

Testimony of Robert Wessels, Executive Director General Contractors Association of New York Joint Assembly and Senate Transportation Budget Hearing January 26, 2021

The General Contractors Association represents the unionized heavy civil construction industry whose members build New York's roads, bridges, transit network, water and sewer systems, parks, schools and building foundations. In short, GCA members build the infrastructure that supports New York's economy and connects its diverse communities.

We appreciate the seriousness of the issues facing the legislature this year as New York faces an unprecedented fiscal crisis that has decimated its finances as well as those of the City and the MTA. While operating budgets have been hit hard, the resulting impact on capital investments has been challenging for the construction industry leading to uncertainty both in employment levels and in the outlook for future work.

That said, we commend Governor Cuomo for nonetheless recommitting to a road and bridge capital plan that keeps New York moving ahead and our workforce dutifully employed. Throughout the pandemic the State Department of Transportation has continued to advance its capital program as planned. This effort has been critical in making necessary investments to repair and rebuild New York's roads and bridges and in the process acknowledging the essential nature of such construction to not only the 25,000 represented employees working on those projects, but to the future mobility of all New Yorkers. Ensuring that the 2nd year of the DOT capital program is fully funded – a 2-year program that is one-third higher than the prior two-years – is ultimately essential to maintaining our economy and keeping New York competitive in the 21st Century.

We are optimistic about the future for the MTA's \$51.5 billion capital program but remain concerned that the overwhelming majority of the MTA's capital program has been on pause since last spring as a result of the devastating loss of fare and tax revenue the Authority has incurred since the pandemic hit.

We are grateful to Senator Schumer and the New York Delegation for their hard work to help the MTA through the CARES Act and the most recent COVID relief bill by providing over \$8 billion to the Authority. While it appears that more will need to be done on that front to help the MTA through 2022 and beyond, we are also pleased that the Governor is keeping the State's commitment to contributing its \$3 billion share of funding to the MTA Capital Plan. This

will help alleviate some of the pressure on the MTA's use of capital dollars for operating purposes during this crisis.

Over the last ten months, the GCA has worked with Congress to ensure that both the Federal CARES Act passed in March, and its more recent successor aid package signed into law this December, included assistance for the MTA, New York State and New York City. We will continue to actively and aggressively advocate for additional help in what we hope will be another round in the coming weeks.

We will also press the new Administration and the incoming USDOT Secretary to allow the MTA to move forward on its Congestion Pricing strategy that promises to provide significant revenues for the transit system's capital program in the hope that, coupled with additional federal aid, the entire program can move forward as planned.

In closing, you can be assured that the GCA's 300 members and 25,000 "essential" professional and represented workers are ready to do their part, not only advocating for additional resources for the State, City and the MTA, but continuing to "Build New York" as they have done throughout the pandemic – and, frankly, since the GCA was founded in 1909."