I'll come back second round.

7 CHAIRWOMAN WEINSTEIN: Yeah, we'll
8 come back.

9 Senate?

10 CHAIRWOMAN KRUEGER: Thank you.

11 Senator Tim Kennedy, chair of
12 Transportation.

13 SENATOR KENNEDY: Thank you very much
14 for your testimony today.

15 One of the words that stuck out to me
16 in your testimony was that you all believe
17 the current state of affairs at the MTA is
18 unacceptable. I think you'd be hard-pressed
19 to find anybody that disagrees with you on
20 that. We have an obligation to resolve this
21 crisis. And I believe that resolution and
22 the solution to this begins at the top.

23 A 2017 New York Times article noted
24 that the 2500 MTA administrators earn an

1 average of \$240,000 per year, while similar
2 systems see an average pay of \$115,000 per
3 year. In light of the need for more state
4 investment, what's being done to control
5 these salaries paid, and how do we justify to
6 people that ride the MTA every day that these
7 administrators are making this kind of money
8 in a system in this state of crisis?

9 MTA MANAGING DIR. HAKIM: So let me
10 start off by saying the New York Times
11 article was incorrect. They retracted and
12 ultimately issued a correction.

13 The average -- I'll use, you know,
14 subway managers. Their salaries are in the
15 \$80,000 range. There is an overhead
16 associated with that, with pensions and
17 health benefits, et cetera, that makes the
18 average salary value about \$140,000. But
19 those are grossly different numbers than what
20 were originally reported in that article.

21 SENATOR KENNEDY: It's my
22 understanding that the original numbers in
23 the New York Times article stated nearly
24 \$300,000. The correction was what I stated,

1 the \$240,000 per year.

2 But any way you look at it, you're
3 talking about administrators in a bloated
4 system that are just, off the top -- scrape
5 off the top administrators and we're talking
6 half a billion dollars out of the gate, not
7 to mention the many other administrators.

8 And it begs the question what are you
9 going to do about it, and how are we going to
10 resolve this? And how can we ask the
11 ridership to trust that the plan we're going
12 to put forward is going to include reforms
13 internally at the MTA?

14 MTA MANAGING DIR. HAKIM: I think
15 you're hitting exactly on the head, which is
16 that we are actually agreeing and welcoming
17 the need for reform. And that means we've
18 instituted a hard hiring freeze in 2018.
19 That means that we are looking at every
20 single vacancy, including people who retire,
21 and how to fill those if we fill those.

22 I think Pat Foye alluded to the
23 opportunities for consolidation and
24 streamlining. You know, when the MTA was

1 created, it was created as a series of siloed
2 agencies with different operating
3 responsibilities. All of that is on the
4 table. We are actually not leaving any stone
5 unturned. We are not waiting for legislative
6 action, actually. We are already starting
7 this now.

8 One of our board members last month
9 introduced the notion of performance metrics
10 and accountability, something that we as the
11 senior leadership at the MTA embrace. And
12 so, yes, there are going to be opportunities
13 to hit some of those needed savings, to close
14 those deficit gaps through consolidating,
15 administrative back-office functions, but
16 also how to do our business better. And part
17 of that, sir, goes to your issue of salaries,
18 ranges and benefits across the enterprise.

19 SENATOR KENNEDY: Thank you.

20 You know, one of the concerns that was
21 brought up from my colleagues, the previous
22 questioning, was even the intimation that
23 there could be cuts in services on the table
24 when, quite frankly, there are transportation

1 deserts and folks that have to walk quite a
2 ways just to get to the nearest bus stop or
3 subway stop. And we should not be talking
4 about making cuts, we should be talking about
5 just the opposite.

6 But it also brings up the fact that
7 there are many other issues that are plaguing
8 the system, including we all know the
9 terrible tragedy that just occurred with
10 Malaysia Goodson, the mother who died
11 tragically in Midtown. With her baby, her
12 one-year-old child, she fell down the stairs.

13 But law enforcement has stated that it
14 could have been a medical episode that
15 triggered this, but what it did is it brought
16 to light the issues of a lack of
17 accessibility within the system. Can you
18 talk about what you're going to be doing --
19 when we're talking about investing billions
20 of dollars into the system, we need to ensure
21 that the system is accessible for
22 individuals, especially those individuals
23 with disabilities. Individuals that have a
24 difficult time walking on their own, parents

1 that may have strollers with them, and the
2 like. Can you comment on that and what your
3 plan is moving forward?

4 MTA MANAGING DIR. HAKIM: Thank you,
5 Senator.

6 The commitment that we are making to
7 accessibility in our system is absolutely
8 clear, solid, backed up by capital
9 investments. Our current capital plan has
10 over a billion -- almost a billion and a half
11 dollars committed to ADA accessibility. We
12 are working under a compliance order with the
13 Department of Justice for our 100 Key
14 Stations program. We have exceeded that in
15 terms of there are currently 120 accessible
16 stations. We agree that it is a top
17 priority.

18 The story from the day before
19 yesterday was tragic. You know, as a mother
20 I -- it's just absolutely horrific and tragic
21 and one that we want to avoid by increasing
22 the number of elevators in our system.

23 So how do we do that? Andy Byford,
24 the president of New York City Transit, as

1 part of his Fast Forward plan, has committed
2 to increasing accessibility at an
3 unprecedented rate. So we would include a
4 commitment in our capital program for a new
5 number of elevator projects in our system.
6 We have a goal, an objective of having every
7 customer more than two stations away from an
8 accessible station -- we have more stations
9 than any system, right, 472 stations. So
10 that is a top priority for us and one that we
11 agree and encourage commitment of funding
12 for.

13 SENATOR KENNEDY: Thank you.

14 In the end, this is all about the
15 riders. We know that. And it's about
16 New Yorkers who need accessible, safe,
17 reliable, dependable service each and every
18 day to get to and from work, to get to and
19 from school, to get to and from doctor's
20 appointments, around the community, taking
21 care of their families, that literally depend
22 on this system. And we're talking about
23 investing potentially \$60 billion in a
24 capital plan over the next five years.

1 What can riders expect to see?
2 They're going to want to see progress.
3 They're going to want to see progress
4 immediately. We want them to know that
5 there's progress happening with this infusion
6 of major capital dollars. What can you
7 commit to us that the riders are going to
8 see? How are their lives going to be made
9 better with the capital investment we're
10 talking about making? In the immediate
11 future, in the next year, two years, five
12 years.

13 MTA MANAGING DIR. HAKIM: Thank you.

14 Allow me to look at the Subway Action
15 Plan that was started in July 2017 with the
16 stated agreement that the subway system was
17 in crisis and that we were not performing and
18 providing an acceptable level of service.
19 There was an infusion of capital shared
20 between the state and the city, \$836 million.
21 What have we done with that money? We have
22 in fact created signal, track, car
23 improvements, station improvements, safety
24 improvements. We have invested this money in

1 the system. And we are demonstrating the
2 benefits to our riders. We're not there yet.
3 Nobody is taking a victory lap here. But we
4 have in fact reduced our delays on a
5 significant basis. We are improving our
6 on-time performance. Our major incidents are
7 down almost 16 percent a day. We are in fact
8 improving our mean distance between failures.
9 Our cars are running better.

10 So my point is the reliability of the
11 system is improving, journey times are
12 improving. Pat Foye mentioned the Save Safe
13 Seconds program. We are saving seconds.
14 Those amount to minutes. And that means that
15 people who are using our service actually get
16 to their destinations more reliably, faster,
17 and safely every day. We do still serve
18 almost 6 million people a day on the subway
19 system.

20 So dollars invested, we are working
21 hard. Our TWU partners are in the system
22 every night, thousands of men and women
23 working on that system, and it's starting to
24 show results.

1 SENATOR KENNEDY: Thank you. And
2 finally, with the interest of time here and
3 my time allocation, we are again talking
4 about a \$60 billion massive infusion of
5 financial resources into the MTA. I reside
6 in upstate, in Buffalo, New York, in Western
7 New York. And while we are considering
8 investing, over five years, tens of billions
9 of dollars, how can you as leaders within
10 that system ensure that as much of that money
11 is spent in other parts of New York State
12 first, in areas of upstate that are in many
13 cases reeling with difficult economic
14 realities?

15 MTA PRESIDENT FOYE: Well, Senator,
16 you raised that same issue when we met two
17 weeks ago. And first, the Governor and the
18 MTA are committed to that, to a Buy NY
19 program, one. Two, I'll note that for
20 instance in Plattsburgh, in Yonkers, in
21 Rochester, in Queens, Senator Comrie's
22 district, that MTA work is being done on
23 railcars, on buses, on subway track,
24 signaling work. The same is true of

1 Long Island, Hudson Valley, every part of the
2 state.

3 The MTA is not only an incredible
4 economic machine in terms of moving millions
5 of people, but a significant and growing
6 portion of the capital plan is dedicated to
7 New York. One. As we also discussed,
8 Senator, when we met, we will do everything
9 we can to make sure that companies in each of
10 your districts throughout the state know what
11 the MTA's plan is for particular pieces of
12 steel, equipment, railcar, trucks, wheels,
13 et cetera, and will do everything we can to
14 make sure that as much of this money is
15 invested in New York State to create
16 good-paying union jobs in New York State,
17 Senator.

18 CHAIRWOMAN KRUEGER: And I have to cut
19 you and Senator Kennedy off.

20 SENATOR KENNEDY: Are you going to put
21 a plan to together to that effect, President
22 Foye?

23 MTA PRESIDENT FOYE: We are indeed.
24 With the Second Floor, yes, sir.

1 CHAIRWOMAN KRUEGER: Senator Kennedy,
2 you can have a second round later. Thank
3 you.

4 Assembly.

5 CHAIRWOMAN WEINSTEIN: So next, our
6 chair of Transportation, Assemblyman
7 Magnarelli.

8 ASSEMBLYMAN MAGNARELLI:
9 Mr. President, thank you very much for being
10 here today. I'm not going to take a lot of
11 time asking you a lot of questions. The one
12 thing I want to say, after Senator Kennedy
13 mentioned all of those nice cities in upstate
14 New York, he forgot Syracuse. And I want you
15 to remember Syracuse.

16 MTA PRESIDENT FOYE: Senator, we
17 haven't forgotten Syracuse. I mentioned
18 every part of the state. And there is work
19 being done by Syracuse companies for the MTA
20 and its agencies today.

21 ASSEMBLYMAN MAGNARELLI: Well, what
22 I'm trying to say here is this. The MTA, as
23 far as I can see, needs to be fixed. And I
24 think you've acknowledged that already, and I

1 commend you for that. And I don't think that
2 upstate's transportation problems are going
3 to be fixed and addressed properly until we
4 do address the MTA problems. You're the big
5 gorilla in the room, and I acknowledge that.
6 The problem is is that we need to see some
7 accountability as far as the -- you've got to
8 give us the trust in the MTA system. I think
9 that, again, is what Senator Kennedy was
10 trying to -- not trying to say, but what he
11 was saying.

12 So how much is it going to cost, and
13 how quickly can we fix it? Because I'd like
14 to see the MTA fixed. And so to that degree,
15 or in that vein, that's what I'll be working
16 to do, and I hope I'm working with you. The
17 bottom line is accountability. You have
18 approximately 9 million people that are using
19 your system on a daily basis.

20 MTA PRESIDENT FOYE: Yes, sir.

21 ASSEMBLYMAN MAGNARELLI: Well, we've
22 got 9 million people in the rest of the
23 state, and they've got the same kind of
24 problems. It's very hard for me to go home

1 and say we're going to give billions and
2 billions and billions of dollars to downstate
3 when I can't get people to work in upstate
4 New York. I literally can't get them on a
5 bus to get to work.

6 So the problems that we have are
7 statewide. I acknowledge that the MTA has to
8 be fixed. I look forward to working with you
9 to do that. Okay? That's all I have.

10 MTA PRESIDENT FOYE: Thank you,
11 Senator. Senator, can I just --

12 ASSEMBLYMAN MAGNARELLI:
13 Assemblymember.

14 MTA PRESIDENT FOYE: Chairman.
15 Chairman. Forgive me.

16 (Laughter.)

17 MTA PRESIDENT FOYE: Central New York
18 and Mohawk Valley, in Utica, Metal Solutions
19 is a bus supplier. In Yorkville, Oriskany
20 Manufacturing Technologies is a bus supplier.
21 In Syracuse, Polymershapes, a bus supplier.

22 We've got reports, and we'll hand it
23 out to you and your staffs, about the work
24 that's being done in every part of the state

1 on the existing and the future MTA capital
2 programs.

3 ASSEMBLYMAN MAGNARELLI: I look
4 forward to seeing the plan that you alluded
5 to with Senator Kennedy.

6 MTA PRESIDENT FOYE: And Chairman, you
7 do have our commitment, all four of us here
8 and the entire senior leadership, and I know
9 I can speak for Acting Chair Freddy Ferrer,
10 that we've got to be accountable, we've got
11 to be transparent, and most importantly,
12 we've got to be effective and efficient. I
13 think we've described some of the steps that
14 we're taking and will continue to take, but
15 we all recognize there's much more to do.

16 ASSEMBLYMAN MAGNARELLI: Okay. Thank
17 you, sir.

18 MTA PRESIDENT FOYE: Thank you.

19 CHAIRWOMAN WEINSTEIN: Thank you.

20 Senate?

21 CHAIRWOMAN KRUEGER: Thank you.

22 Senator Leroy Comrie, chair of Authorities
23 and Corporations.

24 SENATOR COMRIE: Good morning. Thank

1 you. Thank you, Senator. Thank you,
2 Assemblymember.

3 Good morning. I'm going to start with
4 reform. And can you illuminate from your
5 workgroup meetings what ideas for reform
6 you've adopted that you can share with the
7 public, and how much money that would save
8 you over this year and over the next two
9 years?

10 MTA PRESIDENT FOYE: Sure. Well, I'm
11 going to defer to two of my colleagues. I'm
12 going to start with Bob, who will talk about,
13 if you would, about the \$2 billion in
14 savings, the current-year savings. And I'm
15 going to ask Janno Lieber, who hasn't spoken
16 much today, to talk about what we're doing in
17 the area of construction cost containment on
18 large capital projects -- things that are
19 actually happening.

20 Bob, why don't you start, if you
21 would.

22 MTA CFO FORAN: So what we've been
23 doing is a number of consolidations. We've
24 consolidated IT, information technology. We

1 have consolidated a good bit of our
2 procurement right now. I've consolidated the
3 treasury operations. And by that I mean
4 taking all the operations from each of the
5 silos and bringing them in. And we've
6 generated significant savings.

7 We've rebid medical prescription
8 programs, we've got medical program rebids
9 that we've done. And those are generating
10 savings, and going to help to build up to
11 this \$2 billion. But going forward, we've
12 got to do even more.

13 And what we're looking at right now is
14 across the board at each of the agencies in
15 functions that people don't typically think
16 about, like accounting. I'm looking at all
17 the accounting departments that are there to
18 see where we are duplicating, what we're
19 doing that we don't need to be doing, where
20 are we redundant. And, you know, that causes
21 you to have to do a deep dive into it. And I
22 believe there will be significant savings
23 we're going to have just from those things.

24 So again, we will be generating

1 savings. And when we say we've got these
2 outyear deficits, you know, significant
3 outyear deficits, and we're looking for
4 additional recurring revenues, I don't
5 believe that we're going to get additional
6 recurring revenues to solve our whole
7 problems. We've got to solve more of our
8 problems. And I think this is where the
9 reform will come in that will enable us to
10 have the pressure to really generate some of
11 those savings and reduce our deficit. But
12 working with you, we want to address those,
13 as well as going forward with congestion
14 pricing for our capital program.

15 SENATOR COMRIE: You have another part
16 to that?

17 MTA CHIEF DEVELOPMENT OFFICER LIEBER:
18 Senator, I'm Janno Lieber. And I appreciate,
19 Chairman, you asking that question. I came
20 to the MTA a year ago after 14 years of
21 working on the private side of the World
22 Trade Center project, where I saw the
23 struggles that some of my colleagues on the
24 government side were having to develop major

1 infrastructure projects that were key to that
2 major rebuilding effort. So I wanted to come
3 to the MTA and bring what I hope will be some
4 of the lessons we've all learned together on
5 major projects.

6 The board has tasked us with coming up
7 with a plan to aggressively rein in
8 construction costs broadly, but specifically
9 on major projects. And they identified, the
10 board staff working group identified three
11 major issues.

12 One is across the board
13 contractors are assigning a significant
14 premium when they come to bid MTA jobs, and
15 they're doing that because our contracts and
16 the way that we put projects into the
17 marketplace creates risks in an imbalanced
18 way. We say, Contractor, you take the risk,
19 and they charge us a premium for that.

20 The other consequence of that,
21 frankly, is more broadly we have not enough
22 competition. Senator Kennedy mentioned the
23 participation of the entire state in this
24 capital program rebuilding. I want

1 companies, we want companies from all over
2 the state to come and bid MTA work, and
3 getting rid of some of the unfairness and
4 imbalance in our contracting and in our
5 bidding process is key to that.

6 The other is that we have huge
7 bureaucratic processes that chase contractors
8 away and that add cost through the
9 development process.

10 SENATOR COMRIE: What are you doing --

11 MTA CHIEF DEVELOPMENT OFFICER LIEBER:

12 And the third area of the board --

13 SENATOR COMRIE: What are you doing to
14 clean that up --

15 MTA CHIEF DEVELOPMENT OFFICER LIEBER:

16 We're aggressively going to clean that up,
17 and we're actually already doing it on
18 projects like Third Track, which is the
19 Long Island Rail Road expansion project, the
20 Long Island Rail Road main line project -- I
21 know your district relates to the railroad a
22 great deal -- is we are addressing those
23 bureaucratic impediments in a huge way,
24 eliminating overcustomization of design,

1 eliminating specifications, giving
2 contractors more certainty that they will get
3 outages on the railroad so they can do
4 planned work rather than losing the
5 productivity if it's canceled at the last
6 time.

7 There's so many different ways, and I
8 don't want to take up all of your time. But
9 this is an area that the board and the staff
10 are passionate about and that's really begun
11 to deliver outcomes on major projects like
12 Third Track, like the Double Track project,
13 which as President Foye mentioned was
14 delivered 14 months early. We do have the
15 opportunity to reform our contracting and our
16 construction, significantly reducing costs
17 for all of these major projects.

18 SENATOR COMRIE: Thank you. I'm going
19 to just drill down a little bit more.

20 There's been considerable reporting on
21 the MTA premium, roughly 25 to 30 percent
22 contingency on bids for MTA contracts, yet
23 the term was included in your workgroup's
24 final report. You talked a little bit about

1 specifics on long-term targets for capital
2 and operational savings. Have you come out
3 with a specific plan to deal with that
4 premium? And how are you going to eliminate
5 it?

6 MTA CDO LIEBER: Well, honestly, some
7 of the issues that -- approaches that I just
8 mentioned are key to reducing that -- the
9 premium that we think contractors are
10 applying.

11 So getting more contractors to bid,
12 reducing their concern about unfairness. For
13 example, it's amazing, but the MTA, like many
14 government agencies, says when you have a
15 dispute, you're a contractor and you have a
16 dispute with the MTA, we get to decide who's
17 right or wrong. Contractors want a third
18 party neutral. So we're instituting that.

19 So all of those things together I
20 believe are going to change that MTA premium.

21 And the other thing that we're doing,
22 and I cannot emphasize it enough, is you
23 talked about accountability, many of you have
24 talked about accountability in this hearing.

1 We are giving the project managers the power
2 for the first time to say no to all of their
3 colleagues who say: I'd like a better
4 version, I'd like the newest version of that
5 software, I want a design upgrade.

6 That kills projects and it drives
7 costs up, and we're giving the project
8 managers the power to say no to anything
9 which threatens budget and schedule. That's
10 a first.

11 MTA PRESIDENT FOYE: Can I add one
12 other, Senator, which is -- I mentioned it
13 briefly -- on the Subway Action Plan, general
14 orders at night when a track is taken out of
15 service for a large repair. It could be a
16 significant project or a piece of track.

17 Thanks to Andy Byford and his team,
18 the amount of wrench time, which means
19 productive time, has been more than doubled.
20 That was done in partnership with the Transit
21 Workers Union, and that is something that if
22 we're able to maintain it -- and I can tell
23 you we watch it literally every day -- will
24 yield hundreds of millions of dollars a year.

1 And multiply that by years and decades.

2 It required a significant management
3 focus on it, and thanks to Andy and his team,
4 they've been able to double the amount of
5 productive time and continue that, and
6 that's --

7 SENATOR COMRIE: Is that -- I'm sorry,
8 we're running out of time.

9 MTA PRESIDENT FOYE: I'm sorry,
10 Senator.

11 SENATOR COMRIE: Is that being used on
12 the 7 train? Because I'm told there were
13 delays and still delays on the 7 train
14 project. Is that now being implemented for
15 the 7 train going from Queens to Midtown?

16 MTA MANAGING DIR. HAKIM: So the
17 7 train project, the No. 7 Line that I think
18 you're referring to, is the installation of
19 the signaling system.

20 SENATOR COMRIE: Correct.

21 MTA MANAGING DIR. HAKIM: And there
22 had been some delays on that. I'm pleased to
23 report that we are in revenue service with
24 CBTC operating, and that is now getting the

1 benefit to our -- to your constituents, to
2 our customers along the Flushing line.

3 SENATOR COMRIE: Great. So that
4 project goes back on track to be on time?

5 MTA MANAGING DIR. HAKIM: Yes, it is
6 back on track.

7 SENATOR COMRIE: Okay. I just wanted
8 to -- and I'm running out of time, and
9 there's a lot of questions that we're going
10 to ask during the second round, and I'll go
11 into congestion pricing in detail. But what
12 I wanted to talk about right now was the bus
13 plans that need to be put in place before we
14 do any type of resolution on congestion for
15 the Midtown area.

16 In order for riders to be able to come
17 into Midtown or to downtown, we need to make
18 sure that there's a better bus plan for
19 express buses, a better plan for Long Island
20 Rail Road. As you know, the Atlantic Ticket
21 plan, which is happening, is a great plan
22 that needs to be expanded to the Bronx. The
23 Metro-North stations in the Bronx that were
24 supposedly built since Yankee Stadium was

1 erected. The new Yankee Stadium hasn't been
2 finished. And if we're really looking to
3 deal with resolving congestion, which I don't
4 believe this plan does -- and we'll talk
5 about that on my next round -- we really need
6 to make sure that these service opportunities
7 for out-of-borough consumers such as my
8 borough, where I have two-hour commute times
9 for my constituents, are implemented.

10 When are we going to see the Atlantic
11 Ticket plan become a Freedom plan, which
12 would include the Long Island Rail Road
13 stations in the Bronx, throughout Brooklyn,
14 and in Queens to be permanent? As part of
15 the congestion -- or part of the reduction of
16 traffic plan in the Manhattan core, because
17 I'm tired of calling it congestion pricing.
18 It doesn't resolve congestion, it doesn't
19 raise enough money.

20 MTA MANAGING DIR. HAKIM: So I'll just
21 quickly note the Atlantic Ticket study
22 continues underway involving those stations
23 in Southeast Queens and giving your
24 constituents the opportunity to ride the

1 Long Island Rail Road rather than the bus
2 to --

3 SENATOR COMRIE: I just want to -- I'm
4 running out of time. I just want to make a
5 point that we need to have these stations up
6 and running as part of whatever we do to
7 promise a congestion reduction. We need to
8 give people alternative opportunities to get
9 into the Manhattan core. The Metro-North
10 stations, the other out-of-borough projects
11 that must be put in place needs to be done
12 and written into this plan, whatever we do,
13 to try to figure out how to reduce the
14 traffic into the Manhattan core.

15 I'll come back on my second round
16 then.

17 CHAIRWOMAN KRUEGER: Thank you.
18 Assembly.

19 CHAIRWOMAN WEINSTEIN: Assemblywoman
20 Rozic.

21 ASSEMBLYWOMAN ROZIC: Thank you, Madam
22 Chair.

23 I have five questions. They're all
24 related to buses. So let me just get through

1 them and then have you respond, because I'm
2 limited with time.

3 So in last year's bus plan you
4 committed to all transit signal priority-
5 capable buses by 2020, a command bus center
6 to cut bus bunching by 2020, and all-door
7 boarding. It's been a year since the plan
8 came out, so I'm wondering where you are in
9 progress towards each of those goals.

10 Relatedly, how far along are you
11 towards testing or adopting the new fare
12 payment system to replace the MetroCard,
13 which would also speed up bus bunching and
14 boarding?

15 In terms of enforcing bus lanes, how
16 many buses are currently equipped with
17 cameras to automate enforcement? And will
18 you join some of us in supporting fully
19 automated enforcement, permitting cameras on
20 most bus routes?

21 And then my last question is with all
22 of this in your bus plan, are you considering
23 micromobility, any other innovative mobility
24 solutions? I represent a transit desert,

1 along with Senator Comrie and Senator Liu,
2 and we are very keen and interested in a lot
3 of options, maybe to even speed up your plan
4 to reorganize all of the buses.

5 MTA MANAGING DIR. HAKIM: Let me start
6 with the efforts around bus and bus lanes,
7 because clearly moving buses efficiently is
8 what this business requires.

9 We have had a great partnership with
10 City DOT in terms of bus lane camera
11 enforcement and wanting to see more of that,
12 and we're starting to see that. So currently
13 there is camera enforcement along 12 bus
14 routes. That's not enough. We need more.
15 We have cameras on our buses we're
16 installing. Every new bus that comes on the
17 property is camera-equipped, and we're going
18 to be continuing that level of enforcement.

19 The critical issue for us in buses is
20 reimagining bus routes. And I say that
21 because while we've added bus routes, we
22 haven't actually holistically looked at our
23 bus system. So we recently did that in
24 Staten Island, and what we discovered was by

1 changing the bus routes, by changing express
2 bus routes, we were able to bring down travel
3 times for our customers. That's a plus.

4 We're undertaking that same effort in
5 Queens, the Bronx, and obviously the entire
6 route -- the network is --

7 ASSEMBLYWOMAN ROZIC: Do you have a
8 timeline on when Queens will be happening,
9 the rework?

10 MTA MANAGING DIR. HAKIM: I think it's
11 starting now, but let me get -- we'll get to
12 you with some specific timelines for the bus
13 route work.

14 And this also is part of our capital
15 program need, because new buses are important
16 to us. So we recently placed an order to
17 look at all electric buses. Is that going to
18 work in the harsh New York City conditions?
19 We're not sure. Electric buses we think is
20 something really positive, but we -- no other
21 property runs electric buses under the
22 conditions that we run our bus system.

23 So again, I think our bus network,
24 critically important, a large focus of our

1 efforts, and will be part of our
2 going-forward improvements. It's not just
3 about subways, it's about buses too.

4 MTA PRESIDENT FOYE: Yeah, on new fare
5 payment, new fare payment is a fancy term or
6 maybe not a clear term about being able to
7 get on buses with smartphones, Apple Pay,
8 cash, or contactless credit cards. That will
9 be rolled out through two buses, beginning
10 Phase 2 in October 2020. We're starting with
11 Staten Island buses; those are being
12 outfitted right now.

13 To your question as to whether the
14 project is on time, the answer is yes. I can
15 tell you what I told Acting Chairman Ferrer
16 on Friday, after meeting with Cubic, the
17 vendor -- it's a design-build technology
18 deal -- and with the team at MTA on new fare
19 payment. We're on time and we're on budget.
20 We report to the board and the public
21 regularly. It's my goal and commitment to
22 keep it on time and on budget.

23 ASSEMBLYWOMAN ROZIC: Thank you.

24 Thank you, Madam Chair.

1 CHAIRWOMAN WEINSTEIN: Thank you.

2 And we've been joined by Assemblywoman
3 Kimberly Jean-Pierre.

4 CHAIRWOMAN KRUEGER: Thank you. And
5 we've been joined by Senator Jamaal Bailey --
6 just checking to see if anyone else showed
7 up -- oh, and Senator Brian Benjamin and
8 Senator Kevin Parker. Sorry, the lights are
9 very strong. We have not been joined by
10 Senator Brian Benjamin, it was in fact
11 Senator Parker, because Senator Benjamin had
12 already been announced back there.

13 Let's try going to the next
14 questioner, Senator John Liu.

15 SENATOR LIU: Thank you, Madam Chair.
16 And I want to thank these distinguished
17 leaders for joining us today. And I want to
18 say to you from the outset, there is nothing
19 personal going on here, okay?

20 So I want to talk about congestion
21 pricing in this first round. And, you know,
22 you're asking people for a lot. You're
23 asking us to approve a plan that is
24 significant, you haven't even laid out what

1 you're asking the public to pay. So let's
2 first talk about credibility, because that is
3 the major point here.

4 The public is willing to pay more for
5 better service. The problem is that they're
6 not sure the MTA can deliver it. And
7 President Foye, when you make statements like
8 "Subway service is clearly improving" and
9 that "Subway on-time performance has improved
10 month after month after month," I'll tell you
11 just for myself, I take the buses and subways
12 and commuter rails on a regular basis. I'm
13 wondering which months are you talking about
14 and which period of time. Because I know the
15 MTA loves to compare things to the 1970s, but
16 that's 40 years ago. We need to compare
17 things in recent years.

18 So if you could give me the month
19 after month after month of subway on-time
20 performance statistics, that will be very
21 helpful. We don't need to take time right
22 now; you can send that over.

23 With regard to congestion pricing,
24 what is it that New Yorkers can expect to

1 get? Has the five-year capital plan that
2 we're currently in been fully funded, or is
3 that all going to be rolled over into the new
4 five-year plan? And how much of a new
5 five-year plan are you actually looking at?

6 MTA MANAGING DIR. HAKIM: So I think
7 it would be helpful to make a commitment to
8 everybody here to provide some of the
9 statistics, Senator, that you're asking about
10 the subway performance.

11 SENATOR LIU: Sure.

12 MTA MANAGING DIR. HAKIM: Because we
13 have those statistics. I think it would
14 really be helpful, rather than me reciting
15 them, to offer them to --

16 SENATOR LIU: Just send it over. But
17 month after month after month, that is not
18 the experience that I nor a lot -- millions
19 of people in New York City have.

20 MTA MANAGING DIR. HAKIM: That's why I
21 think it's important to look at the numbers.

22 SENATOR LIU: Great.

23 What are we paying for in the
24 five-year capital plan? What's the total

1 capital plan, and what part of that is the
2 \$15 billion supposed to cover?

3 MTA CFO FORAN: Okay, the current
4 five-year capital program, that's '15 to '19,
5 was \$33 billion, and that included bridges
6 and tunnels. And we do have the commitments
7 for all the funding there. The Executive
8 Budget put the last installment of the
9 extraordinary 8.6 commitment by the state,
10 and we thank you for that overall commitment,
11 and we thank the city for their commitment to
12 the program as well.

13 So we have commitments for all the
14 funding for the '15 to '19. This congestion
15 pricing will just be for the next capital
16 program.

17 SENATOR LIU: I understand. So the
18 next one, '20-'24, how much is that in total
19 that the MTA is envisioning?

20 MTA CFO FORAN: We're still putting
21 the numbers together, we're in the process.

22 SENATOR LIU: Our estimates are 40 to
23 60, so how much is it?

24 MTA CFO FORAN: Let's say if you take

1 the 41 million that was in the
2 sustainability -- the Kathy Wylde report, and
3 let's assume that we get the same amount of
4 federal funds that we've gotten in the
5 past -- that's about 7.5 billion for each
6 capital program -- so right there we're down
7 to \$33.5 billion. Okay?

8 SENATOR LIU: So the 15 from
9 congestion pricing wouldn't even pay for half
10 of the five-year capital plan. That's -- I
11 think we've established that.

12 MTA CFO FORAN: It's 37 percent, which
13 we consider to be a strong foundation for a
14 new capital program.

15 SENATOR LIU: So then we would still
16 have to go after more state funds, city
17 funds, and federal funds to cover the rest.
18 As well as additional debt service paid for
19 by the passengers.

20 MTA CFO FORAN: Yes, absolutely.

21 SENATOR LIU: With regard to the
22 congestion pricing plan itself, there has
23 been no detail about how much more our
24 constituents are going to have to pay.

1 Right? And that's -- I've got to
2 imagine that's by design, because you must
3 have costed something out already. What's
4 the expected annual revenues from congestion
5 pricing?

6 MTA CFO FORAN: The estimates that
7 we've seen -- and again, this is a net
8 number, and that's the target --

9 SENATOR LIU: Net number, what is it?
10 Eight hundred, a billion?

11 MTA CFO FORAN: We're expecting a
12 billion dollars. That's the expectation.
13 Because the billion dollars, if we receive it
14 on an annual basis, should be able to support
15 \$15 billion.

16 SENATOR LIU: Okay, so how do you get
17 to the billion dollars? How do you get to
18 the billion dollars? How many people are
19 going to be paying these tolls, and what are
20 the tolls going to be?

21 MTA CFO FORAN: Those analyses are
22 still being done.

23 (Laughter.)

24 SENATOR LIU: So you're going to keep

1 everybody in the dark, and you want us to
2 vote on a plan that -- where we're not even
3 sure which part of the capital plan we're
4 going to be funding through congestion
5 pricing, and you're not willing to tell us
6 how much the tolls are going to be.

7 In my last 30 seconds, let me ask
8 you -- and I'll see you at the second round
9 as well -- is there some kind of dynamic
10 model that you've put together? Because, you
11 know, we want to raise the revenue. But in
12 your opening statements you also talked about
13 reducing congestion. So you can't assume
14 current levels of traffic. Right? So
15 obviously there's going to be -- there has to
16 be some reduction in the usage of the
17 crossings or the entries into the Midtown
18 core. So what kind of dynamic modeling have
19 you been putting together? Please don't tell
20 you haven't yet.

21 MTA CFO FORAN: There are a number of
22 analyses that are going on, and it has to do
23 with exactly how the program will work. But
24 what I can say is we view congestion pricing

1 to be probably the best initial effort and
2 the foundation for this program, not only
3 because of the money we believe it can
4 deliver, but because it is reducing
5 congestion. And if it reduces congestion,
6 our buses will operate better, we'll be able
7 to go faster, we'll give opportunities for
8 more people. And two, environmentally, it is
9 just an excellent public policy.

10 So yes, to come. But we do believe
11 the congestion pricing is --

12 SENATOR LIU: Respectfully, the MTA is
13 cheerleading for itself.

14 CHAIRWOMAN KRUEGER: Senator, I'm
15 sorry, you will get a second round.

16 SENATOR LIU: Thank you.

17 CHAIRWOMAN KRUEGER: I suspect you've
18 triggered some additional questions by
19 others.

20 Assembly.

21 CHAIRWOMAN WEINSTEIN: Assemblyman
22 McDonough.

23 ASSEMBLYMAN McDONOUGH: Thank you.

24 And good morning. Welcome.

1 I have a question more about safety,
2 and it goes back to the PTC, the positive
3 train control. Metro-North and Long Island
4 Rail Road, we've had some accidents because
5 of that, and I know that's -- the feds had
6 said you had to have it all done by a certain
7 year, and I know we're beyond that. Can you
8 give me up an update on the positive train
9 control, PTC?

10 MTA MANAGING DIR. HAKIM: Thank you
11 for the opportunity to do that.

12 So there was a federal deadline at the
13 end of 2018. We hit it, we met it,
14 Long Island Rail Road, Metro-North Rail in
15 compliance. What did that mean? It means
16 that we acquired all the necessary spectrum,
17 we trained all our employees, we installed
18 all the hardware.

19 We are beginning our revenue service
20 demonstration on Long Island; it means on the
21 Port Washington line. On Metro-North, it
22 means on the Hudson line. We are currently
23 doing everything we can within the federal
24 mandate, within the deadlines. We've

1 submitted our plans to the feds, they're
2 reviewing them now, we're getting good
3 feedback. So everything is moving according
4 to pace.

5 ASSEMBLYMAN McDONOUGH: What's the new
6 federal deadline? What was that extended to?

7 MTA MANAGING DIR. HAKIM: So it was
8 extended to the end of 2020. We're working
9 to a more accelerated schedule than that.

10 But at this current moment, we hit the
11 2018 deadline, met all the requirements, and
12 intend to be well in compliance in that 2020
13 time frame, well in advance of that deadline.

14 ASSEMBLYMAN McDONOUGH: And that was a
15 significant cost factor also, right?

16 MTA MANAGING DIR. HAKIM: Yes, it was.
17 This is -- you know, this was a mandate that
18 came out, but without funding associated with
19 it. So we have done everything we can to
20 fund our investment in our PTC program. But
21 significantly, PTC is not a red light/green
22 light issue on safety. So we have other
23 signaling efforts that are already in
24 existence on our railroads that mean

1 ridership is safe on the rails.

2 ASSEMBLYMAN McDONOUGH: Thank you very
3 much.

4 MTA MANAGING DIR. HAKIM: Thank you.

5 CHAIRWOMAN WEINSTEIN: Before we go to
6 the Senate, we've been joined by
7 Assemblywoman Glick and Assemblyman Ortiz.
8 Senate.

9 CHAIRWOMAN KRUEGER: Thank you.

10 And just to remind everyone, I think
11 we have 13 or 14 each, Senators and Assembly.
12 So if you're wondering if you're on the list,
13 you probably are, you're just going to be
14 here a while. And spring will come
15 eventually.

16 (Laughter.)

17 CHAIRWOMAN KRUEGER: -- going outside.
18 Senator Robach.

19 SENATOR ROBACH: Yeah, very quickly.
20 Obviously with a tremendous amount of people
21 there's going to be a lot of issues --

22 CHAIRWOMAN KRUEGER: Mike.

23 SENATOR ROBACH: I did want to follow
24 up on what the chairman had said earlier in

1 about upstate New York.

2 (Laughter.)

3 MTA PRESIDENT FOYE: No, no, do it
4 with all of you today, as well as members of
5 the Senate and Assembly that aren't here.

6 We have the ability and are happy to
7 do this to bring very detailed information on
8 the existing '15 to '19 capital plan as well
9 as the proposed '20 to '24 and tell you what
10 that means in terms of railcar, brakes,
11 track, power, substations, et cetera, and
12 work with you and the Governor's office to
13 get that information out to businesses in
14 your communities.

15 And I think by doing that -- and
16 there's nothing inappropriate about doing
17 that -- focus on New York companies, give
18 New York companies a leg up so that they
19 understand that the MTA will be coming and
20 looking for these types of material,
21 equipment, fabrication, et cetera.

22 And we're happy to work with you,
23 ESDC, and the Governor's office to do that.
24 We're very focused, as I know everybody in

1 the room is, on Buy NY, and we'll do
2 everything we can to move that along.

3 SENATOR ROBACH: Thank you. I just --
4 I really do think one way or the other
5 there's going to be huge -- you already
6 spend, quite frankly, a lot on capital, I
7 think. We're coming to a time where it's
8 almost going to be mandatory. So while there
9 will be some dialogue on what the funding
10 streams will be, it's going to happen.

11 It's just -- I guess it's not totally
12 your job, but it's been a little bit
13 frustrating to me because we've talked about
14 it a lot. But, you know, I would really like
15 to see a hard plan. And going to my
16 colleague Senator Liu's comments, it's like,
17 you know, you want to be supportive, but I
18 guess I'd like to know what those specifics
19 are going to be in terms of how the money's
20 going to be spent. It would make it easier
21 for me to be more enthusiastically
22 supportive.

23 MTA PRESIDENT FOYE: So Senator, let
24 me make the following point. I actually see

1 it as my job, and I think we all see it as
2 our jobs. Before I came to the MTA a little
3 over a year ago, I worked at the Port
4 Authority but also ran Empire State
5 Development. So I'm acutely focused on
6 economic development issues throughout the
7 entire state, including upstate. I think
8 that given a 40 or 50 or 60 billion dollar
9 MTA capital plan, it behooves everybody in
10 state government to ensure that as much of
11 that as possible is invested throughout the
12 entire state.

13 The MTA already has a significant
14 impact throughout the entire state. And I
15 think frankly, working together, we can
16 accelerate that and multiply it. We're
17 committed to doing that.

18 SENATOR ROBACH: I agree. Thank you.
19 And I would concur. But I guess it's the
20 point I want to make, and I don't want to be
21 too political, but this has got to be one
22 that can't be about, you know, lip service.
23 This has got to really be a hard and fast
24 plan.

1 And I just am asking you nicely, I
2 hope that will happen. And happy to work on
3 that with whatever wants to do that.

4 MTA PRESIDENT FOYE: Senator, I'll
5 commit to have Tim Ellis reach out to your
6 office and Senator Kennedy's and whoever else
7 is interested this week and get that
8 discussion going together with Empire State
9 Development and the Governor's office. And
10 there's no reason we shouldn't do that both
11 with the existing capital plan and the
12 proposed one.

13 SENATOR ROBACH: And from ESD, you
14 know what difference -- you know, depending
15 on what the specifics are, what a difference
16 it could make.

17 MTA PRESIDENT FOYE: Absolutely.

18 SENATOR ROBACH: Thank you.

19 MTA PRESIDENT FOYE: Yes, sir.

20 CHAIRWOMAN WEINSTEIN: Assemblyman
21 Buchwald.

22 ASSEMBLYMAN BUCHWALD: Thank you,
23 Madam Chairwoman. And may I just say that
24 about five years ago I was asking questions

1 of John Liu sitting in those seats. So I'm
2 pleased -- I think he's probably pleased to
3 be on this side of the dais instead.

4 But if I could, I have a few questions
5 from the perspective of someone who
6 represents Westchester County and Metro-North
7 riders. And I'm, as you might know, former
8 chairman of the Metro-North Railroad Commuter
9 Council.

10 Mr. Foye, there's a disparity in how
11 the pocketbooks of Metro-North riders are
12 treated versus other riders of the MTA. The
13 fare box operating ratio for Metro-North
14 under your Plan 2019 is the highest of any
15 part of the MTA. And whereas the equivalent
16 ratios are slated to go down for users of
17 New York City Transit and Long Island
18 Rail Road over the next couple of years, it's
19 planned to remain at the same high level at
20 Metro-North.

21 What, in your opinion, justifies that
22 disparity? And is there any plan at the MTA
23 to change this historic imbalance?

24 MTA PRESIDENT FOYE: Let me just kick

1 it off; I'm going to turn it to Ronnie Hakim
2 in a second.

3 I can tell you that on the
4 sustainability working group, Chair Paulin
5 raised these and other Metro-North issues,
6 including the disparity issue, with great
7 frequency. We're focused on it. And I'm
8 going to turn it over to Ronnie Hakim for --

9 MTA MANAGING DIR. HAKIM: Yeah, thank
10 you.

11 Metro-North President Cathy Rinaldi
12 has been very focused in the last several
13 months, acknowledging that Metro-North
14 service needs to improve and developing a
15 Way Ahead program. That program puts
16 priorities obviously on safety, on customer
17 experience, on improving track, having
18 infrastructure work go on.

19 But I'll make a little footnote here.
20 When we work in two-track territory, there is
21 very little flexibility but to impact service
22 when you're actually working on the tracks.
23 So pulling track up, redoing ballast, working
24 on the vegetation along the right-of-way can

1 impact service.

2 The good news is that a lot of that
3 work is underway, it's funded in the capital
4 program, and it continues.

5 The importance, though, is getting to
6 your constituents and the customers and how
7 that can be communicated better. And so a
8 big part of this is also about communication,
9 on both ends of the journey. So
10 Grand Central, what are we doing in the big
11 board and how are we providing track access
12 and track assignment information? In home
13 stations, what are we doing in terms of
14 digital signage, parking, providing good
15 access to stations, improving stations? So a
16 lot of that work is underway.

17 And there's a significant investment
18 coming also in the Penn Access program that
19 maybe Janno Lieber should talk about.

20 MTA CDO LIEBER: Well, I know,
21 Assemblyman, that you're aware of this, but
22 the Metro-North to Penn, what we call Penn
23 Access Project, which would bring the
24 Metro-North service, starting in New

1 Rochelle, down the Hellgate line through
2 Queens and into Penn Station, is a real
3 game-changer. It's a game-changer for people
4 in Westchester, who will now be able to save
5 time if they're going to the West Side of
6 Manhattan rather than having to make their
7 way from Grand Central. And it's a
8 game-changer for people in the Bronx, one of
9 those transit deserts that folks have
10 mentioned. It's going to be a boon for the
11 Westchester economy as well, and we
12 appreciate the support you've given that
13 project.

14 ASSEMBLYMAN BUCHWALD: Well, and as
15 pleased as I am to see that moving forward,
16 and it will mean a lot for the New Haven Line
17 riders, I think if you're going to focus on
18 what communication message you're sending,
19 it's important to recognize that when we talk
20 about New York City Transit, we talk about
21 multi-billion-dollar projects. When we talk
22 about Long Island Rail Road, we talk about
23 multi-billion-dollar projects. And if the
24 quintessential Metro-North project is roughly

1 a 700, \$750 million project, as important as
2 that is, it also is emblematic of the
3 disparity in how Metro-North has been treated
4 over time. And I think we need to figure out
5 how to address that.

6 Can I raise one other issue, which is
7 that the Governor has proposed a series of
8 camera enforcement initiatives -- speed
9 cameras and bus lane enforcement cameras,
10 some of them directly connected to the MTA.
11 But notably absent from that list is an
12 initiative to authorize railroad
13 grade-crossing cameras, which is something
14 that I know the MTA has asked for. But what
15 should we, as members of the Legislature,
16 read into the fact that to date, despite the
17 fact that railroad grade crossings
18 demonstrate a significant safety hazard all
19 throughout the Metro-North and Long Island
20 Rail Road systems, that that proposal has not
21 as of yet been included? Although maybe the
22 upcoming amendments provide an opportunity to
23 do that. But from your perspective, since I
24 know it's one of the MTA's top legislative

1 priorities, given that the topic is being
2 addressed, why not the equivalent for us?

3 CHAIRWOMAN WEINSTEIN: Senate.

4 CHAIRWOMAN KRUEGER: Thank you.

5 CHAIRWOMAN WEINSTEIN: Oh, I'm sorry.

6 ASSEMBLYMAN BUCHWALD: Do I get an
7 answer?

8 CHAIRWOMAN WEINSTEIN: Yes. Yes.

9 ASSEMBLYMAN BUCHWALD: Thank you.

10 MTA MANAGING DIR. HAKIM: So very
11 quickly, grade-crossing safety is a priority
12 on both railroads. They are working with
13 State DOT and local law enforcement around
14 that. We're piloting several new
15 technologies. If cameras -- we're not
16 waiting for legislation, in other words, just
17 about cameras; we're doing other things as
18 well.

19 CHAIRWOMAN WEINSTEIN: Thank you.

20 Now Senate.

21 CHAIRWOMAN KRUEGER: Thank you.

22 Senator Todd Kaminsky.

23 SENATOR KAMINSKY: Thank you.

24 It's been widely reported on

1 Long Island that the service of the Long
2 Island Rail Road is the worst it's been in
3 19 years. And, you know, we've had many
4 hearings over the years where we've gotten a
5 lot of promises about service getting better
6 and bringing a new sense of urgency and
7 putting new people in. But it seems that
8 things have been going in the wrong
9 direction, and it seems like almost every day
10 there's a problem. The statistics bear that
11 out. There are thousands more cancellations
12 this year than last year.

13 But I think when we talk about
14 numbers, we sometimes lose track of that
15 we're dealing with people. And so I got an
16 email yesterday from a woman named Jennifer
17 Hosford from Rockville Centre, who I think --
18 I don't know her personally -- she represents
19 what an average commuter is dealing with and
20 how miserable they are. So I'd just like to
21 read you a little bit of what she wrote to
22 me.

23 "My name is Jen Hosford. I'm a
24 45-year-old mother of three. I live in

1 Rockville Centre and work full-time in
2 downtown Manhattan.

3 "I only need to share that last two
4 weeks of my experience, because it is truly
5 representative of my daily commuting
6 struggles. Over the last two weeks, nine out
7 of 16 trains were short. That meant no seat
8 on a train was available. There were delays
9 on five of those eight trains. Signal
10 issues, broken-down equipment or broken rails
11 were the different issues we were told.

12 "I'm late to work more than I'd like
13 to admit. Last week I left early to get home
14 to take my daughter to a dance competition.
15 My train was held west of Jamaica for five
16 minutes with no explanation; they didn't hold
17 my connection. The next train was not for
18 29 minutes. I wound up catching my regular
19 train, had to scramble to make sure my sitter
20 could take her, paid extra for being late,
21 and worst of all, I missed my daughter's
22 first dance.

23 "Getting to work on time is only one
24 part of the problem. Something needs to

1 change. It is unfair and often unsafe for
2 daily riders who pay a lot of money for
3 subpar performance."

4 What do we tell Jennifer and the
5 thousands of commuters like her who are
6 struggling on the Long Island Rail Road?

7 MTA PRESIDENT FOYE: So, Senator,
8 before I turn it over to Ronnie Hakim, I want
9 to say two things. One, Long Island Rail
10 Road commuter every day. My ticket, I pay
11 for it, I get on at Port Washington and take
12 it to Penn Station every day, and home.

13 I think what we'd tell your
14 constituent is the following, and Ronnie will
15 go into the details. I mentioned in the
16 remarks there's new leadership at the
17 agencies. That's true of the Long Island
18 Rail Road as well. Phil Eng has been there
19 less than a year.

20 I've worked with Phil for a number of
21 years, including at the MTA. I think he's an
22 extraordinary public servant, an
23 extraordinary engineer, and an extraordinary
24 manager. Phil has made changes at the MTA,

1 and I believe that under his leadership the
2 concerns of your constituent and the concerns
3 of all your constituents, and yours as well,
4 he will move the dial and fix the Long Island
5 Rail Road.

6 And I'll turn it over to Ronnie.

7 MTA MANAGING DIR. HAKIM: Aside from
8 talking about the operating improvements that
9 Pat Foye is noting, there's a capital
10 investment here that's important to highlight
11 as well. Large Long Island Rail Road capital
12 program, \$2.9 billion. A lot of that is new
13 cars, station improvement work, track,
14 structures, communications and signal, power,
15 all of the things that will improve the
16 reliability of the Long Island Rail Road. As
17 well as the day to day, the back-to-basics
18 things that President Eng has brought to the
19 Long Island Rail Road.

20 SENATOR KAMINSKY: Thank you.
21 Certainly I know that there are big projects
22 coming down the way, and I appreciate
23 Mr. Lieber's work on some of those big
24 projects. But people can't wait till 2021.

1 And I know you brought the idea of
2 performance metrics up before, but something
3 definitely has to change where we can't keep
4 raising fares without the service getting
5 better and having people feel that they're
6 just talking to a faceless bureaucracy and
7 that nothing is going to change.

8 I think if people felt that there's
9 accountability there, and there actually was
10 accountability, we'd be able to make some
11 progress.

12 MTA MANAGING DIR. HAKIM: We agree.
13 And so we are doing meet the managers, we're
14 in the stations on a monthly basis. We are
15 improving customer communications. We are
16 welding rails, we are improving vegetation
17 management. People don't realize that trees
18 fall down next to tracks; that's a very
19 inconvenient thing to happen. Working with
20 PSE&G out on Long Island to improve their
21 management of their poles that you know run
22 along the Long Island Rail Road right-of-way.
23 We're attacking it from a variety of angles,
24 including the capital end.

1 MTA CDO LIEBER: And I don't want to
2 take up too much of your time, but let me
3 just say that the -- getting rid of trees on
4 tracks and utility poles, we're working with
5 PSE&G to make sure that they're replaced so
6 that you don't have that problem. And many
7 of the other things that create day-to-day
8 delays. That's huge. And you're right to
9 focus on that. But also the Third Track
10 project is going to create a situation where
11 for the first time in the Long Island main
12 line, you will not get the whole system
13 stopped if you have a delay on one train,
14 because you will have a third track to go
15 around. We're going to raise the bridges,
16 we're going to create under-grade crossings
17 to deal with the grade-crossing safety, and
18 many things that otherwise have been creating
19 huge delays on the Long Island Rail Road.

20 SENATOR KAMINSKY: Thank you. And
21 just for three seconds, just to make a
22 statement and ask a question.

23 With respect to congestion pricing,
24 Long Islanders want to know that there's

1 going to be something that will improve their
2 mass transportation before they're going to
3 want to have to pay more to go into the city,
4 and I'd love to speak about that and push
5 that in this budget.

6 CHAIRWOMAN KRUEGER: Thank you.
7 Assembly.

8 CHAIRWOMAN WEINSTEIN: Thank you.
9 Assemblyman Ra.

10 ASSEMBLYMAN RA: Thank you, Madam
11 Chair.

12 Thank you for being here. We'll keep
13 it on Long Island, following up the Senator.

14 One of the major issues going on
15 within the district I represent, or adjacent
16 to the district, is the proposal for Belmont.
17 And I know Senator Comrie, my neighbor in
18 Queens, has spoken about the potential for a
19 full-time Long Island Rail Road station
20 there. My understanding is there has been
21 some study done of what it would actually
22 take. But given, you know, we're talking a
23 lot about cost and capital, that looks to me
24 like to be an opportunity that, you know,

1 somebody is getting a pretty good benefit of
2 doing something on that land and an
3 opportunity to find a way to have some
4 private funding help make something like that
5 a reality.

6 I'm just wondering, are there
7 conversations going on with ESD with regard
8 to potentially having a full-time Long Island
9 Rail Road station there?

10 MTA MANAGING DIR. HAKIM: So I'll
11 start off just by saying that you're right,
12 those conversations with ESD to create
13 opportunities for a more robust service at
14 Belmont beyond just the special-event limited
15 service that we currently provide, is
16 underway.

17 I grew up in Rosedale, so I know the
18 value that a Belmont station could have to
19 that area. The ESD I think is looking for
20 funding opportunities with the private
21 development community as well. And we would
22 need, I think, some level of commitment in
23 order to advance additional service.

24 Significant improvements would be

1 required, both in the track, to make that
2 service work well.

3 MTA CDO LIEBER: In fairness, I think
4 we also need to make sure that as we go
5 through the options that are available, that
6 you're keeping in mind that the throughput on
7 that very crowded section of the Long Island
8 Rail Road needs to be maintained. We're
9 investing so much collectively in making
10 sure, between Third Track and East Side
11 Access, that we're going to be able to
12 increase Long Island Rail Road peak-hour
13 service by 45 percent. That's a
14 game-changer, more options.

15 As we go through the Belmont options
16 as a state government, we need to bear in
17 mind that we're trying to put more trains
18 through the system and make sure that it
19 works well together.

20 ASSEMBLYMAN RA: Thank you.

21 And the other thing that I wanted to
22 ask about with regard to the congestion
23 pricing situation. Is it anticipated that
24 revenue will be distributed through the

1 existing capital formulas in terms of, you
2 know, what goes into the different areas,
3 including the Long Island Rail Road, suburban
4 bus? Because certainly -- and I thank you
5 for mentioning earlier about the New York
6 City share of that that has been talked about
7 and lacking.

8 You know, our concern on Long Island
9 with all of these types of things is making
10 sure that we're going to see a benefit, that
11 it's not just all going to go, you know, into
12 subway and things like that.

13 MTA PRESIDENT FOYE: Assemblymember, I
14 in my remarks intentionally mentioned
15 New York City Transit, Long Island Rail Road
16 and Metro-North as recipients of the capital
17 generated by congestion pricing. That's one
18 reason why I think it's so important.

19 The other thing, just to go back to
20 the remarks briefly, is a failure to have
21 congestion pricing be enacted and implemented
22 in the state would result in a 27 percent
23 increase, perhaps higher, together with
24 service cuts and other actions that nobody

1 wants to take, including the MTA.

2 So given our dire financial situation,
3 to use -- I think Comptroller DiNapoli used
4 that phrase, and it's one that we
5 unfortunately share that view -- congestion
6 pricing really is critical.

7 And to fund Fast Forward, to fund
8 Long Island Forward, as Senator Kaminsky just
9 asked about, and you just did, and
10 Metro-North, Way Ahead, is going to take
11 congestion pricing. Failing it, we're not
12 going to have capital to do a '20-'24 plan,
13 as Bob suggested. It funds about 40 percent
14 of a going-forward capital plan but would
15 also result in what I'd characterize as dire,
16 unacceptable levels of fare increases.

17 ASSEMBLYMAN RA: Thank you.

18 CHAIRWOMAN WEINSTEIN: Thank you.

19 Senate?

20 CHAIRWOMAN KRUEGER: Thank you.

21 Senator Jessica Ramos.

22 SENATOR RAMOS: Hi, good morning.

23 Sometimes I can't tell, I'm just loud.

24 Sorry.

1 Good morning. I am a lifelong
2 straphanger. I don't have a driver's
3 license, probably never will. So I'm
4 especially thankful for your presence here
5 this morning. And I do have several
6 questions, many of which have been asked by
7 several of my colleagues, but I guess I'll
8 get to the point.

9 Governors have traditionally diverted
10 funds away from the MTA for projects like ski
11 resorts and golf courses. And I've been very
12 concerned about how we can ensure that the
13 current Governor and future governors stop
14 using the MTA like an ATM. And if we pass
15 congestion pricing, how can we trust that
16 you'll make sure that that funding actually
17 stays for the work that needs to be done?

18 MTA CFO FORAN: The legislation
19 suggests that that money is going into a
20 special account, and I believe that the money
21 will be. It's got to be transparent, we have
22 to have absolute accountability over it. And
23 if we're going to pass something as
24 monumental as congestion pricing, we have to

1 show people where that money's going.

2 And that money is critical to the next
3 capital program, and we need to tell you how
4 we're spending it. And that's what we'll be
5 committed to.

6 MTA PRESIDENT FOYE: It's also
7 important, Senator, in us going out to the
8 financial markets and the credit rating
9 agencies and telling them that we're going to
10 collect X and we're going to issue Y dollars
11 of bonds and it's going to go into projects
12 at New York City Transit, Long Island
13 Rail Road and Metro-North.

14 And I think that the inclusion of that
15 provision in the Executive Budget is
16 extraordinarily important. We agree.

17 SENATOR RAMOS: I want to go back to
18 some of the ADA accessibility stuff. So I
19 understand your commitment to making sure
20 that as many stations become ADA accessible.
21 But I'm concerned that given that around 25
22 elevators are out per day, I'm wondering how
23 you choose your elevator and escalator
24 contractors whose workers have actually

1 undergone state-certified training.

2 MTA MANAGING DIR. HAKIM: Let me just
3 kick it off.

4 Senator, when we look at our
5 availability rates, the one thing I always
6 note is that we measure our availability on a
7 24/7, 365 service day. So even when we are
8 doing work on elevators, we count that as an
9 outage. We hit ourselves on that stat.

10 The availability of our elevators is
11 something that we're very laser-focused on.
12 We've increased the maintenance forces
13 associated with it. We have a special
14 program with the TWU to train their employees
15 to better maintain our elevators using some
16 best technology resources that we've located
17 and brought some vendors in as well.

18 But at the end of the day, having
19 available elevators and being able to
20 provide, whether it's through our MyMTA app,
21 so that your constituents and our customers
22 know before they leave their house whether an
23 elevator is out that they're going to need
24 for their journey. Whether it's getting a

1 sign -- and this is new -- getting signage in
2 place in stations that say if this elevator
3 is out, here is your next available option --

4 SENATOR RAMOS: In what stations is
5 that signage up?

6 MTA MANAGING DIR. HAKIM: Where we
7 have a station that has an elevator, what
8 we've heard from our customers is they get to
9 the elevator, something has just happened or
10 the elevator is not working, and they don't
11 know what to do.

12 And so in addition to having people on
13 platforms to be able to help our customers,
14 we're also putting signage up to be able to
15 say, okay, there is an elevator at 14th
16 Street for you, or another elevator in
17 another adjacent station.

18 Everything is about trying to say
19 waiting for just long-term construction of
20 elevators is not enough. We have to do more
21 for our customers today.

22 MTA CDO LIEBER: And I just want to
23 say this is an area where I think all of us
24 at the MTA are highly critical of the

1 performance of the agency in the past.

2 And here's one thing that people don't
3 understand, is that not every quality
4 elevator manufacturer wants to compete for
5 MTA business. This goes to the issue I
6 talked about before, about getting more
7 competition. That's number one.

8 Two is that we need to stop
9 customizing our elevators, so that we create
10 a much more standardized elevator module. So
11 that the forces who go out to maintain these
12 elevators are encountering similar mechanical
13 systems everywhere they go.

14 One of the problems is because they've
15 been using so many -- there's been so many
16 different elevator manufacturers and
17 contractors used over time, and because the
18 implementation has taken so long, you have a
19 lot of different elevators out there.

20 As we push to full accessibility, we
21 need to standardize so that we can both build
22 it and maintain it better.

23 SENATOR RAMOS: Perfect. I appreciate
24 your answer. I have 27 seconds --

1 MTA CDO LIEBER: I'm so sorry. I'm
2 sorry.

3 SENATOR RAMOS: -- so I'm going to
4 squeeze another one in, all right? Thanks.
5 Because I'm really interested.

6 So I represent the 13th District, in
7 northwestern Queens. I've always wanted to
8 know what the requirements for a station to
9 be fixed are, because it seems you either
10 have to be in Manhattan or a gentrified
11 neighborhood in order to get on your radar.
12 So how can I get my stations on your radar?

13 MTA MANAGING DIR. HAKIM: We do a
14 fairly robust station assessment program. We
15 put our capital investments and our state of
16 good repair investments around the system,
17 not in a particular neighborhood. It's
18 really need-based, data-driven.

19 SENATOR RAMOS: I can't show you the
20 props that I brought today, but I can very
21 much, I believe, make the case that we do
22 require dire help, especially at the 74th
23 Street Station.

24 MTA MANAGING DIR. HAKIM: And in your

1 area, we're investing about \$90 million in
2 this capital program, just over three
3 important stations.

4 SENATOR RAMOS: I look forward to
5 figuring out how efficient and what the
6 timeline for that will be.

7 MTA MANAGING DIR. HAKIM: Thank you.

8 CHAIRWOMAN KRUEGER: Thank you.
9 Assembly.

10 CHAIRWOMAN WEINSTEIN: Assemblyman
11 Cusick.

12 ASSEMBLYMAN CUSICK: Thank you, Madam
13 Chair.

14 Thank you, it's good to see you again.
15 I think the last time I saw most of you was
16 at the public hearing on Staten Island for
17 the toll increases. And I'm happy that those
18 toll increases did not happen, but it leads
19 me to the question about the congestion
20 pricing and, Mr. Foye, your comments earlier
21 about congestion pricing.

22 And our constituents, all of us up
23 here on the dais, when we go home we're
24 asked: Well, congestion pricing, if we put

1 that into effect, will there be toll
2 increases? And I think that's the simple
3 question that we have, because that's the
4 question we get asked from our constituents.

5 The issue is if we're going to vote
6 for congestion pricing, there's still going
7 to be tolling, there's still a number of more
8 tolls for people. How is this going to
9 balance out toll increases? You mentioned it
10 in your testimony, Mr. Foye, but will that
11 push off the 2019 toll increases? Will the
12 toll increases still occur?

13 MTA PRESIDENT FOYE: So,
14 Assemblymember, I hope I was clear that our
15 financial situation is dire --

16 ASSEMBLYMAN CUSICK: Yup.

17 MTA PRESIDENT FOYE: -- that we need
18 greatly Phase 1 of congestion pricing, which
19 is subject to the TRO, that's a million
20 dollars a day. The fare evasion is an issue
21 which we're very focused on. But we need the
22 toll and fare increases that were scheduled
23 to be voted on this month and were not.

24 Without those, we will have to take

1 drastic action this year, in 2019, to end the
2 year with a balanced budget. And the
3 \$510 million projected deficit in 2020 will
4 grow even higher.

5 With congestion pricing, we will have
6 funding, a significant portion of the funding
7 required for the 2020 to '24 capital plan --
8 not all of it, but a significant portion of
9 it. Without congestion pricing, as I
10 mentioned, the future for New York City
11 Transit, Long Island Rail Road, and
12 Metro-North customers will be a future of
13 increases, about 27 percent over the next
14 several years. And that will not be
15 sufficient to fund the total '20 to '24
16 capital plan.

17 ASSEMBLYMAN CUSICK: So the congestion
18 pricing money will be for capital projects.

19 MTA PRESIDENT FOYE: Yes.

20 ASSEMBLYMAN CUSICK: And we still have
21 a -- was it \$800 million that was the
22 reported deficit? That would be the expense
23 part.

24 MTA PRESIDENT FOYE: Well, the

1 projected deficit, we expect -- and there
2 were challenges. We expected at the
3 beginning of the year to break even for 2019.
4 The projected deficit for 2020, as I
5 mentioned, is about \$510 million, assuming we
6 get the toll and fare increase.

7 ASSEMBLYMAN CUSICK: Okay. So I will
8 go back and tell my folks congestion pricing
9 will -- if it goes into effect, we still most
10 likely will have toll increases at some
11 point.

12 MTA PRESIDENT FOYE: I think toll
13 increases and fare increases, regrettably.
14 And I'll note that the toll and fare
15 increases discussed by the board in January
16 are below the rate of inflation; our same
17 expectation with respect to proposed toll and
18 fare increases in 2021. But I'd be less than
19 candid if I told you that we didn't need
20 those toll and fare increases this year and
21 in 2021.

22 ASSEMBLYMAN CUSICK: And while we're
23 on the subject of toll increases, I just want
24 to ask about the Verrazano Bridge. Right now

1 it's at \$19, I believe, or the increase would
2 be to \$19. Has the MTA done a study where
3 there would be a cap on toll increases? Or
4 could we initiate that, or could I be asking
5 for that right now? Because I just would
6 like to at least warn folks on Staten Island
7 as to what the ultimate cap would be on what
8 they would be paying on the Verrazano Bridge.

9 MTA PRESIDENT FOYE: Well, Member of
10 the Assembly -- I'll turn it over to Bob in a
11 second -- I have lots of friends on Staten
12 Island, they're all smart, savvy people.
13 None of them are paying \$19 to cross the
14 Verrazano Bridge.

15 ASSEMBLYMAN CUSICK: And I'll get to
16 that. And just for the matter of time,
17 Mr. Foye, I just wanted to say yes, there is
18 a discount for Staten Islanders, but many
19 folks have family who don't qualify for that.
20 And we do have folks who like to visit from
21 Brooklyn who don't qualify for the fare --
22 the toll discount for Staten Island
23 residents.

24 MTA PRESIDENT FOYE: Understood.

1 MTA CFO FORAN: Again, the 19.50
2 number is because it is a one-way toll. And
3 that is something that most of our other
4 facilities, it's taken two ways. So you
5 first need to divide that in half.

6 But it is something that we are aware
7 of. And recognizing the special unique
8 nature of Staten Island, that's why we have
9 the residents' discounts. And they are quite
10 significant, as you know.

11 ASSEMBLYMAN CUSICK: And again, that
12 is the work of the MTA working with the
13 Legislature. My colleagues every year are
14 nice enough to vote on a budget that includes
15 that money for that discount for Staten
16 Islanders. And with the help of the Governor
17 and the Senate and the Assembly, that is why
18 Staten Islanders get a resident discount.

19 Thank you, Madam Chair.

20 CHAIRWOMAN WEINSTEIN: Thank you.
21 Senate.

22 CHAIRWOMAN KRUEGER: Thank you.
23 Senator Gounardes.

24 SENATOR GOUNARDES: Thank you very

1 much.

2 And, you know, I know you're taking a
3 little bit of a beating from folks here, and
4 I'm going to do my best to be measured and
5 reasonable with my questions. I have to just
6 start out by saying I feel that some of the
7 testimony this morning was a little
8 disingenuous. As someone who is generally
9 supportive of a congestion pricing scheme --
10 the devil being in the details, of course --
11 to say that without congestion pricing fares
12 would automatically go up 27 percent I think
13 is false. I mean, if we were able to come up
14 with another revenue stream somehow, you
15 know, that would equal that billion dollars,
16 you wouldn't need that fare increase.

17 So as someone who is supportive and
18 generally an ally, to say it's this or
19 nothing is disingenuous, I think, to the
20 people on this panel.

21 Also, to blame rider fare evasion and
22 to say that that's the reason why we're in
23 such a dire fiscal strait is also
24 disingenuous, I feel. This morning it was 25

1 degrees in Bay Ridge, where I represent parts
2 of southern Brooklyn, and three express buses
3 missed their scheduled times. So I had
4 constituents messaging me out in the cold,
5 below-freezing temperature, for a half-hour,
6 waiting for bus service they don't know when
7 it's coming.

8 There's been a lot of discussion about
9 accountability and the procurement process
10 and the contracting process, and that's all
11 very important. We've lost discussion on
12 accountability to riders. It's a big problem
13 for me. And so my question is -- it's an
14 easy one, hopefully -- how often do members
15 of the senior leadership team of the MTA ride
16 the mass transit system in the outer
17 boroughs?

18 MTA MANAGING DIR. HAKIM: All the
19 time.

20 MTA PRESIDENT FOYE: Every day.

21 SENATOR GOUNARDES: Every day. So
22 people ride the R train, the D train, the N
23 train, the B2 bus, the B100 bus, the B16 bus,
24 people are out there riding the X37, the X28

1 on a regular basis from the senior leadership
2 team.

3 MTA PRESIDENT FOYE: The R train stops
4 feet away from MTA headquarters at
5 2 Broadway. I think all of us have got
6 heavily used MetroCards in our pockets. And
7 I've got a Long Island Rail Road, as does
8 Bob, ticket in our pockets as well. We're
9 customers.

10 SENATOR GOUNARDES: Because I want to
11 echo the comments of Senator Ramos. You
12 know, I seems oftentimes that we would talk
13 about service improvements, we talk about
14 improvements in Manhattan or in parts of the
15 city that are gentrifying or considered
16 generally sexier than a lot of the
17 working-class and middle-class neighborhoods,
18 especially in southern Brooklyn.

19 We just did a whole series of
20 construction projects on the N line in
21 Bensonhurst and Dyker Heights where service
22 was shut down for 18 months at a time at
23 certain stations each way. We have crumbling
24 stations. And when the work was done, when

1 you look at the work, instead of repairing
2 the walls that needed significant repair
3 work, new walls were placed in front of the
4 old walls, and the new walls don't even go
5 all the way to the bottom of the floor. So
6 we're spending 18 months time improving
7 service, improving infrastructure, but it
8 seems like, excuse me, we're doing a
9 half-assed job of it.

10 And so that's why I'm asking the
11 question. If people are regularly, if
12 management is regularly out there looking at
13 the service that we're dealing with, the
14 infrastructure that we have, these types of
15 questions wouldn't have to come, and I think
16 riders would feel that they're being heard by
17 the people in charge of making these
18 decisions. Frankly, we don't feel that
19 currently.

20 MTA MANAGING DIR. HAKIM: Let me just
21 quickly start with a commitment to provide
22 your office with some of the technology that
23 your constituents, our customers, could be
24 using every day, currently available to let

1 them know when their bus is coming. Nobody
2 should be wondering when a bus is coming. We
3 have a solution for that. We're going to
4 send you information. Glad to provide myself
5 or others out there to talk about it.

6 MTA PRESIDENT FOYE: I'm sorry,
7 Senator, I just wanted to respond to two
8 things. One is the comment about if
9 congestion pricing doesn't pass, it's not
10 that big an issue. It's actually,
11 respectfully, a huge issue. And it's an even
12 larger issue and maybe we've been -- maybe
13 I've been ineffective in communicating this.
14 We need a lot of revenue on an annual
15 recurring, sustainable and growing basis
16 beyond congestion pricing to fund this 2020
17 to '24 capital plan with which we start nary
18 a dollar. We don't have a dollar.

19 If congestion pricing doesn't pass,
20 the fare increases that I discussed were not
21 intended to be fear-mongering, they weren't
22 intended to scare, and they weren't
23 exaggerated. Those are real, given the dire
24 financial situation that we discussed.

1 The last point, you mentioned Senator
2 Ramos's interest in 74th Street and Roosevelt
3 Avenue. I grew up in northwest Queens also,
4 and that was 7 train, E train, et cetera. I
5 spent a lot of time there, still have family
6 in Jackson Heights, and I can assure you that
7 we're focused and I believe that an
8 examination of the capital that New York City
9 Transit spends on various programs will show
10 that it is spread throughout the five
11 boroughs based largely on need.

12 SENATOR GOUNARDES: So let me just add
13 to that, because my time is about to expire.
14 I have 26 different subway stations in my
15 district, or right outside of my district. I
16 don't have a single accessible station in my
17 district or nearly outside of my district.
18 That to me is criminally unacceptable. I
19 know there's a plan in place. We have to do
20 better than that.

21 Thank you.

22 CHAIRWOMAN KRUEGER: You'll have to
23 get back to him offline on that because the
24 time is up. Thank you.

1 Assembly.

2 CHAIRWOMAN WEINSTEIN: Assemblyman
3 Barclay.

4 ASSEMBLYMAN BARCLAY: Thank you, Madam
5 Chairwoman.

6 Good morning to all of you, and thank
7 you for your testimony so far. I have three
8 questions to ask.

9 One I'm surprised hasn't come up, but
10 you mentioned in your testimony about fare
11 evasion and it's costing you something like
12 \$200 million a year. Has that increased? Is
13 that what it's always been, or is there an
14 increase in fare evasion over the last few
15 years?

16 MTA PRESIDENT FOYE: There's been fare
17 evasion for as long as there's been a subway
18 here or elsewhere. It's increased
19 significantly in 2018, and Ronnie will take
20 us through that.

21 MTA MANAGING DIR. HAKIM: Yeah, let me
22 just give a context to your question, which
23 is in 2015, fare evasion systemwide was about
24 \$110 million, and it has grown now, 2018, to

1 that \$215 million number. A serious problem
2 for us.

3 ASSEMBLYMAN BARCLAY: And why?

4 MTA MANAGING DIR. HAKIM: We think
5 part of it has to do with enforcement,
6 frankly. You know, there has been some
7 disagreement around whether or not there was
8 going to be prosecution of fare evasion.
9 Recently the NYPD has stepped up and worked
10 with us in partnership and has started to
11 increase their enforcement for fare evasion.
12 We're very thankful for that.

13 We also think that we have to have
14 more visibility. We want more law
15 enforcement visible in the system. That's
16 what our customers tell us they're looking
17 for. I also think there's an element of this
18 that is one of opportunity. In other words,
19 there's a core group of people, they're going
20 to try to jump that turnstile no matter what.
21 But there is another group of people, and we
22 see it because we have cameras in many of our
23 turnstile areas, that are I think taking
24 advantage of the fact that someone's holding

1 the gate open and they're walking through.

2 They may not be chronic fare evaders.

3 So part of it is law enforcement, part
4 of it is visibility. We need to do more on
5 our part to have more people in the system
6 who are actually in the fare gate area that I
7 think will discourage people from what is a
8 significant issue, both on subways and buses.

9 ASSEMBLYMAN BARCLAY: Thanks. Just
10 because I don't have much more time, I had
11 more questions on that; maybe I can get back
12 to you in the future.

13 MTA MANAGING DIR. HAKIM: Certainly.
14 Glad to do it.

15 ASSEMBLYMAN BARCLAY: As far as
16 congestion pricing, I understand a lot of the
17 details aren't out there yet, or maybe you
18 haven't even put together the details. I
19 come from upstate. We have a lot of
20 agriculture that likes to sell their products
21 in the city. Is there going to be any
22 exemption for commercial traffic? I mean,
23 they're not the -- I guess they are taking up
24 space in city streets, but they're not like

1 regular -- you know, regular traffic. Do you
2 have any sense of any exemption for any
3 commercial traffic?

4 MTA PRESIDENT FOYE: The congestion
5 pricing that's proposed would include
6 commercial vehicles.

7 ASSEMBLYMAN BARCLAY: Okay. And then,
8 lastly, I want to ask about the Kathy Wylde
9 report. And she said when people bid on MTA
10 projects there's a 25 percent MTA premium.
11 Could you just explain why that is, and to
12 what extent the Scaffold Law has -- have you
13 done any analysis of how much more the
14 Scaffold Law is costing you?

15 MTA CDO LIEBER: I don't. But part of
16 the cost of our public instruction does
17 include insurance. And insurance rates have
18 been going up dramatically. I saw this when
19 I was on the private side rebuilding the
20 World Trade Center.

21 So there's a lot of things at work.
22 There's a reduction in competition in the
23 insurance industry for New York, obviously
24 because of concerns in the insurance industry

1 about exposure or concentration of their
2 exposure. But clearly we have to do
3 something, a series of things, to address the
4 growth of insurance costs.

5 ASSEMBLYMAN BARCLAY: I agree. And I
6 would be curious if you could find our or if
7 someone could do an analysis of how much --
8 I'm not saying it's just the Scaffold Law,
9 but that's something we hear a lot about from
10 builders throughout the state, and I'd be
11 interested in how much it's affecting the
12 MTA.

13 Just while my time remains, could you
14 talk a little bit more what your costs are
15 driving that 25 percent MTA premium?

16 MTA CDO LIEBER: I think what the
17 report was referring to is the premium -- and
18 it's a general rule of thumb that contractors
19 talk about being assigned to an MTA project
20 when they bid on it, versus a private
21 project.

22 ASSEMBLYMAN BARCLAY: Right.

23 MTA CDO LIEBER: And that's
24 attributable to, again, the imbalance of the

1 risk allocation, including who decides a
2 contract dispute in our standard contract
3 forms, which we are changing. The exposure
4 that contractors feel for things that they're
5 not certain they'll get from the MTA, like
6 that they'll get an outage to do work at the
7 time. That's changed. The New York City
8 Transit Authority has, as Pat said, made
9 outages much more certain in the last year,
10 and they're doing 40 percent more work on
11 outages because they're being more strategic
12 about deployment of resources.

13 So I'm not going to take up all your
14 time, but that we are systemically hacking
15 away at all of the elements that contribute
16 to that 25 percent.

17 ASSEMBLYMAN BARCLAY: Okay, thank you.

18 Thank you, Madam Chairwoman.

19 CHAIRWOMAN WEINSTEIN: Thank you.

20 And just want to acknowledge two
21 Assemblymembers who joined us: Ken Byrnes
22 {sic} and Mike Reilly. Kevin.

23 CHAIRWOMAN KRUEGER: And if Ken Burns
24 joins the Assembly, we'll applaud that too.

1 CHAIRWOMAN WEINSTEIN: Right. I'm
2 sorry, Kevin Byrne.

3 (Laughter.)

4 CHAIRWOMAN KRUEGER: Senator Hoylman.

5 SENATOR HOYLMAN: Thank you. Nice to
6 see you. Thank you very much. I appreciate
7 you being here. I know you have some of the
8 toughest jobs in public service, so I really
9 am grateful for your service -- your on-time
10 service.

11 Wanted to go back to that tragedy
12 which happened in my district a couple of
13 days ago with Malaysia Goodson falling down
14 the stairs at 53th and 7th. I'm a parent
15 with a baby carriage, I have a 1-year-old, so
16 I've been at that station multiple, multiple
17 times.

18 My question is it is, at 53rd and 7th,
19 the 84th busiest subway station in the city,
20 according to a recent ranking. So why isn't
21 it on your list to add an elevator?

22 MTA MANAGING DIR. HAKIM: So what
23 we've undertaken, Andy Byford and his
24 accessibility team have undertaken a survey,

1 we just finished surveying 150 stations to
2 figure out what it would take to smartly put
3 elevators in and meet that goal of over
4 50 stations in our next capital program,
5 complete this current capital program to get
6 as many elevators installed as possible.
7 This is something that we all prioritize as a
8 goal.

9 If there was a way to put elevators in
10 faster, that's what we're trying to
11 accomplish here. That's why we're looking to
12 double the investment that we're already
13 making in elevators, from over a
14 billion-four, a billion-five dollars to over
15 3 billion in our next capital program.
16 And --

17 SENATOR HOYLMAN: Can I get a
18 commitment, given the tragedy that occurred
19 at this station, and given how busy it is,
20 can I get a commitment from you, Ms. Hakim,
21 that you'll look at this station again for
22 accessibility specifically in my district?

23 MTA MANAGING DIR. HAKIM: Yes.

24 SENATOR HOYLMAN: Thank you very

1 much.

2 My second question is about the
3 L train. And I do appreciate the Governor
4 literally stepping in and reexamining this
5 plan. A couple of things. One, it does not
6 give me any confidence in the MTA that four
7 years of a plan were upended in one night. I
8 think you can agree that that was a
9 turnaround like we haven't seen for a public
10 infrastructure project probably in world
11 history.

12 But secondly, how can you give the
13 riders who take the L train, 60,000 of whom
14 ride on the L in my district across 14th
15 Street every day in Manhattan, how can you
16 give them confidence that the environmental
17 issues will be properly addressed? There --
18 as you know, the new plan involves the
19 removal of silica dust. And as I understand
20 it -- it has not been fully explained, but as
21 I understand it, the silica will be wetted
22 down every morning so that the trains can
23 resume service.

24 How do we know that that dust will not

1 cause health issues for those riders every
2 morning?

3 MTA CDO LIEBER: Well, first of all,
4 just let me just clarify something.
5 Remember, the new approach that's being
6 taken, there is instead of the demolition of
7 the entire benchwall, that huge concrete
8 structure that runs the length of the tunnel,
9 there is going to be selective demolition of
10 only 5,000 of the 35,000 feet. So it's a
11 much more focused and narrow demolition
12 project.

13 And it's going to -- slightly contrary
14 to what you said, it's going to all be done
15 on the weekends, so you will have much
16 more -- first of all, the work will take
17 place with equipment that sucks up the dust,
18 without getting too technical. It's going to
19 do that, it's going to take place in a
20 contained environment, it's going to be done
21 pursuant to OSHA regulations, which are very
22 prescriptive in this area. And because it's
23 being done on the weekend, there is obviously
24 plenty of time to make sure that the work is

1 completed with the air monitoring, which is
2 going to be continuous throughout, tells you
3 where you are -- and we have to preserve a
4 quality environment for the workforce
5 throughout the weekend.

6 SENATOR HOYLMAN: So I guess my
7 question, Mr. Lieber, is when are you going
8 to release the same level of detail --
9 timeline, cost estimate, analysis of issues
10 like silica dust -- on the new plan that you
11 had released on the original plan? Riders
12 don't have any information, much less elected
13 officials, as to what this plan is going to
14 look like. We need to know so we can help
15 our constituents understand what this is
16 going to look like.

17 MTA CDO LIEBER: I think that we will
18 have, we will be able to provide all of that
19 information. We, you know, started to get
20 that conversation with the city in the last
21 couple of weeks, including their
22 environmental officials, and they --

23 SENATOR HOYLMAN: Do you have a target
24 date on the release of that information?

1 MTA MANAGING DIR. HAKIM: So let me
2 just kick in, because we've worked together
3 on this for a couple of years, and I very
4 much appreciate how you have participated in
5 the outreach that we've done. That outreach
6 is continuing. We are having a -- I think
7 there's a meeting in the beginning of
8 February, again, to sort of say here's where
9 we are so far. Not every answer is going to
10 be available. But boy, oh, boy, we're going
11 to be in the communities, we're going to be
12 out talking about it.

13 I think in February at our board cycle
14 we've committed to giving an update at the
15 board in February to give our board members
16 the first really, you know, concrete, here's
17 the level of information that we have. And
18 we will be back working with you, your
19 constituents and your colleagues, because I
20 think it worked really well as we were
21 leading into this project, and we're going to
22 continue that process.

23 SENATOR HOYLMAN: And I hope that work
24 continues with the New York City Department

1 of Transportation.

2 MTA MANAGING DIR. HAKIM: Agreed.

3 SENATOR HOYLMAN: Thank you very much.

4 Thank you, Madam Chair.

5 CHAIRWOMAN KRUEGER: Thank you.

6 Assembly.

7 CHAIRWOMAN WEINSTEIN: Assemblyman

8 Charles Fall.

9 ASSEMBLYMAN FALL: Good morning.

10 Thank you, Madam Chair. And thank you,

11 President Foye, and your team for being here.

12 You know, on Staten Island we're faced with a

13 number of challenges, and my constituents

14 often say they don't understand why the fares

15 keep going up and services keeping decreasing

16 or they're eliminated.

17 I want to give you an example of the

18 ferry, for instance. You're going to

19 Manhattan, the M15 is always ready there,

20 ready to rock and roll. But when you come

21 back to Staten Island, you have the S46, the

22 S48 and a few other buses that aren't there,

23 and sometimes it takes about 15 to 20 minutes

24 for them to come. I'm just kind of curious

1 to know, you know, why that is the case and
2 what we could do to improve that.

3 MTA MANAGING DIR. HAKIM: So a couple
4 of things. As you do know, we have been
5 reworking the Staten Island bus network and
6 trying to make it better. We have been, I
7 think, consistently working through
8 individual bus routes, literally bus stop by
9 bus stop, to make it better. I will bring
10 those particular issues that you raise today
11 back to our bus group to say: Is there a
12 problem that we need to fix to make it
13 better?

14 I will also offer the same issue,
15 which is as we are improving our use of
16 technology, we give your constituents, our
17 customers, in their phone the ability to know
18 when the bus is coming. That I think is an
19 important element of customer service, and I
20 don't think we've messaged that out very well
21 yet.

22 ASSEMBLYMAN FALL: Okay. And as far
23 as the bus rapid transit, you know, I know
24 there was a study done a few years ago and I

1 believe there's one that's currently underway
2 again. Is there any capital funding in your
3 five- or 10-year plan that would include
4 funding for BRT on Staten Island, on an
5 offshore?

6 MTA MANAGING DIR. HAKIM: So we have
7 already launched some of our -- what we call
8 SBS, you know, the bus rapid transit work.
9 We'll look to increase that as part of the
10 ongoing work we're doing with city DOT for
11 Staten Island. We'll come back to your
12 office with some specifics about different
13 bus routes in your district.

14 ASSEMBLYMAN FALL: Gotcha, okay. And
15 I also have a couple of train stations in my
16 district that are in need of repair, and
17 these are areas that there are a lot of
18 developments going on, and of course these
19 train stations could use some TLC. And in
20 addition to that, there are some drug
21 activity there. And I know there is a lack
22 of MTA officers that are present. So I don't
23 know if that's something you guys could take
24 a look at. I don't know if it's an expense

1 item. But if you could consider that, that
2 would be greatly appreciated.

3 And lastly, if you have some time in
4 February, I would love for you to come down
5 to the district to take a look at some of the
6 challenges that we're facing, and --

7 MTA MANAGING DIR. HAKIM: Glad to do
8 it. Thank you.

9 ASSEMBLYMAN FALL: Great. Thank you.

10 CHAIRWOMAN WEINSTEIN: Thank you.

11 Senate.

12 CHAIRWOMAN KRUEGER: Senator Jamaal
13 Bailey. Just doing a quick chair change.

14 SENATOR BAILEY: Good morning,
15 everyone. Thank you, Madam Chair, for the
16 opportunity to speak.

17 I just wanted to ask just a couple of
18 questions. I have a very unique district. I
19 have a Bronx/Westchester district that has
20 both -- it's Dickensian in some way, it's a
21 tale of two cities. I have transit-rich
22 areas and transit deserts. Let's talk about
23 the transit desert, Co-op City. Co-op City
24 is a unique insular type of community, 50,000

1 residents in one area who are grossly
2 underserved by public transportation. And
3 I'm excited that Amtrak has finally come to
4 their senses and they've come to an
5 agreement.

6 But I'm concerned about the buses
7 serving Co-op City. As you know, there are
8 five unique sections to Co-op City, and
9 previously each section was adequately served
10 by bus systems whether it was the 28 bus, the
11 26 bus, or the 30 bus service. Right now
12 each section does not have adequate
13 representation or adequate bus service.

14 Co-op City is the largest NORC,
15 naturally occurring retirement community, in
16 the City of New York. A lot of seniors are
17 there who cannot afford to get off in
18 Section 3 and walk to Section 4. So I'm
19 really hoping that -- and Mr. Lieber, we've
20 spoken at the borough president's office
21 about your commitment to do this. But I'm
22 really -- I want to reiterate how important
23 it is in Co-op City to make sure that we get
24 the buses right and we really take a hard

1 look at and reexamining it, because it's a
2 really different place, unique. And if you
3 haven't been, as Assemblyman Fall invited
4 you, I invite you to come to Co-op City and
5 we can tour each section so you can see
6 exactly what I'm talking about and how
7 important it is to show you that each section
8 needs to make sure that they have adequate
9 bus service.

10 The next question is about -- I think
11 Chair Kennedy mentioned it in his remarks
12 earlier about the accessibility aspect.
13 Myself, Assemblymember Dinowitz,
14 Assemblymember Fernandez, and many local
15 councilmembers in the area were talking about
16 the Mosholu Parkway 4 Train station and our
17 hopes that we can add that to the capital
18 plan. It's around Montefiore Hospital,
19 Central Bronx Hospital. A lot goes on there,
20 and there's no elevator. So I'm really
21 hopeful that you consider adding that to the
22 capital plan.

23 And I guess the final statement -- I
24 guess I really don't have questions, more so

1 statements -- the final statement that I'll
2 have is the Westchester portion of my
3 district is the City of Mount Vernon. We
4 have the Fleetwood station, Mount Vernon East
5 and Mount Vernon West. I am hopeful that we
6 can continue to improve service in the
7 Metro-North area. Assemblymember Buchwald
8 mentioned it, but it's really important that
9 all of the lines, the Hudson, New Haven, that
10 both of those lines are running efficiently,
11 because I get constituent complaints all the
12 time about not just the subways, not just the
13 buses, but the Metro-North. So I get it on
14 three sides of the equation.

15 But I'm grateful that you've come up
16 here today, and I would like to be part of
17 the solution and not just complain about
18 things. So my office is open and available
19 if there's anything that you would need from
20 me.

21 MTA MANAGING DIR. HAKIM: And we'll
22 take you up on that, because we agree, the
23 bus service is critically important,
24 accessibility is critically important,

1 advancing improvements on Metro-North service
2 for the stations in your district is
3 something that we are also focused on, as
4 well as the longer-term Penn access capital
5 investments.

6 SENATOR BAILEY: And just about the
7 accessibility portion, we speak about the
8 tragic loss of the mother, but it's not just
9 about those, it's the individuals who are
10 permanently disabled, the individual who
11 sprains their ankle and can't get to a subway
12 and they miss a doctor's appointment. It's
13 much more than just -- accessibility is
14 really important. And I understand that we
15 can only do but so much at one time, but I
16 strongly urge you, if possible, to accelerate
17 the rate that we catch up to the
18 accessibility.

19 Thank you.

20 MTA MANAGING DIR. HAKIM: Thank you.

21 CHAIRWOMAN WEINSTEIN: Thank you.

22 Assemblywoman Pheffer Amato.

23 ASSEMBLYWOMAN PHEFFER AMATO: Thank
24 you, Madam Chairwoman.

1 Good afternoon -- morning, it's still
2 morning.

3 My question has to do with the unfair
4 toll on the Cross Bay Bridge, and I talk
5 about eliminating that toll. And before you
6 answer or speak about it, the congestion
7 pricing plan is putting a toll or a charge on
8 the Queensborough Bridge and the Brooklyn
9 Bridge, which were free forever, so people in
10 those communities have been benefiting from
11 entering the business zone, having great
12 livings of going into Manhattan. And also
13 with -- I thank my colleague from Staten
14 Island that, you know talking about the tolls
15 that they're going from Brooklyn to Queens,
16 which is going from two different boroughs.
17 And the Cross Bay Bridge is the only
18 interborough, intercounty bridge in all of
19 New York State.

20 And also to thank my colleague for
21 talking that my colleagues here in the Senate
22 and the Assembly do pass the Rockaway rebate,
23 which we know that we in the Rockaways and
24 Broad Channel do get a free or charge and

1 then chargeback toll on the bridge. But
2 we're not only talking about those
3 communities; I do represent the communities
4 in South Queens of Howard Beach, Ozone Park,
5 and even going into the other communities
6 that do pay a toll, and the whole borough of
7 Queens, that do pay a toll going from Queens
8 to Queens.

9 MTA CFO FORAN: You characterized it
10 right, there is the Rockaway resident
11 discount, and it already is a lower fare with
12 the discount on E-ZPass. We recognize the --

13 ASSEMBLYWOMAN PHEFFER AMATO: For
14 Rockaway and Broad Channel residents only.

15 MTA CFO FORAN: Yes. But also, I
16 mean, it's the E-ZPass. If they have the New
17 York Service Center E-ZPass, they're already
18 getting the discount through the E-ZPass.

19 ASSEMBLYWOMAN PHEFFER AMATO: So
20 people from Queens are paying a lower fare to
21 go from Queens to Queens. So people in Broad
22 Channel -- I'm sorry, in Howard Beach, less
23 than 2 miles away, 3 miles away, pay a toll,
24 fee, discounted, to go to their jobs.

1 MTA CFO FORAN: I think these are all
2 issues that -- there are issues around the
3 whole metropolitan region. I think one of
4 the points that we need to be looking at is
5 going forward, if we are going to have
6 additional benefits, additional discounts,
7 additional reduced fares, the MTA cannot just
8 continue to fund those. If for public policy
9 these are issues that are important, just as
10 the Legislature and the Executive have done
11 in the past, that's something that we think
12 should be considered.

13 But the MTA, particularly in the
14 situation we are right now, is not in a
15 position to be able to offer additional
16 discounts at this time.

17 ASSEMBLYWOMAN PHEFFER AMATO: I think
18 you could support it.

19 MTA CFO FORAN : I'm not -- not saying
20 that there's --

21 ASSEMBLYWOMAN PHEFFER AMATO: But I
22 think there's never been support saying yes,
23 you do go from Queens to Queens in those
24 communities. And so economically, as we've

1 been recovering from Hurricane Sandy, and
2 that area of South Queens has been starting
3 to boom, those dollars should be in the small
4 business owners' pockets. It shouldn't be
5 funding what we've been funding for years.

6 So if we're starting to look out of
7 the box, which I could appreciate what
8 congestion pricing is doing, then we have to
9 say to those other communities that have been
10 bearing it on their backs that they get to
11 have a break and then so we are going to be
12 offering types of discounts. But you're
13 still talking going from Queens to Queens.

14 MTA CFO FORAN: I would point out that
15 within congestion pricing, phase one, there
16 is the Outer Borough Fund, and that's the
17 \$50 million fund which could be available for
18 discounts on toll crossings. I just put the
19 -- that's something else to consider.

20 ASSEMBLYWOMAN PHEFFER AMATO: No, I'm
21 very aware of it because I participate in
22 that. But if that Outer Borough Fund is all
23 the rest of the outer boroughs, we're going
24 to duke it out from each other. And that's

1 not how it should be. We shouldn't be
2 fighting each other.

3 What an Outer Borough Fund money will
4 do, it's recognizing that some communities
5 have been bearing a burden where others
6 haven't. I can recognize that the subways --
7 the service has been bad and communities are
8 upset. But we've giving revenue in a little
9 small community for years.

10 And I'm going to go to my second part
11 of that, which is -- and I thank
12 Senator Comrie for bringing up the
13 Atlantic Ticket or the Freedom Ticket on the
14 Long Island Rail Road. I would love everyone
15 to raise their hand to know that the Long
16 Island Rail Road goes to Far Rockaway, and we
17 are cut out of every conversation when it
18 talks about the Long Island Rail Road.
19 Because from Far Rockaway you have to go
20 through Lawrence, Woodmere, Cedarhurst,
21 Inwood -- you can tell I've been on that
22 train -- and then gets to South Queens.

23 Okay, so the Far Rockaway station is
24 next to a NYCHA housing development, the

1 poorest people in all of Community Board 14,
2 and they don't get any benefit of a
3 discounted ticket to help them have a better
4 economy in their life. So we talk about all
5 these plans, but we cut out a whole
6 population that is in a transportation desert
7 to benefit from any study. We were never
8 included, and we should be. We are part of
9 South Queens. And either we consider South
10 Queens as a whole, or then we don't benefit.

11 And I appreciate that conversation.
12 We're always cut out of it, and I'd like to
13 know your opinion on that, how we could be
14 included. Or, looking forward, how we could
15 be part of those plans.

16 MTA MANAGING DIR. HAKIM: I would
17 offer that that's a conversation that we
18 should start with our MTA Board members,
19 bring back the comments and concerns that
20 you've raised. This is a study that started
21 for a discrete opportunity to see what we
22 could do in terms of the Atlantic Ticket, and
23 expanding it would require their action as
24 well. We'll bring it back.

1 ASSEMBLYWOMAN PHEFFER AMATO: Because
2 the A train is the other train that you could
3 choose, and that's an hour and a half
4 commute.

5 CHAIRWOMAN WEINSTEIN: Thank you.
6 We're going to go to Senator Carlucci
7 next.

8 SENATOR CARLUCCI: Hi, I'm Senator
9 David Carlucci, I represent Rockland and
10 Westchester Counties. I want to thank you
11 for your time today.

12 We've been here for over two hours
13 now, and I've read through the presentation
14 by our president of the MTA, and there's not
15 one mention of west of the Hudson. And in
16 Rockland and Orange Counties -- I know you've
17 heard this before, but I'll say it again --
18 we feel like the black sheep. We pay in so
19 many ways to the MTA, but yet service has
20 continually declined. And particularly on
21 the Pascack Valley line, where you go right
22 down the border to New Jersey. And now
23 because of the delays, because of the
24 inadequate services that we've seen, they're

1 offering, New Jersey Transit is offering
2 residents a discount, while if you live right
3 in Rockland County, there's no discount to be
4 had.

5 It seems like our cries are falling on
6 deaf ears in west of Hudson, and particularly
7 when we talk about congestion pricing. And
8 now, as my colleagues have pointed out,
9 there's no plan about what it's actually
10 going to cost the average resident in
11 Westchester, Rockland, in the entire
12 metropolitan area. And that's a real
13 concern. And so it gives me much concern to
14 see what type of investment will be made in
15 west of the Hudson, in Metro-North in its
16 entirety. So some major concerns.

17 And we often have concerns with the
18 stations. Accessibility has been a major
19 factor. And we keep getting like the
20 runaround. Like it's like, well, it's MTA,
21 it's New Jersey Transit. And many of the
22 constituents in our area have continually
23 increased the drumbeat to say, Why are we
24 doing business with the MTA? The MTA is the

1 middleman. We could just go directly to
2 New Jersey Transit and probably get a better
3 deal.

4 And so what do you have to say to
5 that? And what type of reassurance do we
6 have that investments will be made too in
7 Rockland, Orange Counties?

8 MTA MANAGING DIR. HAKIM: So our west
9 of Hudson service is something that we are
10 focused on. Cathy Rinaldi, Metro-North
11 president, has been out in those counties and
12 with her customers, recognizing that there
13 have been challenges with New Jersey Transit
14 for a variety of reasons, no excuses, what
15 can we do to improve the service for your
16 constituents and our customers?

17 We took a look at the fare structure
18 as we are looking towards our new fare
19 proposals saying, you know what, west of
20 Hudson, those customers have endured
21 challenging service, so let's not raise their
22 fares, let's see what we can do on that
23 front, notwithstanding the dire financial
24 issues that we'll have to find other

1 solutions for. But at the end of the day,
2 improving accessibility in stations,
3 increasing capital investments in those
4 stations. We have in fact made some ADA
5 accessibility progress there.

6 So we're focused on it, and I know
7 that --

8 SENATOR CARLUCCI: I haven't seen that
9 progress, unfortunately. We have some real
10 dire situations where I've heard you talk
11 about some of the stations that have a real
12 concentration in New York City. And that's
13 important. However, in Westchester/Rockland
14 County, you don't have access to these
15 stations, so having it not accessible is a
16 major hardship for so many commuters, and
17 many that you don't even know about because
18 they've just given up on the transit system.

19 With that, I just wanted to get into
20 the tolls by mail and cashless tolling. I
21 was very disheartened that the Governor
22 vetoed our legislation, the Toll Payer
23 Protection Action. We've been seeing major
24 problems -- I mean, residents with thousands

1 of dollars in fines for some simple tolls.
2 And we have heard nothing from the MTA about
3 what is being done to rectify the situation.
4 You know, I've got bills right here, you
5 know, an \$8.50 toll turning into a \$100 fine
6 every time. That accumulates to thousands of
7 dollars for hardworking New Yorkers with no
8 recourse from the MTA.

9 So can you speak to that? Is anything
10 being done to mitigate these outrageous fines
11 that residents unwillingly -- or unknowingly
12 have been hit with?

13 MTA MANAGING DIR. HAKIM: So cashless
14 tolling -- and agreeing that we think this
15 has been a good program in terms of removing
16 the toll plazas and the hard barriers at
17 these crossings. It has decreased accidents
18 at plazas by over 40 percent. Huge safety
19 benefit, huge environmental benefit.

20 In terms of customer issues -- and we
21 recognize there's been a learning curve for
22 customers who are used to getting a warning
23 sign and used to a barrier coming down, and
24 we've eliminated those. But we have in fact

1 encouraged increased use of E-ZPass. E-ZPass
2 penetration, 95 percent. That is a huge
3 benefit.

4 SENATOR CARLUCCI: Just one other
5 point in relation to that. We just mentioned
6 \$215 million in fare evasion this year. Does
7 anything have to do with the cashless tolling
8 system? Where does this \$215 million come
9 from?

10 MTA MANAGING DIR. HAKIM: That is
11 talking about subways and bus fare evasions,
12 not tolls by mail.

13 Tolls by mail, by the way, we have had
14 a fairly liberal policy around trying to work
15 out first-time early adapters of this to try
16 to waiver those violations and really just
17 try to collect the tolls.

18 SENATOR CARLUCCI: Well, unfortunately
19 in many cases --

20 CHAIRWOMAN KRUEGER: Senator --

21 SENATOR CARLUCCI: -- what we've seen
22 is more in --

23 CHAIRWOMAN KRUEGER: Sorry, Senator --

24 SENATOR CARLUCCI: -- fines than we do

1 in tolls. So it's a real problem we have to
2 face.

3 CHAIRWOMAN KRUEGER: So, Senator,
4 maybe you'll continue the conversation with
5 them offline.

6 SENATOR CARLUCCI: Thank you.

7 CHAIRWOMAN KRUEGER: Thank you.
8 Assembly.

9 CHAIRWOMAN WEINSTEIN: Assemblywoman
10 Simon.

11 ASSEMBLYWOMAN SIMON: Yes, I have
12 several questions, thank you very much, about
13 the congestion pricing scheme, as you might
14 imagine. I represent downtown Brooklyn and
15 the Brownstone Belt, and so I have I think
16 two accessible subway stops, because they're
17 in downtown Brooklyn and the Barclays Center.
18 Which raises one very quick question, and I'd
19 like to get a response. With regard to the
20 elevators, for example, at the
21 Barclays Center, they are operated by
22 Forest City Ratner, or the entity that's
23 operating the arena.

24 MTA MANAGING DIR. HAKIM: Right.

1 Right.

2 ASSEMBLYWOMAN SIMON: And of course it
3 has an abysmal record of working. And I
4 understand that there are something like 83
5 elevators in the MTA system that are actually
6 owned by and operated by a private entity
7 that is not the MTA.

8 Could you clarify for me, number one,
9 what those numbers are, and number two, what
10 it is that the City Transit or the MTA is
11 doing to ensure compliance with the operation
12 of those elevators?

13 MTA MANAGING DIR. HAKIM: Developer --
14 the number of elevators that are owned and
15 operated by others, we'll get back to you
16 with the specific number. You used the
17 number 83; that sounds about right. But each
18 agreement for those elevators is a little
19 different. So, you know, looking at just
20 what we can do to enforce the maintenance
21 requirements and enforce performance and
22 up-time of the operating of those elevators
23 is something we deal with on a case-by-case
24 basis. And they are challenging indeed.

1 And I will specifically come back to
2 you with just the status of those particular
3 elevators.

4 ASSEMBLYWOMAN SIMON: Thank you.

5 And I would just like to join my
6 colleagues in a call for really increasing
7 the pace at which we do accessibility of the
8 subway system. As you know, it's been an
9 issue I've been concerned about for years.

10 I also want to address the congestion
11 tolling program that the Executive has laid
12 out in the budget. And one issue in
13 particular that constituents are already
14 raising, and it was recently reported on, is
15 the use of city property or the land that
16 will be used to construct the infrastructure
17 to set up the tolling system, and the fact
18 that it appears to not have to comply with
19 any environmental regulations. And people
20 are just very concerned that the MTA will be
21 running amuck, obviously, with city property.

22 Can you explain exactly how it is that
23 you foresee -- because it would be the MTA
24 with the TBTA -- how you would handle doing

1 that, what your parameters would be to
2 constructing the infrastructure that would be
3 needed for congestion pricing that would not
4 be abusive to the city streets and to the
5 public?

6 MTA PRESIDENT FOYE: Assemblymember,
7 let me start it off by the following. One of
8 your colleagues earlier raised the question,
9 I think it was actually Chair Paulin raised
10 the question how long it would take to
11 implement congestion pricing and would it be
12 longer than London, et cetera, all of which
13 are fair concerns, because congestion pricing
14 funding is so fundamental. If the
15 Legislature passes it, we want to get it done
16 as quickly as possible given the capital
17 needs and the dire financial situation we're
18 in.

19 But the reason for the provision --
20 and I ought to say, point two, the MTA's
21 relationship with New York City DOT and with
22 the DOT commissioner, Polly Trottenberg --
23 who's a board member, so we all work for her,
24 among others -- is excellent, manifested by

1 the L train, manifested by any number -- the
2 work on bus redesign, et cetera.

3 But the reason for the provision,
4 thirdly, in the Executive Budget is to
5 shortcut the process, to get congestion
6 pricing implemented if the Legislature passes
7 it, and to begin to realize those dollars so
8 that, fast forward, funding New York City
9 Transit, Long Island Rail Road and
10 Metro-North can proceed, including
11 accessibility investments.

12 ASSEMBLYWOMAN SIMON: What assurance
13 can the public have that with this power to
14 not have to comply with various regulations,
15 that the MTA will do so in a way that is not
16 going to be abusive to the public and to the
17 public streets?

18 MTA MANAGING DIR. HAKIM: So one of
19 the things that is still unknown is exactly
20 what will the technology be, what size will
21 it be, how intrusive will it be. We all want
22 to try to minimize that. We're hosting a
23 technology conference with these vendors
24 across the globe to bring them into New York

1 to say, How would you help us do this? And
2 we'll be out publicly discussing just what
3 the options are.

4 ASSEMBLYWOMAN SIMON: Thank you.

5 CHAIRWOMAN WEINSTEIN: Thank you.
6 Senate.

7 CHAIRWOMAN KRUEGER: Thank you.
8 Senator Skoufifis.

9 SENATOR SKOUFIFIS: Thank you, Madam
10 Chairwoman. My colleague Senator Carlucci
11 and I are going to be the west of Hudson
12 one-two punch here. But before I get to
13 that, I want to make a broader point and ask
14 you a broader question. You know, I've been
15 fortunate enough to do a fair amount of
16 traveling, and I can say with a high level of
17 confidence that the MTA is the dirtiest,
18 least reliable, slowest and most expensive
19 mass transit system in the industrialized
20 world. And I am not putting that all in your
21 lap. This has built up over many, many
22 decades.

23 But to illustrate that point, May 11th
24 of last year, West Japan Railway Company

1 issued an apology to their riders, and they
2 said: "The great inconvenience we placed
3 upon our customers was truly inexcusable."
4 That great inconvenience was the train
5 departed 25 seconds early.

6 The expectations and the service
7 delivery, there is a massive gulf between
8 what we do here in the MTA and what literally
9 the rest of the industrialized world does.

10 And so my broader question -- and I
11 don't ask this facetiously. I mean it. Do
12 you owe, does the MTA owe its riders an
13 apology? This entire time I have not heard
14 "I'm sorry, I apologize" once. Do you owe
15 riders an apology?

16 MTA PRESIDENT FOYE: The short answer
17 is absolutely yes. Of course.

18 SENATOR SKOUFIS: Okay.

19 MTA PRESIDENT FOYE: Service is not
20 acceptable. It's improving in certain ways
21 on all of the agencies, but no, we're not
22 happy with the service and we do owe the
23 public an apology, period.

24 SENATOR SKOUFIS: Okay, I appreciate

1 that.

2 So to get to the more parochial matter
3 in Orange and Rockland Counties, both of
4 which I represent parts of, you know, we, as
5 Senator Carlucci noted, we do feel we are so
6 often neglected on our side of the river.
7 And look, there are two basic elements here,
8 right? There is the service itself, and
9 there is the access to the service.

10 And so to those two points, this is a
11 typical weekday schedule, inbound trains to
12 New York City. West of Hudson, both lines,
13 Pascack and Port Jervis -- this is just in
14 New York State, Orange and Rockland Counties,
15 56 trains the entire day, both lines. East
16 of Hudson, all the lines -- again, just
17 New York, and this is outside New York
18 City -- 239 trains. LIRR -- again, outside
19 New York City -- 418 trains. If you want to
20 look at the number of stations, access: West
21 of Hudson, 15 train stations. East, just in
22 New York, outside the city, 55. Long Island,
23 92.

24 Studies have shown that for every

1 think the Mid-Point Yard will allow for more
2 frequent service. The three passing sidings,
3 the investments that we can make as part of
4 the capital work on the west of Hudson
5 side --

6 SENATOR SKOUFIS: Will those be in the
7 next program, in the October program?

8 MTA MANAGING DIR. HAKIM: Those are
9 the kinds of priorities that we want to
10 include in the program, because we do agree
11 that there is an ability to create more
12 service, more opportunities for improved
13 service. And here's something that -- we
14 also, though, need to work with New Jersey
15 Transit on the pinch points that exist with
16 Hoboken, with having the ability to create
17 slots and create service transfer points as
18 well.

19 So yes, we have a plan. The studies I
20 think have developed and shown -- glad to
21 share them with you -- that those are good
22 investments that should be part of our
23 capital program for Metro-North.

24 SENATOR SKOUFIS: Any movement on the

1 Woodbury Common train station since the
2 Governor made an announcement last January?

3 MTA PRESIDENT FOYE: Yeah, discussions
4 are underway with the owner and private
5 parties towards a public-private partnership.
6 Beyond that, I think it would be
7 inappropriate, Senator, to discuss that in
8 public.

9 ASSEMBLYMAN SKOUFIS: Okay, thank you.
10 I stand ready to help on all these. Thank
11 you.

12 MTA PRESIDENT FOYE: Thank you.

13 CHAIRWOMAN KRUEGER: It would be
14 helpful to sit down with that side of the
15 river Senators and Assemblymembers to go over
16 your proposals. Thank you.

17 Assembly.

18 CHAIRWOMAN WEINSTEIN: So we are going
19 to take a five-minute promised facilities
20 break.

21 (Comments off the record, and a brief
22 recess was taken from 12:02 to 12:08 p.m.)

23 CHAIRWOMAN WEINSTEIN: Okay, hopefully
24 everybody got their energy out and we can

1 continue. We still have many members who
2 have questions.

3 So we are going to go to Assemblywoman
4 Malliotakis.

5 ASSEMBLYWOMAN MALLIOTAKIS: Thank you
6 all for being here today.

7 And, you know, I can relate to many of
8 my colleagues who are talking about the
9 transportation deserts in their communities
10 and who are frustrated by the lack of
11 service, and especially at this time when the
12 agency is looking for more money. As you
13 know, Staten Island is the Sahara Desert of
14 transportation deserts. And particularly
15 when it came to this redesign, you know, I
16 was particularly upset that the state
17 legislators weren't necessarily included in
18 this process or at the table when it was
19 taking place.

20 But I really implore you to revisit
21 some of the issues that you're hearing
22 repeatedly. And I do know you have a working
23 group and you're working very closely with
24 our borough president, which I very much

1 commend. But there are real issues for
2 everyday people that are standing out there.
3 They have long lines, the buses are not
4 coming as scheduled. And as my colleague
5 from Brooklyn and Bay Ridge also noted, this
6 is an issue in Bay Ridge too, and they
7 haven't even had the redesign yet.

8 And I'm concerned because, you know,
9 especially in these elements where we're
10 making people wait 20, 30 minutes, the buses
11 aren't coming five minutes, eight minutes,
12 10 minutes as scheduled, number one. And
13 then on top of it, when the bus does come,
14 there's no seats then, and they have to wait
15 for the next bus.

16 So it's really an issue, whether it be
17 changing routes, adjusting the routes, or
18 whether it be adding more buses for
19 particular lines. I have invited the
20 officials to come. Happy to ride the bus
21 with you to see exactly what our
22 constituents are experiencing, and I urge you
23 to do that.

24 With regards to the -- and if you

1 would like to chime in on that, I would
2 appreciate that. But if I could just add
3 another question in there. With regards to
4 the congestion plan that was put forth by the
5 Governor, I see in the language that there is
6 an exemption for the Queens-Midtown Tunnel,
7 the Hugh Carey Tunnel, the Holland Tunnel,
8 Lincoln Tunnel, and the Henry Hudson Bridge,
9 that they will not -- or they will have a
10 credit of what they're already paying on
11 those bridges or tunnels toward this
12 congestion pricing fee.

13 How come Staten Island, the Verrazano
14 Bridge, is excluded from that?

15 MTA MANAGING DIR. HAKIM: So let me
16 start at the beginning of your questions
17 first and then we'll turn to the congestion
18 pricing issue.

19 From a service perspective, buses on
20 Staten Island, it's been a work in progress.
21 Thank you for acknowledging that and the
22 working group that's going on. We're not
23 done, nobody's declared "Done." We'll
24 continue to work at those routes. We were in

1 Staten Island at a public hearing, heard from
2 some of your constituents their personal
3 issues on particular routes and stops, and we
4 continue to follow up and make tweaks and try
5 to make it better.

6 It was a great process in terms of
7 outreach and hearing from communities and
8 hearing from customers, but by far not
9 complete yet.

10 ASSEMBLYWOMAN MALLIOTAKIS: And the
11 congestion pricing piece, if you could talk a
12 little -- and I appreciate, by the way, that
13 you're going to be working on that, because I
14 have sent a number of letters to you,
15 specifically the SIM1, the 10, and other
16 lines --

17 MTA MANAGING DIR. HAKIM: Yup.

18 ASSEMBLYWOMAN MALLIOTAKIS: -- and I
19 look forward to your responses on that.

20 And the issue with the Verrazano being
21 exempt from that credit?

22 MTA PRESIDENT FOYE: Yeah,
23 Assemblymember, the bill was crafted that
24 way, as I understand it, based on advice from

1 transit planners. Obviously a commuter
2 taking the Verrazano would travel through the
3 Hugh Carey, so there wouldn't be a second
4 charge.

5 But to accomplish the two goals or
6 maybe the three goals of congestion pricing
7 -- one is to raise revenue, the second is to
8 reduce congestion, and three is to improve
9 air quality, et cetera -- that was the
10 framework that was undertaken.

11 ASSEMBLYWOMAN MALLIOTAKIS: Well, I
12 think I would speak for all my colleagues
13 from Staten Island that that would be a
14 nonstarter for us. I mean, certainly we
15 already pay this toll. We don't get the
16 services as others do. Bay Ridge has been
17 also very upset that they don't get a
18 discount coming over the Verrazano Bridge,
19 and now you're looking to raise that to \$19.
20 So I mean there is an issue there, and I
21 really urge you to work with us to resolve
22 that issue.

23 Someone mentioned the glitches that
24 are on the cashless tolling. And I have to

1 say whenever we reach out to you regarding a
2 constituent that comes to us, you have helped
3 us give those individuals a credit. But this
4 is an issue that since its inception, I, my
5 colleague Assemblyman Mike Reilly, I believe
6 is in the audience as well, has brought this
7 up, and others, and it is one that before --
8 I don't know what to tell you guys. I mean,
9 you have to do something about some of the
10 glitches that either utilizing the carpool,
11 residents who live on Staten Island but
12 they're not getting the Staten Island
13 discount rate, instead they're being the full
14 rate. Those who have low balances, they're
15 getting hit with those fines.

16 So I really -- you know, this is
17 obviously an issue that's all across the
18 region, and you really need to fix this issue
19 before -- you know, our constituents are just
20 getting hit over the head with these
21 unnecessary and unwarranted fines.

22 MTA MANAGING DIR. HAKIM: While we are
23 working through individual customers and
24 their individual account issues, the

1 overarching comment is to say everybody would
2 benefit from signing up for our E-ZPass
3 mobile alerts. Because we do think that
4 customers have lost one important feature of
5 that toll plaza, which is that warning sign
6 as you're going through: Low balance
7 account.

8 We don't want that, and so we're
9 trying to figure out ways to get information
10 in customers' hands, but continue to work
11 with every customer.

12 ASSEMBLYWOMAN MALLIOTAKIS: And I
13 would also just look at why the ride share is
14 exempt, 70,000 vehicles exempt from that
15 congestion pricing fee. I mean, they are
16 adding to the majority of that congestion. I
17 think that that needs to be revisited as
18 well. Thank you.

19 CHAIRWOMAN WEINSTEIN: Thank you.
20 Senate.

21 CHAIRWOMAN KRUEGER: Thank you.
22 Senator Savino.

23 SENATOR SAVINO: Thank you, Senator
24 Krueger.

1 So suffice to say that I agree with
2 everything that Assemblywoman Malliotakis
3 said, and Assemblyman Cusick and Assemblyman
4 Fall, with respect to the issues on
5 Staten Island, so I won't repeat them because
6 we have limited time.

7 But I just want to say to -- you know,
8 there's a lot of new faces in the Legislature
9 this year, as you can see; some of us not so
10 new. I've been here now since 2005. And I
11 just did a little mental calculation a little
12 while ago of how many times and how many
13 times MTA leaders sat here before us. So
14 Peter Kalikow, Jay Walder, Lee Sander, Joe
15 Lhota, Tom Prendergast. Pat, you've been
16 here before. Ronnie, you know, we're like
17 aging together.

18 (Laughter.)

19 SENATOR SAVINO: But over the course
20 of these 15 years, we were told in 2006 that
21 the situation was dire and we needed to pass
22 the Transportation Bond Act, which we did.
23 We were told in 2009 that the situation was
24 dire and we needed to pass the MTA bailout

1 plan, including the MTA payroll tax, and we
2 did. Multiple fare and toll increases over
3 the years, and now we have again a dire
4 situation.

5 So even though I think we need to do
6 something, and I agree, I'm a little
7 skeptical about this new plan. Because
8 regardless of what we do on congestion
9 pricing, you're going to have to raise the
10 fares and tolls no matter what, because you
11 have a huge operating deficit. That's a
12 fact. And whether or not the congestion
13 pricing is going to produce enough revenue
14 for the capital plan is a little murky
15 because we don't have the details on it.

16 Now, I'm not opposed to the idea of
17 imposing a fee. I supported the Move NY
18 plan. I think that's a better plan. It puts
19 a toll on every bridge, but it's manageable.
20 Everybody's in, and everybody gets something,
21 all 13 counties. And I really would hope
22 that we would be more inclined to support
23 that approach than the approach that's in the
24 Governor's budget. I don't think it solves

1 the problem -- not for people like myself,
2 who live in transportation deserts, and
3 you've already heard how difficult it is.

4 But I just want to put that out there.
5 We've heard this a million times. So I'm a
6 little concerned that we go down this road
7 and we still won't have enough money.

8 So I'm wondering, have any of you ever
9 thought of looking at what's done in other
10 major transit systems, like the Underground,
11 where they have congestion pricing to get
12 into the City of London, and the City of
13 London is totally different than New York
14 State, we all know that. It's a historic
15 city, smaller streets. But they also have
16 zone fares, where they have one zone for
17 Central London and they have, you know,
18 concentric circles going around it.

19 Has anyone ever looked at that as a
20 possibility of creating a more stable revenue
21 stream for the MTA?

22 MTA PRESIDENT FOYE: And the answer
23 is, Senator, we look at those things all the
24 time. As a matter of fact, in the Kathy

1 Wylde group, comparison of other transit
2 systems around the world was undertaken and
3 there's a section in the report, I believe,
4 on that.

5 But beyond that, the MTA looks at this
6 all the time. London's different for a
7 number of reasons. One is substantially
8 greater aid from the national government than
9 occurs here. Two, they do have distance
10 fares. I think that one of the principles of
11 the New York City subway since it opened in
12 1904 is that a commuter in the Bronx ought to
13 pay the same as somebody on 86th Street and
14 Lexington Avenue. And frankly, I don't
15 think, given the fact, the reality that in
16 many cases people who live at the end of the
17 lines are lower income, that as a matter of
18 equity or being progressive is something that
19 would be undertaken.

20 But we look at other transit systems
21 all the time. Senator Liu I think made the
22 comment, someone made the comment about the
23 apology of the Japanese Railroad for leaving
24 20 seconds early.

1 You know, Japan had the experience,
2 obviously, of being devastated in World War
3 II, and the entire infrastructure and
4 buildings and residences being built anew.
5 That was a devastating event for that
6 country, and the same thing for Western
7 Europe. So all these situations are
8 different.

9 Our infrastructure on the Lexington
10 Avenue line goes back to 1904. There's
11 actually a great clip from the Library of
12 Congress that is 1904, you know, the
13 Lexington Avenue line operating. And the
14 subway cars are a little bit different, and
15 people, mostly men, on the platform are
16 dressed differently, and most of them have
17 hats on. But other than that, the
18 infrastructure looks the same, and that's one
19 of our issues.

20 SENATOR SAVINO: I don't want to cut
21 you off, because I only have 30 seconds. I
22 do want to follow up, though, on the concerns
23 about the fines instituted on people who
24 don't have an E-ZPass, or their E-ZPass is

1 underfunded.

2 The concern I have is I can't figure
3 out where the authority was granted to the
4 MTA to impose these excessive fines. So
5 first you get the toll in the mail, then you
6 get a \$50 fine, then it's another one. Then
7 they suspend your registration. This creates
8 a real hardship for people. And the idea
9 that everyone who drives a car is rich is
10 something that we need to move away from.
11 people struggle every day to get to and from
12 work, and the next thing you know, you're
13 losing your job because you can't get to work
14 anymore because you can't drive your car.

15 We really need to look at that. It's
16 unfair. You know, if you jump the turnstile,
17 there's no fine, there's no penalty, you
18 don't even have to pay the fare. But if you
19 don't have money on your E-ZPass because you
20 haven't gotten paid this week, you lose your
21 registration on your vehicle, it's patently
22 unfair.

23 CHAIRWOMAN KRUEGER: Thank you,
24 Senator. I think they have answered, and

1 they can follow up -- I think they'll need to
2 follow up, given the number of people who
3 have raised those.

4 Assembly.

5 CHAIRWOMAN WEINSTEIN: Assemblyman
6 Carroll.

7 ASSEMBLYMAN CARROLL: Good afternoon.

8 I want to be very clear, I don't think
9 that the plan that the MTA has presented
10 today, nor do I think that the plan the
11 Governor presented two weeks ago, is bold
12 enough. I think the operating deficits and
13 the capital needs of the MTA are so great
14 that what you've presented to us today will
15 be a mere pittance and you will be back by
16 2022.

17 And the reason why I think that, even
18 if you get your fare increases, the next two,
19 and you raise about \$600 million in operating
20 revenue through those by 2022, and you raise
21 a billion dollars through a congestion
22 pricing scheme that probably charges people
23 around 5.76 entering or exiting the central
24 business district, you will be at even by

1 2022.

2 As you know, the debt of the MTA is
3 approaching \$40 billion, and the service on
4 that debt is going to approach \$3.2 billion
5 by 2022.

6 And so I ask you, what are the other
7 ideas that the MTA has to raise revenue so
8 that we can actually complete the Subway
9 Action Plan and the Fast Forward plan that
10 Andy Byford has presented? There's no clear
11 budget of either of those plans, but the
12 estimate is that it's around \$40 billion.

13 And furthermore, what is the plan of
14 the MTA to make sure that the Governor and
15 the State of New York pays the MTA the \$8
16 billion it owes it on the 2015-2019 capital
17 plan?

18 MTA PRESIDENT FOYE: So let me take --
19 three points you made. One is the fare and
20 toll increases. And I noted before, for
21 instance, the fare increase that's proposed
22 in 2019, and the one we're assuming in 2020,
23 the fare increase is below the rate of
24 inflation. Which -- and it's also, frankly,

1 below the increase in our costs, especially
2 labor costs, right, which is about 60 percent
3 of the budget.

4 So you're right that that is -- and
5 that's really -- that is kind of keeping us
6 even, if you will and is not going to create
7 a great surplus, but it's an immensely
8 important funding source.

9 ASSEMBLYMAN CARROLL: I'm not debating
10 you on the source. What I'm debating you on
11 is the mere fact that if we have the fare
12 increases and we produce congestion pricing,
13 we are basically getting us to a normal level
14 of resources for a traditional five-year
15 capital plan which would come up in '20 to
16 '24.

17 And what we of course have been
18 talking about all day today is a monumental
19 task of modernizing the largest mass transit
20 system in North America, that is 476 stations
21 and runs 24 hours a day.

22 And what I see from you is not
23 something to actually tackle that problem.
24 And I think the big thing is there's a poison

1 pill inside the Governor's budget which
2 basically says congestion pricing is going to
3 raise enough money to bond out \$15 billion.
4 We know that that's not enough. And then
5 we're going to say we're going to split the
6 rest of the cost between the city and the
7 state.

8 And we also know that the city, per
9 capita, pays more per ride than Long Island,
10 Westchester or Rockland. And so what we're
11 going to end up with here is not having
12 enough money to actually modernize the
13 subsidy.

14 And I fully support congestion
15 pricing, and I think we should do it much
16 more. And in the next coming days I'm going
17 to propose a bunch of other fees that I think
18 we should impose.

19 What I would love to hear from the MTA
20 is how much money do you need, and what are
21 other ways to raise revenue? Because this
22 isn't enough. And we're going to have this
23 whole entire panel back here next year and
24 the year after if we don't actually raise

1 enough money. And I'd rather us not kick the
2 can down the road, and that's what it seems
3 like we're doing right now.

4 MTA PRESIDENT FOYE: So you've asked
5 an important question, and let me give you
6 three responses. First, as I mentioned in my
7 remarks, in addition to congestion pricing,
8 as you just agreed with, we need a
9 substantial sum of money to fund the 2020 to
10 2024 plan. Whether we get congestion pricing
11 or not, the gap, I would submit, ought to be
12 made up by equal funding of New York City
13 Transit from the state and the city. That
14 would be one.

15 Two is it's incumbent upon the MTA,
16 and we've talked about this today, Bob has
17 reported the \$2 billion in costs that have
18 been taken out. That's an extraordinary sum
19 of money. We've got to do more. We will do
20 more. And it's going to become increasingly
21 tough, because there's no low-hanging fruit
22 and there's not much medium-hanging fruit at
23 this point. But we've got to do more.

24 Third is I believe there are other

1 sources of capital, one of which was explored
2 in the Legislature last session, tax
3 increment financing, value capture. I think
4 that things like the public-private
5 partnerships, which make sense in certain
6 categories, can extend the MTA's capital plan
7 but also bring private-sector innovation to
8 this.

9 Fourth, I think there are things like
10 new technologies which Andy Byford's Fast
11 Forward plan references on the famous page
12 26, which talks about new technologies
13 including things like ultra-wideband, which
14 is a new technology -- we're actually in the
15 process right now of doing a mini-bid with
16 some of the incumbent signal companies,
17 et cetera. And I think the answer is it's a
18 combination of those things, but the first
19 one I mentioned is most fundamental.

20 ASSEMBLYMAN CARROLL: And I'll come
21 back for a second round.

22 But, President Foye, also I think the
23 fact that this plan would be implemented no
24 earlier than December 31, 2021, according to

1 the Governor's budget, is absolutely
2 ridiculous. We are going to be well into the
3 capital budget by then. We are going to see
4 operating deficits that approach \$1 billion.
5 We should be getting this done by September
6 of 2020. We should pass this now, and the
7 MTA should be able to implement it within
8 12 months. You're putting up trusses on
9 60th Street, you're putting up trusses on a
10 couple of bridges. This should be
11 implemented as quickly as possible because we
12 need the money now.

13 CHAIRWOMAN WEINSTEIN: Thank you.
14 Senate.

15 CHAIRWOMAN KRUEGER: Thank you.
16 Senator Seward, who I don't think is
17 in the MTA region --

18 SENATOR SEWARD: I am not.

19 CHAIRWOMAN KRUEGER: -- but he's just
20 been so intrigued all day, he now has
21 questions.

22 SENATOR SEWARD: Thank you, Madam
23 Chair, and thank you all for being here.

24 We've just had a discussion about new

1 revenues for the MTA. I wanted to take a
2 slightly different tack on this. My question
3 is what can the MTA do to actually reduce the
4 costs of capital projects in this capital
5 plan, particularly some of the projects like,
6 you know, the East Side Access and the next
7 phases of the Second Avenue Subway, these
8 megaprojects? You know, I don't often quote
9 the New York Times, but I did note back in
10 December 2017 the New York Times issued a
11 detailed article entitled "The Most Expensive
12 Mile of Subway Track on Earth: How excessive
13 staffing, little competition, generous
14 contracts and archaic rules dramatically
15 inflate capital costs for transit in
16 New York."

17 And so my question is, how can we cut
18 costs? And is there anything that this
19 Legislature can do statutorily that would be
20 of assistance there?

21 MTA PRESIDENT FOYE: So, Senator, let
22 me just note before turning it over to Janno
23 Lieber that Janno and the current team didn't
24 commit the sins of the past, but they're here

1 to solve the problems of the future.

2 MTA CDO LIEBER: Oh, with that
3 introduction --

4 (Laughter.)

5 MTA CDO LIEBER: Here's what I spoke
6 about a little bit earlier on. The board and
7 the staff have specifically homed in on some
8 of the variables that you mentioned as you
9 just went through. One is, how do we create
10 more competition? By getting rid of the
11 things that discourage contractors from
12 bidding, the things that are unfair and
13 imbalanced and for which contractors attach a
14 premium. And that's experienced in a lot of
15 big projects.

16 Another is self-discipline. Be a good
17 owner. I came from the private-sector
18 development industry, and being a good owner
19 means you develop your design timely, you
20 give timely decisions, and you don't change
21 the design and you give the contractor what
22 they expect in terms of the ability to do
23 work. That means, for example, if you're
24 working in the subway, when you're promised

1 an outage so you can get work on done on the
2 track, the outage isn't canceled.

3 So there is -- between some of those
4 things, how do you manage change orders? How
5 do you cut the amount of time a contractor
6 has to wait for approval on a change order so
7 they can proceed with work? Those and many,
8 many other issues. I'm happy to give you a
9 more detailed presentation, because time is
10 short, but I think that we are really, as I
11 said, hacking away at some of those key
12 issues, and they're starting to show results.

13 The East Side Access project, for the
14 first time anybody looked at it -- when I
15 looked at it with my team, we reaffirmed
16 support for the date that was projected, and
17 we're going to get it done on time and we're
18 looking at even bringing it in even earlier,
19 if possible.

20 So there is a new approach, and I
21 think it's starting to bear results.

22 SENATOR SEWARD: Thank you.

23 My second question relates to fares.
24 Is the MTA planning to stick to its current

1 plan in terms of increasing fares and tolls
2 by 4 percent every other year -- you know,
3 basically a 2 percent annual increase -- even
4 with -- even if this Legislature goes with
5 the congestion pricing?

6 MTA CFO FORAN: Yes. Yes, Senator.
7 The 4 percent is part of a biannual plan that
8 we have in place, I think giving people
9 something that they can anticipate, it's
10 predictable. And I'd say it is less than
11 inflation. Over this two-year period we're
12 projecting inflation at about 5.7 percent.
13 So we're bringing something to the public
14 that is significantly less, but it's
15 important to balance our budget.

16 I think one of the things we have to
17 keep doing, though, is we have to keep
18 cutting our costs. Because I don't think
19 that if we are not cutting our costs, we
20 can't come before the riders and say we
21 expect them to contribute, not to come before
22 those bodies and say we need support from
23 you.

24 The operating costs that we've cut out

1 of our budget have given us the ability to
2 make extensive capital investments on our
3 own. The MTA is selling bonds secured by MTA
4 revenues as opposed to looking to the state
5 or to the city for additional capital.

6 So that is really part and parcel, for
7 me, with asking for a fare and toll
8 increase -- reasonable, less than
9 inflation -- every two years. But we've got
10 to keep cutting costs so that we can put
11 money on the table for the benefit. And then
12 we still need to come for these massive
13 capital needs. And the capital needs are
14 great because for decades we've underinvested
15 in the system. And so now we're trying to
16 modernize, we're trying to respond and give
17 people what they need to create capacity.
18 And so it's all one package.

19 SENATOR SEWARD: Thank you.

20 MTA CFO FORAN: Thank you.

21 CHAIRWOMAN KRUEGER: Thank you.

22 Assembly.

23 CHAIRWOMAN WEINSTEIN: Thank you.

24 Assemblyman Jacobson.

1 ASSEMBLYMAN JACOBSON: Thank you,
2 Madam Chair.

3 I represent parts of Orange County and
4 Dutchess County, so some of my comments will
5 echo the concerns of Senator Skoufis and
6 Senator Carlucci. We're like the proverbial
7 redheaded stepchild in the MTA district. And
8 I represent the Town of Newburgh, where
9 Stewart Airport is, the City of Newburgh. I
10 represent Beacon, and I represent the City of
11 Poughkeepsie.

12 So my first question is you have one
13 of the fastest-growing stations in Beacon.
14 The parking is horrendous. Forget about
15 getting out of there, that's the DOT's
16 problem. But I want to know, what are we
17 going to do about the parking, and what's the
18 timetable?

19 MTA MANAGING DIR. HAKIM: So Beacon
20 has a couple of challenges there, and
21 Metro-North's Cathy Rinaldi is aware of them.
22 One of them, while parking capacity is an
23 issue, but parking -- speeding towards the
24 parking is also an issue. And working with

1 law enforcement in the town around speed
2 bumps and the like is part of the solution.

3 But at the end of this, you know, as
4 we've said, we recognize that we have to
5 improve and invest in our west of Hudson
6 service, as well as some of our other areas.
7 And Cathy Rinaldi, the president of
8 Metro-North, has a laudable relationship with
9 a variety of communities to try to address
10 all of these issues. Part of it is money,
11 and part of it is working and developing the
12 local relationships to make things better in
13 certain towns and communities. But it's a
14 series of investments.

15 ASSEMBLYMAN JACOBSON: Well, they
16 wouldn't be speeding as much if they knew
17 when they got there, there would be a parking
18 space, so --

19 MTA MANAGING DIR. HAKIM: Right.
20 Right, agreed.

21 ASSEMBLYMAN JACOBSON: Next, on
22 Woodbury Commons, you mentioned it in
23 talking. So what's the timetable on that?

24 MTA PRESIDENT FOYE: I'd be making it

1 up if I gave you a date. I think --

2 ASSEMBLYMAN JACOBSON: Well, that's an
3 honest answer.

4 MTA PRESIDENT FOYE: Productive
5 discussions are being held. I'm not going to
6 -- I just don't have enough certainty to give
7 you a date.

8 ASSEMBLYMAN JACOBSON: And it wouldn't
9 take that much to have a link between
10 Stewart Airport, which I represent, and what
11 you have on the West Shore, the different
12 lines. Maybe going down to Woodbury Commons
13 or going over towards the other line there,
14 Campbell Hall, that area. It wouldn't take
15 that much.

16 MTA PRESIDENT FOYE: Sir, I used to
17 run the Port Authority. Stewart Airport is
18 an asset of the Port Authority. It's an
19 incredible jewel and I think has great
20 capacity for additional passenger volume and
21 economic development and job creation.

22 ASSEMBLYMAN JACOBSON: Well, I've been
23 hearing about the potential of Stewart for
24 the last 40 years, and I've been hearing

1 about the West Shore lines since I was in
2 kindergarten.

3 So, you know, a lot of these things
4 sound good, and what happens is we're still
5 paying the mortgage tax, the MTA tax, we're
6 still part of it. I know we only have a
7 quarter-vote on the board. But still, we're
8 an afterthought. And I understand, we don't
9 have the same population. We still have
10 concerns. You want people to get off cars,
11 well, then you got to help us out. You got
12 to help us out in Beacon, you got to help us
13 out in the other places and make things that
14 make sense.

15 MTA PRESIDENT FOYE: I'd suggest when
16 we meet with Senator Carlucci and Senator
17 Skoufis that we include you and other members
18 of the delegation in the Senate and Assembly
19 who have similar concerns. We understand the
20 west of Hudson issues. And as Ronnie
21 explained, that was taken into account in the
22 proposed fare increase in terms of --

23 ASSEMBLYMAN JACOBSON: I got west of
24 Hudson, I got east of Hudson, I got both

1 sides.

2 MTA PRESIDENT FOYE: Right, I
3 understand.

4 ASSEMBLYMAN JACOBSON: All right. But
5 I'd be happy to be there, and I hope I get
6 invited. Let me know.

7 MTA MANAGING DIR. HAKIM: And just,
8 you know, to address how committed we are to
9 the service, Cathy Rinaldi was in Beacon
10 yesterday, our president of Metro-North. So
11 it's on the radar, paying attention.

12 ASSEMBLYMAN JACOBSON: Then she knows
13 what's going on. Okay, thank you.

14 CHAIRWOMAN WEINSTEIN: Thank you.
15 Senate?

16 CHAIRWOMAN KRUEGER: Thank you.
17 Senator Kevin Parker.

18 SENATOR PARKER: Thank you, Madam
19 Chairman.

20 Thank you to the panel, the MTA panel.
21 I know this has been a long and grueling day.
22 Let me also thank you for my -- to my
23 colleagues. I certainly want to associate
24 myself with the comments of some of my

1 colleagues like Senator John Liu and Senator
2 Skoufis, who I think have some real concerns
3 both about the plan and how we're going
4 forward.

5 Having served here a little bit longer
6 than some of my colleagues who are here, you
7 know, this has been an ongoing problem, as a
8 few people have mentioned, you know, going
9 into decades. And let me just first give a
10 somewhat quick comment to my colleagues who I
11 believe we need to do a forensic audit of the
12 MTA. And it's something that we've talked
13 about and have not done, and we certainly
14 should be fighting for it in this year's
15 budget.

16 You know, I have -- unlike my esteemed
17 colleague who I share a district with, Bobby
18 Carroll, not a supporter of the congestion
19 pricing plan. It's -- you know, we have the
20 Super Bowl coming up, and to use football
21 parlance, it's like you need 15 yards for a
22 first down, and you have everybody run a
23 10-yard pattern. I don't see how we actually
24 get there. And without even having any

1 understanding about how do we get the other
2 five yards.

3 And so, you know, I just have a number
4 of questions about what's going on. And so
5 I'm going to pose some questions and then
6 allow you to answer them, please.

7 So first, the proposal is to raise a
8 billion dollars annually from congestion
9 pricing to fund \$15 billion from bonds. But
10 can we hear about what the underpinning
11 assumptions are? Like how much, you know,
12 again, the tolls will be, how many drivers
13 will pay. I think these are some of the
14 conversations that John Liu had as relates to
15 dynamic analysis that we have not had. And
16 then, again, the proposed obligation of the
17 city is to pay 50 percent of the shortfall.
18 So how much is the shortfall projected to be?
19 Right?

20 So, again, without having -- I mean,
21 like you're asking us to take a tremendous
22 leap of faith, which frankly an agency that
23 has a history of not being up-front,
24 straightforward and transparent with your

1 numbers, and then the first thing you say is,
2 well, give us some money, we'll figure out
3 the rest and we'll get back to you about how
4 it's going to work.

5 How can we plan if we don't share
6 these basic parts of the analysis? I'm just
7 trying to figure out, you know, is it fair to
8 obligate the residents of New York City to
9 pay for the shortfall when the reality is
10 that, you know, the city government doesn't
11 even have any role in the operations of these
12 programs? And what does the MTA really, you
13 know -- so what if it does a bad job at
14 managing congestion pricing without, you
15 know, input from anyone else?

16 So, you know, again, I just need to
17 kind of understand some of this. Thank you.

18 MTA PRESIDENT FOYE: So, Senator
19 Parker, thank you. Let me take your second
20 question first.

21 The proposal that I addressed and
22 outlined in the opening remarks called for
23 the fare increase for congestion pricing and
24 then for the state and the city to agree on

1 the remainder. Which by definition would
2 require agreement of the state and the city
3 after looking at the MTA's books and getting
4 comfortable with third-party advisors or
5 whatever the process was. And the state and
6 the city would agree on the gap number, if
7 you will, and would split it 50/50 in the
8 outline that I described.

9 With respect to your first point,
10 congestion pricing models have been run
11 around the world and in New York since Mayor
12 Michael Bloomberg first proposed the idea I
13 guess back in 2007 or thereabouts. There are
14 models that have been run by engineering and
15 consulting firms for the MTA and others,
16 including transit advocates, as well as Sam
17 Schwartz, Charles Komanoff. And all sorts of
18 models exist. Like any financial model, it
19 depends what assumptions you make.

20 And I'd say lastly, Senator Parker,
21 that the work on those financial models and
22 the assumptions built into them continues.

23 SENATOR PARKER: Thank you.

24 CHAIRWOMAN KRUEGER: Thank you.

1 Assembly.

2 CHAIRWOMAN WEINSTEIN: Thank you.

3 Assemblywoman Hyndman.

4 ASSEMBLYWOMAN HYNDMAN: Good

5 afternoon, thank you. Thank you, Madam

6 Chair.

7 So you talked about how all the buses
8 are accessible in the City of New York. But
9 how are we working on frequency,
10 especially -- I represent southeast Queens,
11 the same area as Senator Comrie, and one of
12 the complaints chiefly over the years has
13 been the frequency of buses. And it has
14 allowed the commuter van industry to really
15 become a source of transportation. Where I,
16 outside of my district office, and growing up
17 in the neighborhood, people will wait for the
18 commuter vans because they come more
19 frequently than the buses.

20 And also what is your plan for SBS as
21 far as southeast Queens is concerned?

22 MTA MANAGING DIR. HAKIM: So Queens is
23 one of the boroughs we're beginning next in
24 terms of redesigning the bus network. It's a

1 network that has existed without any hard
2 look at how to make it more efficient for
3 years. So we will be redesigning it, we will
4 put frequency and buses to connect people
5 where they want to go quickly.

6 I think there is a further opportunity
7 to look at how we make connections between
8 buses and stations and try to make that a
9 better, smoother, faster connection for
10 customers.

11 One of the things that I would offer
12 is -- and I mentioned it earlier this
13 morning, it pains me when I hear customers
14 say they don't know when the next bus is
15 coming, because we have the ability to
16 provide that information.

17 ASSEMBLYWOMAN HYNDMAN: So I mean a
18 lot of -- even my staff and myself, we have
19 the apps, we know the -- it says when the bus
20 is coming. But after waiting for half an
21 hour, the bus is still not there.

22 MTA MANAGING DIR. HAKIM: And
23 improving frequency, numbers of buses, making
24 the bus network smarter, all part of the plan

1 for this redesigned network. And we have to
2 work at it, and we learned a lot when we did
3 work in Staten Island, and will do it better
4 and faster and be out in the community
5 talking about it.

6 ASSEMBLYWOMAN HYNDMAN: What's your
7 timeline?

8 MTA MANAGING DIR. HAKIM: We're going
9 to start the study in the spring and try to
10 accelerate that to have better answers for
11 you and your constituents literally within
12 the next several months.

13 ASSEMBLYWOMAN HYNDMAN: My other
14 question is you -- Director, you said that
15 you're going to make sure that every stone is
16 unturned (sic) in regards to fixing transit.
17 But we have the Atlantic Ticket that's
18 working excellently in southeast Queens.
19 What is your plan as far as -- when you talk
20 about alleviating transportation, what is
21 your plan to expand that? Because it's
22 working. Are we going to expand it to
23 northeast Queens? And also thinking of the
24 areas in the Bronx, Metro-North being

1 accessible to those commuters who don't have
2 a train station and buses take an hour and
3 sometimes more to get to the subway. We hope
4 that the plan is to expand it.

5 MTA MANAGING DIR. HAKIM: So one of
6 the things that we're looking at and having
7 planners look at, the reason we think the
8 Atlantic Ticket has worked so well in the
9 first phase of this pilot program is because
10 the stations where it's available had
11 capacity going into New York. And so it
12 worked to get people to Atlantic Terminal, it
13 worked because those trains had room in them.

14 We're looking at our other areas to
15 see where are there trains that have capacity
16 so we could bring in other people and
17 increase the study.

18 But again, start it as a pilot. We
19 think that it's being well received, and
20 we'll continue to work at it.

21 ASSEMBLYWOMAN HYNDMAN: And lastly --
22 I don't want to repeat the comments of
23 Senator Comrie and Senator Liu and my other
24 colleagues who have talked about congestion

1 pricing. But it seems to me, in order to
2 restore faith into a lot of New Yorkers, the
3 L train had a whole plan of how it was going
4 to be implemented, the community was
5 notified, and then the Governor -- who
6 doesn't control the MTA -- comes in with a
7 bunch of engineers, and it's automatically --
8 we talked about it was over cost and the
9 subway train would not have to be shut down.

10 How do you account for all of the
11 other projects, like the third rail and so
12 forth, that maybe the budgets are overrun or
13 there's -- I don't want to call it padding.
14 But it seems to me that in order for Queens
15 folks to say yes to congestion pricing and
16 there's no plan, there's no how much the
17 infrastructure will cost and how much the
18 tolls will cost, it's really hard for us to
19 say we're going to vote for something in the
20 budget that has no real plan. And the
21 Governor was able to show the State of
22 New York how the L train, after a couple of
23 secret meetings over two weeks, was totally
24 derailed, so to speak.

1 Thank you.

2 MTA MANAGING DIR. HAKIM: Well, the
3 L train, just really quickly, is actually a
4 better project today than it was when we
5 started this work. And while, yes, academics
6 were invited by the Governor, ultimately it
7 was the decisions of the engineers and
8 engineering firms that have been working on
9 the project how to build it and how to make
10 it a better project to reduce the impact on
11 275,000 customers. So that was a good thing.

12 How we make the rest of our program
13 efficient, I think Janno Lieber has
14 referenced a couple of initiatives underway.
15 We know that we have to bring our costs down
16 and make our projects better.

17 CHAIRWOMAN WEINSTEIN: Thank you.

18 Senate.

19 CHAIRWOMAN KRUEGER: Thank you.

20 Senator Antonacci.

21 SENATOR ANTONACCI: Thank you, Madam
22 Chair.

23 You guys have certainly taken a few
24 kicks to the kneecap this morning. I think

1 it makes me happy that I live in Syracuse,
2 New York.

3 I know this is more of a city-centric
4 issue, and I actually offered it to my
5 colleagues if they needed a question answered
6 and they ran out of time. But I will take my
7 moment to talk about upstate New York.

8 In the Governor's budget address he
9 talked about a split of fifty-fifty between
10 New York City and New York State. And I
11 think if he had stopped there, I might not
12 have been as nervous. But when he talks
13 about sharing it with Buffalo, which is not
14 too far from me, and Westchester -- and then
15 coupled with Assemblyman Carroll's comments
16 about your plan just getting back to
17 break-even, I worry about the drain that this
18 will take from my constituency in upstate
19 New York. And then when you couple that with
20 the \$65 million of Extreme Winter Recovery --
21 you may not know about that, but it's a
22 \$65 million nonrenewed budget item. We have
23 a lot of winter in upstate New York -- is
24 there a plan to have the rest of the state,

1 to the detriment of the rest of the state,
2 participate in some type of MTA long-term
3 funding? And if so, will there be any
4 accountability measures? Like, for example,
5 will the mayor of the City of Syracuse be
6 able to participate in some type of board
7 that oversees the MTA? And I guess if you're
8 going to use the rest of the state's money,
9 do we have a say in how it's spent?

10 MTA PRESIDENT FOYE: So, Senator, I'd
11 address it this way. Let's talk about the
12 governance first.

13 I made the point earlier that it's
14 really not for us to give -- we work for the
15 board. It's really not for us to give advice
16 to the Governor or the Legislature as to
17 how -- the Governor characterized it, and I
18 completely agree, having spent a year at the
19 MTA, as the byzantine structure in statute of
20 the board. And the fact that it diffuses
21 accountability, and has been in that state
22 for nearly 50 years. We're actually -- I
23 think March 1st is the 50th anniversary of
24 the MTA, if anybody wants to celebrate or

1 tweet about it. I don't recommend it.

2 So not for us to opine on governance,
3 one.

4 Two is I believe that state investment
5 in the MTA is accretive -- fancy term for
6 financially beneficial -- to the entire State
7 of New York, given the importance of the
8 upstate economy's really fundamental and
9 important; so's the downstate economy. And
10 the health of Syracuse and Buffalo is
11 important for the State of New York. That's
12 true of New York City and Long Island and
13 Westchester and Orange and Rockland and the
14 entire region.

15 It's also financially accretive,
16 financially beneficial to the entire State of
17 New York because the capital plan, so much of
18 it -- and we'll distribute this to everybody
19 and staff who doesn't have it -- creates
20 business throughout the entire state. Every
21 part of the state, from Buffalo to Montauk to
22 Brooklyn, benefits from MTA capital spending.

23 And while this is not a reason to have
24 a larger capital plan, the fact that we are

1 going to have a larger capital plan -- and if
2 we focus on it as we suggested earlier by
3 making sure -- this was a subject we
4 discussed with Senator Kennedy and with
5 Senator Comrie a couple of weeks ago. And if
6 we really focus and get information out about
7 what the MTA is going to be looking at over
8 the next six months, in Year 2 I think we can
9 really, and with the existing laws and
10 regulations, drive substantial additional
11 purchases and procurements to New York
12 manufacturers and suppliers.

13 SENATOR ANTONACCI: Okay, thank you.

14 More of a comment, I think -- and I'm
15 referencing Senator Seward's comment about
16 the Times article. And I barely remember
17 there being a metric in comparing the cost of
18 your track per mile. Let's be honest, until
19 we start having hard discussions about the
20 rules that govern construction projects in
21 this state, costs are going to continue to go
22 up. And the only way to make that demand is
23 with revenue, and that means probably taxes
24 or fees from the ratepayers and the taxpayers

1 of this state.

2 So at some point we've got to start
3 looking at the expense side in real hard
4 detail.

5 So thank you very much, and good luck.

6 MTA PRESIDENT FOYE: Thank you,
7 Senator.

8 CHAIRWOMAN KRUEGER: Thank you.
9 Assembly.

10 CHAIRWOMAN WEINSTEIN: Assemblyman
11 Byrne.

12 ASSEMBLYMAN BYRNE: All right, thank
13 you. And good afternoon. I really just want
14 to follow up on a question that was asked a
15 little bit earlier, and it goes back to
16 positive train control. We talked about it
17 last year. And I do want to -- I know
18 Catherine Rinaldi, and I think it was the
19 Assembly chair of Corporations, who's here,
20 and my colleagues in Westchester participated
21 in a demonstration over on the Hudson line,
22 which was very informative. I appreciated
23 it. Learned about PTC and also some of the
24 other technologies that are used to keep our

1 commuters on the rails safe.

2 But one of the questions before was
3 about the mandate from the federal
4 government. And my understanding was that
5 there was federal assistance for this too.
6 Is that inaccurate? Because I remember, I
7 think Senator Schumer has helped with that.

8 MTA MANAGING DIR. HAKIM: We took a
9 loan.

10 ASSEMBLYMAN BYRNE: Okay, so a federal
11 loan was granted by the federal government.
12 So I just wanted to make sure I clarified
13 that point.

14 And by meeting those minimum federal
15 requirements before the deadline, there was
16 no jeopardy of that too. Because I know
17 there were some warnings sounding the alarm
18 from Senator Schumer and some others. I just
19 want to make sure that there has been no
20 jeopardy or risk of loss.

21 MTA MANAGING DIR. HAKIM: No. Good
22 question.

23 You know, monitoring the railroads'
24 compliance with federal requirements, the FRA

1 has been quite vigilant about that. And so
2 they've been with us every step of the way,
3 assuring that we are in compliance, we're
4 meeting our deadlines, and monitoring our
5 schedules as well.

6 So in terms of the federal
7 relationship as well as the federal loan that
8 was supporting the program, everything is
9 intact.

10 ASSEMBLYMAN BYRNE: Okay. And so --
11 and for right now, the supposed timeline
12 we're looking at is we're hoping to have the
13 full implementation by 2020, is that correct?
14 I just wanted to make sure I had that right.

15 MTA MANAGING DIR. HAKIM: Yes, it is.
16 We're trying to better the federal deadline,
17 which is the end of 2020.

18 ASSEMBLYMAN BYRNE: Okay. Thank you.

19 MTA MANAGING DIR. HAKIM: Thank you.

20 CHAIRWOMAN WEINSTEIN: Thank you.

21 Senate?

22 CHAIRWOMAN KRUEGER: I think we're up
23 to me. Hi. Although we have quite a few
24 second rounds, so don't get overly excited.

1 We still have a while till spring, everyone.

2 So I'm just going to follow a couple
3 of follow-up questions from people who
4 already started questions. There were
5 questions earlier about your ability to
6 reform the MTA and break it up into different
7 pieces or categories. My understanding is
8 that there was an emergency executive order
9 signed by the Governor a year or two ago that
10 gives you the authority to do that for
11 yourselves. Is that not your understanding?

12 MTA PRESIDENT FOYE: No, Senator.
13 There was an executive order signed by the
14 Governor, I think it was Executive Order 168,
15 which went to the procurement process and
16 accelerated it in light of a transit
17 emergency that the Governor declared in the
18 executive order.

19 I've read the executive order and the
20 extensions many times, and I'll defer to
21 counsel, but I'm not aware of any provisions
22 in there that would override MTA governance
23 or the Legislature's role, period.

24 MTA MANAGING DIR. HAKIM: I would just

1 quickly add that we're not waiting for
2 legislative action in terms of MTA reform or
3 organizational improvements, and in fact have
4 challenged ourselves to recommend some plans
5 to our board about how we can make ourselves
6 more efficient. I think Acting Chairman
7 Freddy Ferrer calls it MTA needs to go on a
8 diet.

9 We are in the process of figuring out
10 how to make ourselves more efficient and
11 bring our costs of doing business down.

12 CHAIRWOMAN KRUEGER: And there's a
13 \$65 million cut to your budget within the
14 Governor's Executive Budget. But we had
15 passed a law that's technically in effect
16 requiring diversion impact statements. So is
17 there a diversion impact statement of what
18 the impact is of cutting that \$65 million?

19 MTA CFO FORAN: I'm not sure what
20 65 million you're talking about. In the
21 Executive Budget here? No, I'm not aware of
22 it.

23 And it's my understanding that the
24 diversion impact is something that -- is a

1 report that would be filed by the budget
2 director.

3 CHAIRWOMAN KRUEGER: It's \$65 million
4 from the sweep and transfer section in the
5 MTA's budget.

6 So do you agree there's supposed to be
7 a diversion impact statement?

8 MTA CFO FORAN: No, that -- if that
9 money is the money that was going for the
10 Subway Action Plan, that it was from I think
11 the PMT, the extra PMT that we were getting
12 because of the spin forward. It's still
13 being used for what its dedicated purpose is,
14 and that's for transportation purposes.

15 CHAIRWOMAN KRUEGER: It's being swept
16 from the MTA but it's being used by somebody
17 else for transportation purposes?

18 MTA CFO FORAN: No, it's coming to the
19 MTA for that purpose, for the Subway Action
20 Plan.

21 CHAIRWOMAN KRUEGER: All right, I
22 don't want to use up all my time, so I'm
23 going to --

24 MTA CFO FORAN: Okay, we'll get back

1 to you.

2 CHAIRWOMAN KRUEGER: -- ask you to
3 chat with the staff afterwards, of Finance,
4 who didn't seem to see it that way.

5 So I'm on record as supporting
6 congestion pricing, but I'm also on record as
7 saying the devil is in the details. And it
8 does seem that quite a few people's concerns
9 today is that we are actually looking to see
10 a plan before we decide to vote on a plan.

11 And so, for example, there's some
12 reference to the possibility of roaming
13 charges within congestion pricing, at least
14 in some people's discussions. So my district
15 would in fact be the core Manhattan, or a
16 significant piece of the core Manhattan
17 defined within congestion pricing. I've
18 already told people in my district, Yes,
19 you'll have to pay to come and go. But I
20 can't imagine telling them: You'll have to
21 pay to have your car in your neighborhood
22 when you're not coming or going.

23 So can somebody answer the concept of
24 these roaming charges that might be possible?

1 MTA PRESIDENT FOYE: Yes, Senator, in
2 other parts of the world measures have been
3 put in place to assess fees on vehicle miles
4 traveled in trips within the cordon, on the
5 theory that's trips in the cordon or the zone
6 contribute to both congestion and emissions.

7 No decision has been made on that.
8 Obviously, the larger the cordon and the more
9 transactions -- or trips, rather, that it
10 covers, the higher the revenue, presumably
11 the greater the impact on congestion and the
12 greater the mitigation of emissions.

13 CHAIRWOMAN KRUEGER: So again, you are
14 not yet prepared to give the Legislature an
15 actual detailed plan of how congestion
16 pricing would be put together and how it adds
17 up to the billion-dollar net estimate you
18 answered the question about before.

19 MTA PRESIDENT FOYE: Senator, as I
20 suggested in the answer to Senator Parker,
21 there is lots of analysis that's been done in
22 the past, there's lots of analysis being done
23 now. And analysis that frankly is
24 continuing. And I don't have, nor does the

1 MTA have, a recommendation or a position on
2 whether X or Y ought to be covered.

3 The Governor's Executive Budget,
4 however, is clear that the goal is to realize
5 a billion-five of revenues on a gross basis,
6 reduce congestion, and also mitigate --
7 improve air quality.

8 CHAIRWOMAN KRUEGER: So also in the
9 Governor's proposal he would require the City
10 of New York to pick up half the capital costs
11 that are not otherwise picked up. Besides
12 the radical change in expectation from that,
13 does that mean if something goes wrong and
14 somebody else sues and you can't do
15 congestion pricing, you would just
16 open-endedly bill New York City for an even
17 greater share of capital costs?

18 MTA PRESIDENT FOYE: Well, Governor --
19 Senator, I didn't see anything in the
20 Governor's Executive Budget that would
21 suggest that, point one.

22 Point two would be the Legislature
23 created -- the Legislature and the Governor
24 created a precedent for this with respect to

1 the Subway Action Plan, in which the
2 Legislature passed a piece of legislation and
3 the net effect was the state and the city
4 split the \$836 million of the Subway Action
5 Plan.

6 But there's nothing in the Governor's
7 Executive Budget that I'm aware of that would
8 allow for unilateral billing as you
9 suggested.

10 CHAIRWOMAN KRUEGER: I think that's
11 also up for review about the language of the
12 Governor.

13 Where do you see the Governor doesn't
14 have complete authority over the MTA and what
15 you do now?

16 MTA PRESIDENT FOYE: So, Governor --
17 Senator, there's no, as I understand it,
18 definition of the word "control" in the
19 Public Authorities Law.

20 There is -- I'll make a confession.
21 In a former life, I was a lawyer. It's been
22 a long time ago, and I've gotten over it.

23 (Laughter.)

24 MTA PRESIDENT FOYE: But I was a

1 securities lawyer, and there is in the
2 securities law a concept of control and a
3 control group. And I think that given the
4 byzantine governance structure of the MTA,
5 that literally no one is in charge of it, no
6 one's in control of it. The Governor's
7 representatives, while they represent the
8 largest single block, if you will, of board
9 members, it's not a majority. The Governor
10 certainly has influence over the MTA, but so,
11 I would suggest, does the Mayor of the City
12 of New York and the Nassau County Executive
13 and others, including bondholders, credit
14 rating agencies, labor unions, et cetera.

15 So the Governor clearly has influence.
16 Does this Governor or any prior Governor
17 since 1968 control the MTA? I don't believe
18 so. And I think that, having read about the
19 history of Governor Rockefeller and
20 Mr. Ronan, the first chair of the MTA, it was
21 set up obviously to meet the governmental
22 needs of the time. But there is no single
23 person in charge -- in control of the MTA.
24 That's my belief.

1 capital; it could not be mandated by the
2 State Legislature.

3 MTA PRESIDENT FOYE: No, no. When I
4 was suggesting agreed, I mean agreed through
5 the State Legislature, through the state
6 process.

7 CHAIRWOMAN KRUEGER: But not
8 separately through the city.

9 MTA PRESIDENT FOYE: Not separately
10 through the city. As, Senator, was the case
11 with the Subway Action Plan in splitting the
12 \$836 million.

13 CHAIRWOMAN KRUEGER: So just for the
14 record, when my colleague Senator Antonacci
15 was arguing that the state sends so much
16 money to the city, just for the record for
17 everyone, actually the City of New York and
18 the MTA region send a radical amount more to
19 Albany that it gets returned in state funds.
20 So in fact if you look at Long Island and
21 New York City and Westchester, we are --
22 thanks to having a functioning MTA -- a
23 breadbasket that sends money to the rest of
24 the state.

1 Not for you to respond, I just wanted
2 to put that on the record.

3 MTA PRESIDENT FOYE: I'll respond
4 anyway, because I think it's an important
5 point. You're absolutely right.

6 CHAIRWOMAN KRUEGER: Thank you.

7 CHAIRWOMAN WEINSTEIN: Thank you.

8 Assemblyman Ortiz.

9 ASSEMBLYMAN ORTIZ: Thank you, Madam
10 Chair.

11 And thank you for being here. And I
12 know it's been a couple of hours, three hours
13 already.

14 I do have a quick question regarding
15 the MTA. Does the MTA have any deficit as we
16 speak today? What is that deficit?

17 MTA PRESIDENT FOYE: Well, for 2019 at
18 the beginning of the year we expected to
19 break even, as we're required to by state
20 law. The projections that we made for
21 2020 -- and things, I'd argue, have gotten
22 worse. But the projection we have was a
23 deficit of \$510 million, which assumed the
24 2019 fare increase.

1 And also assumed, frankly, that we
2 would begin collecting Phase 1 of congestion
3 pricing January 1st. We're not. That's
4 costing us a million dollars a day because of
5 the TRO that the court issued with respect to
6 that litigation.

7 And, sorry --

8 MTA CFO FORAN: And also a fare
9 increase that started on March 1st, which
10 we're not going to start on March 1st because
11 the fare and toll vote has been delayed.

12 And I'd also say it includes another
13 \$123 million of unidentified cuts, operating
14 expense cuts, which are part of a total
15 package of \$536 million that we'd started the
16 year off with, planning ahead, and we've
17 identified.

18 So we are very, very close this year
19 to just breaking even with now some risks
20 that have come on the horizon. So this is --
21 this is going to be a tough year.

22 ASSEMBLYMAN ORTIZ: This is today --
23 the current deficit. What is the outyear?
24 Does that include through the outyears as

1 well, the same estimated predictions?

2 MTA CFO FORAN: The outyears we're
3 projecting \$510 million next year, \$816
4 million in 2021, and a billion --

5 ASSEMBLYMAN ORTIZ: That's okay, I'm
6 looking to my time and I have two more
7 questions.

8 Well, the reason I asked the question
9 is because I used to work in OMB, and
10 sometimes when we look for new revenues
11 sometimes we kind of have a tendency to say
12 well, we have this revenue, now we can use
13 some of that money to put it into closing the
14 deficit.

15 And regarding the congestion
16 pricing -- and I've been very clear that I do
17 support congestion pricing -- that money
18 should be earmarked specifically to what the
19 purpose and objective of this money has been
20 asked for. And I hope that's the commitment
21 from the MTA, and there's a commitment from
22 us as well. Because I don't want this money
23 to be deviated and then continue to have, for
24 example, train delays on our train from

1 4th Avenue in Sunset Park, from Bay Ridge all
2 way to Atlantic Avenue, as well as continue
3 not to have services in Red Hook.

4 Which brings me to a quick question.
5 Last year the Governor in the State of the
6 State address, he called on the MTA to take
7 some steps to improve transportation options
8 in Red Hook, including the construction of a
9 new subway station, quote, quote. The
10 Governor even went as far as to call Red
11 Hook, and I quote, a transportation desert,
12 close quote.

13 And has the MTA made any progress or
14 plan to bring more transportation to the good
15 people of Red Hook? And is there any kind of
16 progress in place as we speak?

17 MTA PRESIDENT FOYE: Yeah, so Senator,
18 a great deal of --

19 ASSEMBLYMAN ORTIZ: Assemblyman.

20 MTA PRESIDENT FOYE: Forgive me.
21 Member of the Assembly.

22 ASSEMBLYMAN ORTIZ: No way I can get
23 paid.

24 (Laughter.)

1 MTA PRESIDENT FOYE: Forgive me, my
2 bad.

3 A great deal of work has been done by
4 the MTA and the Port Authority. I last spoke
5 with the Port Authority on this issue
6 yesterday. And work -- a great deal of work
7 has been done both from a transportation
8 point of view, a construction point of view,
9 and a financial point of view.

10 ASSEMBLYMAN ORTIZ: Well, it will be
11 also great if the people who represent the
12 area will be aware of what is happening,
13 because those are -- two weeks ago I held a
14 big meeting in my office, and that was one of
15 the questions about what the Governor
16 proposed. And sometimes the Governor can
17 propose, but sometimes we have to dispose.
18 And the bottom line is at the end of the day
19 we have to be accountable to our
20 constituents. If we don't know the
21 information, we continue to be blamed that
22 we're not doing our job.

23 And also I would like to emphasize
24 about the situation of the Americans with

1 Disabilities Act that was passed 20 years
2 ago, regarding elevators. I just want to be
3 on the record that I echo my colleagues that
4 have spoke about mandating more elevators.
5 We know the tragedy that took place in
6 Manhattan. That could easily be the same
7 situation on 36th Street, 44th Street, 53rd
8 Street, 59th Street in Sunset Park, or in
9 Ninth Street, which has an elevator but at
10 the same token we continuously continue to
11 have leaks, water coming down like the
12 Niagara Falls. And I would like to have an
13 update if there has been any upgrading on
14 Ninth Street and Smith Street.

15 MTA MANAGING DIR. HAKIM: Just to
16 reaffirm our commitment to push accessibility
17 and to push the construction of elevators in
18 as many stations as possible, including in
19 our next capital program as well.

20 In terms of the specific elevator in
21 Ninth Street, we'll get back to you with some
22 details on that.

23 ASSEMBLYMAN ORTIZ: Thank you, Madam
24 Speaker. Thank you very much.

1 CHAIRWOMAN WEINSTEIN: Thank you.

2 So there are still a few
3 Assemblymembers who haven't gone yet, so
4 before we go to seconds I'm going to call on
5 Assemblywoman Wright.

6 ASSEMBLYWOMAN WRIGHT: Good afternoon,
7 everyone. Thank you very much.

8 First, I do -- I want to associate
9 myself with the comments made by Senators
10 Krueger and Parker and Gounardes as well, and
11 Liu, regarding congestion pricing. I am not
12 in favor of it. I am not comfortable that it
13 is being presented to us as this very
14 open-ended, undefined solution. And further,
15 I also represent a district wherein a large
16 majority of my constituents get all of their
17 healthcare in Manhattan. And that means
18 somebody that has cancer is going to Sloan,
19 someone who has a burn is going to
20 Presbyterian. My veterans go to 23rd Street.
21 And it's just -- it's too much. And I don't
22 think that there's any concern for people who
23 are just making that trip, and they're not
24 the cause of congestion.

1 We're talking about a revenue stream.
2 We're not talking about congestion. So it's
3 disingenuous. And it really does not speak
4 to the concerns that people have about being
5 stuck in traffic or not being able to move
6 around freely through the city or actually
7 easing their traffic burden.

8 Another thing I want to bring to your
9 attention is I would appreciate if the MTA
10 was a little more judicious and measured in
11 their conversation regarding fare evasion.
12 The problems of fare evasion and even the
13 projected \$100 million increase is not solely
14 related to an increase of people jumping the
15 turnstile. It is also a function of the fact
16 that our fare has gone up, so what you're
17 counting has also -- the number of jumps I'm
18 sure is not solely the cause.

19 And -- but it does bring attention to
20 the fact that we do need more people in the
21 stations, because our stations are unsafe.
22 Last year when I was here I asked about
23 opening train exits along the J line. We
24 have at least three times the number of

1 people riding that train over the past
2 eight years, and we're all still walking up
3 and down two flights -- I'm sorry, it brings
4 us probably up to the fourth story of a
5 six-foot-wide stairwell. It's not safe. We
6 have an exit at the end of each platform that
7 is unopened.

8 So I'd like for you to address that
9 situation, the safety issue, as well as
10 Nostrand Avenue on the A line, which again
11 sees over 30,000 people every single day.
12 And again, we have two small six-foot-wide
13 stairwells that we're expecting all of these
14 people to traverse, when we have an exit that
15 is sealed at the opposite end of the
16 platform. So I'm concerned about people on
17 the subway, and I guess I'm going to let you
18 answer that.

19 And then I also want to acknowledge
20 that part of the concern of having people in
21 the -- or staff in our subway stations, and
22 the safety, also addresses the fact that our
23 MetroCards are not fail-proof. And when
24 people swipe their cards, there's no way for

1 them to address the matter that fares have
2 been taken off, that they have been denied
3 entry into the system, and they have to
4 actually mail a card back in. They're not
5 given a replacement, so we're charging them
6 for that. They have to wait for their
7 refund, so we're giving -- we're just giving
8 a loan to the MTA while that dispute is
9 resolved. And there's no way for people to
10 address that concern. So I'd like to hear
11 your response.

12 MTA MANAGING DIR. HAKIM: So a couple
13 of things. We have in fact been working at
14 opening entrances along the J, M and Z.
15 We'll send your office a list of those
16 entrances and the status of the different
17 projects in your district.

18 The issue around fare evasion is a
19 significant one. It's not one that I
20 intended to imply was related simply to
21 people choosing to jump turnstiles, agreed.
22 It is one that we are working with Andy
23 Byford's group station manager program to put
24 more people into customer service roles and

1 be able to be in those areas to be able to
2 assist people, whether it's at vending
3 machines or who are having a problem with
4 their swipes, giving them some additional
5 technology to be able to answer questions and
6 try to address people's concerns as quickly
7 as possible.

8 It is -- you know, MetroCard is an old
9 technology at this point, and we're looking
10 forward to our new fare payment system as the
11 next --

12 ASSEMBLYWOMAN WRIGHT: And I'm also
13 going to say my seniors are not excited about
14 that. They do not care for the idea that
15 everything is going to be on an electronic
16 device. And so I need us to have
17 senior-friendly systems in place,
18 particularly for the buses.

19 And also because people are unable to
20 access MetroCards on surface level.

21 MTA PRESIDENT FOYE: So can I just
22 speak to that for a second? You can assure
23 your senior citizen constituents that they
24 will continue to be able to pay with cash or

1 to buy a successor to MetroCard. We're not
2 closing that door. And what we're doing is
3 we're giving all customers more choices, and
4 seniors will continue to be free to use cash
5 or MetroCard if they choose.

6 CHAIRWOMAN WEINSTEIN: Thank you.

7 Assemblyman Otis.

8 ASSEMBLYMAN OTIS: Thank you.

9 Thank you for your responsiveness to
10 the questions today, and thank you for the
11 MTA and Metro-North folks that deal with my
12 office on a regular basis during the course
13 of the year. I will tell you that as
14 problems come up, as they do in the normal
15 course of things, everyone is very responsive
16 and works with us.

17 And I would also say I think -- good
18 moment to mention you run an enormous system.
19 It's old, it's expensive. And so I think
20 everyone in the Legislature, despite the fact
21 people have criticisms and demands and
22 things, I think we all acknowledge that this
23 is a responsibility for all of us to figure
24 out how to pay for very expensive repairs and

1 upgrades and efficiencies.

2 So with that, I have a specific
3 question about the Metro-North line, which I
4 represent most of the stations on it with
5 some of my colleagues, and that is the
6 overcrowding issue on the New Haven Line
7 specifically, which is a long-term problem.
8 We've discussed it, you've shared information
9 with me in the past, and I'm going to
10 acknowledge that you don't have to go into
11 too much detail on.

12 There are barriers between car length,
13 train length, platform length, Connecticut
14 issues and things like that. But despite
15 that -- and we'll have some relief in a few
16 years with Penn Station access, I hope -- are
17 there some things we can do sooner to try and
18 have some of these persistently overcrowded
19 trains -- try and provide some relief for
20 some of our commuters?

21 MTA MANAGING DIR. HAKIM: So part of
22 the challenge, and it has contributed to
23 crowding, is the fact that we took trains out
24 of service in order to install PTC equipment

1 on them. Good news: Done, with the hardware
2 installation. So we are putting cars back
3 into service and trying to adjust schedules
4 to be able to relieve some of that crowding.
5 New M8 cars, that will be an important part
6 of the additions to the Metro-North fleet as
7 well.

8 MTA CDO LIEBER: And I appreciate you
9 mentioning the Metro-North to Penn service.
10 When we are able to -- it will take a few
11 years, but when we're able to initiate that
12 service, that will be additional service for
13 people who are reliant on trains passing
14 through the New Haven Line. Now they'll have
15 the option of going to Penn Station.

16 ASSEMBLYMAN OTIS: Well, I would just
17 add one additional thing, that I know you do
18 track what trains you have lots of standees
19 on. And so I would just ask if you can get
20 back to us later on are there ways that we
21 can -- you know, you have the information.
22 Do you have an ability to respond and adjust
23 to that in terms of number of cars on
24 specific trains? But it's honestly the

1 number-one complaint that I get from
2 constituents on the New Haven Line. And I
3 think it's an issue that's particular to the
4 New Haven Line at this point in time, so.

5 MTA MANAGING DIR. HAKIM: And you're
6 correct, sir, we do track standees, and we'll
7 get back to you and to your office with some
8 specific information.

9 ASSEMBLYMAN OTIS: Again, thank you
10 for what you're doing to try and get a hand
11 on this large system.

12 CHAIRWOMAN WEINSTEIN: So we're up to
13 me. It's hard to believe that there's still
14 questions that haven't been asked, so I will
15 try not to repeat ones that have. And it's a
16 few different areas. And some of this is
17 what other members have asked me to ask.

18 So can we just get a quick update on
19 the status of the Second Avenue Subway Phase
20 2 plan?

21 MTA CDO LIEBER: Well, Phase 2 will
22 take the existing Second Avenue Subway, which
23 terminates at 96th Street station right now,
24 up to 125th Street. The design work has been

1 ongoing for a couple of years. And the
2 important thing is we recently hit the
3 relevant federal environmental milestone, we
4 got federal approval, so we're able to
5 advance in the competition for federal funds.
6 It's not a secret to anybody in this room
7 that there is real competition, so that
8 imposes some uncertainty. But we are I think
9 advancing this project.

10 The other thing we're doing is again
11 we're trying to make this project without
12 taking too much time, a model of the new kind
13 of project management innovations that I have
14 introduced or tried to introduce with the
15 support of the leadership. And obviously the
16 advantage of the Second Avenue -- taking it
17 to 125th Street is you will be able to
18 connect regionally to the Metro-North station
19 there and also to the Lexington Avenue line.
20 So in addition to the 100,000-plus additional
21 riders, you'll have an opportunity to create
22 much more regional impact from what has been
23 a huge success. Second Avenue Subway has
24 already exceeded its ridership expectations.

1 CHAIRWOMAN WEINSTEIN: Thank you. And
2 I'm not going to ask for where we are with
3 the L train, but I just want -- with the
4 L train shutdown, I think some of the media
5 reports are clear that you're moving forward
6 with this new plan. I'd like to know how
7 much money the MTA spent planning for the
8 L train shutdown, the original plan.

9 MTA MANAGING DIR. HAKIM: So the
10 planning that has been underway in large
11 measure continues to be effective, because
12 what we're talking about is one component of
13 a much larger project.

14 So working on both ends of the river,
15 on the Brooklyn end and on the Manhattan
16 side, new stations, new elevators,
17 accessibility work, new substations which
18 will increase the power available to the L.
19 All of that will continue to be the case.

20 What we're working on right now is the
21 alternative service that will be necessary
22 with the new approach of having service
23 remain but having work on a single track
24 nights and weekends. So our day-to-day

1 riders Monday through Friday who commute to
2 work, go to doctor's appointments, et cetera,
3 there will be no change in their ridership.
4 What will be affected is nights and weekends,
5 working on a single track. We think we will
6 still need alternative service to support
7 that to be able to move the people that
8 travel between Manhattan and Williamsburg.

9 And we are just now working with
10 City DOT and our other partners, and as asked
11 earlier will be out in the communities
12 talking about how to make sure that everybody
13 who needs a ride gets a ride in this new
14 construction approach.

15 CHAIRWOMAN WEINSTEIN: Thank you. And
16 a quick question on congestion pricing.

17 The Governor's proposal designates the
18 congestion zone below 60th and excluding the
19 FDR Drive. So when my constituents take the
20 Battery Tunnel and scoot around -- make that
21 left turn, go through the underpass and onto
22 the FDR Drive, are they going to be impacted
23 by congestion pricing?

24 MTA PRESIDENT FOYE: Chair, if they

1 enter the cordon from the drive, the answer
2 is yes.

3 CHAIRWOMAN WEINSTEIN: No, the
4 question is from the tunnel onto the FDR,
5 when you come through the Battery Tunnel. I
6 still call it the Brooklyn-Battery Tunnel; I
7 guess we have to honor Governor Carey.

8 When you come through the tunnel, you
9 can obviously go right onto West Street, you
10 can make a left turn, go through the
11 underpass, or continue on Battery -- I don't
12 know if that's Battery Park Place or what.
13 So will you be able to make that seamless
14 path onto the FDR without having to be
15 impacted by the congestion pricing system,
16 which we don't know what that system is and
17 what it's going to look like.

18 MTA PRESIDENT FOYE: So the answer is
19 if they came from the tunnel to the FDR, the
20 tunnel toll is credited against the
21 congestion pricing amount. Yeah, if it is in
22 the zone.

23 CHAIRWOMAN WEINSTEIN: So then the
24 answer is no, they are -- they can't get onto

1 the FDR Drive without being impacted by the
2 congestion pricing system.

3 MTA CFO FORAN: I think what we're
4 saying is we have to go and look at exactly
5 what the configuration is. I can't tell you
6 exactly where it is down there. The point
7 being made is if perchance it was -- you were
8 entering the zone just to get to the FDR,
9 which really doesn't make sense, but you
10 would get a credit for the tunnel that you
11 paid. But we just need to look at the
12 configuration of the map. I'm not --

13 CHAIRWOMAN WEINSTEIN: Well, I guess
14 the -- you know, since we don't have a plan
15 and we don't know what the cost is, we don't
16 know whether they'll be impacted or not. So
17 I would just suggest that a plan be developed
18 that allows that transfer without having --

19 MTA PRESIDENT FOYE: Chair, we'll come
20 back to you on that.

21 CHAIRWOMAN WEINSTEIN: Okay. And then
22 an issue that in particular impacts folks in
23 my district. And we've had some discussion
24 about accessibility of the system. Even

1 though we don't call it a two-fare zone, you
2 can't -- many people in my district, since I
3 do not have a subway station located within
4 my district, many people within my district,
5 if they want to access the subway, have to
6 take a bus to the subway. If they want to
7 take a bus to the subway and have mobility
8 issues, many of them have to take two buses
9 to be able to get to an accessible subway
10 station. Therefore, they go back into that
11 literally two-fare zone, not just sort of our
12 colloquial discussion about two-fare zone.

13 So I would just emphasize some of
14 what's been said about accessibility and to
15 really take a look at places where the
16 accessibility is as a result of -- the lack
17 of accessibility is compounded by the fact
18 that people are having to take a bus to first
19 get to that location.

20 And I think my colleague Assemblyman
21 Ortiz mentioned the issue of transit deserts.
22 In part of last year's budget there was a
23 plan put in place -- there was a proposal put
24 in place for \$50 million to implement transit

1 measures in the -- I'd say boroughs other
2 than Manhattan. I don't really like the term
3 "outer borough."

4 So even though the money isn't there
5 because of the actions of the -- that money
6 would flow from some of the surcharge and
7 others, even though the money isn't there,
8 has there been the beginnings of a plan? And
9 if so, what is that plan?

10 MTA PRESIDENT FOYE: So I'll just say
11 this. A great deal of work has already
12 occurred between New York City DOT and MTA
13 with respect to how the \$50 million fund for
14 the boroughs that we won't call outer
15 boroughs --

16 SENATOR COMRIE: Better boroughs.
17 Better boroughs.

18 MTA PRESIDENT FOYE: Better boroughs.
19 Thank you, Senator. I like that phrase.

20 A lot of work has already occurred and
21 is ongoing between Polly Trottenberg's NYC
22 DOT and MTA, both subways and buses.

23 CHAIRWOMAN WEINSTEIN: And as part of
24 the plan to look at these desert areas, is

1 there going to be community engagement
2 anticipated relating to that -- just on that
3 topic, not the general MTA plan?

4 MTA MANAGING DIR. HAKIM: Yes. We
5 would continue, as we look at a bus route or
6 a potential for select bus service -- that
7 bus rapid transit that we talked about
8 earlier -- we have a process of going to
9 community boards, going out to the
10 communities to do outreach and get feedback
11 on what the proposals are.

12 I'll also just mention, on the
13 accessibility point that you raised earlier,
14 one of the things that we look at as we look
15 to prioritize stations, is how to connect
16 them much more efficiently to avoid the
17 situation for your constituents that you're
18 talking about of having to have a two-bus
19 ride to get to an accessible station. That's
20 just exactly one of the criteria we use.

21 CHAIRWOMAN WEINSTEIN: Thank you.

22 And I'm going to end on a compliment.
23 Once a month for probably close to 20 years
24 now the MTA's mobile half-fare van comes to

1 my office, and we sign up between probably 50
2 and a hundred people at any given visit. I
3 think they generate over 1200 -- averaging
4 around \$1200 of people adding money onto
5 their cards, their MetroCards.

6 And I would just echo Assemblywoman
7 Wright's concern about seniors and being able
8 to use the new system. We see so many people
9 who have defective cards coming in that are
10 being helped at those monthly visits, so
11 something that would improve that would be a
12 welcome change.

13 MTA MANAGING DIR. HAKIM: Agreed.

14 CHAIRWOMAN WEINSTEIN: Thank you.
15 Senate.

16 CHAIRWOMAN KRUEGER: Thank you.

17 All right, now we're on Senate round
18 two, just for people keeping track.
19 Chairpeople of the relevant committees will
20 get five minutes on their second rounds;
21 everyone else gets three minutes. So think
22 lightning round, people. Ask the question as
23 concisely as possible and answer as concisely
24 as possible.

1 Senator Tim Kennedy.

2 SENATOR KENNEDY: Thank you again for
3 your testimony and everything that you're
4 doing to work with us to move this forward.

5 We need to restore trust in the system
6 as a whole. And we need to gain the trust
7 back of the riders. That's the goal. And
8 that's not just the dependability, the
9 accountability and the reliability of the
10 trains and the buses, but also of the
11 administration. And I just want to go back
12 to where I started earlier. I believe that
13 restoring trust in the system for the riders
14 starts by scaling back the top-heavy
15 administration.

16 I know you had mentioned earlier a
17 potential hiring freeze systemwide. That
18 doesn't get rid of the bloated administration
19 that already exists. And so I think in order
20 to reestablish that trust to show the public
21 that we're listening and really gain the
22 moral high ground as we're doing a systemic
23 change and revitalization, I'd like to know
24 what we can tell the public and what the

1 public can ultimately depend upon that the
2 administration is ready to do internally,
3 whether that's a certain percentage cut to
4 the administration, whether that's a
5 consolidation of administrative positions.

6 What solid commitment can you give us
7 today that would address this further and
8 show tangible results of action on that
9 point?

10 MTA PRESIDENT FOYE: Look, Senator,
11 let me take a shot at it.

12 First, there was extensive discussion
13 at the January board meeting last week about
14 performance metrics in connection with the
15 fare and toll increase. There's no doubt in
16 my mind -- and I'm not speaking for the board
17 on this, but there's no doubt in my mind that
18 performance metrics will be adopted for
19 New York City Transit, Metro-North,
20 Long Island Rail Road, and for Triborough
21 Bridge and Tunnel authority. That's one.

22 Two, board-created task forces on
23 accessibility, on paratransit, on
24 construction cost reform, on procurement

1 reform were created in the last year. I
2 think Janno Lieber has described some of the
3 real successes that have already occurred. I
4 described the success on the Subway Action
5 Plan and the increase in wrench time. Acting
6 Chair Ferrer is actively working on a
7 reorganization, internal reorganization, and
8 downsizing of the organization that I think
9 will include merging departments, merging
10 functions, in which there are likely to be
11 fewer people working at the MTA, especially
12 in staff functions. I think it's incumbent
13 to do that.

14 The hiring freeze that you referred to
15 is not hypothetical, it's not proposed, it's
16 been put in place and has been in place for
17 at least a couple of months, and people are
18 not being hired unless it's in a
19 safety-related operating function.

20 And we're acutely aware, Senator, that
21 we've got to do two things: One is to
22 restore trust and credibility and
23 accountability and, two, we've got to take
24 these actions because of the dire financial

1 earlier and we will be providing to everybody
2 in the chamber the statistics that support
3 how we have well-invested the Subway Action
4 Plan, \$836 million that was provided by the
5 state and the city. Because I think that is
6 an early indicator of the fact that we take
7 these obligations very seriously and we have
8 a return on investment that we want to share
9 with you.

10 SENATOR KENNEDY: If I can elaborate.
11 To my question, though, riders want to see
12 progress and they want to see evidence. And
13 President Foye, you mentioned earlier the
14 wifi that is being instituted with the new
15 signals. That's the sort of tangible
16 evidence I'm talking about. Can you give a
17 vision for other progress that riders can
18 expect to see?

19 MTA PRESIDENT FOYE: So let me take a
20 shot at that. The L train throughput, trains
21 per hour, increased when CBTC was installed.
22 The single largest part of Andy Byford's Fast
23 Forward plan is resignaling the rest of the
24 lines and not doing it on a 30 or 40-year

1 period, but doing it in a five to eight to
2 10-year period, which -- and Andy has just
3 last week hired, he's started already, a
4 world-class signaling expert.

5 But the progress, the increase in
6 trips per hour that riders on the L train
7 experienced once CBTC was installed, that is
8 what riders will achieve as resignaling
9 proceeds throughout the entire system. That
10 will change people's lives and it will change
11 people's commutes, and that is real value
12 added for the investment that we're asking
13 the state government and our customers to
14 make in the MTA.

15 CHAIRWOMAN KRUEGER: I'm going to have
16 to cut this off, I'm sorry. But, you know,
17 based on so many questions, the MTA might
18 think about, in addition for getting the
19 Legislature details about what congestion
20 pricing would and wouldn't look like, also
21 maybe a master list of what you're hoping to
22 be accomplishing with all of your new
23 proposals, and maybe in comparisons now,
24 then, something. It might be worthwhile to

1 convince us all. Thank you.

2 MTA PRESIDENT FOYE: Thank you,
3 Senator, we'll respond to that.

4 CHAIRWOMAN KRUEGER: Thank you.
5 Assembly.

6 CHAIRWOMAN WEINSTEIN: Thank you.
7 Assemblywoman Paulin.

8 ASSEMBLYWOMAN PAULIN: Yes, thank you.
9 Thanks to my colleagues, I only have
10 four and a half questions left, they asked
11 such good questions.

12 To Senator Krueger's point, five years
13 ago the MTA 20-year plan, which would outline
14 many of these projects, was released in
15 October. And we've been expecting that plan,
16 and I think that -- so I guess the question
17 is, you know, what is the timeline? Because
18 so many of the questions that you've heard
19 today relates to understanding what we're
20 going to see in a capital plan. And how can
21 you expect the Legislature to fund without
22 understanding those projects?

23 So what is the time frame?

24 MTA CFO FORAN: We expect that to be

1 out in late February.

2 ASSEMBLYWOMAN PAULIN: In late
3 February.

4 MTA CFO FORAN: Yes.

5 ASSEMBLYWOMAN PAULIN: Second
6 question. One of the things that we talked
7 about at the workgroup, you know, wasn't the
8 universal adopted proposal or suggestion,
9 recommendation, but we did discuss advancing
10 the almost \$8 billion that the state owes,
11 which would leverage in addition the city
12 capital. In the Executive Budget, it's tied
13 to a vague reform that we don't know what it
14 means and I'm not sure I understood any more
15 clearly, you know, what it means from your
16 answer. I'm not looking for a further answer
17 on that.

18 I am looking for, however, how much
19 would the deficit be reduced in -- you know,
20 the 500-some-odd deficit we're talking about
21 the year after this, how much it would be
22 reduced if the state up-front did that money.
23 And then corollary to that, how much are we
24 borrowing this year that might be in jeopardy

1 of the 2015 plan because of the fares that
2 will not go up and because of the riders'
3 share not being implemented? So what could
4 possibly -- because that would be -- if you
5 don't identify cost savings, that would be a
6 place to save. And yet at the same time, we
7 have an obligation to the 2015-'19 plan we
8 would not want to see any of that not move
9 forward quickly.

10 MTA CFO FORAN: With regard to the
11 acceleration of the 8.6 billion yet to be
12 funded, there's also the city portion that
13 would go with it at the same time. And we
14 have had discussions with the Division of
15 Budget on that point and other things, and
16 they're working with us. It's an option to
17 be considered.

18 It's about one-third of our deficit
19 reflects incremental debt service relating to
20 the finishing up the '15-'19 using these
21 extraordinary future monies.

22 ASSEMBLYWOMAN PAULIN: How much do we
23 have left altogether? Because that's just
24 the state portion. You have a portion as

1 well.

2 MTA CFO FORAN: Right now I think we
3 have -- I think it is about \$6 billion that
4 we will have to sell. And I think it is
5 probably about, between the state and the
6 city, it is about \$8 billion to sell. Again,
7 recognize the whole point there was that we
8 would sell ours first and the state would
9 sell theirs.

10 About half of the deficit that we have
11 in each of the years reflects incremental
12 debt service for us to finish out our period.
13 So basically we would be finished, if we were
14 going along the way, about 2022, 2023, with
15 our --

16 ASSEMBLYWOMAN PAULIN: When do you
17 anticipate in your budget planning the state
18 giving you the close to \$8 billion of its
19 share?

20 MTA CFO FORAN: Pardon? I'm sorry.

21 ASSEMBLYWOMAN PAULIN: In other words,
22 we have 15 billion, right, between the -- or
23 I guess among the state, city, and MTA
24 portion. So where in the planning is that

1 bonding occurring? You know, are you the --
2 for two years and then we're anticipating the
3 state in Year 3? I mean, where are we?

4 MTA CFO FORAN: Yeah, right now I
5 think it's an overlap. Either they come
6 up-front and then by 2022 they're winding
7 down, or we go up-front and by 2022 they
8 start up. So that's kind of the way it's
9 built.

10 ASSEMBLYWOMAN PAULIN: So the bonding
11 that would be incurring if it was replaced by
12 the state funds would be about a third
13 reduction in the year that you're first
14 anticipating your great deficit?

15 MTA CFO FORAN: That's right.

16 ASSEMBLYWOMAN PAULIN: Okay, question
17 three. There's been so much said about the
18 lack of specificity, you know, today on the
19 congestion pricing. I do think we do know,
20 based on the 15 billion-1 billion scenario,
21 what that toll increase would look like
22 because of all of the work that's been done.
23 And I just wondered, you know, if you could
24 share what that might look like, assuming the

1 bridges in the Governor's budget that would
2 and would not have a discount and the
3 emergency vehicles and so forth that would be
4 exempted.

5 MTA PRESIDENT FOYE: Sure. There are
6 so many factors, they're all interdependent.
7 And work is going on and was going on during
8 the time of the working group, and well
9 before, and will continue. It's just
10 premature for us to give you numbers that --
11 and the assumptions that result in those
12 numbers at this point.

13 ASSEMBLYWOMAN PAULIN: So just a
14 follow-up to that part. You know, today
15 we've also heard that there's discounts that
16 are being asked for by, you know, various
17 members. And then I know we're going to hear
18 from advocate groups, I read a lot of that
19 testimony, and they're also going to suggests
20 discounts. So for example, veterans, people
21 with disabilities, additional discounts on
22 bridges such as the Verrazano and the Tappan
23 Zee. If --

24 CHAIRWOMAN WEINSTEIN: Can you just

1 summarize?

2 ASSEMBLYWOMAN PAULIN: Yeah. If we
3 were going to add all that up, what is the
4 dollar to -- so that if someone was proposing
5 something that cost \$19 million, what is that
6 in terms of the fare increase?

7 MTA PRESIDENT FOYE: So, Chair,
8 briefly -- today? Today.

9 ASSEMBLYWOMAN PAULIN: Mm-hmm.

10 MTA PRESIDENT FOYE: Yeah, I think the
11 Kathy Wylde report did a real public service
12 and indicated that the total cost of the
13 discounts is on the order of \$400 million
14 annually, a number like that. It's in the
15 report.

16 MTA CFO FORAN: Yes, and the fare and
17 toll increase about \$316 million on an
18 annualized basis.

19 CHAIRWOMAN WEINSTEIN: Thank you.

20 ASSEMBLYWOMAN PAULIN: I'll do my last
21 round last.

22 CHAIRWOMAN WEINSTEIN: No, that's it.
23 Thank you. Senate?

24 CHAIRWOMAN KRUEGER: Thank you. Chair

1 Leroy Comrie.

2 SENATOR COMRIE: Thank you. Thank
3 you. I wanted to just go into -- the
4 Governor yesterday said that "Either fares go
5 up, or you have congestion pricing. Pick it,
6 A or B. There's no C." "My job as Governor
7 is to force the political system to answer
8 the hard questions."

9 Because farebox goes to operations,
10 the MTA has argued that fares must go up to
11 cover the deficit. Conversations on
12 congestion pricing have largely been
13 promising the funds being dedicated to
14 capital improvements. It seems that the --
15 as we talked about earlier, there's going to
16 be a time lapse between the actual approval
17 of congestion pricing and implementation. We
18 are being pressed for time because, as you
19 know, the Governor has held up \$8 billion
20 that's supposed to go to capital improvements
21 now if we don't vote for congestion pricing
22 or some kind of congestion scheme.

23 What is going to be done over the next
24 few weeks in talking to legislators and the

1 public in a public vein so that people can
2 understand the nuances of this? I'm told
3 that bids are going out for possible
4 hardware, that it may conflict with the
5 E-ZPass system and there may be another
6 system that's implemented. There are a lot
7 of difficult questions that need to be
8 resolved. As I said earlier, we need to make
9 sure that there's an outer borough plan to --
10 if you're going to require people to pay more
11 to come into the central core, you have to
12 provide the services that we talked about
13 earlier with the increased bus service, with
14 a real plan for the Metro-North stations that
15 haven't been done. What's being done to help
16 Brooklyn? And especially, you know, what's
17 being done in my district in southeast Queens
18 to improve opportunities for people to get to
19 the central core if they can't afford to
20 drive anymore?

21 So, you know, what is going to be done
22 publicly between now and March 30th to make
23 sure that the public has an input and an
24 opportunity and/or the legislators have an

1 input and opportunity to go into details
2 about what possibly can be done to deal with
3 this need to raise revenue for the system and
4 to come up with a plan that makes sense?

5 MTA PRESIDENT FOYE: So, Senator, I
6 just want to debunk one piece of myth that
7 may have been reported to you. The idea that
8 we're about to go out for a bid or a
9 procurement on the hardware or software or
10 the structure for congestion pricing is
11 absolutely false.

12 SENATOR COMRIE: Well, there's a lot
13 of paranoia out there --

14 MTA PRESIDENT FOYE: I understand.

15 SENATOR COMRIE: -- you know, and
16 that's been brought to me. So --

17 MTA PRESIDENT FOYE: What we are doing
18 is we're reaching out to Singapore and London
19 and Stockholm and other places around the
20 world where congestion pricing has been
21 installed. We're also holding an event in
22 our office with some of the leading
23 technology companies and some what I'll call
24 disrupters in this space that may have a

1 better idea for --

2 SENATOR COMRIE: I'm sorry, I'm short
3 on time. Let me just make another comment.

4 MTA PRESIDENT FOYE: Forgive me.

5 SENATOR COMRIE: Also, you know, my
6 concern with reducing traffic in the core is
7 whether or not there have been discussions
8 with DOT about implementing HOV lanes, high
9 occupancy vehicle lanes. What are we doing
10 about truck traffic and evening truck traffic
11 to ensure -- without having a full plan on
12 what's going on that can be discussed
13 publicly, it's reticent {sic} for me to want
14 to support a plan that has holes in it. I
15 think Senator Liu expressed a lot of concerns
16 on what are we getting for it, why are we
17 asking our constituents to take on something
18 that they don't see any benefit for? Why are
19 we asking the city to put full faith in a
20 system that -- while I have expressed faith
21 in the new leadership in this system, it's
22 still a problem that hasn't been -- most of
23 the city is not convinced that the new
24 leadership is ready to really take over all

1 of the problems in the MTA.

2 So as Tim said earlier -- Senator
3 Kennedy, sorry -- you know, we need to
4 restore trust, we need to restore confidence,
5 but I think we need to do this with a lot
6 more transparency than is happening. And
7 over the next few weeks I hope that everyone
8 is committed to some real discussions, long
9 meetings and transparency so that we can
10 figure out a reform plan.

11 One of the other things that, you
12 know, hasn't been talked about today is, you
13 know, what other financing are you looking
14 for to raise revenue? Are you raising more
15 money through advertisements? Are you
16 looking to do value capture to raise more
17 money? What are we going to do working
18 together to try to raise more funds? Because
19 the workgroup did start to look into those
20 issues, but they were pushed only into one
21 solution, which we already know doesn't raise
22 enough revenue to meet your financial costs,
23 and it won't raise enough revenue to meet
24 your capital costs either.

1 So, you know, with that, I didn't mean
2 to rant all the way, but we're on a short
3 timeline here. So I hope that we can have
4 these discussions publicly, and later, so
5 that we can deep dive into all of these
6 things so we can come up with some real
7 solutions for our city. Thank you.

8 Thank you, Madam Chair.

9 CHAIRWOMAN KRUEGER: Thank you.
10 Assembly.

11 CHAIRWOMAN WEINSTEIN: Thank you.
12 Assemblyman Carroll for a second
13 round.

14 ASSEMBLYMAN CARROLL: Thank you.

15 So I want to go back to the capital
16 budget and the congestion pricing plan, as
17 presented by the Governor, and the
18 \$15 billion. Again, I think it is misguided.
19 And the reason why I think it is misguided,
20 it needs to be much broader and
21 comprehensive. I think the MTA and what it
22 should do is basically take what hasn't
23 happened in the 2015-2019 capital plan,
24 request the \$8 billion owed to the MTA by the

1 city, create a 10-to-15-year capital plan,
2 come up with a final number so that we can
3 finally get the cost of what we need to
4 modernize the subway system.

5 The crazy thing that we've heard here
6 today is that so many folks who represent the
7 city and the close suburbs, they don't think
8 they're getting very much value from the MTA.
9 But if you look at it, it is the complete
10 lifeblood of our city and it's the lifeblood
11 of the region. And it also, if we do it
12 properly, you know, it will cut carbon
13 emissions, it will make our streets safer,
14 and it will help people who are on the bottom
15 of the economic ladder.

16 But that's not what you're hearing
17 today. And you're not hearing that because a
18 real plan hasn't been presented, a plan that
19 delineates exactly what's going to be done,
20 how much it's going to cost. And I think if
21 you did that, you'd get a lot more positive
22 responses. Right now people just don't
23 believe you. And I think that's a huge, huge
24 problem for the future viability of the MTA.

1 And I would love for there to be more
2 candor and transparency from the MTA to the
3 Legislature, because at the end of the day it
4 is us who are going to have to go vote on
5 this and sell it to our constituents.

6 Now, I support it, and that may seem
7 naive to some of my colleagues, but because I
8 think it's absolutely essential for the
9 viability of our city -- not just
10 economically, but environmentally and just
11 quality-of-life-wise. And because I think
12 this is so important, I think there needs to
13 be a broad-based plan that shows us exactly
14 what the cost is going to be, how we're going
15 to implement it, and why we need to do this
16 now.

17 And so I know that's more of a
18 statement than a question. But I would
19 really, really urge you to be able to present
20 to us in the near future those things, and to
21 present to us Mr. Byford and make sure that
22 he can lay out how he's going to do that.
23 Because making sure that trains are able to
24 run more frequently is a huge service

1 improvement. You know, in London they've got
2 lines that 30 trains an hour run over. If
3 you're able to do that over lines in the
4 outer boroughs, that is going to vastly
5 improve the quality of life.

6 And one of the other things that is so
7 important is that when we've got lines in
8 outer boroughs -- I represent Brooklyn. When
9 your subway goes down, you can't walk two or
10 three blocks to the next line like in
11 Manhattan. So this plan should be presented
12 as a plan to help outer borough folks more
13 than Manhattanites. And unfortunately it has
14 not been done that way. And unfortunately
15 people in the outer boroughs do not believe
16 that way. What they believe is that there's
17 a wall being erected around Manhattan, and
18 those are the people who are going to see all
19 the benefits. And again, it's going to be on
20 the backs of outer-borough folks.

21 CHAIRWOMAN WEINSTEIN: Thank you.

22 Senate.

23 CHAIRWOMAN KRUEGER: Senator John Liu.

24 SENATOR LIU: Thank you, Madam Chair.

1 Or Madam Governor, was that?

2 (Laughter.)

3 SENATOR LIU: I want to thank once
4 again your patience in this hearing. And you
5 have a tough job, no question about it. I
6 don't think anybody in this room doesn't
7 understand you have one of the most difficult
8 jobs in the world.

9 But I also believe that in government
10 when we have a tough job, you can better
11 achieve that -- you can better achieve
12 results by being transparent and accountable.
13 And I think you've heard over and over again
14 today there's a very strong belief that the
15 MTA continues to not be accountable and not
16 be transparent. If you were transparent
17 about the plan, people would feel more
18 comfortable that you know what it is that you
19 have to achieve. But today we're not hearing
20 anything about how much congestion is going
21 to be relieved, what is going to be the
22 reduction in the amount of traffic going in
23 and out of the core. How are you going to
24 achieve this billion-dollar -- you keep

1 saying you're going to raise a billion
2 dollars a year, but you don't say how it's
3 going to be achieved. I mean, I know you
4 have the numbers. You've got to have some
5 kind of numbers in terms of how many trips,
6 how many people are going to pay the tolls on
7 a daily and annual basis. That's how you get
8 to the billion. What you're not telling us
9 is how much does it have to be. If you lower
10 the toll, how much more congestion is let
11 back into the core? If you raise the toll,
12 how much more congestion could be relieved?

13 So these are all questions that I
14 think if you don't answer, how can you
15 reasonably expect me -- I'll just speak for
16 myself, as an elected legislator -- to
17 support your plan? And I will say it -- you
18 know, I don't have time to ask questions,
19 unfortunately. But if you can get us the
20 kind of dynamic modeling that you clearly
21 must have been using already, that will at
22 least allow us to explain it to our
23 constituents and also hold you accountable
24 for that plan.

1 About 12 years ago I supported
2 congestion pricing as put forth by the
3 Bloomberg administration. I represented a
4 district back then in the City Council that
5 definitely did not like congestion pricing.
6 I now represent a district in northeast
7 Queens that is also highly unfavorable
8 towards congestion pricing. But 12 years
9 ago, I could go back to my constituents and
10 say, okay, roughly speaking, we're talking
11 about an \$8 congestion toll. We're talking
12 about these additional express bus lines that
13 will help take you into Manhattan so you
14 don't have to drive. People don't want to
15 drive if they have the mass transit options.

16 Tonight when I go back, I'm going to
17 have to answer these questions and I have
18 nothing to give them except, well, we need a
19 billion dollars to save the subway and bus
20 and the transit system. But I can't tell
21 them anything more. They're going to ask me,
22 How much are we going to have to pay? I have
23 nothing to tell them. What are we going to
24 get for this plan? Better buses and subways.

1 But nothing beyond that.

2 MTA PRESIDENT FOYE: So, Senator, let
3 me just make this comment. We hope to be in
4 a position to share what would come out of
5 Phase 1 of congestion pricing for the better
6 boroughs. We're not in a position to do that
7 now because of the TRO, and we don't want to
8 disclose that until we're in a position to
9 deliver for people in the better boroughs.

10 Your questions are all reasonable
11 ones. The request for transparency and
12 accountability is also reasonable. The
13 ball's in our court, and we'll come back.

14 CHAIRWOMAN WEINSTEIN: Thank you.

15 And for her second three minutes,
16 Assemblywoman Simon.

17 ASSEMBLYWOMAN SIMON: Thank you.

18 I have a couple of very specific
19 questions. One is have you estimated, and if
20 so, what is the percentage of reduction in
21 traffic over the Lower Manhattan Bridge --
22 Brooklyn and Manhattan Bridge crossings that
23 you would anticipate be the result of
24 congestion pricing?

1 MTA PRESIDENT FOYE: As I said before,
2 subject to the same limitations that I gave
3 on my response to Senator Liu, we believe
4 there will be a significant reduction in
5 congestion and a meaningful increase on
6 speeds of buses and vehicles on city streets.
7 And we'll come back to you with more details.

8 ASSEMBLYWOMAN SIMON: When do you
9 anticipate having that information?

10 MTA PRESIDENT FOYE: I think in the --
11 obviously we're aware of the legislative
12 calendar that you're on. In an effort to get
13 it to you and to give the Legislature time to
14 digest it.

15 ASSEMBLYWOMAN SIMON: Thank you.

16 I have also another question, and that
17 is there are significant transportation
18 issues in my district, including the
19 reconstruction of the Brooklyn-Queens
20 Expressway. And so a very big question that
21 many of my constituents have is what is the
22 benefit going to be of congestion pricing to
23 the reduction of traffic that might be on the
24 Brooklyn-Queens Expressway? So that's one

1 reason why I want to know that.

2 But similarly, what about a proposal
3 that a number of people have suggested that
4 we drop the tolls on the Brooklyn-Battery
5 Tunnel so as to discourage, through another
6 mechanism, gratuitous traffic over the
7 Brooklyn and Manhattan Bridges? And what
8 would that cost you? What is the likelihood
9 that the MTA would be able to be do that?

10 MTA PRESIDENT FOYE: So
11 Assemblymember, I'm not going to wade into
12 the weighty and important BQE challenge. And
13 so -- one.

14 Two, I think for us to suggest methods
15 of dealing with that without having consulted
16 first extensively with New York City DOT, it
17 would be irresponsible and frankly violative
18 of the relationship we have with our board
19 member Polly Trottenberg.

20 ASSEMBLYWOMAN SIMON: So you're open
21 to considering eliminating the toll on the
22 Brooklyn-Battery tunnel?

23 MTA PRESIDENT FOYE: No, no, no, I
24 didn't mean to suggest that at all.

1 What I said is the MTA does not want
2 to wade into, W-A-D-E, the BQE issue. It's
3 extraordinarily important and complex, and
4 it's not our asset. We've got enough
5 problems dealing with the MTA. Suggesting
6 how we ought -- how City DOT or the MTA ought
7 to deal with hypotheticals on the BQE is not
8 a place we want to go.

9 ASSEMBLYWOMAN SIMON: Thank you.

10 CHAIRWOMAN WEINSTEIN: Thank you.

11 Senate?

12 CHAIRWOMAN KRUEGER: Thank you.

13 Three-minute lightning round, Senator
14 Carlucci.

15 SENATOR CARLUCCI: Thank you, Madam
16 Chair.

17 This weekend, February 3rd, will mark
18 four years since the worst crash in MTA's
19 history and the worst -- one of the worst
20 train crashes in modern American history,
21 that occurred at the Valhalla crossing. And
22 now it marks four years. Six people died, 15
23 people seriously injured in that horrible
24 accident. And four years later, at the

1 Valhalla crossing, to myself and my
2 neighbors, it looks like absolutely nothing
3 has been done to improve the safety of our
4 commuters, motorists and pedestrians.

5 And to that end, myself and my
6 colleagues in this hearing room today, we
7 worked on legislation to improve safety at
8 rail crossings in New York State and passed
9 legislation in 2016 requiring the Department
10 of Transportation, in collaboration with the
11 MTA, to conduct a comprehensive report of the
12 5300 rail crossings that we have in New York
13 State. Right now, we as legislators, we're
14 flying blind in terms of improving safety to
15 residents in New York State. In fact, while
16 fatalities have decreased on the rail lines
17 in the United States, in New York we've seen
18 a steady increase.

19 Now, the 5300 rail crossings, not all
20 of them are within your jurisdiction, but
21 many of them are. And what is being done?
22 First, that report, the legislation that we
23 passed, was due on our desks by April 1st of
24 2017. We're almost approaching two years

1 later, and we haven't met that statutory
2 requirement that says in the law signed by
3 the Governor saying we need this inventory to
4 know what are the deadliest crossings, which
5 crossings need just some minor paint, what
6 needs some signs changed? We still don't
7 have that information. And because of that,
8 I believe New Yorkers are at risk.

9 What is being done from the MTA to
10 first push the DOT to collaborate to get this
11 work done? So has DOT worked with you to
12 compile this comprehensive inventory of our
13 rail crossings? And secondly, what is the
14 MTA doing on its own to protect our residents
15 at these dangerous rail crossings?

16 MTA MANAGING DIR. HAKIM: So we
17 collaborate with State DOT, you're quite
18 right, Senator, on our grade-crossing
19 improvement programs. I will have to check
20 on the status of the report you're
21 referencing, and am glad to do that.

22 In terms of what the MTA is doing in
23 Metro-North in particular, the area of
24 concern to you, we have advanced civil speed

1 enforcement. I think on the ride that you
2 took perhaps on PTC you had an opportunity
3 perhaps to talk a little bit about civil
4 speed enforcement. It provides the speed
5 restrictions in areas where that's required.
6 In terms of --

7 SENATOR CARLUCCI: I guess my concern
8 with the positive rail control is that we
9 talk about meeting the absolute minimum
10 requirements by the federal government. And
11 what that means is yes, we're in compliance
12 with these ridiculous guidelines by the
13 federal government, which means no added
14 protections to our commuters. Because right
15 now on the Harlem line, there is no positive
16 rail control.

17 So these are the concerns I have. I
18 feel that we have not done anything to
19 address this issue, and instead it's just
20 being pushed under the rug.

21 MTA MANAGING DIR. HAKIM: Other things
22 are in effect systemwide, civil speed
23 enforcement one example. Training and
24 testing for sleep apnea of our train

1 operators, another example, very critically
2 important. We're at 100 percent compliance
3 there. Working with occupational safety and
4 health in terms of those kinds of strategies,
5 doing them, coordinating with State DOT on
6 grade crossings as part of our program as
7 well.

8 And I will get back to you on that
9 report.

10 SENATOR CARLUCCI: Thank you.

11 CHAIRWOMAN KRUEGER: It sounds like
12 DOT is coming up soon, and you can have that
13 same question of them, Senator.

14 Next questioner, from the better
15 borough of Queens, Senator Ramos.

16 SENATOR RAMOS: Thank you.

17 The MTA claims that it loses out on
18 approximately \$215 million because of
19 turnstile jumping. And I guess part of my
20 question is really to understand the
21 methodology and the data that is used to
22 arrive at that number, because I, along with
23 I think the media, have been fairly unclear
24 on that.

1 But I was very troubled by an answer
2 that was given earlier about increased law
3 enforcement in stations. As you can imagine,
4 we are dealing with the overpolicing of
5 communities of color by and large in New York
6 City, specifically in districts like mine.
7 So I just want to understand how the MTA
8 plans to ensure that it's not complicit in
9 the criminalization of communities of color
10 like mine.

11 MTA MANAGING DIR. HAKIM: Just quickly
12 in terms of the data gathering and the
13 sampling that we do, we put people in
14 stations and we observe at 180 locations what
15 we think are fare evaders. Working with our
16 group station manager program, not
17 criminalizing it, working with our
18 neighborhood coordination officers. And that
19 is a program through the NYPD, recently
20 announced, trying to actually create a
21 relationship with our group station managers
22 and the people -- our customer service agents
23 that we have in our stations to provide as
24 much assistance as we can.

1 SENATOR RAMOS: My second question has
2 to do with MWBEs and contracting. How close
3 are you to the 30 percent goal that has been
4 set forth by the Governor? And how many of
5 those are actually prime contractors? And if
6 you could break down the achievement by
7 region, I think that would be helpful as
8 well.

9 MTA PRESIDENT FOYE: So, Senator, let
10 me take a shot at that. I believe our
11 number, which we are proud of, was 28 percent
12 last year. I also believe that that is the
13 highest of any --

14 SENATOR RAMOS: I'm sorry, in awards
15 or contract payouts?

16 MTA MANAGING DIR. HAKIM: Value.

17 SENATOR RAMOS: Value?

18 MTA MANAGING DIR. HAKIM: Yeah.

19 MTA PRESIDENT FOYE: And I believe
20 that our performance is the highest of any
21 state agency. Our MWBE effort is run by an
22 unbelievably talented person many of you may
23 know named Michael Garner, who I think does
24 an extraordinary job.

1 We fully subscribe to and are seeking
2 to reach the Governor's goal of 30 percent.
3 And it is a first-order priority of the MTA,
4 period.

5 SENATOR RAMOS: And the breakdown by
6 achievement by region, and how much of that
7 28 percent actually includes prime
8 contractors?

9 MTA MANAGING DIR. HAKIM: We can send
10 reports around on that, because we do have
11 that information.

12 SENATOR RAMOS: Thank you.

13 MTA PRESIDENT FOYE: We'll come back
14 to you on that.

15 CHAIRWOMAN KRUEGER: Thank you.

16 Diane Savino.

17 SENATOR SAVINO: Thank you.

18 So just three points. One, in the
19 past the Senate has passed for the past six
20 years a bill that would increase the penalty
21 for subway sex crimes, what the NYPD calls
22 "subway grinders." So what we would hope is
23 that this year the MTA would continue to
24 support passage of that in the Assembly so we

1 can finally treat these repeat sexual
2 predators for what they are. As we've seen,
3 every week the New York Post has another
4 story about some sexual predator, and most of
5 them are repeat offenders. So that's one
6 point.

7 The second thing, with respect to the
8 congestion pricing, the goal I guess is to
9 reduce congestion. One of the things we know
10 about the outer bridges right now is a lot of
11 people toll shop, so they use the free
12 bridges. And one of the things they do do is
13 they come through -- New Jersey drivers and
14 New Jersey commercial trucks come through the
15 Verrazano Bridge because of the one-way toll.
16 They then go down the Gowanus, over the free
17 bridges, and they go out through Hudson River
18 crossing. So they avoid the tolls in that
19 direction.

20 Right now we're considering, Staten
21 Islanders, whether or not we should restore
22 the two-way toll at the Verrazano Bridge, in
23 an effort to reduce congestion there, because
24 we have to do that because of the triple

1 cantilever project. It is going to cripple
2 the whole region if we don't reduce actual
3 traffic across that.

4 So if we were to pursue that, what
5 would it cost to install over-the-road
6 tolling on the inbound side of the Verrazano
7 Bridge?

8 And then the third point is can you
9 give me an update on the status of the F
10 Express to Coney Island?

11 MTA MANAGING DIR. HAKIM: So I don't
12 have the dollar cost of two-way tolling. Our
13 perspective is the origin behind the one-way
14 toll no longer really exists because of the
15 over-the-road tolling.

16 SENATOR SAVINO: Right. And we took
17 down the tolling booths too.

18 MTA MANAGING DIR. HAKIM: Yeah. So
19 the free flow of traffic is no longer an
20 issue.

21 We I think would be fairly agnostic
22 about that issue. We would just have to
23 figure out how much it would cost to put up
24 another over-the-road tolling operation and

1 be able to do that.

2 In terms of the F Express, that is --
3 as I think was referenced earlier, we've done
4 a tremendous amount of work along the F. And
5 between the work we're doing on the L and the
6 work that's still underway on the F, I think
7 it's a little early for us to come out with a
8 definitive here-we-go on F Express.

9 But also --

10 SENATOR SAVINO: As soon as you know,
11 I'd appreciate it.

12 MTA MANAGING DIR. HAKIM: We'll be
13 back.

14 SENATOR SAVINO: But I just want to go
15 back to, again, every morning, if there is
16 one accident on the Gowanus Expressway, it
17 cripples the region back to the Jersey
18 Turnpike. That's before the triple
19 cantilever. Anything we can do to take some
20 of these trucks and out-of-state cars off the
21 Gowanus, off the Verrazano Bridge, will
22 certainly improve life for everybody.

23 Thank you.

24 CHAIRWOMAN WEINSTEIN: So I have just

1 one question I've neglected to mention
2 before, regarding procurements.

3 So in June -- actually after session
4 ended in June of 2017, the Governor declared
5 a disaster emergency in the metropolitan
6 commuter transportation district, and issued
7 an executive order which suspended a series
8 of laws governing the MTA's contracts and
9 procurements.

10 Does the executive proposal include
11 any legislation that would amend the law so
12 that executive order could be suspended? And
13 is that waiver of our laws needed on a more
14 long-term basis?

15 MTA MANAGING DIR. HAKIM: We use the
16 EO 168, the executive order that you're
17 referring to, we use it to support the Subway
18 Action Plan, as a recent example of work that
19 we've done. But we have tried to use it
20 sparingly, and when time is of the essence
21 and we are working as fast as possible to
22 make these investments and these
23 improvements, and it has been helpful.

24 CHAIRWOMAN WEINSTEIN: So the

1 intention is to continue to do procurements,
2 noncomprehensive procurements, via the
3 executive order and not ask for legislative
4 authority going forward?

5 MTA MANAGING DIR. HAKIM: Even when we
6 do the emergency procurements under the EO,
7 we still do some competition. We will do
8 many competitions, we'll try to solicit
9 multiple bids from firms. So we try to
10 maintain a level of competition and price
11 awareness in this process.

12 MTA PRESIDENT FOYE: Can I add two
13 points here?

14 CHAIRWOMAN WEINSTEIN: Sure.

15 MTA PRESIDENT FOYE: One is the
16 procurements that have been done under EO 168
17 are a small fraction of the total
18 procurements that the MTA has done since the
19 executive order was issued in the middle of
20 2017.

21 And while Ronnie made the point, we
22 also, even on 168 procurements, try to have a
23 process that's competitive to make sure that
24 we're getting the advantage of the best the

1 market has to offer.

2 CHAIRWOMAN WEINSTEIN: Thank you for
3 that answer.

4 Thank you.

5 CHAIRWOMAN KRUEGER: And Kevin Parker
6 for a lightning round.

7 SENATOR PARKER: Thank you, Madam
8 Chairman.

9 Again, thank you to the panel. I know
10 it's a long day.

11 And I want to kind of continue my
12 conversation about congestion pricing, and
13 one thing's not really about congestion
14 pricing. I want to just kind of be clear. I
15 represent the 21st District in Brooklyn,
16 which is Flatbush and East Flatbush, Midwood,
17 Ditmas Park, Windsor Terrace and Park Slope.
18 I have a large MTA ridership. My father
19 worked for the MTA for 28 years, right, for
20 transit. And so, you know, very, very
21 familiar with the system; this is something
22 that I've lived with, you know, virtually my
23 entire life.

24 It is not on a daily basis all over my

1 district -- which is not quite a desert, but
2 we're kind of like the outskirts where
3 there's still a little bit, you know, of
4 shrubbery but it's not lush in terms of
5 public transportation in my community. And
6 so I'm concerned about this because I'm not
7 clear from a number of reasons that what
8 we're putting forward -- it looks like that
9 we have a solution looking for a problem, as
10 opposed to saying what the real problem is.
11 As a public policy professional, I begin by
12 defining the problem, which in this
13 particular case is finding money long-term,
14 and the number is around I guess \$40 billion
15 over 10 years to fix the MTA. Right?

16 So if that's the plan we're going to,
17 I'm happy to talk about financing of the MTA
18 over a long period of time. You know, given
19 that we get some accountability and some
20 transparency in the process of understanding
21 where funds are going and how they're going
22 to be used.

23 I don't understand this fixation
24 around this specific modality of congestion

1 pricing when there's other things that we
2 could be doing. You've heard from the
3 chairman of the Senate Transportation
4 Committee that there's some significant needs
5 upstate. We certainly could be talking about
6 something like a gas tax. We could do it
7 3 cents for a gas tax, 2 cents goes to the
8 MTA, one cent goes to roads. We could be
9 talking about some part of the stock transfer
10 tax. There are lots of ways that we could in
11 fact find money for transportation, and I'm
12 happy to have those conversations.

13 But there's a couple of things that I
14 think have a problem in the context of the
15 congestion pricing plan, the first of which
16 is that we're taxing structural items --
17 namely the bridges -- but not to use for the
18 bridges. So if we over time have a problem
19 with the bridges, we no longer have an
20 ability to go to them and to use them to
21 finance.

22 The second thing is that we are also
23 creating a dynamic in which we are calling
24 something a congestion pricing plan that we

1 know doesn't actually deal with congestion.
2 And I would love to hear -- because my
3 understanding is that in the context of
4 volume, most of the cars that are creating
5 the volume in the zone are actually cars that
6 are going to stay in the zone -- taxis, black
7 cars, Ubers, Lyfts, you know, delivery
8 trucks. And residential vehicles are, you
9 know, exponentially smaller than the rest of
10 those in that zone.

11 And so I don't understand why we're
12 pushing something that's called congestion
13 pricing when we know in fact it doesn't deal
14 with congestion pricing nor deal with the
15 major transportation needs in most of our
16 districts.

17 Thank you.

18 CHAIRWOMAN KRUEGER: Thank you,
19 Senator Parker.

20 I think we're done.

21 CHAIRWOMAN WEINSTEIN: I think we are
22 done. So you can go catch your train home.

23 CHAIRWOMAN KRUEGER: Thank you for
24 testifying.

1 CHAIRWOMAN WEINSTEIN: Thank you for
2 being here, thank you for spending so much
3 time with us. And to the extent that there's
4 follow-up to the questions that we receive,
5 then they'll be made part of the --

6 MTA MANAGING DIR. HAKIM: Absolutely.

7 CHAIRWOMAN WEINSTEIN: We'd like to
8 receive them so they can be made part of the
9 public record.

10 MTA MANAGING DIR. HAKIM: Absolutely.

11 Thank you.

12 CHAIRWOMAN WEINSTEIN: Thank you.

13 CHAIRWOMAN KRUEGER: Thank you. Thank
14 you very much.

15 CHAIRWOMAN WEINSTEIN: Next we'll be
16 hearing from the New York State Department of
17 Transportation. The commissioner was called
18 away in relation to the storm, so we'll have
19 Ron Epstein, the executive deputy
20 commissioner, who will be testifying.

21 If the people leaving the room could
22 leave the room, take your conversation --
23 Assemblymembers, could you take conversations
24 out of the room?

1 (Off the record.)

2 CHAIRWOMAN WEINSTEIN: Once again, can
3 people please leave the room if you are
4 leaving the room. Many people have been very
5 patient, and we want to make sure we have an
6 opportunity to hear all of them. Thank you.

7 Thank you.

8 DOT EX. DEP. COMM. EPSTEIN: Good
9 afternoon. Thank you.

10 Chairs Krueger, Weinstein, Kennedy,
11 Magnarelli, and distinguished members of the
12 Legislature. On behalf of Commissioner
13 Karas, I want to personally thank you for the
14 opportunity to discuss Governor Cuomo's
15 Executive Budget as it pertains to the New
16 York State Department of Transportation. My
17 name is Ron Epstein. I am the executive
18 deputy commissioner of the Department of
19 transportation. I am joined today by Janice
20 McLachlan, the department's chief counsel.

21 The Department of Transportation
22 provides guidance, oversight and financial
23 support for the maintenance and repair of a
24 system that encompasses more than 113,000

1 highway miles and more than 17,400 bridges.
2 This includes direct responsibility by the
3 department for maintaining approximately
4 40,000 lane miles and more than 7,400
5 bridges. We also have responsibility for an
6 extensive 3,500-mile passenger and freight
7 rail network, over which more than 68 million
8 tons of equipment, raw materials,
9 manufactured goods and produce are shipped
10 each year. There are also 485 public and
11 private airport facilities throughout the
12 state, which approximately 80 million people
13 travel through each year, and 130 public
14 transportation operators, serving
15 approximately 9 million passengers daily.
16 The renewal and modernization activities
17 supported by this Executive Budget across the
18 state are essential to ensuring new York's
19 economic competitiveness.

20 One of the most important functions of
21 the Department of Transportation is to ensure
22 the safety of the traveling public. Over the
23 years, DOT has strategically augmented its
24 capacity to more effectively respond to

1 extreme weather events and emergencies. In
2 fact, snow and ice control is one of the more
3 challenging responsibilities for the
4 department, given the unpredictability and
5 volatility of weather patterns. In fact,
6 earlier this month more than 4,000 department
7 staff were fully engaged across the state
8 responding to Winter Storm Harper. And last
9 night and throughout today, our forces are
10 fully engaged with this latest January storm.

11 On behalf of Commissioner Karas, I'd
12 like to take this opportunity to personally
13 thank the women and men of the department for
14 their dedication and professionalism in
15 mitigating the harmful impacts of extreme
16 rain, snow, and ice, issues which are
17 currently occurring across the state. I
18 thank them for all that they do. In fact,
19 their extraordinary work ethic is why
20 New York State's transportation system is
21 among the most dependable in the nation.

22 I'd also like to thank Governor Cuomo
23 for his unparalleled leadership and
24 unprecedented commitment to enhancing the

1 state's infrastructure. New York's economy
2 relies on a resilient and efficient
3 transportation infrastructure network to
4 continue attracting investment and creating
5 jobs. In fact, with the nation's
6 infrastructure deteriorating, Governor Cuomo
7 understood that the path forward to economic
8 opportunity was through building -- building
9 new roads, bridges, airports, and transit
10 systems. Building that not only facilitates
11 growth in every region of the state, but
12 building in a way that creates new jobs that
13 will be sustained for generations.

14 The department is currently delivering
15 capital projects within the framework of a
16 five-year, \$29 billion capital program. The
17 Executive Budget proposes new state
18 investments to improve the transportation
19 system, enhance the system's resiliency,
20 create jobs, and deliver unparalleled
21 operating aid for transit systems. The
22 current year's budget includes more than
23 \$4.4 billion in new capital program funding.
24 Of that amount, more than \$2.5 billion in new

1 funding is provided to support the
2 department's highway and bridge program.

3 Equally as important, to address the
4 needs of local governments, the budget also
5 provides record-level state assistance for
6 municipalities to address the repair and
7 rehabilitation of locally owned roads and
8 bridges. This includes \$478 million for the
9 Consolidated Local Street and Highway
10 Improvement Program, CHIPS, and the
11 Marchiselli program. It also includes
12 enhanced assistance to local governments
13 through the \$100 million PAVE NY and
14 \$100 million BRIDGE NY initiatives this year.
15 In addition, funding for municipally
16 sponsored upstate and downstate suburban
17 transit systems would increase by \$37 million
18 from enacted 2018-'19 levels. This includes
19 \$218 million in new funding for upstate and
20 \$350 million in new funding for downstate
21 suburban systems.

22 Prior to the enactment of the
23 Infrastructure Investment Act of 2011, DOT
24 delivered construction contracts through a

1 traditional design-bid-build process. By
2 combining the design and construction phases
3 of a project into one contract, project
4 delivery is faster and more efficient, and
5 project benefits are delivered to the public
6 sooner. Since being signed into law in 2011,
7 DOT has awarded 36 design-build contracts
8 valued in excess of \$2.4 billion. This
9 includes the replacement of the Interstate
10 690 Bridge over Teall Avenue and Beech Street
11 in the Central New York Region;
12 reconstruction of the Interstate 390/490
13 interchange in the Finger Lakes Region; and
14 replacement of the Rexford Bridge over the
15 Mohawk River in the Capital Region. Projects
16 are underway throughout the state, and the
17 results are overwhelmingly positive.
18 Projects are being delivered sooner,
19 on-budget, and jobs are being created.
20 Design-build has been an incredibly useful
21 tool to expedite projects and expend tax
22 payer dollars more effectively. As such,
23 legislation included with the Executive
24 Budget which seeks to make permanent this

1 design-build authorization.

2 The budget includes legislation to
3 substantially improve the safety of for-hire
4 and other large passenger vehicles throughout
5 New York State. This legislation would ban
6 the registration of certain types of
7 stretched or modified vehicles, strengthen
8 civil and criminal penalties for violations,
9 and significantly enhance the Department of
10 Transportation's enforcement authority. It
11 would also allow us to increase the maximum
12 Notice of Violation fine from \$5,000 to
13 \$25,000 per occurrence, and heightens
14 criminal penalties to ensure compliance with
15 the law.

16 In recent years, the number of
17 reported highway worker assaults and motorist
18 intrusions into work zones established by the
19 department has significantly escalated. Of
20 these reported assaults and intrusions,
21 approximately 100 have resulted in injuries
22 to our workers. Similar increases have been
23 reported on facilities owned by local
24 governments and public authorities.

1 This Executive Budget proposes to
2 enhance and strengthen civil and criminal
3 penalties as a deterrent and to provide law
4 enforcement and prosecutors the additional
5 tools needed to help pursue and punish
6 offenders.

7 In closing, as Governor Cuomo has
8 stated that "New York is in an international
9 competition for the best destination to live,
10 work and play. Either you are moving
11 forward, or you are falling behind." It's
12 important to note that the work we do is
13 critical and the challenges we face are very
14 real. I appreciate the open and continuous
15 dialogue with the Legislature, and I know
16 that collectively we will deliver the
17 transportation system that our residents
18 deserve and that is necessary to maintain
19 New York's position as the Empire State.

20 I want to thank you for your time
21 today, and I'm available to address any
22 questions that you may have.

23 CHAIRWOMAN WEINSTEIN: Thank you.
24 Thank you for being here in the

1 commissioner's place.

2 And we'll go to Assemblyman
3 Magnarelli, chair of the Assembly
4 Transportation Committee.

5 ASSEMBLYMAN MAGNARELLI: Thank you,
6 Madam Chair.

7 Mr. Epstein, good afternoon.

8 DOT EX. DEP. COMM. EPSTEIN: Good
9 afternoon, sir.

10 ASSEMBLYMAN MAGNARELLI: It's good to
11 see you without the sling.

12 DOT EX. DEP. COMM. EPSTEIN: I have it
13 over there, sir. It's a little difficult to
14 --

15 ASSEMBLYMAN MAGNARELLI: I was hoping
16 you were all better already.

17 DOT EX. DEP. COMM. EPSTEIN: See, for
18 those of you who don't know what we're
19 talking about, he really twisted my arm the
20 other day and --

21 (Laughter.)

22 ASSEMBLYMAN MAGNARELLI: I'm going to
23 just read a statement, and then I have a
24 couple of questions that will come off of it:

1 "Approximately 62 percent of highway
2 lane miles and 64 percent of bridges are
3 rated in good or excellent condition in
4 New York State. So within the statewide
5 average, there is a significant regional
6 disparity: One region enjoys 79 percent of
7 their bridges rated as good or excellent,
8 while another suffers at 43 percent."

9 Okay, so with that as a background,
10 just a couple of questions. DOT used to
11 release an annual report on the condition of
12 highway lane miles and bridge conditions. To
13 my knowledge, that hasn't been done in the
14 last year or two. Is that report still
15 available on an annual basis? And if so,
16 where can I get it?

17 DOT EX. DEP. COMM. EPSTEIN: First of
18 all, I do want to note that we're investing
19 more in infrastructure than at any other
20 point in our state's history. As you know,
21 we live in the Northeast, we're subject to
22 very harsh weather conditions --

23 ASSEMBLYMAN MAGNARELLI: You're taking
24 my time. I'd like an answer to the question.

1 DOT EX. DEP. COMM. EPSTEIN: I will
2 answer, then. So, sir, I will tell you that
3 I checked into this issue yesterday. The
4 report is under review, and we expect to make
5 that available very shortly.

6 ASSEMBLYMAN MAGNARELLI: Okay. So
7 shortly being before the --

8 DOT EX. DEP. COMM. EPSTEIN: Next
9 several weeks.

10 ASSEMBLYMAN MAGNARELLI: Okay.
11 Another question. What percent of roads and
12 bridges are currently in a state of good
13 repair?

14 DOT EX. DEP. COMM. EPSTEIN: So I
15 don't have that number in front of me. What
16 I can tell you is that we go to extraordinary
17 lengths to ensure that our system is in good
18 condition and that it is safe for all users.

19 ASSEMBLYMAN MAGNARELLI: Okay. Have
20 our roads and bridges improved, in your
21 opinion, or are they getting a little bit
22 worse?

23 DOT EX. DEP. COMM. EPSTEIN: So like I
24 said, I don't have the data in front of me.

1 What I can tell you is that we are continuing
2 to invest more in our infrastructure,
3 especially with the new programs I mentioned,
4 BRIDGE NY, PAVE NY, making additional money
5 to local governments to improve their bridge
6 and pavement conditions. That is a focus of
7 ours, and we will continue to do what we can
8 to improve the situation for the users.

9 ASSEMBLYMAN MAGNARELLI: Okay, I
10 understand what you're saying to me, that
11 you're going to continue and try to improve
12 and do the best you can, and I don't take
13 anything away from the Department of
14 Transportation in trying to do it. What I'm
15 trying to get at, though, is what is the
16 state of repair of our roads and bridges
17 right now? What's your honest opinion? Do
18 we need to be doing more? What we are doing
19 now, is that adequate?

20 DOT EX. DEP. COMM. EPSTEIN: So what I
21 would say is that of course everybody would
22 always love to do more. But I think what
23 we're doing now is adequate to ensure that
24 New York remains economically competitive.

1 ASSEMBLYMAN MAGNARELLI: And the
2 public safe?

3 DOT EX. DEP. COMM. EPSTEIN: The
4 public is safe.

5 ASSEMBLYMAN MAGNARELLI: In the state
6 fiscal year 2018-'19, in our enacted budget,
7 it included \$104.5 million for non-MTA mass
8 transit capital funding. Has that funding
9 been disbursed?

10 DOT EX. DEP. COMM. EPSTEIN: Yes. So
11 basically that funding goes out on a formula
12 basis and that -- you're talking about the
13 non-MTA transit money has been awarded to the
14 systems. They are coming in with their
15 applications for how they're going to spend
16 the money.

17 ASSEMBLYMAN MAGNARELLI: Okay. So all
18 of the money has been disbursed, and it's
19 done on a formula basis, okay.

20 In state fiscal year 2018-'19, we
21 enacted a budget that included \$100 million
22 for the local BRIDGE NY program, which you
23 alluded to in your statement. Has that
24 funding been disbursed?

1 DOT EX. DEP. COMM. EPSTEIN: Those
2 projects were awarded last fall, yes.

3 ASSEMBLYMAN MAGNARELLI: So the money
4 is out.

5 DOT EX. DEP. COMM. EPSTEIN: Well, the
6 projects have been awarded, and they're
7 working through the agreement process now.

8 ASSEMBLYMAN MAGNARELLI: Okay. Of the
9 \$29.2 billion five-year capital plan, what
10 share is dedicated to rail and mass transit?

11 DOT EX. DEP. COMM. EPSTEIN: So
12 about -- and I'm using -- off the top of my
13 head, about \$75 million, give or take a
14 couple of million, goes for rail, which
15 includes our support for Amtrak. And the
16 non-MTA transit capital, as you said, last
17 year was \$104 million. So this year -- is
18 that what you're asking? I'm sorry, sir.

19 ASSEMBLYMAN MAGNARELLI: The
20 \$29.2 billion five-year capital plan, what
21 went to rail and what went to mass transit?

22 DOT EX. DEP. COMM. EPSTEIN: Oh, I'm
23 sorry, those were annual numbers, I
24 apologize.

1 So it was \$435 million for transit and
2 rail was -- I don't have the exact number off
3 the top of my head, but over \$350 million.

4 ASSEMBLYMAN MAGNARELLI: Do you feel
5 that those numbers are sufficient for those
6 things?

7 DOT EX. DEP. COMM. EPSTEIN: Again, I
8 think we're making the investments that we
9 need to make to ensure that the services are
10 available to the public.

11 ASSEMBLYMAN MAGNARELLI: Now, just for
12 a couple of people who I know want me to ask
13 this question, okay? How much is dedicated
14 to bike and pedestrian infrastructure?

15 DOT EX. DEP. COMM. EPSTEIN: So I
16 don't know the number off the top of my head.
17 But what I can tell you is that we have right
18 now a couple of programs. Number one is the
19 Bicycle and Pedestrian Safety Plan. We've
20 invested over \$100 million over five years
21 for bicycle and pedestrian safety activities.

22 We also have what we call the
23 transportation alternatives, and congestion
24 mitigation in the air quality program, which

1 has invested another \$100 million a year in
2 bicycle and pedestrian non-motorized-type
3 activities. So there's a significant amount
4 of funding that the department provides on an
5 annual basis for these activities.

6 In addition to that, each of our
7 capital projects typically has a bicycle and
8 pedestrian component.

9 ASSEMBLYMAN MAGNARELLI: So everything
10 that we do that can accommodate more
11 bike-friendly and pedestrian-friendly modes
12 of getting from one place to another, are we
13 trying to incorporate those things into the
14 plans?

15 DOT EX. DEP. COMM. EPSTEIN: It is the
16 goal of the department to incorporate bicycle
17 and pedestrian safety projects, yes.

18 ASSEMBLYMAN MAGNARELLI: Going back to
19 transit systems, upstate transit systems
20 received 5.3 percent in operating assistance,
21 while non-MTA downstate systems received a
22 7.2 percent increase in operating assistance
23 this past year. Why are non-MTA downstate
24 transit systems receiving a larger increase

1 in operating assistance?

2 DOT EX. DEP. COMM. EPSTEIN: So this
3 budget actually goes to great expense to
4 increase the amount available for upstate
5 systems. I think -- and we've had this
6 conversation in the past -- part of the issue
7 is that downstate has a different source of
8 dedicated taxes that support its services.

9 There was a proposal this year that
10 not only enhances funding for upstate systems
11 by \$11 million this year, but annualized will
12 increase that to \$20 million-plus annually.

13 ASSEMBLYMAN MAGNARELLI: Well, from
14 what you've been hearing from especially the
15 upstate systems, do you feel that the amount
16 of money, the \$22 million that's going to be
17 coming into the system annually now, with
18 this new additional tax, is that going to be
19 sufficient for those transit systems?

20 DOT EX. DEP. COMM. EPSTEIN: We're
21 working with them to ensure that they have
22 the resources they need. I can tell you that
23 New York provides unparalleled assistance
24 compared to other states. And we have

1 basically record levels of funding for
2 upstate transit in this budget.

3 ASSEMBLYMAN MAGNARELLI: But you know,
4 because of our conversations just a few days
5 ago, that these systems are not going to be
6 able to keep the scheduling that they have
7 now with this amount of funding. And I just
8 wondered if there's anything else that can be
9 done for those upstate systems.

10 DOT EX. DEP. COMM. EPSTEIN: Well, I
11 think that's a conversation that we can have
12 as part of the budget deliberations between
13 the Executive and the Legislature.

14 ASSEMBLYMAN MAGNARELLI: Is capital
15 and operating funding for non-MTA transit
16 systems keeping pace with the new surge in
17 people living within our urban centers in
18 upstate New York?

19 DOT EX. DEP. COMM. EPSTEIN: So I am
20 not sure I fully appreciate the question.
21 What I would say is that there is capacity
22 within the existing services so that as
23 people live in more closely and densely areas
24 adjacent to public transit lines, there is

1 capacity to meet that need.

2 ASSEMBLYMAN MAGNARELLI: Okay, I'm
3 getting different information and different
4 perspective on these things, where not only
5 do people live in the urban areas, but they
6 also have to get to places of employment or
7 places where they have medical attention --
8 hospitals, doctors, et cetera. And those
9 people are not getting the service that they
10 need. As a matter of fact, many are not able
11 to hold a job because they can't get back and
12 forth, especially in times when the
13 scheduling of the transit authority does not
14 allow for them to get back and forth. For
15 example, if they've got to cut back, they're
16 going to cut back on weekends. If they've
17 got to cut back, they cut back on late hours.
18 Well, those are the shifts that most of the
19 people who need that transportation use.

20 So I just -- maybe I'm just making a
21 statement here and not asking you another
22 question. But the idea that everything is
23 hunky-dory with the upstate transit systems
24 is not correct. You know, we sat here for

1 four and a half hours listening to what was
2 happening down in the metropolitan area, and
3 I believe that all of those things are true,
4 that they have their problems. But, you
5 know, the eight or nine million people that
6 live in upstate New York have the same types
7 of problems; they have to get back and forth
8 as well.

9 I'll come back.

10 DOT EX. DEP. COMM. EPSTEIN: Yes, sir.
11 And I understand and appreciate your
12 comments. And what I can tell you is that we
13 work very closely with the New York Public
14 Transit Association on trying to work through
15 their issues, and we will continue to do so.

16 ASSEMBLYMAN MAGNARELLI: All right.
17 thank you, sir.

18 CHAIRWOMAN WEINSTEIN: Thank you.

19 Senator Kennedy.

20 SENATOR KENNEDY: Thank you very much,
21 Deputy Commissioner. And thank you for your
22 testimony, your work. And please send our
23 regards to Commissioner Karas.

24 DOT EX. DEP. COMM. EPSTEIN: He's out

1 in your neck of the woods.

2 SENATOR KENNEDY: He is in Western
3 New York dealing with a storm, and we're very
4 grateful for that, his efforts.

5 As was just stated by Assemblyman
6 Magnarelli, we spent four and a half hours on
7 MTA issues -- and rightfully so, it's
8 extraordinarily important -- and now we're
9 dealing with upstate non-MTA issues. You
10 know, this has already been alluded to, but I
11 want to get down into it a little bit more
12 here. The equitable funding and parity
13 between upstate non-MTA and MTA capital
14 spending we know has never been more
15 important than it is in the present. And
16 when you look at some of the roads and the
17 bridges and the percentages in different
18 areas of the state, including in Region 5
19 that I represent, and you look at the
20 depleting status of our infrastructure
21 because of that severe weather especially,
22 there is a real need for an infusion of more
23 resources. And the most important thing I
24 think that we can fight for for our roads and

1 our bridges is an equitable distribution of
2 those resources. And so it's important to
3 know what your department is working toward
4 now that we can relay back to the public what
5 you're going to do to make sure that funding
6 available in upstate and outside of the City
7 of New York is on par to the funding that is
8 being spent on MTA initiatives.

9 DOT EX. DEP. COMM. EPSTEIN: I think
10 the biggest thing we're doing right now is
11 helping to develop what the need is. So one
12 of the things we do in advance of our next
13 capital program is start to identify the
14 project-specific needs in all of the regions,
15 including Western New York and upstate.
16 We'll be working with the metropolitan
17 planning organizations as well as the local
18 governments, and that will identify the
19 baseline in terms of what is the need, and
20 then we will have a conversation, the
21 Executive and the Legislature, in terms of
22 what resources might be available.

23 SENATOR KENNEDY: And is there a
24 commitment to increase funding for upstate

1 roads and bridges?

2 DOT EX. DEP. COMM. EPSTEIN: So again,
3 I think that's a subject of discussion
4 between the Executive and the Legislature as
5 part of the budget negotiations.

6 SENATOR KENNEDY: Is there a
7 commitment to ensure parity?

8 DOT EX. DEP. COMM. EPSTEIN: So again,
9 I have to defer. That has to be addressed --
10 that's a fiscal issue that has to be dealt
11 with as part of the budget process.

12 SENATOR KENNEDY: And is there a
13 commitment to increasing funding levels for
14 the region out in Western New York -- Erie,
15 Niagara, Cattaraugus, Chautauqua County,
16 which is Region 5, which has historically
17 been funded at lower levels than, number one,
18 had been anticipated, and number two, that
19 the region believes it rightfully deserves
20 based upon the 10 percent of roads and
21 bridges throughout the state?

22 DOT EX. DEP. COMM. EPSTEIN: Again, we
23 met with you, we're willing to meet with you
24 again to understand the needs and the

1 perspectives of Western New York. But in
2 terms of the actual allocation of resources,
3 that is something that we need to discuss as
4 part of the development of the next five-year
5 capital program.

6 SENATOR KENNEDY: Regarding NFTA
7 capital, I want to break it down in Western
8 New York even further. We just spent, again,
9 four and a half hours to talk about the MTA
10 and the needs of the public transportation
11 system and the importance of ensuring people
12 have a dependable, reliable system and that
13 accountability is in place. But they're not
14 the only system in the state that deserves
15 that attention.

16 And as you're well aware, the NFTA has
17 the only light rail transit system outside of
18 the City of New York. And there are
19 significant needs of that aging system. In
20 many ways, the system, system-wide, has been
21 failing because of the -- number one, the
22 aging system and the infrastructure that
23 needs capital investment and robust capital
24 investment, but also the fact that the NFTA,

1 because of a lack of that capital investment,
2 has had to dip into operational funding just
3 to get by, just to make sure that the system
4 is at least functional. And that is starting
5 to get called into question. I am very
6 concerned about the future status of the
7 NFTA -- the light rail, the bus system, the
8 system across the board.

9 And so can you commit to working
10 within the confines of the budget, since that
11 is what you've referred to a couple of times
12 now, to getting the NFTA \$100 million that
13 they have requested for the five-year capital
14 spending budget that they need and, quite
15 frankly, our region deserves?

16 DOT EX. DEP. COMM. EPSTEIN: Yes, I'm
17 very familiar with the NFTA and their needs.
18 I think Kim does a great job out there
19 running the system.

20 As you and I discussed the other day,
21 I think what we need to get to is a
22 conversation about the five-year plan. I
23 think it's going to be very difficult within
24 the last of the five-year plan, because most

1 of these projects have been developed and
2 committed. So I think this is a conversation
3 that we really should be having about -- you
4 know, next year we'll be talking about how to
5 allocate the resources to DOT, and that is a
6 conversation that we should definitely have.

7 SENATOR KENNEDY: Do we have a
8 commitment from your department to ensuring
9 that the capital dollars that the NFTA needs
10 to have a functional system -- with that only
11 light rail system outside of the City -- are
12 met?

13 DOT EX. DEP. COMM. EPSTEIN: So again,
14 DOT is an implementer. My commitment to you
15 is to continue to work with NFTA and yourself
16 on those needs and make them a priority. But
17 in terms of resources, I cannot personally
18 commit resources that I don't have yet.

19 SENATOR KENNEDY: Sticking with the
20 NFTA, one of the large inequities faced in
21 Western New York is the STOA funding.

22 DOT EX. DEP. COMM. EPSTEIN: I'm
23 sorry, can you -- the --

24 SENATOR KENNEDY: The STOA, State

1 Operations --

2 DOT EX. DEP. COMM. EPSTEIN: Oh, STOA.

3 Sorry, Senator.

4 SENATOR KENNEDY: State Transit

5 Operation Assistance formula.

6 And basically it's a question of basic
7 fairness at this point. Like the MTA, the
8 NFTA has been underfunded for decades. And
9 with the light rail system again that is
10 beginning to fail systemwide, it results in
11 things like critical routes being potentially
12 cut that working-class Western New Yorkers
13 are relying upon.

14 So what I'd like to see is a
15 commitment from the Department of
16 Transportation to ensure that the funds that
17 the NFTA is telling us that they need, which
18 is \$10 million in this year's budget, are
19 there for that STOA funding, so that they can
20 operate at a level not only that is
21 functional but that the people that utilize
22 that system deserve.

23 DOT EX. DEP. COMM. EPSTEIN: So again,
24 I'm committed to working with you to help try

1 and identify that. But as I said earlier,
2 you know, we don't actually allocate
3 resources, we implement. So I think this is
4 a great conversation that we should have over
5 the next several weeks as we develop the
6 budget.

7 SENATOR KENNEDY: So the 2016 budget
8 contained \$6 million for a study on the
9 future of the Kensington Expressway Route 33
10 in the City of Buffalo and Cheektowaga. It
11 cuts right through the City of Buffalo on the
12 east side, like a scar. And this study was a
13 follow-up to a feasibility study that was
14 conducted in 2012. And this study from 2016
15 has not been released. Is there a timeline
16 for the completion of that study?

17 DOT EX. DEP. COMM. EPSTEIN: I believe
18 -- and I'd have to check my notes here, but I
19 believe the study should be ready in 2019,
20 sometime later in the year. I want to verify
21 that for you, though, Senator.

22 SENATOR KENNEDY: Okay. While you are
23 looking for that information, I will mention
24 another critical component to the

1 functionality and the future of the system
2 out in Western New York, and that is the
3 expansion up to Amherst. The NFTA has noted
4 that in order to hit the 20 percent federal
5 threshold to tap into those federal
6 resources, a \$6 million request has been
7 made. Is there a commitment on where that is
8 in the process within your department?

9 DOT EX. DEP. COMM. EPSTEIN: So we've
10 been working with them through the resources
11 that are available for capital right now to
12 help try and identify funds that could be
13 used as part of the non-federal share.

14 I also want to confirm, yes, it will
15 be earlier in 2019 that the initial report
16 should be released --

17 SENATOR KENNEDY: So this year we
18 should expect a report on the 33.

19 DOT EX. DEP. COMM. EPSTEIN: Yes.

20 SENATOR KENNEDY: Excellent.

21 I'll come back. Thank you.

22 DOT EX. DEP. COMM. EPSTEIN: Thank
23 you, sir.

24 CHAIRWOMAN WEINSTEIN: Thank you.

1 Assemblyman Palmesano.

2 ASSEMBLYMAN PALMESANO: Thank you for
3 being here.

4 A few questions I want to get into
5 with you. Our Assembly Minority Conference
6 just completed a task force, traveling around
7 the state talking to local stakeholders. We
8 sent that over to you. We hope you take a
9 look at it and take it very seriously. We
10 think it has some very important suggestions
11 and solutions to address some of our
12 long-term needs.

13 But specific to the budget, I know you
14 said that there's historic investments in
15 infrastructure. Particularly, though, you
16 mentioned some of the stuff on local
17 infrastructure I think I'd like to take to
18 task a little bit.

19 DOT EX. DEP. COMM. EPSTEIN: Sure.

20 ASSEMBLYMAN PALMESANO: In particular
21 you said the commissioner's out dealing with
22 storms because of the winter storms, but yet
23 this budget eliminates the \$65 million in
24 winter recovery that is provided to our local

1 municipalities. It's critical funding they
2 need to deal with these types of storms.
3 It's been part of our local infrastructure
4 package over the years, in and out at
5 different times, along with PAVE NY and along
6 with CHIPS.

7 And I know you mentioned PAVE NY is
8 there, with PAVE NY's \$100 million a year,
9 but that continues to be flat. That runs out
10 after this year. CHIPS has been flat for
11 seven years. Again, a lot of focus was on
12 the MTA earlier. But I just can't stress
13 enough the importance of hoping there's
14 advocacy coming from you to the budget to the
15 Governor on the cut in the winter recovery
16 funding and the lack of investment in the
17 CHIPS program, because it's been flat for
18 seven years.

19 Because that's the local
20 infrastructure. That helps the local
21 property taxpayers, that benefits every area
22 of the state, it benefits New York City, it
23 benefits Long Island, it benefits upstate
24 New York. I'd like to know your comments and

1 your thoughts on why the cut took place and
2 where is the advocacy on that end of it.

3 DOT EX. DEP. COMM. EPSTEIN: So again,
4 as with respect to local governments, I do
5 believe that we are providing historic
6 investments. The numbers that I cited
7 specifically speak to the set-asides for
8 local programs. However, there's another 400
9 to \$600 million annually that goes out
10 through core federal aid that is used for
11 renewal of bridges and pavements. So there
12 is a significant additional increase in other
13 fund sources that go to these municipalities.

14 With respect to the \$65 million, what
15 I can say is that was a one-time nonrecurring
16 legislative addition, and within the confines
17 of the budget negotiations, that's something
18 we will need to discuss.

19 ASSEMBLYMAN PALMESANO: And then
20 relative to investments, the thing we want to
21 point out, the fact of the matter is the Town
22 and Highway Superintendents did a study a
23 couple of years ago saying that we need a
24 minimum of \$1.3 billion annually just to keep

1 up with those costs. I know our
2 Transportation chairs have mentioned
3 \$75 billion in bridge cost deficiencies,
4 \$27 billion of which is local infrastructure.
5 I mean, that's a serious outlay of
6 deficiencies that we need.

7 We're talking about infrastructure in
8 the MTA, but it doesn't seem like that focus
9 on that infrastructure and that commitment,
10 especially on the local sides there. So we
11 need more on that end of it and hope that
12 that commitment can come from the
13 commissioner and your offices when talking to
14 the Governor and legislative leaders.

15 DOT EX. DEP. COMM. EPSTEIN:
16 Understood. We'll take that back. Thank
17 you.

18 ASSEMBLYMAN PALMESANO: Relative to
19 the budget, I know there is also an area that
20 is proposing an additional tax and fee on
21 fiber optic cable. What's the purpose of
22 that fee and tax, given the fact that it
23 seems counter to the promotion of wanting to
24 try to get more broadband located across our

1 state, especially in rural areas? But it
2 seems like putting a tax and fee on fiber
3 would kind of run contrary to that and just
4 increase the cost and hurt the accessibility
5 of that type of access. Maybe you can
6 comment on that?

7 DOT EX. DEP. COMM. EPSTEIN: Yeah, I
8 guess I would say a couple of things. Number
9 one, it's not necessarily a new fee in the
10 sense that the Thruway, MTA, Port Authority
11 of New York already charge for access to
12 their right-of-way. About 30 states also
13 provide -- you know, charge fees for being in
14 the right-of-way, including neighboring
15 states such as Massachusetts.

16 There is no -- for those participating
17 in the broadband initiative, there will be no
18 additional fee. And for those companies that
19 are assessed the fee, they will not be
20 allowed to pass it along to the consumers.

21 ASSEMBLYMAN PALMESANO: So you don't
22 think that's counter to the broadband
23 deployment that we're trying to put out
24 there?

1 DOT EX. DEP. COMM. EPSTEIN: No,
2 because they will be exempt from this.

3 ASSEMBLYMAN PALMESANO: Relative to
4 the five-year capital plan that's going to be
5 coming up next year, I know there's the MTA,
6 I know Chairman Kennedy mentioned this, and
7 Chairman Magnarelli talked about this too,
8 with the MTA and the importance of parity and
9 making sure that there's balance in those
10 funds. Because again, I just can't stress
11 enough the importance of -- just as the MTA
12 is the lifeblood for downstate, our roads and
13 bridges and culverts are the lifeblood of our
14 upstate areas particularly. But everyone
15 benefits from that funding, even New York
16 City, even Long Island. And the importance
17 of having parity in our transportation
18 funding capital plans that are upcoming. And
19 we hope that's something you're pushing and
20 continuing to mention when developing those
21 plans and seeing those plans come forward.

22 DOT EX. DEP. COMM. EPSTEIN: We will
23 continue to work with you and the other
24 members of the Legislature to achieve your

1 goals. We appreciate your support of local
2 infrastructure, especially bridges and
3 culverts around the state, because they are
4 incredibly important to our economic
5 competitiveness.

6 ASSEMBLYMAN PALMESANO: Thank you.
7 I'm out of time.

8 CHAIRWOMAN WEINSTEIN: Thank you.
9 Senate?

10 CHAIRWOMAN KRUEGER: Senator Jim
11 Seward.

12 SENATOR SEWARD: Thank you, Madam
13 Chair. And --

14 DOT EX. DEP. COMM. EPSTEIN: Good to
15 see you again.

16 SENATOR SEWARD: -- Mr. Epstein, good
17 to see you again.

18 I just wanted to first of all just
19 underscore -- I know when you had the
20 discussion with Senator Kennedy in terms of
21 parity between -- you know, with the MTA
22 spending and our roads and bridges in the
23 balance of the state, particularly upstate,
24 as well as our upstate transits. We need to

1 have parity; we have needs as well.

2 And in speaking of transit, I just had
3 a question regarding our rural transit
4 systems in some of the small rural counties.
5 In last year's State Budget, we included
6 \$4 million through the Department of Health
7 to supplement their operating budgets because
8 they lost the Medicaid business --

9 DOT EX. DEP. COMM. EPSTEIN: Correct.

10 SENATOR SEWARD: -- which really has
11 put them in serious jeopardy financially.

12 The Governor's proposal does not
13 include that \$4 million. Is there a plan to
14 address the needs of the rural transits?

15 DOT EX. DEP. COMM. EPSTEIN: So I
16 think as in past years, that has always been
17 the subject of the negotiation process. It
18 has been an add that has continually been
19 readded. So I think that's a conversation
20 we'll have in the next few weeks.

21 SENATOR SEWARD: Would you support
22 that item?

23 DOT EX. DEP. COMM. EPSTEIN: We
24 support additional investment in public

1 transportation, but we have to work within
2 the confines of the budget process.

3 SENATOR SEWARD: Speaking of
4 additional revenues, I wanted to just ask you
5 about federal funding. Has New York been
6 receiving more or less transportation funding
7 from the federal government?

8 DOT EX. DEP. COMM. EPSTEIN: So we've
9 been essentially flat for a number of years
10 now, and there are various reasons for that.
11 One reason is that Congress in 2012 did away
12 with the formulas for allocating federal
13 highway aid, and so basically now it's just a
14 percentage of the amounts appropriated.

15 So because the program hasn't really
16 grown at the federal level, it's essentially
17 been a push.

18 SENATOR SEWARD: I also wanted to add
19 my voice in terms of the proposed fee for
20 putting fiber-optic lines in state
21 right-of-ways. There's no question in my
22 mind that this proposal will seriously impact
23 the much-needed broadband expansion,
24 particularly in the upstate area. We still

1 have areas that are woefully inadequate. And
2 to increase the cost, even though it may not
3 be -- you're suggesting it could not be
4 transferred over to the customer. But to
5 increase the cost is going to seriously, in
6 my estimation, slow down if not come to a
7 halt in terms of broadband expansion.

8 DOT EX. DEP. COMM. EPSTEIN: If I
9 wasn't clear, I apologize. So basically
10 there's two components. For those that are
11 participating in the broadband initiative,
12 they will not be assessed that fee in the
13 first place. And there are other ones who
14 may not be part or who are not doing
15 broadband-related activities, they're
16 precluded from passing along the cost to
17 their consumers.

18 CHIEF COUNSEL McLACHLAN: They're
19 actually exempted in the statute.

20 SENATOR SEWARD: I know that in the
21 plan you estimate \$15 million the first year;
22 that grows to 30, then 50 in the third year.
23 I mean, we're talking -- if you take a look
24 at 10 years, that's \$445 million in

1 additional overhead for these companies that
2 we desperately need to have their services in
3 the rural areas.

4 So it's tough enough to recoup
5 investments in the sparsely populated rural
6 areas. This is just going to add a
7 considerable overhead there. I think it's
8 contrary to our state policy of trying to
9 expand the broadband.

10 Certainly you're aware that telecom
11 companies have the right to be in the public
12 right-of-way, including state roads. I mean,
13 isn't that federal law?

14 DOT EX. DEP. COMM. EPSTEIN: Certain
15 utilities. Certain utilities.

16 SENATOR SEWARD: Yeah. And in terms
17 of charging some, not charging others,
18 doesn't that create an unlevel playing field?

19 DOT EX. DEP. COMM. EPSTEIN: Well, I'm
20 not sure that that is necessarily the case.
21 I guess what I would say personally is that
22 the vast majority of this work is done by
23 corporations like AT&T and Verizon, who are
24 making billions and billions of dollars a

1 year, and we're subsidizing them through this
2 effort.

3 Like I said earlier, you know, they
4 are not being charged if they're
5 participating in the broadband initiative.
6 We do not expect any harm that may be
7 suggested to upstate communities.

8 SENATOR SEWARD: Well, my only
9 reaction is last year a similar proposal was
10 in the Governor's budget, it was rejected by
11 the Legislature. I hope that the same holds
12 true for this budget.

13 DOT EX. DEP. COMM. EPSTEIN:
14 Understood.

15 SENATOR SEWARD: Thank you for your
16 answer.

17 DOT EX. DEP. COMM. EPSTEIN: Thank
18 you, sir.

19 CHAIRWOMAN KRUEGER: Thank you.
20 Assembly.

21 CHAIRWOMAN WEINSTEIN: Assemblyman
22 Byrne.

23 ASSEMBLYMAN BYRNE: Yes, thank you,
24 Madam Chairwoman.

1 And thank you again for your time.

2 Good afternoon. It's been kind of a slow
3 start to the day over here, but I want to
4 thank you again for being here.

5 And last time I was here in our
6 hearing with the commissioner, I brought up
7 some local needs in my district. I just want
8 to make sure I say thank you. I think it's
9 always nice to give some kudos when it's
10 warranted. And I think the communication
11 between my office and the DOT has
12 significantly improved. I want to make sure
13 I said thank you for that.

14 Still, always a lot of needs within my
15 district. Specifically, I believe Region 8
16 of the DOT, Westchester and Putnam County, we
17 have significant large portions of state
18 roadways throughout almost every town in my
19 district -- Route 22, Route 35, 52, 118, the
20 Taconic State Parkway, the Pudding Street
21 Interchange. I know we've discussed some of
22 these issues directly in the past, and I just
23 want to make sure I shine a light on that.
24 Because there's a growing need. And as soon

1 as I go home to my district after this
2 hearing, now that the plows have hit the
3 pavement, I'm sure there's going to be more
4 potholes on Route 22 than there was even
5 before, because some of those patches are
6 going to be coming up.

7 I do want to echo some comments from
8 my colleague Mr. Palmesano before. I hope
9 you've had some time to at least take a look
10 at that report. We put a lot of time into
11 that listening to stakeholders from throughout
12 the state.

13 Earlier with the MTA, one of the
14 Senators mentioned about we have a lot of
15 resources and funding that we need to discuss
16 and figure out how can we do a better job
17 funding these programs. We've also got to
18 look at the cost and are there ways that we
19 can reduce the cost of some of these projects
20 and make sure that we push back on
21 unnecessary delays that all too often happen,
22 whether it's local or through the state, when
23 we want to make sure we get a project
24 completed and not make it wait another year

1 or two. So certainly there's some
2 recommendations in that report I hope you can
3 take a look at.

4 And one of those recommendations, I
5 know because it's been mentioned a couple of
6 times already, is that annual report. So I
7 would just ask when that does come out,
8 please share that with me as well. I'm
9 looking forward to seeing that.

10 And with regards to the Extreme Winter
11 Recovery funding -- and this is kind of where
12 my question is -- I know we say -- it seems
13 like we say this every year, where it's a
14 one-time funding from the Legislature, but it
15 seems to have been renewed. We had this in
16 2018 and I think we had it in 2017. So in
17 essence, it has been renewed. And I think
18 that's something that we really do need to
19 focus in on and make sure that we bring those
20 dollars back to our districts because
21 separate from DOT, right now we have local
22 municipalities looking at AIM cuts, they're
23 looking at cuts in other funding from the
24 state. And I know when it comes to DOT for

1 CHIPS and Extreme Winter Recovery, it's
2 absolutely crucial for the towns that I
3 represent that that gets in there so they can
4 help pave the roads.

5 So I just wanted to make sure I
6 brought those points up. And if you have
7 anything you'd like to add or points on the
8 Extreme Winter Recovery funding or CHIPS --
9 seven years without an increase in the base
10 CHIPS, that's quite a long time. And surely
11 the cost of paving these roadways over the
12 past seven years, you know, isn't flat. So
13 if you could put this -- give me some of your
14 thoughts on those comments, and I'm hoping
15 that there's a way that we can improve upon
16 those numbers to help our districts.

17 DOT EX. DEP. COMM. EPSTEIN: Sure.
18 And first of all, I want to thank you for
19 your efforts and your colleagues' efforts in
20 terms of developing that report. We
21 certainly will review it and consider the
22 recommendations. As we discussed, Pudding
23 Street is going this year, so we're very
24 pleased to see that.

1 I would say that, you know, while
2 CHIPS itself has been flat, we have increased
3 the amount of funding for paving specifically
4 over this period of time, including the
5 PAVE NY program as well as the federal aid.

6 So I think one of the conversations
7 perhaps we could have, especially pertaining
8 to your district, is the types of projects
9 and the number of projects that have gone on
10 over time.

11 ASSEMBLYMAN BYRNE: Okay. Thank you.
12 I appreciate it.

13 DOT EX. DEP. COMM. EPSTEIN: Thank
14 you.

15 CHAIRWOMAN KRUEGER: Senator Jessica
16 Ramos.

17 SENATOR RAMOS: Hi, how are you?

18 DOT EX. DEP. COMM. EPSTEIN: Good
19 morning -- good afternoon.

20 SENATOR RAMOS: I'm one of the new
21 State Senators, and I'm very much looking
22 forward to working with you. I think if
23 Assemblyman Byrne feels that you've been very
24 responsive to his district, I hope to get the

1 same deal.

2 DOT EX. DEP. COMM. EPSTEIN:

3 Absolutely.

4 SENATOR RAMOS: I do need your help.

5 We -- in my district we have 25A, which is
6 better known as Northern Boulevard. It
7 traverses the heart of my district. And it
8 has quickly become the new "Boulevard of
9 Death" in Queens. Over the past few years,
10 we've lost six children who cross Northern
11 Boulevard to go to school every day: Miguel
12 Torres, Giovanni Ampuero, Ovidio Jaramillo,
13 Luis Bravo, Jahir Figueroa, Noshat Nahian.
14 In fact, we have 11 schools with over 12,000
15 kids on or near Northern Boulevard, with
16 three more coming.

17 And I really am at a loss for how it
18 is that we can work to make Northern
19 Boulevard safer for pedestrians and cyclists.
20 And obviously while the cause of death of all
21 of those tragedies is unfortunately drivers
22 who fail to yield to pedestrians, I truly do
23 believe that we're in dire need of a redesign
24 of Northern Boulevard. And I would love to

1 know how you can help me do that.

2 DOT EX. DEP. COMM. EPSTEIN: So
3 certainly I agree with you that there are
4 engineering aspects that we need to do to
5 enhance bicycle and pedestrian safety. And
6 the other parts are also education and
7 awareness as well as enforcement.

8 I think what we'd like to do, since
9 I'm not specifically familiar with the
10 incidents that you're referring to, I think
11 it would be helpful if we actually sat down
12 and discussed the corridor that you're
13 referring to and what treatments can possibly
14 be done.

15 SENATOR RAMOS: Okay, yeah. No, that
16 would be great.

17 And then kind of a non sequitur, since
18 I have time, my other question is more around
19 design-build and I guess the fact that the
20 State DOT has such a broad use of it and has
21 been so successful in leveraging your ability
22 to have design-build to save time and money
23 on projects.

24 I would love to know your opinion as

1 to why the New York City DOT shouldn't be
2 afforded the same access to design-build.
3 And then perhaps why taxpayers should or
4 shouldn't be able to stretch their dollars in
5 that way too.

6 DOT EX. DEP. COMM. EPSTEIN: Sure. So
7 I am aware that New York City has
8 design-build authorization for two projects.
9 I cannot speak to -- again, this is authority
10 granted through the Legislature, so I can't
11 speak to, you know, the willingness or desire
12 to expand it to other activities within
13 New York City.

14 What I can say is that we're working
15 directly with them on projects where they do
16 have that authority.

17 SENATOR RAMOS: What are the two
18 projects?

19 DOT EX. DEP. COMM. EPSTEIN: One is
20 Rikers and one is the BQE.

21 SENATOR RAMOS: Okay, thank you.

22 Thank you, Madam Chair.

23 CHAIRWOMAN KRUEGER: Thank you.

24 Assembly.

1 CHAIRWOMAN WEINSTEIN: Assemblyman
2 Barclay.

3 ASSEMBLYMAN BARCLAY: Thank you,
4 Madam Chairman.

5 And thank you, Acting Commissioner,
6 for being here. Good afternoon. I want to
7 start off by I guess following my colleague
8 Assemblyman Byrne's -- I'm from the Syracuse
9 area. The regional office and Dave Smith,
10 who's the regional director, have been
11 excellent. They always get right back to us.
12 If they can help us, they do. If they can't,
13 they're communicative and tell me that they
14 can't, so --

15 DOT EX. DEP. COMM. EPSTEIN: I'll make
16 sure it doesn't go to their head.

17 ASSEMBLYMAN BARCLAY: I didn't want to
18 beat a dead horse; we've talked about this
19 right-of-way tax. But I am getting -- I want
20 to go on the record and say I oppose this and
21 I'm glad we took it out of the budget last
22 year. I hope we can do the same this year.

23 The one thing -- I mean, they already
24 pay a franchise tax. Isn't paying the

1 franchise tax the reason -- you know, since
2 they're paying that franchise tax, is there a
3 reason they have to do the right-of-way tax?

4 DOT EX. DEP. COMM. EPSTEIN: I think
5 the fees are serving different purposes.

6 ASSEMBLYMAN BARCLAY: You've answered.
7 You don't have to -- we've already talked
8 about that issue.

9 I've gotten a few constituents in my
10 office who have asked about permitting for
11 oversize loads. This is not so big that they
12 need police escort, but in between. A lot of
13 these companies are going through different
14 states, then they get to New York and they
15 get delayed because the permitting process is
16 delayed in New York. Are you having staffing
17 problems there? Why is it longer in New York
18 versus, I guess, others states?

19 DOT EX. DEP. COMM. EPSTEIN: So I'm
20 not exactly aware of that circumstance, but
21 I'm personally committed to working with you
22 and your office to understand who is having
23 issues and what we can do to alleviate that
24 situation.

1 ASSEMBLYMAN BARCLAY: Okay. And it
2 hasn't been a huge problem, but I've probably
3 had two or three constituents talk about it.
4 And when I say a delay, I'm talking about a
5 day or two. But if you have a driver looking
6 to go through New York, that's substantial.

7 DOT EX. DEP. COMM. EPSTEIN: Right,
8 yes. I'd be glad to follow up with you on
9 that.

10 ASSEMBLYMAN BARCLAY: Okay, thanks.
11 One of the big issues, as you're well aware
12 of -- I'm sure that you know -- in Central
13 New York is taking down the overpass, the
14 81 overpass.

15 DOT EX. DEP. COMM. EPSTEIN: Oh,
16 they've talked about that?

17 ASSEMBLYMAN BARCLAY: Have you heard
18 about that?

19 DOT EX. DEP. COMM. EPSTEIN: No, I'm
20 not sure I have.

21 (Laughter.)

22 ASSEMBLYMAN BARCLAY: Where does that
23 stand currently?

24 DOT EX. DEP. COMM. EPSTEIN: So we're

1 in the process of finalizing the draft
2 environmental impact statement for that
3 project.

4 ASSEMBLYMAN BARCLAY: All right. And
5 when will that be complete?

6 DOT EX. DEP. COMM. EPSTEIN: It should
7 be coming in the near future.

8 ASSEMBLYMAN BARCLAY: Can you be a
9 little bit more specific what the "near
10 future" means?

11 DOT EX. DEP. COMM. EPSTEIN: Weeks to
12 a few months. I don't have a specific date.

13 ASSEMBLYMAN BARCLAY: Okay. Within
14 six months, would that be accurate?

15 DOT EX. DEP. COMM. EPSTEIN: It should
16 be this year.

17 ASSEMBLYMAN BARCLAY: The last
18 question -- I don't necessarily know if you
19 can address this, but try -- has it been a
20 DOT policy, I've heard from contractors
21 talking about road repair and instead of
22 doing, you know, full rebuilds on roads, that
23 DOT is continually doing kind of quick fixes.
24 And that's fine, it's good to get something

1 done quickly. But sometimes rebuilds are
2 necessary. Obviously I imagine they're more
3 expensive. But has that been a policy that's
4 instituted in the DOT over the last few
5 years?

6 DOT EX. DEP. COMM. EPSTEIN: So if I'm
7 understanding correctly, I think what they're
8 referring to is a focus on keeping good
9 infrastructure in good condition. It may
10 cost \$50,000 -- I'm making up numbers for
11 discussion --

12 ASSEMBLYMAN BARCLAY: Understood.

13 DOT EX. DEP. COMM. EPSTEIN: --
14 \$50,000 to treat a certain roadway and keep
15 that in good condition for several more
16 years, as opposed to letting it denigrate and
17 then having to do a rebuild, which might cost
18 \$500,000. So the goal is to treat as many
19 lane miles as possible, as many bridges as
20 possible at the right window of opportunity
21 so it doesn't go to that next stage of
22 deterioration.

23 So you may be hearing from them on
24 that particular issue. That is what we would

1 consider good asset management practices.

2 ASSEMBLYMAN BARCLAY: All right,
3 thank you. Thank you, Madam Chairwoman.

4 DOT EX. DEP. COMM. EPSTEIN: Thank
5 you.

6 CHAIRWOMAN WEINSTEIN: Thank you.

7 I wanted to just acknowledge that
8 we've been joined by Assemblyman Walczyk.

9 Now to the Senate.

10 CHAIRWOMAN KRUEGER: Thank you. Our
11 next is Senator Leroy Comrie.

12 SENATOR COMRIE: Thank you, Madam
13 Chair.

14 I wanted to -- or good afternoon,
15 first.

16 DOT EX. DEP. COMM. EPSTEIN: Good
17 afternoon.

18 SENATOR COMRIE: I hope the
19 commissioner is okay. I just wanted to talk
20 to you about a couple of issues.

21 My district is bounded by the Van Wyck
22 Expressway, Belt Parkway, Cross Island
23 Parkway, Grand Central Parkway. I wanted to
24 talk to you about the Cross Island Parkway.

1 As you know, part of the Governor's plan is
2 to have the Islanders come to Belmont Park.
3 Cross Island Parkway, as you also know, is
4 one of the most crowded roadways in the city.
5 It's constantly backed up almost whatever
6 time of day. We need to get the Cross Island
7 Parkway expanded. There hasn't been any
8 plans put forth that I've seen about
9 expansion of the Cross Island Parkway. But
10 in order to ensure that those communities are
11 not inundated with side traffic going through
12 their communities, we need to expand the
13 Cross Island Parkway if the Islanders are
14 going to come and also do another 200 days of
15 events at the stadium at Belmont Park, so --

16 DOT EX. DEP. COMM. EPSTEIN: I'm a
17 Ranger fan, so we might have to talk about
18 that.

19 (Laughter.)

20 SENATOR COMRIE: You talk to the
21 Governor. The Governor wants the Islanders.

22 DOT EX. DEP. COMM. EPSTEIN:
23 Understood, sir.

24 SENATOR COMRIE: But I haven't seen

1 anything about it. I've been asking for it
2 at the ESDC hearings. It's an important
3 component that has to be done. So I hope
4 that your office is already working with ESDC
5 on a plan to expand the Cross Island Parkway.
6 And it's an ambitious plan, but it needs to
7 be done just because the time has already
8 passed for a project of that type.

9 Just -- so I hope that you can get
10 back to us with that. I spoke to the
11 commissioner when I met with him a week ago.

12 I just wanted to talk to you, just
13 wanted to echo what Senator Kennedy said
14 about making sure that there's equity for
15 upstate with the NFTA and with money that has
16 to be done, NFTA money and CNYRTA money as
17 well. It's important that we keep our
18 upstate economy flowing as well and that the
19 opportunities upstate are not bumped. As I
20 can tell you from a better borough person
21 that has had MTA projects that are
22 continually pushed back, I understand what
23 Tim Kennedy and the other upstate Senators
24 said, that other monies constantly that are

1 designated for projects get diverted for
2 other needs and obligations.

3 So I hope that we can lock that down
4 this year and that there's a consistent set
5 of funding for that.

6 You didn't talk about the bus and limo
7 safety at all and what you plan to do with
8 the Schoharie crash and what are we going to
9 do to make sure that that is eliminated. If
10 you could elucidate on that a bit, I'd
11 appreciate it.

12 DOT EX. DEP. COMM. EPSTEIN: So again,
13 let me first express my personal opinion
14 about how horrific that tragedy was. You
15 know, as a parent, as a son, you know, again,
16 I can't imagine the heartbreak that these
17 families are going through.

18 You know, I think there are a couple
19 of points here that we need to make. Number
20 one is that the Governor has proposed very
21 aggressive initiatives that would ensure that
22 a tragedy like this would never happen again.

23 One specific recommendation would be
24 to specifically ban the registration of these

1 types of vehicles in New York State. Under
2 the proposal, it would also increase the
3 criminal and civil penalties for
4 intentionally violating the law. It would
5 also allow us to work with our partner
6 agencies, it would give us explicit authority
7 to retrieve license plates so that these
8 vehicles can be taken off the road.

9 I think the Governor has put forth a
10 very sound plan to ensure that our children
11 and our relatives will be as safe as
12 possible.

13 SENATOR COMRIE: Thank you.

14 Just to change topics -- and I
15 appreciate that response -- as I asked
16 earlier, what reforms are you doing to ensure
17 that your construction costs and your
18 operating costs are minimized so that your
19 projects can be delivered on time and on
20 budget?

21 DOT EX. DEP. COMM. EPSTEIN: So I can
22 tell you that DOT has very aggressive
23 policies in place. The first thing,
24 obviously, is we would hope that you would

1 support the extension of design-build, which
2 is helping us deliver projects quicker and on
3 schedule, on budget.

4 SENATOR COMRIE: Do you have some
5 feedback on how design-build is being done on
6 time and on budget? There's some concern
7 about the usage of design-build and the
8 ability of folks to bid on subcontracts of
9 that and how MWBEs are able to impact on
10 that. Do you have any reports on that that
11 you can share with us?

12 DOT EX. DEP. COMM. EPSTEIN: I don't
13 have -- I know there was a report issued, I
14 believe it was last year. I don't have that
15 in front of me. What I can tell you is that
16 DOT has been very aggressive in terms of
17 working with primes and their subcontractors
18 to ensure that opportunity is available to
19 all firms that want to work, including the
20 WMBE community.

21 SENATOR COMRIE: Primes, yes. But I
22 would hope that the contracts are broken up
23 so that smaller GCs can be able to bid on it
24 as well and it's not all run through the

1 primes. Because as you know, that creates a
2 real problem with getting to 30 percent.

3 DOT EX. DEP. COMM. EPSTEIN: We're
4 also working within that community to develop
5 the companies so that they can be subbed. So
6 we're trying to develop not only the number
7 of WMBE firms but also where they're located
8 throughout New York State.

9 SENATOR COMRIE: And bonded?

10 CHAIRWOMAN KRUEGER: Thank you.

11 SENATOR COMRIE: Thank you. Thank
12 you.

13 DOT EX. DEP. COMM. EPSTEIN: Yes, sir.

14 CHAIRWOMAN WEINSTEIN: Assemblywoman
15 Simon.

16 ASSEMBLYWOMAN SIMON: So thank you
17 very much.

18 As you know, the New York City
19 Department of Transportation is in the
20 process of exploring proposals to reconstruct
21 the Brooklyn-Queens Expressway, which is in
22 my district and which brings a lot of traffic
23 to the Brooklyn and Manhattan Bridges. And
24 some actually to the Brooklyn-Battery Tunnel.

1 Now, this was built in the '40s and
2 '50s and has received minimal rehabilitation.
3 And I don't know -- I've had a conversation
4 with Commissioner Karas about this, but the
5 State Department of Transportation was
6 looking at this and engaged in a fairly
7 thorough process about 10 years ago, from
8 about 2008 to 2011, and then without much ado
9 left that process and has now kind of foisted
10 it on the city.

11 So my concerns are this, is that the
12 condition of the roadway is ever so much more
13 dangerous because of that. And the
14 fact that the city now proposed publicly two
15 alternatives, although they have said in the
16 Times that they expect in their environmental
17 impact statement process to consider four or
18 five or six possible approaches to the
19 reconstruction.

20 This is a great concern to the
21 residents in my district, particularly in
22 Brooklyn Heights, but also those
23 neighborhoods like DUMBO and Fulton Ferry
24 north of it, and Cobble Hill south of it, and

1 really anywhere along the corridor. Senator
2 Savino raised some issues about this earlier.

3 So my concern is that the two
4 approaches currently under review are both
5 horrific, with massive negative impacts to
6 communities and to people's quality of life.
7 And so I'm committed to ensuring that there
8 are plausible alternatives and that no stone
9 is unturned, but I'm very concerned about the
10 lack of state involvement in this process.
11 Now, I understand that the state has been
12 engaging to some extent, but I would really
13 like to know more about what the state is
14 doing to help ensure that the city has the
15 resources and the expertise it needs to
16 engage in a full process that would really
17 engage in a transparent way the residents of
18 my district who deserve answers on this and
19 deserve to know how their lives are going to
20 be affected by this.

21 What is the state doing at this
22 juncture?

23 DOT EX. DEP. COMM. EPSTEIN: So I
24 understand and appreciate your concern. What

1 I can tell you is that both the New York
2 State Department of Transportation and the
3 Federal Highway Administration is meeting
4 with the city regularly to provide advice and
5 counsel in terms of how to move through the
6 federally required environmental review
7 process, and how they need to carry multiple
8 alternatives through before anything is
9 dismissed. We're providing an extreme amount
10 of technical guidance and also helping them
11 support in terms of complying with the
12 legislation that was enacted last year
13 specific to this project.

14 ASSEMBLYWOMAN SIMON: And by that you
15 mean the design-build legislation.

16 DOT EX. DEP. COMM. EPSTEIN: That's
17 correct.

18 ASSEMBLYWOMAN SIMON: I guess my next
19 question is my communities don't see that,
20 and they need to see evidence that the state
21 is stepping up the plate and the federal
22 government is stepping up to the plate to
23 help City DOT.

24 Will you commit to participating in a

1 process where the community can ask questions
2 of the state with regard to its expertise and
3 what it is doing to help make this the least
4 impactful approach to reconstructing the BQE?

5 DOT EX. DEP. COMM. EPSTEIN: Well, I
6 think that's a conversation that we can have.

7 One of the things we do not want to
8 do, since this is a city-led project, we do
9 not want to prejudice the federally required
10 process that is underway, so by getting out
11 there and saying things that are outside of
12 what the city is working through.

13 ASSEMBLYWOMAN SIMON: I understand. I
14 certainly understand and respect that. My
15 concern is that the residents of my district
16 believe that the city is out there swinging
17 in the breeze without the necessary support,
18 and they would like to have an opportunity to
19 ask questions of and to learn more about the
20 support that the city is getting from the
21 state and the federal government.

22 DOT EX. DEP. COMM. EPSTEIN:
23 Understood.

24 ASSEMBLYWOMAN SIMON: And can I follow

1 up with you --

2 DOT EX. DEP. COMM. EPSTEIN: Yes, I
3 would love to have that conversation. Thank
4 you.

5 ASSEMBLYWOMAN SIMON: All righty.
6 Thank you very much.

7 DOT EX. DEP. COMM. EPSTEIN: No, thank
8 you.

9 CHAIRWOMAN WEINSTEIN: Thank you.
10 Senate?

11 CHAIRWOMAN KRUEGER: Thank you.
12 Senator Antonacci.

13 SENATOR ANTONACCI: Thank you.

14 First of all, I want to congratulate
15 your department on the 690 Bridge project.
16 I'm probably on it every day, and you guys
17 did a great job, and I know you ran into some
18 soil conditions.

19 My question, being from Syracuse,
20 involves 81. And I didn't hear Assemblyman
21 Barclay's question, but did he ask you when
22 the DEIS was going to be released?

23 DOT EX. DEP. COMM. EPSTEIN: He did.

24 SENATOR ANTONACCI: And you don't have

1 an exact date?

2 DOT EX. DEP. COMM. EPSTEIN: Don't
3 have an exact date, but it's in the near
4 future.

5 SENATOR ANTONACCI: In the near
6 future. Will that document include an
7 analysis of the increased traffic flow that
8 will -- if the 81 is knocked down and we go
9 to what is being proposed as a boulevard
10 option, will that document include an
11 analysis of the additional traffic going on
12 to 481 through DeWitt?

13 DOT EX. DEP. COMM. EPSTEIN: Traffic
14 modeling is part of the environmental review
15 process.

16 SENATOR ANTONACCI: Is there any
17 analysis of the increased traffic that could
18 potentially happen with the boulevard
19 option -- again, 81 coming down on the
20 waterways and the roads of Skaneateles? As
21 you know, Skaneateles is one of the cleanest
22 lakes in the world, not just Onondaga County.
23 Any analysis being done to the potential
24 effect in that community?

1 DOT EX. DEP. COMM. EPSTEIN: So
2 actually I cannot answer that one off the top
3 of my head, but I can get back to you on
4 that.

5 SENATOR ANTONACCI: Okay. I'd ask you
6 please get back to me on that.

7 DOT EX. DEP. COMM. EPSTEIN: Thank
8 you.

9 SENATOR ANTONACCI: Let's just go to
10 the day, and now we've got this huge decision
11 that's going to affect my community for
12 years. Who actually makes the decision on
13 whether or not 81 is built in place, replaced
14 properly within the new codes, or is knocked
15 down for a community grade -- who actually
16 will make that decision?

17 DOT EX. DEP. COMM. EPSTEIN: Well, I
18 guess I would offer it up this way. There's
19 been an extensive amount of public outreach
20 on this particular project. As you know,
21 there have been open houses and other forums.

22 We will go through the environmental
23 review process, the draft, and essentially
24 the state can make a recommendation to the

1 Federal Highway Administration. Ultimately,
2 when you say who will make a decision, I
3 think that's going to be a partnership in
4 terms of how it gets financed.

5 SENATOR ANTONACCI: And the federal
6 government, roughly 80 percent of the cost
7 would be financed by the --

8 DOT EX. DEP. COMM. EPSTEIN: Well, up
9 to. But it --

10 SENATOR ANTONACCI: Up to.

11 DOT EX. DEP. COMM. EPSTEIN: It could
12 be up to 90, since it's an interstate. But I
13 think those discussions have to happen.

14 SENATOR ANTONACCI: So there's not one
15 person that's going to make this decision,
16 you're not going to flip a coin, there's
17 going to be a partnership, potentially,
18 between the federal government and the state
19 government on a project of this nature?

20 DOT EX. DEP. COMM. EPSTEIN: It will
21 be a subject of conversations including the
22 Legislature.

23 SENATOR ANTONACCI: Okay, thank you.

24 I want to go to Centro -- wonderful

1 agency in my hometown, central transit. They
2 are estimated to receive about 1.8 million
3 under this budget, but they're informing me
4 that that will still result in about a
5 \$1.7 million operating aid gap. Eighty
6 percent of Onondaga County residents are
7 dependent on this. We're the 12th poorest
8 city in the country. And I'm afraid without
9 sufficient funding, you know, we're going to
10 eliminate some routes.

11 The New York State Public Transit
12 Association is proposing a five-year action
13 plan to provide predictable funding. Would
14 you support that proposal?

15 DOT EX. DEP. COMM. EPSTEIN: So I
16 think what the Governor's proposal does is
17 try to grow revenue year over year, and
18 that's one of the goals that is being
19 achieved in this budget.

20 SENATOR ANTONACCI: So is that you
21 would support that proposal?

22 DOT EX. DEP. COMM. EPSTEIN: Well,
23 what I can support is what's in the Executive
24 Budget, which would increase funding for

1 upstate transportation. It would be
2 \$11 million this year and then \$20 million
3 annualized thereafter.

4 SENATOR ANTONACCI: Is that part of
5 the surcharge on rental cars?

6 DOT EX. DEP. COMM. EPSTEIN: Correct.

7 SENATOR ANTONACCI: Okay. I want to
8 talk real quick about limousines. Nobody
9 wishes anybody any kind of harm, especially
10 when you go and trust your night to a
11 limousine operator. But there was clearly,
12 in my opinion -- and they're entitled to due
13 process -- criminal activity.

14 Are we actually over-exaggerating
15 what's happening to the limousine sector?
16 I'm told by a small business owner that every
17 vehicle that he owns will have to be
18 inspected every six months. I also am told
19 that that was defeated last year.

20 Why are we singling out limousine
21 operators for this kind of --

22 DOT EX. DEP. COMM. EPSTEIN: Actually,
23 the Governor's proposal is not limited to
24 limousines. It's limousines and larger

1 for-hire passenger vehicles.

2 I would say, you know, with a very
3 quick Google search you will see that these
4 types of vehicles, specifically that was
5 involved in this accident -- or I should say
6 crash, because that's what it was -- there
7 have been incidents around the country. They
8 have very poor access in terms of it --
9 getting out in an emergency. They're very
10 susceptible to side-impact crashes. There's
11 a lot of things out there that make these
12 vehicles, you know, if they're not
13 manufactured properly, dangerous.

14 So I would say I don't think we're
15 over-correcting here. I think what we're
16 doing is we want to make sure of two things:
17 We're leveling the playing field so that
18 those who are obeying the law have the same
19 opportunity to compete effectively, and that
20 we -- most importantly, we're ensuring the
21 safety of the people who book the services of
22 these carriers.

23 SENATOR ANTONACCI: Okay, two
24 questions if I can get them in. Are hearse,

1 funeral-home cars going to be part of this
2 law, every six months?

3 DOT EX. DEP. COMM. EPSTEIN: So what
4 would have to happen there in terms of
5 funeral homes is the drivers would be
6 subject -- and I should defer to DMV on this,
7 but I'll answer very quickly. They would
8 have to have a special license to carry
9 passengers. They're not part of the
10 inspection program or the operating authority
11 program.

12 SENATOR ANTONACCI: Madam Chair, I
13 just want to -- I think the question on
14 broadband has already been asked, is that
15 correct? Okay, then I'm all set. Thank you.

16 DOT EX. DEP. COMM. EPSTEIN: Thank
17 you, sir.

18 CHAIRWOMAN KRUEGER: Thank you.
19 Assembly.

20 CHAIRWOMAN WEINSTEIN: Assemblyman
21 Jacobson.

22 ASSEMBLYMAN JACOBSON: Thank you,
23 Madam Chair.

24 To have decent roads and streets is

1 budget as an accountant. You've got to look
2 at your budget and how it affects people. I
3 mean, it's brutal. So to cut out extreme
4 weather, it's like denying that climate
5 change doesn't exist {sic}. All right? So
6 it's so important.

7 Let me ask you a few specific
8 questions, a couple in my -- just beyond my
9 district. But also I want to mention that
10 it's so important because you have to
11 remember, in the budget for the towns in my
12 district, the AIM money is wiped out. It's
13 wiped out. You can't say, Oh, well, we'll
14 cut you a little bit there, you can do it on
15 your own. You can't. That money is wiped
16 out. Which is usually about -- around a half
17 a percent in a town's budget. Which is
18 nothing except when you have a property tax
19 cap that people want to keep under and when
20 you don't have the money. So it's crucial.

21 Now some specific projects. When is
22 Exit 131, Route 17, by Woodbury Commons,
23 when's that going to get going?

24 DOT EX. DEP. COMM. EPSTEIN: Well,

1 it's under construction now.

2 ASSEMBLYMAN JACOBSON: Well, yeah,
3 okay. But I mean what's your anticipation on
4 that?

5 DOT EX. DEP. COMM. EPSTEIN: When it's
6 going to be completed, you mean?

7 ASSEMBLYMAN JACOBSON: Yeah.

8 UNIDENTIFIED SPEAKER: November of
9 this year.

10 ASSEMBLYMAN JACOBSON: Okay. What
11 about expanding Route 17? This is out of my
12 district, but I get complaints anyway because
13 people like complaining to me. What about
14 expanding the Route 17 to three lanes?

15 DOT EX. DEP. COMM. EPSTEIN: Last year
16 there was a \$5 million add to the budget that
17 we're using to do preliminary engineering
18 work and environmental work to assess what
19 can be done in that corridor. We're waiting
20 for the results of that study, which should
21 be done in about a year.

22 ASSEMBLYMAN JACOBSON: Okay. And I
23 just have a small one that's a lot cheaper
24 than that, because we talked about the MTA

1 earlier. The Beacon train station is in my
2 district, and when the trains come in and
3 you've got to get -- now you go towards 84
4 and you want to get on the Newburgh-Beacon
5 Bridge, it's impossible. Because the way it
6 is now -- I don't know if you've ever been
7 there.

8 DOT EX. DEP. COMM. EPSTEIN: I have
9 been to Beacon.

10 ASSEMBLYMAN JACOBSON: You have, okay.
11 So going north on 9D and you're going to make
12 a left onto the bridge, they have two lanes
13 going north and one lane going into the
14 bridge. So what you've got to do is make two
15 lanes going into the bridge and one lane
16 going north, because that's where the traffic
17 is. All right? I've talked to some local
18 people on it, but I thought as long as you're
19 hanging out here, I should tell you.

20 DOT EX. DEP. COMM. EPSTEIN: No, I
21 appreciate it. Thank you very much.

22 ASSEMBLYMAN JACOBSON: Okay? Thank
23 you.

24 CHAIRWOMAN KRUEGER: Thank you.

1 Senator Kevin Parker.

2 SENATOR PARKER: Thank you very much.

3 Thank you, Commissioner, for joining
4 us today.

5 DOT EX. DEP. COMM. EPSTEIN: Thank
6 you.

7 SENATOR PARKER: I want to ask also
8 some questions about MWBE, a little bit along
9 the lines of Chairman Comrie's questions. I
10 wanted to kind of begin about a larger
11 question first, about what is the budget of
12 DOT suggested in the upcoming fiscal year?

13 DOT EX. DEP. COMM. EPSTEIN: For the
14 WMBE program?

15 SENATOR PARKER: No, just generally.

16 DOT EX. DEP. COMM. EPSTEIN: So
17 including federal aid, all in, our budget
18 this year is recommended at \$4.4 billion.
19 For highway and bridge --

20 SENATOR PARKER: Right. And what's
21 the goal for the Department of Transportation
22 as relates to MWBEs?

23 DOT EX. DEP. COMM. EPSTEIN: Well, we
24 always strive to hit a 30 percent goal where

1 it's feasible.

2 SENATOR PARKER: And that's 30 percent
3 of the 4.4?

4 DOT EX. DEP. COMM. EPSTEIN: No, it's
5 not, because most of our budget is supporting
6 federally aided capital projects.

7 SENATOR PARKER: So the MWBE number is
8 based on what?

9 DOT EX. DEP. COMM. EPSTEIN: It's
10 based on state funds, state contracts.

11 SENATOR PARKER: Which is what?

12 DOT EX. DEP. COMM. EPSTEIN: I don't
13 have that number off the top of my head, but
14 it's a very small number compared to the
15 overall budget.

16 SENATOR PARKER: Okay. So do we know
17 what the MWBE dollar amount, and
18 percentage-wise, for your agency was last
19 year? Or I guess in the current fiscal year?

20 DOT EX. DEP. COMM. EPSTEIN: Can I get
21 back to you on those numbers? I don't have
22 that with me.

23 SENATOR PARKER: Okay. Okay. Can you
24 talk a little bit about how you expect to get

1 to your number?

2 DOT EX. DEP. COMM. EPSTEIN: Sure. So
3 we actually have --

4 SENATOR PARKER: If you can lean
5 forward towards the microphone.

6 DOT EX. DEP. COMM. EPSTEIN: Oh, I'm
7 sorry. See, I broke it.

8 SENATOR PARKER: Add it to your
9 budget, the 4.4. Use the federal funds for
10 that.

11 (Laughter.)

12 DOT EX. DEP. COMM. EPSTEIN: We
13 actually work very aggressively. We have
14 something called the Work Smart NY program.
15 We're out there working with firms
16 potentially to get them accredited to do this
17 type of work so that they're available for
18 projects around the state. We also basically
19 review every contract to make sure that the
20 opportunities that are potentially available
21 are being maximized. And we hold forums and
22 workshops for specific projects that are
23 large in nature.

24 SENATOR PARKER: What are you doing

1 around access to bonding? Because I'm
2 hearing from a lot of MWBEs that that's in
3 fact a major issue in the context of trying
4 to secure MWBE opportunities.

5 DOT EX. DEP. COMM. EPSTEIN: Yeah, I'm
6 not sure we're involved in providing any
7 access to bonding.

8 SENATOR PARKER: Do you think that
9 that's something that you guys could look at
10 going forward, that the agency could in fact
11 figure out either who you're partnering with,
12 whether it's ESD or another agency, or -- you
13 know, but -- I'm just trying to -- is that --

14 DOT EX. DEP. COMM. EPSTEIN: My
15 understanding is ESD is doing that on behalf
16 of other agencies as well in terms of working
17 with the firms to try and get them bonded.

18 SENATOR PARKER: Do you have any idea
19 about what the breakdown is of the categories
20 in the MWBE, like many, both number and
21 percentage-wise, are women versus black,
22 Latino, Asian?

23 DOT EX. DEP. COMM. EPSTEIN: I
24 apologize, I really don't have that

1 information with me. But we can get it to
2 you.

3 SENATOR PARKER: Yeah, if you can get
4 me those things for the agency, that would be
5 very helpful.

6 DOT EX. DEP. COMM. EPSTEIN: I do
7 apologize.

8 SENATOR PARKER: All right. Thank you
9 so much.

10 CHAIRWOMAN WEINSTEIN: Assemblyman
11 Walczyk.

12 ASSEMBLYMAN WALCZYK: Thanks so much.
13 Nice to meet you across the bench here. I'm
14 from Watertown. I represent the front yard
15 of America. We have a long contiguous
16 border, the 116th Assembly District, with
17 Canada.

18 And we are experiencing extreme
19 weather right now, as you know, in my
20 district. I just want to reemphasize that
21 it's not acceptable to me that we eliminate
22 that \$65 million for extreme weather in this
23 budget. My hope is that we get that back.

24 But I do want to compliment you on the

1 regional staff. You know, Mr. Hennessey and
2 Mr. Flick and Mr. Kokkoris have been great to
3 work with -- I was on the Watertown City
4 Council previous to this. Super-sensitive to
5 local issues.

6 DOT EX. DEP. COMM. EPSTEIN: Thank
7 you.

8 ASSEMBLYMAN WALCZYK: And they've done
9 a great job and continue to do a great job
10 for you there.

11 I also want to say I hope that your
12 crews that are out in this weather especially
13 are being safe, and I hope that everybody
14 makes it home. I know that's in your heart
15 and soul as you've got people out there doing
16 a dangerous job that they don't always get
17 credit for.

18 DOT EX. DEP. COMM. EPSTEIN: Thank
19 you, sir. That's much appreciated.

20 ASSEMBLYMAN WALCZYK: Yeah, the
21 conditions there that certainly keep me home,
22 they're forced to go out and deal with them
23 as their job, so I just want to recognize
24 them there.

1 Our counties, as you know, are taking
2 on more and more bridges. And I've heard
3 from county highway superintendents that
4 using CHIPS funding is limited to in-house
5 work at \$250,000. Do you think that that
6 needs to be increased?

7 DOT EX. DEP. COMM. EPSTEIN: I
8 certainly think that's a conversation that we
9 should have as parts of the budget
10 negotiations. I do understand the ask that's
11 been made by the Superintendents Association.

12 ASSEMBLYMAN WALCZYK: Okay. Yeah, I
13 think that would be very helpful. They'd be
14 able to perform more in-house work, save the
15 taxpayer money at the local level, do it on a
16 schedule that makes sense for them and save
17 some of the bureaucracy that's currently in
18 place.

19 Thanks for BRIDGE NY, of course. It
20 has done some good work. But we're looking
21 at 70 percent of the bridges in my Assembly
22 district, you know, coming up in the next
23 10 years. And so that is certainly a --
24 watching that come off, these are things that

1 I think that we really need to push forward
2 in order to make sure that we're prepared for
3 that.

4 What can your department do to
5 encourage improvements to railway crossings
6 across upstate and rural New York? This
7 continually comes up for municipalities, even
8 in the City of Watertown when I was a
9 councilmember there.

10 DOT EX. DEP. COMM. EPSTEIN: Sure. So
11 again, if you have any municipality that's
12 interested in doing a grade crossing project,
13 we have what we call the Section 130 program,
14 which provides funding for specific
15 improvements to these locations.

16 ASSEMBLYMAN WALCZYK: Does that
17 include above-grade crossings as well?

18 DOT EX. DEP. COMM. EPSTEIN:
19 Grade-crossing elimination is a possible
20 eligible activity, yes.

21 ASSEMBLYMAN WALCZYK: Okay. And my
22 understanding is also -- so totally different
23 topic -- petroleum refining upgrades have
24 degraded the asphalt that we're now putting

1 down on our roads, sort of condensing the
2 timeline for the usefulness of a road. Is
3 that your understanding as well?

4 DOT EX. DEP. COMM. EPSTEIN: I
5 personally am not aware of that.

6 ASSEMBLYMAN WALCZYK: Okay. All
7 right. Aside from PAVE NY and BRIDGE NY and
8 Extreme Winter Recovery, CHIPS,
9 Marchiselli -- we've got a lot of different
10 pots of money that can go to assist, and
11 everyone has their own target. What can the
12 Legislature do to make it easier for towns
13 and villages and small municipalities in
14 rural New York to help themselves? What can
15 we do legislatively?

16 DOT EX. DEP. COMM. EPSTEIN: You know,
17 I think one of the beauties of like the PAVE
18 NY and the CHIPS program is that it is a
19 formula-based program, and basically they can
20 do the projects as long as it meets the
21 eligibility. There's very little, you know,
22 approval involved as long as it is consistent
23 with a project with a 10-year service life.

24 ASSEMBLYMAN WALCZYK: Okay. I

1 appreciate that.

2 And there's an issue coming your way.
3 Route 11 just outside of Indian River Central
4 School District -- you may be familiar -- the
5 general question here is why does it take so
6 long and why is it so difficult on state
7 routes for schools to reduce the speed limit
8 for safety?

9 DOT EX. DEP. COMM. EPSTEIN: So I have
10 enough information there to be dangerous. I'd
11 love to get back to you on that issue.

12 ASSEMBLYMAN WALCZYK: Okay. Yeah, I'd
13 appreciate a conversation afterwards.

14 And then finally, my final question as
15 my time expires here, in the Town of Orleans
16 all of the fingers pointed at the Department
17 of Transportation for some salt contamination
18 of our land and water there. What are you
19 doing, what steps are you doing to assure
20 residents that if they have a salt barn that
21 is owned and operate by the DOT that we're
22 not contaminating their area? What measures
23 are you taking?

24 DOT EX. DEP. COMM. EPSTEIN: So again,

1 I can't comment on that specific issue. But
2 what I can say is that in that specific
3 circumstance that you raise, the State of New
4 York has made available funds to remediate
5 the issue that has arisen. DOT has specific
6 barns that are made to ensure that the salt
7 does not seep into any groundwater or any
8 other facilities that may carry water bodies.

9 ASSEMBLYMAN WALCZYK: Thanks.

10 DOT EX. DEP. COMM. EPSTEIN: Thank
11 you.

12 CHAIRWOMAN KRUEGER: Senator Kennedy,
13 second lightning round.

14 SENATOR KENNEDY: Thank you.

15 Again, Deputy Commissioner, thank you
16 for your testimony, thank you for stepping up
17 in the absence of Commissioner Karas, and
18 thanks to your department for stepping in.
19 I'm told, I just received a message that the
20 DOT is on the ground in Buffalo, has sent
21 eight plows to help with the winter storm
22 removal, and it's my understanding there's
23 hopes of 10 more.

24 So as usual, you're stepping up to the

1 plate when we need it. We appreciate it. We
2 are extremely grateful.

3 DOT EX. DEP. COMM. EPSTEIN: Thank
4 you, sir.

5 SENATOR KENNEDY: Speaking of
6 storm-related issues, back to potholes.

7 DOT EX. DEP. COMM. EPSTEIN: Yes, sir.

8 SENATOR KENNEDY: And I'd just like to
9 know if you and your team are working on
10 advancing technological applications --
11 online websites, as has been put forward
12 legislatively. It's my understanding it
13 doesn't need to have a legislative fix, these
14 are things that can be done internally
15 through your department.

16 Is your department working towards
17 that goal? And can you give an update on
18 where that may be, if so?

19 DOT EX. DEP. COMM. EPSTEIN: So what
20 we currently do is we have an 800 hotline
21 that's available 27 hours -- I'm sorry,
22 24 hours a day, seven days a week. Some days
23 it feels like it's 27 hours. But that is
24 available, and we do our best, weather

1 permitting, to get to those potholes within
2 three days.

3 SENATOR KENNEDY: Is there movement
4 within DOT to establish an online reporting
5 system, an app that someone may be able to
6 utilize when they're out utilizing our --

7 DOT EX. DEP. COMM. EPSTEIN: So I
8 think it's something that, again, we can
9 continue to discuss. Personally, that's why
10 I have a 16-year-old, to help me understand
11 the technology aspects of today. But what I
12 would say is I'm not sure -- we'd have to
13 assess the benefit of having the online
14 reporting versus the existing system we have
15 today to see if that actually would help us.

16 SENATOR KENNEDY: I'd like to work on
17 that with you.

18 DOT EX. DEP. COMM. EPSTEIN: Sure.

19 SENATOR KENNEDY: Thank you.

20 DOT EX. DEP. COMM. EPSTEIN: Thank
21 you.

22 CHAIRWOMAN KRUEGER: Thank you.
23 Assembly.

24 CHAIRWOMAN WEINSTEIN: Thank you.

1 Assemblyman Ortiz.

2 DOT EX. DEP. COMM. EPSTEIN: Hello,
3 sir.

4 ASSEMBLYMAN ORTIZ: Hi, Commissioner.
5 Thank you very much. And I also would like
6 to thank you and your crew who came to my
7 district last year to visit the BQE, the
8 Gowanus Expressway, and also to really
9 witness exactly what I have been talking
10 about here about when the detours happen,
11 what are the consequences regarding the
12 people that live in my district.

13 And I have a quick question regarding
14 detours. Who makes the decision about to
15 detour vehicles to go through other sites?
16 For example, when they come from
17 Staten Island to the city, most of the time
18 they -- somebody has made the decision that
19 they have to move to 92nd Street, sometimes
20 to 7th Avenue and Fort Hamilton Parkway, and
21 sometimes Third Avenue. And that's really
22 been creating a very hazardous situation for
23 the constituents in my district. And that's
24 one question.

1 And whoever makes the decision, do
2 they work in conjunction with the New York
3 City DOT? And what steps they are taking in
4 order to make sure that pedestrians are
5 protected?

6 DOT EX. DEP. COMM. EPSTEIN: So first
7 of all, the safety of pedestrians is of the
8 utmost importance to the department. We go
9 to extraordinary lengths to make sure that
10 nothing we do will harm either the motorists
11 that use the facility or the pedestrians that
12 access the facility.

13 What I would say is that while I'm not
14 specifically familiar with the detour that
15 you're referencing, and I'll be glad to have
16 that conversation with you, what I can tell
17 you is that we work collaboratively when we
18 do projects with New York City -- or
19 depending on the other facility owners, it
20 could be the Port Authority and the MTA -- to
21 ensure that the detour is conforming to the
22 needs of the particular area and also is
23 avoiding other potential work that might be
24 going on in the vicinity so that we're not

1 creating a bigger problem.

2 This constant communication happens
3 probably at least every week if not sooner.

4 ASSEMBLYMAN ORTIZ: Well, the BQE has
5 about a 50-block stretch that turns right
6 down through the middle of my district, as
7 you know. You know, when the commissioner
8 was there, he witnessed that.

9 And beside that, we have about a total
10 of 12 schools on the -- adjacent to the BQE.
11 And in the last just few days, at the
12 beginning of the year, we do have some
13 fatalities that happened on Third Avenue. A
14 truck killed an individual on 50th Street and
15 Third Avenue. That happened January 1st.
16 January 17th, another individual, between
17 52nd and Third Avenue, as a result of the
18 vehicles going through Third Avenue. And we
19 had another big accident that happened on
20 Fourth Avenue.

21 And this is something that, you know,
22 we have to make sure that we work together,
23 because these detours that they place, not
24 only they go from Second, Third, Fourth, and

1 Fifth Avenue, well now they're going to Sixth
2 and Seventh, Eighth Avenue. And it's
3 creating a hazardous situation for my
4 constituents.

5 The last question I have is, does your
6 agency do any kind of emission study on the
7 BQE?

8 DOT EX. DEP. COMM. EPSTEIN: So as
9 part of the -- you're talking about the
10 city's project?

11 ASSEMBLYMAN ORTIZ: It's part of the
12 city.

13 DOT EX. DEP. COMM. EPSTEIN: When you
14 say the BQE, you're talking about the city
15 project or are you talking about in general?

16 ASSEMBLYMAN ORTIZ: No, I'm talking in
17 general terms. The BQE at the top, we have
18 so many vehicles I put 1010 WINS in the
19 morning and I -- by the way, I don't even
20 have to put 1010 WINS anymore, I can watch
21 from my house on 33rd Street down to Second
22 Avenue and I can see all the backup of
23 traffic.

24 And we have a big rate of asthma in my

1 district. And I had a meeting two weeks ago
2 in my district office, and constituents was
3 really asking about if there's any kind of
4 monitor that has been put in place to really
5 measure the amount of emission that is coming
6 out of the BQE as a result that we have tons
7 of cars. Plus in addition to that, we have
8 now a new facility that is going to be built,
9 there's going to be more trucking into our
10 neighborhood.

11 So we are very concerned about all the
12 schools that are in the district, the kids
13 that are missing school due to the asthma and
14 bronchitis situation. And we really would
15 like to have someone that can give us an
16 answer about who is responsible to do a --
17 put those mirrors to measure emissions in the
18 BQE.

19 DOT EX. DEP. COMM. EPSTEIN: And I
20 think that's a conversation we can have with
21 New York City together. I was under the
22 impression, and I may be wrong, but I was
23 under the impression personally that the city
24 was actually doing air quality monitoring.

1 ASSEMBLYMAN ORTIZ: Well, we're trying
2 to figure out who will be able to help us.
3 And if we can work in partnership, that will
4 be the best step, because we have Community
5 Board 6, Community Board 7, and community
6 board 10, and the three of them is being --
7 trying to make sure that we get something
8 done on this issue.

9 DOT EX. DEP. COMM. EPSTEIN: Sure, I
10 would welcome the opportunity to work with
11 you, sir.

12 ASSEMBLYMAN ORTIZ: Thank you,
13 Commissioner.

14 CHAIRWOMAN WEINSTEIN: Thank you.
15 Assemblywoman Fahy.

16 ASSEMBLYWOMAN FAHY: Thank you.
17 And thank you, Commissioner. Thank
18 you for being here. Appreciate that.

19 I missed some of your earlier
20 testimony, I'm sorry, with previously
21 scheduled meetings --

22 DOT EX. DEP. COMM. EPSTEIN: I can
23 give it again if you'd like.

24 (Laughter.)

1 ASSEMBLYWOMAN FAHY: I'm not sure
2 everybody else would agree with that.

3 But I did want to -- I know a couple
4 of my colleagues did mention the interest and
5 the support for upstate transit. We
6 appreciate that the 5.3 percent was put in
7 for this year, very much appreciate that.
8 But given some of the needs and given how
9 essential it is to our upstate economies,
10 particularly here in the Capital Region --
11 very proud of our CDTA and the growth that
12 they have experienced over the last few years
13 and how tied it is to getting people to
14 jobs -- I think even as much as doubling that
15 would be very important.

16 So again, appreciate where you've come
17 and very much want to echo the sentiments of
18 others on the support for that here.

19 Just a couple of other comments and
20 then just a question. On the limos,
21 obviously one of the most horrific accidents
22 in our recent memory, and we appreciate the
23 Governor's assertiveness on this and trying
24 to change things going forward to prevent

1 anything even close to that happening again.

2 But as a part of it, I would like to
3 have further conversations. I know the fees,
4 this every six months in terms of
5 inspections, while they have been there
6 before, my understanding is there's never
7 been a fee on it. So now for each limousine
8 that would be inspected, my understanding is
9 it's \$120 each time. That does seem a little
10 onerous for the owners. That's \$240 per
11 year.

12 Again, we want those vehicles
13 inspected -- fully support that, fully
14 support a number of the measures -- that has
15 come across as a concern.

16 We also heard from the school bus
17 drivers that they're being impacted by some
18 of the new proposed regs as well, the
19 minibuses and the suburban-type vans that
20 they use, and I'm --

21 DOT EX. DEP. COMM. EPSTEIN: So I
22 guess I welcome the opportunity to hear from
23 you, you know, at a later date in terms of
24 who may be impacted. But I can tell you the

1 school buses that are providing service under
2 contract to a school district, as well as
3 those obviously who are not for hire or who
4 are providing directly by the school district
5 itself, are exempt from the fee.

6 ASSEMBLYWOMAN FAHY: From the fee,
7 okay. That's very helpful.

8 DOT EX. DEP. COMM. EPSTEIN: And also
9 other regulations.

10 ASSEMBLYWOMAN FAHY: I think there was
11 also something with the towing, but I'll
12 follow up with you. And again --

13 DOT EX. DEP. COMM. EPSTEIN: That
14 would be great, yes.

15 ASSEMBLYWOMAN FAHY: And again, I
16 recognize the need for a fee. Clearly I
17 support a whole host of the proposals to
18 prevent any of these accidents in the future.
19 It's just wondering, you know, we don't want
20 to put anybody out of business that shouldn't
21 be out of business. We want to go after the
22 bad actors, not the ones who play by the
23 rules.

24 Then lastly, Complete Streets. And I

1 need to know -- your office and you have been
2 incredibly responsive to a number of our
3 inquiries on a whole host of issues, and I've
4 had a great working relationship with your
5 regional folks. You know that we have a lot
6 of aging baby boomers here and we have a lot
7 of millennials that we are hoping to attract,
8 and one of the ways is -- a big push here is
9 walkable communities. That's including
10 biking, hiking and pedestrian crossings.

11 I understand, and if you can clarify
12 this, that multimodal funding may be phasing
13 out. But I also want to work with you on the
14 Marchiselli program to incentivize as much of
15 those walkable communities and sidewalks as
16 possible. Maybe you can clarify for us some
17 of the multimodal funding that is being
18 phased out, particularly how we might improve
19 some of the Complete Streets to encourage --

20 DOT EX. DEP. COMM. EPSTEIN: Specific
21 To the multimodal, as you are aware, that in
22 terms of phasing out there were
23 appropriations that were made -- there were
24 four programs, and they have not been

1 reauthorized since by the Legislature. So
2 once the money's gone, it's gone.

3 However, sidewalks and other amenities
4 for pedestrians and bicyclists are eligible
5 as long as they're adjacent to a public
6 street. So that should not be an issue.

7 Where we have, you know, an inability
8 through the existing program is to put
9 sidewalks and other amenities on private
10 property. So that's the distinction.

11 ASSEMBLYWOMAN FAHY: Okay. And I
12 understand with Complete Streets in general,
13 while the intent of that law was just
14 terrific in 2011, we do want to work with you
15 to try to incentivize as much as possible
16 that we really -- not just on major
17 renovations, but we really do try to add in
18 these pedestrian crossings that are so
19 important, as well as the bike lanes and
20 other connectivity issues.

21 DOT EX. DEP. COMM. EPSTEIN: And as
22 you're aware, we've been working all over the
23 state, you know, providing these amenities.
24 We did an event together on Madison Avenue;

1 we also did one on Washington Avenue. We're
2 committed to enhancing the infrastructure
3 available for bicycle and pedestrian
4 end-users.

5 ASSEMBLYWOMAN FAHY: Okay. And we'll
6 follow up with you on those other matters.

7 Thank you again for being here, and
8 thanks your responsiveness.

9 DOT EX. DEP. COMM. EPSTEIN: Thank
10 you. Good to see you.

11 CHAIRWOMAN WEINSTEIN: Thank you.

12 Now we're going to go to seconds.

13 It's just the Assembly that has seconds.

14 Assemblyman Magnarelli for 3 minutes.

15 ASSEMBLYMAN MAGNARELLI: A couple of
16 quick questions.

17 Going back to what we talked about
18 right in the beginning, what is the value of
19 the contracts let by the DOT for state fiscal
20 year '18-'19.

21 DOT EX. DEP. COMM. EPSTEIN: The value
22 by DOT?

23 ASSEMBLYMAN MAGNARELLI: Right.

24 DOT EX. DEP. COMM. EPSTEIN: So I

1 don't have -- we're not done with '18-'19
2 yet, so I don't have that. But if memory
3 serves me correctly, it's going to be north
4 of a billion dollars.

5 ASSEMBLYMAN MAGNARELLI: Okay. And do
6 you have any value for the contracts that are
7 proposed for fiscal year '19-'20?

8 DOT EX. DEP. COMM. EPSTEIN: Not off
9 the top of my head. You're talking about
10 state-let projects?

11 ASSEMBLYMAN MAGNARELLI: Yes.

12 DOT EX. DEP. COMM. EPSTEIN: It will
13 be, again, north of a billion dollars.

14 ASSEMBLYMAN MAGNARELLI: Can you give
15 us any indication of what is the current
16 percentage of MWBE that signed contracts with
17 the DOT?

18 DOT EX. DEP. COMM. EPSTEIN: For the
19 future projects or --

20 ASSEMBLYMAN MAGNARELLI: Now and
21 future. What's the percentage now?

22 DOT EX. DEP. COMM. EPSTEIN: So most
23 of our projects are federally aided, so they
24 comply with the DBE requirements.

1 ASSEMBLYMAN MAGNARELLI: I need an
2 answer right now. What's the percentage?

3 DOT EX. DEP. COMM. EPSTEIN: So I
4 believe for the state-funded projects, which
5 is a very small portion, we are achieving
6 18 percent statewide. We're much higher in
7 areas where there's industries to support
8 additional opportunities. And we're working
9 to grow areas, especially upstate, so that we
10 can bring that average up.

11 ASSEMBLYMAN MAGNARELLI: Your planning
12 to grow. How do you plan on doing that?

13 DOT EX. DEP. COMM. EPSTEIN: Meaning
14 working to develop the WMBE contractors.

15 ASSEMBLYMAN MAGNARELLI: To develop
16 them?

17 DOT EX. DEP. COMM. EPSTEIN: Their
18 capacity to do work on state-funded
19 opportunities.

20 ASSEMBLYMAN MAGNARELLI: And the
21 Department of Transportation is doing that?

22 DOT EX. DEP. COMM. EPSTEIN: We do
23 workshops, we provide other training and
24 technical assistance to help them, you know,

1 create a firm.

2 ASSEMBLYMAN MAGNARELLI: Okay. I'm
3 going to go back -- I know there's been a
4 couple of questions on the fiber optic issue.
5 The Executive proposal includes legislation
6 that would authorize the DOT to enter into
7 agreements with fiber optic utilities to
8 charge for use of a DOT right-of-way. DOT
9 currently has contracts for use of its
10 right-of-way. Which contracts would the DOT
11 have to renegotiate if this legislation is
12 passed?

13 CHIEF COUNSEL McLACHLAN: So currently
14 firms who are occupying our right-of-way are
15 there by permit. Transportation corporations
16 which meet the definition under the
17 Transportation Corporation Law occupy for
18 free. Companies that don't meet that
19 definition do pay.

20 So this will give us an ability to
21 streamline and have a consistent program.
22 And we'll actually enter into contracts
23 rather than doing it by permit.

24 ASSEMBLYMAN MAGNARELLI: Okay. And

1 how much revenue would this raise?

2 DOT EX. DEP. COMM. EPSTEIN: The
3 Executive budget proposal assumes \$15 million
4 in 2020.

5 ASSEMBLYMAN MAGNARELLI: Fifteen
6 million?

7 DOT EX. DEP. COMM. EPSTEIN: One-five.

8 ASSEMBLYMAN MAGNARELLI: One-five,
9 okay. Do these -- oh, I'm sorry. Well,
10 thank you --

11 DOT EX. DEP. COMM. EPSTEIN: Well, I
12 think I'll answer your last question. It
13 will be redirected for upstate roads and
14 bridges.

15 ASSEMBLYMAN MAGNARELLI: Okay, thanks.

16 CHAIRWOMAN WEINSTEIN: And the final
17 questioner for DOT is Assemblyman Palmesano.

18 ASSEMBLYMAN PALMESANO: Yes, sorry,
19 just one more quick question or two
20 questions. One was based on your testimony.
21 You said earlier that 30 other states, on the
22 broadband issue, charge for using
23 right-of-ways. But we have to acknowledge
24 that these companies in New York pay the DOT

1 permit fees and also pay over \$200 million in
2 franchise fees to locals. And in other
3 states, it's my understanding if their
4 network's in the way, then states pay the
5 companies to move their assets. In New York,
6 the companies have to pay, so DOT avoids that
7 cost.

8 So given your statement, you said
9 "Well, broadband is exempt," which brings up
10 certain anti-competitive measures as well.
11 But can you sit here and say that there is no
12 negative impact and this can't in fact cost
13 in the deployment of resources?

14 DOT EX. DEP. COMM. EPSTEIN: Well,
15 again, I can't comment on how other state tax
16 structures work. I know New York is not the
17 only state with a franchise tax and some of
18 the other fees that you had mentioned.
19 Again, under the statute, they are prohibited
20 from passing this along to the consumer.

21 ASSEMBLYMAN PALMESANO: Relative to
22 the issue of the limousine proposals by the
23 Governor -- and I also want to say what
24 happened in Schoharie was a tragedy, it

1 should never have happened. And obviously
2 the owner of that company was not just
3 negligent but criminally negligent and should
4 be held accountable.

5 The concern I have, there's four
6 points that I'm concerned about that I want
7 to bring out and see if any of these were
8 considered in making the decision on the ban
9 of the stretch limousines.

10 First of all, because there are
11 legitimate business owners who are following
12 the law, doing the right thing, making sure
13 their drivers are safe, making sure they're
14 passing all the inspections, their vehicles
15 are safe to be on the road, doing everything
16 that's required -- let's have tough safety
17 inspections, of course, and inspection
18 inspections. So for these -- any thought
19 about this ban on stretch limousines, what
20 impact it would have on legitimate business
21 owners, the drivers and employees who work
22 for these organizations? So that the
23 businesses can go out of business, the
24 drivers can lose their jobs.

1 Also, I want to bring up the craft
2 beverage industry, the wineries, the
3 breweries and distilleries around the state.
4 In my district in the Finger Lakes, more
5 wineries than any other district in the
6 entire state. But a lot of people hire
7 limousines to go from -- they do the right
8 thing, so they're not drinking and driving,
9 and go from one place to the other. That
10 could possibly have a negative impact if
11 people can't use these limousines to go from
12 one place to another. But also -- so was
13 that taken into account in the decision to
14 ban limousines?

15 And also, did you ever think about now
16 people are going to just drink and drive,
17 they'll just drive themselves and they'll be
18 more apt to drink and drive? Which we know
19 how deadly serious that can be as well.

20 Those four points.

21 DOT EX. DEP. COMM. EPSTEIN: We
22 thought about every issue that you just
23 raised. And I think I need to do a better
24 job of explaining exactly what we're doing

1 here.

2 We're not talking about limousines as
3 most people view a limousine. We're talking
4 about extreme stretched vehicles that may not
5 have been stretched in accordance with the
6 manufacturer's design. So the brake lines
7 may no longer be appropriate, there might be
8 other issues associated with -- the exhaust
9 may no longer be appropriate, so you could be
10 poisoning the people inside. We're not
11 talking about the normal limousine.

12 I can tell you that within our program
13 we looked at this, and we do not have a lot
14 of these vehicles. So I think what we need
15 to separate out is the limousine that most
16 people think of when they lease something for
17 a prom or maybe unfortunately for a funeral,
18 from these extreme limos that are
19 extraordinarily long, difficult to drive.
20 And there are other vehicles such as party
21 buses that can perform the same exact
22 function without putting anybody out of
23 business or endangering anybody's health and
24 safety.

1 ASSEMBLYMAN PALMESANO: Okay. Thank
2 you.

3 DOT EX. DEP. COMM. EPSTEIN: Thank
4 you, sir.

5 CHAIRWOMAN WEINSTEIN: Thank you, and
6 thank you for your time here today.

7 DOT EX. DEP. COMM. EPSTEIN: Thank
8 you, Madam Chair.

9 CHAIRWOMAN WEINSTEIN: Next we'll be
10 hearing from the New York State Department of
11 Motor Vehicles, Theresa Egan, executive
12 deputy commissioner.

13 DMV EX. DEP. COMM. EGAN: Good
14 afternoon. I see Ron took care of this
15 microphone for me, so it's all broken in.

16 Good afternoon. I applaud your
17 tenacity, you all. I've been here for quite
18 a while, and it's really -- you guys do
19 yeoman's work. So thank you for still being
20 here.

21 Good afternoon. Thank you,
22 Chairperson Krueger, Chairperson Weinstein,
23 Chairpersons Kennedy, Magnarelli, and other
24 members of the Legislature, for inviting me

1 here today. I am Terri Egan, the executive
2 deputy commissioner for the Department of
3 Motor Vehicles.

4 Governor Cuomo's Executive Budget plan
5 provides \$396 million for DMV to support its
6 central office in Albany, 27 state-operated
7 offices, and 102 county-operated offices, and
8 it will enable us to continue our efforts to
9 improve overall customer service, protect
10 consumers, and promote traffic safety.

11 DMV will use the \$33 million increase
12 over last year's funding to accommodate more
13 in-office customer visits resulting from the
14 growing license renewal volume and our
15 continued implementation of the Federal REAL
16 ID Act, as well as to manage additional
17 federal mandates when testing for commercial
18 driver licenses.

19 Our average wait time in the state
20 offices remains under 30 minutes, and the
21 additional funding will allow us to, at
22 minimum, maintain this critical level of
23 customer service.

24 With regard to the federal REAL ID

1 Act, DMV started issuing a standalone
2 REAL ID-compliant document on October 30,
3 2017, and since that time we've issued over
4 1.3 million REAL ID-compliant licenses and ID
5 cards.

6 We also continue to improve our
7 website and our mobile phone user experience,
8 making it easier for customers to obtain
9 information and complete transactions online,
10 when and where it is most convenient for
11 them. Our website now receives more than
12 38 million visits a year and offers more than
13 60 online transactions and services. In
14 2018, customers performed more than
15 9.6 million transactions on our internet,
16 totaling nearly \$593 million. Moreover, our
17 electronic reminder program, which provides
18 email and text reminders to millions of
19 New Yorkers each year, has saved the state
20 nearly \$1 million this year alone in postage
21 through the elimination of mailed reminders.

22 In addition, DMV has developed an
23 interactive online document guide to help
24 customers determine what documents they need

1 to bring when applying for a new driver
2 license, permit, or non-driver ID card. This
3 is extremely helpful for customers wanting to
4 change their current document to an enhanced
5 or federal REAL ID. Since the rollout of the
6 New York State REAL ID, more than 2.1 million
7 customers have used the guide to prepare for
8 their visit to the DMV. In order to be
9 prepared with the documents necessary to
10 obtain a REAL ID, we highly encourage people
11 to use the document guide before coming in.

12 These initiatives are just some of
13 many underway that will modernize and
14 streamline the way DMV serves its customers.
15 As part of this approach, DMV has initiated a
16 multiyear system modernization effort that
17 will ultimately see all of DMV's major
18 computer systems replaced with
19 state-of-the-art technology. Already this
20 year we have updated workstations, testing
21 stations, and credit card devices in our
22 state and county offices. We've increased
23 network capacity and scanning capabilities,
24 we've improved the accessibility of our

1 website for people with disabilities, all in
2 an effort to improve performance and create a
3 better experience for our customers.

4 Partnering with several state agencies
5 through the Governor's Traffic Safety
6 Committee, DMV will continue its outstanding
7 work that has made New York's roadways some
8 of the safest in the nation. GTSC
9 distributes more than \$33 million in federal
10 funding annually to support traffic safety
11 initiatives, including enforcement efforts by
12 state and local law enforcement agencies
13 which combat impaired driving, distracted
14 driving, as well as other dangerous driving
15 behaviors.

16 In 2018, seat belt usage remained at
17 an all-time high, while efforts to improve
18 safety for our younger drivers, child
19 passengers, motorcyclists, and pedestrians
20 have made a positive impact as well.
21 New York continues to lead the way in
22 adopting legislation and promoting education
23 for all New Yorkers that result in safer
24 roads.

1 As a result of these efforts and many
2 others, fatality rates continue to drop here
3 in New York. Preliminary statistics show
4 again a continued decrease in fatalities from
5 2017 to 2018. New York is seeing these
6 reductions while the national trends show a
7 significant increase.

8 This year's budget proposal includes
9 legislation to further strengthen the safety
10 requirements for certain vehicles. The
11 proposal includes a ban on registration of
12 remanufactured stretch limousines, a
13 requirement for drivers to hold a commercial
14 driver license with a passenger endorsement
15 for operating a vehicle for-hire with eight
16 or more passengers, explicit authorization
17 for the Department of Motor Vehicles and
18 others to seize suspended license plates, new
19 requirements for public inspection stations
20 to report to DMV if a remanufactured stretch
21 limousine attempts to get an inspection at a
22 public station, a prohibition on U-turns for
23 for-hire vehicles and large vehicles, among
24 other things.

1 Looking forward, DMV will continue its
2 commitment to improve traffic safety, protect
3 consumers, innovate and improve our own
4 procedures, and maintain a high level of
5 customer service and provide convenient
6 options for our customers to complete
7 transactions. We remain strongly committed
8 to our core mission to serve the citizens of
9 New York.

10 Once again, thank you for this
11 opportunity to speak with you today. I
12 welcome any questions that you may have about
13 DMV and our plans for serving the people of
14 New York.

15 CHAIRWOMAN WEINSTEIN: Thank you.

16 We're going to go to the Assembly
17 Transportation chair, Assemblyman Magnarelli.

18 ASSEMBLYMAN MAGNARELLI: Thank you,
19 Madam Chair.

20 Thank you for being here.

21 DMV EX. DEP. COMM. EGAN: Thank you.

22 ASSEMBLYMAN MAGNARELLI: We appreciate
23 your coming.

24 The Executive proposal increases DMV

1 operation by \$33 million, as you said, or
2 14 percent. How will these funds be used?
3 How many additional employees will be hired?

4 DMV EX. DEP. COMM. EGAN: We're
5 anticipating about 158 additional employees.
6 And it's really for two purposes. The REAL
7 ID implementation, we are expecting increased
8 people coming in. To get an REAL ID or EDL,
9 it requires an in-office visit, and those
10 visits actually take longer. So this will
11 help offset that.

12 In addition, as many of you that have
13 been here before appreciate, we have a cycle
14 of license renewal volumes. It's four years
15 up, four years down. So we are approaching
16 the top of the pinnacle. So we have over
17 2 million expected people coming in to renew
18 their licenses also at the same time.

19 So that's in essence the majority that
20 makes it up. There are some NPS costs that
21 goes along with that also for the REAL ID
22 implementation.

23 ASSEMBLYMAN MAGNARELLI: So you
24 anticipated my next question: What is the

1 DMV doing to prepare for the REAL ID
2 compliance in anticipation of license renewal
3 cycles? So that's what this additional
4 \$33 million is for.

5 DMV EX. DEP. COMM. EGAN: Yeah, the
6 majority of that is exactly that.

7 ASSEMBLYMAN MAGNARELLI: Do you have
8 enough resources to maintain current levels
9 of service?

10 DMV EX. DEP. COMM. EGAN: We believe
11 so. We've worked long and hard with Budget
12 to look at what the length of our
13 transactions are, what we've seen as far as
14 growth, and also trying to survey our
15 customers to see, for those people that
16 aren't getting them right now, why not.
17 Oftentimes the answer is we have a passport,
18 we don't want to bother.

19 So we're taking all those factors,
20 trying to put it together and come up with a
21 plan. And we believe what we have proposed
22 this year will accommodate the additional
23 population that we will see in our issuing
24 offices.

1 ASSEMBLYMAN MAGNARELLI: Thank you.

2 Let's talk about cashless tolling a
3 little bit. How many registrations have been
4 revoked as a result of penalties related to
5 cashless tolling?

6 DMV EX. DEP. COMM. EGAN: We have
7 approximately -- again, it's a churn, if you
8 will.

9 Last year we had about 5400 requests
10 for suspension. And various things happen.
11 Once we get a request from the authorities to
12 suspend -- payment could be made actually
13 before we suspend. There are some that ask
14 for hearings, some don't, some eventually
15 pay.

16 So over the last 12 months we had a
17 request for about 5400 suspensions. And I
18 believe when we last looked in January there
19 were about 4700 suspensions as a result of
20 failure to pay tolls that were in existence.
21 And I think that was the beginning of
22 January.

23 ASSEMBLYMAN MAGNARELLI: What triggers
24 that? What do you think triggers that?

1 DMV EX. DEP. COMM. EGAN: Sure. What
2 happens is the authorities will work with the
3 toll payers when they have failed to pay a
4 toll. And there's a process, and I would
5 defer to the authorities as to what exactly
6 that process is.

7 But the regulations allow -- once
8 there are three toll violations within a
9 five-year period, the authorities can report
10 to us and request that we suspend the
11 registration of a vehicle. We do that, and
12 then we will then hear from the authorities
13 when it's time to lift it. Again, I assume
14 that's when payment has been reached with the
15 motorist.

16 ASSEMBLYMAN MAGNARELLI: Okay, so it
17 could be a relatively minor sum, the way I
18 think this through.

19 DMV EX. DEP. COMM. EGAN: There is not
20 -- our regulations do not have a set sum for
21 most vehicles. There is a sum in one
22 particular case. But it really is based on
23 the number of infractions within a five-year
24 period.

1 ASSEMBLYMAN MAGNARELLI: Okay. I've
2 had conversations with my district attorney
3 and -- his office, anyway, and they're very
4 concerned about what's happening with the
5 Stop DWI program. Counties have requested
6 that revenue from surcharges related to Stop
7 DWI programs accrue to a new fund dedicated
8 to the emission interlock monitoring program
9 and county Stop DWI programs. That's where
10 the monies go to.

11 How much funding do these programs
12 require? How much money does the DMV collect
13 from surcharges related to the Stop DWI and
14 emission interlock programs? How much money
15 does the DMV spend toward these programs?

16 DMV EX. DEP. COMM. EGAN: I don't have
17 the exact dollar figure that comes into the
18 Stop DWI, but it doesn't come into DMV. The
19 actually surcharges are submitted to the Stop
20 DWI programs. What GTSC does is we review
21 the Stop DWI plans every year. That is
22 something that we do do.

23 I am aware of the concern. We have
24 had some meetings with representatives of the

1 association as well as with the Executive,
2 and we certainly would commit to continue
3 with those conversations to see if something
4 can be done. But it would need to be a
5 legislative remedy.

6 ASSEMBLYMAN MAGNARELLI: Well, the
7 other thing is I'd like to have the Executive
8 with us on that if we're going to do it.

9 But what they're concerned about is
10 that these surcharges end up going to the
11 state. The surcharges get paid first, before
12 everything else. So if somebody stops
13 payment on some kind of a plan of paying off
14 their penalties, the local monies are the
15 last that come in. And the local monies are
16 getting smaller and smaller and smaller. So
17 the DAs are very concerned that even though
18 the DWI programs are working and DWIs are
19 down, in order to keep them down, you've got
20 to keep up enforcement and education.

21 If you don't have the monies to do
22 that, they're worried that things are going
23 to go back to what they were before. And
24 then we've got the new probably marijuana

1 impaired or -- you know, driving while
2 impaired type of penalties that are going to
3 come into play, and that's another problem
4 that just exacerbates the whole thing.

5 DMV EX. DEP. COMM. EGAN: Understood.

6 ASSEMBLYMAN MAGNARELLI: You know,
7 these are things that I'm concerned about and
8 would be looking for some answers and some
9 help from your department on as well.

10 DMV EX. DEP. COMM. EGAN: We'd be
11 happy to have those conversations. And it's
12 one of the things too -- we've also tried to
13 engage not only the Office of Court
14 Administration but the Magistrates
15 Association, because the judges do have other
16 alternatives to determine that the
17 fines themselves are being paid and not just
18 the fines and surcharges. But we'd be happy
19 to have those conversations.

20 ASSEMBLYMAN MAGNARELLI: Okay. I'm
21 going to look forward to that, okay?

22 Locally authorized scooters and
23 motorized bicycles. Okay, this is a big
24 thing lately. A lot of people a lot younger

1 than me, but they're all looking for
2 different modes of transportation. The
3 Executive Budget includes legislation that
4 would authorize localities to allow certain
5 scooters and motorized vehicles on roadways
6 within municipalities.

7 How does the Executive propose to
8 regulate these scooters and bikes? How were
9 the miles-per-hour limits determined? And
10 what is being done to ensure that scooters
11 and bikes are safe to operate?

12 DMV EX. DEP. COMM. EGAN: Very
13 excellent questions.

14 When we were approached with this,
15 recognizing that there was an interest in
16 doing it, we really went back and looked at
17 what was in the VTL now in regard to
18 low-speed motorcycles and what was permitted
19 and what was required, as well as what we did
20 with the Segway legislation. So much of what
21 you're seeing with the e-bikes and the
22 e-motorcycles was modeled after the Segway.

23 So the proposal that is before you for
24 consideration has some safety requirements in

1 it. You have to have a helmet. You have to
2 be at least 16 years old. Some commonsense
3 things, like you can't drive it impaired.
4 You can't -- the vehicle, the scooter, the
5 bike cannot exceed 20 miles an hour. It has
6 to obey the rules of the road. It's those
7 types of things that have been built into the
8 legislation. And we believe that it is
9 something that -- recognizing the desire to
10 have these on the road, that this is a good
11 way to manage them as proposed.

12 ASSEMBLYMAN MAGNARELLI: Okay, I just
13 have another minute to go here. But
14 autonomous vehicles, what is being done to
15 ensure autonomous vehicle tests are safe?
16 Why should New York State roads be used to
17 test them? What were the results of previous
18 autonomous vehicle tests in New York State?
19 Are there any demonstrations currently being
20 negotiated for 2019?

21 DMV EX. DEP. COMM. EGAN: Great
22 questions. The first two that were done were
23 done without incident. They happened safely,
24 without event. I was able to actually ride

1 in one. It was really quite an opportunity
2 to see what the technology can do.

3 We have had none so far this year, and
4 we are not in negotiation for any current
5 ones.

6 The purpose really is to allow another
7 two years for some of that testing to come to
8 New York. Anybody that's reading the papers,
9 you know, in many of the other states knows
10 that this is a technology that is coming. I
11 will tell you from wearing my traffic safety
12 hat for a moment, NHTSA, the federal highway
13 traffic safety group, has indicated that
14 94 percent of all of our fatal crashes have a
15 human element as a factor for it. So to the
16 extent that we can remove or at least
17 minimize that human element, we believe it is
18 a technology that will save lives. But we
19 believe it needs to be done in a safe manner.
20 So allowing this legislation as proposed to
21 go forward, it will allow us another two
22 years to really manage it and see if it is
23 something that we're ready to move forward
24 even after 2020.

1 ASSEMBLYMAN MAGNARELLI: All right. I
2 thank you very much.

3 DMV EX. DEP. COMM. EGAN: Thank you.

4 CHAIRWOMAN WEINSTEIN: Senate?

5 CHAIRWOMAN KRUEGER: Thank you.

6 Senator Kennedy, chair of
7 Transportation.

8 DMV EX. DEP. COMM. EGAN: Senator.

9 SENATOR KENNEDY: Thank you, Deputy
10 Commissioner, for your testimony and for your
11 service.

12 I want to start by recognizing our
13 friend from Buffalo who will be the next
14 commissioner of the DMV, Mark Schroeder, who
15 is no stranger to these chambers or this
16 great capital city.

17 DMV EX. DEP. COMM. EGAN: We're
18 excited to have him.

19 SENATOR KENNEDY: Yes, welcome,
20 Commissioner Schroeder.

21 I want to get into the autonomous
22 vehicles a little bit more. I know my
23 colleague already touched on it, and you did
24 eloquently as well. So the budget has

1 proposed legislation extending the pilot
2 program until April of 2021, and it would
3 also eliminate the "one hand on the steering
4 wheel" requirement after that date.

5 DMV EX. DEP. COMM. EGAN: Correct.

6 SENATOR KENNEDY: Considering
7 accidents that have occurred across the
8 country, are you confident that the
9 autonomous vehicle technology has advanced
10 enough so that our roadways can handle this
11 sort of new technology? Can you speak to
12 that?

13 DMV EX. DEP. COMM. EGAN: Sure,
14 absolutely. Great question.

15 I would point out right now, 1226, our
16 one hand on the wheel requirement, we are the
17 only state in the country that has that. So
18 really what we're saying, and I think by
19 proposing this for a two-year extender -- and
20 I apologize, I think I said 2020 earlier --
21 to 2021, it gives us another two years to
22 really investigate how this technology is
23 doing.

24 It is a situation that there have been

1 some very highly publicized crashes. But
2 again, there have been millions of miles
3 where these vehicles have been tested
4 absolutely incident-free.

5 So it's trying to find that right
6 balance of making sure we are moving forward
7 and creating opportunity here in the state
8 for very safe transportation and at the same
9 time not jeopardizing anyone in the way. So
10 we believe, as proposed, this is the best way
11 forward.

12 SENATOR KENNEDY: Excellent.

13 I want to talk a little bit about the
14 transportation network companies, the TNCs,
15 and the accessibility for individuals with
16 disabilities. When New York legalized TNCs
17 upstate, part of the legislation included a
18 task force to look into the issue of
19 accessibility and ridesharing.

20 Can you talk a little bit about the
21 progress on that? And I believe you held
22 roundtables. Can you talk about how those
23 roundtables went and the feedback that you
24 received?

1 DMV EX. DEP. COMM. EGAN: Absolutely.
2 Yes, and I first want to do a shout out to
3 our colleagues at OMH. They were absolutely
4 instrumental in allowing us to get this set
5 up and really get very good input from across
6 the state, in some pretty challenging weather
7 at times.

8 The roundtables have occurred from
9 Buffalo to Long Island. We've had great
10 representation both physically at the
11 meetings as well as through email comments.
12 We are in the process of putting together the
13 draft report. In fact, tomorrow we hope to
14 have the final meeting, with the final
15 recommendations being prepared and provided
16 as set forth in the statute very shortly
17 thereafter.

18 SENATOR KENNEDY: So do you have a
19 definitive date on those recommendations?

20 DMV EX. DEP. COMM. EGAN: We know that
21 the meeting tomorrow -- and ideally we'd like
22 to have that finalized. But again, because
23 it is a meeting and there will be further
24 conversation, I'll have a better answer for

1 you tomorrow at about 4 o'clock.

2 SENATOR KENNEDY: Timing is
3 everything, right?

4 DMV EX. DEP. COMM. EGAN: We'll let
5 you know as soon as we know something, yes.

6 SENATOR KENNEDY: So to that point,
7 can you speak at all at this point, or is it
8 premature, on any of the findings of that
9 plan? And, you know, whether or not we are
10 closer to providing an action plan for the
11 Legislature to consider moving forward.

12 DMV EX. DEP. COMM. EGAN: Sure.
13 Again, I want to be very careful and not
14 overstep some of the members who literally
15 just before I sat down were still making
16 comments on it.

17 But I do think that it was a very
18 robust process. There is some great
19 comments. And I do think that the team --
20 and I absolutely applaud the task force
21 members who have really come forward, and
22 that includes the TNC representatives that
23 were on the task force. I think there's
24 going to be some good representations for

1 everyone to consider.

2 SENATOR KENNEDY: Thank you.

3 And can you discuss any favorable ways
4 that may have been found to promote
5 accessibility? Have you looked at, as part
6 of this process, other states or
7 municipalities that have engaged in this
8 issue and made progress?

9 DMV EX. DEP. COMM. EGAN: I would say
10 that during the conversations, that same
11 question has come up, it has been explored,
12 it has been discussed. And again, not trying
13 to be difficult, but I really don't want to
14 overstep the task force's final
15 recommendations. But thank you.

16 SENATOR KENNEDY: That's all for now.
17 Thank you.

18 CHAIRWOMAN WEINSTEIN: Okay, thank
19 you. Assemblyman Barclay.

20 ASSEMBLYMAN BARCLAY: Thank you,
21 Chairwoman.

22 Thank you. And I particularly want to
23 thank you for the font used on this
24 testimony. It's great, easy to read.

1 (Laughter.)

2 ASSEMBLYMAN BARCLAY: I live in
3 upstate New York. I live north of Syracuse.
4 We've seen a large increase of the Amish
5 population. And I get asked a lot -- I
6 really don't know the answer, I've never been
7 able to get the answer: What are the -- are
8 there any regulations as far as their
9 buggies? Because obviously when it's snowy
10 out, I've had an accident from my house where
11 someone hit one. Fortunately, no one was
12 hurt. But I know there's religious freedoms
13 and that kind of stuff, but what are the
14 rules on regulating Amish buggies?

15 DMV EX. DEP. COMM. EGAN: Assemblyman,
16 I do believe that there are some having to do
17 with like slow-moving vehicles, that type of
18 thing, where it would fit in. If it would be
19 okay, what I'd like to do is follow up with
20 you after this and we'll get you that
21 information.

22 ASSEMBLYMAN BARCLAY: That would be
23 terrific. Thank you very much.

24 CHAIRWOMAN WEINSTEIN: Senate?

1 CHAIRWOMAN KRUEGER: Senator Jim
2 Seward.

3 SENATOR SEWARD: Thank you, Madam
4 Chair.

5 And Ms. Egan, I just want to say in
6 the time that you've been at the helm filling
7 in there at DMV in that capacity, you've
8 always been very responsive. We write to you
9 often; we always get an answer.

10 DMV EX. DEP. COMM. EGAN: Thank you,
11 Senator.

12 SENATOR SEWARD: I want to follow up a
13 bit on the autonomous vehicles question.
14 Under existing law, we had required some
15 reports around that. Even though you propose
16 putting it out another two years, are we
17 going to continue to receive reports? Or
18 when will the next one be issued?

19 DMV EX. DEP. COMM. EGAN: Yes, we will
20 continue -- I believe the report dates are
21 June 1. So we had done one June 1 of '18.
22 We will do one -- it may be a very short
23 report, depending on what happens between now
24 and June 1st of 2019, but we will continue

1 that reporting for you.

2 SENATOR SEWARD: Okay, good.

3 Now, in effect we have, to a certain
4 degree, autonomous vehicles already on the
5 road in terms of -- I'm thinking of the
6 technology in terms of parking in particular.
7 Do you see a difference between that kind of
8 limited autonomy and entirely an autonomous
9 vehicle in terms of how we will look at that
10 and in terms of the hand on the wheel
11 requirement?

12 DMV EX. DEP. COMM. EGAN: Absolutely.
13 The national societies have different levels
14 of autonomy that take into consideration
15 those driver-assist technologies that many of
16 us have now, whether it's even the slow-down
17 if you're on cruise control or the parking
18 one. We have to remind everybody when you're
19 engaged in the parking thing here in the
20 State of New York, please let your hands at
21 least be around the steering wheel so that
22 we're not in violation of 1226.

23 But it's a step. I mean -- and I
24 think that's what it is, it's a step getting

1 people used to using this technology. Having
2 done one of the test rides, it is very weird
3 to be sitting there and have your driver
4 turning around behind you and talking to you
5 while he's driving down the road at 60 miles
6 an hour.

7 So I think all of us, as this
8 technology develops, there's going to be a
9 learning curve for all of us. It creates a
10 whole new education, how we teach our younger
11 folks who are just learning to drive, how do
12 we test for all this. We're going to have to
13 adapt to that.

14 But you'll see different reports that
15 will say where we are and how soon we think
16 we're going to really have a vehicle that
17 doesn't have a steering wheel and doesn't
18 have a gas pedal and various other things. I
19 think -- personally, I think we're still a
20 ways away from that. And I think the
21 legislation as proposed now gives us that
22 opportunity to see where things progress and
23 where New York fits into that picture.

24 SENATOR SEWARD: Thank you.

1 Speaking personally, it's going to be
2 a long time before I'm going to take my hand
3 off the wheel no matter what.

4 DMV EX. DEP. COMM. EGAN: Yeah.

5 SENATOR SEWARD: I want to shift gears
6 and have a discussion about driver's licenses
7 for undocumented immigrants. Can we expect
8 to see from the administration a proposal
9 along that line?

10 DMV EX. DEP. COMM. EGAN: Again, I
11 think, as many you know who have been around
12 for a bit, when I first started state service
13 in '07, this was one of the first things that
14 I dealt with when I was at the Department of
15 Motor Vehicles.

16 Clearly it is an issue that there is
17 some very strong opinion on all sides of it.
18 And I think we need to recognize New York as
19 a diverse state with diverse communities and
20 it has diverse views on this. So I think
21 engaging in a legislative conversation and
22 having a legislative decision on this allows
23 not only everyone here, as representatives of
24 different parts of the state, to have a very

1 robust conversation, but ensures that all
2 communities and voices get heard. And then
3 we could have, through an explicit
4 legislative direction, I think have a good
5 path forward.

6 SENATOR SEWARD: Just one quick
7 follow-up on that issue. Are there any
8 contingency plans at DMV regarding -- you
9 know, in terms of registering to vote at the
10 same time when getting a driver's license?
11 Is there any contingency plan -- or can it be
12 done -- to not have undocumented immigrants
13 register to vote in New York State?

14 DMV EX. DEP. COMM. EGAN: It's a good
15 question, Senator. And certainly as we move
16 forward with a dialogue and we see what comes
17 through -- we have absolutely thought about
18 that, and we're engaging right now with our
19 IT folks to determine how best we would
20 manage that.

21 But yes, it is being considered and
22 there will be a plan.

23 SENATOR SEWARD: Thank you very much.
24 And again thank you for responsiveness at

1 DMV.

2 DMV EX. DEP. COMM. EGAN: Thank you
3 very much, Senator.

4 CHAIRWOMAN WEINSTEIN: Assemblywoman
5 Simon.

6 ASSEMBLYWOMAN SIMON: Thank you.

7 I have a question that's really -- it
8 might be budget-related, but -- a couple of
9 constituents have come to me, and as you may
10 know, I'm in Brooklyn, and we have had -- we
11 always have crashes. And we -- just last
12 year in my district, two moms were hit, they
13 lost their children. The one who was
14 pregnant lost her child thereafter as well.

15 And there's a real concern that the
16 motor vehicle manual, the driver's manual,
17 does not reflect any real attending to
18 pedestrians and driver safety.

19 And I was curious what plans you have
20 to revise the driver's manual and whether you
21 might consider adding some further
22 information about instructing drivers on how
23 to be aware of and protect pedestrians.

24 DMV EX. DEP. COMM. EGAN:

1 Assemblywoman, first I have to applaud you
2 and say thank you for saying "crash."
3 Everybody that knows me knows I have this pet
4 peeve; they're crashes and not accidents. So
5 thank you for that.

6 ASSEMBLYWOMAN SIMON: Thank you.

7 DMV EX. DEP. COMM. EGAN: I do think
8 that there is some material in the manual,
9 but we can always do better. So we do do
10 revisions of these, you know, periodically.
11 So we will absolutely take a look at that and
12 see what we can do.

13 ASSEMBLYWOMAN SIMON: Great. Thank
14 you so much.

15 DMV EX. DEP. COMM. EGAN: You're very
16 welcome.

17 CHAIRWOMAN KRUEGER: Thank you.

18 Senate?

19 CHAIRWOMAN KRUEGER: Senator
20 Antonacci.

21 SENATOR ANTONACCI: No, I'm set, thank
22 you.

23 CHAIRWOMAN KRUEGER: Senator Krueger.

24 So you wrote in your testimony that

1 New York's safety record is trending up when
2 many states' is trending down. Isn't it
3 possible that's because we're the only state
4 that makes you keep your hand on the wheel?

5 DMV EX. DEP. COMM. EGAN: I'm not sure
6 really that that's it. A lot of it has to do
7 with actually our alcohol numbers, our speed
8 numbers. Now, how much that really relates
9 to the hand on the wheel, I'm not sure, as
10 opposed to just making better decisions about
11 things.

12 But it is something here in the State
13 of New York where we are really very proud of
14 the decreases in fatalities that we have seen
15 when nationally it has gone up. I'm not sure
16 that we could attribute it to just 1226, but
17 I think there's a lot of other programs that
18 are going on with our partners that has
19 helped reduce those fatality numbers.

20 CHAIRWOMAN KRUEGER: And in the Public
21 Protection hearing there was a discussion
22 about cannabis and driving, and one of the
23 things that I pointed out that I don't think
24 people disagreed with was they're already

1 using cannabis in driving, it's just that we
2 have no rules and regulations applying,
3 because we pretend nobody uses cannabis when
4 we know that's not true. That's not my
5 question for you.

6 My question for you is, isn't it the
7 same story for undocumented people? We know
8 they're here, we know they're working in
9 upstate New York where they have to drive in
10 order to get to work. We know that the
11 agricultural sector reports 50 percent of
12 farmworkers are undocumented. So wouldn't it
13 be better that we knew they were having
14 driving tests and getting driver's licenses
15 and could be tracked by you and, if people
16 were not driving safely, you could do
17 something about it, as opposed to their all
18 being underground drivers?

19 DMV EX. DEP. COMM. EGAN: Can I answer
20 the cannabis part of that question first?
21 No, you raise a very good question, Senator.

22 And again I think, you know, since my
23 time here since 2007, and as this topic has
24 come up, there are various pros that are

1 articulated. I think you just articulated a
2 significant side of it. I know there is
3 opposing views in regard to how to manage
4 that.

5 And again I think, you know, having
6 this go through a legislative process where
7 all voices are heard, and eventually a
8 consensus and a direction forward, will put
9 New York on the right path.

10 CHAIRWOMAN KRUEGER: But not as a
11 policy question but as a factual question,
12 when someone doesn't have a driver's license
13 or they get pulled over or they get in an
14 accident or they don't have insurance --
15 because you need a driver's license, I think,
16 to get insurance -- that leads to -- there's
17 less that you can do about it, so it's --
18 right? You can't --

19 DMV EX. DEP. COMM. EGAN: It depends.
20 I mean, there's some aggravated unlicensed
21 provisions that would lead to some more
22 strict penalty. But we have unlicensed folks
23 now for various reasons -- for failure to pay
24 insurance, for an alcohol event, and various

1 other things. And it is a situation. It's
2 certainly a factor to be considered as the
3 conversation about licensure without regard
4 to lawful status continues.

5 CHAIRWOMAN KRUEGER: Thank you.

6 Thank you. The Senate's done.

7 CHAIRWOMAN WEINSTEIN: So thank you
8 for your testimony here today. And I'm sure
9 there's probably some follow-up questions
10 that we'll have for you.

11 DMV EX. DEP. COMM. EGAN: Thank you
12 very much.

13 CHAIRWOMAN KRUEGER: Oh, I'm sorry, I
14 skipped Senator Comrie by mistake. I
15 apologize, Senator.

16 SENATOR COMRIE: Just one short
17 question. If you're licensed -- I just got
18 my driver's license renewed just before the
19 REAL ID came out. For people like me that
20 you're asking to do the REAL ID, will it be
21 prorated, because it's till 2024 and --

22 DMV EX. DEP. COMM. EGAN: Yes. We
23 will -- depending on how you want to manage
24 it and when you come in, we will take care of

1 that.

2 SENATOR COMRIE: Okay. And just
3 quickly, I represent the district that
4 encompasses the Springfield Gardens DMV in
5 Queens and the Jamaica DMV, two of the
6 busiest in the state. And I hope that we can
7 get some more personnel in those two to meet
8 the 30-minute timeline. Because I can tell
9 you they're not meeting 30 minutes now, just
10 from volume.

11 DMV EX. DEP. COMM. EGAN: Understood.
12 And any given office on a given day is a
13 challenge. And again, that's why we do
14 underline "average."

15 But we certainly -- you know, to the
16 extent that you have any specific issues,
17 we'd be happy to talk to you about them,
18 Senator.

19 SENATOR COMRIE: Do you have rotating
20 employment opportunities that you list on
21 your website?

22 DMV EX. DEP. COMM. EGAN: You mean as
23 far as like a job sharing and job -- we are
24 investigating all different things. With

1 some of our longer-office-houred offices, we
2 offer those types of things. But yes, we
3 are -- especially with the challenge with
4 REAL ID, we're looking at different
5 alternatives for all of our offices.

6 SENATOR COMRIE: And just one thing --
7 the E-ZPass and the suspensions. Do you
8 notify the motorists that they're about to
9 get their license suspended if you've gotten
10 a complaint from E-ZPass or the Thruway
11 Authority? How does that work? Because I'm
12 very concerned that many people are not being
13 aware of their suspension, or there's no real
14 notification.

15 DMV EX. DEP. COMM. EGAN: Yes, we
16 do -- and I can get you the specifics. I
17 think our suspension notice goes out with a
18 date forward, I'm not sure if it's 10 days
19 ahead, that we'll say your license will be
20 suspended on X date in the event that you
21 fail to reach a resolution with your tolling
22 authority in regard to outstanding tolls.

23 And it is -- I will say oftentimes
24 when we hear this problem, it has to do with

1 motorists failing to let the DMV know when
2 they've changed their address. We take every
3 opportunity we can to remind people the VTL
4 requires you to let the DMV know within
5 10 days when you change your address.
6 Oftentimes the first time they're reminded of
7 that is when we have a toll issue.

8 So we are doing a lot of social media,
9 a lot of education, trying to do a lot of
10 outreach to remind people to please update
11 their addresses, because that's how we
12 communicate with you.

13 SENATOR COMRIE: Do you have an app
14 now? You said you're on the web. Do you
15 have a phone app for Android or the other
16 phone -- I don't name the other phone.

17 DMV EX. DEP. COMM. EGAN: To pay your
18 tolls?

19 SENATOR COMRIE: Right.

20 DMV EX. DEP. COMM. EGAN: We don't --
21 the payment and the negotiation of the tolls
22 themselves are done with the authorities. We
23 only do the suspension, and we take our
24 direction from the authorities.

1 SENATOR COMRIE: Thank you.

2 Thank you, Madam Chair.

3 CHAIRWOMAN KRUEGER: Thank you.

4 CHAIRWOMAN WEINSTEIN: So thank you
5 again for being here.

6 DMV EX. DEP. COMM. EGAN: You're very
7 welcome.

8 CHAIRWOMAN WEINSTEIN: And next we'll
9 be hearing from New York State Thruway
10 Authority, Matthew Driscoll, acting executive
11 director.

12 ACTING EXEC. DIR. DRISCOLL: Good
13 afternoon.

14 CHAIRWOMAN KRUEGER: Good afternoon.

15 CHAIRWOMAN WEINSTEIN: Thank you.
16 Begin.

17 ACTING EXEC. DIR. DRISCOLL: Chairs
18 Krueger, Weinstein, Kennedy and distinguished
19 members of the Senate and Assembly fiscal and
20 transportation committees. Thank you for
21 having me here today. My name is Matthew
22 Driscoll, and I am the acting executive
23 director for the New York State Thruway
24 Authority.

1 The Governor Thomas E. Dewey Thruway
2 is a 570-mile superhighway spanning New York
3 State and is one of the longest toll systems
4 in the United States. Underscoring its
5 importance to the state, region and nation,
6 our preliminary figures for 2018 indicate
7 that Thruway customers traveled approximately
8 8.3 billion vehicle miles on the highway,
9 averaging roughly 23 million vehicle miles
10 per day.

11 In addition to being the principal
12 artery of travel and commerce within New York
13 connecting many of our state's major cities,
14 the Thruway is a vital link to long-distance
15 interstate travel and provides the major
16 route of access to visitors to our state's
17 tourism anchors, including Niagara Falls, the
18 Finger Lakes, the Adirondacks, the Catskills
19 and New York City.

20 The 2019 Thruway Authority budget
21 represents a total financial commitment of
22 \$1.65 billion. In 2019, it is anticipated
23 that the Thruway Authority will replace or
24 rehabilitate 16 bridges and improve

1 approximately 141 lane miles of roadway. It
2 is a budget that is balanced, provides the
3 necessary resources to keep our patrons safe
4 while maintaining our facilities, and
5 maximizes funding for critical infrastructure
6 projects in our multiyear capital plan. In
7 fact, our credit rating was just upgraded by
8 Moody's for the first time in 22 years.

9 I'd like to update you on the progress
10 of the New NY Bridge project, which is one of
11 our nation's largest infrastructure projects
12 and a national model of design-build
13 construction. Both spans of the Governor
14 Mario M. Cuomo Bridge are now open to
15 traffic, while work continues on the bicycle
16 and pedestrian path. It's a one-of-its-kind
17 3.6-mile pedestrian trail connecting Rockland
18 and Westchester Counties. This project
19 remains within its budget of \$3.98 billion.

20 The 2019 Executive Budget includes a
21 reappropriation of nearly \$2 billion from the
22 special infrastructure account for the
23 Thruway Stabilization Program. These funds
24 will continue to support critical capital

1 investments, including the bridge and other
2 projects throughout the system. We
3 appreciate your continued support of the
4 bridge project and the recognition of our
5 systemwide capital needs. This support
6 enables tolls to remain at current levels
7 through 2020.

8 The authority continues to move the
9 state forward with its implementation of
10 cashless tolling. To date, we have completed
11 work at Grand Island, Harriman,
12 Spring Valley, New Rochelle, and the Yonkers
13 barriers. The remainder of the ticketed
14 system will be complete by the end of 2020.

15 In 2018, the Thruway Authority
16 initiated an aggressive education and
17 marketing campaign to support current and
18 future cashless tolling implementation. This
19 campaign to educate and promote E-ZPass usage
20 began in Western New York with an ad
21 featuring former Bills running back Thurman
22 Thomas and the sales of E-ZPass tags at our
23 cash toll lanes. We expanded this campaign
24 across the state, setting up information

1 tables at festivals, street fairs, farmer's
2 markets, the New York State Fair, and Thruway
3 service areas, to sell E-ZPass tags and
4 provide information and answers to the
5 public. This resulted in the sale of 198,000
6 E-ZPass tags in 2018. That's a 51 percent
7 increase in sales from 2017.

8 In addition to educating the public
9 and improving our marketing of cashless
10 tolling and E-ZPass, we've pushed our
11 contractor to upgrade customer service
12 operations of the Tolls by Mail system to
13 make the website easier to navigate and to
14 pay tolls, to enhance the look and added
15 information to the toll bill envelope, to
16 increase customer service phone capacity and
17 support staff, and to improve signage around
18 our existing cashless tolling locations.
19 This focused action and accountability plan
20 will continue going forward.

21 I'd like to take this opportunity to
22 thank the talented men and women of the
23 Thruway Authority for their dedication and
24 professionalism in bringing the highest

1 standards of safety and reliability across
2 the Thruway system.

3 Those that work out on the roadway
4 each day are key to our success, and they
5 deserve to have a safe work environment as
6 much as any other employee. And to that end,
7 Governor Cuomo has proposed in his Executive
8 Budget a public awareness campaign for
9 motorists highlighting the importance of
10 highway work zone safety.

11 This initiative aims to reduce the
12 number of highway work zone incidents
13 resulting from speeding, intrusions into work
14 zones, and any other conduct resulting in
15 injuries to our highway workers. Increasing
16 public awareness about highway work zone
17 safety protects not only the men and women
18 who work on our roadways, but also motorists
19 who travel each and every day.

20 In closing, please know that I am
21 personally committed to ensuring that the
22 Thruway Authority continues to play a vital
23 role in our state's economic expansion. We
24 strive to empower ingenuity and innovation by

1 demonstrating the impact that an effective
2 and a responsive government can have on the
3 lives of its residents.

4 So I thank you for your time, and I'm
5 happy to respond to any questions that you
6 may have.

7 CHAIRWOMAN WEINSTEIN: Thank you.

8 We're going to begin with our chair of
9 Corporations, Amy Paulin.

10 ASSEMBLYWOMAN PAULIN: Hello? Can you
11 hear me? Hey, how are you?

12 ACTING EXEC. DIR. DRISCOLL: Good.

13 ASSEMBLYWOMAN PAULIN: Welcome, and
14 thank you for coming. Just a couple of
15 questions, and you touched on some of it in
16 your remarks.

17 The open road tolling currently in
18 place on the Mario Cuomo Bridge has had some
19 controversy because of the cashless tolling
20 component and the violations and all. And I
21 know you made several revisions to the way
22 you did business there. So I guess a couple
23 of things, you know. What exactly have you
24 done? You know, how is it working? Has the

1 Thruway Authority reduced the \$100 violation
2 fees? Have you worked together with the MTA
3 to align some of the things you learned
4 through that experience to help so that it's
5 a statewide approach? Because cashless
6 tolling is obviously under their framework.
7 And I guess finally, regarding cashless
8 tolling, you know, is -- as far as law
9 enforcement and the connectiveness to
10 notifying the police about violations and
11 unregistered vehicles, how does that process
12 work exactly?

13 ACTING EXEC. DIR. DRISCOLL: Okay,
14 so -- well, let me start with what's been
15 done. And I acknowledge when I first arrived
16 at the Thruway there was a lot of controversy
17 with -- you know, around cashless tolling.

18 At that time we did a number of
19 things. First of all, we really engaged with
20 the public. So a lot of the ideas that we
21 initiated actually came from the public
22 themselves. As I mentioned in my opening
23 testimony, reworking the envelope so people
24 knew exactly what would be in that. The

1 signage to make it much more visible for
2 drivers knowing that they were entering, in
3 this case, the bridge and a cashless tolling
4 facility.

5 We have really held accountable
6 Conduent. I have visited their offices
7 personally on Staten Island, we demanded
8 action that's included upgrades to the
9 website, so people are able to pay quickly,
10 automatically. Demanded additional staff so
11 that those that were taking phone calls,
12 those numbers are now far greater than they
13 used to be.

14 But this whole issue -- and in my
15 remarks, again, I talked about what we
16 instilled in 2018, and it's going to continue
17 going forward. Because in some ways we're
18 very blessed in that most people in the
19 downstate area have E-ZPass. Conversely, in
20 upstate not as many people do. So it's a
21 real education program that we need to
22 continue to roll forward as we move towards
23 cashless tolling systemwide.

24 And that's going to mean that we need

1 to be very visible. We need to be marketing
2 the importance of cashless tolling and what
3 it brings. As an example, it gives the user
4 a 5 percent discount. So who doesn't want to
5 save money, right?

6 So, you know, that is a big part of
7 cashless tolling. The other is, and the last
8 part of your question is, you know, on the
9 enforcement side. There's a real balance
10 here, because the large majority of users of
11 the system, they pay. And then there's those
12 that don't, a very small number. And so we
13 try to understand and use, to the best we
14 can, a balanced approach to ensuring that
15 those that pay and those that don't have
16 access. And what I mean by that is that we
17 work with people throughout to ensure that
18 they understand the responsibility to pay.

19 You know, the process -- and the tolls
20 by mail is an example. The first bill goes
21 out -- if you go across the gantry and you
22 don't have E-ZPass, it goes out 30 days after
23 you've gone through it. You get a bill in
24 the mail and it includes -- it is that

1 payment for the toll, that's it. You pay it,
2 it's over. If it's not paid, we send another
3 bill 30 days after that. If it's paid on
4 time, there's no fees. The second bill has a
5 \$5 fee to it. If it's not paid, then the
6 third bill goes out 100 days after you went
7 through that facility. And it is at that
8 point that we add the fee. That's always a
9 great attention-getter, it seems to get
10 people to then respond. And we work it
11 through with people before it gets to the
12 collection phase. We don't want that. We
13 would prefer everybody would get an E-ZPass
14 and just pay up-front.

15 So I think it's important here to
16 recognize we have a responsibility certainly
17 to educate the public. I've asked in the
18 past the help of many of the legislative
19 members by distributing information last
20 year, and you've been kind and gracious to do
21 that to your constituency. So education's
22 going to be a real important factor going
23 forward with respect to cashless tolling.

24 ASSEMBLYWOMAN PAULIN: Just a question

1 related to that. You know, the staff gave me
2 a chart here and it indicates something that,
3 you know, we don't know if it's correct, but
4 it seemed surprising. And that is for the
5 2019 budget, and the pattern is from 2017,
6 it's anticipated that E-ZPass violations will
7 bring in roughly \$8 million of revenue, and
8 yet the violations for what seems to be the
9 cashless tolling outside of the E-ZPass is
10 going to bring in twice that.

11 And so it just seemed to be a little
12 strange to us that the violations for the
13 larger population would be half of what it is
14 for a very small population.

15 ACTING EXEC. DIR. DRISCOLL: Yeah,
16 well, again, I think it's -- the education
17 component is going to play importantly here
18 going forward. Those are projections. And
19 as you know, budgets have a life of their
20 own.

21 But the reality is that we would much
22 prefer to collect the toll, as aside from the
23 fees. That's why we work with everyone. You
24 may recall we did an amnesty program. There

1 was a bit of controversy relative to the
2 bridge early on, so I initiated an amnesty
3 program, and we gave everybody a chance to
4 start from zero. We wiped all that out.

5 So we're always going to have an
6 enforcement mechanism. That's not going to
7 go away. We can't have it go away,
8 because it's not fair to the people who do
9 pay. But we try to do that in a very
10 balanced way.

11 ASSEMBLYWOMAN PAULIN: And just one
12 final question, and that again relates to the
13 Tappan Zee. You know, you said in here that
14 it costs -- within budget, you know, 3.98.
15 And how much of that is debt to the Thruway
16 Authority? And in line with that -- or maybe
17 not in line with that, I don't know. You
18 know, we also know that, you know, we right
19 now are on a moratorium for a toll increase.
20 What's the process by which a toll increase
21 will be calculated, and what are the factors?
22 So looking at -- that's why I asked the first
23 question on debt.

24 ACTING EXEC. DIR. DRISCOLL: So at

1 this point there is no debt yet, because we
2 have not closed out the project. So that
3 answers that.

4 The second piece with respect to the
5 toll portion is, as I mentioned, the tolls
6 are held flat through 2020. The honest and
7 straight answer is that I'm not going to
8 tackle that issue until I get through snow
9 and ice in this winter. But there's a lot of
10 work that goes into how we do the analytics
11 of what projections may be. Traffic counts,
12 there's a whole host of work, and timely
13 work, that takes place to come to a point
14 where we determine what a level may be. We
15 are not there. We're not under pressure at
16 this point to do that.

17 But to be fair with you, that is
18 something that I will start thinking about
19 more broadly as we get into the springtime.

20 ASSEMBLYWOMAN PAULIN: And what about
21 the process? You know, the board, I'm
22 assuming, approves -- is there a public
23 portion of the process?

24 ACTING EXEC. DIR. DRISCOLL: Yeah.

1 And so one thing that I would certainly want
2 to have is a public process. That will go
3 into all my thinking how I shape a process
4 going forward. And I'm not there yet, but
5 yes, there will be certainly a public
6 component to that, most assuredly.

7 ASSEMBLYWOMAN PAULIN: Well, thank you
8 so much. I'm done with my questions, thank
9 you.

10 ACTING EXEC. DIR. DRISCOLL: Yeah, you
11 bet.

12 CHAIRWOMAN WEINSTEIN: Thank you.
13 Senator Seward.

14 SENATOR SEWARD: Thank you.

15 And thank you, Mr. Driscoll, for being
16 here today and for your responsiveness in
17 this position at the Thruway Authority and
18 your various positions you've had in state
19 government.

20 I wanted to zero in on the cost of the
21 new Governor Mario M. Cuomo Bridge. Can you
22 reconfirm what the cost of the bridge is, or
23 will be, and that it will not contribute to
24 the need for a systemwide toll increase?

1 ACTING EXEC. DIR. DRISCOLL: So any of
2 the costs associated with the bridge will not
3 be paid for by the rest of the system. That
4 bridge project is not complete. Quite
5 honestly, until we have all sunk costs, we
6 will not go out and do our final issuance.
7 Because we want to get it right, because
8 every nickel counts. So I can tell you that
9 the bridge will be separate from the rest of
10 the system.

11 SENATOR SEWARD: Okay, thank you.
12 That's good news for those that use the rest
13 of the system.

14 Isn't a financial plan for the new
15 bridge, isn't that overdue? Are we going to
16 receive a financial plan for that, or will
17 that await the completion of the bridge?

18 ACTING EXEC. DIR. DRISCOLL: Well, we
19 know at this point that the state received a
20 \$1.6 billion TIFIA loan.

21 I mentioned the Stabilization Fund
22 that was appropriated by this body that's
23 gone a long way -- and that, quite honestly,
24 is how the tolls have been able to be held

1 flat. That was \$2 billion; we used
2 \$1.2 billion of that towards the bridge and
3 the \$800 million towards capital projects
4 going forward. Did a bond issuance in 2016
5 of \$850 million, and so we still have one to
6 go. But as I say, we're not going to go out
7 and do an issuance till we know what the sunk
8 costs are. Every nickel counts.

9 And so until that time, and we are in
10 the throes still of completing the shared-use
11 path or the bicycle/pedestrian path that I
12 described, I think it would be unwise to
13 develop a full plan until we have all the
14 sunk costs.

15 SENATOR SEWARD: Thank you.

16 Are you familiar with the New NY
17 Bridge Toll Advisory Task Force?

18 ACTING EXEC. DIR. DRISCOLL: Yes, I've
19 heard a little bit about that. Yes.

20 SENATOR SEWARD: I think the Governor
21 had announced that in late 2015. Have they
22 ever met, or do you anticipate --

23 ACTING EXEC. DIR. DRISCOLL: They have
24 never met. When that was originally bantered

1 about, I was at the Department of
2 Transportation at that point. But then the
3 Legislature appropriated the \$2 billion, so
4 it -- there was no need to meet.

5 And that's why, going forward,
6 whatever name is derived -- a commission, a
7 task force, what have you -- you know, it's
8 more important to get it right. And I want
9 to put the proper thinking into place on what
10 that process shapes out to be. But to answer
11 your question, no, that body has never met.

12 SENATOR SEWARD: So you're saying
13 there wasn't a need to meet, is that --

14 ACTING EXEC. DIR. DRISCOLL: Yeah,
15 because the \$2 billion was appropriated.
16 That's what kept tolls flat and also
17 contributed to the construction costs of the
18 project and added, you know, \$800 million to
19 the capital program. So that was very
20 welcome.

21 SENATOR SEWARD: And my final question
22 is asking you to comment on any operational
23 savings or financial improvements that have
24 taken place at the Thruway Authority over the

1 last few years. Is the authority's financial
2 condition stronger today, and what is the
3 opinion of the bond rating agencies?

4 ACTING EXEC. DIR. DRISCOLL: We are --
5 as I just described, we actually received the
6 first upgrade in over 20 years from Moody's.
7 We are on solid footing, and we are actually
8 doing, I think, very good work based upon all
9 of our analysis with respect to the system
10 and needs, and not only maintaining but
11 enhancing that.

12 So I feel good about where we are.
13 But certainly, you know, we'll continue to
14 shape out financial plans. We'll be using a
15 lot of data to help do that as we move
16 forward.

17 SENATOR SEWARD: Thank you.

18 ACTING EXEC. DIR. DRISCOLL: Thank
19 you.

20 CHAIRWOMAN WEINSTEIN: Thank you.

21 Assemblyman Barclay.

22 ASSEMBLYMAN BARCLAY: Thank you,
23 Chairwoman.

24 And welcome, Executive Director.

1 Thanks for your testimony so far. I have two
2 questions. The first one is involving the
3 Welcome Centers.

4 As you may be aware of, the state is
5 in the process of opening I think 11 Welcome
6 Centers across the state. I think two or
7 three are going to be on the Thruway?

8 ACTING EXEC. DIR. DRISCOLL: Three.

9 ASSEMBLYMAN BARCLAY: Three.

10 ACTING EXEC. DIR. DRISCOLL: Are.

11 ASSEMBLYMAN BARCLAY: And you may have
12 seen they're -- are they already opened or
13 are they --

14 ACTING EXEC. DIR. DRISCOLL: They are
15 open, yes.

16 ASSEMBLYMAN BARCLAY: They are opened.
17 You might have saw an article, I think it was
18 last summer, about -- the article up in --
19 the Adirondack Welcome Center cost something
20 like 18 -- it was pretty substantial --
21 \$18.2 million. Has the Thruway Authority
22 done any study to kind of see what the return
23 is on this type of investment?

24 ACTING EXEC. DIR. DRISCOLL: Well,

1 they're all really very new, so we have not
2 undertaken that.

3 But the larger picture is if you talk
4 to folks out in the regions, and
5 businesspeople, as I have, you know, they
6 really see these as an opportunity to promote
7 the tourism agribusinesses and artisans, you
8 know, within the regions. I think people are
9 very pleased with them. We are finding and
10 getting wonderful comments from people all
11 over the world who are utilizing and visiting
12 these facilities. And so I think that
13 they're really being helpful to support the
14 state's tourism industry, which as we all
15 know is a \$100 million industry. And
16 certainly, Assemblyman, in your region,
17 tourism plays a major role as well, as it
18 does in everybody's.

19 So we see this as a very valuable
20 asset that's helping to promote and encourage
21 growth in New York's tourism industry.

22 ASSEMBLYMAN BARCLAY: Fair enough. Do
23 you have any measurement of how many people
24 are -- I guess I've never been to one. Are

1 they separate than a rest area, or are they
2 part of a rest area?

3 ACTING EXEC. DIR. DRISCOLL: No,
4 they're separate from a rest area.

5 ASSEMBLYMAN BARCLAY: Where are they
6 on the Thruway?

7 ACTING EXEC. DIR. DRISCOLL: We have
8 one in Grand Island that just opened just
9 about two months ago, perhaps. We have one
10 right here in the Capital Region just south,
11 and that just opened as well. And then we
12 have the Mohawk center that's west of here.

13 And the numbers are good. I can't
14 recite them to you factually here; I'm happy
15 to get you that information.

16 ASSEMBLYMAN BARCLAY: Okay. Thanks.

17 The other question I had, yesterday we
18 had the state IT person here testifying and I
19 asked him the question about data collection
20 by the state and is there any protection for
21 citizens of New York State that that data is
22 not going to be used in some manner that, you
23 know, wouldn't be helpful to the citizen.

24 Does the Thruway Authority have any

1 policies in place regarding any of the data
2 collected through the E-ZPass system or any
3 other system, for that matter?

4 ACTING EXEC. DIR. DRISCOLL: Oh, we
5 sure do. We sure do. Because it's --

6 ASSEMBLYMAN BARCLAY: What is it?

7 ACTING EXEC. DIR. DRISCOLL: You know,
8 it's financial information relative to our
9 customers. So we have a lot of belts and
10 suspenders around that. We protect that
11 doggedly. And so we have a very -- I think a
12 very successful system with that.

13 ASSEMBLYMAN BARCLAY: So you have it
14 for protection against -- I guess
15 cybersecurity of anyone breaching.

16 ACTING EXEC. DIR. DRISCOLL: Sure,
17 absolutely.

18 ASSEMBLYMAN BARCLAY: But how about
19 just using it for, you know, selling the -- I
20 don't think you -- hopefully you don't sell
21 the information, but using it for other
22 purposes other than what the consumer thinks
23 you're gathering that information for?

24 ACTING EXEC. DIR. DRISCOLL: We don't

1 use if for any other purposes except for
2 those that are using it for billing purposes.

3 ASSEMBLYMAN BARCLAY: Okay. Thank you
4 very much. Thank you.

5 CHAIRWOMAN WEINSTEIN: Senate?

6 CHAIRWOMAN KRUEGER: Thank you.

7 And we have our two chairs. Leroy
8 Comrie is chair of Authorities, first
9 questions.

10 SENATOR COMRIE: Good afternoon,
11 Commissioner Driscoll.

12 I wanted to ask you a couple of
13 questions on, number one, the Mario Cuomo
14 Bridge. Do you have a breakdown of MWBE
15 participation or contracts and a dollar
16 amount for that?

17 ACTING EXEC. DIR. DRISCOLL: So on
18 that project, it's been very successful on
19 the MWBE portion. You know, we did -- on
20 that project, 10 percent on the federal side
21 of the total project was committed to DBE.
22 On the Thruway side system, we're a little
23 north of 14 percent overall.

24 There is a distinction with our

1 authority versus some others. We don't do
2 vertical construction per se, we do
3 horizontal work. But I think that there's
4 room for improvement there, so I'm pleased to
5 report to you I actually just brought in some
6 new leadership in that area, so we're taking
7 another look at how we approach our MWBE
8 program and goals going forward. We just set
9 our goals just recently.

10 SENATOR COMRIE: I appreciate that.
11 And given your massive capital obligations, I
12 think there's a real opportunity to increase
13 those goals. And do you have a bonding
14 project or program as part of your authority,
15 or is that separate?

16 ACTING EXEC. DIR. DRISCOLL: We don't.
17 And I know that was asked earlier; I happened
18 to hear that. I think that that's something
19 worth discussing.

20 One of the challenges that I see after
21 a year here now, for our folks, as I
22 mentioned, we have horizontal work -- large
23 paving, if you will -- is the capital costs
24 associated with the equipment required to do

1 that kind of work. So I recognize that and
2 would like to entertain a conversation with
3 ESD, as I think DOT might have suggested, on
4 the broader kind of outline of how you look
5 at some of the bonding opportunities that
6 might be made available for subs and smaller
7 contractors, you know, to be successful in
8 state procurement.

9 SENATOR COMRIE: Appreciate that.

10 And do you have a breakdown of all
11 your capital projects that you're going to
12 have in the next five years, and can you send
13 that to us?

14 ACTING EXEC. DIR. DRISCOLL: I don't
15 have them with me, but yes, I can provide
16 those.

17 SENATOR COMRIE: Great.

18 Okay, cashless tolling. As you may
19 know, we tried to do a couple of bills to
20 deal with the issues of cashless tolling last
21 year when the cashless tolling was first
22 implemented in the New York City area and we
23 had many constituents that wound up having a
24 license suspended when they did not know that

1 their credit card number had changed or that
2 they changed address and it was going to an
3 incorrect place.

4 And I wanted to know, why did it take
5 so long for an amnesty program to happen for
6 that project? And why was there such a
7 difficulty, as opposed to with the Mario
8 Cuomo Bridge, when an amnesty program was
9 created almost immediately?

10 ACTING EXEC. DIR. DRISCOLL: Well, I
11 can't speak to the difficulty prior -- if
12 there was any -- prior to my arrival. But,
13 you know, within a couple of months it became
14 clear to me that that's a direction that we
15 should move in, and that's what we did.

16 So we instituted that amnesty program.
17 It was very successful. It certainly got a
18 lot of people's attention. And that again is
19 the important piece of it which is going
20 forward -- because I've said we won't be
21 doing any more amnesty programs -- the
22 education piece going forward to ensure that
23 the public understands how cashless tolling
24 works.

1 You know, in addition to that, we
2 lowered the fee. That was something that I
3 also thought was a little high. It was \$100;
4 it's now \$50 across the state.

5 But again, it's important to
6 understand that we have to have balance on
7 how we address this issue. As an example, we
8 just don't go and ask for a suspension
9 issued. I described earlier the process on
10 tolls by mail. You know, you get your first
11 bill in 30 days, pay it. If you don't pay
12 it, you get another one 30 days after, so
13 that's 60 days. If we don't get anything
14 there, then it's after 100 days we'll send
15 that violation notice out with that fee, that
16 \$50 fee attached to it.

17 Registration suspension does not come
18 into play till well after a collection phase.
19 And if that's unsuccessful, that's where in
20 fact that would take place.

21 So I believe that as we continue to
22 educate motorists and particularly our
23 customers, that we're going to see those
24 numbers drop. And as I mentioned earlier,

1 that's our goal. We would prefer just to
2 collect the toll rather than go through what
3 becomes an expensive proposition for the
4 authority by mailing multiple times, you
5 know, and engaging with a collection agency.

6 So from a business standpoint of view,
7 we would prefer that people used E-ZPass
8 because it's the simplest, easiest way.
9 There's a multitude of kind of programs
10 within that framework that they can use, and
11 they get 5 percent off. So that's our goal,
12 just to expand that as we roll out cashless
13 tolling, which will be in place by the end of
14 2020 across New York State.

15 SENATOR COMRIE: I was primarily
16 talking about E-ZPass users, but you did
17 bring up another issue that I wanted to drill
18 down on too.

19 Do you use third parties to collect
20 the tolls by mail, and do they get a
21 percentage of the fees collected?

22 ACTING EXEC. DIR. DRISCOLL: No, only
23 if it goes to a collection agency. And the
24 collection agency would --

1 SENATOR COMRIE: At what point does it
2 go to a collection agency, after -- you
3 seemed to indicate it would go to a
4 connection agency after a certain period of
5 time. Is that 90 days, 120 days?

6 ACTING EXEC. DIR. DRISCOLL: No. So
7 as I described, you get a bill. Your first
8 bill is 30 days after you went through the
9 toll. If you don't pay that, you get another
10 bill 60 days -- so another 30 days after that
11 bill. You don't pay that. Then 100 days
12 after you first went through that toll, we
13 send you a bill and in that bill it also has
14 the fee of \$50 attached.

15 SENATOR COMRIE: Got it.

16 ACTING EXEC. DIR. DRISCOLL: So we
17 chase that. We do not send that to a
18 collection agency for some period of time.
19 If we're unsuccessful in capturing that
20 amount that's owed to the Thruway Authority,
21 then yes, we would send it to a collection
22 agency. We do not sell the debt, we retain
23 the debt. But we do send it to a collection
24 agency.

1 SENATOR COMRIE: Got it. And are you
2 going to be accepting the money for --
3 whatever money is derived from congestion
4 pricing through the E-ZPass system?

5 ACTING EXEC. DIR. DRISCOLL: No.

6 SENATOR COMRIE: That's not going to
7 go to you.

8 ACTING EXEC. DIR. DRISCOLL: That has
9 nothing to do with the Thruway Authority.

10 SENATOR COMRIE: You haven't been told
11 that that would be -- that the E-ZPass system
12 would be utilized for that? Or can they --

13 ACTING EXEC. DIR. DRISCOLL: I can't
14 speak to the congestion pricing. It does not
15 include the Thruway Authority. The Thruway
16 Authority, as you know, ends at the city line
17 and goes over to Pennsylvania. So we're not
18 part of that conversation.

19 SENATOR COMRIE: So it's TBTA that
20 takes the money that --

21 ACTING EXEC. DIR. DRISCOLL: I don't
22 know the answer to that.

23 SENATOR COMRIE: Okay. And then just
24 can you explain to us what your app is like

1 now? Can a person look through for any
2 violations through the app, and can they
3 utilize their license plate number now when
4 they weren't able to --

5 ACTING EXEC. DIR. DRISCOLL: They can
6 access the website, and they can look up when
7 they crossed the facility, the date that it
8 was, the amount that they owe, and they can
9 pay in that method.

10 SENATOR COMRIE: And they can do it by
11 just putting in their license plate number,
12 or can they --

13 ACTING EXEC. DIR. DRISCOLL: Yeah,
14 well there's more than just the license plate
15 number, for security reason. But the
16 information we think is fairly
17 straightforward and simple.

18 But we wanted to be very careful as
19 well. There was a question earlier, I think
20 from Assemblymember Barclay, about protecting
21 people's information. And so there's a
22 number of things that the customer would have
23 to list to have access to that. But it
24 protects them as well.

1 SENATOR COMRIE: And do you at any
2 time give third parties E-ZPass data for any
3 informational reason at all?

4 ACTING EXEC. DIR. DRISCOLL: Not that
5 I'm aware of. And no, I don't believe that
6 we do.

7 SENATOR COMRIE: And just on the
8 authority itself, do you hold public meetings
9 in the different areas of the state? I'm a
10 new chair, so it's a new question for me.

11 ACTING EXEC. DIR. DRISCOLL: Sure,
12 understood. Well, we will have our board
13 meetings -- as an example, our last board
14 meeting, which of course we publicize, we
15 had -- one was in Tarrytown, one was here in
16 Albany, and one was in Syracuse.

17 We have held a number of public
18 meetings in 2018, which was new to the
19 authority, but that's going to continue going
20 forward. And that is specifically on the
21 E-ZPass outreach and education to the public.
22 So we're going to be very active and very
23 public. And naturally if people have other
24 questions outside of the E-ZPass portion,

1 we're happy to answer any of that. So you'll
2 see us out there out and about across the
3 state this year as well.

4 SENATOR COMRIE: I was asking in terms
5 of questions of design and construction of
6 your various bridge projects that you have to
7 do. Do you allow for public input and
8 participation in the design of all the
9 projects that are happening?

10 ACTING EXEC. DIR. DRISCOLL: Yeah, and
11 typically what we do, not unlike DOT, when we
12 bid a project, we also have an information
13 session for those that are potentially
14 bidding on it so that they can, you know,
15 have questions answered before the process
16 begins.

17 But specifically to local projects,
18 let's say you've got a bridge in a particular
19 area, yes, we notify the public if there's
20 going to be a change or whatnot, so the
21 public has an opportunity to comment.

22 SENATOR COMRIE: Great. Thank you,
23 Commissioner. I look forward to working with
24 you. I am a new chair, and I look forward to

1 working with the authority to help consumers
2 throughout the state.

3 ACTING EXEC. DIR. DRISCOLL: Let me
4 know how I can help.

5 SENATOR COMRIE: Thank you.

6 CHAIRWOMAN KRUEGER: Thank you.

7 Senator Tim Kennedy, chair of
8 Transportation.

9 SENATOR KENNEDY: Thank you very much
10 once again, Commissioner, and really for all
11 the work that you do on a daily basis. But
12 anytime we call on you and your office, you
13 are there. And so it's really refreshing to
14 have your leadership. So thank you once
15 again --

16 ACTING EXEC. DIR. DRISCOLL: Well,
17 thank you. I'm looking forward to working
18 with you as well.

19 SENATOR KENNEDY: -- for your work,
20 yes, sir.

21 Just to touch on a very important
22 issue we're dealing with in the immediacy
23 here, and in the moment, the snowstorm today.
24 Can you just talk a little bit about the

1 Thruway response? The tractor trailers and
2 that have all been removed at a certain
3 timeline. And then sort of the larger
4 response over time, going back historically,
5 because of storms just like this, which is
6 why the Thruway is responding the way that
7 you are, bringing in those barriers and
8 everything else.

9 ACTING EXEC. DIR. DRISCOLL: That's
10 right. Today has been a busy day, in
11 particular in Buffalo.

12 But let me start by saying Governor
13 Cuomo is very much an action-oriented leader.
14 And I think you know this very well. You and
15 I stood together a week ago in Buffalo. He's
16 been very good in terms of making sure that
17 agencies are well-equipped, both at the DOT
18 and Thruway Authority, with the
19 appropriation -- thank you -- of the
20 additional resources that we were able to
21 purchase. That gave us additional equipment
22 in Buffalo and throughout the system.

23 Today is one of those days where the
24 planning really comes to action. We've

1 spent, as we did with the storm a week and a
2 half ago, we spent probably four days
3 preparing for that event with very specific
4 action plans, and have done so with what's
5 going on in Buffalo today.

6 Yesterday it was announced, after
7 consultation with the Motor Truck Association
8 and numerous other entities, that we would
9 again be initiating, in conjunction with the
10 Department of Transportation, a truck ban --
11 a trailer truck ban and a bus ban. And we
12 did that. That began last night at 8 p.m.,
13 and it still is carrying through today.

14 Today, in the 81 corridor from Canada
15 to 104 near Mexico, that began at noon also,
16 a tractor trailer ban and a bus ban as well.
17 I have to say I'm somewhat disappointed
18 because we've had some incidents today that
19 likely you'll hear about where members of the
20 trucking industry have neglected to adhere to
21 that ban. So we had a major incident just
22 west, 20 miles within the boundaries of the
23 ban, west past Rochester, and some other
24 incidents as well.

1 But the bans are put in place for a
2 reason. We know when the conditions are
3 going to warrant that people need to really
4 heed caution, in particular tractor trailers
5 and buses. These are large vehicles. Some
6 may be loaded, some may not be. And if they
7 have no load, they're even more precarious
8 because of wind conditions.

9 So the planning that goes into place
10 on that is extensive. It takes place
11 certainly with the chamber, but with DOT, the
12 State Police. All the transportation team
13 works very closely together. I think it's
14 proven over time that it works. If people
15 choose to ignore that, as what happened
16 earlier this afternoon, those are the
17 consequences that don't help anybody.

18 So, you know, we'll continue to be
19 vigilant. We'll continue to always plan. We
20 always develop action plans for these storms
21 and events going forward, and that's just a
22 routine part of the kind of business
23 certainly in snow and ice season.

24 SENATOR KENNEDY: Thank you. Can you

1 talk a little bit about -- and thank you
2 again for all of your efforts. But can you
3 talk a little bit about the infrastructure
4 projects that are forthcoming? You know,
5 we're talking about expansion of electronic
6 tolls. And, you know, my wonderful
7 colleagues took many of the questions and you
8 answered them remarkably about the
9 implementation of this new system.

10 But can you talk a little bit about
11 some of the infrastructure projects, the
12 Thruway being nearly 70 years old, some of
13 the projects especially out in our neck of
14 the woods in Western New York that may be
15 teed up to address some of the underlying
16 long-term infrastructure issues, rather than
17 just maintenance issues?

18 ACTING EXEC. DIR. DRISCOLL: Sure. So
19 I can't give you site-specific projects
20 per se, because there's many across the
21 state. I can tell you in the Buffalo
22 division we have, for this year, \$312 million
23 identified for infrastructure work. That's
24 repair work on the surfaceway. Some of that

1 may also include a deeper dive where you're
2 repairing or rebuilding the base bridgework
3 in the Buffalo area. We have a large project
4 underway there now.

5 We're doing, in the New York division,
6 \$343 million. Here in Albany, \$141 million,
7 and \$248 million in Syracuse. So we're
8 spreading it across the system.

9 But I would like to talk a little bit
10 about AET, because that is -- all-electronic
11 tolling, or cashless tolling, is something
12 that is going to impact everyone who chooses
13 to use the Thruway.

14 As you know, in Grand Island we
15 initiated, at the Grand Island bridges,
16 cashless tolling. Of course the Mario Cuomo
17 Bridge was already in place. And I described
18 the other areas where we've already done that
19 as well at Harriman and so forth.

20 But now we are in the throes of
21 getting ready to issue an RFP -- which will
22 hopefully take place at the end of this
23 month -- for the system, the ticketed system
24 from the Buffalo division all the way south

1 of here to Harriman. So we have a large area
2 where we will remove, ultimately -- all of
3 the tollbooths that you see will come out and
4 you'll see the gantries as you see them in
5 other areas, and it will be a cashless
6 system.

7 And over time I think that's going to
8 be a very good project for the State of
9 New York. It crosses about 20 counties.
10 There's lots of work to go on for everyone
11 across the state. We expect that there's
12 going to be about three or so big teams -- I
13 can't get into the specifics because it will
14 be into a procurement. But suffice to say
15 that people are looking at this project
16 because it is a large one.

17 But environmentally speaking, from a
18 safety standpoint, from a time standpoint for
19 everyday users of the Thruway Authority, it's
20 going to mean a great deal. So ultimately
21 it's going to be a huge benefit to our state.

22 I can't tell you how many people have
23 come up to me since I became the director and
24 said: When are we going to be like

1 Massachusetts? When are we going to be like
2 Florida? When are we going to be like these
3 other states that have cashless tolling? And
4 so we're doing that now.

5 SENATOR KENNEDY: That will be
6 systemwide?

7 ACTING EXEC. DIR. DRISCOLL:
8 Systemwide, everywhere.

9 SENATOR KENNEDY: There will be no
10 more --

11 ACTING EXEC. DIR. DRISCOLL: No,
12 right.

13 SENATOR KENNEDY: -- typical toll
14 barriers?

15 ACTING EXEC. DIR. DRISCOLL: No.
16 Correct.

17 SENATOR KENNEDY: Okay. And that
18 includes again, out in Western New York, in
19 my district, the Lackawanna toll barrier.

20 ACTING EXEC. DIR. DRISCOLL: Yup.

21 SENATOR KENNEDY: Is there a timeline
22 on that removal, Lackawanna?

23 ACTING EXEC. DIR. DRISCOLL: So the
24 ticketed system will be operational by the

1 end of 2020. The booth removal will likely
2 start taking place shortly after that.
3 There's some logistics that you can't just --
4 we can't remove the booths until we're ready
5 to flip on the switch because we need to
6 still have people collecting the money.

7 So as is taking place now with
8 New Rochelle and Spring Valley and the other
9 places, those tollbooths will be coming out
10 this year when we get through the winter.

11 SENATOR KENNEDY: And the
12 Williamsville toll barrier as well?

13 ACTING EXEC. DIR. DRISCOLL: The
14 Williamsville toll barrier, yeah, is all part
15 of that. Cashless tolling statewide.

16 SENATOR KENNEDY: Fantastic.

17 I'm good.

18 CHAIRWOMAN WEINSTEIN: Assemblywoman
19 Paulin for a second.

20 ASSEMBLYWOMAN PAULIN: Yeah, I just
21 had one follow-up as I was listening to your
22 description of the process. I couldn't help
23 but remember, you know, in the Legislature,
24 you know, when our -- every two years when

1 our seniority changes, we get a different
2 license plate number. And this has happened
3 to me on two occasions, where the person who
4 had the license plate number right before me
5 had a lot of parking violations. And so when
6 the address was changed and I've got that
7 number, I would get notices with fines
8 imposed on me.

9 And, you know, we disputed it, you
10 know, with the appropriate parties. And I
11 just wondered, you know, if that was one of
12 us now, you know, how would we dispute the
13 cashless toll because it was on a changed
14 address and a changed person?

15 ACTING EXEC. DIR. DRISCOLL: Right.
16 So without, you know, getting into names,
17 that has happened recently. And what I would
18 encourage, if it's anybody in particular,
19 they should always reach out to the Thruway
20 Authority, because we can right that wrong.
21 You know, that's an interesting scenario
22 where you may have duplication of license
23 plates. I admit I don't fully understand and
24 am fully briefed on that. I actually reached

1 out to Commissioner Egan yesterday to meet to
2 have that discussion, we're going to do that.
3 How there might be multiple plates issued is
4 still a bit of an unknown to me.

5 But at the end of the day, as many of
6 you and your colleagues have done, whether
7 it's for your constituents or otherwise, I'd
8 encourage you to reach out to the Thruway
9 Authority, and we have people that handle
10 that.

11 ASSEMBLYWOMAN PAULIN: So with any
12 dispute, would that be true? I mean if there
13 was --

14 ACTING EXEC. DIR. DRISCOLL: You were
15 talking specifically about the license plate
16 issue. But certainly your colleagues, you
17 know, when I arrived, were calling all the
18 while relative to the toll issue relative to
19 the bridge. And that's happened in other
20 places as well.

21 So, you know, we'll work with you just
22 like we work with the public. And I want to
23 remind you, you know, we tell this to the
24 public all across the board. If they have an

1 issue, call us. We can work it out with you.
2 It's those people that determine, for
3 whatever reason, not to bother, that's where
4 you get into an issue where now you're
5 getting, after that third envelope, now it
6 ends up -- we can't collect, it ends up into
7 a collection issue. That can all be avoided.
8 We're just looking for the public to
9 cooperate as well.

10 ASSEMBLYWOMAN PAULIN: So what are the
11 kinds of disputes that have come up aside
12 from my license plate issue?

13 ACTING EXEC. DIR. DRISCOLL: It's
14 always about money. That's largely the
15 issue. You know, people say I didn't cross
16 there, I don't owe that bill, then we show
17 them a photograph of them driving through.

18 You know, I lost the bill, I didn't
19 get the bill. You know, by law, all of us,
20 if we move, we have 10 days, by law, to
21 change our address through DMV. We send the
22 bill to the last address that's registered to
23 that particular vehicle. So there is a
24 responsibility on the public's part as well

1 to do their part.

2 But as I say, it's about balance. We
3 are always willing to work with the public.
4 It also gives us a chance to educate people
5 who perhaps didn't know that they had to, you
6 know, upgrade their new license or their new
7 address, as an example, and that leads to
8 challenges down the road for them.

9 ASSEMBLYWOMAN PAULIN: Thank you.

10 ACTING EXEC. DIR. DRISCOLL: You bet.
11 You're welcome.

12 CHAIRWOMAN KRUEGER: Senator Bob
13 Antonacci to close.

14 SENATOR ANTONACCI: Thank you, Chair.

15 Please don't be offended if I continue
16 to call you mayor. I've always thought of
17 you as my mayor of the City of Syracuse.
18 It's hard to believe we met back in early
19 2000s, and here we are today. And I'm very
20 happy for you and very proud of your --

21 ACTING EXEC. DIR. DRISCOLL: Well,
22 congratulations. And I'm glad for you. And
23 I'm glad you'll be a customer on the Thruway
24 coming --

1 SENATOR ANTONACCI: I'm a great
2 customer. I think it's a world-class road.
3 I've had nothing but great rides. And please
4 give my best to all the workers, especially
5 the snowplow operators.

6 You know, you're in transportation
7 now, a long way from the mayor's office. And
8 I know you were with the DOT. I have to ask,
9 you were a great leader of the City of
10 Syracuse. We have a very important project
11 with that 81. What is your opinion on 81?
12 What's the best result for our community on
13 the 81 project?

14 ACTING EXEC. DIR. DRISCOLL: Well, I
15 mean, look, I'll respectfully keep my opinion
16 to myself because I don't want to cloud the
17 issue. You heard from the DOT relative to
18 the DEIS process that they're still going
19 through. I'm as interested as anybody to
20 have a final result. It's difficult for me
21 to even go out to dinner where people aren't
22 asking. But it's really not part of my
23 project anymore, although as you point out,
24 rightfully so, I still am part of the

1 transportation team.

2 So, you know, we'll wait for the
3 result of that DEIS. I suspect that it
4 should be sooner than later, although I do
5 not have a particular time frame.

6 SENATOR ANTONACCI: Okay. So assuming
7 that there's different outcomes of that
8 project, is there any one particular outcome
9 that might affect your job as the acting
10 executive director of the Thruway Authority?

11 And specifically, the County
12 Legislature of Onondaga County sent in a
13 resolution asking for the tolls to be
14 eliminated between 34A and 39. That was
15 passed by this -- well, the past Legislature,
16 and the Governor vetoed it. And I understand
17 he believed that there was no money in the
18 budget. So is there an outcome that would
19 affect your budget, affect your ability to
20 deliver better service through that area?
21 And is there money in the budget to support
22 toll-free in that period for residents of
23 Onondaga County?

24 ACTING EXEC. DIR. DRISCOLL: Well, you

1 know, honestly, I -- it's going to depend on
2 what that is. I don't see one that --
3 whatever project is selected, that could
4 impact us. I mean, I think that remains to
5 be seen. There's a lot of speculators on
6 whether truckers may jump off or go here or
7 there. I'm personally not inclined to
8 believe all of that.

9 But with respect to the abolition of
10 the toll, as you mentioned, last year it was
11 about 1.2 million. It may not sound like a
12 great deal of money. But if you take
13 1.2 million and you take that cumulatively
14 across the state and other areas, we can turn
15 that into a great sum of money simply by
16 issuing debt, bonds. And so the math on that
17 becomes a much larger number which helps us
18 maintain the system.

19 But at the end of the day, depending
20 on the circumstances, we're open, I'm open to
21 working with individuals to make sure that we
22 can support whatever project happens. We'd
23 like to partner --

24 SENATOR ANTONACCI: Sorry to

1 interrupt, but there's no money in this
2 year's budget as of right now for --

3 ACTING EXEC. DIR. DRISCOLL: As a
4 matter of fact, no. No.

5 SENATOR ANTONACCI: And depending on
6 the outcome, I would ask that we would be
7 certainly open to dialogue if it puts more
8 stress on -- or sends more traffic through
9 that particular corridor.

10 ACTING EXEC. DIR. DRISCOLL: Sure.
11 Absolutely.

12 SENATOR ANTONACCI: Real quick, the
13 sign issue with the federal government, is
14 that all behind us now?

15 ACTING EXEC. DIR. DRISCOLL: It's all
16 behind us.

17 SENATOR ANTONACCI: And when we talk
18 about cashless tolls, are we talking about,
19 finally, high-speed tolls? I get nervous
20 going through there at 5 miles an hour that
21 if I'm 6 miles an hour, I'm going to get a
22 ticket. Are we going to be talking about
23 just the high speed, you just keep driving?

24 ACTING EXEC. DIR. DRISCOLL: Yes.

1 That's what cashless tolling will ultimately
2 be.

3 But as I pointed out, you know, you
4 probably get at 34A like I do, right, when
5 you're going home?

6 SENATOR ANTONACCI: Yeah.

7 ACTING EXEC. DIR. DRISCOLL: So even
8 after that, they'll still be there for a
9 while. But ultimately we're going to have
10 that high-speed cashless tolling. You won't
11 be going high speed through there, because
12 it's still a small narrow low-speed area --

13 SENATOR ANTONACCI: It's an exit,
14 right.

15 ACTING EXEC. DIR. DRISCOLL: --
16 correct. But along the ticketed system, the
17 main line, yes, it will be all high speed.

18 SENATOR ANTONACCI: Okay. And then I
19 assume there's going to be some type of
20 attrition plan for the -- you're not going to
21 lay off all these toll operators. Will there
22 be some type of plan to ease them back into a
23 different job or the private sector.

24 ACTING EXEC. DIR. DRISCOLL: So --

1 well, yes. So let me say the men and women
2 who are toll collectors, largely part-time,
3 but we also have full-time, are critical to
4 the Thruway Authority, and frankly they've
5 been the backbone of this system forever. So
6 before this process began, you know, I met
7 with leadership and we devised incentives to
8 keep them. We need them to stay. We need
9 them to stay through the end of 2020, because
10 we still have to collect the toll until we
11 finally flip the switch --

12 SENATOR ANTONACCI: So then you're
13 going to have -- if you're asking them to do
14 that, there's going to be some --

15 ACTING EXEC. DIR. DRISCOLL: But what
16 we've done is to try to help them prepare for
17 the after-life, whether it's in state service
18 or with the authority or in the private
19 sector. And we've offered plenty of training
20 opportunities, CDL is an example. We are
21 advocates for them in other state agencies.
22 We've hired a number of people.

23 So my priority, when positions come
24 open that they are qualified into through

1 civil service, we make them our first
2 priority.

3 So yes, we're absolutely behind the
4 men and women who continue and have done that
5 work for us forever. And so I think we've
6 taken, you know, really great lengths to make
7 sure that we are building a process that
8 allows them to have a future.

9 SENATOR ANTONACCI: Thank you.

10 ACTING EXEC. DIR. DRISCOLL: You bet.

11 CHAIRWOMAN WEINSTEIN: Thank you.

12 That's the end of questions. So thank you
13 for being here.

14 We now will be beginning the public
15 portion of the budget hearing. Just as a
16 reminder, we should have all of your
17 testimony already, electronically, and it has
18 been distributed in advance to the members.
19 So we would ask that people, to the extent
20 possible, please just summarize.

21 Public members will have five minutes
22 for presentation, and the legislators will
23 have three minutes to ask questions and to
24 receive their answer.

1 So first we actually are going to have
2 a panel: Patrick Mahar, president of
3 New York State Association of Town
4 Superintendents of Highways, and Dennis
5 Davis, president, New York State County
6 Highway Superintendents Association.

7 And just if you're keeping score,
8 following their presentations will be Lisa
9 Daglian, director of Permanent Citizens
10 Advisory committee to the MTA, followed by
11 Jaqi Cohen, Straphangers Campaign director,
12 from NYPIRG.

13 MR. KIE: Good afternoon, Senator
14 Krueger, Assemblywoman Weinstein, and other
15 members of the Legislature. We would like to
16 welcome new Transportation Committee chairs
17 Senator Kennedy and Assemblyman Magnarelli.
18 We look forward to working with you in your
19 new roles.

20 I am Joel Kie, the First Vice
21 President of the New York State Association
22 of Town Superintendents of Highways. I am
23 the Commissioner of Public Works for the Town
24 of Dickinson, which is down in Broome County.

1 With me, representing the New York State
2 County Highway Superintendents Association,
3 is their president, Oneida County
4 Commissioner of Public Works Dennis Davis.

5 We appreciate this opportunity to
6 present testimony for your consideration as
7 you review the Governor's 2019-2020 Executive
8 Budget, especially how it relates to local
9 transportation infrastructure.

10 First, thank you, members of the
11 Legislature, for your steadfast support of
12 local roads, bridges and culverts. As you
13 know, our collective membership is
14 responsible for ensuring the safe operation
15 of 87 percent of public roads, half of its
16 bridges, and plowing not only our huge system
17 but over a quarter of New York State's
18 Department of Transportation roads.

19 Every time there's a winter weather
20 event, major snowstorm accumulation, freezing
21 temperatures or severe flooding, the
22 hardworking men and women of your local crews
23 ensure New York drivers get home from work,
24 schools, hospitals and other destinations

1 safely.

2 As you know, the Consolidated Highway
3 Improvement Program, CHIPS, is the financial
4 lifeblood of any local highway department,
5 distributing vital and reoccurring state
6 funding through formula to every local
7 government in the state. Yet the Executive
8 holds the CHIPS base level at \$438 million
9 for the seventh consecutive year. In fact,
10 2013 was the last time the Legislature
11 championed an increase in the CHIPS base,
12 adding \$75 million. While providing a
13 reliable base amount of state funding for
14 local roads and bridges, CHIPS funds fall
15 short of what is needed to keep our locally
16 owned ailing and aging transportation system
17 from falling further into a state of
18 disrepair.

19 The Governor's Executive Budget
20 maintains \$39.7 million for Marchiselli but
21 does not include the \$65 million Extreme
22 Winter Recovery money we received last year.
23 It also includes \$100 million for PAVE NY and
24 \$100 million for BRIDGE NY. Based on our

1 system's needs, our associations are urging
2 your support for a \$150 million increase in
3 CHIPS and a restoration of the \$65 million in
4 the Extreme Winter Recovery funding.

5 Our associations would also express
6 our support for Part II of the
7 Transportation, Economic Development and
8 Environmental Conservation Article VII bill,
9 which would increase penalties for assaulting
10 highway workers and requires the Governor's
11 Traffic Safety Committee to implement a
12 public education and outreach program on the
13 importance of highway work zone safety. Any
14 provisions that will increase the safety of
15 our highway department personnel is of the
16 utmost importance.

17 MR. DAVIS: Thank you, Joel.

18 You know, seven out of 10 commuters
19 that get to work drive to work. And those
20 fees that they pay through their motor fuel
21 taxes, registrations fees, et cetera, go into
22 a Dedicated Highway and Bridge Trust Fund.
23 But unfortunately, not all of those monies go
24 back to support the transportation industry.

1 According to the Executive Budget, the
2 Dedicated Highway and Bridge Trust Fund will
3 average nearly a half a billion dollar
4 deficit annually between 2018 and 2022. Only
5 a fraction of those driver fees being
6 collected -- in 2018, \$3 billion were
7 collected from drivers, and only \$1.8 billion
8 of these were deposited into the trust fund.

9 The Executive's proposed congestion
10 pricing plan would direct all of the fees
11 collected annually, \$1.5 billion, to the MTA.
12 We respectfully request that the significant
13 long-term capital needs of the state's vital
14 highway system be simultaneously considered
15 alongside any of that of the MTA.

16 The State Comptroller's study back in
17 2014 had cited that 34 percent of the
18 bridges are deficient and 48 percent of the
19 road pavements were rated fair or poor. Not
20 much has changed since then. Our funding has
21 remained flat, our buying power has been
22 reduced. Not only that, a lot of the design
23 standards for some of the bridges and
24 culverts that we have to replace have been

1 upgraded, in some of those instances because
2 of climate resiliency and DEC rules and
3 regulations to add up to a third the size of
4 these culverts and bridges, have increased
5 those costs dramatically.

6 We've conducted our own needs study of
7 the transportation system. And just a rough
8 rule of thumb is that whatever these local
9 municipalities are receiving in CHIPS, it's
10 about 50 percent of what they really need to
11 be spending on their highways. And that
12 CHIPS amount has been flat for seven years,
13 and we've really struggled with that.

14 With the 2 percent property tax cap,
15 local municipalities, the only discretionary
16 funding they've had has actually been
17 probably some of that highway funding. So
18 any local communities that were funding their
19 programs with local money have had to reduce
20 that.

21 And we would love to see maybe any of
22 those capital expenditures be removed from
23 the 2 percent tax cap to assist communities
24 that have recognized that they have to put

1 more money into their infrastructure, that
2 they're not penalized by exceeding the tax
3 cap.

4 The Bridge NY program has identified a
5 number of bridges. The applicants well
6 outweigh the number of projects that are
7 awarded. The most important thing you don't
8 see in statistics, though, is that the
9 program is designed for projects that can be
10 let, put onto the street within like an
11 18-month leeway. That removes a number of
12 significant bridge projects that local
13 communities need to do that they should be
14 using federal aid on, locally administered
15 federal aid projects.

16 The projects that we're pushing
17 through that local bridge program are the
18 bridges that probably could be done with
19 local monies as opposed to the long-range
20 projects that require right-of-way, have
21 environmental issues or historic
22 preservation.

23 Our CHIPS base, our recommendations
24 were to increase it at least by \$160 million.

1 There was a report that was put out yesterday
2 by the task force that recommended increasing
3 CHIPS \$100 million a year for the next five
4 years. If you look at that, over a five-year
5 period you would get to that number I
6 suggested that we should be spending twice as
7 much money on our local systems as the CHIPS
8 funding is right now.

9 We look forward to continue working
10 with you in trying to find best practices on
11 how we can spend the limited amount of
12 funding we have to stretch it as far as we
13 can.

14 Thank you.

15 CHAIRWOMAN WEINSTEIN: Thank you. I
16 think you were very concise, and your
17 document has some of the facts and the
18 numbers in it, and we thank you for the work
19 you do for our communities.

20 Thank you.

21 MR. KIE: We thank you for your work.

22 SENATOR KENNEDY: Thank you very much.

23 CHAIRWOMAN WEINSTEIN: Next, Lisa

24 Daglian, director, Permanent Citizens

1 Advisory Committee to the MTA.

2 MS. DAGLIAN: Hi, good evening. My
3 name is Lisa Daglian. I'm the executive
4 director for the Permanent Citizens Advisory
5 Committee to the MTA. It seems like it was
6 days ago that they were at this very table,
7 but we are certainly discussing some of the
8 same issues.

9 PCAC was legislatively created in
10 1981, and its member organizations are the
11 voice of the transit and commuter rail users
12 in the MTA's 12-county New York service
13 region. New York City Transit Riders Council
14 represents the riders of New York City's
15 subways and buses, Metro-North Railroad
16 Commuter Council acts on behalf of
17 Metro-North commuters, and the Long Island
18 Rail Road Commuter Council is the voice of
19 riders of the Long Island Rail Road.
20 Together these three systems carry more than
21 8 million riders a day. I'm here today to
22 speak on their behalf.

23 At the granular level, all of our
24 riders want the same thing: A safe,

1 affordable and reliable way to get where
2 they're going. Each of the systems has its
3 own specific funding needs, and we've heard
4 some of those earlier, both on the operating
5 and capital sides, and all desperately need
6 adequate investment to address the current
7 shortfalls that have developed over the
8 years.

9 As rider advocates, we are encouraged
10 and excited by the plans put forward by the
11 current presidents of the operating agencies.
12 They are the proverbial light at the end of
13 the tunnel. Andy Byford's Fast Forward plan
14 is almost legendary in New York City and
15 really is the gold standard for the transit
16 system that New Yorkers want to see.
17 Likewise, Phil Eng has developed a strong
18 plan for the future in LIRR Forward, and
19 we're glad to see incremental yet real
20 improvements in the service and reliability
21 of the railroad. And Cathy Rinaldi and her
22 team have created a good path forward with
23 Metro-North Way Ahead to restore it to its
24 position as a premier railroad.

1 But plans without funding are really
2 just dreams of things that could be. And
3 these improvements all come with a price
4 tag -- we've all heard \$40 to \$60 billion for
5 Fast Forward alone. And finding that funding
6 is key to ensuring that New York City
7 Transit, Long Island Railroad, and
8 Metro-North continue to serve the region's
9 riders now and into the future.

10 New sustainable funding sources must
11 be identified and secured to help stop this
12 cycle of panic every time a budget year rolls
13 around, and of course that's every year.
14 Otherwise riders can expect to see even more
15 painful fare increases, unpalatable service
16 cuts, or both. We cannot afford to go back
17 to the bad old days and lose the valuable
18 transit systems that keep the region alive
19 and competitive.

20 To that end, we're encouraged by the
21 budget proposals in the Executive Budget,
22 although we have concerns about funding for
23 the MTA capital plan being contingent on the
24 passage of three Article VII provisions.

1 We're confident that you all understand the
2 importance of expedient implementation of
3 congestion pricing. In addition to
4 supporting \$15 billion in bonding for the
5 capital program, it will have a positive
6 impact on the environment, on bus service,
7 and help relieve some of the pressures on the
8 subway system as it undergoes repair.

9 Additional funding will also come
10 through expansion of speed camera zones in
11 New York City, and some of that should be
12 dedicated to transit-related purposes. And
13 we encourage the passage of legislation for
14 cameras at railroad grade crossings, which
15 was discussed earlier, with revenue dedicated
16 to road and rail safety improvements. These
17 are a good start, but they won't fully meet
18 the needs of the system.

19 Consistently capturing transit added
20 value and expanding the use of tax increment
21 financing will help to support new projects
22 that are being developed around transit,
23 because we understand that proximity to
24 transit can in fact increase property values

1 up to 20 percent. Projects like Amazon's HQ2
2 in New York City and transit-oriented
3 development on Long Island and in the
4 Hudson Valley should all contribute
5 financially to the transportation system.

6 We hate to use the T word, but
7 unfortunately we have to. Incremental
8 increases in the gas tax, millionaire's tax,
9 recording tax, corporate tax, and future
10 revenues from cannabis tax are really needed
11 to address the real state of emergency that
12 we're seeing unfold now. Change is underway
13 in the way that MTA does business, and we're
14 encouraged by those results, with more on the
15 way. They generally described some of those
16 efforts today, and they seem like small
17 steps, but they can save months off those
18 process. Those months add up to years.

19 Dealing with the debt service is also
20 critical and has also been discussed a bunch
21 today. It takes a huge chunk out of the
22 MTA's operating budget. Getting out of debt
23 by getting into more debt doesn't work at
24 home, and it won't work for the MTA.

1 We've heard that appointing a new
2 chair might not happen till June, and we
3 strongly disagree with that happening.
4 Having a strong, full-time and independent
5 leadership at the helm of the MTA is the best
6 first step to reinstilling confidence in the
7 agency, who can then help them be part of the
8 solution to its reimagination.

9 Thank you.

10 CHAIRWOMAN WEINSTEIN: Thank you for
11 being here, and thank you for the work of the
12 Citizens Advisory Committee.

13 MS. DAGLIAN: My pleasure. Thank you
14 very much for what you do.

15 CHAIRWOMAN KRUEGER: Thank you.

16 CHAIRWOMAN WEINSTEIN: Next, Jaqi
17 Cohen, NYPIRG, to be followed by Scott
18 Wigger, Railroads of New York, and then
19 New York Aviation Management Association.
20 Perhaps those people can start to make their
21 way down.

22 MS. COHEN: Good afternoon -- good
23 evening, and thank you for the opportunity to
24 testify here today.

1 My name is Jaqi Cohen, and I'm the
2 campaign coordinator for the NYPIRG
3 Straphangers Campaign. NYPIRG is a
4 nonpartisan, not-for-profit research and
5 advocacy organization, and the Straphangers
6 Campaign is a project of NYPIRG. Since 1979,
7 the Straphangers Campaign has advocated on
8 behalf of riders of public transport, and we
9 appreciate the opportunity to testify on the
10 Governor's Executive Budget on
11 transportation. We'll provide a summary of
12 our full testimony.

13 CHAIRWOMAN WEINSTEIN: Oh, good.

14 MS. COHEN: There are no shortage of
15 issues plaguing New York City's transit
16 system. Decades of failure by New York to
17 adequately invest in fixing and modernizing
18 New York City's transit system has caused it
19 to reach a breaking point. Subway service is
20 increasingly unreliable, buses in New York
21 City are some of the slowest in the country,
22 and paratransit is in desperate need of an
23 overhaul -- all while New York City's
24 population and job sector continue to grow.

1 New York City's subway system is one
2 of the oldest in the world, and still relies
3 on outdated technology and infrastructure to
4 provide service utilizing, as you heard
5 earlier, signals put in place, many of them,
6 in the '30s that are prone to expensive
7 repairs and frequent breakdowns of service.

8 So in short, our subway system is
9 unreliable, largely inaccessible, and in
10 desperate need of modernization. And I think
11 it's worth noting two days ago a young mother
12 fell to her death at a subway station on
13 7th Avenue. Subway accessibility in our city
14 is a huge issue. Less than a quarter of all
15 subway stations in New York City are
16 accessible, which is a massive problem. And
17 usually accessibility gets put on the back
18 burner, especially when finances are tight.
19 It is critical that the accessibility of our
20 subway system be included and be properly
21 funded moving forward.

22 So last year the MTA released a plan
23 called Fast Forward which would overhaul the
24 city's subway system and equip it with new

1 signaling technology, new subway cars, and
2 more accessible stations, to name a few
3 benefits. Fast Forward is a plan that has
4 garnered tremendous support from transit
5 advocates, as it's highly ambitious and gets
6 to the core of many of the issues plaguing
7 New York City's transit system.

8 In order to successfully implement
9 Fast Forward, New York needs a funding plan
10 that is reoccurring, sustainable, and raises
11 sufficient funding to keep the MTA from
12 taking on more debt and continuing to burden
13 riders. The Straphangers Campaign was
14 pleased to see the inclusion of congestion
15 pricing in the Governor's Executive Budget.
16 The benefits of passing a sustainable
17 congestion pricing plan are many, as it would
18 help New York reduce its carbon footprint and
19 lower congestion on its busiest streets. But
20 it would also provide an influx of stable
21 funding for transit, funding needed to aid in
22 repairing and modernizing subway and bus
23 service and to help ensure the success of
24 Fast Forward.

1 Now, bus ridership in New York City
2 has rapidly declined over the past several
3 decades, with an over 16 percent drop in
4 ridership since 2002. Buses in New York are
5 the slowest in North America, moving at an
6 average pace of less than 7 miles an hour,
7 with travel times continuing to worsen. Each
8 year the Straphangers Campaign issues an
9 award for the slowest bus in New York City,
10 the Pokey Award. This year it went to the
11 M42 in Midtown Manhattan, within the central
12 business district of Manhattan, moving at an
13 average speed of 3.2 miles an hour, which is
14 just about walking speed.

15 New York's best option for improving
16 service along bus routes is by keeping lanes
17 free and clear of parked cars, trucks, and
18 congestion so that buses can move freely.
19 Currently state law only authorizes 16 out of
20 over 200 bus routes to use bus-mounted
21 cameras to enforce bus lanes. As traffic and
22 congestion worsens, it's necessary to expand
23 this program.

24 The Straphangers Campaign supports the

1 Governor's proposal to remove the cap on the
2 number of bus-lane cameras authorized for
3 use. Keeping bus lanes free and clear of
4 traffic and parked vehicles will make a
5 tremendous difference in the lives of the
6 over 2 million daily bus riders who depend on
7 bus service each day.

8 You can find the rest of our
9 recommendations in our full testimony.

10 Thank you.

11 CHAIRWOMAN WEINSTEIN: Thank you.
12 Thank you for the very concise remarks. And
13 we have circulated your testimony to all the
14 members who were here earlier.

15 Oh, I'm sorry. Senator Comrie.

16 SENATOR COMRIE: Thank you,
17 Chairwoman.

18 I just wanted to thank you for your
19 testimony and ask you if you had any other
20 revenue ideas.

21 MS. COHEN: Other revenue ideas. You
22 know, we've spoken publicly, we've supported
23 any revenue source that is progressive and
24 sustainable. Obviously, you know, it's been

1 discussed that congestion pricing won't raise
2 the full amount of funding needed to overhaul
3 the transit system as a whole. So we would
4 support and be in favor of anything that
5 doesn't additionally burden riders, that's
6 progressive and that's sufficient, that
7 raises enough money to modernize -- to allow
8 the MTA to modernize the system.

9 SENATOR COMRIE: What does that mean
10 in English?

11 MS. COHEN: You know, I guess it
12 depends. We've spoken publicly in favor of a
13 millionaire's tax. There are I know other
14 sources that have been sort of thrown out
15 there that we may or may not be supportive
16 of, but I think there's --

17 SENATOR COMRIE: Well, you do
18 recognize that the money that is supposedly
19 derived from congestion pricing, which has
20 been inflated recently to more than was
21 originally projected, is not enough to meet
22 the capital needs or the expense needs of the
23 MTA. And you also recognize that the MTA, we
24 still don't understand whether or not they're

1 going to be able to be capable of managing
2 all of their needs. So we need to derive
3 other resources. So I would hope that --

4 MS. COHEN: Sure.

5 SENATOR COMRIE: -- the Straphangers
6 Campaign plays a larger role in coming to
7 some firm decisions that would be amenable to
8 all of the folks that impact the system.

9 MS. COHEN: Yeah. I think that
10 there's no silver bullet to funding or
11 transit issues in the city. I don't know
12 that there's one source of revenue that's
13 going to be sufficient enough. I think that
14 there will most likely need to be a whole
15 host of options, and so we really look to you
16 and your leadership to help figure out what
17 those sources are.

18 SENATOR COMRIE: We have plenty of
19 options. We would like to hear the
20 straphangers express that progressive option
21 that they feel that their riders would be in
22 favor of -- not to just give a general
23 observation, but to actually dig in and find
24 something that folks would be happy with --

1 or not happy, but at least the least
2 disgruntled about paying into the system so
3 we could have a sustainable income.

4 MS. COHEN: Sure.

5 SENATOR COMRIE: Thank you.

6 CHAIRWOMAN WEINSTEIN: Thank you.

7 Senator Kennedy.

8 SENATOR KENNEDY: Yes, thank you for
9 your testimony. And I just wanted to thank
10 you for all of your hard work and the work of
11 the organization. Clearly you have your act
12 together and you have a strong message, and
13 we hear you and we'll be working with you.

14 MS. COHEN: We really appreciate that.
15 Thank you.

16 SENATOR KENNEDY: Thank you.

17 CHAIRWOMAN WEINSTEIN: Thank you.

18 MS. COHEN: Thank you.

19 CHAIRWOMAN WEINSTEIN: So next is
20 Scott Wigger, executive director of Railroads
21 of New York. As I said, to be followed by
22 New York Aviation Management and then
23 New York State Telecommunications
24 Association.

1 MR. WIGGER: Good evening there. My
2 name is Scott Wigger. I'm the executive
3 director for Railroads of New York. We
4 represent the freight rail industry here in
5 New York State. And I want to thank you for
6 inviting me to testify here today with you.

7 RONY, as we're known, we represent
8 four Class I railroads here in New York --
9 CSX, Canadian National, Canadian Pacific and
10 Norfolk Southern -- and 37 short line and
11 regional railroads. We directly employ over
12 3700 individuals here in New York State, and
13 we allow access to the nationwide freight
14 rail network, which is a huge economic
15 advantage to many of our state's
16 agricultural, industrial and manufacturing
17 businesses, as opposed to companies that do
18 not have access to the rail network.

19 Moving freight by rail is the most
20 environmentally friendly way to move goods
21 and products over land. Trains are four
22 times more fuel efficient than trucks, as we
23 can move a ton of freight 479 miles on one
24 gallon of fuel. As we all know, you know,

1 fuel consumption and greenhouse gases are
2 directly tied to each other. And because of
3 this efficiency, moving freight by rail
4 instead of truck would reduce greenhouse
5 gases by 75 percent.

6 USEPA stats show that if you took
7 10 percent of the goods that are moved by the
8 biggest trucks over the roads and put them on
9 rail instead, you'd save 1.5 billion gallons
10 of fuel a year, and greenhouse gases would
11 fall by about 17 million tons annually, which
12 is equivalent to removing about 3.2 million
13 cars from the roads every year or planting
14 400 million trees.

15 Freight rail is also safest way to
16 move goods over land. Freight railroads are
17 designated as common carriers under federal
18 law, which means we essentially don't really
19 have control over what we're shipping. If a
20 shipper gives us a container that is properly
21 packaged and properly labeled, we have to
22 take it. Almost kind of like the postal
23 service, think of it that way. If you
24 address it correctly and put a stamp on it,

1 the postal service has to take it.

2 So and as such, our safety record --
3 federal law also requires us to move many
4 hazardous materials by rail, it's the only
5 way you can move these materials, including
6 the most dangerous materials, which are known
7 as toxic inhalation hazard materials. All
8 hazmat moved by rail reaches its designation
9 safely 99.999 percent of the time. This high
10 success rate is because we've made
11 investments in technology, in our tracks, in
12 our operations going forward. You know, when
13 you hear about positive train control, that
14 is something we're implementing on our rails
15 as well. And all of our members are on track
16 to meet the federal deadline by the end of
17 2020 to have that installed.

18 Another thing, back in 2015 the
19 freight rail industry worked with USDOT to
20 work on standards for moving flammable
21 liquids by rail. So that included new tank
22 car design standards, to strengthen those up,
23 new braking standards, operational protocols
24 such as routing requirements and speed

1 restrictions, more information sharing with
2 appropriate critical government agencies,
3 increased track inspections, and increased
4 trackside technologies.

5 In regards to the Governor's Executive
6 Budget proposal, there is \$27.5 million
7 contained in there for a mix of passenger,
8 freight and port projects. I want to thank
9 the Legislature and the Governor for
10 reinvigorating this very important source of
11 funding for our railroads.

12 As you can see in the chart right
13 there, back in 2010 and for the next two
14 fiscal years there was no funding given to
15 freight rail companies. It was all instead
16 given towards high-speed rail projects. So
17 in the 2013-2014 fiscal year we were able to
18 get it restarted again, and you'll see we're
19 now at the \$27.5 million level.

20 You'll see, though, this will be the
21 fifth year in a row at the \$27.5 million
22 level, so it's been flat. This would be the
23 fifth year in a row. So we support getting
24 this program up to a \$50 million annual

1 level, which is the level it was at during
2 the 2005-2010 bond act years.

3 It's very important, statistics from
4 USDOT show that rail freight demand is
5 supposed to increase by almost 50 percent by
6 2040, which will just put even more strain on
7 the existing system and show the need to keep
8 it in a state of good repair. And as you'll
9 see on the other chart I put right below that
10 there, DOT, their last rail plan was in 2009,
11 outlining the needs in the system, which
12 averages about \$390 million a year over a
13 five-year period, or over \$5 billion a year
14 over a 20-year period. So that just shows
15 the needs, and this is very important for
16 many of our members.

17 I thank you again, and I'd be glad to
18 take any questions.

19 CHAIRWOMAN WEINSTEIN: Yes, we have a
20 question from Senator Antonacci.

21 SENATOR ANTONACCI: Thank you.

22 Thank you, Executive Director. I'm
23 from Syracuse, New York, and we've had a
24 couple of contentious I guess competing

1 inland port projects. As the money that's
2 being earmarked in this budget, does that
3 include any of the money for any of those
4 Syracuse-area inland port projects.

5 MR. WIGGER: Not that I'm aware of,
6 no.

7 SENATOR ANTONACCI: Are you familiar
8 with inland ports and --

9 MR. WIGGER: Yes, inland projects.

10 SENATOR ANTONACCI: You are. Is there
11 any laws or regulations that could be changed
12 or enacted that would help inland ports get
13 up and running quicker? I know there's a lot
14 of, you know, zoning laws and you have to
15 work with some of the local officials. But
16 is there anything that we could do here at
17 the Legislature? Because from what I -- I
18 just went to a presentation last week, and I
19 don't want to say it's the secret sauce, but
20 you're saving on truck miles, you're saving
21 on wear and tear on the roads, obviously the
22 environment. I mean, it would seem like
23 every community should have their own inland
24 port. But -- I realize there's economies of

1 scale, but anything we can do to help?

2 MR. WIGGER: Unfortunately, that's not
3 my area of expertise. We're just with the
4 freight rail companies. So that I would
5 defer to others who would know better on that
6 as far as --

7 SENATOR ANTONACCI: Well, thank you.
8 If you come up with any or talk to your other
9 colleagues, I'd be happy to hear about it.

10 MR. WIGGER: Absolutely.

11 CHAIRWOMAN WEINSTEIN: I think that's
12 it for questions. Thank you for being here.

13 MR. WIGGER: Thank you very much.

14 CHAIRWOMAN WEINSTEIN: Next, Jeremy
15 Martelle, past president, New York Aviation
16 Management Association.

17 MR. MARTELLE: Thank you. Good
18 afternoon, Chairperson Krueger, Chairperson
19 Weinstein, and members of the Senate and
20 Assembly finance services committee. I'm
21 Jeremy Martelle, past president of the
22 New York Aviation Management Association and
23 northeast market leader for CHA Companies.
24 NYAMA appreciates this opportunity to provide

1 input on the 2019-2020 Executive Budget as it
2 relates to airports and the aviation
3 industry.

4 Our organization represents 13,000
5 members and 120 airports across the state.
6 Airports are what we consider economic
7 engines. Figures from New York State DOT and
8 the Port Authority of New York and New Jersey
9 estimates the industry contributes
10 approximately \$72 billion in annual economic
11 activity in New York State, and more than
12 500,000 jobs based here in New York.
13 Aviation also generates \$25 billion in
14 payroll and well over \$6 billion in state and
15 local tax revenue annually. That \$6 billion
16 number is going to be important a little bit
17 further on here.

18 The implementation of Governor Cuomo's
19 comprehensive project to modernize and
20 revitalize LaGuardia, JFK, Stewart and
21 Republic Airports is well underway, bringing
22 these transportation hubs up to 21st century
23 standards for service, access and amenities.
24 NYAMA applauds this consequential investment

1 in these downstate airports.

2 In the 2016-2017 State Budget,
3 airports got significant capital reinvestment
4 from the Upstate Airport Economic Development
5 and Revitalization Competition initiative.
6 This was after the Aviation Capital Grant
7 program had years of minimal funding levels
8 and in some years no funding at all. The
9 state funding injection was a tremendous
10 success and resulted in the expected jump in
11 private-sector investment at airports. Some
12 of those airports are represented here today.
13 The effort allowed for many critical capital
14 improvements and modernization needs to be
15 met at several of our smaller and
16 medium-sized airports throughout the state.

17 As far as tourism is concerned, New
18 York has much to offer. Governor Cuomo
19 recognized the benefits of airports to
20 travelers and their surrounding communities.
21 Airports are gateways to well over 50 million
22 travelers visiting our state each year. The
23 six airports that received the grants
24 throughout upstate were very appreciative of

1 this, and they're taking on a New York
2 flavor, if you see what's going on with those
3 airports.

4 Our member airports actively engage
5 passengers to promote opportunities to
6 explore the communities that they serve. The
7 upstate airport competition has made an
8 incredible impact on the passenger experience
9 and positive responses on the part of
10 visitors who pass through these gateway
11 airports. This is another reason why we need
12 continued public investment in New York's
13 airports.

14 The recent Upstate Airport Economic
15 Development and Revitalization Competition
16 supported transformative projects at
17 Rochester, Plattsburgh, Elmira, Syracuse,
18 Albany and Ithaca airports totaling
19 \$190 million, which was appropriated for
20 these initiatives. These grants, leveraged
21 with tens of millions of dollars in
22 private-sector investments, are being used
23 for everything from terminal expansion to
24 modernization of parking garages, many of

1 these projects which are continuing today.

2 We encourage a round two of this
3 competition, and we cannot stress enough how
4 capital funding throughout the upstate
5 competition that you approved in the
6 2016-2017 budget has succeeded in updating
7 and transforming these gateways to our
8 communities. To build on this program's
9 success, we are requesting your support for
10 adding a second round of funding for this
11 program to the Governor's budget. NYAMA is
12 urging that the Legislature work with
13 Governor Cuomo to refund this signature
14 airport revitalization competition.

15 The 2018-2019 enacted State Budget
16 includes \$12.5 million for the Aviation
17 Capital Program. This is a reduction of
18 \$10 million from the program of previous
19 years of \$22.5 million. Unfortunately, the
20 Executive Budget appropriation for the grant
21 program is again at the lower \$12.5 million.
22 I would point to the \$6 billion in state and
23 local tax that I referred to earlier. I
24 think this is a great investment. We'd get

1 our return on that \$22.5 million a year.

2 Based on the analysis provided by the
3 FAA in those studies, we will need
4 \$4.3 billion to serve aviation goals over the
5 next 20 years. This is important.

6 In conclusion, NYAMA and its members
7 support your efforts to ensure that the state
8 pursues policies that are pro-growth and
9 pro-job creation. Strong state investment in
10 our airports is one of these winning
11 strategies. NYAMA looks forward to
12 continuing our work with you individually and
13 through the 130-member New York State
14 legislative caucus to establish needs for
15 infrastructure spending and aviation business
16 development.

17 Thank you, and I would accept any
18 questions if you have them.

19 CHAIRWOMAN WEINSTEIN: Thank you for
20 your testimony.

21 Senator Kennedy for a question.

22 SENATOR KENNEDY: Thank you for your
23 testimony. Thank you for your work on behalf
24 of the organization.

1 You're looking for more funds. Have
2 you identified, by chance, just based upon
3 past practice, where some of these funds may
4 be available?

5 MR. MARTELLE: Well, we have the -- if
6 you look at the \$6 billion worth of tax
7 revenue that comes in, I think a certain
8 portion of it -- the FAA does pay for
9 95 percent, generally speaking, for airports;
10 the state provides 2.5 percent and the local
11 municipalities pay 2.5 percent. This is a
12 good opportunity for funding.

13 I would think that transportation can
14 be funded through taking a portion of the
15 \$6 billion that comes in, that portions of it
16 go to the state and local municipalities in
17 carving off a greater portion of that to
18 support infrastructure spending at airports.

19 SENATOR KENNEDY: The Buffalo Niagara
20 International Airport is in my district. I
21 know full well about your testimony and
22 impact on my community. Appreciate your
23 efforts.

24 MR. MARTELLE: Thank you. Thank you

1 for your time.

2 SENATOR KENNEDY: Thank you.

3 CHAIRWOMAN KRUEGER: Thank you.

4 CHAIRWOMAN WEINSTEIN: Thank you.

5 So next we have Robert Puckett, the
6 New York State Telecommunications
7 Association, to be followed by the New York
8 State Amalgamated Transit Union, Mark Henry
9 and Jacques Chapman, if they can make their
10 way down in just a minute. They would be
11 followed by the New York Public Transit
12 Association, Bill Carpenter, president.

13 Thank you.

14 MR. PUCKETT: Thank you,
15 Assemblywoman. For those who don't know me,
16 my name is Bob Puckett. I'm with the New
17 York State Telecommunications Association.
18 We were established in 1921. Our membership
19 includes over 40 telecom carriers operating
20 in New York, from the largest, Verizon, to
21 many smaller companies upstate.

22 I'm here today to express our
23 opposition to -- again this year to the
24 Department of Transportation's Part S, which

1 would impose a fee on fiber optic utilities
2 to occupy the state's rights-of-way. Those
3 laws have been in effect giving us free
4 access since the 1920s -- us, electric
5 companies, water companies, gas companies
6 and, later on, cable TV providers, certainly
7 to encourage deployment of the
8 infrastructure, whether that be a
9 telecommunications infrastructure, electric,
10 gas, across the state.

11 They now want to, again, impose a fee
12 of -- earlier today they mentioned
13 \$15 million in the budget. For over five
14 years, it would be \$195 million on the
15 industry. And as written, the fee would
16 apply to anybody who deploys fiber optics,
17 whether it's a cable company, whether it's a
18 telephone company or telecommunications
19 carrier, wireless providers.

20 So certainly I think you'll all agree
21 that having a modern, high-speed broadband
22 network in this state is critical to the
23 state's economic development efforts as well
24 as the lives of New Yorkers. And we think

1 certainly the imposition of this fee will
2 deter investment in the network.

3 If I could, I'll just comment on a
4 couple of things I did hear earlier in the
5 discussion from DOT. They mentioned that
6 other states charge to be in the
7 right-of-way. And I think somebody said --
8 they mentioned Massachusetts. In
9 Massachusetts, they charge to be in the
10 right-of-way, but they don't charge the
11 utilities when they have to move the
12 facilities due to a a road improvement or a
13 widening of a road, whereas in New York if
14 that happens, the utilities have to pay to
15 move their facilities.

16 And also there was -- it wasn't --
17 certainly they may not know about this, but
18 the utilities, the telecommunications
19 carriers currently pay hundreds of millions
20 of dollars in property taxes for facilities
21 located in the right-of-way, as well as
22 permit fees when any work is done in the
23 right-of-way. So I just wanted to bring that
24 out. And if you're a cable TV provider, you

1 pay franchise fees to be in the right-of-way.
2 So those are some things that I think you
3 should know.

4 There was a question earlier about
5 would it hurt the broadband program the state
6 enacted a couple of years ago. A key
7 program, the Legislature supported it, the
8 Governor's \$500 million program to expand
9 broadband to unserved and underserved areas.
10 And in the proposal from DOT, those fiber
11 optic utilities would not have to pay the
12 fee. Now, I just want to make clear that
13 only represents 3 percent of the households
14 in New York that those projects will serve.
15 And so there's quite a lot of additional work
16 that needs to be done in deploying fiber
17 optic across the state. And certainly we
18 don't think any cost to -- for them to
19 regulate the right-of-way should be imposed
20 on only fiber optic utility providers.

21 So I won't take any more of your time.
22 I know it's been a long day. And certainly
23 if you have any questions, I'd be glad to
24 answer them.

1 CHAIRWOMAN WEINSTEIN: Senator
2 Antonacci.

3 SENATOR ANTONACCI: Thank you.

4 This whole proposal -- and I admit
5 that I'm still getting into the weeds on
6 it -- smacks of the old quote from our great
7 President Ronald Reagan: If it moves, tax
8 it. If it keeps moving, regulate it. And if
9 it stops moving, subsidize it.

10 I mean, this just goes against
11 everything that I've been hearing as a new
12 Senator that we've got to get broadband,
13 we've got to get access to the internet --
14 and then here we are getting right in the
15 middle of the way of the innovators, the
16 people with the technology. I think it
17 should be just the opposite. We should be
18 doing everything we can to encourage you to
19 lay as much cable and as much infrastructure
20 as possible to get broadband out there.

21 So you've got my support. Please
22 contact my office with any more details that
23 I might need to fight this fight. But it
24 just seems a very misguided potential tax.

1 That being said, in Syracuse, where
2 I'm from, we just lost a call center, AT&T
3 just closed a call center. CWA is the union;
4 I believe we lost north of a hundred jobs --
5 I'm not sure on the exact number, but I know
6 it was north of a hundred jobs. Is there any
7 particular laws or rules that are affecting
8 the telecom industry that would have been --
9 you know, if had been repealed or not in
10 place, could have saved those jobs in my
11 community? I mean, is there anything that's
12 particularly hurting the telecom industry
13 that we could take a look at? Because those
14 jobs are moving to Florida.

15 MR. PUCKETT: Yes, our industry now is
16 very competitive, you know, and cost is an
17 issue. And of course cost equals prices to
18 consumers. In the competitive world that
19 we're in now in telecom, unlike the monopoly
20 era, it's just a lot of cost drivers and it's
21 tough to compete.

22 I know there are some proposed
23 legislative solutions that we've seen in the
24 state, some of which present a lot of concern

1 to the industry, obviously, because we try to
2 control our costs in order to meet our
3 customer needs and prices and affordability
4 and high-speed broadband services.

5 SENATOR ANTONACCI: Thank you.

6 MR. PUCKETT: Thank you for your
7 opposition.

8 CHAIRWOMAN WEINSTEIN: Senator
9 Kennedy.

10 SENATOR KENNEDY: Yeah, thank you so
11 much for your testimony. And thank you for
12 your leadership with the organization.

13 MR. PUCKETT: Thank you.

14 SENATOR KENNEDY: I recognize that you
15 play a key role in organizing the various
16 associations and carriers statewide.

17 Out in Buffalo where I live, we seem
18 to have an issue in getting fiber optics
19 moved into the city. We're at the end of the
20 city line. We believe Buffalo is being
21 bypassed by the industry because of a number
22 of different reasons, and it's concerning.
23 And I would like your support in rectifying
24 this. This has been the case for years.

1 Over a decade, we've been fighting to get
2 fiber optic cable into the city. It is in
3 many ways a result of, you know, corporate
4 relationships, and quite frankly I don't
5 believe it's justified. We believe that
6 Buffalo deserves the same sort of treatment
7 by these telecommunications corporations that
8 they give to the suburbs. And I would like
9 us to finally find a solution to this.

10 Let me just say what it's doing. It
11 is creating an unlevel playing field for
12 economic development and business growth and
13 job creation, particularly in the City of
14 Buffalo. It especially impacts negatively
15 small businesses. And it just sends a very
16 negative signal to our community. And let me
17 tell you how egregious it is. I live on
18 Britt Avenue in the City of Buffalo. At the
19 corner of my street is the Town of West
20 Seneca. Two blocks over is the City of
21 Lackawanna. The fiber optic network ends at
22 the beginning of my street, because I live in
23 the City of Buffalo and there's a different
24 carrier, and the other carrier will not

1 provide that network.

2 So it's a major problem, and I'd like
3 your leadership in helping to resolve it once
4 and for all.

5 MR. PUCKETT: Certainly.

6 SENATOR KENNEDY: We have the support
7 of all of the local community, all of the
8 various political leadership, and we've been
9 extremely outspoken about it.

10 MR. PUCKETT: I'll certainly take that
11 into consideration and talk to my members
12 about that. And I'd love to come meet with
13 you and talk some more about that.

14 SENATOR KENNEDY: Let's do it.

15 MR. PUCKETT: But from our
16 perspective, at times we do face hurdles in
17 municipalities. We're seeing where some
18 municipalities want to charge exorbitant high
19 fees to deploy 5G nodes across the
20 municipality, which will greatly enhance
21 communications within a city or town. And we
22 do pay quite a few taxes.

23 But again, I just remind the folks
24 that last year both sides, the Senate and the

1 Assembly, did oppose this measure in the
2 final budget negotiations, so we'd certainly
3 appreciate continuation of that this year.

4 CHAIRWOMAN KRUEGER: Leroy Comrie.

5 SENATOR COMRIE: Yes. We've heard
6 from many of our upstate members that
7 broadband service is horrible to nonexistent.
8 Can you give us an idea of what your
9 association is planning to do in the next two
10 years to make sure that there's broadband
11 coverage throughout the upper -- everything
12 north of Yonkers?

13 MR. PUCKETT: Sure. A big part of
14 that is the state Broadband Grant Program
15 that was implemented two years ago, and that
16 provided \$500 million to deploy high-speed
17 fiber optic-based broadband in upstate areas
18 which were underserved, which means less than
19 100 megabits per second in speed, to
20 unserved, or less than 25 megabits.

21 That program, they've announced the
22 awardees for all three phases of that
23 program, they've issued the grant awards in
24 three phases. Those projects are being

1 completed now, as we speak. I think Round 1
2 projects are around 99.9 percent completed.
3 But that's one issue that's helping to deploy
4 and meet those needs upstate, certainly.

5 SENATOR COMRIE: Do you know how much
6 of upstate is covered? And what is the
7 percentage of upstate that needs to still get
8 broadband?

9 MR. PUCKETT: As I said, it was
10 3 percent. But the total housing units of
11 the program to date are -- gee, I didn't
12 bring my glasses.

13 SENATOR COMRIE: Well, you can get
14 back to us with that.

15 MR. PUCKETT: 247,970 units, housing
16 units.

17 SENATOR COMRIE: Okay. That are
18 covered.

19 MR. PUCKETT: That are covered under
20 those three phases.

21 SENATOR COMRIE: Right. And so you're
22 intimating, by the fact that there was a
23 grant program that stimulated the broadband
24 activity installation, that it only can be

1 done if there's some economic stimulus done
2 from the state? Or can you do it without a
3 stimulus package?

4 MR. PUCKETT: It is done without
5 economic stimulus when the economics prove
6 in. But in rural areas upstate, in very
7 rural areas, it's simply the economics don't
8 pay for the deployment of fiber optics.

9 SENATOR COMRIE: I see. So I think
10 that's something that we have to drill down
11 more on, because my colleagues from upstate
12 have been decrying the lack of broadband
13 opportunities, which is an economic plus for
14 people, as you well know, that can help
15 stimulate economies.

16 So I think that we would appreciate
17 any ideas that your association can have to
18 ensure that that's done within a swift period
19 of time. Including, you know, we have some
20 bills that we're looking at where we would
21 have a one state initiative as to how you do
22 installations in different communities, so
23 that you would not have to fight or look at
24 every community on how you install the poles

1 and how you install your infrastructure. I
2 hope you can work with us also on that so we
3 can come up with a one-state standard so that
4 that can happen. Hopefully that can allay
5 your original issue about whether or not you
6 pay for poles along the highways as well.

7 Thank you. Thank you, Madam Chair.

8 MR. PUCKETT: Thank you.

9 CHAIRWOMAN KRUEGER: Thank you.

10 And my colleagues have brought up a
11 question for me. So I agree that we need to
12 do something about the deserts we have in
13 upstate New York. And I hear Senator Kennedy
14 talk about issues with Buffalo. I'm from
15 New York City, and actually what I'm
16 concerned about is some of the pictures I've
17 seen of the size and frequency of the kinds
18 of equipment you'd need to put up for 5G.
19 And even visualizations of boxes the size of
20 refrigerators up on telephone pole type
21 equipment all over the City of New York.
22 That's not going to work.

23 And so I'm just curious. Am I just
24 behind the times and the technology will be

1 resolved before somebody tries to run around
2 putting giant boxes up every 500 feet in my
3 city?

4 MR. PUCKETT: I'm certainly no 5G
5 expert, but from what I've seen, you know,
6 are nodes about this big (indicating) sitting
7 on top of a building or a pole or a light
8 pole around the city or even in other places
9 where they have them, a node about this big,
10 not necessarily refrigerator size.

11 But again -- and I'm sure technology
12 will shrink over the years, as it has been
13 for years. But certainly I understand your
14 concerns.

15 CHAIRWOMAN KRUEGER: Thank you.

16 MR. PUCKETT: Thank you.

17 CHAIRWOMAN WEINSTEIN: So next we have
18 Mark Henry, president, and Jacques Chapman,
19 recording secretary, New York State
20 Amalgamated Transit Union, then followed by
21 New York State Transit Association, and then
22 Alliance of Automobile Manufacturers.

23 MR. CHAPMAN: Good afternoon,
24 everyone. Madam Chairman, thank you for this

1 opportunity to testify about the
2 transportation budget. My name is Jacques
3 Chapman. I am the recording secretary for
4 Amalgamated Transit Union New York State
5 Legislative Conference Board, also known as
6 ATU. Our chairman, Mark Henry, unfortunately
7 couldn't make it here today, and alongside me
8 here today is Jeremy Smith. He is business
9 agent for ATU Local 580 in Syracuse. I also
10 serve as president and business agent of ATU
11 Local 282 in Rochester.

12 I'm here today on behalf of ATU, which
13 represents more than 25,000 hardworking
14 transit workers throughout 82 cities,
15 including Albany, Binghamton, Buffalo,
16 New York City, Rochester and Syracuse.

17 There are many proposals in the
18 proposed Executive Budget that impact
19 transportation workers. If you review our
20 full testimony, you'll see our thoughts on
21 all these items in full. Today I just want
22 to highlight three items from our testimony.

23 First and foremost, we strongly
24 support Part WW of the Governor's proposed

1 revenue budget. Part WW would expand the
2 special supplemental auto rental surcharge
3 from the Metropolitan Commuter Transportation
4 District to the rest of the state. The funds
5 generated by this surcharge would be used to
6 directly support upstate public
7 transportation systems.

8 Across upstate New York, there are
9 over 60 transit systems providing service for
10 48 of the 50 upstate counties. Upstate
11 systems provide over a half-million rides
12 each day for upstate residents and provide
13 critical access to work, school, medical
14 appointments and other destinations for
15 millions of upstate residents. Many of these
16 riders have no other means of transportation,
17 and our services provide a measure of freedom
18 that they would not have otherwise.

19 Transit has been and will continue to
20 be a key component in reviving the upstate
21 economy. Upstate transit serves areas around
22 colleges and is poised to add service to
23 bring workers to new jobs. As riders take
24 advantage of transit services, economic

1 development can be expanded with less
2 investment in roadways and parking
3 infrastructure.

4 ATU has always maintained that the
5 state needs additional funding streams
6 dedicated exclusively for upstate transit
7 systems, and Part WW of the revenue bill
8 would do just that. Several of the upstate
9 transit authorities have grappled with
10 funding gaps over the years because of
11 increased ridership and system demands they
12 weren't adequately funded. Thankfully the
13 state was able to help these authorities
14 cover the gaps. But now with dedicated
15 funding for upstate transit systems, the gaps
16 will be easier to manage and address because
17 there will be certainty in our funding.

18 The past lack of appropriate funding
19 has cut into the long-term investments that
20 upstate transit systems can make to their
21 operations. We believe that dedicated
22 funding streams will reverse this trend.

23 The second issue I want to highlight
24 is Part HH of the transportation budget bill,

1 which would extend the sunset on the binding
2 arbitration provisions for the MTA. This is
3 another proposal we strongly support. The
4 public binding arbitration panels have been
5 used in the downstate transit area for over
6 30 years. The binding arbitration provision
7 ensures a fair and equitable resolution for
8 the collective bargaining impasse for both
9 the employer and the employee. It helps to
10 ensure that public transit riders continue to
11 enjoy uninterrupted service.

12 In addition to these items we support
13 in the Executive Budget, we would like to
14 also ask the Senate and Assembly to consider
15 once again adding a proposal to restore
16 critical employee protections to the New York
17 City school bus drivers, attendants and
18 mechanics. The proposal we are asking you to
19 consider would require that any future RFP or
20 RFB issued by the City of New York for the
21 transportation of schoolchildren include
22 employee protection provisions, EPP. The
23 Assembly and the Senate have included this
24 proposal before, and we hope that you'll be

1 able to do it once again.

2 Thank you for the opportunity to
3 testify today on these many important items
4 and how they would impact the public transit
5 of New York State.

6 Any questions?

7 CHAIRWOMAN KRUEGER: Thank you.

8 CHAIRWOMAN WEINSTEIN: Thank you for
9 being here. And I know you summarized some
10 of your testimony. We do have the full
11 testimony. Thank you.

12 MR. CHAPMAN: Thank you.

13 CHAIRWOMAN WEINSTEIN: So next we have
14 New York Public Transit Association, Bill
15 Carpenter, president, followed by Alliance of
16 Automobile Manufacturers, followed by
17 Columbia County Sanctuary Movement.

18 MR. CARPENTER: Thank you, Chairwoman
19 Krueger, Chairwoman Weinstein, for inviting
20 the New York Public Transit Association and
21 our opportunity to testify today. And thank
22 you, Chairman Kennedy, for your leadership on
23 transit issues and for being here.

24 My name is Bill Carpenter. I'm the

1 CEO for the Rochester-Genesee Regional
2 Transportation Authority, and I'm president
3 of NYPTA. Earlier today you heard from MTA
4 officials, so I'll concentrate and abbreviate
5 my comments on the needs of transit systems
6 in upstate New York and the downstate
7 suburbs.

8 Let me start by thanking the Governor
9 for recognizing the importance of public
10 transportation across the state in his
11 Executive Budget and proposing an increase in
12 state operating aid and a dedicated revenue
13 source to pay for it. This increase is
14 appreciated and necessary to maintain
15 essential transit networks in urban and rural
16 areas. While significant, it does not afford
17 the investment necessary for transit to
18 provide the greater mobility that upstate and
19 the downstate suburbs need to support
20 economic growth.

21 NYPTA is asking for a 50 percent
22 increase in funding over the next five years
23 that would provide the long-term commitment
24 to reimagined transit service that enables

1 communities to thrive. Public transit drives
2 the success of many important state programs,
3 including downtown revitalization, economic
4 development, access to jobs, reducing
5 poverty, access to education and healthcare,
6 clean energy and environmental protection.
7 Greater investment in transit can accelerate
8 the impact of all these initiatives.

9 The MTA needs long-term sustainable
10 funding to improve its services, and the
11 Executive Budget proposes actions to fund the
12 MTA. It's time for statewide action to
13 address the long-term funding needs of
14 communities across the state so no region is
15 left behind. The last transit funding
16 package in 2009 ignored transit riders in
17 upstate and in the downstate suburbs. We
18 should not make this mistake again.

19 Specific to this budget, the '19-'20
20 budget, NYPTA recommends a 10 percent
21 increase in state operating aid for all
22 non-MTA systems as part of a statewide plan
23 to increase funding by 50 percent over five
24 years. We urge the Legislature to support

1 the transit revenues proposed in the
2 Executive Budget and enact the auto rental
3 surcharge for upstate transit and congestion
4 tolling for the MTA.

5 In my written testimony there are
6 recommendations for increased capital funding
7 for all systems as well as more support for
8 rural systems. In the interest of time, I
9 will close with this thought. During
10 testimony earlier today, there was concern
11 expressed about the reliability of the MTA
12 subways. Because of funding levels across
13 the state, there's also a reliability problem
14 for upstate and downstate transit. Oh, the
15 buses run on schedule; that's not the
16 problem. Many customers cannot rely on
17 public transit because buses do not run often
18 enough, late enough, or go far enough for
19 access to jobs, for healthcare and education.

20 We should develop a plan to make the
21 MTA successful. Make the plan a statewide
22 plan for public transit to be successful
23 across the state.

24 Thank you.

1 CHAIRWOMAN WEINSTEIN: Thank you for
2 being here and for your submitted testimony.

3 Senator Antonacci.

4 SENATOR ANTONACCI: Thank you.

5 I'm very proud of Centro back in
6 Syracuse, New York. A friend of mine is
7 Brian Schultz. He is the chairman of the
8 board, a volunteer job, a labor of love. I
9 can't believe the amount of hours that he
10 puts in. But I do know that Centro is under
11 stress as well as our city, and we have a
12 great deal of need for our public
13 transportation.

14 As I mentioned earlier to the
15 Commissioner of Transportation, you know,
16 Syracuse is the 12th poorest city in the
17 country, and I'm hoping there will be support
18 for your five-year plan. Do you have any
19 suggestions on revenues to fund the larger
20 increase that you're looking for.

21 MR. CARPENTER: Certainly there were
22 conversations for the last several years for
23 TNC surcharges. The MTA and the NFTA both
24 benefit from sale tax dedicated to transit.

1 As we take a look at internet sales tax,
2 perhaps sales tax on cannabis, that as that
3 sales tax revenue grows for the state, we see
4 that as an opportunity.

5 So there are, I think, opportunities
6 to take a look at increased funding sources
7 to dedicate to public transit.

8 SENATOR ANTONACCI: I mean, it's --
9 anybody that's run a business -- and I
10 consider myself somebody that was fortunate
11 enough to not be on a public payroll my
12 entire life -- out in the public sector, when
13 you don't have some type of consistency --
14 nothing is guaranteed, but you're really
15 looking for some stability where there's a
16 five-year projection so you don't have to
17 come in here every year, hat in hand, looking
18 for a stable stream that you can depend on.
19 Is that fair?

20 MR. CARPENTER: That's a fair summary
21 of what we're saying.

22 SENATOR ANTONACCI: Okay. Is Centro,
23 for lack of a better word, worse off than
24 some of the other regional transportation

1 operators?

2 MR. CARPENTER: So Rick Lee -- like
3 your friend, Rick Lee is a very good friend.
4 He serves as treasurer for the association.
5 He's certainly expressed that they're doing
6 everything they can to make their system more
7 efficient. But with the constrained
8 revenues, the MRT in that area is not as
9 robust, perhaps, as Saratoga County and some
10 other counties, so they really count on state
11 operating aid and they're really looking for
12 support here in this year's budget.

13 SENATOR ANTONACCI: All right, thank
14 you.

15 CHAIRWOMAN KRUEGER: Thank you.
16 Senator Leroy Comrie.

17 SENATOR COMRIE: Thank you.

18 Mr. Carpenter, I'm the new chair for
19 Corporations, Commissions and Authorities for
20 the Senate. I look forward to working with
21 you on your needs in upstate, as well as Tim
22 Kennedy has already talked to me about some
23 of the budget needs that you have. And as I
24 deep-dive into this, I would hope that we

1 have an opportunity to communicate on a
2 regular basis so that we can try to make sure
3 that upstate is well-served as much as
4 possible.

5 I appreciate hearing from you your
6 ideas for revenue, and I would hope that the
7 association together sends out a joint letter
8 to support revenue ideas. As you heard, the
9 ideas that have been floated so far doesn't
10 cover the MTA budget, so we definitely need
11 to find more money to make sure that your
12 needs are included as well.

13 I want to thank you for your service,
14 and thank you for coming today.

15 MR. CARPENTER: Thank you. And we'll
16 be sure to work with you and your office as
17 we go forward.

18 SENATOR COMRIE: Thank you.

19 Thank you, Madam Chair.

20 CHAIRWOMAN KRUEGER: And Senator Tim
21 Kennedy.

22 SENATOR KENNEDY: Yeah, thanks. Thank
23 you very much, Bill. Thanks for your
24 testimony. And it is right in line with

1 everything that we've been saying. To
2 Senator Comrie's point, we recognize the
3 needs of the transit community in upstate are
4 unique, and they are certainly robust. So we
5 have to address those, and we'll be working
6 with you.

7 So thanks for being here, especially
8 given the storm. Safe travels.

9 CHAIRWOMAN KRUEGER: Thank you very
10 much for your testimony.

11 CHAIRWOMAN WEINSTEIN: Thank you.

12 Next, Wayne Weikel, senior director of
13 state affairs, Alliance of Automobile
14 Manufacturers.

15 He'll be followed by Columbia County
16 Sanctuary Movement.

17 MR. WEIKEL: Good evening, Chairs,
18 members of the committee. My name is Wayne
19 Weikel. I'm with the Alliance of Automobile
20 Manufacturers, a DC trade association
21 representing 12 of the world's leading car
22 manufacturers, who combined sell about
23 70 percent of the new cars in the U.S. each
24 year.

1 I've shortened my testimony in respect
2 to how long you've been sitting here. I have
3 also provided written testimony which you
4 already have.

5 I'm here today to speak in support of
6 Part M of the Governor's proposed budget,
7 which relates to automated vehicle
8 technology. Part M of the Governor's
9 proposed budget seeks to extend the state's
10 testing program for another two years, and as
11 you heard would also remove the state's
12 requirement that a driver must keep one hand
13 on the wheel at all times.

14 This section was adopted in 1971, and
15 at the time the value of which probably
16 seemed self-evident. But today, as I travel
17 around the country and go to tech conferences
18 to talk about autonomous vehicle technology,
19 this law is referenced ad nauseam by every
20 speaker who gets up as an example of today's
21 laws that need to be changed to accommodate
22 tomorrow's technology.

23 You know, when people hear the words
24 "autonomous vehicle," most jump to the sort

1 of anywhere read a book, take a nap, no input
2 from a human vision of the future. But
3 that's only really the end of the spectrum --
4 what is called a Level 5 vehicle, according
5 to the Society of Automotive Engineers, who
6 have developed a protocol to categorize AV
7 technologies. At the current rate of
8 advancement, that end of the line still
9 appears to be quite a long way away. The
10 problem with Section 1226 is not that it
11 precludes Level 5 vehicles from operating
12 within the state whenever they're ultimately
13 developed, it's that it also precludes the
14 near-term uses of these technologies.

15 Senator Seward actually hit on this
16 earlier tonight. There are Level 2 vehicles
17 that are capable of driving down the highway
18 today, keeping up with traffic, changing
19 lanes, navigating curves, without any driver
20 input on the steering, braking or
21 acceleration. There are also Level 2
22 vehicles that can parallel-park a vehicle
23 without any involvement from the driver.
24 Now, these are Level 2 vehicles, which means

1 that the driver is still responsible for
2 monitoring the driving environment, but the
3 driving task has been automated. These
4 technologies are available to consumers
5 today, and they cannot be legally used in the
6 State of New York.

7 There are Level 3 technologies that
8 are on the horizon that are designed to
9 manage all of these same driving tasks while
10 in low speed and stop-and-go traffic. But
11 unlike Level 2 system, Level 3 system
12 actually can also monitor the driving
13 environment, allowing the driver to focus on
14 other tasks. As the traffic clears and
15 vehicles start to speed up, the system is
16 designed to notify the driver that they must
17 take back control of the vehicle.

18 These are the sort of technologies
19 that could be available to New York residents
20 now or in the near future with the repeal of
21 Section 1226. And as the DMV commissioner
22 indicated, no other law in any of the 49
23 other states is similar to this, which
24 effectively prohibits these new technologies.

1 It is for these reasons that we
2 request your favorable consideration, and I
3 will end my testimony there.

4 CHAIRWOMAN WEINSTEIN: Assemblywoman
5 Wright.

6 ASSEMBLYWOMAN WRIGHT: Thank you.

7 I just wanted some clarification on
8 this. Are you saying this proposal would
9 remove the qualification that you have to
10 have a hand on the steering wheel, including
11 in high-density urban areas where there's
12 lots of pedestrian traffic, because we're
13 assuming that they're using a Level 3 vehicle
14 at that time?

15 MR. WEIKEL: Some form of automated
16 technology, yes.

17 ASSEMBLYWOMAN WRIGHT: Okay. But are
18 all automated cars operating at Level 3, or
19 are we still seeing some on the road that are
20 only operating at Level 2?

21 MR. WEIKEL: Well, a Level 2 vehicle
22 designed correctly -- most of the Level 2
23 vehicles now are designed, the technologies
24 that are out there are designed to be sort of

1 highway systems. So it doesn't necessarily
2 fit. But that doesn't mean that a Level 2
3 system couldn't be developed that could fit,
4 it's just currently there isn't one on the
5 road.

6 ASSEMBLYWOMAN WRIGHT: But those that
7 do exist, are they operable in urban spaces,
8 or is it just not advised to operate in urban
9 spaces?

10 MR. WEIKEL: No, they're not supposed
11 to be used in --

12 ASSEMBLYWOMAN WRIGHT: So they're
13 just not advised, but they could be operated
14 in urban spaces?

15 MR. WEIKEL: If one was to use them
16 against how their recommended use is, yeah.

17 ASSEMBLYWOMAN WRIGHT: Okay.

18 CHAIRWOMAN WEINSTEIN: Senator
19 Krueger.

20 CHAIRWOMAN KRUEGER: Thank you.

21 So have these 12 companies that you
22 represent, have they figured out when
23 something goes wrong, who am I going to sue?

24 MR. WEIKEL: That is an interesting

1 challenge that has to get worked out. I
2 think the general -- I'm not an insurance
3 expert. I think the general thinking is that
4 there is tort law that can sort of back up
5 liability, that it becomes a product
6 liability case.

7 But most members, our members and
8 other manufacturers have stated when they put
9 a technology on the roadway, they stand
10 behind it. And if it's used correctly, then
11 yes, they're expecting it to work correctly.

12 CHAIRWOMAN KRUEGER: So you won't tell
13 me no, just go sue the company who built the
14 software?

15 MR. WEIKEL: I think most lawyers end
16 up suing a range of people, and it ends up
17 getting worked out in the courts. But, you
18 know, that is something that does have to get
19 worked out. And I do think, depending on the
20 state, there's obviously insurance laws
21 regulated at the state level, so it varies
22 state to state. But most, you know, who have
23 been tracking this think of it as sort of
24 tort law will have to work things out, you

1 know, on the early cases.

2 CHAIRWOMAN KRUEGER: And in some of
3 the articles I've read they've raised a
4 concern that the people who are developing
5 these programs for your companies are
6 prioritizing making sure two vehicles don't
7 hit each other, as opposed to not hitting the
8 little old lady who is in the crosswalk. So
9 I'm wondering what kind of evidence you'll be
10 able to provide to us that you actually
11 prioritize everything going on in the
12 streets.

13 I represent Manhattan. So I've often
14 said if these machines work correctly, they
15 will never move at all in Manhattan Island,
16 because there will always be someone popping
17 out between cars, a bike zigging, a
18 pedestrian zagging, an electric bicycle
19 competing with a motorcycle competing with
20 the triple-parked truck. So I actually have
21 a theory it will just be 24/7 gridlock as
22 opposed to 20/7 gridlock in my borough.

23 But do you know whether there's
24 research going on to ensure sort of -- I'm

1 going to say it wrong because I'm not a
2 computer techie, but computers and even
3 artificial intelligence work off assumptions
4 of in what order do you deal with things.
5 How do I get assured that human life will be
6 the top priority?

7 MR. WEIKEL: Well, I think -- there's
8 a lot of questions there. I think the
9 pedestrian safety is absolutely part of what
10 is being tested, and that's absolutely part
11 of it. And, you know, I think, you know,
12 pedestrian safety is one of the driving
13 factors of this. About 6,000 people died in
14 pedestrian incidents last year. Nationwide,
15 that was about 16 percent of the overall
16 accidents.

17 In New York City -- I did pull this
18 for you -- in New York City, pedestrian
19 accidents were 59 percent of the overall
20 roadway fatalities. The national average is
21 16 percent; New York City was 59 percent.
22 But the important thing to that is many of
23 the driving factors to that were it was
24 nighttime. And in 49 percent of the cases

1 nationwide, not New York City-specific, it
2 had to do with alcohol.

3 Automated vehicles can see at night.
4 Automated vehicles don't drive drunk. You
5 know, inherently there are some advantages to
6 this technology.

7 As to whether they're planning for it,
8 I've heard some amazing stories of people
9 who -- testers who, you know, were actually
10 the programmers, where they were programming
11 for a seagull, they were testing in an urban
12 area that was on the water, they programmed
13 for a seagull. But they hadn't programmed
14 for a flock of seagulls, so they had to go
15 back and teach them what a flock of seagulls
16 was.

17 So that is the function of what's
18 testing. So bicycles and motor -- you know,
19 all of those iterations of what's out there,
20 you know, are part of the testing protocol.

21 CHAIRWOMAN KRUEGER: My time is up; I
22 will just throw one thing more at you. And
23 it's not your -- I doubt you'll be able to
24 answer, but I'm just saying it for the

1 record.

2 There are projections that when all
3 these autonomous vehicles are up and running,
4 4 million Americans will lose their jobs. I
5 know technology has all kinds of impacts,
6 good and bad. But I think as policymakers
7 we'd better start thinking about the fact
8 that we'll have 4 million Americans, mostly
9 without college degrees, no longer working
10 driving vehicles. And that's a real issue
11 for us all over New York State and the
12 country.

13 Thank you for letting me editorialize.

14 CHAIRWOMAN WEINSTEIN: Senator Comrie.

15 SENATOR COMRIE: Just a quick
16 question, if I may. You spoke about the
17 interactions that -- or the concern about
18 having the hand-on-the-wheel requirement that
19 New York State is looking to eliminate this
20 year. Can you tell me how many infractions
21 have been issued for that offense in this
22 state or in --

23 MR. WEIKEL: I have no data on that.

24 SENATOR COMRIE: Okay. So why is

1 there a concern about having that as a
2 function or not a function at all during the
3 testing period? I don't get it. I mean, if
4 you're testing, why not have the opportunity
5 to have a human element in the car during
6 that particular time?

7 MR. WEIKEL: The application of
8 Section 1226, you know, we are thinking
9 beyond just testing, the actual application
10 is -- these are technologies that are on the
11 roadway that just legally you can't use in
12 New York State now.

13 SENATOR COMRIE: Okay.

14 MR. WEIKEL: So we're thinking beyond
15 the sort of testing protocol to actual
16 vehicles that are already on the roadway.

17 SENATOR COMRIE: Right. Because
18 vehicles on the road now, the Tesla you
19 can -- you don't need necessarily to use your
20 hands while it's -- I've had -- I was in -- I
21 had an opportunity to ride in one, and it
22 went about 3 miles without the driver using
23 his hands. I was nervous the whole time and
24 pressing on the firewall in the car myself.

1 But you know, it's -- so I was just concerned
2 if you had had any violations that had been
3 applied to -- while your testing period had
4 been going on.

5 MR. WEIKEL: Yeah, you know, I think
6 you hit on it. The use of those
7 technologies, you know, whatever you were
8 riding in, that was -- by exact reading of
9 the law, is in violation.

10 We have no record of how many times
11 the police have pulled people over or
12 anything of that sort. But just, you know,
13 as good corporate entities, our manufacturers
14 don't like to put things out that they know,
15 you know, the use of which would be
16 prohibited by law. So it's a difficult place
17 for a manufacturer at that point.

18 SENATOR COMRIE: Okay. And right now
19 the testing that has been done around the
20 country, do you have any incidents that have
21 happened within the last six months? I know
22 there had been some incidents last year that
23 were well-publicized. But have there been
24 any incidents or is there any active

1 autonomous testing that's going on right now,
2 within the last six months, that there have
3 been any problems?

4 MR. WEIKEL: Within the state or --

5 SENATOR COMRIE: Within the country.

6 MR. WEIKEL: Within the country
7 there's a lot of testing going on. Most of
8 it's around hubs of California, Arizona,
9 Pittsburgh has a lot of testing going on,
10 Boston has some testing. There's a lot of
11 small pockets of testing, you know, with an
12 individual company's testing a sort of
13 particular-use case.

14 There definitely are incidents that
15 have gone on. From what I've read,
16 California has a lot of reporting around
17 incidents. Most of them are AVs getting
18 rear-ended by other drivers. A bus in
19 Las Vegas was actually hit within a half-hour
20 of the first time it was on the road -- not
21 the fault of the AV. But yeah, there
22 definitely are incidents. I don't have a
23 catalog of them, though.

24 SENATOR COMRIE: Thank you.

1 CHAIRWOMAN WEINSTEIN: Thank you.

2 MR. WEIKEL: Thank you.

3 CHAIRWOMAN WEINSTEIN: So next,
4 Bryan MacCormack, executive director,
5 Columbia County Sanctuary Movement, who will
6 be followed by National Limousine Association
7 and Limousine, Bus, Taxi Operators of
8 New York State, if you'll come and sit
9 together.

10 Just to mention that a number of
11 witnesses left, but they left their
12 testimony. And their testimony has been
13 received, and it's been emailed around.

14 MR. MACCORMACK: Hi. Thank you for
15 having me here today. I was introduced, my
16 name is Bryan MacCormack. I'm the executive
17 director of the Columbia County Sanctuary
18 Movement. CCSM organizes with immigrants and
19 allies to empower, support and defend our
20 communities.

21 I would like to return to an issue
22 that was discussed by Ms. Egan from the DMV
23 earlier today in the hearing. Our
24 organization, and organizations like ours in

1 your districts, witness and respond to the
2 impact of unequal access to driver's licenses
3 for undocumented immigrants on a daily basis.

4 The reality is mothers and fathers are
5 separated from their families, employers are
6 losing workers in farm fields and the service
7 industry, and parents are scared to drive to
8 doctor's appointments and bring their
9 children to school.

10 My colleagues from the Worker Justice
11 Center of New York and Nobody Leaves
12 Mid-Hudson will be talking about the economic
13 and public safety benefits of equal access to
14 driver's licenses for all New Yorkers,
15 regardless of immigration status. It is with
16 great honor that I introduce Dalila Yeend, a
17 resident of Troy, New York, a mother, and a
18 directly impacted immigrant who has
19 experienced the reality of driving without a
20 license.

21 MS. YEEND: On May 29th of 2018, I was
22 arrested in the City of Troy for a rolling
23 stop at a stop sign. I was held on a simple
24 traffic violation and handed over to ICE

1 after being released on my own recognizance
2 by a Troy city judge. I was then held on an
3 ICE detainer in Albany County Jail for three
4 days before being transferred to Buffalo
5 Federal Detention Center for the next two and
6 a half months.

7 I have sole custody of my two minor
8 children, who are American citizens. I was
9 ripped away from my 11-year-old daughter and
10 my 9-year-old son. For over 80 days my
11 children were shuffled to various houses of
12 my family and friends, as not one single
13 person was able to care for them on their
14 own.

15 Every day that I was detained was
16 extremely difficult for myself, my children,
17 my family and my friends for so many reasons,
18 the main one being that we were all unsure if
19 I would be deported. Although I am their
20 mother and sole provider, without the ability
21 to obtain a driver's license or any form of
22 state identification, I am unable to get my
23 children's passports. In the event that if
24 ICE deported me, or if they decide to deport

1 me in the future, what will happen to my
2 children? Who will care for them?

3 The Green Light NY: Driving Together
4 initiative means so much more to me than just
5 having a driver's license. It means having a
6 valid form of identification. It means
7 accessibility to simple things like my son's
8 numerous doctor's appointments, my children's
9 "Meet the Teacher" nights. It also means
10 that what happened to me might not happen to
11 another family with similar circumstances,
12 that their family may not have to suffer
13 being torn apart for months, not knowing what
14 the future holds.

15 For these reasons I wholeheartedly
16 request that the New York State Legislature
17 pass this legislation for equal access to
18 driver's licenses regardless of immigration
19 status.

20 Thank you.

21 CHAIRWOMAN KRUEGER: Thank you.

22 CHAIRWOMAN WEINSTEIN: Thank you so
23 much for coming here and putting a face on
24 this issue. I think it's important that we

1 hear from ordinary citizens and people who
2 are impacted so much by what we do here.

3 Thank you.

4 MS. YEEND: Thank you.

5 CHAIRWOMAN KRUEGER: Thank you very
6 much.

7 CHAIRWOMAN WEINSTEIN: Next I'd like
8 to call Douglas Schwartz, board member,
9 National Limousine Association, and Kevin
10 Barwell, president, Limousine, Bus, Taxi
11 operators of Upstate New York.

12 And if the remaining -- there should
13 be three additional witnesses left. If you
14 would just make sure you're up and ready to
15 go.

16 MR. SCHWARTZ: Thank you. Madam
17 Chairs, members of the Assembly and Senate,
18 thank you for allowing me to speak about the
19 proposed legislation that applies to stretch
20 limousines.

21 Although the recent limousine accident
22 was horrific -- and somebody knows somebody
23 who was involved in that accident, and I'm a
24 parent myself, and it's horrible even to

1 think about -- I think it's unfair to punish
2 a whole industry because of a rogue operator.
3 We should punish the operator.

4 The State DOT has processes in place
5 to protect passengers of these vehicles with
6 inspections and with background checks for
7 drivers and drug testing and all kinds of
8 different things that they do. And this was
9 obviously an operator that hadn't followed
10 any of these rules and regulations.

11 We feel that limousines are a safe
12 mode of transportation and actually keep some
13 drunk drivers off the road. On Long Island,
14 where I'm located, we do a big business out
15 to the wineries on the East End. And I can
16 only imagine, if we weren't able to provide
17 service for them, how many people would drive
18 themselves.

19 In addition, federal DOT we believe
20 will allow vehicles to cross the border from
21 New Jersey, Connecticut, Pennsylvania and
22 Canada to come into our state and supply
23 transportation to these people anyway. This
24 is going to create a loss of revenue for

1 our residents and a loss of sales tax.

2 The National Limousine Association and
3 a few other local associations -- this is
4 Kevin from the Upstate Association -- we
5 thought of a few things that the state could
6 do. One would be to limit the capacity to
7 double the manufacturer's capacity. So if
8 you had a Suburban and it was an
9 eight-passenger capacity, you could stretch
10 it and the limit would be 16. Don't build
11 these big giant vehicles anymore.

12 Also, the vehicle should have a
13 10-year operating limit so they have the
14 latest safety technologies. Seat belts
15 should be a requirement in all vehicles. And
16 we agree with most of the other processes
17 that they plan to put in place as far as
18 charging for DOT inspection fees and the high
19 fines. We are legitimate operators, and we
20 agree with that.

21 Whatever is put in place, we'd like to
22 ask for a 24-month sunset clause so as not to
23 create havoc in our industry for operators
24 that have these vehicles and brides that have

1 them reserved in the future already.

2 Thank you.

3 CHAIRWOMAN WEINSTEIN: Thank you. And
4 proceed, please.

5 MR. BARWELL: Chairman Weinstein,
6 Chairman Krueger, Chairman Kennedy, members
7 of the Senate and Assembly, thank you for
8 letting us speak here today. We are speaking
9 here in regard to the proposed legislation
10 that the Governor has proposed in his budget
11 which would eliminate stretch limousines or
12 manufactured modified vehicles.

13 I represent most of the companies
14 across the state in most of the major cities,
15 in Buffalo -- I am from Buffalo, so I
16 understand the snow we're having and think
17 I'm staying here tonight -- also in the
18 cities of Syracuse, Rochester, Albany and in
19 the Southern Tier as well.

20 We believe this accident that killed
21 the 20 people was a horrific tragedy, and our
22 hearts go out to the families and the people
23 involved. This is something that should have
24 never happened. With better policing, the

1 accident should have never happened.

2 We agree with the Governor on a few
3 points about this legislation. We agree that
4 higher fines, heavier penalties, and a change
5 to incorporate stronger safety, this will
6 stop the rogue operators and better establish
7 a method which our operators in the
8 transportation industry should follow. These
9 specific items will not really affect many of
10 our members, because many of our members, and
11 many of the operators especially, believe in
12 safety first. They have premier compliance
13 ratings with the DOT and their insurance, and
14 follow strict protocol when it comes to
15 operating these vehicles. They are the
16 legitimate operators.

17 But I do believe that we should not be
18 punished for one bad apple. There have been
19 many transportation accidents in New York
20 State involving school buses, coach buses,
21 public transit vehicles, ambulance, yet they
22 have not been banned for these types of
23 vehicles. After Flight 3407, which killed
24 50 people outside of Buffalo, we didn't ban

1 airplanes. Or when a megabus crashed outside
2 of Syracuse, killing four people, we didn't
3 ban motor coaches. And just this past week,
4 Monday, in Brooklyn, 10 children were injured
5 on a school bus, and we're not banning those
6 either.

7 No, we have learned from this and made
8 adjustments to make things safer and policies
9 better. Many of these vehicles that I have
10 mentioned have been modified in some way or
11 form, whether it's been the interior or the
12 exterior. So what does this mean? Are we
13 banning every form of transportation I have
14 just mentioned, or just singling out one?
15 Why? There have been more fatality-related
16 accidents in other forms of ground
17 transportation in New York, and they are
18 still operating. Ironically, you know, there
19 have been 134 fatalities on school buses just
20 in this past year.

21 This accident, nor the one in
22 Long Island a years ago, had nothing to do
23 with how the vehicle was remanufactured. So
24 why are we asking legitimate limousine

1 operators who follow some of the strictest
2 DOT laws in the country and pass a DOT
3 inspection on their vehicles twice a year --
4 not including any roadside inspections, which
5 they are required to get -- to get rid of
6 their fleet and possibly their businesses.
7 This is completely -- this is an unfair
8 action that may bankrupt many of your
9 constituents that have operations in your
10 districts, devalue the vehicles, loss of jobs
11 and loss of tax revenue, including a major
12 part of the \$26 million sales tax revenue.
13 This is kind of like telling travelers on the
14 Gray Line you can't use buses anymore, or a
15 pizzeria you can't sell pizza.

16 As my colleague mentioned, we do
17 suggest that the vehicles that be stretched
18 are no more than double the seating capacity
19 of the manufacturer's seating capacity of the
20 vehicle being modified, and only pertaining
21 to vehicles that have been stretched, similar
22 to the law that's in New Jersey. Also, no
23 stretch vehicles can be over 10 years old in
24 the for-hire business -- this will allow them

1 to meet the latest technologies -- and seat
2 belts be required in all new vehicles moving
3 forward, such as how the federal law was
4 enacted, which presently requires seat belts
5 federally as well. And that there be also a
6 24-month sunset period for companies to
7 matriculate these vehicles that don't meet
8 the standards we have mentioned out of their
9 fleets.

10 Also, finally, we ask that all
11 for-hire drivers have background checks,
12 meeting the federal FBI background checks as
13 well. Similar, you know, to meeting with the
14 1980 certification.

15 We completely understand that policing
16 needs to be on the forefront of all of this,
17 and we've been asking this for years in our
18 industry.

19 Over the past 10 years we've been hit
20 with many things, such as double taxation,
21 where we are charged for our tangible items;
22 ridesharing, in which we have created a
23 completely unfair working advantage with
24 limousine operators; and now this proposed

1 ban on stretch limousines. We have lost
2 many, many companies in upstate New York.
3 Many of the cities have lost 70 percent of
4 their operators over the decade with these
5 changes.

6 So we implore you to please rethink
7 the legislation so that we can make it a
8 safer place for our industry, make it
9 better-policed, keep the businesses alive.
10 Limousines do statistically prove they reduce
11 drunk driving, bring in tax revenue and keep
12 the roads safer with these legitimate
13 operators.

14 So as Governor Cuomo said in October
15 during his press conference, the laws are
16 fine and some of the strictest. It was a bad
17 operator, not the laws.

18 Thank you.

19 CHAIRWOMAN WEINSTEIN: Thank you for
20 being here.

21 Senator Kennedy.

22 SENATOR KENNEDY: Yes, thank you both
23 for your testimony and your suggestions. We
24 all are sympathetic and continue to be

1 heartbroken over the horrific tragedy that
2 happened not too far from here. And it
3 called into question many of the regulations
4 that currently exist and, quite frankly, many
5 that don't exist at all. And that is why we
6 are taking a very close look at the industry
7 in general, and we will be holding hearings
8 in the not too distant future on these
9 issues.

10 What I want to ask you is about one of
11 your suggestions about the 10-year operating
12 limit. What would you think about, rather
13 than a 10-year limit in time, a limit in
14 mileage to a vehicle?

15 MR. SCHWARTZ: Either one works, in
16 either situation. I mean, you know, we run a
17 fairly large and a fairly good company, and
18 we turn our vehicles over. It's just cheaper
19 for a good operator to turn his vehicles
20 over. And you have latest technologies,
21 which is a better thing.

22 So I think either situation.

23 MR. BARWELL: I think it might be a
24 little different upstate. You know, when you

1 look at New York City, New York City has a
2 larger populace to solicit those vehicles.
3 In the upstate area, some of the vehicles are
4 kept a little bit longer, so the mileage
5 might stay a little longer. I think if we
6 did mileage or 10 years it would probably
7 solve that problem as well.

8 SENATOR KENNEDY: Well, again, thank
9 you for your testimony. Thank you for being
10 here. You're very thorough. And stay safe
11 and warm.

12 CHAIRWOMAN WEINSTEIN: Thank you for
13 being here.

14 CHAIRWOMAN KRUEGER: We have a
15 question.

16 CHAIRWOMAN WEINSTEIN: Oh, I'm sorry.
17 Senator Antonacci.

18 SENATOR ANTONACCI: Thank you, Madam
19 Chair. All right if I ask a question? Don't
20 start the clock yet.

21 Thank you, gentlemen. At the risk of
22 a long day and trying to be somewhat
23 humorous, President Barwell, this is your
24 presentation. I got to tell you, the man of

1 the year. That's about as succinct as it
2 gets. Nice job. Most succinct I've seen
3 today.

4 But, you know, listen, this is a
5 serious topic. We had a very bad tragedy.
6 I'm in Syracuse. We heard about it, it made
7 all of our newspapers. And nobody wants to
8 see anybody get hurt in a situation where
9 they put their trust in an operator to get
10 them to a family event and something that
11 they were celebrating.

12 But what's more reprehensible, in my
13 opinion, is a money grab, using a tragedy as
14 a shield to go out and grab more tax dollars.
15 If you're a criminal and you're not following
16 the laws, I don't care what the fees are,
17 you're not going to pay the fees or you're
18 going to break the law. No reputable
19 operator is going to break the law, whether
20 there's a fee attached or not attached.
21 Right?

22 So this is going to hurt your
23 businesses. Do we know, though, the exact
24 amount of money that this revenue proposal is

1 planning on bringing in?

2 MR. BARWELL: You mean the actual fee
3 for DOT? No, right now the proposed -- this
4 is going to also affect not only limousine
5 operators but bus operators in the area. So
6 based on the bus numbers, I couldn't give you
7 a definite answer right now.

8 SENATOR ANTONACCI: But I mean I've
9 got a local operator in my district that is
10 basically telling me this is going to put a
11 major dent in his, you know, livery -- I
12 think I got the right word, right, for his
13 stable of vehicles. And is there really a
14 necessity to have these kind of vehicles
15 inspected every six months?

16 MR. BARWELL: Well, ironically,
17 that --

18 MR. SCHWARTZ: Yes. Yes.

19 MR. BARWELL: Well, yes, those
20 vehicles need to be inspected.

21 SENATOR ANTONACCI: But it's the fee
22 that bothers you.

23 MR. SCHWARTZ: We don't have issues
24 with the fees. We don't have issues with the

1 fees, the regulations, the seat belts, the
2 fines, I don't think any of that.

3 I think the issue -- you know, there's
4 a few things -- and I was listening today as
5 the conversation was going back and forth,
6 and what it says in the budget is very hard
7 to understand. We had the NLA lawyer read it
8 and explain it to us, and he goes, this is
9 what I think it means.

10 So it looks like they're going to
11 eliminate stretch limousines. So that's a
12 vehicle that has been cut and has been
13 elongated. Right? Which, you know, to us
14 there are stretch limousines that are built
15 what's called QVM, quality vehicle
16 manufacturing, where Ford puts its stamp of
17 approval on it and says we crash-tested it,
18 it's safe, it's all good. Right? So that's
19 a conforming vehicle.

20 Then they have these stretch
21 Escalades, right? Stretch Escalades have
22 always been inspected by New York State DOT
23 every six months. We didn't pay a fee,
24 though.

1 SENATOR ANTONACCI: And they're still
2 getting inspected. I don't mean to cut you
3 off, but I only got another 20 seconds.

4 I mean, I've got constituents that are
5 telling me this is going to be onerous.
6 Maybe -- I'm not saying that you're not on
7 the same page, but I guess I'd like to know
8 what it is you don't like, what it is you can
9 live with. But it does seem like this
10 industry is being singled out for an
11 additional operating cost.

12 MR. SCHWARTZ: Yes. So I think our
13 consensus is it's just the elimination of the
14 stretch limousine. You know, we can't put
15 six people in a bus to take them to the
16 wineries. It's just not -- they're not going
17 to buy it.

18 SENATOR ANTONACCI: Okay. All right.
19 Thank you, gentlemen.

20 MR. SCHWARTZ: Thank you.

21 MR. BARWELL: Thank you.

22 CHAIRWOMAN WEINSTEIN: Thank you.

23 Next we have a panel of Emma Kreyche,
24 Worker Justice Center of New York, and

1 Natalia Francisco Lopez, a member of
2 Nobody Leaves Mid-Hudson.

3 You're going to translate, or is
4 somebody translating?

5 MS. KREYCHE: We'll have translation,
6 yes.

7 CHAIRWOMAN WEINSTEIN: Okay.

8 MS. KREYCHE: So good evening, and
9 thank you so much for your time and
10 attention. My name is Emma Kreyche. I am
11 here representing the Worker Justice Center
12 of New York and also as a member of the
13 Green Light NY: Driving Together Coalition.

14 You've already heard from one of our
15 coalition members; you'll hear from another
16 after I speak today about the really urgent
17 need to adopt the provisions of the Driver's
18 License Access and Privacy Act, which was
19 just reintroduced into the Assembly today and
20 was introduced into the Senate again a couple
21 of weeks ago. That is the bill that would
22 allow all qualified New Yorkers to apply for
23 a standard license under the state's new
24 REAL ID-compliant licensing system.

1 I will summarize my comments. I'm
2 sure most of you are aware that 2020 is the
3 year that New York will become fully
4 compliant with federal REAL ID. I understand
5 that there was some discussion about that
6 earlier today. This process began in 2017
7 with the rollout of this new multi-tiered
8 licensing system, which offers a couple of
9 types of REAL ID-complaint license as well as
10 continuing to offer a standard driver's
11 license that cannot be used for federal
12 purposes and is clearly marked accordingly.
13 So it's this standard license that we can and
14 should offer to undocumented residents of our
15 state who are otherwise qualified.

16 So with this approaching compliance
17 deadline of October of 2020, the proposed
18 Executive Budget includes several action
19 items associated with REAL ID conversion,
20 which you heard about a little bit from the
21 Department of Motor Vehicles earlier. We
22 believe that these action items should
23 coincide with the adoption of new provisions
24 expanding driver's license access.

1 Essentially, concurrent implementation of
2 these policy changes is both practical and
3 efficient, particularly from a public
4 education standpoint.

5 You know, the DMV is already
6 implementing major changes to the licensing
7 system. What better time is there to make
8 all these overdue modifications to the
9 eligibility requirements of obtaining a
10 standard license? So the timing is right.

11 We are behind the curve. There are
12 currently 12 other states, in addition to
13 Washington, D.C., and Puerto Rico that permit
14 undocumented residents to apply for a
15 driver's license, and several more states,
16 including our neighbors in New Jersey and
17 Massachusetts, just introduced a bill --
18 there are several more states that are poised
19 to pass similar policies. It's long past
20 time for New York to follow suit.

21 And the great news is that expanding
22 access to driver's licenses would generate
23 sufficient revenue -- more than sufficient
24 revenue so as to outweigh the costs of

1 implementation. So I've heard you ask every
2 single person today where does the revenue
3 come from. We can generate revenue with this
4 proposal. The Fiscal Policy Institute
5 estimates that our proposed bill would lead
6 to 265,000 newly licensed New York drivers,
7 generating \$24 million in one-time revenue
8 from license plate and title fees, and
9 another \$28 million in annual revenue from
10 car registration fees and gas and sales
11 taxes.

12 And I have a copy of that study, but
13 I'll just briefly summarize. FPI also
14 projects that this would generate another
15 \$8.6 million in annual revenues and
16 \$2.2 million in one-time revenues for the
17 MTA. I know it's just a dent, but every
18 little bit counts.

19 Upstate mass transportation
20 authorities and county governments would also
21 stand to gain. And with more people
22 obtaining licenses and purchasing vehicles,
23 we'd expect a total of \$57 million in
24 combined annual government revenues and

1 \$26 million in one-time revenues.

2 So revenues aside, there are so many
3 reasons why making driver's licenses more
4 accessible for immigrants is good public
5 policy. Licensing immigrant drivers ensures
6 that they'll be informed of traffic laws,
7 pass a driving test, operate registered and
8 insured vehicles. The experience of other
9 states show us that adopting these measures
10 will lead to lower rates of uninsured
11 drivers, a reduction in the number of
12 hit-and-run accidents, and lower average car
13 insurance rates for all drivers.

14 More licensed drivers will lead to
15 more car sales and greater mobility among our
16 rural and suburban immigrant workforce.
17 Workers and employers will benefit from
18 overcoming transportation barriers that
19 contribute to the labor shortages we see in
20 some of our key sectors, most notably
21 agriculture.

22 Immigrant New Yorkers who live and
23 work among us should not have to worry about
24 accessing basic amenities. I live in Ulster

1 County. Some of my colleagues here are in
2 nearby Columbia County. We work across
3 New York State, and what we see is that
4 picking up a child from school, attending a
5 parent-teacher conference, purchasing
6 groceries, traveling to a doctor's
7 appointment or a religious service, or just
8 commuting to work -- throughout most of the
9 state, these daily activities are nearly
10 impossible without access to a vehicle.

11 Yet there are some 752,000 immigrant
12 New Yorkers age 16 and over who are currently
13 ineligible to become licensed drivers, all
14 because of our broken federal immigration
15 system.

16 CHAIRWOMAN WEINSTEIN: Thank you.

17 MS. KREYCHE: I'll stop. Thank you.

18 CHAIRWOMAN WEINSTEIN: So you're going
19 to be translating for Natalia?

20 MS. LOPEZ: Yes.

21 CHAIRWOMAN WEINSTEIN: Can we just
22 have your name so we know --

23 MS. LOPEZ: Sure. My name is Diana
24 Lopez, and I am community organizer for

1 Nobody Leaves Mid-Hudson of Ulster County.

2 (Ms. Natalia Francisco Lopez speaks in
3 Spanish, and Ms. Diana Lopez interprets.)

4 MS. LOPEZ: Good evening. My name is
5 Natalia Francisco Lopez. I am a member of
6 Nobody Leaves Mid-Hudson. I am here today to
7 ask for your support. I am a mother, and I
8 have children. And personally I am affected,
9 and my children as well.

10 My son, a 19-year-old, he has a
11 medical condition. And he needs to attend
12 doctor's appointments which are outside the
13 city she lives in. And there are occasions
14 she has missed appointments because she can't
15 find someone to take her and bring her back.
16 And she has three minor children that are in
17 school. At the same time, they get sick as
18 well. And she can't find nobody to take her
19 so she can pick them up from school. And
20 sometimes they have to wait an hour or two
21 for her to find someone that can take her to
22 school and pick them up.

23 And also because of the medication she
24 needs to pick up at the pharmacy because of

1 her son's medical condition, it is difficult
2 for her to go pick it up since sometimes
3 it's -- the time when it's open, she can't
4 access someone. And she knows that it
5 affects her son's condition of not being able
6 to go to his appointments or pick up his
7 prescription medication.

8 And it's a necessity as well of other
9 families that are going through this, or
10 sometimes like even worse conditions. And
11 that is why she is here, because she thinks
12 that it doesn't matter of the, you know,
13 immigration status, she should be able to
14 have a driver's license. And it would give
15 her some tranquility for her and her
16 children.

17 And it is a fear of her going out and
18 not having a driver's license to just to do
19 everyday things. And it affects her family,
20 and that's why it makes her like sad and
21 complicated like she feels. And at the same
22 time, she thinks it will generate a lot of
23 economic for the state.

24 And that is it. Thank you very much.

1 CHAIRWOMAN WEINSTEIN: Thank you so
2 much for being here.

3 MS. KREYCHE: Thank you.

4 MS. LOPEZ: Thank you.

5 CHAIRWOMAN WEINSTEIN: And thank you
6 also for being here.

7 I don't believe we have any questions.
8 But as I said before, having someone affected
9 is very helpful to bring home the point of
10 the situation so many New Yorkers find
11 themselves in.

12 CHAIRWOMAN KRUEGER: And I also
13 appreciated the data in your prime testimony
14 of how states that have actually done the
15 right thing are seeing reductions in
16 accidents without evidence, and decreased
17 costs. Because I think that was one of the
18 points I tried to make earlier with the DMV
19 commissioner as well. Thank you.

20 CHAIRWOMAN WEINSTEIN: Thank you.

21 MS. KREYCHE: Thank you.

22 CHAIRWOMAN WEINSTEIN: So we have --
23 our last witnesses are for the Center of
24 Disability Rights. And I'd just ask when you

1 speak, to please identify yourself, because
2 you were left off the list in error and we
3 want to make sure that we -- is it Ericka
4 Jones?

5 MS. JONES: Yes.

6 CHAIRWOMAN WEINSTEIN: Oh, okay. So
7 we know who you are.

8 MS. JONES: Thank you.

9 Well, first off I wanted to say thank
10 you to the committee chairs for allowing me
11 the opportunity to provide testimony today.
12 And also thank you to the rest of you for
13 sticking around to hear me.

14 Transportation is incredibly important
15 for disabled people throughout the state.
16 I'm here from Rochester, where there are many
17 rural areas surrounding us. I live in one.
18 Because I live outside of the city, I'm
19 already at an impasse about getting
20 transportation. And as you can see, I can no
21 longer drive until I'm healed.

22 This is my attendant, Ruby. She helps
23 me with everything right now. And that
24 includes helping me figure out a way to get

1 to work. There are many folks that live in
2 rural areas, places like Ontario County, out
3 in Bath, that don't have the extra help or
4 don't have the transportation systems to get
5 to where they need to go.

6 And I was excited to see that Bill
7 Carpenter was here earlier, and he spoke on
8 the issues with transportation out in that
9 area.

10 When it comes to transportation, we
11 really only have paratransit. And we have
12 some TNCs, but those are not currently
13 accessible to my community. For the
14 paratransit, we're finding that because of
15 the impact of the TNCs coming into our areas,
16 service areas are shrinking in the
17 traditional fixed routes. And where you find
18 changes in fixed route, you're going to find
19 changes in paratransit.

20 I myself am a paratransit user. And
21 living where I am, I already don't get
22 service. And I only live a mile and a half
23 from the nearest bus stop. If I had lived
24 within the city limits, it might be easier.

1 But currently I and many people are impacted
2 with getting to work, getting to the doctor,
3 going the grocery store -- all things that we
4 need particularly in this really nasty storm.
5 There are people right now stuck in their
6 homes and have no way to get the bare
7 necessities.

8 We're asking for an expansion of
9 accessible transportation systems, not just
10 in paratransit and in the traditional fixed
11 routes, but also we would like to see more
12 accessible options for TNCs. Because people
13 need to be able to go out and work, and
14 people need to be able to get their
15 attendants to where they are to perform their
16 daily living tasks. If not, we're going to
17 find that more people are going to end up in
18 institutions like nursing facilities.

19 And for myself, if I didn't have Ruby,
20 I would find myself in one as well, even
21 though I do regularly have a way to get to
22 work and I do regularly have a way to get to
23 the doctor and the grocery store.

24 I'm asking that we put more effort

1 into making these systems accessible so that
2 more folks can be a part of our community.
3 And particularly for our area that has
4 satellite offices in Geneva, Corning, Albany
5 and Canandaigua, those are very much
6 impacted, not just with a low rate of being
7 able to get attendant services because people
8 can't travel or don't have transportation to
9 where the work is. But if the people can't
10 get out of the homes, how will they work
11 themselves?

12 Thank you.

13 CHAIRWOMAN WEINSTEIN: Senator
14 Kennedy.

15 SENATOR KENNEDY: Thank you so much.
16 Thank you for your testimony and your
17 patience in listening to so many others while
18 you waited. This is extremely important, not
19 just to me but I believe to everyone here and
20 to many members of the Legislature.

21 I personally am an occupational
22 therapist, so I've worked for many years in
23 the field before being elected. And I also
24 know that this is important to the

1 administration. Just a little while ago we
2 had the deputy commissioner of the DMV here,
3 and she testified that the accessibility of
4 TNCs will -- and their report will be
5 provided tomorrow. Unfortunately, just a day
6 after, but we'll be looking forward to
7 reviewing that and taking the recommendations
8 from that and hopefully moving them forward.

9 I've also proposed a couple of
10 different laws, one to expand paratransit
11 services, at least in my neck of the woods --
12 close by Rochester but out in the NFTA -- as
13 well as expanding -- another piece of
14 legislation that expands the area to which
15 the paratransit services serve the community
16 from that three-quarters of a mile to a
17 mile and a half. And it would expand greatly
18 the amount of individuals that are provided
19 that paratransit service.

20 So I would certainly ask you and your
21 organization to take a look at those things,
22 see if it's something that you could be
23 supportive of and maybe galvanize behind with
24 us.

1 But we look forward to working with
2 you. And again, thank you for your
3 testimony.

4 MS. JONES: Thank you.

5 CHAIRWOMAN WEINSTEIN: Thank you for
6 your testimony, and safe travels back to
7 Rochester.

8 MS. JONES: Thank you.

9 CHAIRWOMAN WEINSTEIN: So this
10 concludes the Joint Budget Hearing on
11 Transportation.

12 We will resume our joint budget
13 hearings on Monday at 11 a.m., with the
14 hearing on Housing. And when that hearing is
15 completed, there will be the hearing on
16 Workforce.

17 CHAIRWOMAN KRUEGER: Thank you.

18 (Whereupon, the budget hearing concluded
19 at 7:20 p.m.)

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