

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

2 -----

JOINT LEGISLATIVE HEARING

3 In the Matter of the  
2023-2024 EXECUTIVE BUDGET  
4 ON TRANSPORTATION

5 -----

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

8 February 6, 2023  
11:40 a.m.

9

10 PRESIDING:

- 11 Senator Liz Krueger  
Chair, Senate Finance Committee
- 12
- 13 Assemblywoman Helene E. Weinstein  
Chair, Assembly Ways & Means Committee

14 PRESENT:

- 15 Senator Thomas F. O'Mara  
Senate Finance Committee (RM)
- 16
- 17 Assemblyman Edward P. Ra  
Assembly Ways & Means Committee (RM)
- 18 Senator Timothy M. Kennedy  
Chair, Senate Committee on Transportation
- 19
- 20 Assemblyman William B. Magnarelli  
Chair, Assembly Committee on Transportation
- 21 Senator Leroy Comrie  
Chair, Senate Committee on Corporations,  
22 Authorities & Commissions
- 23 Assemblyman Kenneth Zebrowski  
Chair, Assembly Committee on Corporations,  
24 Authorities & Commissions

1 2023-2024 Executive Budget  
Transportation

2 2-6-23

3 PRESENT: (Continued)

4 Assemblyman Jonathan G. Jacobson

5 Senator George M. Borrello

6 Assemblyman Charles D. Fall

7 Assemblywoman Emily Gallagher

8 Senator Shelley B. Mayer

9 Assemblywoman Jessica González-Rojas

10 Senator Jessica Ramos

11 Assemblyman Steven Otis

12 Assemblywoman Jo Anne Simon

13 Senator Peter Oberacker

14 Assemblyman Robert C. Carroll

15 Senator John C. Liu

16 Assemblywoman Gina Sillitti

17 Assemblywoman Marcela Mitaynes

18 Senator Brad Hoylman-Sigal

19 Assemblywoman Taylor Darling

20 Senator Roxanne Persaud

21 Assemblywoman Rebecca A. Seawright

22 Senator Jeremy A. Cooney

23 Assemblywoman Patricia Fahy

24 Assemblyman Philip A. Palmesano

1 2023-2024 Executive Budget  
Transportation

2 2-6-23

3 PRESENT: (Continued)

4 Senator Kristen Gonzalez

5 Assemblyman John Lemondes

6 Assemblyman Erik M. Dilan

7 Assemblywoman MaryJane Shimsky

8 Senator Mario R. Mattera

9 Assemblywoman Karen McMahon

10 Assemblyman Robert Smullen

11 Senator Andrew Gounardes

12 Assemblywoman Jodi Giglio

13 Assemblyman Michael Durso

14 Assemblyman Matt Slater

15 Senator Michelle Hinchey

16 Assemblyman Brian Curran

17 Assemblyman John W. McGowan

18 Assemblyman Michael J. Norris

19 Senator James Skoufis

20 Assemblyman Zohran K. Mamdani

21 Assemblyman Brian D. Miller

22 Assemblyman Tony Simone

23 Assemblywoman Sarahana Shrestha

24 Assemblyman Kenny Burgos

1 2023-2024 Executive Budget  
Transportation

2 2-6-23

3 PRESENT: (Continued)

4 Senator Nathalia Fernandez

5 Assemblyman George Alvarez

6 Assemblyman Alex Bores

7 Assemblyman Brian Cunningham

8 Assemblyman Ron Kim

9 Assemblyman Manny De Los Santos

10 Assemblyman Josh Jensen

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12

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14 LIST OF SPEAKERS

15 STATEMENT QUESTIONS

16 Janno Lieber  
Chairman and CEO

17 Metropolitan Transportation  
Authority (MTA) 12 22

18 Marie Therese Dominguez

19 Commissioner  
NYS Department of Transportation 203 212

20 Mark J.F. Schroeder

21 Commissioner  
New York State Department

22 of Motor Vehicles  
-and-

23 Frank G. Hoare  
Interim Executive Director

24 NYS Thruway Authority 355 351

1 2023-2024 Executive Budget  
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3 LIST OF SPEAKERS, Continued

4 STATEMENT QUESTIONS

5 Bill Carpenter  
President

6 NY Public Transit Association  
-and-

7 Lisa Daglian  
Executive Director

8 Permanent Citizens Advisory  
Committee to the MTA

9 -and-  
Walter Pacholczak

10 Vice President of Government  
Affairs

11 Associated General Contractors  
of New York State 442 451

12 Holly Tanner

13 Columbia County Clerk and  
NYSACC DMV Committee Chair

14 New York State Association  
of County Clerks (NYSACC)

15 -and-  
David Miller

16 President  
NYS Association of Town

17 Superintendents of Highways  
-and-

18 Kevin Rooney  
President

19 NYS County Highway  
Superintendents Association

20 (NYSCHSA)  
-and-

21 Fred Hiffa  
Technical Consultant

22 Rebuild NY Now 465 478

23

24

1 2023-2024 Executive Budget  
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3 LIST OF SPEAKERS, Continued

4 STATEMENT QUESTIONS

5 Steve Strauss  
Executive Director  
6 Empire State Passengers  
Association  
7 -and-  
Gregory Topping  
8 President  
New York Aviation Managers  
9 Association (NYAMA)  
-and-  
10 Scott Wigger  
Executive Director  
11 Railroads of New York 497 506

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1 CHAIRWOMAN WEINSTEIN: Good morning.

2 I am Helene Weinstein, chair of the  
3 New York State Assembly Ways and Means  
4 Committee and cochair of today's hearing.

5 And today we begin the first in a  
6 series of 13 hearings conducted by the joint  
7 fiscal committees of the Legislature  
8 regarding the Governor's proposed budget for  
9 fiscal year 2023-2024. The hearings are  
10 conducted pursuant to the New York State  
11 Constitution and the Legislative Law.

12 And today our committee will hear  
13 testimony concerning the Governor's budget  
14 proposal for transportation.

15 I'll now take a moment or two to  
16 introduce the members of the Assembly  
17 Majority who are here. After that,  
18 Senator Krueger will introduce her  
19 colleagues, and our respective rankers will  
20 introduce their colleagues.

21 So with us in the Assembly we have  
22 Mr. Zebrowski, chairman of the Corporations  
23 Committee; Mr. Magnarelli, chair of the  
24 Transportation Committee; a number of

1 colleagues of ours -- Assemblyman Dilan,  
2 Assemblyman Otis, Assemblywoman Shimsky,  
3 Assemblyman Carroll, Assemblywoman Mitaynes,  
4 Assemblywoman Shrestha, Assemblywoman  
5 Sillitti, Assemblywoman Simon, and  
6 Assemblyman Jacobson. There may be some  
7 others who will join us as the meeting  
8 progresses.

9 Senator Krueger, your colleagues,  
10 please?

11 CHAIRWOMAN KRUEGER: Good morning,  
12 everyone. It's an exciting morning, Day One  
13 of our marathon, the first time in-person  
14 in -- I guess two years we weren't in-person,  
15 so we're going to try to remember all of the  
16 rules of the road for these kinds of live  
17 hearings.

18 I am joined today -- I'm sorry, I'm  
19 Liz Krueger, I'm the chair of the Finance  
20 Committee in the Senate. I am joined by Tim  
21 Kennedy, our chair of our Transportation  
22 Committee; Leroy Comrie, our chair of our  
23 Corporations Committee; and various members  
24 of all three committees, including, so far,



1 Senator Gonzalez, Senator Gounardes,  
2 Senator Hinchey, Senator Hoylman-Sigal,  
3 Senator Liu, Senator Persaud, Senator Ramos,  
4 Senator -- I think -- did I miss any  
5 Democratic Senators? I think I got everyone  
6 who's here so far.

7 And I'm going to turn it over to the  
8 ranker on Finance to introduce his members.

9 SENATOR O'MARA: Thank you,  
10 Chairwoman.

11 I believe at this point we have  
12 Senator Oberacker with us from our side.

13 CHAIRWOMAN KRUEGER: Thank you.

14 CHAIRWOMAN WEINSTEIN: Assemblyman Ra,  
15 for your colleagues.

16 ASSEMBLYMAN RA: Thank you, Chair  
17 Weinstein.

18 Good morning, everybody. We are  
19 joined on our side by Assemblyman Lemondes,  
20 who is our ranker on the Corporations  
21 Committee; Assemblymembers Smullen, Giglio,  
22 Durso, Curran, Miller, Slater, and McGowan.  
23 And our ranker on Transportation, Mr. Norris,  
24 will be joining us a little later for the

1 Transportation commissioner.

2 Thank you.

3 CHAIRWOMAN WEINSTEIN: Thank you.

4 So now some ground rules. Just as a  
5 refresher from the last time we had our  
6 hearings, the time limits for witnesses will  
7 be governmental witnesses have 10 minutes to  
8 make their presentation; nongovernmental  
9 witnesses will have three minutes. In terms  
10 of time limits, questions and answers in  
11 terms of legislators, the chair of the  
12 committee relevant to each governmental  
13 witness will get 10 minutes and a second  
14 round of three minutes, if desired. Ranking  
15 members of these committees will get  
16 5 minutes each. And all other members of the  
17 relevant committees will get 3 minutes each.

18 And I just remind witnesses both here  
19 now and those who are watching for a future  
20 hearing, that all written testimony has been  
21 submitted to the legislators in advance, so  
22 we ask witnesses to please not read your  
23 written testimony to us. Instead, please  
24 summarize.

1           And to legislators, please let myself,  
2   Senator Krueger or the respective rankers  
3   know if you wish to question each witness or  
4   panel of witnesses. After the opening  
5   remarks of each governmental witness or panel  
6   of governmental witnesses has been concluded  
7   and members indicate their desire to ask  
8   questions, the list will be closed.

9           Everyone -- legislators, witnesses --  
10   just keep an eye on the time clocks. We have  
11   them here. And the clocks will count down.  
12   Just to remember, again, that the time for  
13   questions in terms of legislators is both for  
14   the question and for the answer.

15           And we're trying to not have our  
16   hearings run to midnight, as they have in the  
17   past when we've had these hearings. So we  
18   want to make sure we're able to ask questions  
19   and get answers without having to cut off any  
20   witnesses.

21           So with that, I'm delighted to call  
22   our first witness, Janno Lieber, Metropolitan  
23   Transportation Authority, and colleagues who  
24   are here with him. So please, the time is

1 yours.

2 I should just mention that you're the  
3 MTA chair and the CEO of MTA.

4 MTA CHAIR LIEBER: Thank you. Thank  
5 you.

6 CHAIRWOMAN WEINSTEIN: Perhaps you  
7 want to just introduce your colleagues.

8 MTA CHAIR LIEBER: Thank you, Madam  
9 Chair. Thank you for having us today.

10 I'm joined by MTA CFO Kevin Willens,  
11 by Deputy CFO Jai Patel. And you also may  
12 hear from Mr. McCarthy, our director of  
13 external affairs, and Mr. Schwartz, who runs  
14 intergovernment relations.

15 I'm thrilled to be with all of you  
16 again. We've worked together for some time.  
17 But I think you know what we're here to talk  
18 about today, which is the most pressing issue  
19 that we have in front of us, the incredibly  
20 challenging financial situation faced by the  
21 MTA.

22 We have been raising the alarm on this  
23 issue for over a year, so this is not news to  
24 anybody in this room. But the reality is

1 MTA, our agency, is facing a prospective  
2 \$2 billion deficit in 2024. And that figure  
3 grows to \$3 billion by the end of the current  
4 financial plan period, which takes us through  
5 2026.

6 As I've said many times, we're in dire  
7 need of new funding, a new funding model, to  
8 preserve our vital transit system and the  
9 regional economy it makes possible.

10 Thankfully, we have a Governor and a  
11 Legislature that recognize the importance of  
12 the MTA's financial situation. In her  
13 Executive Budget address last week, Governor  
14 Hochul proposed a bold but balanced plan to  
15 ensure the financial stability of the MTA, as  
16 she committed to doing in her State of the  
17 State address a few weeks ago.

18 The Governor's plan keeps the MTA and  
19 the New York metropolitan region, which  
20 accounts for 70 percent of our statewide  
21 economy -- keeps us moving forward with, as I  
22 said, a balanced plan that combines  
23 \$400 million in savings from the MTA without  
24 cutting service, realigning some outdated

1 financial arrangements we have with the City  
2 of New York: Cost-sharing that has become  
3 outdated and burdensome to the MTA. An  
4 increase in the Payroll Mobility Tax, which  
5 will apply only to 5 percent of business.  
6 Only 5 percent of businesses will experience  
7 that, the largest businesses. A near-term  
8 one-time infusion of state General Funds to  
9 deal with this year's deficit, and  
10 longer-term security for the MTA financially  
11 in the form of a big stake in the casino --  
12 the future casino revenues.

13 I want to acknowledge the members of  
14 the Legislature who have separately and  
15 together come up with a range of different  
16 ideas and proposals for the MTA in the last  
17 few months, and which have also raised  
18 awareness in their communities about the  
19 existential crisis facing the MTA, which is  
20 due directly to the persistence of remote  
21 work post-COVID. That's why we are here.

22 We recognize your commitment to  
23 frequent, safe, and reliable public transit,  
24 and we're going to work with you to get a

1 budget, a final budget, that addresses the  
2 situation that we're all so concerned about.

3 Listen. Everybody understands the  
4 vital importance of public transit to the  
5 New York metropolitan region. As I always  
6 say -- and I'm a bit of a broken record on  
7 this -- for New Yorkers, transit is like air  
8 and water. We need it to survive. And, lo  
9 and behold, COVID proved that exact point.

10 Remember? Everybody insisted during COVID  
11 that the MTA keep running full service  
12 because we needed to get essential workers to  
13 hospitals, to pharmacies, to grocery stores,  
14 to distribution centers, so our economy could  
15 continue to function.

16 Even the brief late-night closure that  
17 we put in place during the height of COVID to  
18 facilitate cleaning, that was met with howls.  
19 And when the city's recovery got underway,  
20 everybody urged the MTA to provide full  
21 service to power the region's revival.

22 People coming into the city, it's not  
23 just about office workers, it's about the  
24 middle-income folks and lower-income folks

1 who depend on those service jobs that the  
2 office economy generates. And so mass  
3 transit is needed not just for people going  
4 to offices, but also to try to attract people  
5 back to theater, to shopping, to restaurants,  
6 to everything that makes it possible for  
7 New Yorkers to survive and thrive.

8 And today transit is as essential as  
9 it ever was. Here's the truth. This is --  
10 you know, this is the absolute reality. In  
11 working- and middle-class communities,  
12 ridership is 70, 80, sometimes 90 percent. I  
13 met with the Speaker. His home station at  
14 the end of the line in the northern Bronx is  
15 like 90 percent of pre-COVID. Those  
16 New Yorkers are back to work five, six,  
17 sometimes seven days a week, and they can't  
18 afford a \$50 Uber. They deserve the same  
19 frequent, reliable, safe service that they've  
20 come to depend on, even if more affluent  
21 New Yorkers, mostly in white-collar jobs, are  
22 not using mass transit as frequently.

23 It doesn't make sense that low-income  
24 folks should see service slashed because



1 others can work from home or dial it in from  
2 East Hampton or Aspen. So service has to be  
3 frequent, and it has to be safe. Again, this  
4 is an area we've gotten incredible support  
5 for from Governor Hochul and from  
6 Mayor Adams. Their Cops, Cameras and Care  
7 initiative announced back in late October  
8 really kicked in our multiyear effort on  
9 public safety, kicked it into overdrive. The  
10 NYPD surged their numbers into the subways  
11 with 1200 more officers on platforms and on  
12 trains.

13 I -- when I see folks, and it's a lot,  
14 I thank them. Because what I say to them  
15 is -- you know, and it's not always an  
16 exciting job to stand on a subway platform  
17 and to patrol up and down a subway mezzanine.  
18 And I say to them "Thank you." Because crime  
19 numbers are down double digits since October,  
20 and our riders are telling us that they're  
21 thrilled. The riders are saying that they  
22 feel much safer. This is the surveys that we  
23 do -- we do a ton of it -- show riders are  
24 feeling significantly safer month after

1 month, and they're letting us know -- for the  
2 first time, more than 40 percent of them  
3 think that there's the right number of cops  
4 in the system. Actually, a lot of them want  
5 more. So it is a huge improvement both to  
6 the facts of public safety and to the  
7 appearance as well.

8       When compared to the same span of  
9 three months -- since, you know, November,  
10 December and January -- we're currently at  
11 the second-lowest overall crime level since  
12 1995. And for the month of January, crime  
13 was down 30 percent versus last year,  
14 reversing what had been a disturbing trend.  
15 Thirty percent down, a big turnaround.

16       As I said, customers are feeling the  
17 difference. We want our customers to keep  
18 coming back, so we're doing everything we can  
19 to make transit easy, safe, convenient. Fare  
20 promotions. Finishing major capital  
21 projects. We have never, never, never done  
22 anything like the pace of accessibility  
23 improvements. We've got 70 separate ADA  
24 projects either in contract or in

1 construction or, you know, 20 of them have  
2 been completed since the onset of COVID.  
3 Never before at that pace.

4 But I have to say, again, everything  
5 is a risk if we don't achieve fiscal  
6 stability. The MTA is ready to work with all  
7 stakeholders -- Albany, all of you,  
8 Washington, City Hall, advocates, budgeteers,  
9 comptrollers, and more. Tom DiNapoli has  
10 been very explicit on the need to solve this  
11 problem and the urgency of solving this  
12 problem. And we're ready to do our part  
13 with, as I said, plans for cutting  
14 400 million from the MTA's operating budget  
15 without cutting service.

16 There's a series of strategic moves  
17 that we've undertaken. We've been at this,  
18 planning this, since the beginning of the  
19 year. It's not a latter-day activity.

20 Previous MTA fiscal crises have been solved  
21 in large part by service cuts. It has to be  
22 different this time. We have to rethink the  
23 way mass transit is funded. Pre-pandemic,  
24 the MTA was achieving farebox recovery

1 ratios -- that's the portion of our operating  
2 budget that's funded by revenues from rider  
3 fares -- we were over 50 percent while other  
4 transit systems nationwide were in the 25 to  
5 35 percent range. We cannot continue to rely  
6 solely on the farebox as the principal driver  
7 of the MTA's operating budget.

8 Now, we have made significant progress  
9 in recent years. We have -- as I said, we  
10 have the on-time performance in January --  
11 it's the highest in 10 years. Metro-North,  
12 the two commuter railroads, out of sight: 97  
13 and 96 percent. We're delivering the major  
14 projects you've all heard about: Third  
15 Track, on time, \$100 million under budget.  
16 We dragged that Grand Central Madison project  
17 over the finish line. I inherited this five  
18 years ago, it was a mess. We tore it apart,  
19 put it back together again, and we got it  
20 done.

21 We've -- as I said, expanding subway  
22 accessibility faster than ever. We're  
23 redesigning the bus system. Anybody have the  
24 guts to redesign the bus system in New York,

1 kind of a high-profile, controversial issue?  
2 We're doing it. Be it -- it's the first time  
3 in 100 years that anyone's really looked at  
4 where people are trying to get and where --  
5 you know, what are their natural origin  
6 destinations and how do you redesign the  
7 system so you can maximize the speed of bus  
8 travel. We're taking on the hard issues.

9 And most important -- well, I talked  
10 about on-time performance. But the bottom  
11 line is if we can't balance the budget, we  
12 can kiss those gains goodbye. In that case,  
13 the decision-making would revert to the MTA  
14 Board, which is statutorily obligated to  
15 balance the budget and has only three tools:  
16 Layoffs, service cuts, and massive fare  
17 hikes. The fourth doomsday lever we don't  
18 want to pull is shifting funds from the  
19 \$55 billion historic capital plan.

20 Remember 2017, the "Summer of Hell."  
21 That came after the fiscal crisis in the late  
22 aughts and early 2010s when there was  
23 dramatic cuts in basic state-of-good-repair  
24 capital work. I'm not going to do that. As

1 the agency's CEO and chair, I'm determined,  
2 with your help, to keep moving forward, to  
3 keep service improving, to keep safety  
4 improving, to keep getting accessibility and  
5 all the other projects that we're delivering  
6 for New Yorkers.

7 Thank you, Madam Chair.

8 CHAIRWOMAN WEINSTEIN: Thank you.

9 Before we go to questions, just a  
10 number of members have joined us. I'd like  
11 to acknowledge Assemblymembers Gallagher,  
12 Seawright, Simone, Fall, Mamdani and Alvarez.  
13 I believe I've gotten all of the new  
14 Assemblymembers. And now --

15 CHAIRWOMAN KRUEGER: Just quickly --  
16 I'm sorry -- are any new Senators here?  
17 Raise your hand in case I didn't call on you  
18 before.

19 Oh, hello, Senator Mayer. Do you want  
20 to come sit back here?

21 CHAIRWOMAN WEINSTEIN: And Assemblyman  
22 Palmesano also has joined us.

23 And now for our first questioner,  
24 chair of our Corporations Committee,

1 Assemblyman Zebrowski.

2 ASSEMBLYMAN ZEBROWSKI: Good morning.

3 MTA CHAIR LIEBER: Good morning.

4 ASSEMBLYMAN ZEBROWSKI: I appreciate

5 you being here and appreciate the

6 conversations we've already had, and

7 certainly 10 minutes today won't suffice for

8 them. Certainly in my capacity as chair I

9 pledge to work with you.

10 And I won't get through 10 minutes of

11 questions, but we will follow this up after

12 this hearing. So thanks for the presentation

13 today.

14 I guess I'll start off with the

15 planned fare increases and toll hikes. You

16 know, it was 5.5 percent, so higher than I

17 think the every other year projected

18 4 percent. So now that we know what the

19 Governor is proposing in revenue-raisers, do

20 you think that those estimates would remain

21 at 5.5 percent? Do you think there's room to

22 reduce those? What's the -- what is the

23 current thinking of the agency after seeing

24 the budget presentation?

1 MTA CHAIR LIEBER: Thank you for the  
2 questions. Affordability is one of our  
3 principal goals. I've talked about it again  
4 and again. We are -- nothing in New York is  
5 cheap, but one thing that makes New York more  
6 affordable, the region, is transit. Ten  
7 thousand dollars a year, on average, to own a  
8 car, 1500 to ride the subway, 2000 to 2500 if  
9 you're a commuter rail passenger.

10 So it contributes to affordability,  
11 and we want to keep it that way. We're much  
12 cheaper than London and all the major cities  
13 in Europe. And the 5 percent fare increase  
14 proposal that you see included in the  
15 Governor's budget plan, it would, in  
16 combination with the other elements -- and  
17 you know it's a balanced plan, we keep  
18 talking about that -- would allow us to  
19 achieve fiscal stability.

20 That -- basically what you're doing is  
21 restoring the very gradual fare increase that  
22 we skipped. We haven't increased the fare  
23 since 2019. We haven't increased the base  
24 fare since 2015. So the 5.5 percent would



1 allow us to catch up with those 2 percent per  
2 year increases we had for about 10 years,  
3 which were abandoned -- for understandable  
4 reasons -- during COVID.

5 ASSEMBLYMAN ZEBROWSKI: So I know that  
6 you've projected what may have to happen,  
7 depending upon what does or does not  
8 eventually get passed in the State Budget.  
9 But sort of broadly, and you talked about  
10 them a little bit in your testimony, if  
11 nothing was passed in the State Budget to  
12 give us a broad sense of what we'd have to  
13 do -- you talked maybe having to take from  
14 the capital plan, service reductions and  
15 those types of things. Without, you know,  
16 giving the full doomsday scenario, what would  
17 have to happen?

18 MTA CHAIR LIEBER: Listen, we're --  
19 I'm not in the doomsday business, because  
20 this is exactly why we cannot even  
21 contemplate it. You're talking about massive  
22 fare increases. I think the Comptroller's  
23 folks estimated that to get at the size of  
24 the deficit we're talking about something

1 between, you know, 75 cents and a dollar on  
2 the base fare. You'd have dramatic service  
3 cuts. At one point we had to plan for a  
4 40-plus percent service cut during COVID  
5 because we didn't know whether the federal  
6 government was going to come through. It  
7 might be something of that scale.

8 So people would be waiting for  
9 commuter rail trains, they'd -- you know,  
10 that now are, say, 20 minutes apart, for  
11 probably maybe as much as double that time.

12 Similar kinds of increases in waits and  
13 delays on the subway. And we would be  
14 accelerating -- you know, it's a downward  
15 spiral. Because when you provide poor  
16 service, people ain't going to come, and then  
17 the financial hole gets deeper.

18 So it's a pretty scary situation. We  
19 can run all the different versions you want,  
20 but they're all ugly, ugly, ugly, and killers  
21 for the regional economy. If nobody comes  
22 back to the city, if people don't go to their  
23 jobs, honestly, in the suburbs, which are  
24 getting reverse commuting -- remember, so

1 many of those jobs in the suburbs depend on  
2 people coming out, whether it's Metro-North  
3 from the Bronx or now, for the first time,  
4 Long Island Rail Road is going to operate  
5 reverse commuting. So this is our future,  
6 and we'd be throwing it away.

7 ASSEMBLYMAN ZEBROWSKI: So I know that  
8 ridership has bounced back in certain areas,  
9 certain stops better than others. It  
10 certainly remains below pre-pandemic levels.  
11 Have you been able to align service to deal  
12 with these ridership levels? When you talk  
13 about the 400 million in efficiencies, is  
14 that part of it, looking at the new ridership  
15 levels and you're trying to project out into  
16 the future?

17 MTA CHAIR LIEBER: I think the  
18 consensus is that there's a tipping point  
19 where you start to cut service and you're  
20 losing riders. So as I said, it's a downward  
21 spiral financially, as well as in terms of  
22 the benefits to the regional economy.

23 So we've not really taken -- we've  
24 been trying to maintain service in support of

1 people coming back to work, getting back to  
2 their normal lives, getting back to going to  
3 medical appointments, to school, all those  
4 things that the regional economy does. We  
5 have not dramatically cut service. We have  
6 made -- you know, we've tinkered at the  
7 margins in a very small way, but it's really  
8 a -- I think a service pattern consistent in  
9 most ways with our pre-COVID levels.

10 ASSEMBLYMAN ZEBROWSKI: So suffice it  
11 to say that the service will remain the same  
12 projecting a return of the ridership.

13 MTA CHAIR LIEBER: Very much so. And  
14 in fact, let's just be honest, the  
15 Long Island Rail Road is on the verge of  
16 experiencing a massive increase in service  
17 due to the completion of those major  
18 projects. East Side Access and now Grand  
19 Central Madison and Third Track have enabled  
20 us to increase it by 40 percent. Forty  
21 percent more Long Island Rail Road service, a  
22 lot of that reverse commuting. So those Long  
23 Island businesses can get -- can recruit from  
24 a huge, much larger regional footprint than

1 was possible in the past.

2 That is a significant uptick in  
3 service and in cost. But you can't just  
4 mothball those projects and throw them away;  
5 that costs money too.

6 ASSEMBLYMAN ZEBROWSKI: Speaking of  
7 projects, what level of capital plan  
8 commitments do you anticipate for this fiscal  
9 year in 2023, and have you had to make any  
10 changes, you know, post-pandemic, looking at  
11 changes to that capital plan?

12 MTA CHAIR LIEBER: Thank you for the  
13 question. We've -- you know, it's a  
14 \$55 billion capital plan. And last year,  
15 which was the first normal year in terms of  
16 the availability of funds and our ability to  
17 actually award contracts and do these complex  
18 procurements, we did \$11 billion, which is  
19 about -- if you push it out over a five-year  
20 period, would be consistent with the size of  
21 the capital plan.

22 We think we're going to do even more  
23 this year and next year, the final two years  
24 of the capital plan. So we lost some time to

1 COVID, we lost a year and a half to two years  
2 to COVID when we didn't know if we were going  
3 to have to use capital money just to keep the  
4 lights on. But I'd say we are on track. And  
5 I'm excited because we are moving forward at  
6 the pace that was originally intended.

7 ASSEMBLYMAN ZEBROWSKI: Let's turn to  
8 the Penn Station redesign. Can you give us a  
9 status of MTA's role and also a status of the  
10 project to expand it south and add additional  
11 track capacity?

12 MTA CHAIR LIEBER: Okay. So -- and  
13 let me be a little parochial with you. One  
14 thing that -- when people talk about Penn  
15 Station, they know the reason I'm passionate  
16 and the Governor's passionate about fixing  
17 existing Penn is that's where the New Yorkers  
18 go. The Gateway project, incredibly  
19 important. But it's principally going to be  
20 used by New Jersey Transit and Amtrak  
21 customers. What the Governor said was, Let's  
22 fix existing Penn, where the Long Island  
23 railroad customers go and the subway  
24 passengers go now. Let's do that as soon as

1 possible. It's especially important because  
2 we will have Metro-North customers. Thanks  
3 to that Penn Access project in the Bronx,  
4 Metro-North customers will start coming in in  
5 just a few short years. So we've got to get  
6 it going. That is her priority.

7 But I will say this to you about the  
8 West of Hudson folks. Two things I've been  
9 fighting for as this whole Penn Station/  
10 Gateway project unfolds: One, make sure they  
11 keep slots for what we hope will be direct  
12 service from Rockland and Orange through the  
13 Pascack Valley Line and the Port Jervis Line.  
14 You know, it's in the future, but we've got  
15 to make sure that they keep room for those  
16 trains. And two, that we are making room for  
17 the Hudson Line trains which should be able  
18 to come straight down the West Side instead  
19 of having to go detour and come down the  
20 middle of the East Side.

21 So those are two things that I know  
22 that you and I are passionate about that have  
23 been very front of mind as we push to have a  
24 very -- you know, Gateway/Penn Station

1 project that benefits New York as much as our  
2 partners in New Jersey and Amtrak.

3 ASSEMBLYMAN ZEBROWSKI: I appreciate  
4 that, and you and I have had conversations.  
5 And certainly for West of Hudson commuters,  
6 which are in the MTA district, ensuring that  
7 there's that capacity and that we continue to  
8 move down the road towards a fully understood  
9 project with Gateway and the additional  
10 tracks is important to those.

11 MTA CHAIR LIEBER: If I might just  
12 add, you and I have talked about it and I  
13 just don't want it to be missed. We need to  
14 do some things to make sure that West of  
15 Hudson folks can get to the very substantial  
16 and timely service on the East Side of  
17 Hudson; basically, the Hudson Line. And you  
18 and I have agreed that that's something we  
19 should work on.

20 ASSEMBLYMAN ZEBROWSKI: Yeah. I  
21 appreciate that. I only got about a minute  
22 left, but that was where I was going to go.

23 Do you believe that there's additional  
24 things that we could do to get folks from



1 that side of the river over to access  
2 Metro-North, you know, use mass transit more?  
3 Certainly as we try to make it more  
4 accessible and available and as, you know,  
5 things like congestion pricing go in, we need  
6 to give those commuters a better ability to  
7 get there.

8 MTA CHAIR LIEBER: You're absolutely  
9 right. I don't want to put it all on like  
10 waiting for the Bergen Loop to happen or, you  
11 know, the Penn Station expansion to happen.  
12 Let's make it possible for people to go to  
13 Tarrytown or some of the other stations on  
14 the east of Hudson side, make sure they can  
15 get parking if they need that, if they take a  
16 bus, if they take a ferry, that it's easy and  
17 fast and reliable. I think it's something we  
18 ought to prioritize in the near term.

19 ASSEMBLYMAN ZEBROWSKI: Thank you so  
20 much for that. Appreciate that.

21 Thank you, Madam Chair.

22 CHAIRWOMAN WEINSTEIN: Thank you.

23 Now to the Senate.

24 CHAIRWOMAN KRUEGER: Thank you. Our

1 first questioner will be our chair of  
2 Corporations and Authorities, Leroy Comrie.

3 SENATOR COMRIE: Good morning, Chair  
4 Lieber. Good morning. Thank you, Chair  
5 Krueger and everyone else.

6 Good morning, Chair Lieber. Let me  
7 start right away. Let's talk about West of  
8 Hudson. What exactly is being done to ensure  
9 that the capital project for West of  
10 Hudson -- what's the updated status of the  
11 capital project for the new {inaudible}  
12 facilities that's supposed to be happening?

13 MTA CHAIR LIEBER: The new what  
14 facilities?

15 SENATOR COMRIE: The new -- the  
16 expansion of the repair and shed facilities,  
17 I believe it was, that were ...

18 MTA CHAIR LIEBER: The issue is, as I  
19 understand it, is we have to work with  
20 New Jersey -- New Jersey Transit operates  
21 that service, so there are two things that  
22 we're talking about, passing sidings so that  
23 we could actually have more service --

24 SENATOR COMRIE: Am I the only one

1 having problems hearing, or -- maybe.

2 MTA CHAIR LIEBER: Should I speak more  
3 into the mic? Is that better?

4 SENATOR COMRIE: Yeah, that's better.

5 MTA CHAIR LIEBER: Okay. So we're  
6 working with NJT. You know, there's 100  
7 million in the current capital plan for  
8 passing sidings. And we're also having  
9 discussion about if there's a possibility of  
10 having a mid-point yard that could allow us  
11 to have more capacity, especially during the  
12 peak.

13 So those conversations, which are with  
14 NJT, are unfolding. You know, they run the  
15 service, they get to decide what type of  
16 equipment goes on the system, and those are  
17 issues that we are pushing forward with NJT.  
18 I'm happy to get more data for you on the  
19 specifics of that.

20 SENATOR COMRIE: Okay. I have a bill,  
21 Senate Bill 2872, which would exempt the MTA  
22 from bond issuance charges. This legislation  
23 would waive the bond issuance charge for the  
24 MTA with respect to bonds, notes and other

1 obligations, the intent being to reduce the  
2 cost of doing business for the MTA and to  
3 reinvest the savings into improving service  
4 and enabling the reduction of the need for  
5 future fare increases.

6 As of 2019, the MTA carried  
7 approximately 48.3 billion in outstanding  
8 debt. What is the current amount of debt?  
9 And how would the bond issuance exemption  
10 save -- how much would the bond issuance  
11 exception save the authority annually?

12 MTA CFO WILLENS: Thank you. The bond  
13 issuance charge --

14 SENATOR COMRIE: Can you identify  
15 yourself for the record, please?

16 MTA CFO WILLENS: Sure. It's Kevin  
17 Willens, the CFO.

18 SENATOR COMRIE: Thank you.

19 MTA CFO WILLENS: So the bond issuance  
20 charge is a charge that is put on new bond  
21 issues, not existing debt. So the -- not  
22 having to pay that issuance charge to the  
23 state would allow us to, for every capital  
24 dollar we raised, to have less debt service,

1 because we also wouldn't have to be issuing  
2 debt to pay for that expense.

3 That charge does get waived in many  
4 instances by the budget director, but it  
5 makes a lot of sense for the MTA, which is  
6 doing projects on behalf of the state and the  
7 city, not to -- not to pay that issuance  
8 charge. It would make our capital program  
9 cheaper by that amount.

10 MTA CHAIR LIEBER: And I just would  
11 add -- thank you, Kevin -- right now the debt  
12 restructuring that Kevin has set in motion as  
13 part of the effort to balance the MTA's  
14 operating budget has brought the level of --  
15 the impact of debt service, our borrowing  
16 costs on the operating budget, down to its  
17 lowest level in quite some time.

18 Kevin, would you explain that, please?

19 SENATOR COMRIE: And how would that  
20 debt restructuring be detailed, so -- because  
21 you -- that was my next question. How are  
22 you getting to this 400 million in savings  
23 without service cuts?

24 MTA CFO WILLENS: To first answer the

1 question on the debt, we are -- you know, if  
2 this package goes through -- and part of what  
3 we're doing is using the resources that we  
4 have that were enabled from, you know, part  
5 of the COVID relief, we're using it to bring  
6 down our debt service costs down to no more  
7 than 15 percent of our total budget. Which  
8 is down considerably from where it's been  
9 over the last few years. It has been  
10 growing.

11 So part of the -- part of the package  
12 is by -- by keeping the debt costs down and  
13 not having to have those consumed -- or not  
14 having farebox revenue and other taxes  
15 consumed by debt service makes us -- well, it  
16 makes it easier for us to balance the budget.

17 So that's part of the strategy of how  
18 we shrunk what was a \$2.6 billion deficit  
19 down to the billion, billion-two that this  
20 package then addresses.

21 MTA CHAIR LIEBER: And you asked the  
22 right question, Senator, which is the debt  
23 restructuring, that's before the MTA does --  
24 finds \$400 million in efficiencies. So

1 Kevin's organized that debt restructuring  
2 that brought our borrowing costs down. But  
3 in addition to that, the MTA is going to cut  
4 \$400 million from our budget a couple of  
5 different ways.

6 We're using technology to be more  
7 efficient in when we bring in equipment for  
8 service. Right now we just kind of wait for  
9 the check-engine light to go on, or check  
10 things on a routine annual or semiannual or  
11 two-year basis. Now we're going to use data  
12 about when systems and buses and railcars  
13 actually wear out or fail, to more  
14 efficiently do those kinds of checks and  
15 inspections and maintenance cycles. That's  
16 one thing.

17 And the other is trying to bring back  
18 availability. We lost 10 days -- we had an  
19 average worker -- average worker at the MTA,  
20 and there are 60,000 of them, showed up for  
21 205 days before COVID. We're down to  
22 195 days a year. And a lot of that is people  
23 out on sick leave or worker's comp or other  
24 things that are keeping them from coming

1 back.

2 And we're going to -- there's a  
3 variety of different strategies that are  
4 being set in motion to try to help them get  
5 the right medical and other support so they  
6 can come back to work earlier. Because  
7 10 days, that's worth close to \$200 million a  
8 year to the budget.

9 SENATOR COMRIE: Okay. But -- so can  
10 you talk about how you're going to get to the  
11 other 400 million in efficiencies? And also  
12 addressing the two articles that came out  
13 about 400 million in waste that the MTA does  
14 every year. And can you address how you're  
15 going to balance that? Because you talked  
16 about maintenance, but how about in personnel  
17 and administrative inefficiencies? Can you  
18 give us any idea on how you're going to  
19 reduce those?

20 MTA CHAIR LIEBER: Yeah. Those things  
21 are a slightly -- a little overlapping. I  
22 just talked about how we're using data and  
23 technology to identify inefficiencies. Those  
24 are in some cases areas that I think were



1 talked about -- for example, maintenance of  
2 equipment or maintenance of facilities.  
3 Those were talked about in that series of  
4 New York Post articles I think you're  
5 referring to. So we are attacking that.

6 But what the article made clear is  
7 that there are some areas where  
8 inefficiencies may be partly the result of,  
9 you know, antiquated collective bargaining  
10 arrangements, work rules that, you know, came  
11 from another era. So we're going to raise  
12 those in discussion with our labor partners,  
13 but we can't just overturn them overnight if  
14 it's a collective-bargaining-based work rule.

15 But outside of collective bargaining,  
16 we are looking for efficiencies, as I said,  
17 through availability and through technology  
18 and data analysis of our maintenance and  
19 operations patterns.

20 SENATOR COMRIE: Okay. So just to --  
21 and how are these -- the issue of getting  
22 public confidence back into ridership, and in  
23 maintenance of the system and also the  
24 cleanliness of the system. Can you give us

1 an update on your level of cleanliness in the  
2 system so that people can feel safe, in the  
3 ridership, in taking the trains during the  
4 day?

5 MTA CHAIR LIEBER: Yeah. Well, I  
6 think ridership confidence, our evidence is  
7 it has moved in a very positive direction  
8 because of on-time performance: Subways,  
9 best in 10 years. Commuter rail, best ever,  
10 except for the very height of COVID when no  
11 one was riding.

12 So performance and reliability, very  
13 high. Safety, up, up, up, resulting in  
14 dramatic improvements to rider confidence  
15 in -- that we test in constant surveys.

16 Cleanliness. Good point. We have  
17 transitioned away from -- during COVID,  
18 because of the -- what we understood, rightly  
19 or wrongly, about transmittal, there was a  
20 whole COVID cleaning program that was staffed  
21 mostly by outside contractors. That has been  
22 ditched, and we are hiring up all the  
23 cleaners. And they're being held to, you  
24 know, obviously an appropriate standard of

1 cleaning. So we think we're moving towards a  
2 good cleaning regimen. The cars are still --

3 SENATOR COMRIE: I've got 45 seconds  
4 left, and I have two questions, so --

5 MTA CHAIR LIEBER: Sure, sure.

6 SENATOR COMRIE: Two quick questions.

7 There's been a proposal sent by some  
8 of my colleagues to try to eliminate bus  
9 costs altogether. Have you assessed that,  
10 and have you come up with a response to it?

11 And also, with the fact that the  
12 New Jersey governor and other New Jersey  
13 elected officials are hell bent against  
14 congestion pricing, do you have  
15 an alternative plan? Or what is your plan to  
16 address that issue?

17 MTA CHAIR LIEBER: Well, the -- first  
18 of all, congestion pricing was adopted by the  
19 Legislature of the State of New York in 2019.  
20 It's the law of the state.

21 I'm the implementer, so I get to  
22 receive the comments and disapproval from  
23 some people, but also positive feedback from  
24 a lot of others. We had people actually

1 rallying on the New Jersey side of the  
2 George Washington Bridge in support of  
3 congestion pricing. So, you know, not to --  
4 I don't think you should be misapprehended  
5 that everybody in New Jersey thinks it's  
6 great to pump more cars --

7 SENATOR COMRIE: I didn't say  
8 everybody, I said the governor.

9 MTA CHAIR LIEBER: Yeah, okay. All  
10 right.

11 SENATOR COMRIE: And the bus question,  
12 of free --

13 MTA CHAIR LIEBER: Listen, I love --  
14 affordability, as I said before, is a huge  
15 priority for us. I don't know if I'm ready  
16 to do an experiment of that scale with -- on  
17 New York. People haven't really, you know,  
18 thought about unintended consequences.

19 CHAIRWOMAN KRUEGER: I'm sorry, I have  
20 to be rude and be mean and cut you off.

21 MTA CHAIR LIEBER: I would prefer  
22 targeted affordability, Fair Fares Program  
23 and otherwise, targeting affordability to  
24 people who need the bus.

1 CHAIRWOMAN WEINSTEIN: Time.

2 CHAIRWOMAN KRUEGER: Time. Thank you.

3 Sorry, Leroy.

4 I want to just introduce

5 Senator Fernandez, who joined us, and also

6 Senator Mattera, who joined us.

7 Assembly.

8 CHAIRWOMAN WEINSTEIN: We've been

9 joined by Assemblywoman Darling, Assemblyman

10 Kim, Assemblywoman Jessica Gonzalez-Rojas,

11 Assemblyman Cunningham, Assemblyman McGowan,

12 and Assemblyman Bores. Now --

13 CHAIRWOMAN KRUEGER: And

14 Senator Skoufis. Sorry.

15 CHAIRWOMAN WEINSTEIN: No problem.

16 Next we go to the ranker on

17 Corporations, Assemblyman Lemondes.

18 ASSEMBLYMAN LEMONDES: Thank you very

19 much. I really appreciate it.

20 And Chairman, thank you for your

21 testimony.

22 My question goes to safety. I want to

23 peel the onion back on that a little further,

24 because I'm a firm believer that if we're not

1 safe, we don't have anything.

2 So are you declaring that the system  
3 is safe, safer than it's ever been, and that  
4 there's no further safety improvements that  
5 need to be acted upon, enhanced, or brought  
6 into existence?

7 MTA CHAIR LIEBER: No. No to all  
8 those questions. I'm telling you the  
9 system -- that we've made tremendous progress  
10 on safety in just three short months. We've  
11 reversed, you know, a trend that was  
12 concerning. And we are now -- the feedback  
13 we're getting from our customers is that they  
14 are much happier with the safety situation on  
15 the subway, so I am thrilled about that. But  
16 we're going to keep going. We're not going  
17 to take our foot off the gas.

18 ASSEMBLYMAN LEMONDES: That's good to  
19 hear, and I appreciate that.

20 Is it possible that the number of  
21 crimes could be leading to metrics that  
22 aren't telling the whole story if the police  
23 can't arrest and apprehend people for crimes  
24 that they used to be able to? Is it possible

1 that the metrics are skewed?

2 MTA CHAIR LIEBER: I would shy away  
3 from hypotheticals. Here's what I can tell  
4 you, is every day I see all of the crimes  
5 that are committed. And they're reported not  
6 exclusively by the police, they're reported  
7 by our transit personnel. So the idea that  
8 somehow, you know, there are law enforcement  
9 officials who are closing their eyes or  
10 turning their heads doesn't -- that doesn't  
11 stand up to how data is collected.

12 Yesterday there was one crime, one  
13 felony crime in the New York City Transit  
14 system.

15 ASSEMBLYMAN LEMONDES: Perfect. Thank  
16 you very much. I appreciate your testimony.

17 CHAIRWOMAN WEINSTEIN: To the Senate.

18 CHAIRWOMAN KRUEGER: Thank you.

19 Our next questioner is Senator Tim  
20 Kennedy, the chair of Transportation.

21 SENATOR KENNEDY: Good morning,  
22 Chairman.

23 First of all, thank you to the chairs  
24 of Finance for their leadership here today.

1 Chairman Lieber and your team, thank you for  
2 your continued leadership.

3 I want to just follow up on some of  
4 the questions that have already been asked  
5 about the budget and balancing the budget. I  
6 want to flip around the question from  
7 Assemblyman Zebrowski where he asked about  
8 the funding, if it were not to be contained  
9 within this budget, what that would do to the  
10 fare increase.

11 What I'd like to know is, number one,  
12 if in fact everything is included that has  
13 been proposed in this budget, when will we be  
14 able to see a fully balanced MTA budget in  
15 the outyears? And secondly, what sort of  
16 funding would be necessary to prevent a fare  
17 increase of any kind?

18 MTA CHAIR LIEBER: Okay. So, number  
19 one, the Governor's budget plan balances the  
20 budget starting in our calendar fiscal 2023.  
21 MTA is on a calendar fiscal year. So it  
22 balances the budget for this year, the  
23 current one that we're already in. It also  
24 balances it for the remaining years of our



1 financial plan, which is until 2026.

2 But it goes further, because it thinks  
3 out to 2028-2029 and uses the potential  
4 casino revenues to give security to the MTA's  
5 budget even in that time frame.

6 SENATOR KENNEDY: And as far as a fare  
7 increase goes?

8 MTA CHAIR LIEBER: Listen, you know, I  
9 think it was Comptroller DiNapoli who took a  
10 look at what scale of fare increase would be  
11 required to balance the budget, in  
12 combination with service cuts, and I think he  
13 said it was between 75 cents and a dollar to  
14 the base fare. I mean, we're talking about  
15 an unheard-of, massive fare increase.

16 So, you know, the Governor's proposal  
17 is let's resume these small incremental fare  
18 increases, which were a very successful  
19 feature of our financial recovery from the  
20 2008-2010 financial crisis. That's what you  
21 see reflected in her proposal.

22 SENATOR KENNEDY: No, understood. But  
23 for those who are opposed to any fare  
24 increase of any kind, in order to fill that

1 gap, what would be the amount of funding you  
2 would need to fill that gap?

3 MTA CHAIR LIEBER: It's about  
4 \$350 million a year.

5 SENATOR KENNEDY: Another \$350 million  
6 on a yearly basis.

7 MTA CHAIR LIEBER: Annual basis. It  
8 would go up a little bit, but in the current  
9 year, in 2024, it would be 350.

10 SENATOR KENNEDY: Okay. And just  
11 diving a little bit deeper into these numbers  
12 regarding the budget that we are faced with  
13 here, and the decisions that we are faced  
14 with, in the additional money that's been  
15 proposed, what impact would that have on  
16 service times? Would there be an improvement  
17 in service times? Would it be status quo?  
18 There's a lot of conversations about  
19 increasing the efficiencies.

20 MTA CHAIR LIEBER: You know, I'm  
21 always thrilled to say I will never -- I'm  
22 the chair of the MTA. I'm never going to  
23 argue against more service.

24 The Governor's proposal supports the

1 existing level of service on buses and  
2 subways and commuter rails, which I think is  
3 pretty solid. The performance says it's  
4 solid, and the Long Island Rail Road is  
5 getting a hell of a lot more, they're getting  
6 40 percent more service in that plan because  
7 of those big megaprojects. So that's what  
8 the plan is.

9 SENATOR KENNEDY: There's discussion  
10 publicly about six-minute service throughout  
11 all the subsidiary elements of the MTA. What  
12 sort of funding would be necessary to make  
13 that happen?

14 MTA CHAIR LIEBER: Listen, I mean,  
15 again, I'm always in support of more service.  
16 I'm not certain that six-minute service could  
17 be achieved at the price points that some  
18 people have been talking about, because it  
19 requires -- as a practical matter,  
20 six-minute -- right now we have 77 percent  
21 six-minute service in the peak on subways. I  
22 mean, we're talking about most of our riders,  
23 when they're going to and from work or  
24 traveling in the morning to school, to work

1 or whatever, are getting six-minute service.

2 But when people talk about six-minute  
3 service, they're sometimes forgetting we  
4 would require -- we wouldn't be able to do  
5 work if we take away the middle of the night.  
6 We would need a ton more subway cars, and  
7 more buses as well. And frankly, more buses  
8 aren't the answer for better service.

9 Because the problem with buses is not the  
10 frequency, it's that you can't move a bus  
11 because of congestion in New York and because  
12 of -- the bus lanes are blocked. Those are  
13 the issues.

14 So better service on buses is very  
15 achievable with enforcement cameras and bus  
16 lanes and more attention to the things that  
17 block buses. And six-minute service is hard  
18 to accomplish at the price points that have  
19 been talked about.

20 SENATOR KENNEDY: Thank you.

21 MTA CHAIR LIEBER: I'm talking about  
22 24-hour-a-day six-minute service, which  
23 sometimes people talk about.

24 SENATOR KENNEDY: Thank you.

1           You know, a major priority of our  
2 conference has been focusing on accessibility  
3 at the various stops throughout the MTA, as  
4 well as the service provided in general.  
5 There's a \$500 million cost associated for  
6 the City of New York for paratransit services  
7 as part of the overall plan.

8           Can you talk about that? And has  
9 New York City agreed to take on that  
10 \$500 million cost at this moment?

11          MTA CHAIR LIEBER: Listen, when the  
12 ADA was passed, a lot of things happened.  
13 One is the MTA was given responsibility for  
14 paratransit, as the city handed over the  
15 then-bankrupt subway system to the MTA. Now,  
16 we've all -- this is a partnership  
17 arrangement; everybody has contributed.

18          But we are spending literally billions  
19 on subway accessibility. We have so many  
20 more stations under construction actually  
21 being delivered than ever before. We had  
22 more stations delivered during COVID --  
23 elevators accessible for people with  
24 disabilities and family with strollers and

1 seniors, it's a great thing -- more during  
2 COVID than had been done in the seven years  
3 before. We now have, as I said, close to a  
4 hundred stations. So our investment in  
5 accessibility, off the charts.

6 On the flip side, paratransit is an  
7 operation that we have made much, much  
8 better, but it is about half-funded by the  
9 MTA. It's principally a system that now uses  
10 for-hire vehicles. So it's black cars -- not  
11 Ubers, but black cars in the neighborhoods  
12 and so on. That's an industry that's  
13 regulated by the city.

14 This is an area of specialized  
15 transportation that really is a city -- and  
16 in both Westchester and Long Island, this is  
17 a service that is funded by the county, by  
18 the localities. So we're saying of all the  
19 things that we share -- the Governor has  
20 proposed to give the city a lot of money in  
21 other ways -- this is one where we think the  
22 city ought to be paying the whole tab rather  
23 than just half. That's the proposal.

24 SENATOR KENNEDY: Thank you.

1 MTA CHAIR LIEBER: The five -- yeah,  
2 the 500 million you're talking about includes  
3 not just the paratransit but also the bus  
4 passes and some other elements as well --

5 SENATOR KENNEDY: That's funding the  
6 city would assume.

7 MTA CHAIR LIEBER: Yes, sir.

8 SENATOR KENNEDY: Okay. And have they  
9 agreed to that assumption?

10 MTA CHAIR LIEBER: No. As of this  
11 morning, even, the Mayor went on TV and  
12 expressed disagreement. That's okay, because  
13 this -- you know, he was thrilled, I know,  
14 with the Governor's proposal, broadly  
15 speaking, and a discussion has to unfold.  
16 The partnership between the Mayor and the  
17 Governor is fantastic, unprecedented, as  
18 evidenced by the success of the subway safety  
19 initiative. So it will get -- I hope and  
20 expect it will get worked out. It's still on  
21 the table.

22 SENATOR KENNEDY: Yeah. And if not,  
23 we have a \$500 million gap to fill.

24 MTA CHAIR LIEBER: Yes, sir.

1           SENATOR KENNEDY: Okay. So let me  
2 talk -- because you mentioned safety on the  
3 subways and throughout the service area of  
4 the MTA. I want to commend you and the MTA  
5 for making safety a priority. I'm pleased to  
6 hear that the trend is positive, moving in a  
7 positive direction.

8           There's \$150 million fund proposed in  
9 the budget for MTA safety personnel. Can you  
10 talk about what that funding is for  
11 specifically? And will it be used in the  
12 subways and commuter lines as well?

13          MTA CHAIR LIEBER: So the safety  
14 profile on the commuter lines is very strong.  
15 We have a new police chief who's been doing a  
16 heck of a good job. We have put a ton --  
17 redeployed a lot of the officers on the  
18 commuter rails onto the trains. So again,  
19 there are very, very, very few crimes on the  
20 trains in the commuter rail system. But in  
21 addition to that, we want people to see the  
22 cops. And it also helps to defray some of  
23 these like tensions that break out between  
24 conductors and so on, sometimes over fare



1 issues.

2 We're -- you know, what we are  
3 proposing to do with that amount of money you  
4 see is technology. We've got to get on top  
5 of the issue of people getting on the tracks.  
6 It's not just a human tragedy, but it's also  
7 delaying service. We have great service, but  
8 one of the sources of delay is people getting  
9 on the tracks -- it actually happened today  
10 on the Metro-North -- and harming themselves  
11 or otherwise.

12 So that would allow us to more quickly  
13 deploy camera technology to see people at a  
14 great distance, to do more intrusion  
15 detection technology. We also want to put an  
16 unarmed -- more unarmed personnel -- you  
17 know, some are a revenue enforcement  
18 function, but also just generally a law  
19 enforcement function -- on the buses.

20 The buses, you know, have historically  
21 not had issues, but they have had some  
22 recently. And we're seeing more the kind of  
23 disorder that sometimes you see on the subway  
24 system break out on buses. We would like to

1 have more of our so-called Eagle Teams,  
2 unarmed but uniformed folks, on the buses,  
3 and that's what that would pay for, in  
4 addition to the technology.

5 SENATOR KENNEDY: Thank you. I'll  
6 have more questions in the second round.  
7 Thank you.

8 MTA CHAIR LIEBER: Thank you.

9 CHAIRWOMAN KRUEGER: Assembly.

10 CHAIRWOMAN WEINSTEIN: We go to  
11 Assemblywoman Simon for three minutes.

12 ASSEMBLYWOMAN SIMON: Good morning. I  
13 had to move. Thank you.

14 So let me just say thank you very much  
15 for your testimony and for the progress the  
16 MTA has made. I am one of those people who  
17 took the subway all the time through the  
18 pandemic, and I find the subways  
19 overwhelmingly safe. And safer when more  
20 people use them, so we want to encourage  
21 that.

22 So I have a couple of questions for  
23 you, two basic questions. One is you've  
24 spoken on a number of occasions -- you talked

1 about it today -- about how the MTA is like a  
2 public good. And, you know, like fire or  
3 firefighting or trash pickup. So how is it  
4 that your proposal going forward retains a  
5 fare hike? That's one question.

6 And then the other, sort of a little  
7 more locally, I know you're familiar with my  
8 district, which has had dramatic population  
9 growth and usage in certain stations. Two  
10 cases in point, York Street, which is really  
11 dangerous, very expensive, and Smith and  
12 Ninth, which is the tallest in the system and  
13 has no elevator because the MTA wouldn't do  
14 that a few years ago.

15 So what can you do to help us advance  
16 additional funding through the Bipartisan  
17 Infrastructure Act to get those stations in  
18 particular? Because once upon a time nobody  
19 lived there; now tons of people live there.

20 Thank you.

21 MTA CHAIR LIEBER: I know both those  
22 stations really well. And, listen, the whole  
23 prioritization of which stations get the ADA  
24 elevators is a decision we make in tandem

1 with the disability community and with data.

2 So rather than just responding to  
3 you -- because I don't know where Smith and  
4 ninth falls on that schedule, let me just --  
5 let's just -- let's get back to you and, you  
6 know, make sure that at least it's made  
7 clear.

8 The York Street thing is a pain in the  
9 neck. You have a station that  
10 unfortunately -- and you're absolutely right,  
11 there's a lot of ridership and businesses  
12 have developed down there. It's not just  
13 people living in DUMBO, it's businesses. But  
14 the structure of the station is connected to  
15 that cast-iron tube, which is the tube that  
16 goes under the river. And for that reason,  
17 it is especially somewhat dangerous and  
18 complicated to talk about penetrating and  
19 doing major construction on that cast-iron  
20 tube. That is what made the cost, when they  
21 looked at it a couple of years ago, so high.  
22 It was in the hundreds of millions of  
23 dollars, I think, just to start to open a new  
24 entrance and get elevators in and so on.

1           So that -- again, happy to get into it  
2           more, but that is a, you know, one of those  
3           headaches from having a really old system  
4           that we have inherited. And at this point it  
5           looks like, you know, a nine-figure number.

6           ASSEMBLYWOMAN SIMON: Yeah, I'm  
7           familiar with that. The problem is of course  
8           it is money, and there's only one entrance  
9           and exit, which is what makes it dangerous.

10          But also if you could talk about the  
11          fare hike and how that is consistent with  
12          your --

13          MTA CHAIR LIEBER: Listen, again, I'm  
14          prioritizing affordability and equity. We  
15          think keeping -- returning to these moderate  
16          fare hikes that existed before, at 2 percent  
17          a year on average -- that's all we're doing,  
18          is restoring that -- is consistent with the  
19          commitment to affordability and, like, not  
20          burdening riders with a huge -- you know,  
21          we're down to 35 percent farebox recovery  
22          from 55.

23          We're trying to keep some balance  
24          between all of the stakeholders contributing

1 to this. It seemed like a reasonable level,  
2 but you guys get to decide in the end.

3 ASSEMBLYWOMAN SIMON: Thank you.

4 CHAIRWOMAN WEINSTEIN: Thank you.

5 To the Senate.

6 CHAIRWOMAN KRUEGER: Thank you.

7 Our next questioner will be Senator  
8 Mattera, who is the ranker on the  
9 Corporations and Authorities. Five minutes  
10 for the Senator. Thank you.

11 SENATOR MATTERA: I know, it says  
12 Senator Tom O'Mara, but you know what, he's  
13 the better half.

14 (Laughter.)

15 SENATOR MATTERA: (Mic off.) I thank  
16 so much the MTA. It means a lot to me,  
17 especially my district is Old Smithtown and  
18 Old Huntington -- of course, you know, from  
19 Huntington to Port Jefferson, we all know, we  
20 have those old diesel --

21 MTA CHAIR LIEBER: Really?

22 (Laughter.)

23 SENATOR MATTERA: So my question is,  
24 what is the feasibility that this is going to

1 happen any time soon? Do we have like any  
2 kind of time frame? Very excited about the  
3 Lawrence Aviation site and like that. You  
4 know, it seems like everybody is excited  
5 about, you know, electrification of our train  
6 system. So can you give me a little bit of  
7 {inaudible} on that?

8 MTA CHAIR LIEBER: Sure. So number  
9 one is the folks who live in your region -- I  
10 don't know your district exactly, but in that  
11 region generally, are getting dramatic  
12 upticks of service, 50 percent more service  
13 coming to Huntington, Long Island. Forty  
14 percent more service coming to Ronkonkoma. A  
15 lot of folks are choosing between those two  
16 branches. Whichever one they choose, they're  
17 going to have dramatically more service.

18 You're right that four stations beyond  
19 Huntington to PJ are diesel territory. We  
20 studied -- a couple of years ago we did a  
21 full-on study of that and what's required in  
22 terms of a second track, you know, 17 or 18  
23 substations. And all the technology to do  
24 that looks very expensive. It's a totally

1 legitimate project, but it has to compete in  
2 the very fact-based, what we call comparative  
3 evaluation process that will be released to  
4 everybody next fall, to see which projects  
5 fared on economic grounds and ridership  
6 grounds the best. That is being evaluated  
7 through that process.

8 But I have to be honest with you, it  
9 is expensive relative to the ridership issue.

10 SENATOR MATTERA: So you really can't  
11 put a time frame --

12 MTA CHAIR LIEBER: I can't --

13 SENATOR MATTERA: Is there any design  
14 right now?

15 MTA CHAIR LIEBER: Well, like I said,  
16 that feasibility study had a ton of work that  
17 went into it. We should sit down and go  
18 through it so you have full information.

19 SENATOR MATTERA: Okay, great. Thank  
20 you so much.

21 MTA CHAIR LIEBER: You bet.

22 CHAIRWOMAN KRUEGER: Assembly.

23 CHAIRWOMAN WEINSTEIN: We go to  
24 Assemblyman Curran.



1 ASSEMBLYMAN CURRAN: Hello, how are  
2 you? Thank you, Chairman, for taking the  
3 time to testify today.

4 My questions are local in nature, and  
5 I don't expect you to recognize both of the  
6 stations that I'm going to talk about. But  
7 just for context, my district, the 21st, runs  
8 from Valley Stream down on Long Island out to  
9 Freeport. And there's two particular  
10 stations that I want to talk to you about  
11 today. I'm going to follow up on a letter  
12 that was written to you by County Executive  
13 Bruce Blakeman, dated August 31st, about the  
14 Valley Stream Station. And in that letter he  
15 described the dangerous condition of the  
16 station, consisting of crumbling concrete,  
17 rusting metal, peeling paint, weakening  
18 overpass with rebar now showing through,  
19 corrosive fluids dripping down on people and  
20 cars, and a leaking and flooding condition in  
21 all of the waiting rooms.

22 In that letter he also talked about  
23 how that station was scheduled for a  
24 \$5 million capital project improvement back

1 in 2018 that they haven't seen. Again, I  
2 don't know if you are aware of the situation  
3 there, or do you have any notes with you  
4 today just to give me a status about where we  
5 stand with any possible repairs? Because  
6 this station is truly dangerous for all of  
7 the riders that go to it.

8 MTA CHAIR LIEBER: Okay. So I do  
9 know -- I remember that letter, and I  
10 remember the TV story that came with it. And  
11 we responded. We talked about the  
12 condition -- I would go so far as to say we  
13 rebutted the description of the conditions of  
14 that over -- that station, the suggestion  
15 that the steel was somehow unsafe.

16 And you and I should get together and  
17 go over some of those details. But I know  
18 that we responded. And, you know, Valley  
19 Stream is your district, and the areas you're  
20 talking about are important, and service is  
21 increasing. And we're confident in the  
22 condition of that station. I don't know as  
23 we sit here about the cause of the delay of  
24 that capital project, but I'm happy to get

1 into it. We don't -- we don't shut down  
2 capital projects just for the heck of it.

3 ASSEMBLYMAN CURRAN: And I appreciate  
4 it. And I will get a copy of that response.  
5 And I appreciate you responding to him, I  
6 just don't have that copy.

7 But what I do have is I have  
8 50 photographs showing the dangerous  
9 condition of that -- of that station. And if  
10 you don't mind me giving them to you so that  
11 you can take a look at them and then, you  
12 know --

13 MTA CHAIR LIEBER: I think I saw --  
14 I'm happy to have it. I think I saw them,  
15 along with the TV news story that came with  
16 it, at the time that that public debate  
17 unfolded. But we did respond specifically  
18 about those conditions, and you and I should  
19 go over that.

20 ASSEMBLYMAN CURRAN: I would love to.  
21 Thank you very much. Just one other  
22 question, Chairman.

23 So the next station down, on both the  
24 Babylon and the Long Beach line, is Lynbrook.

1 And thankfully -- and I appreciate this --  
2 there was significant capital money that was  
3 put into Lynbrook back in 2019, after we  
4 fought for it for about eight years. But the  
5 capital money that was put in wasn't  
6 sufficient enough to improve the entire  
7 station. I have here a folder of  
8 correspondence over the last two years  
9 regarding crumbling concrete falling on  
10 people, along with paint peeling along the  
11 trestles areas throughout the village.

12 I was hoping to provide that to you as  
13 well, and hoping that maybe we can actually  
14 talk about some progress or possible monies  
15 to address those problems at this --

16 CHAIRWOMAN WEINSTEIN: You'll --  
17 you'll have to --

18 MTA CHAIR LIEBER: Happy to have it.

19 CHAIRWOMAN WEINSTEIN: You'll have to  
20 do that offline.

21 But you can respond to the committee,  
22 and we'll make sure to share it with all  
23 the -- all the members.

24 Before we go to the Senate, we've been

1 joined by Assemblymembers Burgos and McMahon.

2 CHAIRWOMAN KRUEGER: Thank you. I

3 don't think we have any additional Senators

4 right now, but our first post-chairs

5 questioner is Senator Hoylman-Sigal.

6 SENATOR HOYLMAN-SIGAL: Thank you,

7 Madam Chair.

8 Good to see you, Mr. Lieber and your

9 team, and thank you for helping to build back

10 confidence in our mass transit system after

11 COVID.

12 I wanted to ask you about Penn Station

13 in particular, and what you think we should

14 be doing to make Penn better, safer, work

15 better for riders.

16 MTA CHAIR LIEBER: You know, I'm --

17 thank you for the question. Being so

18 open-ended, I could go on at great length.

19 Listen, the bottom line is if you walk

20 into the existing Penn Station that the

21 New Yorkers depend on -- two subways, major

22 subway lines, together the biggest subway

23 complex in our system, 8th Avenue Line,

24 7th Avenue Line. Then you have the

1 Long Island Rail Road. It is the busiest  
2 transportation facility in North America.  
3 The MTA actually took about 20 percent of it,  
4 that corridor between 7th and 8th Avenue, and  
5 redeveloped it. So if you're standing there  
6 with blinders on, you'd think it was a modern  
7 transportation facility. But then you take  
8 the blinders off and you look to the left,  
9 and it's the dump bequeathed to us by the  
10 1960s. Which is really unusable for our  
11 riders.

12 And my push, and the Governor has been  
13 very much in support, is we've got to fix the  
14 station now. We have --

15 SENATOR HOYLMAN-SIGAL: So what's the  
16 price tag on that now?

17 MTA CHAIR LIEBER: I think you and I  
18 have talked about it. It's -- right now  
19 we're not in final design, but we estimate it  
20 at six to \$7 billion. A lot of the play is  
21 whether you include some of the outdoor  
22 streetscape improvements.

23 One of the things we want to do is get  
24 Madison Square Garden's loading off of 33rd

1 Street. They're just -- they're loading on  
2 the street. It's a public street. We need  
3 to make the changes so that their loading  
4 docks can accommodate --

5 SENATOR HOYLMAN-SIGAL: What would  
6 \$40 million a year toward the redevelopment  
7 of Penn Station do for you?

8 MTA CHAIR LIEBER: I haven't done the  
9 math. But the bottom line is it's not just  
10 money, it's time. We got Metro-North coming  
11 in in a few short years, 2027. Unless Amtrak  
12 can't give us outages; that's its own  
13 problem. But 2027. So we need to get  
14 started now, while Long Island Rail Road cuts  
15 through half of them, have moved across -- or  
16 a big chunk of them have moved across town --

17 SENATOR HOYLMAN-SIGAL: But suffice  
18 to say --

19 MTA CHAIR LIEBER: Get started on the  
20 work now, we've got to tear the station up,  
21 make it great, and now wait till -- people  
22 keep debating Madison Square Garden forever.  
23 I want to fix it now, it's possible, let's  
24 get started.

1 SENATOR HOYLMAN-SIGAL: And let's get  
2 some revenue into that project. And I think  
3 you would not turn down \$40 million a year  
4 from the state and/or the City of New York.  
5 That's 12.5 percent of what the city is  
6 asking.

7 Just to acknowledge, Madison Square  
8 Garden pays no property taxes. That's worth  
9 \$43 million a year out of the pockets of  
10 New Yorkers. By the year 2030, that's going  
11 to amount to a total of \$1 billion -- and no  
12 taxes -- that Madison Square Garden has not  
13 paid and not contributed to the redevelopment  
14 of Penn Station.

15 Thank you.

16 MTA CHAIR LIEBER: Point taken.

17 CHAIRWOMAN KRUEGER: Thank you.  
18 Assembly.

19 CHAIRWOMAN WEINSTEIN: Next we go to  
20 Assemblyman Carroll. Bobby, three minutes.

21 ASSEMBLYMAN CARROLL: Good afternoon,  
22 Chair Lieber. I fully respect the fiscal  
23 cliff that the MTA is facing, but I fear the  
24 direction that the MTA is going may be



1 shortsighted. I fear that the increase in  
2 the fare to \$3 will end up having the  
3 opposite effect that you hope, because I  
4 still think the most pressing problem for the  
5 MTA is luring riders back to the system.  
6 We're at currently about two-thirds of  
7 capacity of where we were prior to the  
8 pandemic.

9 What is the MTA's plan to lure that  
10 final 33 percent back into buses and subways?

11 MTA CHAIR LIEBER: So I think I said  
12 it before: Quality, service, safety. We do  
13 a fair amount of promotion as well. And we  
14 are focused on affordability. I just want to  
15 make it clear that if you look at the way we  
16 have structured fares, you know, we're trying  
17 to give promotional fares. The OMNY Lucky 13  
18 fare, which makes it possible for people to  
19 get a weekly automatically, rather than  
20 having to put the money up front.

21 ASSEMBLYMAN CARROLL: But Chairman,  
22 that's still more expensive than the old  
23 traditional monthly MetroCard.

24 MTA CHAIR LIEBER: All right, you and

1 I can debate this, but at the end of the day  
2 we think that -- the history is that these  
3 small incremental increases, like the ones we  
4 are resuming, do not suppress ridership.

5 The real issue on ridership: Work from  
6 home. And we think that as long as we keep  
7 providing high-quality service, safety, and  
8 other -- you know, the other aspects of a  
9 first-class mass transit system, hopefully in  
10 time work from home will diminish and people  
11 will come back to work, theater, shopping,  
12 and everything that New York --

13 ASSEMBLYMAN CARROLL: In your  
14 financial plan are you contemplating a full  
15 implementation of congestion pricing with no  
16 exemptions?

17 MTA CHAIR LIEBER: I think that the  
18 way that you guys, the Legislature,  
19 structured the law --

20 ASSEMBLYMAN CARROLL: One billion  
21 dollars, right?

22 MTA CHAIR LIEBER: It has to get to 1  
23 billion. But it leaves open the question of  
24 some of the exemptions.

1 ASSEMBLYMAN CARROLL: But does your  
2 plan contemplate that \$1 billion?

3 MTA CHAIR LIEBER: Yes. One billion  
4 turning into 15 billion of capital, correct.

5 ASSEMBLYMAN CARROLL: And does your  
6 plan contemplate what the decrease in  
7 ridership into the Central Business District  
8 is, and how that will impact ridership on the  
9 subways?

10 MTA CHAIR LIEBER: We have a -- our  
11 plan is -- we've laid it out publicly. It's  
12 a study that we did projecting the return to  
13 80-plus percent of ridership in a couple of  
14 years.

15 ASSEMBLYMAN CARROLL: By 2026.

16 MTA CHAIR LIEBER: Correct.

17 ASSEMBLYMAN CARROLL: But so I presume  
18 that in that plan that you did with McKinsey  
19 that you probably looked at how high that  
20 toll was and whether it would directly  
21 correlate to more ridership on the subway?

22 MTA CHAIR LIEBER: Yes, it was taken  
23 into account.

24 ASSEMBLYMAN CARROLL: And I'm assuming

1 that the higher that toll is and the less  
2 exemptions there are, the higher subway  
3 ridership is?

4 MTA CHAIR LIEBER: Listen, you know,  
5 one of the --

6 ASSEMBLYMAN CARROLL: I only have  
7 22 seconds. I think that's a yes, right?

8 MTA CHAIR LIEBER: Remember,  
9 congestion pricing, they're talking about  
10 10 percent of the people who come. We have a  
11 huge congestion problem, but it's a  
12 relatively small piece of our commuting  
13 population. So --

14 ASSEMBLYMAN CARROLL: If those  
15 10 percent go back into buses and subways,  
16 that would help tremendously.

17 MTA CHAIR LIEBER: I'm not -- I'm  
18 not -- the goal is -- we're going to hit the  
19 \$1 billion goal consistent with the  
20 legislation. That's the --

21 ASSEMBLYMAN CARROLL: But don't we  
22 need more riders? Won't you be back here  
23 every single year if we don't get more  
24 riders, and we should be focused desperately

1 on getting more riders into the system?

2 Because if we don't have more riders, we'll

3 never get out of this.

4 MTA CHAIR LIEBER: I think my time is

5 up. And yours too.

6 ASSEMBLYMAN CARROLL: I know you agree

7 with me.

8 (Laughter.)

9 CHAIRWOMAN WEINSTEIN: Thank you.

10 The Senate?

11 CHAIRWOMAN KRUEGER: Thank you.

12 Senator Ramos.

13 SENATOR RAMOS: That's okay, I can

14 pick up right where Assemblyman Carroll left

15 off.

16 I too wish that we had more riders on

17 the MTA. In fact, to learn that there's a

18 \$2 billion deficit while we have 120

19 billionaires in the State of New York whose

20 collective wealth is around \$478 billion --

21 and to think that we can't collect the

22 political will to actually tax them the way

23 we should. Particularly Valerie Mars,

24 Stephen Ross -- one of my newest neighbors,

1 Steve Cohen, owner of the Mets. All of these  
2 folks employ so many people who ride the  
3 subway, and who should really be paying their  
4 fair share of taxes so that we can have a  
5 functioning system.

6 But it's okay, Janno, I'm not going to  
7 ask you for your opinion on that.

8 I do want to ask about bathroom  
9 accessibility, which I love to talk about, as  
10 you know --

11 MTA CHAIR LIEBER: It's tradition.

12 SENATOR RAMOS: -- as is our  
13 tradition. So it's one year later, and the  
14 MTA has reopened 18 bathrooms, leaving a  
15 remaining 115. So when do you think we can  
16 see those open up?

17 MTA CHAIR LIEBER: Like I think you  
18 and I always discuss this. We are hiring new  
19 cleaners. You've been a supporter of the  
20 fact that we're getting rid of the contract  
21 cleaners and we're actually hiring MTA folks  
22 to be the cleaners.

23 Once we have enough cleaners so that  
24 they can perform the additional duties of

1 working the bathrooms in a secure way --  
2 that's always also been an issue -- we're  
3 going to continue it. We love that people  
4 treated it with enthusiasm, and we're going  
5 to keep doing it, because we love positive  
6 feedback. We're very simple that way.

7 SENATOR RAMOS: Okay, great. Well,  
8 I'm glad that it's -- that it's happening  
9 slowly but surely.

10 Have any attempts been made to work  
11 with us, as the Legislature, to avoid these  
12 hikes? Is there any data on how much it  
13 would cost to stabilize fares at the current  
14 rate?

15 MTA CHAIR LIEBER: I think I said  
16 before that -- you know, that the Governor's  
17 plan balances between the MTA coming up with  
18 cuts, the city coming up with more money, the  
19 business community coming up with money, to  
20 your point, in part because it is work from  
21 home -- which is a business community  
22 decision, for better or worse -- which is  
23 requiring us to -- we're coming up short.  
24 But also to restore those very gradual fare

1 hikes that have historically made our system,  
2 you know, economically viable.

3 But as I said, 300, \$400 million is  
4 the value of the fare hike that's been  
5 proposed in the Governor's balanced budget.

6 SENATOR RAMOS: Seniors and people  
7 with disabilities in particular are having a  
8 hard time, of course, paying their fare as it  
9 is.

10 MTA CHAIR LIEBER: It's half. It's a  
11 half-fare.

12 SENATOR RAMOS: Most of them -- well,  
13 even the half-fare.

14 MTA CHAIR LIEBER: 1.37, \$1.37.

15 SENATOR RAMOS: I'm talking about the  
16 half-fare. The half-fare is too much for  
17 them, given inflation, given the fact that  
18 most of them are on a fixed income.

19 Can you talk a little bit about how  
20 you're going to deal with the impact on that  
21 particular population?

22 MTA CHAIR LIEBER: Again, we're  
23 thrilled that there are a million people in  
24 New York who get reduced fare, and they pay



1 \$1.37 for, you know, the amazing mass transit  
2 system in New York.

3 I, you know, leave to the Legislature  
4 and the Governor the balancing of all the  
5 social equities issues.

6 SENATOR RAMOS: I'm out of time, but  
7 I'll have more.

8 MTA CHAIR LIEBER: I'm sure.

9 CHAIRWOMAN KRUEGER: Thank you.  
10 Assembly.

11 CHAIRWOMAN WEINSTEIN: Assemblyman  
12 Otis.

13 ASSEMBLYMAN OTIS: Hi, there, Janno  
14 and team. Nice to see you all. Thank you  
15 for all your good work on so many issues.

16 I'm going to hit three questions, and  
17 then you do what you can with them. But very  
18 quickly, in terms of any forecast on the  
19 prospect of additional federal funds that  
20 maybe we're not expecting, maybe a  
21 possibility of us doing better to fill some  
22 of these gap issues.

23 Question number two is I'm interested  
24 in what your plans are for expanding EV

1 charging infrastructure at Metro-North train  
2 stations on either Metro-North or Long Island  
3 Rail Road, which is certainly something I'm  
4 hearing from constituents would be helpful.

5 And number three, on the Metro-North  
6 line, there are sometimes trains that are  
7 less than full and sometimes trains that  
8 actually are full at certain times. What are  
9 your metrics in terms of ability to adjust  
10 number of cars on trains based upon real-time  
11 clogging of cars with people and not enough  
12 seats? Thank you.

13 MTA CHAIR LIEBER: Okay, so let me  
14 just take it backwards. So we do look at  
15 ridership levels on trains constantly. We  
16 now use weight-loading data that we have to  
17 tell us how -- it's not just how many tickets  
18 we collect, we're actually using the actual  
19 weights of trains. So even if the conductor  
20 doesn't get through the whole car, which does  
21 happen sometimes, the whole train, we still  
22 know how many people are on that.

23 We do use it to adjust service. I'm  
24 happy for you to talk to Cathy Rinaldi, who's

1 running the railroads, about specific  
2 conditions. We're very focused on it.  
3 EV charging. Listen, we are really  
4 excited about making it easier for folks at  
5 the end of the subway line or in the city or  
6 in the commuter railroads, whether in the  
7 city or without, to get better last-mile  
8 connections. So we love the idea of more  
9 bikes, more electric bikes, and we're doing a  
10 ton of work on that. We just put out a  
11 report with a full-on strategy on that. EV  
12 charging is part of that, and we're getting  
13 started on that.

14 And finally, on additional federal  
15 funds, I have been urging the federal  
16 government to consider them. You know, the  
17 deficit the MTA has is a huge number but it's  
18 much lower than the other major transit  
19 systems. We're 12 percent, our deficit is  
20 12 percent of our operating budget. Chicago  
21 and New Jersey are double that. I think L.A.  
22 is three times that. So it is a national  
23 problem.

24 The politics in Washington doesn't

1 look like it will produce operating  
2 assistance for transit, which has been on and  
3 off, on and off over the years, mostly off.  
4 But we'll keep pushing for it. I've written  
5 to the secretary, I've talked to Schumer's  
6 office about it, and we would love to  
7 resume -- get the feds to in effect do a new  
8 COVID relief bill for transit, 'cause COVID  
9 ain't over for the mass transit systems.

10 ASSEMBLYMAN OTIS: Great. Thank you  
11 very much. And just on EV charging, the  
12 electricity's already there in most of these  
13 locations, and it's another way for you to  
14 attract customers. Because that may be an  
15 added attraction if they can charge at your  
16 lots. So thank you very much.

17 MTA CHAIR LIEBER: Amen to that.  
18 Thank you.

19 CHAIRWOMAN WEINSTEIN: Thank you.  
20 Senate?

21 CHAIRWOMAN KRUEGER: Thank you.  
22 Senator Roxanne Persaud.

23 SENATOR PERSAUD: Thank you.  
24 It is great to see you,

1 Mr. Chairperson. I know we had a  
2 conversation a couple of weeks ago and I'm  
3 looking forward to you coming to my district  
4 so we can walk the corridors that we  
5 discussed.

6 We're all talking about the trains,  
7 but we've not spoken about the buses. We  
8 have a major problem with buses in my  
9 district, particularly in the Gateway area  
10 where there's a new mall and the tremendous  
11 amount of housing that's there, and that's a  
12 transit desert.

13 Has the MTA -- because you haven't put  
14 forward anything to us -- begun plans on how  
15 we're going to move buses into that area?

16 And -- I just want to give you all my  
17 questions --

18 MTA CHAIR LIEBER: Sure.

19 SENATOR PERSAUD: -- all at once,  
20 because -- and there's a major problem there.

21 And what are we doing to operate the  
22 Access-A-Ride system that still sees so many  
23 issues on a daily basis for those riders most  
24 in need, especially riders who are part of

1 our disabled community. It is unfair what  
2 they have to go through, and we really have  
3 to revamp that service.

4 And then last but not least is my  
5 question that I ask every year. It's about  
6 the express buses. The timeliness of the  
7 service of the buses, particularly when you  
8 talk about the BM2 bus, the BM1 bus. The BM2  
9 bus in particular is never on time -- well, I  
10 shouldn't say never. It's probably like  
11 2 percent that the BM2 bus is on time.  
12 (Laughing.) And I know you've heard me say,  
13 over and over, what are we doing with the  
14 express buses that people rely on? Because  
15 where I'm from, it's a transportation  
16 desert and the express buses are the mode of  
17 transportation to get into the city.

18 What are we doing with that?

19 MTA CHAIR LIEBER: Yeah, I'll go fast.

20 So express buses, I'm with you.

21 Because I ride that darn bus from sometimes  
22 home from the corner of State Street and  
23 Battery Place. And it's not -- it's not  
24 totally reliable. And you're not wrong.

1 It's an incredibly long route. Which is why  
2 the conditions, the congestion and the  
3 unpredictability of the street conditions is  
4 so important.

5 So the same way we're pushing for bus  
6 lanes and speed -- and automatic bus lane  
7 enforcement cameras and traffic signal  
8 prioritization, all those things will benefit  
9 express buses. Even more, in some ways, than  
10 local buses, because they have so far to go  
11 and their schedule can get screwed up.

12 So I'm with you. That Spring Creek  
13 Depot, where they run those buses out of,  
14 needs to get better, you're right about that.  
15 And let's keep talking about that.

16 Access-A-Ride. We've made dramatic  
17 improvements. You know, the on-time  
18 performance and the rate of no-shows on the  
19 Access-A-Ride -- you know, the blue-and-white  
20 vans are only 30 percent of our paratransit  
21 operation right now. The rest is for-hire  
22 vehicles. People are getting black cars to  
23 go where they're going, usually alone,  
24 sometimes with one other person. So it's a

1 much more reliable system, much better  
2 on-time performance, much better in the rate  
3 of no-shows.

4 And for the first time, we've got --  
5 Access-A-Ride is back to almost 100 percent  
6 of pre-COVID. It's a sign that we are -- we  
7 have improved it. I'm happy to give you  
8 those stats.

9 And the final thing was buses. And  
10 I'll come back to you with some more detail  
11 about buses in general. We're redoing the  
12 Brooklyn bus routing system, and that process  
13 is underway. It's a dialogue with the  
14 community, with you, with other stakeholders.

15 SENATOR PERSAUD: Thank you.

16 CHAIRWOMAN KRUEGER: Thank you.

17 Assembly.

18 CHAIRWOMAN WEINSTEIN: Assemblywoman  
19 Seawright.

20 ASSEMBLYWOMAN SEAWRIGHT: Thank you,  
21 Madam Chair.

22 And thank you for your testimony  
23 today.

24 The OMNY tap-and-go system has been



1 successfully installed in subways and buses  
2 around the city. However, the Roosevelt  
3 Island Tramway still continues to lack having  
4 OMNY. Can you tell us why this has been  
5 delayed and when you expect it to be  
6 installed so that our Roosevelt Island  
7 residents and visitors can benefit from this  
8 service?

9 MTA CHAIR LIEBER: Okay. So I think  
10 the thing you're concerned about is when will  
11 we have OMNY adapted for the Roosevelt Island  
12 Tram. The answer is it's projected to happen  
13 in the second half of this year. I'm happy  
14 to get into specific dialogue with you.

15 The background to it is OMNY, for good  
16 reasons, was rolled out before the software  
17 was finished. We wanted to start to get  
18 people to adapt it. And then during COVID,  
19 we took advantage of the fact that there were  
20 fewer people riding to install it in the  
21 whole subway and bus system. That was great.

22 But we didn't have the software at  
23 some of the specialty locations like  
24 Roosevelt Island Tram, like the AirTrain in

1 Jamaica Station and a few other places.

2 The software has to catch up, and we  
3 are working on it. But that is right now the  
4 projection: It's going to be the second half  
5 of this year.

6 ASSEMBLYWOMAN SEAWRIGHT: Are you  
7 having troubles with your vendor?

8 MTA CHAIR LIEBER: Always. I mean,  
9 this is the -- you know, really complicated.

10 We just completed something that was  
11 hugely important, which is we got OMNY for  
12 all our reduced-fare customers, which was its  
13 own complicated version of the software.  
14 That was accomplished, and we're now helping  
15 a lot of people to make that transition.  
16 They can do it in person, they can do it  
17 online. I'm rolling out customer service  
18 centers all around the system, so they're not  
19 just -- they don't have to come down to the  
20 MTA headquarters.

21 So that was a big step in the OMNY  
22 direction. The next one is to get some of  
23 these affiliate entities like Roosevelt  
24 Island Tram, AirTrain, and also the NICE bus

1 in Nassau and the B Line in Westchester. We  
2 need specific software and installation for  
3 those, and we're working on it.

4 ASSEMBLYWOMAN SEAWRIGHT: Thank you.

5 CHAIRWOMAN WEINSTEIN: Senate?

6 CHAIRWOMAN KRUEGER: Thank you.

7 Next, Senator John Liu.

8 SENATOR LIU: Thank you, Madam Chair.

9 And thank you, Mr. Lieber and your  
10 team, for doing your best to get our folks  
11 back on the subways and buses.

12 I have a simple question for you,  
13 Janno. You know, there's been this long,  
14 longstanding rivalry between New York City  
15 and Washington, D.C. You know what they did?  
16 You know what they recently did? They made  
17 buses free. Forever. What are the chances  
18 that we could do that in New York City?

19 MTA CHAIR LIEBER: Well, it won't be  
20 my decision alone. But here's what I think  
21 is relevant, is that, number one, my job is  
22 to make sure the MTA gets balanced. So I  
23 love talking about more service and better  
24 service and cheaper service, but first we've

1 got to like -- let's cook the cake before we  
2 talk about extra frosting. That's my  
3 personal responsibility.

4 And number two is I am concerned about  
5 moving quickly into something which is a  
6 massive experiment without having thought  
7 through the unintended consequences. Our own  
8 people estimate that free buses without doing  
9 subways, without other modes being free,  
10 would shift that 5 percent of subway  
11 ridership onto buses. They would have longer  
12 commutes, but there would also be financial  
13 consequences to that.

14 So we need to spend some time looking  
15 at -- you know, some people have experimented  
16 with this, which is interesting, but not on a  
17 massive scale. I'm also concerned about the  
18 ethics of fare -- the ethos of fare payment  
19 in the city. When we turned off fares on  
20 buses during COVID, which was an experiment  
21 of sorts in this, and told people to get on  
22 the back, we've gotten a really hard time  
23 getting them back in the habit of paying and  
24 of paying on subways. We all know fare

1 evasion has gone up dramatically.

2 So I want to -- I want --

3 SENATOR LIU: All right, I'm --

4 MTA CHAIR LIEBER: We've got to make

5 sure we can pay for it. And two, I want to

6 work on understanding what would or wouldn't

7 be the unintended consequences.

8 SENATOR LIU: Well, and I think -- I

9 think you -- over the years you and the team

10 at the MTA have come up with possible

11 scenarios and different pricing mechanisms

12 for various plans. I would encourage you to

13 take a look at what those unintended

14 consequences are, as well as the potential

15 cost impact for providing free buses.

16 I don't think most New Yorkers

17 consider buses or even free buses icing on

18 the cake, or frosting, as you suggested.

19 It's the cake itself. It's the cake itself.

20 And we want people to have an easier time

21 getting to and from work, from school, all

22 sorts of things that they need to do. Mass

23 transit is a very important part of it, and

24 buses are integral, especially outside

1 Manhattan. If Washington can embark on this,  
2 if Boston, if Denver -- I know those are much  
3 smaller cities. But I think it's time for  
4 the MTA to at least consider the possibility,  
5 as opposed to just casting it often as a pipe  
6 dream and frosting on the cake.

7 MTA CHAIR LIEBER: Well, I don't think  
8 that's a fair characterization of what I  
9 said. But I take your point.

10 And we always do study. And one of  
11 the ways we're assuring affordability is to  
12 make sure that people who come to your  
13 district to get on the Long Island Rail Road  
14 are paying five bucks, or a little bit more  
15 in the peak. Dramatic, targeted  
16 affordability in that case.

17 CHAIRWOMAN KRUEGER: Thank you.

18 Next is Assemblywoman Jo Anne Simon.

19 Oh, excuse me, Assemblymember, I  
20 apologize. A new Assemblymember -- who I  
21 know quite well, because he overlaps me. So  
22 I apologize. Assemblymember Tony Simone.

23 ASSEMBLYMAN SIMONE: Hi, everyone.

24 Previously you said, Janno, that we

1 need a system that's frequent and reliable.  
2 Do you think 10-minute head-count time, wait,  
3 really waiting 20 minutes -- the C Train I  
4 usually take is considered frequent and  
5 reliable. And to follow up on that, how do  
6 you reconcile that with the fact that this  
7 year's budget puts no money towards  
8 increasing frequency?

9 And I have a second question. Janno,  
10 you also responded to the question about Penn  
11 Station indicating fixing existing Penn was a  
12 priority for New Yorkers and should happen as  
13 soon as possible. With Vornado having  
14 declared it cannot provide funding for years,  
15 maybe a decade, is it time to reconsider the  
16 GPP and put together a state-financed plan,  
17 in sync with Leader Schumer, to expedite the  
18 Penn project? With no dependence on a  
19 private developer who claims to be in fiscal  
20 crisis now, building 10 office buildings I  
21 feel we don't need.

22 MTA CHAIR LIEBER: So on your last  
23 question, I am -- on that transportation  
24 project, I am not in the ESDC or the GPP. I

1 do know that the way that the Legislature set  
2 things up with the Governor -- and I know  
3 that Senator Krueger and Senator Comrie had a  
4 role in this, and others as well -- was that  
5 none of those developments are going to move  
6 forward without an agreement about how the  
7 development rights would be priced, and so  
8 on.

9 So I'm not counting on any of those  
10 for rebuilding -- you know, fixing existing  
11 Penn now. We have, you know, hundreds of  
12 millions of dollars that were previously  
13 appropriated for that. I would like to go  
14 whole hog to get the federal money to make  
15 sure that this project happens on the time  
16 frame that I've talked about.

17 So I think you and I are maybe looking  
18 at it in a similar way. Let's go get the  
19 money, let's make sure that New Jersey and  
20 Amtrak are on board. We've got to build this  
21 before Metro-North comes in, in a few short  
22 years, and get it going so that they'll have  
23 a first-class station that looks more like  
24 that corridor that we built, on time,



1 \$100 million under budget, than that hellhole  
2 that is the rest of the station.

3 I can answer your other question, but  
4 it's -- are we running -- 10-minute headway.  
5 Look, sometimes people like to throw around  
6 numbers. Let's just remind ourselves what  
7 the headways really are. We have 77 percent  
8 six minute or better in the morning. All  
9 through the day, it's 69 percent six minutes  
10 or better. And 95 percent -- 98 percent in  
11 the morning are 10 minutes or better.

12 So when people start throwing around,  
13 you know, that we have 20-minute headways,  
14 that's not true. The average wait for a  
15 six-minute headway train, which is  
16 overwhelmingly the majority, is three  
17 minutes.

18 So let's -- I'm for more service. I'm  
19 always for more service. That's my business.  
20 But let's just not mislead folks about how  
21 much people are waiting for subways, because  
22 the subway system is rock-and-roll.

23 CHAIRWOMAN KRUEGER: Thank you very  
24 much. Thank you.

1 Next is Senator Hinchey.

2 SENATOR HINCHEY: Thank you very much.

3 I represent a Hudson Valley district,  
4 so I am always very jealous of my colleagues  
5 who have good public transportation. So  
6 thank you for your testimony and for your  
7 work.

8 But I do represent part of Dutchess  
9 County, so we are in the MTA region with  
10 Metro-North. And I want to take a moment to  
11 ask about the Payroll Mobility Tax. I  
12 represent -- Dutchess County is a pretty  
13 rural county, and especially the portion of  
14 Dutchess that I represent, the northern  
15 portion, quite frankly most if not nearly the  
16 vast majority of nearly all the people who  
17 live in Northern Dutchess are not commuters.  
18 These are people who live locally.

19 And so while it is a nominal increase,  
20 it's still nearly \$300,000 just to the  
21 county, an increase to the county, which is  
22 substantial.

23 And so wondering, twofold -- first, is  
24 there a way for the -- what's the plan for

1 these payroll taxes? And are they going to  
2 be -- stay more locally to where they're  
3 connected to help with service where they're  
4 collected? And two, is there a way to  
5 rate -- is this planning to be weighted by  
6 the rest of the county and rural areas, even  
7 though within that PMT region?

8 MTA CHAIR LIEBER: Okay. So I'm going  
9 to ask CFO Kevin Willens to answer. But just  
10 an important point is only 5 percent of  
11 businesses will be paying, only the top of  
12 the income scale of businesses will be paying  
13 this.

14 SENATOR HINCHEY: It's 1.7 million,  
15 though, am I right?

16 MTA CHAIR LIEBER: For the PMT, yes.

17 MTA CFO WILLENS: The total PMT is  
18 approximately 1.7 billion.

19 MTA CHAIR LIEBER: Billion.

20 MTA CFO WILLENS: From all the --

21 SENATOR HINCHEY: I guess what's the  
22 threshold, then, for the business?

23 MTA CFO WILLENS: It's 1.75 million  
24 for the top-rate 1.25 million payroll. At

1 1.25 million payroll and below, no businesses  
2 are paying PMT, which as the chair said is  
3 approximately 95 -- 95 percent of the  
4 businesses, by count, in the 12-county  
5 region, pay no Payroll Mobility Tax ever, and  
6 they won't be paying it under the new  
7 proposal.

8 SENATOR HINCHEY: I will say, though,  
9 Northern Dutchess is a rural community, and  
10 so a lot of our farm businesses or ag  
11 businesses -- 1.7 actually is pretty low in  
12 the scheme of an agricultural business or a  
13 farm, based on the amount of money they make  
14 that has to go back into the farm.

15 And so I imagine many of those would  
16 be impacted.

17 MTA CHAIR LIEBER: It's \$1.75 million  
18 payroll.

19 MTA CFO WILLENS: Payroll.

20 MTA CHAIR LIEBER: Payroll. If that  
21 payroll is in excess of a million and  
22 three-quarters, yeah.

23 SENATOR HINCHEY: Thank you. Is there  
24 still, though, talking about the dollars that

1 are located -- is there any way to keep some  
2 of those local, or does that go back into  
3 the --

4 MTA CHAIR LIEBER: We should talk  
5 about it. Because we want to invest in our,  
6 you know, Dutchess County, which I know well,  
7 as well as, you know, the MTA system.

8 The concept is based on the analysis  
9 that they -- Dutchess County would pay less  
10 than 1 percent of the payroll tax. But we  
11 can talk about the services that are being  
12 provided, making sure places like -- you  
13 know, Wassaic and others, are getting -- are  
14 getting good service, and making sure we're  
15 investing.

16 SENATOR HINCHEY: I would like to talk  
17 more about that, especially also the  
18 breakdown by county. Thank you.

19 MTA CHAIR LIEBER: You bet.

20 CHAIRWOMAN KRUEGER: Thank you.

21 CHAIRWOMAN WEINSTEIN: Assemblyman  
22 Kim.

23 ASSEMBLYMAN KIM: Thank you.

24 Thank you for your testimony today.

1           So according to a 2021 study by the  
2   Community Service Society, 48 percent of  
3   eligible New Yorkers do not apply for the  
4   Fair Fares program. What percentage of  
5   eligible New Yorkers applying would mark a  
6   successful program?

7           MTA CHAIR LIEBER: You know, it's a  
8   good question. The Fair Fares program is  
9   operated by the City of New York. It was a  
10   little underfunded in the de Blasio era.  
11   Mayor Adams and Speaker of the Council Adams  
12   increased that.

13          But the important thing is your point,  
14   which is how many people who are in that  
15   low-income category know about it and have  
16   the eligibility and are getting that  
17   reduced-fare MetroCard.

18          We are -- we actually went over to  
19   City Hall and started pushing them, and it's  
20   a collaboration, to market this more  
21   aggressively. We only have, I think, less  
22   than -- less than 40 percent of eligible  
23   New Yorkers in that low-income category  
24   actually have the benefit. We want to push

1 it more so the numbers go up.

2 ASSEMBLYMAN KIM: Okay, is there a  
3 tangible kind of internal goal that --

4 MTA CHAIR LIEBER: You know, I think  
5 you've got to -- you've got to get well over  
6 50 percent before you feel like you're really  
7 making a difference to that -- folks who need  
8 it most.

9 ASSEMBLYMAN KIM: Okay. So if you  
10 reach 50 percent above UB, is the MTA okay  
11 leaving behind the other percentage --

12 MTA CHAIR LIEBER: No, absolutely not.  
13 As I said, our goal is everybody who  
14 qualifies to get it. It will make -- it will  
15 be such a benefit in terms of access to  
16 opportunity and jobs and school and  
17 everything.

18 ASSEMBLYMAN KIM: And speaking of  
19 fares, are the fares like tied to the MTA's  
20 debt financing? I mean, in other words, like  
21 is MTA's ability to borrow tied to the fares?

22 MTA CHAIR LIEBER: There's -- you're  
23 right in the sense that historically we've  
24 had our borrowing, since the early 1980s when

1 Dick Ravitch was the chairman, it was sort of  
2 revenue-backed bonds, the different MTA  
3 revenues. Because the market wants to know  
4 you have the ability in a crisis to generate  
5 that revenue.

6 But the decision that the -- what the  
7 Governor's put on the table is not -- has  
8 nothing to do with the borrowing. It has to  
9 do with balancing the budget and  
10 contributions coming from the city, the  
11 state, the business community and a little  
12 bit from the riders. That's the fare  
13 increase that we're talking about.

14 ASSEMBLYMAN KIM: But the  
15 revenue-backed bonds, it's backed up by the  
16 state, correct? So it's something, if  
17 there's a default, we still have a moral  
18 obligation to make sure that we're -- you  
19 know, we're good on the bond, right?

20 MTA CFO WILLENS: There's no specific,  
21 quote, moral obligation on MTA's debt, so the  
22 bonds you're talking about are secured both  
23 by the farebox revenue and all the other  
24 taxes and subsidies that float MTA, but



1 there's not a state guarantee or what was  
2 historically considered moral-obligation  
3 debt.

4 ASSEMBLYMAN KIM: Okay. I just want  
5 to -- I'm just making that point, because  
6 it's -- if there's no linkage, then there's  
7 no financial reasoning why you can't work  
8 toward finding new revenue streams to provide  
9 the free buses that other members have  
10 suggested, and making sure we find other  
11 sources of revenues.

12 That's all. Thank you so much.

13 CHAIRWOMAN WEINSTEIN: Thank you.

14 Senate?

15 CHAIRWOMAN KRUEGER: Thank you very  
16 much.

17 Senator Gonzalez.

18 SENATOR GONZALEZ: Hello? Hi. As  
19 someone who represents three boroughs and has  
20 also taken public transit my entire life, I'm  
21 really excited to be on the Transportation  
22 Committee, to make sure that we have more  
23 reliable, more accessible, and hopefully more  
24 affordable service.

1 I'm a cosponsor on the "Formula 3"  
2 Act, a bill by Assemblymember Mamdani and  
3 Senator Gianaris, which as you likely know  
4 would provide adequate state funding for the  
5 MTA to reject upcoming fare hikes, increase  
6 the frequency of service on trains and buses,  
7 and make buses free.

8 Knowing that the Executive Budget  
9 fills the current year's operating deficit  
10 and that Formula 3 would provide billions of  
11 dollars of additional operating aid to the  
12 MTA in the outyears, with certain  
13 requirements regarding fare increases, union  
14 contracts and service frequency, I'm really  
15 trying to understand if you're saying today  
16 that you support the 5.5 percent fare  
17 increase -- and you've also said in previous  
18 statements that you're concerned whether  
19 these increases are a burden on lower-income  
20 New Yorkers and contribute to declining  
21 ridership -- if your position has changed.  
22 And then given your opening remarks, would  
23 you support a final state budget that  
24 includes money to avert a fare hike this

1 year?

2 MTA CHAIR LIEBER: So just to be  
3 clear, I get -- I have to be agnostic about  
4 our ability to continue to run the high level  
5 of service. I understand that we're engaged  
6 in a process that there's going to be a  
7 discussion between the Legislature and the  
8 Executive. I'm not unrealistic about that.

9 I -- honestly, we've made a proposal,  
10 the Governor's made a proposal which I think  
11 is responsible and balanced and does achieve  
12 that goal. Now begins the discussion between  
13 the Legislature -- the houses of the  
14 Legislature and the Executive about which  
15 elements to include, to modify, or to  
16 exclude.

17 SENATOR GONZALEZ: Absolutely. And  
18 have you -- considering it's on the survey,  
19 have you any evidence to support that riders  
20 can afford these increases?

21 MTA CHAIR LIEBER: Listen, all I can  
22 tell you is what's happened in the past, that  
23 the moderate increases that we had in effect  
24 and the Legislature supported for more than

1 10 years, did not suppress ridership. We  
2 actually consistently went up over that time  
3 period.

4 So we -- I understand that we all  
5 would like a very, very affordable system.  
6 I'm not as down for subsidizing better-off  
7 people. I like targeted affordability as a  
8 strategy. And we have been pursuing that in  
9 many different ways.

10 SENATOR GONZALEZ: We'll definitely  
11 need more data there.

12 I'm also the chair of Internet &  
13 Technology and trying to understand the  
14 \$150 million that will contribute to more  
15 safer security, considering that we already  
16 have 10,000 cameras. And as you mentioned,  
17 crime is down, over 60 percent of New Yorkers  
18 feel safe. I'm trying to understand, one,  
19 are these cameras and additional cameras  
20 you're proposing using facial recognition  
21 technology or collecting biometric data? And  
22 two, if you'd commit to working with the  
23 State Legislature to better understand how  
24 you're using -- how you're collecting data,

1 how you're using it, how you're storing it,  
2 and how you're disposing of it, to protect  
3 New Yorkers' privacy.

4 MTA CHAIR LIEBER: Okay. Well, the  
5 great thing about being a member of the  
6 Legislature is you get to tell us what to do.

7 SENATOR GONZALEZ: Yeah, fantastic.

8 MTA CHAIR LIEBER: So have at it.  
9 We've all been very successful in complying  
10 with the open data requirements. But --

11 SENATOR GONZALEZ: Do you mind a yes  
12 or no on the facial recognition technology,  
13 though?

14 MTA CHAIR LIEBER: The answer is no,  
15 we're not using it for -- what we're doing,  
16 what that money is -- clearly is for  
17 technology to keep people off the tracks, out  
18 of the tunnels and, honestly, unarmed. We're  
19 trying to do more with unarmed fare  
20 enforcement but also unarmed law enforcement  
21 on buses, which have started to have some  
22 crime -- not crime, but disorder problems  
23 that we think are best addressed with an  
24 unarmed force.

1 SENATOR GONZALEZ: Great. Thank you.

2 CHAIRWOMAN KRUEGER: Thank you. Thank  
3 you.

4 Next, Assembly.

5 CHAIRWOMAN WEINSTEIN: Assemblywoman  
6 Gallagher.

7 I just want to remind members asking  
8 questions to leave time for the answers so  
9 you're not -- we don't have to keep cutting  
10 the chairman off. Thank you.

11 ASSEMBLYWOMAN GALLAGHER: Hello. It's  
12 nice to see you all. I'm Assemblymember  
13 Gallagher, representing the 50th District  
14 with the G Train. But we'll get to that in a  
15 minute.

16 I'm very much looking forward to this  
17 bus lane enforcement program. And I know  
18 from riding the B62, the B48, the B43 in my  
19 district that often the culprits of parking  
20 in the bus lane are the police and city  
21 vehicles.

22 So I'm wondering, do you have a plan  
23 to work with the city and the NYPD to  
24 manage -- if they are parking in the bus

1 lane, what will the enforcement look like?

2 MTA CHAIR LIEBER: You know, we have  
3 great collaboration with the NYPD on the  
4 everyday policing of the system. We've made  
5 a lot of progress. That's one area where  
6 historically it has been tough for all of us  
7 who work in government to make progress.  
8 There have been -- we have had -- talked  
9 about some specific precincts that have a  
10 little bit of a problem of bus lane parking.  
11 It is -- you're not the first one to raise  
12 that issue. Are happy to work with anybody  
13 if we can try to move the dial on that.

14 ASSEMBLYWOMAN GALLAGHER: Okay, great.  
15 I would love to get involved in that. It  
16 might be really difficult (laughing).

17 But I also -- I was wondering -- I  
18 think Senator Gonzalez covered this, but do  
19 you have any data of what happens to  
20 ridership when the fare does increase?

21 MTA CHAIR LIEBER: Yeah, the data so  
22 far is in the last 10 years, with these  
23 moderate increases, basically 2 percent a  
24 year, it has not suppressed ridership. And

1 I'm happy, since that's come up a couple of  
2 times, to share the data. We went up, up, up  
3 over the time since that pattern was  
4 established, and it was a positive trend.

5 But we can certainly share it.

6 ASSEMBLYWOMAN GALLAGHER:

7 Additionally, I was wondering -- I know that  
8 for about 40 years in the earlier period of  
9 the MTA's storied history, that the  
10 ridership and the -- or, sorry, the fare that  
11 was really reliable about New York City.

12 Is there a cap on when we will say we  
13 cannot ever raise money -- raise the fare  
14 again?

15 MTA CHAIR LIEBER: Look, I mean, I  
16 don't need to remind you, because you  
17 obviously know the history, that 40-year  
18 period ended with the people who operated the  
19 New York City Transit system going bankrupt  
20 and handing this leftover asset over to the  
21 city. So not such a good outcome.

22 ASSEMBLYWOMAN GALLAGHER: Oh, well.

23 MTA CHAIR LIEBER: But -- but your  
24 point is well taken. We're not disagreeing.



1 We want to keep the fares affordable. The  
2 question, what we're debating, is like how --  
3 you know, what constitutes affordability and  
4 how to maintain it. That is a fair debate to  
5 have.

6 But as I said, I think the history has  
7 been that these moderate increases, which  
8 just allow us to keep up with inflation and  
9 our labor costs -- remember, we were making  
10 labor deals over that period in the last  
11 10 years that were about two and a quarter,  
12 2.50, 2.75 percent per year, but the fare was  
13 going up 2 percent a year. So it created a  
14 structural imbalance that came home to roost  
15 even before COVID, and now we're dealing with  
16 a maximum version of it.

17 ASSEMBLYWOMAN GALLAGHER: Okay, thank  
18 you.

19 CHAIRWOMAN WEINSTEIN: Senate?

20 CHAIRWOMAN KRUEGER: I'm sorry. Thank  
21 you very much.

22 Is Senator Mayer still here with us?

23 Hello, Senator Mayer. Can you get to  
24 a microphone?

1           SENATOR MAYER: Hello. Thank you,  
2           Madam Chair.

3           Pleasure to see you. Three quick  
4           questions to answer as you can. On the  
5           receipt of the federal COVID funds, the  
6           14 billion received I think in 2020 -- not  
7           that you have to go through it now, but can  
8           you give us a breakdown of how those were  
9           used?

10          MTA CHAIR LIEBER: Simple. Very  
11          simple. It was used to maintain the system  
12          and to fill the gap that we're all talking  
13          about, which was more extreme during COVID.

14          Literally every dollar, as required by  
15          the Congress and the law, went to maintain  
16          service and to pay our workforce without  
17          cutting -- doing layoffs or service cuts.  
18          That was what the law required.

19          I make no -- but people attack us  
20          sometimes on that money. I don't apologize  
21          for paying people to run service at the  
22          height of COVID. Those people were brave,  
23          they came in before we understood  
24          transmittal. And that's where -- why we

1 needed that money, and that's how we used it.

2 SENATOR MAYER: Okay, understood. And  
3 we agree about that, as you know.

4 Secondly, in your proposal, what would  
5 be the average fare increase for Metro-North,  
6 as opposed -- you've talked about the subway.  
7 But what would be the Metro-North fare  
8 increase anticipated?

9 MTA CHAIR LIEBER: I think we're --  
10 it's 5.5 percent across the system.  
11 Exactly -- exactly how that will be  
12 structured, TBD.

13 We like to -- right now, post-COVID,  
14 what we like to do is to give more discounts  
15 to people who are using it more frequently,  
16 who tend to be more essential workers, more  
17 people who need affordability. So you see  
18 with Lucky 13 on the subway and some of the  
19 other discounts we're doing, we're trying to  
20 skew the fare structure to recognize people  
21 who are greater users who tend to be lower on  
22 the income spectrum.

23 SENATOR MAYER: But the average,  
24 5.5 percent anticipated?

1 MTA CHAIR LIEBER: Rough -- yes, right  
2 now.

3 SENATOR MAYER: Okay. And thirdly,  
4 you referenced it earlier, your excellent MTA  
5 Police Department. Can you just explain, as  
6 briefly as you can -- or later -- the  
7 interplay between the NYPD and the MTA Police  
8 Department with respect to trains? Because I  
9 don't think ordinary riders understand that  
10 both are working together to make safety a  
11 priority.

12 MTA CHAIR LIEBER: Yeah. I mean, the  
13 MTAPD, the PD is responsible for the commuter  
14 rail system, broadly speaking, and the NYPD  
15 is responsible for the subways and the buses.  
16 It's that simple.

17 Although we have, as part of this  
18 safety initiative begun in October by the  
19 Governor and the Mayor, the MTAPD took over  
20 for the subways at four major railroad  
21 terminals -- Atlantic, Jamaica, Penn, and  
22 Grand Central -- because we already had big  
23 presences there because of the commuter  
24 railroads.

1 Other than that, that's the  
2 separation. They do collaborate, as they did  
3 in one case where there was, you know, a guy  
4 who was threatening to attack a synagogue and  
5 he was coming in on the Long Island Rail Road  
6 and then he was in Penn.

7 SENATOR MAYER: Right.

8 MTA CHAIR LIEBER: But they  
9 collaborate regularly. It's a very strong  
10 relationship.

11 SENATOR MAYER: But it's been enhanced  
12 by this connection at these four other  
13 locations in Manhattan. Or and --

14 MTA CHAIR LIEBER: Well, yes. Good  
15 point. Yeah, good point. We are doing more  
16 collaboration than ever.

17 And you walk into Grand Central or  
18 Penn, you'll see both -- both varieties of  
19 police, depending on where you are.

20 SENATOR MAYER: No, appreciate it.  
21 thank you very much. Thank you for your help  
22 on all these issues in my district.

23 MTA CHAIR LIEBER: Thank you.

24 CHAIRWOMAN WEINSTEIN: Thank you.

1 Assemblyman Bores.

2 ASSEMBLYMAN BORES: Thank you for  
3 being here, and thanks for all of the work  
4 you do to support the lifeblood of New York  
5 City.

6 I share your goals of bringing more  
7 people into the subway system, to return  
8 ridership to as much as we can, given the  
9 exogenous changes. And there's many reasons  
10 that people give for not riding, among those  
11 accessibility, which we've addressed, and  
12 cost. But I want to focus on safety and a  
13 few parts of safety specifically.

14 A number of residents in my district  
15 were very concerned about incidences of  
16 riders being shoved under the platform. I  
17 know the MTA is looking at different sorts of  
18 platform barriers that could prevent those  
19 instances, which all have come with really  
20 high costs attached to them, and you need to  
21 balance the different demands.

22 In 2020 the MTA released a study on  
23 platform barriers and the different options.  
24 You're familiar with that study?

1 MTA CHAIR LIEBER: Yes.

2 ASSEMBLYMAN BORES: At 3,920 pages, I  
3 would say it's quite extensive. There's one  
4 sentence in there about potential fences,  
5 just fixed to platforms, that says that that  
6 was discarded early because of concerns of  
7 people being dragged.

8 MTA CHAIR LIEBER: Yeah.

9 ASSEMBLYMAN BORES: Was there a study  
10 behind that? Was there more done? It just  
11 feels like that's a light sentence, versus a  
12 4,000 page report.

13 MTA CHAIR LIEBER: It's a fair  
14 question. In fact, notwithstanding that one  
15 sentence, we are actually looking at whether  
16 there are some places where it does make  
17 sense to have a -- you know, a stationary  
18 barrier.

19 There are a couple of places in the  
20 system, I think in the shuttle and a couple  
21 of other places where --

22 ASSEMBLYMAN BORES: Canal Street as  
23 well has one.

24 MTA CHAIR LIEBER: We do have them.

1 The -- so the idea is what we're looking at  
2 is in that boarding area where we kind of  
3 encourage people to locate -- tends to be  
4 right next to the conductor's position.  
5 Maybe there are places where you could safely  
6 do that kind of barrier, people could feel  
7 like there was additional protection, even if  
8 you didn't have one of these multi-million-  
9 dollar platform door systems.

10 So we are looking at that,  
11 notwithstanding what was in that.

12 ASSEMBLYMAN BORES: Wonderful. I  
13 think it's so much cheaper than other  
14 solutions and obviously can work where a lot  
15 of the automated heavy ones that require more  
16 equipment can't. So --

17 MTA CHAIR LIEBER: And the reasons for  
18 not doing it kind of go away if you're  
19 already -- if there are pillars on the  
20 platform, columns that would already  
21 interfere with, God forbid, someone being  
22 dragged.

23 ASSEMBLYMAN BORES: I very much  
24 appreciate you looking into that, and hope to



1 see more on there.

2 The second piece of safety I wanted to  
3 follow up on was just the cameras. Obviously  
4 there was an OIG report, December 2022 --

5 MTA CHAIR LIEBER: Yup.

6 ASSEMBLYMAN BORES: -- that I'm sure  
7 you're familiar with that gave  
8 recommendations on how to staff the levels.  
9 You rightly point out, and I quote, that  
10 recommendations regarding staffing levels,  
11 training, relying on manufacturers'  
12 preventative maintenance protocols are  
13 acknowledged. However, these are business  
14 decisions.

15 Given your emphasis on the cameras  
16 that you brought up earlier, and rolling them  
17 out to more in the cars, could you just give  
18 an update on how you're thinking about those  
19 tradeoffs?

20 MTA CHAIR LIEBER: So -- and listen,  
21 the -- you know, a lot of this drama came out  
22 of the incident on the N line, on the  
23 4th Avenue line -- and I'm just going to  
24 finish this one -- and our cameras were

1 operating 99 percent of the time. And on  
2 that day, we had dozen of images of  
3 Frank James, which actually helped the cops  
4 find him. We would never have gotten him.

5 So the whole idea that the cameras are  
6 a problem is a little bit of a red herring to  
7 us. And the idea that we would throw a ton  
8 more staff in making sure that every camera  
9 in the system is operating every minute of  
10 every day didn't seem like it was based on,  
11 you know, weighing the thing.

12 So we're going to always try to be  
13 better, but I'm not ashamed of the fact that  
14 we've got 10,000 cameras and the police are  
15 literally taking hundreds of images from us  
16 on a weekly basis and giving us the highest  
17 kudos for that system. It helps.

18 ASSEMBLYMAN BORES: Agreed. And I'll  
19 just follow up on the tradeoffs.

20 CHAIRWOMAN WEINSTEIN: Thank you.  
21 Thank you. Senate?

22 CHAIRWOMAN KRUEGER: Thank you.

23 Senator Gounardes.

24 SENATOR GOUNARDES: There we go. Good

1 afternoon.

2 Janno, you know, I think you and I  
3 have adopted a lot of the same rhetoric and  
4 language around funding public transit. And  
5 I just want to call attention to some of the  
6 tension that exists between making a case for  
7 more public funding of the public transit  
8 system while at the same time calling for  
9 more revenue to be raised on the backs of  
10 riders to help fund that same public transit  
11 system.

12 And I know other folks have kind of  
13 walked down this path with you, so we don't  
14 have to go have the fare hike discussion  
15 again. But there is a tension between both  
16 of those ideas. And we recognize that the  
17 system is in a crisis, and we want to help  
18 address that crisis. But if we're going to  
19 fundamentally shift the way we pay for mass  
20 transit, it can't come on the backs of  
21 riders. Whether that's 5 percent now,  
22 5 percent five years ago, 5 percent next year  
23 or beyond.

24 So I appreciate the situation we're

1 in. I think we have to do a lot more to  
2 think about how we can get beyond the need  
3 for regular fare increases and revenue to be  
4 raised on the backs of, you know, riders and  
5 user fees, so that we can have a fully funded  
6 transit system.

7 You know, so my first question to you  
8 is, with what the Governor's proposed right  
9 now, that gets you whole for how long?

10 MTA CHAIR LIEBER: Through, again,  
11 2026. And beyond that, it depends in part  
12 on -- she projected, it's a broad projection,  
13 450 million would be available to the MTA  
14 through her prioritization of mass transit  
15 for casino revenues. That's a little less  
16 certain.

17 But certainly through 2026, and then  
18 beyond it depends in part on the casino  
19 revenues.

20 SENATOR GOUNARDES: If that doesn't  
21 come through, we'll have to come back here  
22 again and figure out something else, perhaps.  
23 Hopefully not, but perhaps. Right?

24 MTA CHAIR LIEBER: But, you know, in

1 fairness, the prioritization of casino  
2 revenues, which is a very significant future  
3 and predictable revenue stream towards mass  
4 transit, is thrilling to the MTA. Because  
5 what we've said is we need recurring revenues  
6 in a significant number. And the idea of  
7 taking that new source and prioritizing mass  
8 transit is a very positive development.

9 SENATOR GOUNARDES: And this plan  
10 calls for raising \$500 million from the city.  
11 You know, the city is cash-strapped, they're  
12 dealing with a lot of extra costs being  
13 placed on them as well, due to a number of  
14 crises. They are picking up a huge cost of  
15 the social service delivery in the subway  
16 system right now. If we don't force the city  
17 to eat this tab, we have to come up with that  
18 \$500 million. If we want to fight the fare  
19 hike, we have to come up with that  
20 \$350 million. We have to eat that,  
21 basically, \$850 million if we want to avoid  
22 those things happening to keep you in the  
23 black for this year and beyond. Correct?

24 MTA CHAIR LIEBER: I don't know

1 absolutely the math, but you're -- it sounds  
2 like you're on the right track.

3 SENATOR GOUNARDES: Okay. There's a  
4 report by Reinvent Albany that came out  
5 recently saying that the -- you know, we  
6 routinely, when we do our budget allocations,  
7 we sweep about \$375 million out of your --  
8 the Transit Assistance Fund. So perhaps we  
9 should look to keep that funding back in, and  
10 that gets us a part of the way there.

11 Thank you very much, and look forward  
12 to working on this issue with you guys.

13 MTA CHAIR LIEBER: Thank you, Senator.

14 CHAIRWOMAN KRUEGER: Thank you.

15 Assembly.

16 CHAIRWOMAN WEINSTEIN: Assemblyman  
17 Jacobson.

18 ASSEMBLYMAN JACOBSON: Thank you,  
19 Madam Chair.

20 I represent a district in the  
21 Hudson Valley: Orange, Ulster and Dutchess.  
22 And I represent Beacon and Poughkeepsie. So  
23 I have two stations.

24 First of all, I want to say I'm

1 opposed to the new payroll tax. It sends the  
2 wrong message to businesses, especially  
3 locally owned small businesses. It would be  
4 a real big impact. If you can make a case  
5 that the MTA should be supported, then let's  
6 use the general revenue funds. It's not fair  
7 to the -- to most of the people in the  
8 Hudson Valley. And we only have a  
9 quarter-vote, as you know. So it makes no  
10 sense.

11 Concerning the Beacon Station. I  
12 don't know if you've gone there. It has a  
13 very, very impressive aroma when you go  
14 there, and that's because there are no  
15 bathrooms. It stinks. The stench is  
16 terrible. Nothing has been done.

17 So I want to know, is there any chance  
18 that we can get some bathrooms? They don't  
19 have to be elaborate. They have them at  
20 construction sites. There's a way to do it  
21 for temporary bathrooms. And it would be a  
22 lot better. It's a very busy station on the  
23 weekends. Everybody goes to Beacon, we know  
24 that. So what are you going to do about

1 that?

2 MTA CHAIR LIEBER: I don't know.

3 First I learned about it. But I'm definitely

4 on the idea of a porta john for Beacon.

5 ASSEMBLYMAN JACOBSON: The other thing

6 is while --

7 MTA CHAIR LIEBER: Can I -- can we --

8 can I just respond to your earlier comment?

9 I -- I don't know whether it was taken into

10 account as you were thinking through your

11 response to the PMT. But as we said, this is

12 only 5 percent, the largest 5 percent of

13 businesses that would actually have any

14 impact from what the Governor has proposed.

15 So when you say small businesses,

16 local businesses, I respect that. Based on

17 the analysis to date, they would not be

18 impacted.

19 ASSEMBLYMAN JACOBSON: Well, we'll

20 agree to disagree.

21 Next, there has been an uptick in

22 traffic in -- from Poughkeepsie and Beacon,

23 especially more in Beacon, but not every day

24 of the week. There's a lot of factors on



1 that, a lot of factors of people having  
2 remote work and so forth.

3 But one of the things is when you --  
4 in the beginning, after the pandemic was  
5 pretty much over, you came up with a  
6 brilliant idea, let's lower the fares, supply  
7 and demand, and that would increase traffic.  
8 It did. Now we've raised it again.

9 Why not lower the fares on the  
10 commuting? It will increase traffic, and I  
11 think you will net a more positive outcome.

12 MTA CHAIR LIEBER: Okay. Well, not  
13 what our analysis is showing. But we very  
14 much are trying to jump-start ridership, and  
15 we have used fare structure in the past to do  
16 it. And we're going to keep looking for  
17 discounts that have the effect that you're  
18 suggesting.

19 ASSEMBLYMAN JACOBSON: Thank you.

20 CHAIRWOMAN WEINSTEIN: Senate.

21 CHAIRWOMAN KRUEGER: Thank you.

22 Excuse me. Thank you very much.

23 Senator Skoufis.

24 SENATOR SKOUFIS: Thanks very much,

1 Madam Chair.

2 And pardon the musical chairs here.

3 Good to see you, Chairman Lieber.

4 And whatever differences we may have  
5 about West of Hudson's vision, I always do  
6 genuinely appreciate the transparency and  
7 responsiveness from your leadership team,  
8 Will Schwartz and anyone that I do engage  
9 with at the agency.

10 I do want to drill into a little bit  
11 the proposed increase in the Payroll Mobility  
12 Tax. I do understand, and I heard you just  
13 say, again, for the second or third time,  
14 that yes, this affects a slice of businesses.  
15 Not all businesses, mostly not small  
16 businesses.

17 A quick question before I get to my  
18 main remarks here. Does this extend to  
19 municipalities as well?

20 MTA CHAIR LIEBER: I'm not certain.  
21 But there are substantial exemptions that I  
22 know included all of the schools. Does it  
23 include the municipalities as well, Will?

24 SENATOR SKOUFIS: Municipalities

1 currently pay the tax. And so I'm guessing,  
2 unless there's some new carveout, that they  
3 will pay increase --

4 MTA CHAIR LIEBER: I guess it depends  
5 on the size of the municipality's payroll.

6 SENATOR SKOUFIS: They would have to  
7 exceed the threshold. But there's no  
8 carveout specifically for municipalities for  
9 this --

10 MTA CHAIR LIEBER: Not that I'm aware  
11 of at this point.

12 SENATOR SKOUFIS: Right. And so in  
13 effect every single taxpayer, every single  
14 property taxpayer -- forget about businesses.  
15 If you're a municipality getting hit by this  
16 increased mobility tax, every property  
17 taxpayer will pay a slice of that increase in  
18 their property tax bill. I think that's fair  
19 to say.

20 MTA CHAIR LIEBER: Well, I don't know  
21 how it's translated.

22 SENATOR SKOUFIS: I think, you know,  
23 in West of Hudson and Orange County --  
24 previously also Rockland Country, where I

1 used to represent -- there is enormous  
2 frustration because it seems every year, and  
3 I think among some legislators too, every  
4 year we're back having a similar  
5 conversation: How do we shovel more money  
6 into the MTA?

7 And in addition to farebox revenue, we  
8 recently had an historic and enormous capital  
9 program that included state resources. We  
10 have the payroll tax, which I mentioned. The  
11 congestion pricing, which will establish  
12 about a billion dollars, once it's  
13 implemented, a year. We have DMV transaction  
14 fees, mortgage recording taxes, a petroleum  
15 tax that goes to the MTA, the COVID bailout.

16 And now you want more state money,  
17 more city money, you want to increase payroll  
18 tax, casino revenues -- as if that has  
19 anything to do with anything here. And the  
20 long story short is my constituents are taxed  
21 to death for a service they get little to  
22 nothing out of. There are times in the  
23 middle of the day -- not overnight, there are  
24 no trains overnight West of Hudson. In the

1 middle of the day, they're waiting hours and  
2 hours and hours for the next train.

3 And we have no subways, obviously. We  
4 have no MTA buses, obviously. Yet what is  
5 being proposed is the same 47 percent tax  
6 increase, mobility tax increase, as every  
7 borough, as Long Island, as East of Hudson.

8 My question is, how do you justify to  
9 West of -- Orange, West of Hudson, including  
10 Orange constituents of mine, that this is a  
11 fair tax increase?

12 MTA CHAIR LIEBER: All right, did I  
13 run out of time? Am I allowed to respond?

14 CHAIRWOMAN WEINSTEIN: Short answer.

15 MTA CHAIR LIEBER: Bottom line is mass  
16 transit is what makes this region, the  
17 region's economy function. And that the West  
18 of Hudson counties, along with the whole MTA  
19 region, since the PMT was adopted 10-plus  
20 years ago, have had much higher job growth  
21 than adjacent counties that did not have a  
22 PMT.

23 So the idea that it's a job killer and  
24 that it's suppressing economic growth I don't

1 think is fact-based. I'm always happy to  
2 talk about, you know, the level of service  
3 and how we ought to work together to improve  
4 and increase service to folks in your  
5 district, because we've got to get them over  
6 to the Hudson Line. I'm sick of them having  
7 to rely solely on New Jersey Transit to get  
8 to Hoboken, yadda, yadda, yadda.

9 So let's talk about how we can connect  
10 people to the service that exists and that's  
11 more frequent.

12 CHAIRWOMAN WEINSTEIN: Thank you.

13 CHAIRWOMAN KRUEGER: Thank you.  
14 Assembly.

15 CHAIRWOMAN WEINSTEIN: Okay.  
16 Assemblywoman Mitaynes.

17 ASSEMBLYWOMAN MITAYNES: Hello. Hi.

18 The question is, do you agree with the  
19 Governor and the Mayor's "New" New York Panel  
20 goal to maintain peak subway service and  
21 improve the frequency and reliability of  
22 subway service during off-peak hours?

23 MTA CHAIR LIEBER: The goal? Yes,  
24 absolutely.

1           And our on-time performance has been  
2 stellar, off peak and on peak. It is  
3 history-making, best in 10 years.

4           ASSEMBLYWOMAN MITAYNES: How do you  
5 reconcile the fact that there's no money  
6 included for this in the budget?

7           MTA CHAIR LIEBER: I'm sorry, I did  
8 not hear the question.

9           ASSEMBLYWOMAN MITAYNES: How do you  
10 reconcile that there's no money in the budget  
11 for this?

12          MTA CHAIR LIEBER: Well, I'm -- you  
13 know, I don't know what the right analogy is.  
14 I think that we've got to fill the bucket  
15 back to make sure that the MTA, at the  
16 current service levels, which I believe are  
17 pretty solid -- we can always improve -- has  
18 enough money to maintain that level of  
19 service.

20          And then, if the consensus is to go  
21 beyond that and to have more service or to do  
22 other things, certainly talk about it.  
23 You'll never have arguments from us about  
24 improving service -- increasing service.

1 ASSEMBLYWOMAN MITAYNES: What do you  
2 think the impact of increasing frequent buses  
3 and trains would be on ridership levels?

4 MTA CHAIR LIEBER: I don't know.

5 Again, we have -- 77 percent of our  
6 folks who are traveling in the daytime are  
7 getting six-minute service. So we have to  
8 talk about where and how we're going to  
9 increase service, if we're going to do it, in  
10 order to give you a meaningful response on  
11 how much it's likely to increase ridership.

12 I would like to increase -- if we have  
13 a choice, to increase it in the evenings, up  
14 to 10 o'clock, and on the weekends. We're  
15 trying to find ways to do that within the  
16 constraints of the existing workforce, how  
17 much equipment we have, and also getting our  
18 capital work done.

19 ASSEMBLYWOMAN MITAYNES: So we agree  
20 that increased service of trains and buses  
21 would mean that there would be more trust in  
22 the ridership, and therefore increase the  
23 service?

24 MTA CHAIR LIEBER: At 85 percent



1 on-time performance, we're getting very good  
2 feedback from riders, but we can always hope  
3 for better. Absolutely.

4 ASSEMBLYWOMAN MITAYNES: Can you  
5 explain the thought behind spending over a  
6 million dollars to hire security for the  
7 subway stations? And what was the thinking  
8 behind where these were going to be placed?

9 MTA CHAIR LIEBER: So one of the  
10 problems we have in the -- fare evasion is --  
11 historically, I grew up in New York City,  
12 there was turnstile jumping, all kinds of  
13 ways people got in in the old days.

14 But what happened is we have this exit  
15 gate, which apparently is being required by  
16 the code authorities about a Fire Code issue.  
17 And that exit gate, people just open, and  
18 they stream in.

19 So it's some select locations where we  
20 knew we were having a problem, where people  
21 were breaking vending machines and opening up  
22 the gate and taking money. We started  
23 putting unarmed security guards -- it's a  
24 great investment, because it's actually

1 deterring people from opportunistic fare  
2 evasion.

3 I actually stop people who walk up to  
4 the turnstile with their OMNY cards on, with  
5 their OMNY phone in their hand, and see the  
6 gate open, and they go for the gate. And I  
7 say to them, "You know better than that," and  
8 then they go pay.

9 So we're stopping that kind of  
10 opportunistic fare evasion. It's the right  
11 thing to do. We're not -- we're not -- you  
12 know, we're not the police, but we're doing  
13 it in a gentle way by discouraging people  
14 from walking in that exit gate.

15 ASSEMBLYWOMAN MITAYNES: It definitely  
16 says a lot about your priorities. One of the  
17 places that this happened was at my local  
18 train station --

19 CHAIRWOMAN WEINSTEIN: Time. Time.

20 ASSEMBLYWOMAN MITAYNES: -- where the  
21 shooting happened.

22 CHAIRWOMAN WEINSTEIN: Thank you,  
23 Assemblymember.

24 To the Senate.

1 CHAIRWOMAN KRUEGER: Thank you.

2 Senator Fernandez.

3 SENATOR FERNANDEZ: Good afternoon.

4 Thank you so much for being here today and  
5 taking our questions.

6 I am Senator Fernandez. I represent  
7 District 34 that has parts of Westchester  
8 County and the Bronx.

9 It's been mentioned by many here that  
10 we're looking to increase taxes, fares for  
11 New York City riders, more from New York City  
12 taxpayers to pay for this, and the payroll  
13 tax that would affect my Westchester  
14 constituents.

15 Why do we want to tax the working  
16 New Yorker instead of somebody who does --  
17 and hey, billionaires -- to pay their fair  
18 share to assist in the needs of the MTA?

19 MTA CHAIR LIEBER: Well, I mean,  
20 again, the Payroll Mobility Tax is hitting  
21 only the 5 percent of the largest companies.  
22 So I think it kind of speaks to some -- you  
23 know, some of your comment.

24 It's a narrow, carefully tailored tax

1 that goes to the companies who are permitting  
2 remote work -- it's not an illegitimate  
3 choice -- but who want us to have  
4 five-day-a-week quality service. So for  
5 them, they're letting their employees come in  
6 one to three days a week, but they want our  
7 service to be there five days a week so that  
8 folks can come in.

9 And that's why we're saying it's  
10 appropriate to ask them to contribute along  
11 with the city, to take up some, you know,  
12 things that have become skewed in our  
13 financial relationship with the city --

14 SENATOR FERNANDEZ: But it's  
15 appropriate to have New York City riders,  
16 still New York City taxpayers --

17 MTA CHAIR LIEBER: Yes.

18 SENATOR FERNANDEZ: -- to pay more for  
19 the entire MTA fund?

20 MTA CHAIR LIEBER: Well, in this case,  
21 there's a division of labor. Remember, the  
22 MTA operates -- the city owns the subway  
23 system. We took it over because it was  
24 bankrupt and we were subsidizing it with

1 fares from -- you know, revenues from the  
2 Triborough Bridge and Tunnel Authority. That  
3 was the historical deal.

4 Over time, there has been a lot of  
5 cost-sharing. The city has equally shared in  
6 the Subway Action Plan, in the capital plan,  
7 and again and again. This is -- the proposal  
8 that the Governor's made is consistent with  
9 that idea that there's shared responsibility  
10 between the city, the owner of the subway  
11 system, and also the -- you know, who handed  
12 us paratransit and Access-A-Ride and express  
13 buses and many other things, and the state.  
14 It's consistent with that vision and that  
15 history.

16 SENATOR FERNANDEZ: Thank you. I just  
17 want to put on the record I do think we need  
18 to advance and update the Access-A-Ride  
19 program, possibly with an app, in the future,  
20 because it is crazy that we still have  
21 seniors waiting hours, at times, for their  
22 Access-A-Ride to show up.

23 But I do want to touch on OMNY and the  
24 weekly fare-cap pilot program that was

1 started. Has it been decided that this will  
2 be a permanent policy?

3 MTA CHAIR LIEBER: I missed the  
4 question.

5 SENATOR FERNANDEZ: The weekly  
6 fare-cap program by OMNY --

7 MTA CHAIR LIEBER: Yes, we're still in  
8 the -- technically, it's a pilot, but I think  
9 that the idea of using fare-capping, that  
10 automatic, weekly, when you reach a certain  
11 number of rides --

12 SENATOR FERNANDEZ: Twelve rides.

13 MTA CHAIR LIEBER: -- I believe is  
14 here to stay. And it's important because  
15 that way people don't have to decide, when  
16 they walk up on a Monday or whenever, do I  
17 take a weekly, do I take a monthly. Let the  
18 system give you the best fare.

19 That's a lot of wasted money where  
20 people are buying products that they didn't  
21 get the full advantage of. And it's a real  
22 benefit to the consumer, so I'm expecting  
23 we're going to keep that.

24 SENATOR FERNANDEZ: Okay. I

1 appreciate the accessibility that OMNY has  
2 brought. But surveillance, does a third  
3 party have access to riders' card information  
4 and location history? And what has the MTA  
5 done to protect that?

6 CHAIRWOMAN WEINSTEIN: Time.

7 CHAIRWOMAN KRUEGER: Time.

8 SENATOR FERNANDEZ: Oh, man.

9 CHAIRWOMAN KRUEGER: You'll have to  
10 answer Senator Fernandez afterwards because  
11 you've run out of time.

12 MTA CHAIR LIEBER: With pleasure.

13 CHAIRWOMAN KRUEGER: Thank you.

14 CHAIRWOMAN WEINSTEIN: Assemblywoman  
15 Giglio.

16 ASSEMBLYWOMAN GIGLIO: Good afternoon.

17 Thank you for being here, and thank you for  
18 the South Fork commuter rail. It is  
19 tremendously popular and very much used.

20 The question that I have for you is --  
21 or the couple, is the 6:20 a.m. train on  
22 Fridays, from Memorial Day until Labor Day,  
23 was discontinued due to the Cannonball train  
24 that was coming out from the city. I'm

1 wondering if you have any plans to restore  
2 that line so that the businesses and  
3 hospitals and schools, who employ many  
4 people, can continue to use that train during  
5 the summer months.

6 It's been a big problem. And I know  
7 that it was rejected again last year --

8 MTA CHAIR LIEBER: Is this the Friday  
9 train or the Monday train?

10 ASSEMBLYWOMAN GIGLIO: The Friday  
11 train, the 6:20 a.m., and then the 5 p.m.  
12 westbound. The 5 p.m. westbound doesn't seem  
13 to be as much of a problem as the 6:20 a.m.,  
14 while people are trying to get to work.

15 MTA CHAIR LIEBER: Listen, we love --  
16 you know, there's 40 percent more service  
17 coming to Long Island Rail Road within a  
18 matter of weeks when we switch over to the  
19 new schedule because of Grand Central  
20 Madison.

21 So I will take a look at which trains  
22 are there for the ridership pattern you want  
23 to get into, and we'll get back to you. But  
24 we -- there's going to be a ton of reverse



1 commuting service, and I think that train  
2 falls in that category. It's going the  
3 opposite direction on a Friday morning. So  
4 let's take a look.

5 ASSEMBLYWOMAN GIGLIO: Yes, so that  
6 would be very helpful to many of my  
7 constituents.

8 And then the second line is the  
9 capital plan to electrify the train on the  
10 main line and the Port Jeff line and also the  
11 Speonk to Montauk line, if that is anywhere  
12 in your future projections. Because we talk  
13 every day on the floor in the Assembly and  
14 the Senate about contaminations to our  
15 environment, and the diesel is really a big  
16 problem. We need to electrify that rail.

17 MTA CHAIR LIEBER: So -- so the good  
18 news is Long Island has gotten literally  
19 fifteen to \$20 billion of megaprojects that  
20 are making this possible, this 40 percent  
21 increase in service. That's a good. Hope we  
22 don't forget that.

23 All new megaprojects like the  
24 multi-billion-dollar electrification projects

1 are going through what we call comparative  
2 evaluation, looking at all the projects that  
3 might ask for money at that scale in our  
4 capital plan. We have to give you guys and  
5 the world a report, a 20-year needs  
6 assessment, in the fall. That's when you'll  
7 have an answer to those questions about those  
8 particular projects.

9 ASSEMBLYWOMAN GIGLIO: Well, please  
10 keep that at the top of your list, as we've  
11 just completed the Third -- the Third --

12 MTA CHAIR LIEBER: Third Track, Double  
13 Track, Grand Central Madison --

14 ASSEMBLYWOMAN GIGLIO: -- Rail, Third  
15 Rail, Second Track, East Side Access --

16 MTA CHAIR LIEBER: -- all the tracks  
17 are fixed. A lot of investment in the Long  
18 Island Rail Road.

19 ASSEMBLYWOMAN GIGLIO: Long Island  
20 needs some love. Thank you.

21 MTA CHAIR LIEBER: They get a lot.  
22 And the Ronkonkoma -- yes.

23 ASSEMBLYWOMAN GIGLIO: Yes.

24 CHAIRWOMAN WEINSTEIN: Thank you.

1 Just colleagues and MTA, we're going  
2 to take a five-minute break so people can  
3 stretch their legs and use facilities.

4 So we're going to set the clock for  
5 five minutes, just a reminder to everybody.

6 (Brief recess taken.)

7 CHAIRWOMAN KRUEGER: We're back for  
8 round -- well, it's not Round 2, we're just a  
9 continuation.

10 And I don't see my colleague Tom  
11 O'Mara back, so I'm going to take my  
12 questions first. Thank you.

13 And many questions have been asked and  
14 answered, and I really hate referencing the  
15 New York Post ever for anything -- sorry if  
16 you're in the audience --

17 MTA CHAIR LIEBER: They're right here.

18 CHAIRWOMAN WEINSTEIN: Sorry.

19 But they had an article or two  
20 referencing how much more you're spending on  
21 Long Island Rail Road staff than seems to be  
22 conceivably justifiable. Multiple people  
23 overlapping and not working, people getting  
24 paid more when there's baseball games going

1 on, multiple shifts that you just don't need  
2 that many people -- there's a long list. I  
3 can read you the Post article, but you've  
4 probably read it.

5 Tell me what's going on and why your  
6 numbers are so different than for the  
7 Metro-North or the subways.

8 MTA CHAIR LIEBER: So listen, some of  
9 that is -- I mean, broadly speaking, I never  
10 apologize for the fact that my predecessors  
11 had railroad agreements, many of which date  
12 to the early 20th century, because the  
13 Long Island Rail Road has been around that  
14 long, that govern how work is distributed in  
15 jurisdiction among different crafts and how  
16 many people you have to staff a job. It's  
17 all fairly achieved in collective bargaining,  
18 most of those issues.

19 But sometimes you need to update, and  
20 that's what we will do. We'll put those  
21 issues on the table -- the legitimate ones,  
22 at least -- in collective bargaining.  
23 However, in the meantime, what we're doing is  
24 we're taking advantage of the fact that we

1 have one person, a fantastic woman, Cathy  
2 Rinaldi, running both railroads, to look at  
3 opportunities to compare and contrast cost  
4 and efficiency. And we are using Cathy's  
5 knowhow and also data that shows us the  
6 difference between these two railroads, to  
7 identify those inefficiencies and where we  
8 can, without violating collective bargaining  
9 agreements, to get better at it.

10 That is one of the ways we're knocking  
11 out the \$400 million in savings that's in the  
12 Governor's plan, is using data and also  
13 technology to identify opportunities for  
14 efficiencies. Some of that will address some  
15 of the issues that you read about.

16 CHAIRWOMAN KRUEGER: And there was a  
17 report, I believe, that because of new  
18 federal infrastructure money -- oh, sorry,  
19 mine went off. Thank you. -- that because  
20 of new federal infrastructure money, our  
21 roads and bridges were going to see about  
22 another 13 billion in money from the feds.

23 Does any of that go to the MTA?

24 MTA CHAIR LIEBER: Listen, we -- the

1 Biden infrastructure plan had an increase in  
2 the formula money. That was about  
3 \$3 billion. The balance of what Chuck  
4 Schumer -- who is our guardian angel in  
5 Washington -- projected that the MTA would  
6 receive is in discretionary categories. We  
7 have to compete for the money, so it's very  
8 early days for us to say for sure how much  
9 extra money we're going to get. But they  
10 have money for zero-emissions buses. We are  
11 on the verge of putting out the largest  
12 zero-emissions bus contract in the  
13 United States, 470. It's money for ADA,  
14 which you know we're committed to, because  
15 we're doing so much more than everybody else  
16 ever did. And other categories. So we have  
17 to compete for the money, but we're after it,  
18 every category.

19 CHAIRWOMAN KRUEGER: And there seems  
20 to be a little confusion between your  
21 operating funding cliff and your capital  
22 funding cliff. So just to make sure that I'm  
23 understanding it correctly. So congestion  
24 pricing, when it ever comes, that was

1 intended to borrow money for capital, am I  
2 correct?

3 MTA CHAIR LIEBER: Yes. Correct.

4 CHAIRWOMAN KRUEGER: And there's no  
5 plan to move that into operating.

6 MTA CHAIR LIEBER: Absolutely not. We  
7 need every dollar for making sure this  
8 hundred-plus-year-old system that wants to  
9 fall apart does not fall apart.

10 CHAIRWOMAN KRUEGER: And so the  
11 proposal by the Governor to increase revenue  
12 to the MTA on an annual basis from a number  
13 of different streams is intended to address  
14 the operating deficit that you are facing --

15 MTA CHAIR LIEBER: Yes.

16 CHAIRWOMAN KRUEGER: -- moving into  
17 the future, correct?

18 MTA CHAIR LIEBER: I'm thrilled that  
19 the chair of Senate Finance knows that  
20 difference between the operating budget and  
21 the capital budget; I know you do.

22 You know, I sometimes explain to  
23 people it's like the educational environment:  
24 You've got to build the school, and then

1 you've got to pay the teachers and the  
2 custodians and the professionals who work in  
3 the school. Build the school's capital  
4 budget, operate the school's operating  
5 budget.

6 CHAIRWOMAN KRUEGER: And because when  
7 you read real estate, I guess -- what are --  
8 they show up every -- real estate blogs, you  
9 see that some of the major real estate  
10 entities in New York City, particularly in  
11 Manhattan, which I represent, are discussing  
12 that, you know, it's just their -- they're  
13 just not going to fill those commercial  
14 buildings the way they ever did before, and  
15 they're now recognizing it and they're taking  
16 it off of their books from a projection of  
17 revenue.

18 So when we talk about where you are on  
19 people returning to the MTA, do you have a  
20 sense of if we're all doing, quote, unquote,  
21 everything right, because of changes in the  
22 economy and how people approach work and  
23 where they work, what level we actually think  
24 is reasonable to expect to get back to?



1 MTA CHAIR LIEBER: Yeah. I mean,  
2 we've -- our projections that we're operating  
3 from in the budget that you have in the  
4 Governor's proposal, is based on that. They  
5 show us getting back into the 80s  
6 percent-wise, versus pre-COVID, in 2026.

7 But, you know, I'm in the  
8 never-bet-against-New York business. I spent  
9 14 years on the World Trade Center project,  
10 where people said, Eh, downtown's gone,  
11 forget about it, turn it into a farm or a  
12 putting green or all kinds of crazy ideas.  
13 And we rebuilt the most dynamic business  
14 district and all kinds of people came there  
15 to live and work and play, and it's a  
16 one-of-a-kind place.

17 So I am fundamentally optimistic about  
18 New York. But we do have our projections,  
19 and we put them together with professionals.  
20 So I'm not giving up. I think we're going to  
21 exceed it.

22 CHAIRWOMAN KRUEGER: But are your --  
23 so I'm also fundamentally optimistic about  
24 New York. I'm also fundamentally a believer

1 that we've always tried to crowd everything  
2 onto the head of a pin called Manhattan  
3 Island, and it's okay with me if we're  
4 expanding our business opportunities through  
5 the other boroughs and through other parts of  
6 the region.

7 So for me, it's almost more important  
8 to see and hear how the MTA can address  
9 making sure that we target better mass  
10 transit to other areas within the 12-county  
11 region, that people could actually be working  
12 and living without an expectation that it all  
13 has to be aimed for Midtown and Lower  
14 Manhattan.

15 MTA CHAIR LIEBER: No, you're  
16 absolutely right. We have a transit system  
17 that's still in some ways a legacy of the  
18 early 20th century in terms of its design.  
19 That's why the bus system is so important,  
20 because we have much more flexibility to  
21 direct people to destinations than we do with  
22 a heavy rail system that can't move, and why  
23 we have to make buses so much faster.

24 It's also why the Governor's IBX

1 proposal is exciting, because there are more  
2 people working -- moving between Brooklyn and  
3 Queens for work than there are coming across  
4 the river to Manhattan, but they don't have  
5 really a direct way of doing it. So the IBX,  
6 along with the G Train and a more dynamic bus  
7 routing system, which we're working on right  
8 now with folks in Brooklyn and Queens, is an  
9 answer to your question, which is well-made.

10 CHAIRWOMAN KRUEGER: So the Mayor and  
11 the Governor I think both talked about  
12 supporting the interborough rail between  
13 Brooklyn and Queens. Is that expected to --

14 MTA CHAIR LIEBER: Yeah, that's the  
15 interborough express. That's --

16 CHAIRWOMAN KRUEGER: Is that expected  
17 to be an MTA project or independent of the  
18 MTA?

19 MTA CHAIR LIEBER: Yeah, it's supposed  
20 to be an MTA project. We just announced  
21 with -- the Governor announced that we've  
22 completed the phase of the environmental  
23 review that allows us to choose light rail as  
24 the mode, and now we're going into full-on

1 environmental review and design. And then  
2 hopefully, you know, if it makes the cut, it  
3 will be in a position to compete for capital  
4 dollars in the next capital plan.

5 CHAIRWOMAN KRUEGER: I'm going to cede  
6 back my other three minutes. Thank you very  
7 much.

8 MTA CHAIR LIEBER: Thank you.

9 CHAIRWOMAN KRUEGER: Assembly?

10 CHAIRWOMAN WEINSTEIN: We go to  
11 Assemblywoman Sillitti.

12 ASSEMBLYWOMAN SILLITTI: Hi.

13 MTA CHAIR LIEBER: Hello.

14 ASSEMBLYWOMAN SILLITTI: So I think  
15 some of you know me. I represent a commuter  
16 district that is exclusively on the --  
17 majority on the Port Washington line.

18 And so I just want to first -- you  
19 know, on the record -- thank you for working  
20 with us on the restoration of the express  
21 line. It was appreciated, your willingness  
22 to work with me and the thousands of  
23 constituents. So I wanted to get that out of  
24 the way first, on the record.

1           So you mentioned before in your  
2 testimony, you were talking about there was  
3 this, you know, increase in service for the  
4 Long Island Rail Road, better commute,  
5 40 percent increase. So for me, my issue  
6 is -- for the Port Washington line  
7 specifically, is that we're using -- we made  
8 massive cuts during COVID, obviously. But I  
9 feel like it's the base -- you're using that  
10 as the baseline for the comparison.

11           So for example, in 2019 there were I  
12 think 18 a.m.-peak trains and then 19 trains  
13 in the evening. And in COVID we had about  
14 11 going in in the morning and I think 14 in  
15 the evening. So with the timetables that you  
16 guys worked on with us, which again I want --  
17 again, I appreciate so very much -- it's  
18 still 11 in the morning, and then we have 10  
19 from Penn and 10 from Grand Central.

20           You know, we want people to return  
21 into the city. You know, the Governor wants  
22 people to return into the city. My  
23 constituents, many of them have the option of  
24 working from home. And if this new schedule

1 doesn't work, they're going to do that. And  
2 we don't want them to. We want to increase  
3 capacity, we want people to be back on the  
4 trains. And now that you mentioned before  
5 that they're safer, get back on the trains,  
6 get back into the city.

7       So I guess my question is this, in two  
8 parts. You know, you have -- in  
9 conversations Long Island Rail Road said  
10 they'll review ridership, you'll make  
11 adjustments as needed. So I just really want  
12 to emphasize, you know, will you monitor the  
13 situation for the entirety of the Long Island  
14 Rail Road -- and I'm speaking to the entirety  
15 of the Long Island Rail Road -- and the Port  
16 Washington line. And if there's overcrowding  
17 and other issues, will you address it in an  
18 expedited manner?

19       MTA CHAIR LIEBER: Yeah. I mean,  
20 your -- your point is well taken. The  
21 constraint that we've got -- as you know,  
22 Assemblyman, you were incredibly helpful in  
23 us, you know, resolving that -- the question  
24 of the express trains and how we would

1 configure it. But the constraint on the  
2 Port Washington line is we have no yard  
3 space. And that was a bad decision made many  
4 moons ago, long before you and I were around  
5 here. And we're living with it, and now  
6 people have woken up to the fact that it  
7 keeps us from running as many trains as we  
8 should be able to on that big piece of our --

9 ASSEMBLYWOMAN SILLITTI: Part of it's  
10 that. And then also, you know, there was an  
11 increase in service in Queens. That was the  
12 second part of it.

13 MTA CHAIR LIEBER: Yeah, but --

14 ASSEMBLYWOMAN SILLITTI: And I think  
15 the Port Washington end --

16 MTA CHAIR LIEBER: All over the Long  
17 Island Rail Road we used to run 406 trains a  
18 day in and out of Penn, and now, between Penn  
19 and Grand Central, we're going to run, you  
20 know, seven -- 650-odd --

21 ASSEMBLYWOMAN SILLITTI: With one  
22 second left, all I want to do is just make  
23 sure you keep track and, if there is issues,  
24 address them in the quickest manner possible.

1 MTA CHAIR LIEBER: I will be thrilled  
2 to work with you if we achieve overcrowded  
3 trains (laughing).

4 ASSEMBLYWOMAN SILLITTI: There you go.  
5 Done, thank you.

6 CHAIRWOMAN WEINSTEIN: To the Senate  
7 now. Thank you.

8 CHAIRWOMAN KRUEGER: Thank you.

9 Senator Tom O'Mara. Five minutes,  
10 please.

11 SENATOR O'MARA: Thank you, Chairman.

12 And again, thank you for your visit this past  
13 late in the year to Hornell, New York, and  
14 Alstom, our car-manufacturing entity. As you  
15 know, we have a strong railcar manufacturing  
16 base across the Southern Tier, but other  
17 places in New York State too.

18 So even though I'm from way upstate, I  
19 truly understand the value of the MTA, and to  
20 the economy of New York State as a whole,  
21 particularly New York City. So I thank you  
22 for your commitment in allowing -- or working  
23 with New York State manufacturers for these  
24 capital needs that you have.



1 I want to ask a couple of questions,  
2 though, on the buses and the Green New Deal  
3 and the electrification of buses in New York.  
4 And I am fully supportive of the  
5 electrification of buses in our urban areas.  
6 I think that's a critical aspect to be  
7 focusing on initially. But I read recently  
8 that you or somebody from the MTA had  
9 submitted some comments to the Public Service  
10 Commission that it was costing you two to  
11 three times as much to charge your electric  
12 buses that you have than it would to fuel a  
13 diesel or a natural gas bus.

14 You stated you have 15 electric buses  
15 now -- that seemed awful low to me -- but  
16 you've got a fleet of 5800 buses that would  
17 have to be converted to electric. And  
18 there's a recent I think bid out there right  
19 now of 1.1 billion for just 500 buses. Which  
20 would come out, per bus, at 2.2 million. I  
21 assume there's some costs in there for the  
22 charging stations as well, because that seems  
23 high per bus.

24 But, you know, what is the cost going

1 to be to the MTA for this? And what's the  
2 feasibility of, you know, transferring to  
3 electric buses, which I think we should be  
4 pushing. But we also need to look at the  
5 feasibility and the affordability of it, both  
6 of which were really left out of the climate  
7 plan when it was done.

8 So if you could just comment on the  
9 overall electrification of buses in New York  
10 City.

11 MTA CHAIR LIEBER: So, yeah, thank you  
12 for the question. It's a hugely important  
13 area. We have to get there. I mean, there's  
14 no question that we need to have an -- you  
15 know, use our bus fleet to achieve our  
16 environmental goals. We don't have any  
17 choice. We're out of time on -- on the  
18 consequences of climate change.

19 So we're taking -- we have a goal of  
20 having a fully electric fleet by 2040. I  
21 think that gives us the time to get there,  
22 both in terms of procurement, testing of the  
23 buses in the New York environment, and the  
24 installation of charging infrastructure.

1 But you're not wrong that it would be  
2 incredibly helpful if we had a special  
3 transit tariff through the PSC that would  
4 enable us to, you know, to have an  
5 appropriate, not -- we're not looking for  
6 something that's a freebie, but that would be  
7 appropriate to the scale of what we're doing.

8 We are working with NYPA on the  
9 installation of charging infrastructure at  
10 several of our major depots. Senator  
11 Comrie's home district, the Jamaica Bus  
12 Depot, is one of the first. Incredibly  
13 bus-dependent neighborhood.

14 But we're in full gear to try to  
15 switch over to electric, and the cost  
16 structure, in these early days -- we're going  
17 to get more capacity in the system, I know --  
18 is -- you know, there is an incremental cost  
19 to it, and we'd love to work with the  
20 Legislature to deal with that.

21 SENATOR O'MARA: Well, thank you for  
22 that. And I think that the overall cost of  
23 the timeline really needs to be something  
24 that needs to be fleshed out and just how

1 it's going to be paid for. Because this  
2 whole scheme is overwhelming and proposes a  
3 lot of impact to our economy as a whole in  
4 New York State.

5 But just to where I started out, under  
6 the current tariff that you have right now,  
7 it's costing you two to three times as much  
8 to charge an electric bus than it is to fill  
9 it up with diesel?

10 MTA CHAIR LIEBER: I don't -- my  
11 apologies, I don't know the exact numbers.  
12 We'll get back to you with that. It is more  
13 than old-fashioned, dirty fuels, yeah. And I  
14 know that the state is making huge  
15 investments in renewables and working to  
16 bring that cost down. For us, it's really a  
17 challenge to make sure we have the capacity,  
18 in addition to the cost. We have to put all  
19 that charging infrastructure in and make sure  
20 we can run the system.

21 So -- but we'll give you specifics on  
22 it. And as I said, we would be thrilled to  
23 work together on some special accommodations  
24 for transit, which has this huge collective

1 value.

2 SENATOR O'MARA: Well, thank you.

3 And in addition to the strong railcar  
4 manufacturing industry we have in New York, I  
5 hope that we are working as a state to have  
6 an equally as strong electric bus  
7 manufacturing that entities such as the MTA  
8 can utilize. Thank you.

9 MTA CHAIR LIEBER: You bet.

10 CHAIRWOMAN KRUEGER: Thank you.

11 Assembly.

12 CHAIRWOMAN WEINSTEIN: Assemblywoman  
13 Shimsky.

14 ASSEMBLYWOMAN SHIMSKY: Thank you very  
15 much, Madam Chairwoman.

16 And thank you very much, Mr. Chairman.

17 I represent a district in the Hudson  
18 Valley and Westchester County. I have the  
19 Hudson and Harlem lines going through.

20 My first question concerns something  
21 that came up in the Governor's State of the  
22 State address. She has an Innovative  
23 Mobility Initiative, which covers upstate  
24 areas and areas outside the MTA. But the

1 reason I bring that up is there are large  
2 swaths of real estate within the MTA's  
3 territory where things like fixed-route buses  
4 simply are not cost-effective. And one of  
5 the things I wanted to know from you is, at  
6 what point is the MTA looking at how to  
7 reimagine mass transit in a more  
8 cost-effective way in those areas?

9 MTA CHAIR LIEBER: Listen, I -- I  
10 don't know all the specifics, but I'll tell  
11 you, what I'd like to go over with you is  
12 our -- the concept of the last mile,  
13 strategies to deal with the last mile. If we  
14 can get people that connection to a rail  
15 station, ideally, or even to a bus station,  
16 so that it becomes -- makes sense for them to  
17 do it on a -- as a pedestrian, on some  
18 electric vehicle, on a bicycle, however, and  
19 that we have enough parking and charging and  
20 support for that, that will make a  
21 difference.

22 Also, we're trying to experiment, you  
23 know, with these circulatory feeder services  
24 or on-demand services. These are all things

1 that could make the difference between making  
2 MTA fixed rail an option for somebody. And  
3 you don't want to just keep having to build  
4 more parking lots.

5 So it's an area where I think there's  
6 huge opportunity for growth and creativity,  
7 and we're into it. So let's have the  
8 discussion.

9 ASSEMBLYWOMAN SHIMSKY: Oh,  
10 absolutely.

11 My second question concerns safety  
12 equipment and upgrades. In my region we  
13 still have a lot of at-grade rail crossings.  
14 We have the old-fashioned gates that were  
15 around when I was growing up, probably when  
16 you were growing up too --

17 MTA CHAIR LIEBER: Well, I lived in  
18 the city.

19 ASSEMBLYWOMAN SHIMSKY: -- that the  
20 cars -- that a lot of cars can end up getting  
21 into catastrophic situations with, and that  
22 has happened in my district.

23 What are we doing to access more money  
24 from the federal government to help make sure

1 that these various forms of safety upgrades,  
2 these signal changes, dealing with some of  
3 the challenging topography in our area can  
4 have and --

5 MTA CHAIR LIEBER: One thing that we  
6 did is we became experts on the Third Track  
7 project in Long Island, in knocking out grade  
8 crossing eliminations in a single weekend.  
9 It had never been done before, at least to my  
10 knowledge, in the New York area, and maybe  
11 even in the United States. But we were like  
12 digging underneath -- closing on the railroad  
13 on Friday night and digging a hole under -- a  
14 huge, big pathway for cars and humans  
15 underneath, and restoring the railroad,  
16 pushing in a concrete box so that you had an  
17 under-grade crossing.

18 So having had that experience, we  
19 would love to spread it all over where  
20 appropriate. We do need the money. We go  
21 after every dollar at the federal level.  
22 I'll give you a specific -- I mean, some  
23 specifics on which categories there are and  
24 how much New York gets. That's the question,



1 are we getting our fair share.

2 ASSEMBLYWOMAN SHIMSKY: Yeah, that  
3 would be great to find out for Metro-North.

4 Thank you.

5 CHAIRWOMAN WEINSTEIN: Thank you.  
6 Senate.

7 CHAIRWOMAN KRUEGER: Thank you.

8 We're now on to our second round for  
9 our two chairs. First, with Authorities,  
10 Leroy Comrie.

11 SENATOR COMRIE: Thank you.

12 CHAIRWOMAN KRUEGER: Three minutes,  
13 sorry.

14 SENATOR COMRIE: Ten minutes, I heard.

15 (Laughter.)

16 CHAIRWOMAN WEINSTEIN: No, no, no.

17 SENATOR COMRIE: As you indicated  
18 earlier, fixing Penn is a priority for all of  
19 us New Yorkers, including myself and anybody  
20 who wants to see transportation. Clearly,  
21 with Vornado's declaring that it can't  
22 provide funding, it's shaky on funding -- you  
23 had talked earlier about the lack of people  
24 coming back, with Senator Schumer now coming

1 out against the original plan -- doesn't it  
2 make sense to void the GOO {ph} and work with  
3 Senator Schumer to immediately prioritize the  
4 plan if it gets -- passed muster with the  
5 federal government? And how are we going to  
6 make that happen?

7 MTA CHAIR LIEBER: So yeah, the answer  
8 to any question "Would you work with Senator  
9 Schumer," in my case is yes, because he is --  
10 you know, he's the guy who makes things  
11 happen for New York in the Congress,  
12 especially in the transportation money  
13 category.

14 Listen, I think I said it earlier, I  
15 am -- I think that the priority has to be  
16 we've got a certain amount of money from the  
17 Legislature for Penn. Now we've got to go  
18 whole hog -- you know, all out to get the  
19 federal money. That means we need Amtrak and  
20 New Jersey Transit to support that.

21 SENATOR COMRIE: I was very  
22 disappointed that the Amtrak Gateway plan  
23 seems to be another situation of they only  
24 want to be able to have Amtrak cars run

1 through there and not have throughway service  
2 or an ability to support all cars. I hope  
3 that you can work with Senator Schumer to  
4 make a new plan that would incorporate Penn  
5 and create access for all systems to be able  
6 to work together. It's important for  
7 New York, if it's going to remain a financial  
8 engine of our country, to have access from  
9 all over the country, since people are moving  
10 farther and farther out to come back to  
11 work --

12 MTA CHAIR LIEBER: I agree with you,  
13 but right now we're in a race to get the  
14 existing Penn renovation going before  
15 Metro-North comes in from the Penn Access  
16 project. That's the thing that we've got to  
17 get going, and we've got to get money for as  
18 soon as possible. That is my focus.

19 But I agree with you, we need to make  
20 sure that that expansion, when it happens,  
21 accommodates through running and other  
22 strategies.

23 SENATOR COMRIE: Well, I hope we can  
24 get the COO to renegotiate it quickly so that

1 that can happen.

2 A question on MWBE. I understand  
3 you're losing your MWBE czar. And where are  
4 you with MWBE, and how are you going to  
5 replace someone that has been a historic --

6 MTA CHAIR LIEBER: MTA is a leader on  
7 MWBE. We are the number-one state agency by  
8 a lot. I think we are a third of the MWBE  
9 achievement statewide, of all the state  
10 agencies. We give -- we do about a  
11 billion dollars a year in contracting with  
12 M's and W's and DBE's.

13 And we are -- in addition to what  
14 we've already accomplished -- you mentioned  
15 Mike Garner, who's going over to work for  
16 Mayor Adams. He was the leader. We're going  
17 to replace him. But my goal is we need more  
18 M and W companies that can fill categories of  
19 work that we don't have enough M's and W's  
20 in, honestly. So we're hitting the numbers,  
21 but we need more participation. That's a  
22 priority for me.

23 SENATOR COMRIE: Where are we with the  
24 test platforms that were supposed to be put

1 in, the Times Square, Third Avenue, and at  
2 Sutphin Boulevard? The test platforms that  
3 were going to be done after the pushing  
4 incidents. Have they been designed,  
5 implemented?

6 MTA CHAIR LIEBER: We're in -- we're  
7 in the preliminary design that will allow us  
8 to do the procurements now.

9 Those are -- let me just emphasize,  
10 those are so expensive and they're only  
11 applicable in a very small portion of our  
12 stations because of the structural load that  
13 they impose on the platforms. So we're  
14 looking -- in the \$100 million we put in --  
15 the Governor put in her proposal for MTA law  
16 enforcement, it includes a ton of other  
17 technology innovations to try to keep people  
18 off the tracks. That's another thing that  
19 we're hard at work on.

20 CHAIRWOMAN KRUEGER: I'm sorry, I have  
21 to cut off this --

22 SENATOR COMRIE: I'm sorry, my time is  
23 up. Thank you. Thank you, Madam Chair.

24 CHAIRWOMAN KRUEGER: Thank you.

1 Assembly.

2 CHAIRWOMAN WEINSTEIN: We've been  
3 joined by Assemblyman De Los Santos.

4 And we go to Assemblyman Burgos for a  
5 question.

6 ASSEMBLYMAN BURGOS: Thank you,  
7 Madam Chair.

8 Thank you, Chairman and the team, for  
9 coming here today.

10 In your testimony you mentioned the  
11 bus redesign plan --

12 CHAIRWOMAN WEINSTEIN: Can you check  
13 if your mic is on?

14 ASSEMBLYMAN BURGOS: Can you hear me?

15 MTA CHAIR LIEBER: Yup.

16 CHAIRWOMAN WEINSTEIN: Yes.

17 ASSEMBLYMAN BURGOS: You mentioned the  
18 bus redesign plan. And I'll tell you, since  
19 I'm from a district that has the 6 Train but  
20 the overwhelming majority of my district  
21 relies on bus service, I appreciate, you  
22 know, the effort your team took -- you know,  
23 the transparency and the communication.

24 So with that in mind, I do want to

1 speak a little more on buses. It's my belief  
2 that, you know, buses and trains within  
3 New York City are very different, not just in  
4 the way they operate, but who actually  
5 utilizes them. Are you able to provide me a  
6 picture of bus service, bus revenue and bus  
7 ridership, like peak pandemic versus what  
8 we're looking at now?

9 MTA CHAIR LIEBER: Yeah. I mean,  
10 we're -- you know, our bus ridership numbers  
11 are not far off our subway ridership. It's  
12 in the low 60 percentile relative to  
13 pre-COVID. Our revenue situation on the  
14 buses has declined more. We have, honestly,  
15 a higher rate of fare evasion on buses.

16 But, you know, as I always say,  
17 irrespective of the economics, we've got to  
18 make the bus system much better. And the  
19 Bronx was a good example. Like a real  
20 collaborative, transparent dialogue yielded  
21 savings in time for routes that are life or  
22 death for people: Can I get to a job? Can I  
23 get to a hospital? Can I get to school in a  
24 reasonable time frame? And we made some

1 progress in collaboration. We're doing it  
2 for Brooklyn and Queens now. We've got to  
3 make buses run faster. I need people out of  
4 the bus lane. I need them out of the bus  
5 lane. That's why you're seeing some of the  
6 other proposals we have.

7 ASSEMBLYMAN BURGOS: So in that same  
8 respect, I know Senator Liu mentioned earlier  
9 about the possibility of free buses. And I  
10 know you made the comment saying, you know,  
11 we don't want the frosting before the cake.  
12 And I can appreciate that. But I also don't  
13 want to underestimate the value in showing  
14 people what a service MTA can be, and how  
15 that can even translate to an increase in  
16 ridership for pay fares, right, on the  
17 subways. So I would love to see how we can  
18 work towards that goal.

19 In my last time, I think you mentioned  
20 you have about a million people on reduced  
21 fares.

22 MTA CHAIR LIEBER: Yeah.

23 ASSEMBLYMAN BURGOS: Do we have the  
24 data on -- I know they're using bus and



1 subway. But do we have an idea of how many  
2 people on reduced fare are using the buses,  
3 in comparison to subways?

4 MTA CHAIR LIEBER: We can -- we can  
5 tell you that. I mean, there's no question  
6 that you have a lower income profile, broadly  
7 speaking, on buses than on subways. I'm sure  
8 that will be borne out when we give you the  
9 data. But if that's your point, it's well  
10 made. And we love to give -- make sure more  
11 people are on Fair Fares and that they're  
12 getting the discounts that they're entitled  
13 to.

14 ASSEMBLYMAN BURGOS: Again, so in the  
15 last bit of my time, I think we just have to  
16 take that data into account, all the comments  
17 you made, obviously, on what people in outer  
18 boroughs and lower income rely on bus  
19 service. I think we should really genuinely  
20 look at the possibility of free bus service,  
21 even if it begins as a pilot program in  
22 certain boroughs or outer boroughs. But we  
23 are not Manhattan. We are not serviced the  
24 same way with subways, and I think we should

1 look at the buses.

2 Thank you.

3 CHAIRWOMAN WEINSTEIN: Thank you.

4 To the Senate.

5 CHAIRWOMAN KRUEGER: Thank you very

6 much. I think, for the Senate to close, is

7 Tim Kennedy, our chair of Transportation,

8 three-minute second round.

9 SENATOR KENNEDY: Yeah, thank you

10 again, Chairman. Thank you for your answers.

11 I think it can't be understated the

12 importance and the impact that the workforce

13 has had on the system, particularly over the

14 last few years with the pandemic raging.

15 Those that showed up to make sure that the

16 system continued to move and function for the

17 ridership not only risked their lives but, in

18 many cases, gave their lives.

19 I just would like you to speak to

20 what's happening with this budget and its

21 impact on the workforce, on the members of

22 organized labor, and does this budget give

23 them the support that they need to do their

24 jobs every day?

1 MTA CHAIR LIEBER: The number-one  
2 response to your question is the proposal  
3 that the Governor's budget puts on the table  
4 would fully fund our existing workforce,  
5 making unnecessary layoffs. That's the  
6 number-one issue. We all want to avoid that.  
7 Layoffs equals service cuts equals the death  
8 spiral for transit. Right? So we don't want  
9 to be doing that. That's the most important  
10 thing.

11 The other is the -- we are using what  
12 resources we have to kind of grow our  
13 partnership with labor. We have a new safety  
14 committee that John Samuelson sits on that is  
15 breaking new ground in terms of  
16 labor/management collaboration. I think we  
17 are both very much of a mind to try to deal  
18 with the worker availability consequences of  
19 COVID, and I think there's a partnership  
20 there. But the bottom line is we want, you  
21 know, jobs to be secure. We're reverting  
22 some of the contract cleaners, both of the  
23 cars and cleaning in the stations, to  
24 unionized TWU full-time employees. I think

1 we want to be on the same page and our  
2 interests are aligned.

3 We do -- I've spoken earlier, like I  
4 think we -- you know, it makes sense to look  
5 at opportunities to become more productive.  
6 But I think they have contributions to make  
7 as we figure that out, and we're going to be  
8 calling on them, and not just in collective  
9 bargaining but in everyday as well.

10 SENATOR KENNEDY: Thank you.

11 And just for the purposes of time, my  
12 last question will be around Penn Station  
13 Access and the project that broke ground over  
14 a month ago. We're already hearing that  
15 there may be delays because of Amtrak. Can  
16 you speak to the delays? And what is the  
17 holdup with Amtrak?

18 MTA CHAIR LIEBER: So the situation is  
19 this. Look, East Side Access, now known as  
20 Grand Central Madison -- because I don't want  
21 the shadow of that failed project to hang on  
22 forever to what is actually a positive  
23 development for transit in the region -- what  
24 we learned with East Side Access is that you

1 need -- when you need outages -- you need  
2 outages, you need access to the track to do  
3 work, and you need flaggers and you need  
4 other supervisory personnel for Amtrak, which  
5 owns the track.

6 That cost the East Side access project  
7 probably a billion dollars, because Amtrak  
8 couldn't or wouldn't -- and again, I wasn't  
9 there for most of this stuff. Work couldn't  
10 get done on time, and contractors were told  
11 to walk away and delay and delay and delay,  
12 and money, money, money.

13 So when we did Penn Access -- and I  
14 will just finish this answer -- when we did  
15 Penn Access, we insisted that Amtrak sign a  
16 commitment to provide outages on a schedule  
17 and to provide the workforce to support the  
18 work. And notwithstanding that contract  
19 commitment, which subjects them to damage  
20 claims, they still haven't been able to do it  
21 now. I know they're working on it, but it  
22 impacts on the project. We can't do work, we  
23 can't finish the project. That's what you're  
24 hearing about.

1 I've raised it with the highest levels  
2 of Amtrak. They're offering us, you know,  
3 some -- some new strategies for getting the  
4 work done. The time that we've lost, that's  
5 still being negotiated.

6 SENATOR KENNEDY: We expect Amtrak to  
7 be better partners.

8 MTA CHAIR LIEBER: We are hoping. The  
9 heart's in the right place, but they have  
10 struggled to let work get done so projects  
11 can finish on time and on budget.

12 That didn't happen on the Long Island  
13 Rail Road, because we controlled the Third  
14 Track. It was us and the railroad, and they  
15 gave us the outages and they gave us the  
16 personnel, and we finished \$100 million under  
17 budget.

18 CHAIRWOMAN KRUEGER: Thank you.  
19 Assembly.

20 CHAIRWOMAN WEINSTEIN: Assemblyman  
21 Palmesano.

22 ASSEMBLYMAN PALMESANO: Yes.

23 Thank you, Mr. Chairman, good to see  
24 you again. I also wanted to echo what

1 Senator O'Mara said about coming out to see  
2 Alstom and visiting them this August so you  
3 can see the {inaudible} we have right there  
4 in Hornell and the critical workforce they  
5 have that is --

6 CHAIRWOMAN WEINSTEIN: I'm not --  
7 Phil, excuse me. Can you pull the mic  
8 closer?

9 MTA CHAIR LIEBER: I heard you. I  
10 heard you.

11 ASSEMBLYMAN PALMESANO: -- the  
12 critical projects that they continue to do  
13 for both the MTA and other customers.

14 With that being said, I know you've  
15 seen the significant investments Alstom has  
16 made there to deliver projects for the MTA.  
17 They're the subcontractor on the R211  
18 project. They've invested \$40 million in the  
19 steel car body shell there. They also have  
20 the Amtrak high-speed rail contract and  
21 others. Given that, I want to kind of pivot  
22 to the next generation of railcars for the  
23 city, the R262 contract.

24 What is the time frame, from your

1 perspective, of that being let? How many  
2 cars are you talking about? And also I know  
3 that there's an option for more cars,  
4 430-plus cars for the R211 contract. If  
5 that's exercised, will that delay the R262?  
6 And also -- you can start with that.

7 MTA CHAIR LIEBER: Okay. So I don't  
8 recall the numbers, but it's a lot. It's  
9 multi-billion-dollars. The 262s, you're  
10 talking about the next generation of IRT  
11 cars. That's the A division; those are the  
12 numbered lines.

13 We need them. And we want to get  
14 them. And we wanted to use a New York --  
15 ideally, a New York company, like Alstom.  
16 And Kawasaki does a bunch of their work --  
17 not as much, but they're also, for  
18 manufacturing railcars, a significant  
19 New York player.

20 We would love to use it. The question  
21 is, is the price affordable? And we are in  
22 the middle of negotiations about that. My --  
23 my team's job is to make sure that the  
24 numbers can be supported and justified



1 compared to what the rest of the world is  
2 paying for railcars.

3 So that's where we are, honestly.

4 Yes, the -- our options with other contracts,  
5 depending on the price for -- that we are  
6 ultimately able to exercise for the 262s,  
7 it's conceivable that other contract options  
8 could be alternatives. But the main thing is  
9 what are the terms and the schedule and the  
10 budget and the cost for that Alstom or any  
11 other manufacturer is able to offer, and that  
12 is -- that procurement discussion is still  
13 underway.

14 ASSEMBLYMAN PALMESANO: So as far as a  
15 time frame, you don't really -- you can't  
16 really give a time frame --

17 MTA CHAIR LIEBER: Well, the time  
18 frame is either they'll come to a reasonable  
19 agreement or there won't be a contract.

20 ASSEMBLYMAN PALMESANO: Gotcha. Fair  
21 enough. Thank you, sir.

22 MTA CHAIR LIEBER: Yeah, that's --  
23 that's the real time frame. Just telling you  
24 the emis {ph}, as we say in Brooklyn.

1 ASSEMBLYMAN PALMESANO: Thanks again  
2 for coming. Really do appreciate it.

3 CHAIRWOMAN WEINSTEIN: Thank you.

4 Assemblywoman Gonzalez-Rojas.

5 ASSEMBLYWOMAN GONZALEZ-ROJAS: Thank  
6 you so much for being here for many hours.

7 Earlier Chairman Kennedy referred to  
8 the six-minute bus service, and last year I  
9 sent a budget letter advocating for that  
10 service and we're continuing to do so as a  
11 full package, as you're aware of, the Fix the  
12 MTA package.

13 But to clarify, the six-minute service  
14 proposal was not 24 hours, as much as I'd  
15 love it to be 24 hours. We were really  
16 looking at six-minute service between 5 a.m.  
17 and 9 p.m. during the week and 8 a.m. to  
18 10 p.m. during the weekends, with an  
19 estimated cost of 250 million.

20 How does this change the  
21 infrastructure concerns and barriers that you  
22 relayed earlier?

23 MTA CHAIR LIEBER: Listen, I --  
24 I've -- the issue for us is that -- I'm

1 pushing back a little only against the idea  
2 that the frequency and reliability of the bus  
3 service is based on how many buses we put out  
4 there. It is in large part based on the  
5 traffic conditions that buses encounter. And  
6 again, as we're debating where to take the  
7 transit system, I just want that to remain  
8 front and center.

9 I very much respect the idea, I love  
10 the idea of frequency and more service and  
11 more service. We have to, one, solve the  
12 budget gap and, two, be honest about the  
13 conditions that are preventing buses from  
14 getting around the city. It's congestion,  
15 it's folks of goodwill -- and some not, but  
16 mostly goodwill -- parking in the bus lanes,  
17 parking in the bus stops.

18 We have a plan on the table with all  
19 of you, in the Governor's proposal, to  
20 actually allow for camera enforcement, not  
21 just of the bus lanes but also of people who  
22 are lingering in bus stops. Not one -- not a  
23 drop-off, but staying more than five minutes.

24 So I want to make sure we don't lose

1 sight of attacking those problems as we  
2 figure it out. And I will respond to you on  
3 the six-minute -- the numbers impact of  
4 six-minute service on the time frames that  
5 you've asked for.

6 ASSEMBLYWOMAN GONZALEZ-ROJAS: Thank  
7 you.

8 And I know that fiscal solvency of the  
9 agency has been an ongoing issue. Given that  
10 the internet marketplace sales tax generates  
11 a total of 320 million -- about 100 million  
12 from New York State and 170 million from  
13 New York City -- might this be a source of  
14 revenue that could be directly remitted for  
15 the purposes of investing in improvements in  
16 service?

17 And again, you're hearing a lot about  
18 bus service from the New York City members  
19 because it is so vital to our communities.

20 MTA CHAIR LIEBER: All right, I  
21 don't -- I'm going to let Kevin answer that,  
22 but I'll just say one thing. When you think  
23 about the -- what's causing our drop in  
24 ridership, which has the fiscal consequences,

1 the internet is the thing. Right? It's work  
2 from home, facilitated by the internet teams,  
3 Zoom and so on.

4 So there is some kind of a -- you  
5 know, upfront I'd say there's a connection  
6 that you're pointing --

7 ASSEMBLYWOMAN GONZALEZ-ROJAS: So it  
8 should just go right back into the system.

9 MTA CFO WILLENS: The internet  
10 marketplace tax that we receive both from the  
11 state and the city is by law dedicated into  
12 the capital lockbox for the capital program.  
13 And we have committed fully against that  
14 revenue for the projects.

15 So the \$11 billion in capital  
16 commitments that we executed in 2022 is in  
17 large part being supported by that internet  
18 marketplace tax. So it is -- it's going to  
19 good projects, no longer -- not available for  
20 the operating budget, either by law or in a  
21 practical sense.

22 CHAIRWOMAN WEINSTEIN: Thank you.

23 Next, Assemblyman Cunningham.

24 ASSEMBLYMAN CUNNINGHAM: Good

1 afternoon. Thank you so much, Mr. Chair, and  
2 for your team, for all the incredible work  
3 you do to keep New York City moving. And  
4 also Will for always being a quick responder  
5 to our emails and inquiries.

6 I represent the 43rd Assembly District  
7 in Brooklyn, New York, which is Flatbush,  
8 Prospect Lefferts Gardens and Crown Heights.  
9 Recently we've had a couple of issues.

10 Number one, our constituents are most  
11 concerned with safety, reliability, and  
12 affordability. From a safety perspective,  
13 Winthrop Train Station has recently made news  
14 because of the nurse who was thrown acid on,  
15 as well as a woman -- a young woman, 18 years  
16 old, who was sexually assaulted on New Year's  
17 Eve. Both instances went to the toll worker  
18 behind the toll booth, and both times they  
19 were told to contact law enforcement.

20 What's the MTA's responsibility, the  
21 workers' responsibility to report crimes that  
22 happen that they're aware of?

23 MTA CHAIR LIEBER: I -- honestly, that  
24 doesn't -- doesn't make a lot of sense to me.

1 I'm happy to look into that one. They should  
2 be able to help somebody who's been the  
3 victim of crime as much as possible. At the  
4 end of the day, we do rely on the NYPD, who  
5 polices the system to manage, you know,  
6 situations, crime situations.

7 But one of our goals -- I'll just say  
8 one other thing -- is to bring the people who  
9 are in the booths, we have almost zero  
10 transactions taking place at the booths now.  
11 We want them out of the booths, and the union  
12 has agreed. So they're going to become  
13 stronger participants in creating a safe and  
14 friendly environment -- directions, OMNY  
15 help, vending machines, and better eyes and  
16 ears in the station. So I hope they'll  
17 provide a more effective tool in the future.

18 ASSEMBLYMAN CUNNINGHAM: Yeah, and  
19 just to be clear, I don't expect the MTA  
20 worker to get involved in an active crime or  
21 to stop an active crime. But when a crime is  
22 reported to them, to have some level of  
23 responsiveness beyond "Contact the NYPD."

24 MTA CHAIR LIEBER: Absolutely.

1 ASSEMBLYMAN CUNNINGHAM: On the  
2 affordability piece, I know you've mentioned  
3 throughout the hearing a 2 percent increase  
4 on fare increases. It sounds like the number  
5 is, what, 4 percent, based on numbers you've  
6 projected, 4 percent and 5.5 percent? Just  
7 wondering what the precedence for that  
8 drastic hike is.

9 MTA CHAIR LIEBER: Sure. The 4  
10 percent -- it was 4 percent every two years,  
11 so it was like 2 percent a year. That's what  
12 you heard me say.

13 The 5 percent that the Governor's  
14 proposed just catches us up -- doesn't all  
15 the way, but catches up a little bit for the  
16 increases that got missed, that annual cycle,  
17 during COVID when we were trying to get  
18 people back to normal life. So that's what  
19 the 5 percent adds up to, as if we had  
20 continued the 2 percent a year.

21 ASSEMBLYMAN CUNNINGHAM: Thank you for  
22 your answer.

23 I would be remiss if I didn't say that  
24 24 percent of residents throughout the State



1 of New York, including the city, still have  
2 difficulty making essential visits like  
3 doctor's appointments and other things. So  
4 just wanted to kind of add that to the  
5 variables of people getting back on the train  
6 and people who still can't get on a train to  
7 get to vital services.

8 Thank you so much for your time.

9 MTA CHAIR LIEBER: Thank you.

10 CHAIRWOMAN WEINSTEIN: Thank you.

11 Assemblyman Ra, five minutes.

12 ASSEMBLYMAN RA: Thank you very much,  
13 Chair, and your whole team. Thank you for  
14 your attentiveness today and for being here.  
15 I know it's been a long morning into the  
16 afternoon here.

17 So it's the first day of budget  
18 hearings, so I want to start off on a  
19 positive note and certainly say thank you as  
20 we've gotten through -- I think it's no  
21 secret I've been -- was a skeptic throughout  
22 the Third Track project, but I think the new  
23 stations look great. And, you know, there  
24 was a lot of investment made into our local

1 communities that will hopefully help maybe  
2 get some of those riders back that we're  
3 hoping for as people return to the office and  
4 all of that.

5 So thank you for that. And certainly  
6 I hope we can continue to dialogue about  
7 any -- you know, any types of items that are  
8 outstanding out there, representations that  
9 may have been made to the communities by 3TC  
10 and making sure those are followed through  
11 on, because I know it is a concern in some of  
12 the communities.

13 I did want to go back, though, to the  
14 MTA payroll tax question. A number of my  
15 colleagues have brought it up. Certainly I  
16 appreciate the relative number of businesses  
17 that it's going to impact. But as I'm sure  
18 you can imagine, you know, this budget, when  
19 you look at it as a whole, there's a  
20 potential minimum -- a minimum wage increase,  
21 some of our local governments are looking at  
22 monies being intercepted. And as my  
23 colleague mentioned earlier, a lot of our  
24 municipalities do pay it, particularly on

1 Long Island where we tend to have some larger  
2 municipalities, as opposed to the rest of the  
3 state.

4 So I'm just wondering, playing devil's  
5 advocate a little bit here -- I'm sure you've  
6 seen this in the news, and the question out  
7 there is how do we get from here -- suppose  
8 we do this whole -- you know, this whole  
9 proposal, the MTA tax, the additional money  
10 from casinos, the efficiencies internally to  
11 the MTA, and certainly your fare plans  
12 included in that, where does that take us in  
13 the years to come? Because over the course  
14 of time, every decade or so we tend to end up  
15 in the type of situation we're in now. And  
16 maybe it's for a different reason, but we  
17 tend to end up here where there's a deficit  
18 that we need to come up with some new revenue  
19 stream to plug.

20 MTA CHAIR LIEBER: Listen, you know,  
21 this is an essential service. And our job at  
22 the MTA is to make sure that we can provide  
23 it. I don't apologize for the fact that we  
24 come, in the wake of a pandemic where we've

1 lost a third of our ridership, we come to the  
2 Legislature with the Governor and say, We  
3 need a new funding model. That's not proof  
4 of anything other than the pandemic happened  
5 and our way of life has been seemingly --  
6 maybe not permanently, but significantly  
7 affected over a much longer period than just  
8 the initial pandemic.

9 So listen, you know, the debate is on.  
10 I respect all sides. But I will say this.  
11 Long Island, because of that Third Track  
12 project, because of Grand Central Madison,  
13 is -- we're putting \$300 million more in the  
14 years to come on the operating budget of  
15 Long Island to provide that extra 40 percent  
16 of service enabled by the Third Track. I  
17 don't think it's unreasonable to ask the  
18 businesses, who are for the first time  
19 getting reverse commuting, which is going to  
20 enable them to have incredible reach in terms  
21 of their workforce, to participate in that.  
22 Just as I also don't feel bad about asking  
23 businesses who are letting people come in,  
24 for good reason, you know, one to three days

1 a week, to help in a small way, for a small  
2 portion, to shoulder some of the costs of the  
3 MTA continuing to provide seven-day-a-week  
4 quality service.

5 So I think it is a balancing. I very  
6 much respect all sides of the debate. But  
7 when 5 percent of the businesses, only the  
8 very largest businesses -- and given the  
9 other factors that I have just kind of tried  
10 to enumerate within your time, I  
11 understand -- I think this is a reasonable,  
12 balanced proposal. It's not what happened  
13 with the first PMT before the Legislature  
14 carved it back and created a lot of  
15 exemptions for small business, and it only  
16 affects a very, very small portion of  
17 business, the folks who are really doing the  
18 reverse commuting, because they have the  
19 white collar, high-end workers who are  
20 allowed to reverse commute. That's the  
21 reality.

22 ASSEMBLYMAN RA: And I'll just say,  
23 you know -- I will leave some time on the  
24 clock here. But as we go forward, you know,

1 I look forward to seeing what that impact is,  
2 now that the construction is over with the  
3 Third Track, seeing what the numbers look  
4 like in terms of the reverse commute and  
5 people taking advantage of that, as well as  
6 all the other new changes that have been  
7 there.

8 So thank you.

9 MTA CHAIR LIEBER: Thank you.

10 CHAIRWOMAN WEINSTEIN: Thank you.

11 So I'm the last questioner. And very  
12 briefly, because I know everybody is --  
13 you're looking to get on the train.

14 Just a follow-up question about the  
15 capital plan and borrowing costs. As we all  
16 know, the cost of borrowing has been raising  
17 over this past year in particular. How much  
18 of an impact is this having on the MTA  
19 capital program? And now that interest rates  
20 are higher, is that assumed within the  
21 capital plan? And will the capital plan be  
22 able to be completed without additional  
23 funding?

24 MTA CHAIR LIEBER: So the capital

1 plan, one, I'm going to let Kevin answer it,  
2 because he's really an expert on this,  
3 spending his career in the municipal bond  
4 business.

5 But the capital plan will be  
6 completed, provided we get the revenue from  
7 congestion pricing. Everybody -- you know, I  
8 know that there's always differences of  
9 opinion on that. But that's the last  
10 30 percent of our capital plan, and we're  
11 counting on it. And I am moving forward,  
12 albeit at what sometimes feels like a glacial  
13 pace with the authorities in Washington who  
14 supervise environmental reviews of big  
15 projects. So we're moving forward, but that  
16 is the -- that's the linchpin of us being  
17 able to complete the whole capital plan.

18 But as to the percentages, Kevin?

19 MTA CFO WILLENS: Yeah, so a couple of  
20 things. Certainly higher interest rates are  
21 not helpful when you're borrowing money. But  
22 that said, you know, north of 90 percent of  
23 the debt that we've issued in the past is  
24 fixed rate to maturity. So those costs on

1 all that debt have -- are not going up.

2 As a matter of fact, part of the debt  
3 plan -- and what we're doing is bringing debt  
4 costs down by about 300 million a year  
5 throughout the financial plan, through the  
6 debt restructuring, which will reduce the  
7 costs but not impact the future. For  
8 example, we just did two large refundings  
9 that even in this higher rate environment we  
10 were able to generate 150 million of savings  
11 that are helping to achieve the plan.

12 Currently, based on current interest  
13 rates, we -- we have the financial plan,  
14 we -- it has been updated for those rates,  
15 and so the capital investment that we've got  
16 in there is affordable in the new rate  
17 assumptions. And, you know, again, we've  
18 brought debt service down to 15 percent of  
19 the budget and see that pretty much staying  
20 flat for the next four to five years.

21 CHAIRWOMAN WEINSTEIN: Thank you.

22 And I'm going to have a question from  
23 one of my colleagues who isn't a member of  
24 either of these committees. So let me just



1 read it, and I'd like a response.

2 You've said that it would cost \$350  
3 million a year to make up for the revenue  
4 that a fare hike of up to \$3 would generate.  
5 We've seen estimates, however, that show that  
6 the subway and bus fare hikes alone, absent  
7 tolls and commuter rail, would actually bring  
8 in \$245 million a year, not \$350, with a  
9 breakdown of 114 million in '23, 193 million  
10 in '24, 313 million in '25, and 360 million  
11 in '26.

12 I don't know whether these numbers are  
13 accurate or not, but can you clarify the  
14 difference between what I've just read and  
15 what you've said?

16 MTA CHAIR LIEBER: I mean, Kevin will  
17 give you the numbers that we have at hand.  
18 But it's -- this is one of those issues that  
19 has been asked about enough that it really  
20 bears us writing to you, clarifying what the  
21 revenue impact of the proposed, you know,  
22 5 percent fare hike is.

23 CHAIRWOMAN WEINSTEIN: That would be  
24 helpful, right. So if you could just give us

1 the brief thing and then the more detailed --

2 MTA CFO WILLENS: The 350 includes  
3 subways, buses, commuter rail and bridge and  
4 tunnel. So that's the revenue from all of  
5 them. We can give you a further breakdown by  
6 mode of --

7 CHAIRWOMAN WEINSTEIN: So then if you  
8 could give us the breakdown on those  
9 increases year by year, going out --

10 MTA CHAIR LIEBER: Yeah.

11 CHAIRWOMAN WEINSTEIN: -- for the next  
12 handful of years, and we'll make sure to  
13 distribute it to all of our colleagues.

14 And I believe -- so I believe that  
15 that is the end of questioning. We  
16 appreciate your being here to lead off for  
17 our budget hearings.

18 And just as you leave, the next  
19 witness will be Commissioner of DOT Marie  
20 Therese Dominguez.

21 MTA CHAIR LIEBER: Thank you.

22 CHAIRWOMAN KRUEGER: Thank you very  
23 much.

24 (Brief recess taken.)

1 CHAIRWOMAN WEINSTEIN: We welcome our  
2 next witness, NYSDOT Commissioner Marie  
3 Therese Dominguez.

4 And, Commissioner, as we mentioned  
5 earlier, we do have your testimony. There  
6 will be a 10-minute clock. And then once we  
7 go to questions, just keep an eye --  
8 colleagues, just a reminder, keep an eye on  
9 the clock in terms of questions and answers  
10 before it gets to zero.

11 Colleagues, can we just have some  
12 quiet?

13 Commissioner, whenever you're ready.

14 DOT COMMISSIONER DOMINGUEZ: Can you  
15 hear me? Okay, great.

16 Good afternoon, Chairpersons Krueger,  
17 Weinstein, Kennedy, Magnarelli, and members  
18 of the Legislative Finance, Ways and Means  
19 and Transportation Committees, as well as all  
20 members of the State Legislature that have  
21 joined us here today.

22 On behalf of Governor Kathy Hochul,  
23 I'd like to thank you for inviting me here to  
24 talk about the State Department of

1 Transportation, our people, the communities  
2 that we serve, and how the work that we do  
3 makes a real and positive difference in the  
4 lives of all New Yorkers.

5 I'd like to first take a moment to  
6 salute our dedicated DOT workforce,  
7 particularly our snow and ice team, who work  
8 tirelessly to make sure that our roads and  
9 bridges are safe. This season alone, they  
10 have cleared more than 3.4 million lane miles  
11 of roads. As you know, our state was hit  
12 with a record-setting lake-effect snow in  
13 November that brought seven feet of snow to  
14 Buffalo and the North Country, only to be  
15 followed by another historic and tragic storm  
16 in December which brought 37 hours of  
17 treacherous blizzard conditions.

18 During both events, hundreds of  
19 dedicated public servants at DOT from across  
20 the state worked 24/7 for days on end to help  
21 clear the snow and restore the roadways. I  
22 was in Buffalo for both storms, and I  
23 personally want to thank the DOT team and  
24 everyone who assisted them for their service.

1 It was really heroic.

2 With me today are two members of our  
3 DOT team from the Capital Region who were  
4 deployed to Buffalo: Justin Grimes, who was  
5 in Buffalo managing contractor support in our  
6 staging area, and Gary Casso {ph}, who  
7 performed hauling operations.

8 Gentlemen? Right behind me  
9 (pointing).

10 (Applause.)

11 DOT COMMISSIONER DOMINGUEZ: Both of  
12 them worked through the storm, all the way  
13 through New Year's Eve. And this was truly  
14 an all-hands-on-deck operation. And Jason  
15 and Gary are just two of the hundreds of  
16 dedicated DOT personnel helped Buffalo and  
17 the North Country recover from this most  
18 recent storm.

19 I want to thank them again, and the  
20 entire team, for their outstanding service.

21 But DOT is not just in the snow and  
22 ice business. Simply put, DOT is part of  
23 every community in New York State. And  
24 thanks to Governor Hochul's leadership and

1 your continued commitment to making smart and  
2 significant investments in our transportation  
3 infrastructure, New York is investing more in  
4 its infrastructure than at any time in our  
5 history. The Governor's \$32.8 billion  
6 five-year capital plan is historic, with the  
7 projects that we are advancing representing  
8 more than just concrete and steel -- they are  
9 investments to better the lives of  
10 individuals and communities across New York.  
11 This last year DOT has put these dollars to  
12 work to carry out the Governor's vision of  
13 enhancing the quality of life for all  
14 New Yorkers, by making our communities more  
15 livable, more walkable, more bikeable, and  
16 certainly better places to live, work and  
17 raise a family.

18 The Executive Budget continues the  
19 unprecedented state support for local  
20 municipal governments to renew and modernize  
21 their roads and bridges. Our projects, large  
22 and small, are transformational to the people  
23 we serve. This year DOT is advancing a  
24 number of signature projects to reconnect and

1 revitalize communities, projects like the  
2 Kensington and Cross-Bronx Expressways,  
3 Interstate 81, the Livingston Avenue Bridge,  
4 and Hunts Point. These are multigenerational  
5 investments that will fundamentally change  
6 for the better places like East Buffalo, the  
7 South Bronx, South Syracuse, and the City of  
8 Albany.

9 So despite the challenges of extreme  
10 weather and climate change and the ups and  
11 downs of the economy, inflation, and the  
12 supply chain, DOT remains fully committed to  
13 the implementation of the Governor's capital  
14 plan.

15 Over the past year we've had great  
16 success in executing on the first year of the  
17 capital plan, completing more than 430 bridge  
18 rehabilitations and replacements on the state  
19 system, and funding more than 150 projects on  
20 the local bridge network. Direct support for  
21 local roads and bridges has increased to more  
22 than \$6.1 billion over five years for the  
23 capital plan -- an increase of nearly  
24 \$2.5 billion from the previous five-year

1 capital plan, with \$1 billion alone invested  
2 in local aid for the programs in the last  
3 year.

4 This level of investment in our local  
5 highway and bridge programs is truly historic  
6 and unprecedented.

7 The five-year capital plan also made  
8 critical investments in aviation, in freight  
9 rail, in transit, including \$230 million to  
10 enhance nine regional airports upstate and  
11 \$76.4 million for freight rail projects. The  
12 plan also supports passenger rail service,  
13 providing \$44 million annually for four  
14 routes, including supporting expanded  
15 passenger service on the Ethan Allen and  
16 Maple Leaf lines.

17 Here's an example of what DOT is  
18 working to accomplish this year, in 2023:

19 1,353 lane miles of pavement on state  
20 roads will be constructed or improved;

21 589 total state bridges will be  
22 rehabilitated or replaced;

23 352 projects, at a total construction  
24 cost of almost \$2.9 billion, will be let;



1           And more than \$8 billion will support  
2 transit systems statewide, which will be  
3 critical to our climate, providing  
4 alternative modes of transportation to the  
5 public.

6           We're also making key investments in  
7 safety and connectivity, which are  
8 cornerstones of the Governor's transportation  
9 vision for the future. Which is why we're  
10 building off our decade of experience  
11 implementing Complete Streets projects  
12 statewide.

13          New legislation signed by the Governor  
14 in December encourages localities to do the  
15 same. And this year, DOT will also be  
16 developing a statewide Active Transportation  
17 Plan to further our efforts toward enhancing  
18 safety for all users of the transportation  
19 network.

20          Multi-modal transportation also plays  
21 a key role in reducing our carbon footprint  
22 under the Climate Leadership and Community  
23 Protection Act. DOT played a key role in  
24 helping develop the Scoping Plan, and we're

1 committed to the recommendations put forward  
2 by the Climate Action Council in the final  
3 plan.

4 Over the next five years, New York  
5 State will receive \$170 million from the IIJA  
6 for the National Electric Vehicle  
7 Infrastructure program, or the NEVI program.  
8 Under this program, DOT is taking the lead to  
9 help increase the electric vehicle charging  
10 infrastructure on our state's interstates.

11 Smart climate policies also mean  
12 building a resilient infrastructure for the  
13 future, as the more we invest now in  
14 hardening our infrastructure, the more we  
15 will be able to withstand the effects of  
16 extreme weather on our roads, bridges, and  
17 certainly our culverts. At DOT we are  
18 currently building infrastructure designed to  
19 last at least 75 years for our bridges.

20 To ensure longevity, we use the most  
21 resilient building materials available,  
22 including high-performance concrete on our  
23 roads and stainless-steel reinforcement on  
24 our bridges.

1           Knowing the weather extremes, we must  
2 prepare for, we do that across the board.  
3 And a good example of that is two Van Wyck  
4 Expressway viaducts that we just constructed  
5 in Queens, which will accommodate a  
6 128-degree temperature change over the course  
7 of one year.

8           And with the passage of the  
9 Environmental Bond Act, more opportunities  
10 will be available across the state to make  
11 our transportation system more resilient and  
12 more sustainable.

13           What I've laid out today is just a  
14 small sample of the work our team at DOT  
15 undertakes each and every day. The  
16 operations and maintenance of our  
17 transportation system, snow and ice,  
18 resiliency and climate, executing and  
19 constructing the investments in roads,  
20 bridges, aviation, trains, buses, bikes,  
21 pedestrian safety -- all with equity and  
22 accessibility to transportation for all --  
23 these are all elements of our critical safety  
24 mission that NYSDOT carries out each and

1 every day.

2 But I saved the best for last -- the  
3 thousands who work for DOT, the dedicated  
4 women and men who wear many hats and face  
5 unique challenges every day. Over the last  
6 few years, DOT staff have confronted and  
7 overcome every challenge that has been put in  
8 front of them, COVID and otherwise. Our  
9 people are our most valuable asset and truly  
10 what I call our "secret sauce." Their work  
11 represents the best in public service, and I  
12 count myself lucky to be a member of Team  
13 DOT.

14 Thank you again for the opportunity to  
15 be here today, and I'm happy to answer your  
16 questions.

17 CHAIRWOMAN WEINSTEIN: Thank you,  
18 Commissioner.

19 And we go to our chair of the  
20 Assembly's Transportation Committee,  
21 Assemblyman Magnarelli.

22 ASSEMBLYMAN MAGNARELLI: Is it on now?

23 DOT COMMISSIONER DOMINGUEZ: Yes.

24 ASSEMBLYMAN MAGNARELLI: Okay.

1 Commissioner, thank you very much for  
2 being here. Always good to see you. And I  
3 want to also thank all the workers at DOT, as  
4 you have so said eloquently today, including  
5 Jason and Gary, who I think just left.

6 (Laughter.)

7 ASSEMBLYMAN MAGNARELLI: But I do  
8 thank them all for all the hard work that  
9 they do, and sometimes very dangerous work  
10 too.

11 DOT COMMISSIONER DOMINGUEZ: Yes.

12 ASSEMBLYMAN MAGNARELLI: Commissioner,  
13 the Executive proposes 6.97 billion for the  
14 second year of the five-year, \$32.8 billion  
15 DOT capital plan, an increase of  
16 \$326 million, or 4.9 percent above the first  
17 year of the capital plan.

18 What percent of the roads and bridges  
19 are currently in a state of good repair  
20 statewide? And has this metric decreased  
21 over the past year?

22 DOT COMMISSIONER DOMINGUEZ: Currently  
23 we have about 57 percent of the roads  
24 throughout the state in good to excellent

1 condition, and about 74 percent of the  
2 bridges. And so with this level of  
3 investment, we expect that that percentage  
4 will go up. Given the level of investment  
5 that this state, the Executive and the  
6 Legislature have put forward over the course  
7 of this steady five-year plan, we expect  
8 those percentages to go up. And we've  
9 already seen it happening.

10 ASSEMBLYMAN MAGNARELLI: So you're  
11 expecting this will help matters, basically.

12 DOT COMMISSIONER DOMINGUEZ: Yes.

13 ASSEMBLYMAN MAGNARELLI: Okay. Is  
14 there a further level of investment that the  
15 state should be making to make sure that  
16 these roads and bridges are safe?

17 DOT COMMISSIONER DOMINGUEZ: I think,  
18 given the record level of investment that the  
19 state has put forward for this five-year  
20 capital plan, it truly is extraordinary on  
21 several different fronts.

22 One, it's \$6.1 billion more than we've  
23 seen in the past. And when we really  
24 compare, it increases the plan levels by

1 about 9.4 billion, or about 40 percent from  
2 the previous five-year plan.

3 And what we're really trying to do is  
4 leverage the incredible investment that the  
5 state has made with the federal investment  
6 that we have through the IIJA. And matching  
7 those two funding streams, that's how we came  
8 to the 32.8 billion for our five-year capital  
9 plan.

10 ASSEMBLYMAN MAGNARELLI: Does the  
11 Executive Budget incorporate funding from the  
12 IRA, the Inflation Reduction Act, into this  
13 budget? You're telling us it does, right?

14 DOT COMMISSIONER DOMINGUEZ: It  
15 incorporates -- the IRA portions of that  
16 are -- there's provisions that -- what this  
17 incorporates -- let me be clear.

18 What this incorporates is the  
19 Bipartisan Infrastructure legislation, or the  
20 IIJA, whatever you want to call it. It's the  
21 transportation bill. And that has the direct  
22 formula funding that governs state DOTs  
23 across the nation. For New York, ours went  
24 up from 36 percent to about 40 percent. So

1 we matched that level of funding with the  
2 state investment.

3 ASSEMBLYMAN MAGNARELLI: Okay, I  
4 couldn't understand the last part of what you  
5 said. The -- so that 33 percent, or  
6 40 percent -- say it again.

7 DOT COMMISSIONER DOMINGUEZ: It  
8 goes -- the 40 percent of funding that we got  
9 from the IJJA has been matched with the state  
10 investment --

11 ASSEMBLYMAN MAGNARELLI: With the  
12 city --

13 DOT COMMISSIONER DOMINGUEZ: And those  
14 two capital investment figures comprise the  
15 32.8 billion for five years.

16 ASSEMBLYMAN MAGNARELLI: Okay. And so  
17 you're administering these funds that are  
18 coming in this way.

19 DOT COMMISSIONER DOMINGUEZ: Yes.

20 ASSEMBLYMAN MAGNARELLI: This is a DOT  
21 function.

22 DOT COMMISSIONER DOMINGUEZ: Yes. Per  
23 the MOU that --

24 ASSEMBLYMAN MAGNARELLI: You're the



1 person I go to when I have questions on this.

2 Okay.

3 DOT COMMISSIONER DOMINGUEZ: But we're  
4 administering it based on the MOU that the  
5 Legislature agreed to last year for the  
6 five-year capital plan.

7 ASSEMBLYMAN MAGNARELLI: You mentioned  
8 in your remarks Hunts Point, Route 17,  
9 Kensington Expressway, 81. Okay. Are all of  
10 these mega -- the Livingston Avenue Bridge,  
11 which is very important to me. Are all of  
12 these projects progressing favorably at this  
13 point?

14 DOT COMMISSIONER DOMINGUEZ: Yes, sir,  
15 they are.

16 ASSEMBLYMAN MAGNARELLI: Just a plain  
17 yes, they are. Okay.

18 How does DOT ensure -- also going to  
19 another thing that we've talked about before,  
20 how does DOT ensure that bike and pedestrian  
21 infrastructure is included in state road and  
22 bridge projects? I held a hearing here a few  
23 months back, and I'm still looking for  
24 answers on just how far we mandate that these

1 things go.

2 But I think more on a state level, I  
3 think the leader has to be the state, the  
4 DOT, on most of these projects. So how are  
5 you incorporating walkability, bikeability,  
6 et cetera, into, you know, these street  
7 projects?

8 DOT COMMISSIONER DOMINGUEZ: So I'm  
9 happy to say DOT's been implementing the  
10 state law on Complete Streets, which was  
11 passed about a decade ago. And with the new  
12 legislation that the Legislature passed and  
13 the Governor signed into law last year, what  
14 that does is give the local governments  
15 additional flexibility to do Complete Streets  
16 projects.

17 This last year alone -- I can give you  
18 some statistics here -- with projects on  
19 Complete Streets elements that we completed  
20 as the State DOT, we had about 1266 ADA ramps  
21 that were -- that are in the process of being  
22 installed, 166 miles of bike lane  
23 improvements, 27 miles of sidewalks and  
24 shared-use paths, and about 453 other

1 elements for pedestrian improvements.

2 I think the bottom line, sir, in  
3 answer to your question, is like how do we  
4 actually be a leader to make sure that  
5 everyone has opportunities to learn and grow  
6 on the Complete Streets elements. And in  
7 answer to your question, one of the things  
8 that you and I have talked about is how we  
9 can better leverage the Cornell Local Roads  
10 program that we sponsor for all DPWs,  
11 highway, county, municipalities, to actually  
12 take advantage of learning all about  
13 Complete Streets, what those elements are.

14 And then again --

15 ASSEMBLYMAN MAGNARELLI: So is  
16 there -- I don't mean to interrupt you --

17 DOT COMMISSIONER DOMINGUEZ: Sorry.

18 ASSEMBLYMAN MAGNARELLI: -- and I just  
19 did, I'm sorry. Go ahead.

20 DOT COMMISSIONER DOMINGUEZ: I just  
21 think it's an opportunity to make sure  
22 everybody has access now that the legislation  
23 passed, and local governments can also take  
24 advantage of this need.

1 ASSEMBLYMAN MAGNARELLI: So this is an  
2 education part of what you're trying to do.  
3 Okay, is there anything in the budget that  
4 funds this education process?

5 DOT COMMISSIONER DOMINGUEZ: Yes --

6 ASSEMBLYMAN MAGNARELLI: How do I get  
7 it out to local governments, to highway  
8 departments?

9 DOT COMMISSIONER DOMINGUEZ: There's  
10 money in the Executive Budget that's been put  
11 forward, recognizing that the legislation  
12 that was passed for Complete Streets last  
13 year becomes enacted at the end of this year.

14 We're going to -- the Executive put  
15 forward about \$10 million to help plan for  
16 additional Complete Streets work. I would  
17 look at that as an opportunity to really not  
18 only do education, but also design and  
19 execute on some additional opportunities  
20 moving forward.

21 ASSEMBLYMAN MAGNARELLI: To be a  
22 little parochial about my own area, so how is  
23 81 doing?

24 DOT COMMISSIONER DOMINGUEZ: 81 is

1 presently -- as you know, we've got a --  
2 we're under litigation. And with that, I  
3 can't really talk about the litigation.

4 But that said, we were -- the judge in  
5 the case did allow us to move forward with  
6 our first contract, so that's been issued.

7 ASSEMBLYMAN MAGNARELLI: I haven't  
8 read the article yet today, but I saw  
9 something in the news about \$10 million. It  
10 doesn't sound like a lot of money, but  
11 something's been let for \$10 million?

12 DOT COMMISSIONER DOMINGUEZ: What's  
13 been -- no, I think what you were reading  
14 today was perhaps maybe the housing  
15 initiative for Pioneer Homes, that is  
16 obviously smack in the middle of the  
17 community that we're looking to serve best,  
18 as a result of the community grid option.

19 ASSEMBLYMAN MAGNARELLI: Thank you.  
20 I'm looking forward to seeing what happens.

21 Another part of this -- that we have  
22 talked about in the past is the capital plan  
23 allocating monies for transit, rail,  
24 aviation, et cetera. I was in a meeting last

1 week, and you know how we have talked in the  
2 past about freight trains and passenger  
3 trains and making sure that passenger trains  
4 can get to one place from another relatively  
5 on time. And I was told that sidings are  
6 being torn up and done away with by CSX.

7 Are you familiar with anything like  
8 that?

9 DOT COMMISSIONER DOMINGUEZ: I'm not,  
10 but I'm happy to look into it.

11 ASSEMBLYMAN MAGNARELLI: Okay. I am  
12 too. But I appreciate that.

13 I'm concerned that we do everything we  
14 possibly can through the DOT to make sure  
15 that passenger rail is enhanced. Without  
16 taking away from our freight as well, which I  
17 feel is also very important. But rail is one  
18 way to help deal with climate change, if we  
19 can get more people on rail.

20 Thank you.

21 DOT COMMISSIONER DOMINGUEZ: I agree  
22 with you.

23 ASSEMBLYMAN MAGNARELLI: I'll reserve  
24 for my second time around. Thank you.

1 Thank you.

2 CHAIRWOMAN WEINSTEIN: Thank you.

3 To the Senate now.

4 CHAIRWOMAN KRUEGER: Thank you.

5 And to our chair of Transportation,

6 Tim Kennedy, 10 minutes.

7 SENATOR KENNEDY: Thank you,

8 Chairwoman.

9 And Commissioner, welcome. Good to

10 see you again.

11 DOT COMMISSIONER DOMINGUEZ: Good to

12 see you, sir.

13 SENATOR KENNEDY: Thank you again for

14 your leadership. Thank you for your

15 testimony here today.

16 I want to start where you began,

17 talking about the storm. My hometown of

18 Buffalo ravaged. Forty-seven people lost

19 their lives -- at least -- during that

20 horrific weather event in Buffalo.

21 I want to recognize again those

22 workers that are here with you today, and

23 those that are not, for being out there in

24 the elements.

1 Can you talk about that storm, and can  
2 you speak to how you feel the Department of  
3 Transportation's response was during that  
4 storm and what we can do moving forward to  
5 make our response better.

6 DOT COMMISSIONER DOMINGUEZ: I have to  
7 start off by saying that my heart really goes  
8 out to the families of those who actually  
9 lost a loved one during the storm.

10 You know, I was on the ground -- I  
11 have to, you know -- sir, you're from  
12 Buffalo. When people from Buffalo  
13 characterize it as something that they've  
14 never ever seen before and they compare it to  
15 being worse than the Blizzard of '77, that's  
16 their perspective. And certainly they live  
17 that. But I have to say, given the severity  
18 of the storm, it truly was a  
19 once-in-a-generation storm in every technical  
20 sense of the word.

21 And what I mean by that, it was the  
22 longest, most sustained blizzard below  
23 5,000 feet of elevation in the history of the  
24 United States. So basically this is



1 record-setting on so many different levels.

2 There was zero visibility for  
3 37 hours. And it's hard to conceptualize  
4 actually what that means, but the weather was  
5 just incredible to deal with.

6 SENATOR KENNEDY: Sure. And,  
7 Commissioner, we recognize that this was a  
8 historic weather event. We also know, as you  
9 mentioned in your testimony, it wasn't on its  
10 own. A month earlier we had a seven-foot  
11 snow event. These are becoming more and more  
12 commonplace with the climate change that  
13 we're seeing.

14 So one thing that we've done is  
15 requested a response for an assessment of all  
16 relevant partners in the response to that  
17 event and how we can be better moving  
18 forward. We were looking for recommendations  
19 for the future from every relevant entity.  
20 DOT is no different. So we look forward to  
21 those continuing conversations with you and  
22 your team.

23 One issue that came to light through  
24 this particular event was the fact that there

1 are no gates or gantries to enter the 33,  
2 Kensington Expressway. There are on the 90;  
3 we implemented those about a decade ago or so  
4 through the previous administration, the DOT,  
5 the Thruway Authority partnership.

6 I want to see what your thoughts are  
7 on adding those gates to the 33 and  
8 Kensington and other roadways as well.

9 DOT COMMISSIONER DOMINGUEZ: As you  
10 noted, Senator, we have definitely installed  
11 gates on various portions of the state  
12 highway system in and around Buffalo.

13 The 33 and the 198 are a little bit  
14 more challenging, I'll say, because they're  
15 part of a very intricate local road network.  
16 But we'd like to -- the city has definitely  
17 raised the issue. I know the City Council  
18 has asked directly for that. So we look  
19 forward to working with the city to see what  
20 the opportunities are there.

21 As you know, there's hospitals in and  
22 around that area, so I think we have to have  
23 a very thoughtful review about how do we  
24 actually -- because I understand exactly what

1 the concerns are.

2 SENATOR KENNEDY: So you're open to  
3 the additional --

4 DOT COMMISSIONER DOMINGUEZ: Oh,  
5 absolutely. Well, I'm open to having the --  
6 to make sure that we look at it and see what  
7 the possible solutions could be.

8 SENATOR KENNEDY: Of course. Great.  
9 Thank you.

10 You and I have discussed the Limousine  
11 Task Force and the various pieces of safety  
12 reforms that this Legislature has passed,  
13 signed into law by the Governor, and  
14 implemented here in New York State. The  
15 state budget only includes one proposal from  
16 that Limousine Task Force, expanding the  
17 seizure of faulty vehicles to include all  
18 commercial motor vehicles.

19 Is there a reason why the remainder of  
20 those recommendations were not included in  
21 the budget? And what are your thoughts on  
22 including them in the final budget  
23 legislation that we put forward?

24 DOT COMMISSIONER DOMINGUEZ: So,

1 Senator, I very much appreciate the question.  
2 And with pending legislation, I'm not going  
3 to be able to comment further on it, but  
4 recognize that the work of the task force was  
5 indeed very thorough, and I very much  
6 appreciate the opportunity to work with the  
7 members of the task force to make those  
8 recommendations.

9 SENATOR KENNEDY: Thank you.

10 Last week the Senate passed seven  
11 pieces of legislation including the  
12 legislation that was included in the  
13 Executive Budget proposal. We would like to  
14 see all of those proposals included in the  
15 final outcome, just as a note.

16 DOT COMMISSIONER DOMINGUEZ: Thank  
17 you.

18 SENATOR KENNEDY: I want to get into  
19 what's already been discussed, the five-year  
20 capital plan. Last year's Senate one-house  
21 included another \$10 billion. What we  
22 finally resolved in the three-way agreement  
23 was what is characterized as a historic  
24 five-year capital plan, \$32.8 billion. But

1 what we're recognizing is that that's not  
2 enough. And we're hearing from industry  
3 leaders, those on the ground, that especially  
4 due to the cost of inflation, supplies, the  
5 cost of doing business, particularly in the  
6 implementation of this funding, is much  
7 higher than was originally anticipated.

8 So what are your thoughts on  
9 increasing that funding by at least  
10 \$10 billion, if not 12 billion, which could  
11 be resolved by a five to \$700 million bonding  
12 to get \$2.5 billion per year added to that  
13 five-year capital plan?

14 DOT COMMISSIONER DOMINGUEZ: Sir, I  
15 appreciate your advocacy. And I would say to  
16 that that indeed what we received last year  
17 was unprecedented on a number of fronts.

18 One, we now have steady -- a steady  
19 means of transportation funding for New York  
20 State in a five-year capital plan that we  
21 have not had for years. And that level of  
22 stability alone, and the remarkable amount of  
23 money that was put forward, is going to work  
24 immediately. And I shared some of the

1 numbers in my opening statement.

2 But, you know, we've got 589 total  
3 bridges that are being constructed and  
4 improved just in the first year alone, and  
5 1353 lane miles of pavement that are being  
6 constructed.

7 What's unique about this five-year  
8 plan is it gives more flexibility to local  
9 governments than it ever has before. And  
10 even when you look at Bridge NY, we doubled  
11 it -- you doubled it -- from 100 million to  
12 200 million worth of investment. That  
13 equates to a billion dollars over five years.

14 And when we look at how we factor in  
15 inflation and recognizing that, one, DOT has  
16 been working with the industry, recognizing  
17 the costs of concrete, asphalt, steel, and  
18 accommodating those in our contracts, I think  
19 we have to play out inflation, the costs,  
20 et cetera. Because what we're seeing is  
21 depending on who you ask -- you know,  
22 inflation's going up, it's coming down.

23 How is this going to play out over the  
24 cost of an entire -- the entirety of the

1 five-year plan? What we're trying to do is  
2 manage to the dollars that we have. And  
3 we're doing it, I think, extremely well,  
4 given what the Executive and the Legislature  
5 have provided.

6 SENATOR KENNEDY: There's funding from  
7 COVID relief, upwards of \$7 billion. Are  
8 those funds going to be used at all to  
9 enhance the funding that's already been  
10 appropriated for infrastructure?

11 DOT COMMISSIONER DOMINGUEZ: So the  
12 way that I understand it is that money was  
13 put forward as part of an amendment for the  
14 federal appropriations bill at the end of  
15 last year. And it's directed at the  
16 spend-down of COVID relief dollars from local  
17 governments.

18 And so we're digging into the details  
19 of it, but the U.S. Department of Treasury  
20 right now is responsible for putting the  
21 rules and regulations and requirements about  
22 how to spend those dollars -- they haven't  
23 issued those yet. They're supposed to come  
24 out sometime in the next 60 days. So

1 depending on what those provisions are, we'll  
2 make sure that we share with you what our  
3 understanding is of what the feds have put  
4 forward and how we might leverage it.

5 Certainly the local governments will  
6 likely have more opportunity.

7 SENATOR KENNEDY: Well, I can tell you  
8 we will be pushing for more funds for the  
9 five-year capital plan, including in this  
10 upcoming budget. I think that would be a way  
11 we can enhance those dollars. Something we  
12 should look at.

13 I'll be back for a second round.  
14 thank you, Commissioner.

15 DOT COMMISSIONER DOMINGUEZ: Thank  
16 you, sir.

17 CHAIRWOMAN KRUEGER: Thank you.  
18 Assembly.

19 CHAIRWOMAN WEINSTEIN: We go to  
20 Assemblyman Norris for five minutes.

21 ASSEMBLYMAN NORRIS: Thank you,  
22 Commissioner. And again, I want to just  
23 thank the workers. You know, I come from  
24 Western New York, and as Senator Kennedy



1 mentioned, we appreciate, particularly during  
2 the blizzard and the storm in November, the  
3 work that the workers did in your entire  
4 team.

5 I would like to just follow up,  
6 though, with a question. What assessment is  
7 being done by the DOT to ensure that all the  
8 safety mechanisms for the public will be  
9 taken into consideration for the next storm?

10 What is the DOT actually doing right now?

11 DOT COMMISSIONER DOMINGUEZ: What  
12 we're doing is much like we've approached all  
13 of our operations. We're looking for  
14 continuous improvement in everything. And so  
15 one of the things that we're actually doing  
16 is having that larger conversation within our  
17 team to look at all of the operations, how  
18 did they go, et cetera.

19 Moving forward, as I said, the  
20 severity of this storm cannot be underscored,  
21 and what happened. I think the bottom line  
22 is is that everybody, in my humble opinion,  
23 did an amazing job, especially those that  
24 were on the ground and actually fighting the

1 fight.

2 That said, there's always opportunity,  
3 and we will look for it, for improvements.

4 ASSEMBLYMAN NORRIS: I look forward to  
5 seeing the assessment. And again, the  
6 director, Frank Cirillo, in the region, did a  
7 tremendous job. His entire team, your team.  
8 And I thank you for that, and I look forward  
9 to seeing the assessment when that is  
10 produced by the DOT. It's important to the  
11 people of Western New York, and I know also  
12 up in Watertown, where the storm was intense  
13 there as well.

14 DOT COMMISSIONER DOMINGUEZ: Yes.

15 ASSEMBLYMAN NORRIS: I'd like just to  
16 turn your attention now to the proposed  
17 Executive Budget. CHIPS remaining flat at  
18 \$538 million, Extreme Winter Recovery  
19 remaining flat at \$100 million, Bridge NY,  
20 200 million, and PAVE-NY at 150.

21 And, you know, I represent many  
22 municipalities that rely particularly on  
23 these programs, including CHIPS, for the  
24 investment into our local roads, into our

1 economy. So I would just ask you, is that  
2 enough? Considering that, as mentioned  
3 before, inflation is up for some of these  
4 costs, up to 25 percent, to help our local  
5 municipalities, who really rely on this as a  
6 major source of funding to repair those roads  
7 in our communities.

8 DOT COMMISSIONER DOMINGUEZ: So thank  
9 you for the question, sir.

10 I think, you know, we have to look at  
11 it in the totality of all of the programs,  
12 and certainly the local programs. So the  
13 five-year capital plan that we started to  
14 implement this year, is \$6.1 billion that has  
15 gone directly to local highway programs.  
16 That's an increase of 78 percent over the  
17 previous five-year program, which is quite  
18 remarkable.

19 And when you take that in totality,  
20 between CHIPS, EWR, Marchiselli, PAVE-NY, the  
21 State Touring Routes opportunities, and a new  
22 program that was created last year under the  
23 Governor's leadership, Pave Our Potholes, you  
24 know, that's where we're getting the

1 \$6.1 billion. And to say that we have a  
2 78 percent increase over last year just on  
3 our highway projects alone is pretty  
4 significant -- excuse me, 78 percent increase  
5 over the previous five-year plan.

6 So the great news is that, you know, I  
7 just want to -- I want to assure you that the  
8 localities are indeed taking advantage of it.  
9 We're getting the reimbursements in, people  
10 are putting these dollars to work, contracts  
11 are being let, work is being done. And  
12 that's how we improve the condition of our  
13 state roads, is by this level of investment.

14 ASSEMBLYMAN NORRIS: Thank you,  
15 Commissioner. And I will continue to  
16 advocate, particularly from being upstate,  
17 for upstate New York, more dollars going back  
18 in. For eight years -- and I know for a long  
19 time we had flat in terms of the CHIPS  
20 funding. And I know that was supplemented by  
21 the Recovery money. But keeping it flat for  
22 a long period of time -- and I know there was  
23 just a recent increase, but for eight years  
24 it was flat. It's very important that we

1 continue to increase those funds for our  
2 local municipalities so our roads can be  
3 repaired and our culverts as well.

4 And I would just like to just  
5 mention -- and take a little local privilege  
6 as well -- is, you know, I represent the Erie  
7 Canal. And we have many historic bridges  
8 that go over the Erie Canal, as well as just  
9 regular bridges, to make sure that our  
10 farmers can transverse their crops over both  
11 sides of the canal.

12 What is a long-term plan to address  
13 the bridges and the upkeep along the  
14 Erie Canal?

15 DOT COMMISSIONER DOMINGUEZ: As you  
16 know -- we've had this discussion -- I think  
17 the Erie Canal is one of the great gifts that  
18 New York State has, indicative of our history  
19 and our history certainly in transportation.

20 So many of the bridges are beautiful  
21 and iconic. They're also very old. And so  
22 we look to -- we look to reinvigorate and  
23 rehabilitate a number of those.  
24 Unfortunately, given the cost and the age,

1 some of the tools have to be done by hand,  
2 and so we take them on as we can. But we  
3 hope certainly to get some of the ones that  
4 are in your district soon.

5 ASSEMBLYMAN NORRIS: Thank you very  
6 much, Commissioner. I appreciate the  
7 opportunity.

8 CHAIRWOMAN WEINSTEIN: Thank you.  
9 To the Senate.

10 CHAIRWOMAN KRUEGER: Thank you very  
11 much. The next is our ranker, Senator  
12 Oberacker, for five minutes.

13 SENATOR OBERACKER: There we go.

14 DOT COMMISSIONER DOMINGUEZ: Hello,  
15 sir.

16 SENATOR OBERACKER: Good to see you in  
17 person. Thank you, Commissioner. And again,  
18 thank you for all you do, especially for my  
19 upstate counties that I represent.

20 You know, as a former chair of public  
21 works for Otsego County, I understand the  
22 importance of the local municipalities and  
23 the impact that all of these funding streams  
24 have, which are incredible. One of the

1 things we had talked about previously was the  
2 EWR, the Extreme Winter Recovery funding.  
3 And I wanted to just kind of plant a seed and  
4 get, again, some feedback on looking at a  
5 potential additional form of funding which  
6 would be called Extreme Weather Recovery. We  
7 had some really interesting storms -- and I  
8 use that term loosely, "interesting" -- come  
9 through my area in the springtime. And the  
10 damage that those springtime storms posed to  
11 the local municipalities were devastating.

12 And it would be extremely, I think,  
13 valuable to look at a metric where we would  
14 look at the damage being a percentage of an  
15 overall local municipality budget. When I  
16 was the supervisor for the Town of Maryland,  
17 the Town of Maryland highway budget was about  
18 83 percent of my total budget.

19 So I was really wanting to get some  
20 feedback from you on what your thoughts were  
21 about putting together a program that would  
22 also address extreme weather as opposed to  
23 extreme winter recovery.

24 DOT COMMISSIONER DOMINGUEZ: I think

1 that there are -- I very much appreciate the  
2 fact that you're focused, first and foremost,  
3 on what I would call -- what you're calling  
4 weather, I would call resiliency. Because  
5 basically what we have to really do is make  
6 sure that we're leveraging the dollars that  
7 we're receiving from this budget to make sure  
8 that we've got that level of durability.

9 I mentioned in my statement that we  
10 build for a 75-year lifespan for our bridges.  
11 That's because we build for resiliency. And  
12 when you look at that and you couple that  
13 with opportunities that we now have, we're  
14 leveraging the dollars in the capital plan  
15 right now for a very specific culvert  
16 program, where we're rehabilitating over  
17 400 culverts in the state. That's critical  
18 because, as you know, roads and bridges are  
19 dependent on appropriate drainage systems.  
20 And if they fail, the road fails and the  
21 bridge fails.

22 So we've got an entire program within  
23 DOT where we focus on monitoring drainage  
24 systems, culverts, et cetera. But we're



1 building and identifying and we're taking all  
2 that data and assessing where do we need to  
3 further invest in that resiliency factor  
4 related to weather.

5 But I'd be happy to talk to you about  
6 what we do and how we can actually build for  
7 additional resiliency.

8 SENATOR OBERACKER: Thank you. I  
9 appreciate that answer.

10 Also, under the PAVE-NY, which was  
11 150 million for the PAVE-NY fund, some of the  
12 local municipalities had the ability or the  
13 timing to plan for when we changed our  
14 costings for hauling aggregate for local  
15 municipalities. Is there a way that maybe  
16 some of that could help offset their  
17 budgetary stresses? Because they didn't get  
18 a chance to budget for that when we passed  
19 that legislation. Is there a way that that  
20 can be used to help offset some of the  
21 hauling?

22 DOT COMMISSIONER DOMINGUEZ: I don't  
23 know, but I'd be happy to explore it.

24 SENATOR OBERACKER: Perfect. Perfect.

1 I thank you again for that.

2 And then lastly, is there a breakdown,  
3 if you will, from an upstate-downstate  
4 transportation investment maintenance  
5 perspective? You know, I kind of span both,  
6 if you really start to think about it. So  
7 just kind of interesting, I'm asked a lot,  
8 Where does upstate and downstate start? If  
9 you want to educate me on that, Commissioner,  
10 I would appreciate the answer. So thank you.

11 DOT COMMISSIONER DOMINGUEZ: I would  
12 never presume to define where upstate and  
13 downstate -- there's entire blogs, Twitter --

14 (Laughter.)

15 DOT COMMISSIONER DOMINGUEZ: --  
16 accounts devoted to that.

17 But with regard to how we actually  
18 utilize the funding, I want to assure you  
19 that first and foremost the way that DOT  
20 approaches, you know, how we actually compile  
21 the capital plan is really on an asset basis.  
22 So we literally look at the conditions --  
23 roads, bridges, culverts, et cetera -- and  
24 make sure that we're accounting for all the

1 data that goes into that, to really  
2 understand where the needs are greatest.

3 That said, we try and apply that  
4 statewide across the board, upstate,  
5 downstate, et cetera.

6 SENATOR OBERACKER: Perfect. And  
7 thank you.

8 And my last question is more of a  
9 statement. I would appreciate all of those  
10 that have never had the opportunity to stand  
11 on a highway when a vehicle is traveling  
12 55 miles an hour down the road. As a member  
13 of my emergency squad, you get a feel for  
14 that. Those that are out there every day,  
15 everybody, we need to slow down and save  
16 lives.

17 Thank you.

18 DOT COMMISSIONER DOMINGUEZ: Thank  
19 you, sir. Greatly appreciate that.

20 CHAIRWOMAN WEINSTEIN: Assemblywoman  
21 Simon. Is she here?

22 Just to colleagues, Assembly and  
23 Senate, the end chair on the left is for  
24 people who don't have a seat with a

1 microphone at it. There's a sign there  
2 for ...

3 CHAIRWOMAN KRUEGER: And, I'm sorry,  
4 for the Senate, we didn't put a sign up yet.  
5 But for tomorrow, just know the seat on the  
6 far right in the front -- wave for us,  
7 Senator. Great. So as of tomorrow, that  
8 will be the seat we leave open for any  
9 Senator who comes in and then is going to ask  
10 questions and doesn't have a seat with a  
11 microphone.

12 Thank you.

13 ASSEMBLYWOMAN SIMON: Thank you for  
14 the time to find my notes. I appreciate it.

15 Good afternoon, Commissioner. Thank  
16 you so much for being here. And thank you  
17 for the conversation we had the other day as  
18 well.

19 You know, as we have talked, a major  
20 concern in Brooklyn is the deteriorating  
21 triple cantilever of the BQE. And while the  
22 city owns that portion, you literally can't  
23 get on it or off it without the state ramps,  
24 et cetera. And most of the BQE itself is

1 under state control. And we've had several  
2 false starts with this project, and one of  
3 the concerns we've heard from the community  
4 is about the state involvement.

5 Can you explain to us what the state  
6 is doing to assist the city moving forward  
7 with this project, including access to  
8 federal funds, if you can.

9 DOT COMMISSIONER DOMINGUEZ: Yes.

10 So New York State DOT is working  
11 directly with the city, all elements of the  
12 city that are involved, including City DOT,  
13 on the NEPA requirements. Meaning that this  
14 is -- the triple cantilever project, the  
15 reconstruction of the triple cantilever,  
16 which is what the city's putting forward  
17 right now, is going to require a full  
18 environmental impact statement. And the  
19 scope of that is currently in development.

20 And I would argue that this is one of  
21 the most critical things that you can do in a  
22 project of this size and this magnitude. So  
23 that's where we're directly engaged with the  
24 city, helping them certainly with technical

1 assistance on their bridge elements, but more  
2 importantly on the NEPA requirements.

3 And, I'm sorry, you asked me a second  
4 part to that question.

5 ASSEMBLYWOMAN SIMON: Well, mostly of  
6 access to federal funds. I know we have  
7 discussed that as well. Because several of  
8 the members here represent parts of the  
9 roadway, and access to federal money under  
10 the Bipartisan Infrastructure Act is  
11 critical.

12 DOT COMMISSIONER DOMINGUEZ: So the  
13 city's looking at applying for discretionary  
14 grants under the bipartisan infrastructure  
15 legislation. And so they've got full ability  
16 -- the great thing about the bipartisan  
17 infrastructure legislation is that it opened  
18 up opportunities for municipalities  
19 certainly, you know, New York City, let alone  
20 local municipalities, to apply for  
21 discretionary grants.

22 And so part of the work that we're  
23 doing right now with the city on the NEPA  
24 process will help them with their application

1 for discretionary grants.

2 ASSEMBLYWOMAN SIMON: And you'll  
3 support the request, the city -- the state?

4 DOT COMMISSIONER DOMINGUEZ: Their  
5 support for the discretionary grant?

6 ASSEMBLYWOMAN SIMON: Yeah.

7 DOT COMMISSIONER DOMINGUEZ: I think  
8 across the board, if -- you know, the bottom  
9 line is to make sure that the project comes  
10 together and is supported by a strong  
11 environmental component. That will be the  
12 baseline for everything. So yes.

13 ASSEMBLYWOMAN SIMON: Thank you.

14 CHAIRWOMAN WEINSTEIN: Thank you.

15 To the Senate.

16 CHAIRWOMAN KRUEGER: I'm sorry. Thank  
17 you so much. Excuse me. Too many things  
18 happening sometimes at the same time.

19 Senator Liu, please.

20 SENATOR LIU: Thank you, Madam Chair.

21 And thank you, Commissioner, for  
22 joining us. Good to see you.

23 You mentioned that -- you actually  
24 mentioned in your testimony \$153 million for

1 the electric vehicle infrastructure plan.

2 That's part of -- I'm being told that the  
3 state expects about \$14 billion from the  
4 infrastructure -- from President Biden's  
5 infrastructure plan?

6 DOT COMMISSIONER DOMINGUEZ: Yes.

7 So that was just specific to the NEVI  
8 program that I'm talking about, the electric  
9 vehicle --

10 SENATOR LIU: Well, that's a good  
11 thing. But the rest of the 14 billion, is  
12 that already baked into that five-year  
13 capital plan that you testified about?

14 DOT COMMISSIONER DOMINGUEZ: Yes, sir.

15 SENATOR LIU: And are there -- is  
16 there like a specific list that -- is all of  
17 the capital plan spoken for, the federal as  
18 well as state-funded portions?

19 DOT COMMISSIONER DOMINGUEZ: At the  
20 end of the budget process last year, the MOU  
21 was signed between the Legislature and the  
22 Executive which defines how those dollars  
23 will be spent in the five-year capital plan.

24 SENATOR LIU: Even though the federal



1 infrastructure plan had not yet been passed  
2 at the time.

3 DOT COMMISSIONER DOMINGUEZ: It had.

4 SENATOR LIU: It had? A year ago.

5 Okay. All right.

6 So it's all spoken for, there's

7 nothing left. That's --

8 DOT COMMISSIONER DOMINGUEZ: It's been  
9 programmed.

10 SENATOR LIU: Okay. I do want to  
11 thank you and your team for putting in -- I  
12 guess they're supposed to be innovative green  
13 barriers to help local residents contend with  
14 noise emanating from highways going through  
15 residential neighborhoods.

16 DOT COMMISSIONER DOMINGUEZ: Yes.

17 SENATOR LIU: So thanks to you for  
18 that. And hope to see some more of that  
19 through I guess the list that's already been  
20 developed?

21 DOT COMMISSIONER DOMINGUEZ: It's a  
22 whole mix of programs in the five-year  
23 capital plan, so we've got projects in every  
24 corner of the state. So yes, some of them

1 will include some green noise opportunity --  
2 green noise reduction opportunities.

3 SENATOR LIU: All right, great. And  
4 thank you for highlighting your DOT team.

5 DOT COMMISSIONER DOMINGUEZ: Thank  
6 you.

7 SENATOR LIU: They make things work,  
8 they make us move, and I guess I'll give a  
9 shout out to your assistant commissioner  
10 Jan Ho there, sitting quietly there.

11 Thanks for your team, and thanks for  
12 your efforts.

13 DOT COMMISSIONER DOMINGUEZ: Thank  
14 you, sir.

15 CHAIRWOMAN KRUEGER: Thank you.  
16 Assembly.

17 CHAIRWOMAN WEINSTEIN: Assemblyman  
18 Jacobson.

19 ASSEMBLYMAN JACOBSON: Thank you.  
20 Thank you, Madam Chair.

21 I can't predict the weather, but I can  
22 guarantee you that when we go from sub-zero  
23 weather to weather in the forties and higher,  
24 we're going to have more potholes. Yet all

1 our great programs, well intentioned --  
2 CHIPS, Extreme Weather, Pave Our Potholes,  
3 BRIDGE NY, PAVE-NY -- no increase this year.  
4 And as far as I know, paving costs have not  
5 been immune to inflation. There hasn't been  
6 an increase on many of these in a number of  
7 years.

8 So are you going to tell the Governor,  
9 Hey, it's a great budget, but I really think  
10 you should change this funding and help the  
11 people that need help so we can do the  
12 paving?

13 DOT COMMISSIONER DOMINGUEZ: Well, I  
14 think what we're doing is executing on the  
15 five-year plan that was agreed to last year  
16 that did include increases in those funding  
17 pots.

18 So, you know, the bottom line is is  
19 that we've got a very significant amount of  
20 money that we're putting to use for the  
21 infrastructure that is across our state. And  
22 whether it's local bridge, local highway  
23 money, we've seen -- we've seen a good amount  
24 of investment. We're trying to put it all to

1 good use --

2 ASSEMBLYMAN JACOBSON: These are for  
3 the local roads.

4 DOT COMMISSIONER DOMINGUEZ: Correct.

5 ASSEMBLYMAN JACOBSON: And we've got  
6 this extra federal money. So a lot of these  
7 municipalities can match out. And if you had  
8 more to match, they could do it.

9 Another is I represent in Orange  
10 County -- you've been in my district. I have  
11 Route 84. We have the interchange with the  
12 Thruway. From the Newburgh Beacon Bridge to  
13 the Thruway, it's terrible.

14 I was told last year that this is a  
15 priority for this year. I mean, if you go on  
16 Exit 37, which goes -- going east, getting  
17 off, it's nothing but potholes. And you have  
18 to pray in the evening that you remember on  
19 the ramp that you can't -- even though you're  
20 going to make a right-hand turn, you've got  
21 to stay in the left lane, and you've got to  
22 make sure that you don't forget where the  
23 potholes are.

24 So is that going to be done this year?

1 DOT COMMISSIONER DOMINGUEZ: We do  
2 have a project programmed to address that  
3 area, and I think our team has been able to  
4 meet with you and go through some of the  
5 details. But I'll make sure that we follow  
6 it up directly.

7 ASSEMBLYMAN JACOBSON: I hope so,  
8 because then you can come by and -- believe  
9 me, next year, if it's done, I will praise  
10 it, your good work.

11 Now, as far as Route 17, the expansion  
12 of Route 17, I've been hearing for the last  
13 four years it's just around the corner, so  
14 much that we're in a circle and going no  
15 place. When is the environmental impact  
16 statement going to be done, and when are we  
17 going to get in the ground?

18 DOT COMMISSIONER DOMINGUEZ: So as you  
19 know, sir, we completed the linkage study  
20 last year, and now we've moved into the EIS  
21 phase. We've secured a contract, and we've  
22 started on the study.

23 And the one thing I can tell you  
24 really quickly, because I know the time is

1 short, is that one of the things that we're  
2 going to be doing is making sure we address  
3 some of the -- there's an exit that has a  
4 linkage to the existing 17 that we're going  
5 to improve before we even tackle the larger  
6 17. So there will be progress along the way.

7 ASSEMBLYMAN JACOBSON: Which means  
8 when?

9 CHAIRWOMAN WEINSTEIN: Thank you.  
10 Time.

11 ASSEMBLYMAN JACOBSON: Thank you. My  
12 time is up.

13 CHAIRWOMAN WEINSTEIN: To the Senate  
14 now.

15 CHAIRWOMAN KRUEGER: Senator Leroy  
16 Comrie.

17 SENATOR COMRIE: Thank you. Good  
18 afternoon, Commissioner. I want to thank you  
19 for your work and reaching out and  
20 consistently keeping us informed about your  
21 concerns and issues. So I want to  
22 congratulate you for the Kew Gardens  
23 exchange, finally getting that done after a  
24 hundred years. But it looks good, and it's

1 not -- there's no water, so that's a  
2 wonderful thing, that weakened concern.

3 Can you give us, for the public, what  
4 is the thought process behind the delay in  
5 designation for the Van Wyck, and what's  
6 going on with the Van Wyck? Because I know  
7 we just finished a -- there's a lot of work  
8 happening over there, and what can be done to  
9 give people some hope that the Van Wyck will  
10 get completed in -- in --

11 DOT COMMISSIONER DOMINGUEZ: So we  
12 have a very large project going on on the Van  
13 Wyck. It's a three-phase, multi-million-  
14 dollar project. But basically we're looking  
15 at adding an HOV lane. In order to do that,  
16 it means that we actually have to -- we're  
17 not expanding the footprint of the Van Wyck;  
18 what we're doing is creating additional space  
19 within the existing footprint. And in order  
20 to do that, we have to address the bridges  
21 along the way.

22 All of that means that basically we're  
23 looking to make sure that, one, the purpose  
24 of the program is fulfilled, which is, one,

1 to ease movement across the Van Wyck. But  
2 also we're planning for what the future might  
3 be. So today, you know, it is an HOV lane  
4 allowing for additional persons to move, you  
5 know, multi-passenger cars. But in the  
6 future it could be a dedicated bus lane.

7 The bottom line is is that we're  
8 looking to make sure that we can take  
9 advantage of every opportunity as technology  
10 advances, as well as ridership and the use of  
11 our transportation system. So thank you for  
12 your patience. We're getting there. We're  
13 making a lot of good progress.

14 SENATOR COMRIE: Can we work on a  
15 community meeting? Because there's a lot of  
16 folks concerned about the on and off ramps  
17 and the accessibility right now. So if we  
18 can get a timeline for that for the public,  
19 I'd appreciate it.

20 DOT COMMISSIONER DOMINGUEZ: Yes, I'd  
21 be happy to share that with you.

22 SENATOR COMRIE: Cross-Island Parkway.  
23 I have to ask you, when am I getting my  
24 Cross-Island Parkway expanded from, you know,



1 the interchange with the Southern State  
2 Parkway to -- through the -- you know,  
3 through to the -- all the way through to  
4 Grand Central? We need to get the  
5 Cross-Island Parkway expanded.

6 Has there been any development or  
7 design updating -- to update on that?

8 DOT COMMISSIONER DOMINGUEZ: Not that  
9 I have for you today, sir. But I can tell  
10 you that it's something that we continue to  
11 look at.

12 SENATOR COMRIE: Okay. And also can  
13 you get us an update on how you're doing with  
14 MWBE and procurements within your agency to  
15 give to the community so we can get an update  
16 on how well you're spending money within our  
17 MWBE footprint?

18 DOT COMMISSIONER DOMINGUEZ: Yes, sir.

19 SENATOR COMRIE: Thank you. Oh, right  
20 on time.

21 CHAIRWOMAN KRUEGER: Thank you.  
22 Assembly.

23 CHAIRWOMAN WEINSTEIN: Thank you.

24 We go to Assemblywoman Gallagher.

1 ASSEMBLYWOMAN GALLAGHER: Hello.

2 DOT COMMISSIONER DOMINGUEZ: Hello.

3 ASSEMBLYWOMAN GALLAGHER: Can you hear

4 me?

5 CHAIRWOMAN WEINSTEIN: Yes.

6 ASSEMBLYWOMAN GALLAGHER: Okay. Hi.

7 Ooh, that's much better. Hi, I'm

8 Assemblywoman Gallagher, and I represent the

9 northernmost part in Brooklyn of the BQE.

10 And there's been a strong perception in my

11 community that the state is not at the table

12 in the same way that the city is in terms of

13 the revisioning of what the BQE can look

14 like.

15 We have been divided, my communities

16 have been divided by the BQE. We've suffered

17 enormous environmental impacts. We've also

18 suffered environmental justice impacts with

19 childhood asthma and other situations caused

20 by the presence of this major highway.

21 Additionally, we have trucks and

22 traffic cutting through our residential

23 streets to get to the BQE. And I know that

24 my community really wants to see a totally

1 different vision.

2 So I'm wondering what is the state's  
3 vision for the BQE, and what will that look  
4 like in terms of community engagement?

5 DOT COMMISSIONER DOMINGUEZ: So as I  
6 was saying before, Assemblymember, we're at  
7 the table directly with the City DOT working  
8 on the EIS that they're developing, the  
9 environmental documentation for the  
10 rehabilitation -- or, rather, reconstruction  
11 of the triple cantilever.

12 But, you know, in the last 10 years  
13 DOT, New York State DOT, has invested more  
14 than -- I want to say over a billion,  
15 \$1.2 billion along the BQE. And so what  
16 we're looking at right now is future needs  
17 within the city's study area. We anticipate  
18 that our investment is going to be somewhere  
19 around an additional 300 million over the  
20 next five years, and we're going to really be  
21 looking at some of those structural  
22 deficiencies as well as some of the  
23 rehabilitation --

24 ASSEMBLYWOMAN GALLAGHER: I don't want

1 to interrupt you, but I want to make sure I  
2 get my point across. My community does not  
3 want the BQE to be repaired, we want it to be  
4 revisioned and totally changed. And that  
5 includes decking some of the parts that are  
6 underground. And it also means maybe  
7 thinking differently about the part that is  
8 aboveground.

9 Currently the part that's by my  
10 community has paint flaking off. We've tried  
11 to have multiple meetings with State DOT, and  
12 they haven't worked out over the last  
13 10 years. And I just know that we need to  
14 have a stronger dialogue about what the BQE  
15 repairs and changes look like, because we are  
16 not part of the city BQE portion, we are only  
17 state. And we do not feel like we are being  
18 heard or seen.

19 And I would really like to build a  
20 stronger dialogue about what is happening  
21 with the BQE. Thank you.

22 CHAIRWOMAN WEINSTEIN: Perfect timing.

23 Senate?

24 CHAIRWOMAN KRUEGER: Thank you.

1 Senator Mattera.

2 SENATOR MATTERA: Great. And

3 Commissioner -- thank you, Madam Chair.

4 Thank you, Madam Chair.

5 And Commissioner, it's just wonderful

6 to see you, and I thank you so much for you

7 coming to my office and -- you know, and I

8 gave you my wish list, and I'm hopeful that

9 you really went over that, you know, before

10 you came here today. But I appreciate all --

11 especially all the DOT workers for what they

12 do every day, all the union workers that work

13 so hard.

14 So in -- the budget includes an

15 additional 48 million in General Fund

16 appropriations for operations, and yet

17 full-time employees are not increasing. What

18 are the additional funds being used for?

19 DOT COMMISSIONER DOMINGUEZ:

20 Forty-eight million for operations? That

21 goes to literally everything that we do

22 within the state system. So operations

23 literally funds our snow and ice, our highway

24 maintenance program, everything that we do to

1 maintain the system itself. Those all come  
2 directly into our operations.

3 SENATOR MATTERA: Okay. But our  
4 full-time employees, we're -- they're  
5 actually -- what's happening with them with  
6 the increases of decent wage, decent  
7 healthcare and decent pension? Are we  
8 looking --

9 DOT COMMISSIONER DOMINGUEZ: Yes, sir.  
10 Actually, we have just looked very seriously  
11 at our snow and ice team in particular and  
12 have made adjustments accordingly,  
13 recognizing that they absolutely do deserve a  
14 living wage.

15 SENATOR MATTERA: Please. It's very,  
16 very important. We know what's happening  
17 right now with inflation and everything like  
18 that. And, you know, we're all praising our  
19 DOT workers, but you know what, they need  
20 to -- you know, they need to --

21 DOT COMMISSIONER DOMINGUEZ: And we  
22 have acknowledged that and --

23 SENATOR MATTERA: -- they need to be  
24 compensated, please.

1 DOT COMMISSIONER DOMINGUEZ: They have  
2 been.

3 SENATOR MATTERA: And I thank  
4 Assemblywoman Gallagher. Thank you so much,  
5 because leaving Long Island and going to --  
6 it's scary, that BQE. That is -- it is so  
7 scary, you go with a truck and -- I'm into  
8 cars, okay. Driving with a truck and  
9 trailer, that is a disaster. And right, not  
10 to just put down new pavement, that needs to  
11 be totally engineered. Me being in  
12 construction, it is just a disaster.

13 So we can't just do a pothole repair;  
14 it needs to be totally revamped. So I know  
15 that's a tough one, but that really has to be  
16 looked into. And I thank you, Assemblywoman,  
17 for bringing that up.

18 On the CHIPS fund, can you explain to  
19 me what your role is to help CHIPS? And I  
20 thank the Assemblyman that he brought that  
21 up. What is your role in helping CHIPS? And  
22 I always want to thank our Senator O'Mara for  
23 always having our CHIPS Day and, you know,  
24 the superintendents come up and you know

1 what, and of course to look for CHIPS money.  
2 Because you've got to remember something,  
3 these Prime trucks and these drop-shipping  
4 trucks are driving all over our neighborhoods  
5 right now, and really, seriously, there  
6 should be like toll booths and they should  
7 be, you know, paying for driving all over our  
8 roads right now. I understand it's progress.  
9 But what can we do to help our CHIPS funds  
10 out to -- seriously, these trucks are driving  
11 all over our neighborhoods. Everybody knows  
12 that.

13 That can't be three minutes.

14 (Laughter.)

15 SENATOR MATTERA: Senator Krueger --

16 (Laughter.)

17 CHAIRWOMAN KRUEGER: I don't -- you  
18 know, I don't make the rules.

19 SENATOR MATTERA: Can she just answer  
20 the question, please, if you don't mind?

21 CHAIRWOMAN KRUEGER: Can you quickly  
22 answer the question?

23 DOT COMMISSIONER DOMINGUEZ: So, one,  
24 I want to thank you for your advocacy for our



1 highway workers. I greatly appreciate it.  
2 We have made huge strides, and I really thank  
3 the Governor for that, to make sure that they  
4 are compensated for the incredible work that  
5 they do.

6 With regard to CHIPS, one of the  
7 things that I was trying to point out is we  
8 really have put -- the Legislature and the  
9 Executive put in a lot of money to --  
10 actually, \$6.1 billion, for local programs,  
11 leveraging that across a whole variety of  
12 reimbursement programs. So my role in  
13 particular, DOT's role in particular, is to  
14 make sure that we work with the localities to  
15 spend those dollars as wisely as possible.

16 SENATOR MATTERA: Thank you so much.

17 CHAIRWOMAN KRUEGER: Thank you.

18 You might have to become a Democrat  
19 now.

20 SENATOR MATTERA: Thank you, Senator  
21 Krueger.

22 (Laughter.)

23 CHAIRWOMAN WEINSTEIN: Assemblyman  
24 Otis.

1 ASSEMBLYMAN OTIS: Hi, Commissioner,  
2 how are you doing here? I'm over here.

3 DOT COMMISSIONER DOMINGUEZ: Hello,  
4 sir.

5 ASSEMBLYMAN OTIS: Thank you for your  
6 testimony and for all the hard work of  
7 everybody at DOT.

8 I have three topics. I'll run them  
9 off quickly, and you can tackle them.

10 Number one, curious to get more detail  
11 in terms of EV charging infrastructure for  
12 travelers. And especially, I think the  
13 concern generally across the country is that  
14 we're not rolling out EV charging stations  
15 that are going to meet the demand very  
16 quickly for the purchase of electric vehicles  
17 with all the manufacturers moving very  
18 quickly to that. So that's topic number one.

19 Topic number two is in terms of solar  
20 arrays near highways, it's something that is  
21 a popular thing around the country. I don't  
22 know whether DOT is working on that with NYPA  
23 or whatnot, but it's something -- curious as  
24 to whether -- how deep you're into that. But

1 there is land near highways that isn't being  
2 used for other things. We're not taking away  
3 farmland. A good place for solar.

4 And number three, your reflections on  
5 the experience of the storm recovery in  
6 Western New York and Northern New York. And  
7 DOT did a great job of trying to get  
8 resources, mutual aid, to those areas. And  
9 what occurs to me is that this is an  
10 opportunity to institutionalize and expand  
11 that kind of mutual aid concept for the  
12 storms that are sure to come in the future.

13 So any thoughts on those three topics  
14 are very welcome. And again, thank you for  
15 everything that the department does.

16 DOT COMMISSIONER DOMINGUEZ: Well,  
17 thank you for your questions.

18 The first one, with regard to  
19 electrification, I had mentioned that we're  
20 getting \$175 million through the Federal  
21 Highway Administration. They have accepted  
22 the plan that New York State DOT has put  
23 forward for electrification under NEVI. What  
24 that's going to do is fill the fast-charging

1 gaps per the requirements that FHWA has put  
2 out.

3 So basically you have to have, within  
4 50 miles or more, along the corridor that's  
5 been designated by USDOT, electric charging  
6 capability. And so the complete map was  
7 actually approved, and now we're in the  
8 process of actually working with our partners  
9 at NYSERDA and NYPA and DEC and DPS and  
10 everybody to make sure that we're actively  
11 developing that, building off the great  
12 success that New York has had.

13 I have to say, I talk to my  
14 counterparts in other states; the great thing  
15 that we have is we've got NYSERDA and NYPA  
16 and other entities that have been installing  
17 fast charging through the existing programs  
18 that we have, Make Ready and others. And so  
19 we're leveraging all of that expertise to  
20 make sure that we develop it.

21 With regard to the solar panels, we  
22 have done that in the past. We've installed  
23 them. We're more focused right now on what  
24 the global partnering with our state's --

1 with the other entities like NYSERDA on  
2 renewable energy. So transmission from wind  
3 and water.

4 ASSEMBLYMAN OTIS: Thank you.

5 CHAIRWOMAN WEINSTEIN: Thank you.

6 Senate?

7 CHAIRWOMAN KRUEGER: Thank you.

8 Next is Senator Ramos.

9 SENATOR RAMOS: Thank you, Senator  
10 Krueger.

11 Commissioner Dominguez, good to see  
12 you again. I want to focus my questions  
13 today on e-bikes. We legalized three  
14 different classes in 2019, and it was a big  
15 win for my constituents, for delivery  
16 workers, for the environment. But of course  
17 the proper use and safety continues to be a  
18 concern, I think, to all of us.

19 And unfortunately the City of New York  
20 continues to ignore the clause that actually  
21 mandates the city to enact traffic  
22 regulations.

23 So I'm wondering, what is it that the  
24 State DOT can do to educate e-bike riders

1 about the laws about use without relying on  
2 overpolicing?

3 DOT COMMISSIONER DOMINGUEZ: You know,  
4 part of the education process is actually a  
5 collaborative effort. Right? When you're  
6 talking about anybody who's using a bikeway,  
7 a pedestrian access point, let alone the  
8 roads. And I think that one of the  
9 opportunities that may exist is to work  
10 through the Governor's Traffic Safety Council  
11 to really look at what kinds of educational  
12 signage and other mechanisms, to make sure  
13 that we're reaching people. Right?

14 Not just by language but literally by  
15 international, global signage that people can  
16 understand. What are the rules, quote,  
17 unquote, of the bikeway, what are the rules  
18 of how you operate a motorized vehicle  
19 like --

20 SENATOR RAMOS: You know, it's true, I  
21 mean the city at this point, since 2019, is  
22 yet to post any speed limits, like we do have  
23 for cars, for example. It's very unfortunate  
24 that the city continues to ignore and fall

1 out of compliance with the law.

2 Along those lines, actually, Senator  
3 Krueger carries a few bills to regulate  
4 lithium ion batteries that, as you know, have  
5 been the source of a few fires, including in  
6 my district, unfortunately. Lithium ion  
7 batteries are actually banned for second use  
8 under every circumstance except for e-bikes,  
9 unfortunately.

10 Is there anything that the DOT can do  
11 to promote the safe use of those batteries?

12 Are there any plans for the state to aid in  
13 the storage of batteries of e-bikes?

14 DOT COMMISSIONER DOMINGUEZ: I have to  
15 tell you that I know enough to be really  
16 dangerous here. Because of my former job at  
17 USDOT, I actually regulated hazardous  
18 materials in transportation, and it really is  
19 a federal issue with regard to lithium ion  
20 batteries. And so I think there's an  
21 opportunity to look to see, under the federal  
22 requirements, how do you actually have those  
23 safety provisions in place.

24 It's not a state jurisdictional issue

1 per se. You can imagine, you know,  
2 e-cigarettes when they were on planes --  
3 again, having to do with lithium ion  
4 batteries and the safety of them. So ...

5 SENATOR RAMOS: Okay. Well, I'd very  
6 much like to work on this issue with you.  
7 Thank you.

8 CHAIRWOMAN KRUEGER: Assembly.

9 CHAIRWOMAN WEINSTEIN: Assemblywoman  
10 Mitaynes.

11 ASSEMBLYWOMAN MITAYNES: Hello? Okay.  
12 Thank you.

13 I want to know what the state is doing  
14 to apply to the federal government for  
15 Reconnecting Communities grants from the  
16 federal government. Communities north and  
17 south of the cantilever have been divided by  
18 the BQE for 70 polluting years.

19 In my district in particular, of  
20 Sunset Park and Red Hook, they've been  
21 divided by a hulking elevated viaduct. And  
22 so the communities need reconnection and they  
23 need environmental justice.

24 DOT COMMISSIONER DOMINGUEZ: So one of



1 the things that we were just talking about  
2 earlier with regard to the BQE is we're  
3 helping directly to provide some assistance  
4 to the city in the form of technical  
5 assistance on their environmental review  
6 process. That will in turn help inform their  
7 application for a Reconnecting Communities  
8 grant or whatever they decide to go after the  
9 discretionary programs at USDOT.

10 But there are opportunities for  
11 discretionary grants.

12 CHAIRWOMAN WEINSTEIN: Senate?

13 CHAIRWOMAN KRUEGER: Okay. I wasn't  
14 quite sure whether they were done. Thank  
15 you. Somebody was so fast.

16 Next we have Senator Hinchey.

17 SENATOR HINCHEY: Thank you, Madam  
18 Chair.

19 And hello, Commissioner.

20 DOT COMMISSIONER DOMINGUEZ: Hello,  
21 Senator.

22 SENATOR HINCHEY: Thank you for being  
23 here.

24 I want to touch on -- or ask something

1 that we've talked a lot about, which is  
2 upstate public transportation. I'll say  
3 upstate being Hudson Valley to -- in this  
4 context. I represent a district with very  
5 little public transportation. And it was  
6 exciting to see in the budget \$3 million set  
7 aside for innovative public transportation  
8 options, understanding these are kind of  
9 based on a pilot rollout.

10 But \$3 million to me sounds very low  
11 as it pertains to anything in transportation,  
12 but especially for that large swath of an  
13 area, especially trying to generate -- the  
14 way I read this, generate public  
15 transportation options in places that don't  
16 have it.

17 Would you recommend, would you think  
18 that we should have more money allocated to  
19 these types of projects in our upstate  
20 communities?

21 DOT COMMISSIONER DOMINGUEZ: Well, I  
22 definitely appreciate -- first and foremost,  
23 I think this is a step in the right  
24 direction. The Executive put forward an

1 Innovative Mobility Fund, recognizing that we  
2 really need to look at how we actually  
3 provide transit service in all parts of the  
4 state.

5 And what I mean by that is, you know,  
6 you had the chance to talk to the MTA about  
7 what they're doing in the city, but when you  
8 look outside of the non-MTA areas, we've got  
9 transit deserts across the state. And what  
10 we're -- what we've been trying to do is  
11 figure out how we can best fill those gaps.

12 And whether that's micro-mobility, you know,  
13 coming up with on-demand services -- some of  
14 the authorities, as we've talked about,  
15 upstate have really experimented with this to  
16 a lot of success.

17 So the question is is how can we  
18 leverage this innovative pilot fund to better  
19 service all people --

20 SENATOR HINCHEY: But that requires  
21 one of those communities to have an authority  
22 already.

23 DOT COMMISSIONER DOMINGUEZ: Well, I  
24 think we should -- I'm not quite sure that

1 the rules of this have all been put together.  
2 So I think that, you know, recognizing that  
3 what you're pointing out is, you know, do you  
4 have to have an authority to actually make  
5 this -- to access these funds.

6 But I think we should go through what  
7 the requirements -- I don't believe, and I'll  
8 correct myself on the record later on if I'm  
9 wrong. But I'm not sure that the  
10 requirements have been defined yet on how --  
11 but it's intended to be -- the 3 million to  
12 be a competitive process.

13 SENATOR HINCHEY: Thank you. Yeah,  
14 we'll look into that. Because as we know,  
15 the Hudson Valley doesn't have a transit  
16 authority, and so sometimes it's difficult to  
17 find those.

18 In my last few seconds I want to  
19 switch gears really quickly. You know, what  
20 is DOT's role in helping expand cellphone  
21 service? As a safety measure for drivers on  
22 the road?

23 Many of our state roads don't have  
24 cellphone service. We have bridges that have

1 signs that say "Call for help" and then no  
2 cellphone service. So what do you think  
3 DOT's role is there?

4 DOT COMMISSIONER DOMINGUEZ: We work  
5 directly with the cellular companies to make  
6 sure that wherever they're looking to install  
7 additional service, that we provide safe  
8 access to the highway, to the state right of  
9 way.

10 CHAIRWOMAN KRUEGER: Thank you.  
11 Assembly.

12 CHAIRWOMAN WEINSTEIN: Assemblyman  
13 Slater.

14 ASSEMBLYMAN SLATER: Good afternoon,  
15 Commissioner.

16 DOT COMMISSIONER DOMINGUEZ: Good  
17 afternoon.

18 ASSEMBLYMAN SLATER: I think this is  
19 on. It is? Great.

20 Just a couple of quick questions for  
21 you. Again, great seeing you. Thank you for  
22 taking time to visit me in my office last  
23 week.

24 I wanted to bring up again the

1 five-year transportation plan and the MOU  
2 that allocated about 25 percent, roughly  
3 4.4 billion, for the Governor's priority  
4 projects. And we've heard a lot today about  
5 the impact of inflation and the costs of  
6 construction these days. So my concern is if  
7 we've allocated those dollars for the  
8 Governor's priority projects, do we know for  
9 a fact that we allocated enough of the  
10 4.4 billion? And if not, is there a concern  
11 from your standpoint that you're going to  
12 have to shift dollars from other road  
13 projects to complete them?

14 DOT COMMISSIONER DOMINGUEZ: No. What  
15 we're looking to do is manage -- we -- the  
16 bottom line is is that we've got opportunity  
17 in the five-year budget. And what I was  
18 trying to explain before is we're monitoring  
19 all the costs with regard to inflation. The  
20 cost of supplies, we've definitely seen an  
21 increase over the last year and a half,  
22 certainly. But those prices are adjusting  
23 themselves.

24 And so I think it's incumbent upon us

1 to actually monitor it over the course of  
2 time here. We're seeing a lot of -- you  
3 know, for instance, some of these prices are  
4 actually coming down in the last quarter,  
5 certainly over the last six months. So we  
6 have to look at it over the course of the  
7 five-year plan, how do we adjust those costs  
8 accordingly.

9 ASSEMBLYMAN SLATER: Thank you.

10 And I want to pivot quickly in my  
11 remaining time to the TOD proposal for  
12 transit-oriented development.

13 As you know, in my region and in my  
14 district, state roads are our main arteries.  
15 And so I'm just curious, from your  
16 standpoint, if we're implementing this  
17 housing program and the infrastructure  
18 specifically for state roads cannot support  
19 the increase of housing, what's your  
20 department going to do or what's your vision  
21 on how you can address that to meet the needs  
22 of my communities?

23 DOT COMMISSIONER DOMINGUEZ: I think  
24 one of the things that's really innovative

1 about the project -- so I like to look at it  
2 as mobility, not just transit-specific, but  
3 any mode of transportation that can be  
4 accessed. Because that's what we're  
5 basically trying to do, right? We're trying  
6 to connect people where they live to where  
7 they need to be, regardless of what mode of  
8 transportation is accessible to them.

9 And so that's the opportunity. And  
10 when you marry that up between housing  
11 opportunities, DRI, all of the other economic  
12 development programs that the state has,  
13 we've seen great success in how we can  
14 leverage train, transit, highway, rail  
15 service, et cetera, for the betterment.

16 ASSEMBLYMAN SLATER: I completely  
17 understand that. But considering that my  
18 district is a commuter district, and right  
19 now they use state roads to get to the local  
20 Metro-North stations. If you're going to be  
21 populating around those stations -- and right  
22 now the infrastructure isn't there to support  
23 what we currently need -- how are we going to  
24 support an influx of people who are utilizing



1 those arteries?

2 DOT COMMISSIONER DOMINGUEZ: Well, we  
3 look at it very holistically through the  
4 planning process at the MPO and how we can  
5 better serve everybody with leveraging those  
6 investments.

7 ASSEMBLYMAN SLATER: Thank you,  
8 Commissioner.

9 CHAIRWOMAN WEINSTEIN: Thank you.

10 Senate?

11 CHAIRWOMAN KRUEGER: Thank you.

12 Senator Gounardes.

13 SENATOR GOUNARDES: Great, thank you.

14 Good afternoon, Commissioner.

15 I just want to put the debate to bed.

16 Upstate begins north of Newtown Creek,  
17 everybody.

18 (Laughter.)

19 SENATOR GOUNARDES: And I want to just  
20 echo what Senator Kennedy ended on about  
21 looking to increase the capital plan as it  
22 relates to state roads, especially because in  
23 my district of Brooklyn, I represent 11 of  
24 the 19 miles of the BQE.

1           And, you know, I want to follow up on  
2 the questions that my colleagues have asked.  
3 Because just helping on the EIS is not  
4 enough. We know that the city controls the  
5 city cantilever and that they have to get the  
6 application in. Everyone understands that.  
7 Everyone at the table understands that.

8           But this highway is more than just a  
9 damaged 1.5-mile structure along the Brooklyn  
10 Heights Promenade. This highway is 20 miles,  
11 it's a scar through the face of Brooklyn and  
12 Queens. And we can't make any changes to the  
13 center of this highway, necessary changes,  
14 unless we do them everywhere. Otherwise  
15 we're not changing anything.

16          And to Assemblymember Gallagher's  
17 point, communities are hurting and they've  
18 been suffering for decades, for decades. And  
19 the state has not been anywhere in this  
20 conversation. We have community vision  
21 meetings with the city where we're told that  
22 State DOT officials are on the calls but they  
23 can't reveal themselves, they can't show up  
24 on a Zoom meeting.

1           And so how do we go back to our  
2 communities that have been crying in pain and  
3 say, Don't worry, we're fighting for you, but  
4 the state agency responsible to help us, that  
5 owns this highway, won't even show their face  
6 on a Zoom meeting? That's just not an  
7 acceptable answer. It's absolutely not.

8           We need the state to be part of this  
9 process, with the city for the cantilever,  
10 but for the southern portions and the  
11 northern portions. And we understand that  
12 the southern and northern portions are on a  
13 different timeline, they have different  
14 needs, different funding. But if you guys  
15 are not at the table now, none of this is  
16 going to happen.

17          So I really, really, really have to  
18 impress upon you and the entire department:  
19 We need you to be part of this process and  
20 not just to provide technical expertise on  
21 the city's application for the cantilever.  
22 Because otherwise this whole thing is going  
23 to fail and we're just going to rebuild what  
24 we have, which is going to condemn another

1 five generations to the highest asthma rates  
2 in Brooklyn, to more decades of environmental  
3 racism, to more impact of freight truck  
4 traffic and truck traffic, flooding off the  
5 Gowanus that comes down to Third Avenue and  
6 just pools there without any mitigation in  
7 sight.

8 So please, please, please, please,  
9 please -- pretty please -- we need State DOT  
10 at the table. And not just on a nameless,  
11 faceless Zoom call. We need you guys at the  
12 table.

13 And I'll let my last 17 seconds go  
14 back to you. Thank you.

15 DOT COMMISSIONER DOMINGUEZ: I  
16 appreciate your passion.

17 SENATOR GOUNARDES: It's more than  
18 passion. It's a necessity.

19 DOT COMMISSIONER DOMINGUEZ: I  
20 understand. You know, we have really  
21 significant issues that we've been addressing  
22 across so many communities across New York.  
23 That's the whole purpose of the Hunts Point  
24 project in the South Bronx. So I do

1 appreciate exactly what you're saying and the  
2 communities that you're serving.

3 And so again, we're working with City  
4 DOT on this project.

5 CHAIRWOMAN KRUEGER: Thank you.

6 Next is Assemblymember -- I'm going to  
7 get it wrong -- Pirozzolo? Is Assemblymember  
8 Pirozzolo here? No.

9 Well, okay, then Assemblymember  
10 Giglio. Gig-lio? Sorry, I pronounced it  
11 wrong. Sorry.

12 ASSEMBLYWOMAN GIGLIO: So thank you  
13 for being here. And thank you for visiting  
14 my office also. Thank you for the  
15 Long Island Expressway improvements that was  
16 done on time and under budget. And I care  
17 about the safety of the workers as much as  
18 you do.

19 Being an operating engineer with  
20 Local 138, I am curious as to the transition  
21 to electric vehicles for the heavy equipment  
22 on the roadways, especially snow removal.  
23 With concerns for all of my colleagues in  
24 Buffalo and in the heavier winter areas where

1 an electric vehicle -- heavy load or diesel,  
2 that operates for 12 hours. An electric  
3 vehicle may only be able to operate for four  
4 hours. And I want to know if you have it in  
5 your budget plan to make sure that you have  
6 three times the vehicles so you can do three  
7 times the work with the electric vehicles.

8 DOT COMMISSIONER DOMINGUEZ: So the  
9 way that we're approaching it -- and I very  
10 much appreciate your understanding of all of  
11 this -- is making sure that as the technology  
12 comes on-board for especially heavy-duty  
13 vehicles like a plow truck, we're working  
14 directly with the OEMs to understand when  
15 they're going to have vehicles ready, when we  
16 can test them, and when we can actually  
17 purchase them that would actually do the work  
18 that we require for them.

19 In the meantime, our focus has been  
20 making sure that we convert the DOT fleet  
21 where we can, and so we've focused on the  
22 light-duty fleet. We're almost in  
23 compliance. We're very close; we're almost,  
24 I think, about 75 percent. But within the

1 time period -- I think we've got another  
2 couple of years to finish the conversion.  
3 We're working on that. But then we'll focus  
4 on the medium and the heavy-duty as well.

5 But our conversations are ongoing with  
6 the OEMs to see exactly how quickly we can  
7 convert our fleet to make it safe.

8 ASSEMBLYWOMAN GIGLIO: Okay, thank  
9 you.

10 And then my next question would be for  
11 the Governor's planned 4.3 percent increase  
12 in housing stock on Long Island within a half  
13 a mile of a train station. And, knowing how  
14 congested the parking is at the train  
15 stations as it is, and what other towns  
16 within the state have done as far as  
17 eliminating a requirement for  
18 transit-oriented development housing, how  
19 that would affect the state roads on  
20 Long Island for not only the commuters --  
21 would there be the state investment in new  
22 parking so that if the developer does not  
23 have to provide it, that there will be  
24 parking for the commuters as well as the

1 hundreds of apartments or thousands of  
2 apartments that will be built around train  
3 stations?

4 DOT COMMISSIONER DOMINGUEZ: So we've  
5 had success on Long Island working with the  
6 Long Island Rail Road to look at what all of  
7 those options are, whether it's parking,  
8 additional mobility, additional literally not  
9 just parking, so it's not just cars, there's  
10 also bike and ped access opportunities.

11 So as the density of the housing is  
12 compiled, how do you make sure that you've  
13 got access across the board. So it will be a  
14 little bit more of a holistic approach.

15 We've already had direct conversations,  
16 multiple conversations with the housing  
17 authority, the housing commission, HCR, to  
18 make sure that as this gets developed, it's  
19 more comprehensive.

20 ASSEMBLYWOMAN GIGLIO: Thank you.

21 CHAIRWOMAN WEINSTEIN: Thank you.

22 Senate?

23 CHAIRWOMAN KRUEGER: Thank you.

24 Senator Gonzalez.



1 SENATOR GONZALEZ: Hi, Commissioner.

2 Thank you so much for being here.

3 I also want to thank the chairs. As  
4 this is my first hearing, I am finding both  
5 how long and how hard it can be to run these.

6 But I wanted to echo, you know, what  
7 Assemblymember Gallagher mentioned and  
8 Senator Gounardes. I represent the northern  
9 part of the BQE. And as we've spoken about  
10 before, from an environmental justice and  
11 environmental racism perspective, there is  
12 particular concern in our communities.

13 So I'm curious, we've talked a lot  
14 about how working with the federal government  
15 on funding and then working with the city on  
16 reimagining, truly and deeply reimagining  
17 what it can be. But if you are willing to  
18 commit to working with us and our communities  
19 on proposals led by our communities, like  
20 BQGreen, that account for these environmental  
21 justice factors, and also ask you if you have  
22 any plans as the commissioner and as the  
23 state-level DOT to address these issues or  
24 investigate them further.

1 DOT COMMISSIONER DOMINGUEZ: So we've  
2 had multiple conversations over the course of  
3 a long period of time. But fundamentally, I  
4 think that we have an opportunity with regard  
5 to environmental justice across the board.  
6 And you see the level of commitment from  
7 New York State DOT in projects across  
8 New York City.

9 And I'll point to Hunts Point,  
10 literally trying to address decades of trucks  
11 on the roads. And the three-phase,  
12 multi-billion-dollar project that we've got  
13 to help take trucks off the road and make it  
14 more efficient for freight to move through  
15 New York City is just one example.

16 So the opportunity now with regard to  
17 the BQE is really how do you define -- and  
18 the EIS process allows you to do that: What  
19 are some of the alternatives that need to be  
20 looked at. And so that's why I'm emphasizing  
21 this opportunity to work with the City DOT,  
22 because that's what the environmental process  
23 is intended to do, look at what all the  
24 possible alternatives are as you look at the

1 project writ large.

2 SENATOR GONZALEZ: Thank you so much  
3 for that.

4 And on another note, you know, a  
5 couple of weeks ago I stood with several  
6 community organizations in support of Sammy's  
7 Law, and then recently I had a press  
8 conference around a death, recent death in my  
9 district, in Astoria, that was due to unsafe,  
10 you know, liens. I know that's a city issue,  
11 but we talked and you talked also about more  
12 Complete Streets and safer streets.

13 But I am curious, you know, as we push  
14 to pass Sammy's Law and as working across  
15 city and state adds another layer, right,  
16 of -- or another barrier between getting  
17 those streets actually safer for  
18 pedestrians -- you know, are you willing to  
19 work with the city or at least give some more  
20 flexibility for the city or control on the  
21 city level so that they don't have to go  
22 through the state for some of these?

23 CHAIRWOMAN KRUEGER: Hold that answer.  
24 You will get back to Senator Gonzalez

1 afterwards. Okay? You agree?

2 SENATOR GONZALEZ: Okay, fair.

3 CHAIRWOMAN KRUEGER: Yes, good. Thank

4 you.

5 Oh, Assemblywoman, sorry.

6 CHAIRWOMAN WEINSTEIN: Assemblywoman

7 Fahy.

8 ASSEMBLYWOMAN FAHY: Thank you.

9 Thank you, Commissioner. Thank you

10 for being here. I know it's been a long

11 afternoon, so forgive me if a couple of these

12 have been asked already.

13 First, I just want to start by saying

14 thank you for your responsiveness on I-787,

15 with reimagining that. It's something I'm

16 immensely proud of, is securing that

17 5 million in the budget, and look forward to

18 our continuing to work together on that. So

19 I just want to get that on the record, and

20 really appreciate your responsiveness there,

21 as well as our traffic-calming work on

22 Route 156.

23 A couple of -- three questions, and

24 I'll just throw them out, knowing the time is

1 short.

2 The 25 mile per hour, the ability for  
3 towns to lower speed limits, was a bill that  
4 was passed last year. Have any towns taken  
5 that up, or have you seen any traction there?

6 Unrelated to this is the question of  
7 fuel taxes. We know that they make up about  
8 29 percent of state highway funds. Any --  
9 and yet with -- as we move hopefully  
10 aggressively toward E-vehicles, electric  
11 vehicles, is there a plan to make up that  
12 revenue in the future, and any thoughts about  
13 how that might be done?

14 And then a very short one, I hope, is  
15 the child safety zones. Again, legislation  
16 that was passed last year. Child safety  
17 zones with school buses. And if -- what the  
18 status of those regs might be.

19 So any of those that you can take up.  
20 And I just wanted to echo some of the  
21 comments as well before I stop, the concerns  
22 about the electric bikes and storage,  
23 particularly some of the fires. And also  
24 would welcome working with you, because I

1 think they're a critical part of this  
2 micro-mobility that you referenced earlier.  
3 And I do hope we can find some solutions,  
4 because it is essential and it is a growing  
5 and popular form of transportation.

6 And I hope -- happy to repeat any of  
7 those questions, Commissioner, if at all  
8 helpful.

9 DOT COMMISSIONER DOMINGUEZ: Thank  
10 you, Assemblymember.

11 I'll start with the child safety zone  
12 legislation. So we've been working -- the  
13 Legislature passed, we have gone to work with  
14 SED to make sure that we've got a regulatory  
15 framework that we've drafted. We're working  
16 with them to get it -- you know, to work with  
17 them on making sure that we have to partner  
18 with them. So we're hoping that we get  
19 something soon. But that level of engagement  
20 and communication is ongoing with SED to put  
21 that out, and I hope it's sooner than --  
22 sooner rather than later.

23 ASSEMBLYWOMAN FAHY: Terrific.

24 DOT COMMISSIONER DOMINGUEZ: So I have

1 to tell you that we've literally rolled up  
2 our sleeves right away and got on that as  
3 soon as you passed it.

4 ASSEMBLYWOMAN FAHY: Thank you.

5 DOT COMMISSIONER DOMINGUEZ: With  
6 regard to the 25-mile-an-hour speed limits on  
7 towns, I would have to actually ask, I don't  
8 know which towns have actually taken  
9 advantage of that. I don't know, but I'll be  
10 happy to get back to you.

11 ASSEMBLYWOMAN FAHY: Sure. I know  
12 we're running out of time. And we may need  
13 to look at some incentives for that. I  
14 understand it's a little more complicated  
15 than the bill we passed.

16 And I guess you got saved by that last  
17 question on --

18 DOT COMMISSIONER DOMINGUEZ: Okay.

19 And I'll get back to you on the last one.

20 ASSEMBLYWOMAN FAHY: -- fuel taxes.

21 But maybe somebody else will ask that.

22 CHAIRWOMAN WEINSTEIN: Thank you.

23 Senate?

24 ASSEMBLYWOMAN FAHY: Thank you.

1 Thank you, Chair.

2 CHAIRWOMAN KRUEGER: Senator Roxanne  
3 Persaud.

4 SENATOR PERSAUD: Can you hear me now?

5 DOT COMMISSIONER DOMINGUEZ: I can.

6 SENATOR PERSAUD: Great.

7 Thank you, Commissioner. I think I'm  
8 the only one whose office you weren't in,  
9 because I think I -- my appointment, you were  
10 stuck in my colleague's office, I was told.  
11 So I hope my appointment will be rescheduled.

12 DOT COMMISSIONER DOMINGUEZ: Please  
13 forgive me.

14 SENATOR PERSAUD: Thank you.

15 I would like to find out from you the  
16 process for having sound barriers or the  
17 green sound barriers that you were talking  
18 about installed, because across my district,  
19 certain areas across the district, there's a  
20 desperate need for that. When the Mill Basin  
21 Drawbridge was lifted, no one took into  
22 consideration the noise impact. And now  
23 we're suffering through that. And DOT has  
24 not revisited the request that was made to



1 install some kind of sound barrier.

2 And also along other parts of the  
3 Belt Parkway, there's a desperate need for  
4 that. What has happened, as more houses were  
5 built closer to the parkway, the level -- the  
6 noise pollution has increased, and no one is  
7 really addressing that. What is the DOT  
8 doing to address that? And, you know, as  
9 we're building closer to highways, is there a  
10 plan in place that DOT will say: As you  
11 build, you must install these sound barriers?

12 DOT COMMISSIONER DOMINGUEZ: So we  
13 definitely look at it as part of projects  
14 that we execute. And actually that's --  
15 that's exactly where we look at it. So as we  
16 look to improve roadways, et cetera, we look  
17 at what the noise implications are and  
18 oftentimes do studies to make sure that what  
19 we're about to remediate is actually what  
20 needs to be done.

21 And so it's usually done directly,  
22 especially if we're using federal funds in  
23 connection with the documentation and the  
24 requirements that we have to meet through the

1 federal process to leverage those dollars.

2 So sometimes it does -- we can't go -- it

3 limits us in our ability to go back after a

4 project's been completed.

5 So -- but I will be happy to follow up

6 with you, ma'am, and make sure you have a

7 decision --

8 SENATOR PERSAUD: Okay, in certain

9 areas.

10 And, you know, my colleagues are all

11 talking about education, road safety

12 education. I spoke with your deputy also

13 that the need is great. NYPD I know this

14 week put out a video talking about turning --

15 you know, telling the community about the

16 importance of the speed limit when you're

17 turning.

18 What is DOT doing to ensure that we

19 are educating the public on road safety?

20 DOT COMMISSIONER DOMINGUEZ: Well,

21 I've -- I very much appreciate your question

22 because we are very passionate about it. In

23 fact, one of the things that we're doing is

24 investing in our own capability to make sure

1 that we have -- we do a lot of videos, we do  
2 a lot of direct education when we put in  
3 roundabouts and other safety features. We  
4 want to make sure that we educate the public  
5 on what this means and how you actually  
6 operate.

7 SENATOR PERSAUD: Thank you.

8 CHAIRWOMAN KRUEGER: Thank you.  
9 Assembly.

10 CHAIRWOMAN WEINSTEIN: Assemblyman  
11 Durso.

12 ASSEMBLYMAN DURSO: Thank you,  
13 Commissioner. Good to see you in person.

14 DOT COMMISSIONER DOMINGUEZ: You too.

15 ASSEMBLYMAN DURSO: So just a question  
16 that we had discussed briefly.

17 The New York State DOT Pavement  
18 Condition Report that was provided to the  
19 Legislature from your office, in regards to  
20 specifically Long Island, shows a 6 percent  
21 decline of pavement in good or excellent  
22 condition on Long Island for 2020-2021, and  
23 more than a 20 percent decline since 2017 do.  
24 You know what we could really attribute that

1 to as far as why the road conditions have  
2 gone down so much on Long Island?

3 DOT COMMISSIONER DOMINGUEZ: I think  
4 that basically those numbers reflect the  
5 conditions before we actually put in about  
6 \$121 million last year on the roadways in  
7 Long Island, improving 442 lane miles.

8 So my expectation is those numbers  
9 would go up based on current data.

10 ASSEMBLYMAN DURSO: Is there enough  
11 funding currently in this budget right now,  
12 and with the monies set for the next five  
13 years, to get those conditions back up to  
14 par, essentially?

15 DOT COMMISSIONER DOMINGUEZ: We have  
16 money dedicated through the five-year capital  
17 plan. Additional paving will absolutely be  
18 done in Long Island, and that's been  
19 designated. We've got the Northern State  
20 Parkway about to start soon.

21 ASSEMBLYMAN DURSO: Okay. And then  
22 just my last question to follow that up with.

23 So with obviously a possible influx of  
24 people coming to live on Long Island,

1 obviously projects that are being done on  
2 Long Island, and also electric vehicles,  
3 which weigh a substantial amount more than  
4 gas vehicles, and that being something of the  
5 future of where we're going, do you think  
6 that the roads on Long Island -- which were  
7 not originally built, obviously, to handle  
8 that much traffic. It was really supposed to  
9 be more of a vacation place.

10 Do you think that the roads that are  
11 currently in place on Long Island can handle  
12 the influx of more people, more school buses,  
13 heavier vehicles and more projects that are  
14 going on?

15 DOT COMMISSIONER DOMINGUEZ: So one of  
16 the things that we factor for at DOT is the  
17 weight of what a road can withstand. And  
18 right now our factor is, I think -- and I  
19 could be wrong; I'll correct it for the  
20 record if I am -- but I think it's about  
21 80,000 pounds. So right now even the  
22 heaviest electric school bus doesn't even  
23 weigh that, let alone any other, you know,  
24 multi-use vehicle.

1           So the bottom -- we're building  
2           according to what the standards are and, as  
3           things change and the weight levels change,  
4           we'll adjust accordingly. But our  
5           engineering standards are built for -- to  
6           make sure that there's durability in what  
7           we're putting down.

8           ASSEMBLYMAN DURSO: So you think, in  
9           your opinion, that the Long Island roads will  
10          be able to handle the influx of people and  
11          new types of vehicles?

12          DOT COMMISSIONER DOMINGUEZ: Look, I  
13          think that there's multiple factors that go  
14          into our road condition: The age, the  
15          weather, the climate. Last year alone, part  
16          of the reason why we saw such degradation on  
17          the roads in Long Island is because we had  
18          extreme temperature fluxes. It was  
19          freeze-thaw, freeze-thaw, freeze-thaw. And  
20          so it just beat up the roads. And that's why  
21          we have to constantly look at it.

22          ASSEMBLYMAN DURSO: Thank you,  
23          Commissioner. Appreciate it.

24          CHAIRWOMAN KRUEGER: Ranker Tom O'Mara

1 for five minutes.

2 SENATOR O'MARA: Thank you,  
3 Commissioner. Good evening already,  
4 unfortunately.

5 CHAIRWOMAN KRUEGER: Not that bad.

6 SENATOR O'MARA: Yup, okay.

7 I just want to express my concerns, as  
8 has been stated many times here, with the  
9 flat level of the CHIPS and other local roads  
10 programs. Certainly in light of the  
11 inflationary times that we've had, and the  
12 increase in oil prices, asphalt prices,  
13 gasoline prices has really eaten into the  
14 ability of our local governments to keep up  
15 with their programs.

16 So I think that that should be  
17 increased, and I'll be working towards that  
18 throughout this budget process over the next  
19 month.

20 I want to ask you again, as I think I  
21 ask every year, about our local rural transit  
22 systems and the impact they were hit with  
23 several years ago with non-emergency Medicaid  
24 transportation being really taken off of them

1 and distributed to taxis and other individual  
2 ride services. Which seems to be in  
3 opposition to what the whole goals of the  
4 state are, is to increase use of public  
5 transit and less individual rides.

6 So -- but yet this continues. And the  
7 rural public transit systems have suffered as  
8 a result of this loss of ridership for years.

9 And we've had a Band-Aid approach where we  
10 try to give them some money every year. It's  
11 never enough. We're still seeing routes  
12 reduced, some counties eliminating their  
13 public transit altogether.

14 What's your position on our rural  
15 public transit? And should we be getting  
16 these non-emergency Medicaid rides back into  
17 the public transit system, as opposed to the  
18 private car service?

19 DOT COMMISSIONER DOMINGUEZ: So I'll  
20 address the first issue with regard to the  
21 Medicaid reimbursement process. I think, you  
22 know, it's been a struggle for the transit  
23 systems. And one of the ways that we were  
24 trying to alleviate that is to work directly



1 with the Department of Health and look at how  
2 we can flex these federal dollars in ways  
3 that meet the demand from the customers that  
4 they're trying to service. And one of those  
5 is giving them a little bit more flexibility  
6 in an on-demand service as opposed to a  
7 permanent service that may or may not be  
8 utilized in the way that it's intended. In  
9 other words, the usership goes up and down  
10 and up and down and up and down.

11 But the question is is how can we  
12 create some of those innovative ways of  
13 addressing public transit, particularly in  
14 rural areas. And that's what I think the  
15 intent is behind -- I know the intent is  
16 behind the Executive's proposal for this  
17 Innovative Mobility Fund, to look at how do  
18 we work with rural communities to address the  
19 public transit issues.

20 So it's a good way to start. We've  
21 got an opportunity for the seven systems  
22 upstate as well as some of the more rural  
23 communities. The other thing is last year  
24 the Legislature passed a rural transit

1 working group, and we would love to get going  
2 on that and start to explore some of the  
3 different ways that we can make all of -- we  
4 can look at what the opportunities are for  
5 rural transit.

6 SENATOR O'MARA: I was pushing that  
7 legislation for that working group since the  
8 time of the change to the Medicaid answering  
9 service, and it took years to get that  
10 legislation passed. And now at least we're  
11 supposedly requiring them to meet. It still  
12 hasn't been done yet. It needs to be done.

13 What in this budget, fiscally, is  
14 going to help our rural public transit  
15 systems?

16 DOT COMMISSIONER DOMINGUEZ: Well,  
17 there's the dedicated money that goes  
18 directly upstate to the transit systems, and  
19 that money is actually increased this year.  
20 So let me give you the number here really  
21 quickly. For some reason it's escaping me  
22 right now.

23 But the bottom line is is that we've  
24 actually looked at -- and overall I believe

1 it's an 8 percent increase in the upstate  
2 transit dollars that we've had. So again,  
3 being able to leverage that investment across  
4 the board for all of the transit services.

5 SENATOR O'MARA: Okay, thank you.

6 I'll look for that. I didn't notice that.

7 But my time has expired. Thank you.

8 CHAIRWOMAN KRUEGER: Thank you.

9 Assembly.

10 CHAIRWOMAN WEINSTEIN: Assemblyman Ra

11 for five minutes.

12 ASSEMBLYMAN RA: Good afternoon,

13 Commissioner. Thank you for being here with

14 us.

15 I just had a couple of questions in

16 and around the district I represent.

17 One was a constituent recently reached

18 out to the office regarding Hempstead

19 Turnpike, and, you know, we reached out to

20 DOT regarding this. A few years ago, I think

21 right before COVID, there had been a

22 resurfacing project really on the western end

23 of things, but I think there's an area that

24 was not part of that. So I'd just ask if you

1 can go back and take a look at that. It's  
2 West Hempstead, in particular in the  
3 Cathedral Gardens area as you get towards the  
4 Village of Hempstead.

5 I've had a lot of constituent  
6 complaints regarding that, and your staff was  
7 kind enough at the time when it was coming  
8 through the Franklin Square area, to, you  
9 know, meet with our local civic associations  
10 and just let them know what was going on, and  
11 that was much appreciated. So if you could  
12 just --

13 DOT COMMISSIONER DOMINGUEZ: Happy to.

14 ASSEMBLYMAN RA: -- you know, follow  
15 up with our office regarding that particular  
16 issue.

17 The other one is, as I'm sure you're  
18 aware, and we've been through many  
19 iterations, and I think we have discussed in  
20 past budget years, this specific location.  
21 The interchange is further up Hempstead  
22 Turnpike, in the vicinity of the Nassau Hub  
23 property, where the Meadowbrook meets  
24 Hempstead Turnpike. There are several

1 interchanges in the area. And there is now a  
2 proposal for a fairly sizable development  
3 that may or may not include a casino at that  
4 Nassau Hub property.

5 And I'm just wondering -- I know we're  
6 in the infant stages of that, but if there's  
7 been any dialogue with prospective developers  
8 as to what might be needed from an  
9 infrastructure standpoint to finally upgrade  
10 some of those interchanges if there is going  
11 to be an increase of people coming into that  
12 area.

13 DOT COMMISSIONER DOMINGUEZ: I would  
14 be happy to circle back with you as I do some  
15 more -- touch base with our folks on  
16 Long Island and see -- they may have already  
17 started to take a look at this.

18 ASSEMBLYMAN RA: Okay. And then the  
19 last thing -- and again, I think this is  
20 something we've discussed in the past. I  
21 know you gave an answer to one of my  
22 colleagues earlier about the current state of  
23 the roads in the state in terms of which ones  
24 were up to par and maybe below that.

1           Is there a formal document -- my  
2           understanding is there is some type of report  
3           that's supposed to be given to the  
4           Legislature. If there is one, if that can be  
5           provided -- you know, that goes through our  
6           state highways and the current state of  
7           repair of them?

8           DOT COMMISSIONER DOMINGUEZ: Yes,  
9           there's a Bridge and Pavement Condition  
10          Report which we publish, and we're in the  
11          process of pulling together this year's. But  
12          last year's is available.

13          ASSEMBLYMAN RA: Okay, great. When  
14          would this year's be available?

15          DOT COMMISSIONER DOMINGUEZ: I'm  
16          hoping sometime in the next couple of months.

17          ASSEMBLYMAN RA: Okay. Great. Well,  
18          I will leave a couple of extra minutes on the  
19          clock. Thank you.

20          CHAIRWOMAN WEINSTEIN: Senate?

21          CHAIRWOMAN KRUEGER: Thank you.

22          Hi. I'm going to take my time with  
23          you now. Not 10 minutes worth, trust me.

24          So in the materials you submitted,

1 we're talking about 130 -- oh, my --

2 (Lights went out.)

3 CHAIRWOMAN KRUEGER: Well, let's --

4 obviously no one liked that question, so

5 we'll --

6 (Laughter.)

7 CHAIRWOMAN KRUEGER: No panic.

8 Somebody will figure out how to turn the

9 lights back on. Somebody might have leaned

10 against a wall incorrectly -- aha.

11 (Lights restored.)

12 CHAIRWOMAN KRUEGER: A plot, or just

13 someone leaning against the wall wrong. I

14 knew it, Heath. I've been around a long

15 time.

16 DOT COMMISSIONER DOMINGUEZ: Just so

17 long as this is not some Agatha Christie --

18 (Laughter.)

19 CHAIRWOMAN KRUEGER: Not to worry, the

20 Canadians are not attacking.

21 (Laughter.)

22 CHAIRWOMAN KRUEGER: That's always my

23 theory, that somehow we're going to go to war

24 with Canada and they're going to show up

1 here. Sorry. I have to stop that. Let's  
2 try again.

3 So we're talking about 32 billion more  
4 in capital over five years, and we're talking  
5 about 13.5 billion from the feds in highway  
6 and bridge formula aid. So help me  
7 understand why some of my colleagues think  
8 that funding is staying flat for roads and  
9 bridges.

10 DOT COMMISSIONER DOMINGUEZ: It's not.

11 CHAIRWOMAN KRUEGER: It can't be  
12 staying flat with that much money being  
13 added.

14 DOT COMMISSIONER DOMINGUEZ: It's not.

15 There's been an infusion, a significant  
16 infusion of dollars, when you match the  
17 federal dollars with the state dollars.

18 And honestly, I mean, I should have  
19 started off with this, but a big thank you to  
20 the Legislature and to Governor Hochul. The  
21 level of stability that has been provided for  
22 transportation funding is truly remarkable.  
23 I've worked in transportation my whole  
24 career, and to have this level, a five-year



1 capital plan that we can execute on, you  
2 know, is -- it's really a -- it's a great  
3 place to be.

4 CHAIRWOMAN KRUEGER: So sometimes some  
5 programs might appear to stay flat because  
6 other programs have shown up and are, you  
7 know, new programs, that they're called  
8 something new. So even if somebody's  
9 describing a specific line is staying flat,  
10 it is your argument that there is more  
11 capital money for all these types of programs  
12 for roads and bridges at the state level and  
13 at the local level. Is that a fair  
14 statement?

15 DOT COMMISSIONER DOMINGUEZ: There was  
16 an increase in the CHIPS last year, but then  
17 we also added to the pavement improvement and  
18 highway -- local highway programs along the  
19 way. We included -- Governor Hochul included  
20 a new program called Pave Our Potholes. I  
21 know Senator Kennedy was a big advocate for  
22 the State Touring Routes the year before.  
23 And so there's multiple opportunities now for  
24 local governments in particular to actually

1 take advantage and really advance the  
2 investment across the board in our roads and  
3 bridges.

4 And as I said before, 200 million now,  
5 as opposed to 100 million in the bridge  
6 program.

7 And in the first year of the  
8 five-years capital program, I want to assure  
9 you that NYSDOT has literally -- we've put  
10 forward \$3.1 billion in state and local  
11 projects. So we're getting the money out the  
12 door and we're putting it to work, and it's  
13 creating jobs, and that's matched with the  
14 federal funding at about \$1.8 billion.

15 CHAIRWOMAN KRUEGER: And then in your  
16 testimony on page 2 you also reference "and  
17 more than 8 billion will support transit  
18 systems statewide, including both on- and  
19 off-budget resources, which are critical to  
20 providing alternate models of transportation  
21 to the public."

22 So given the discussion with the  
23 MTA -- it feels like days ago, but that was  
24 just a few hours ago -- tell me what that

1 8 billion in mass transit is going for.

2 DOT COMMISSIONER DOMINGUEZ: So what

3 that goes for, the 8 billion is -- MTA's

4 going to receive 8 billion. The total

5 operating assistance from the state is

6 9.1 billion: 8 billion to the MTA, and

7 non-MTA downstate suburban systems,

8 meaning -- are going to receive about

9 522 million, which is an increase of

10 40 million from last year. And the upstate

11 systems are going to receive 286, almost

12 \$287 million, which is an increase of

13 7 percent from last year.

14 CHAIRWOMAN KRUEGER: And is the

15 8 billion for the MTA region and

16 billion-something for the rest of the state,

17 is that over five-year capital or in this

18 coming year capital?

19 DOT COMMISSIONER DOMINGUEZ: This is

20 annual operating, just for this year.

21 CHAIRWOMAN KRUEGER: I'm sorry, say

22 that one more time?

23 DOT COMMISSIONER DOMINGUEZ: Annual

24 operating.

1 CHAIRWOMAN KRUEGER: Annual operating.

2 But this -- in your testimony you say

3 it's capital, the 8 billion. So do you mean

4 operating or capital?

5 DOT COMMISSIONER DOMINGUEZ: It might

6 have been miswritten. But it's 8 billion in

7 traditional operating aid.

8 CHAIRWOMAN KRUEGER: Okay. In your

9 page 2 of your testimony you have a subtitle

10 "The Capital Plan," and then a set of bullets

11 that I assumed meant for capital. But the

12 8 billion listed here is not for capital?

13 DOT COMMISSIONER DOMINGUEZ: No. It's

14 for -- the 9.1 billion is for operating

15 support for all statewide transit systems,

16 and it breaks out that MTA is going to

17 receive 8 billion for operating aid -- which

18 is a combination of appropriated and

19 non-appropriated resources -- and the other

20 non-MTA systems are going to receive

21 809 million in annual operating assistance.

22 CHAIRWOMAN KRUEGER: Okay. So --

23 DOT COMMISSIONER DOMINGUEZ: Which

24 breaks out to be, again, 522 million for

1 non-MTA downstate and upstate systems at  
2 386 million.

3 CHAIRWOMAN KRUEGER: Okay. So I don't  
4 want to take up the time now, but when you  
5 have a chance, go back to your testimony,  
6 because it appears to be capital money. And  
7 you talk about the five-year capital plan in  
8 the second paragraph of this section, and  
9 then list things out in the third paragraph.

10 So that's why I'm confused, because I  
11 thought that must be capital money.

12 DOT COMMISSIONER DOMINGUEZ: I'll be  
13 sure to correct it.

14 CHAIRWOMAN KRUEGER: Okay, thank you.

15 So there's a lot of reference I think  
16 both in some of my colleagues' questions and  
17 in the testimony to all the money being spent  
18 improving our roads and bridges and improving  
19 the condition of our roads and bridges to be  
20 in good repair. So will everybody be in  
21 better repair when we're done with this  
22 five-year investment than it was before?

23 DOT COMMISSIONER DOMINGUEZ: Yes.  
24 Yes.

1 CHAIRWOMAN KRUEGER: And is there sort  
2 of a standard of measurement that DOT uses  
3 for that so that you'll look around and go,  
4 Oh, look, the potholes are done, the bridges  
5 aren't falling down, people have roads when  
6 they didn't have roads?

7 DOT COMMISSIONER DOMINGUEZ: So we are  
8 constantly assessing the conditions of our  
9 roads. And we do an enormous amount of data  
10 collection using all kinds of systems from  
11 LiDAR and other technologies to make sure  
12 that we understand what the condition of the  
13 roadway is. We measure it, we calculate it,  
14 we make sure that it's a complete asset  
15 management process.

16 So when you talk about literally  
17 tracking the condition of the roadways,  
18 that's how we assess it. It's data driven.  
19 And so yes.

20 CHAIRWOMAN KRUEGER: And that kind of  
21 information is publicly available so  
22 legislators can see that and say, okay, over  
23 here in my district, look at the improved  
24 state of repair for my roads and bridges?

1 DOT COMMISSIONER DOMINGUEZ: Yes.  
2 It's a constant process and one that's  
3 completely dependent on weather and age of  
4 the system and use.

5 But that said, we're constantly  
6 investing in this level of investment that  
7 the Executive has provided, and the  
8 Legislature. With this 32.8 billion total in  
9 our capital program, we expect that it will  
10 indeed help over the course of five years the  
11 state of our roads and our bridges.

12 CHAIRWOMAN KRUEGER: Thank you. I  
13 cede back my 2½ minutes.

14 Assembly?

15 CHAIRWOMAN WEINSTEIN: Assemblyman  
16 Palmesano.

17 ASSEMBLYMAN PALMESANO: Hello,  
18 Commissioner.

19 DOT COMMISSIONER DOMINGUEZ: Hello,  
20 sir.

21 ASSEMBLYMAN PALMESANO: Good to see  
22 you again.

23 I have more of a brief statement,  
24 point to make, to you and to my colleagues as

1 well.

2 As you know, 90 percent of the local  
3 roads are not eligible for any of the federal  
4 dollars that came in through the federal  
5 plan. And a lot of our projects are not  
6 signature projects throughout the local  
7 communities, like I-81, like the Bronx  
8 project, or Buffalo.

9 And given the fact that, you know,  
10 fuel costs are up 256 percent, asphalt costs  
11 are up 77 percent, steel costs are up  
12 115 percent, and we went three hours on the  
13 MTA budget talking about how that's the  
14 lifeblood of the downstate transportation  
15 network, the fact of the matter is -- and to  
16 my colleagues, we've said this over and  
17 over -- CHIPS is the lifeblood of our upstate  
18 transportation network. It's not getting an  
19 increase.

20 These costs, these inflationary costs  
21 are hammering these local communities, which  
22 will basically be on the local property  
23 taxpayer to deal with this now. So we should  
24 be making a stronger commitment and



1 investment to CHIPS.

2 So now to my question. I know you're  
3 a member of the Climate Action Council and  
4 there's a big push by this Governor and the  
5 members and my colleagues, some up here, to  
6 push for electrification. And that  
7 electrification is going to be good for the  
8 environment, it's going to be good for our  
9 overall emissions. But the fact of the  
10 matter is mining these materials has a  
11 significant impact on the environment. We've  
12 seen in countries in Africa and Asia where  
13 there's water pollution, but also, in the  
14 Democratic Republic of Congo, where they're  
15 using child labor to mine for these  
16 materials, these cobalts that are used to  
17 make lithium ion batteries. These children,  
18 it's well documented, children are dying,  
19 they're being maimed, they're being  
20 paralyzed.

21 Don't you as the commissioner and  
22 doesn't the Governor have a responsibility,  
23 if we're going to be working to move to full  
24 electrification, don't we have an obligation

1 to lead on this and make sure that materials  
2 that are being sourced to produce these  
3 batteries -- which right now is being used  
4 with these kids as child labor, using child  
5 labor to produce these batteries -- shouldn't  
6 we take a step back and say we're not going  
7 to move forward with this unless you can  
8 demonstrate and document child labor isn't  
9 being used to produce these materials, to  
10 produce these batteries? Don't we have an  
11 obligation, if we're going to lead on climate  
12 change, to also lead on human rights and  
13 child labor violations, which is well  
14 documented?

15 CHAIRWOMAN KRUEGER: Thank you.

16 To close for the Senate, Tim Kennedy,  
17 second -- oh, I'm sorry, you have 49 seconds.  
18 Excuse me. I'm so sorry.

19 ASSEMBLYMAN PALMESANO: She has time  
20 to answer it.

21 SENATOR KENNEDY: I'll take it.

22 CHAIRWOMAN KRUEGER: No, no, no, Tim  
23 won't take it.

24 Please.

1 DOT COMMISSIONER DOMINGUEZ: I  
2 think -- I'm not familiar, sir, with what  
3 you're talking about with regard to the  
4 production.

5 But I will tell you that it's been my  
6 experience working in New York State that  
7 there's a great deal of thought that's put  
8 into everything that we look at. Certainly  
9 in the materials that we source, whether  
10 it's, you know, the Buy American provisions,  
11 how we work with organized labor, how we  
12 actually get our work done.

13 So the level of what we actually need  
14 to do in terms of our climate agenda is  
15 pretty significant. And we're leading the  
16 nation right now with regard to that. And I  
17 think that there's opportunity along the way  
18 as we define what those are, to make sure  
19 that we look at it holistically.

20 ASSEMBLYMAN PALMESANO: But we  
21 shouldn't be using child labor to do it,  
22 should we? Right?

23 CHAIRWOMAN KRUEGER: You got to  
24 answer, and I apologize for cutting you off

1 before letting her answer.

2 And now, to close for the Senate Dems,  
3 Tim Kennedy for his second round, three  
4 minutes.

5 SENATOR KENNEDY: Thank you,  
6 Commissioner, again, and thank you for your  
7 leadership. You know, we're talking about a  
8 lot today. I really appreciate our work  
9 together, and you do a tremendous job.

10 Although, you know, we do have our  
11 disagreements and I think this question about  
12 funding is one of those disagreements.

13 Look, we've put a lot of money into  
14 roads, a historic level. I agree with all of  
15 that. A historic \$32.8 billion over five  
16 years, historic levels for PAVE-NY, BRIDGE  
17 NY, Pave Our Potholes program, a new program  
18 there, the Touring Routes program -- all  
19 wonderful stuff. The money's flowing, we're  
20 happy about that. But I submit and I stand  
21 by the fact that when we take that funding  
22 compared to the inflation numbers that we're  
23 seeing, 16 to 20 percent, the moment that we  
24 passed that bill that was historic levels of

1 funding, it was still underfunded. That's  
2 why the Senate Democratic Conference spoke to  
3 another \$10 billion necessary for this  
4 program.

5 We'll continue these deliberations  
6 moving forward. I just want to make it clear  
7 that there is still work to be done for more  
8 funds, and we look forward to working with  
9 you on that.

10 That being said, I want to talk a  
11 little bit about STOA. You alluded to it, we  
12 talked about it -- we talked about a lot  
13 today. I want to get right to it because  
14 there's only a million and a half left here.  
15 STOA have increased by 7 percent; you  
16 mentioned that. Again, we need more than  
17 that. The New York State Public Transit  
18 Association, who will be speaking later, is  
19 looking for 20 percent. All other respective  
20 authorities across New York State are looking  
21 for another 20 percent.

22 This is operational funds. We are  
23 seeing dedicated resources going to the MTA.  
24 We don't see a new revenue source going to

1 upstate non-MTA transit. So we would like to  
2 rectify that number. Pleased to see it  
3 moving in the right direction; 7 percent's  
4 great. We think we need to get 20 percent or  
5 as close to that 20 percent as possible.

6 You could speak to that if you'd like,  
7 but I also want to just mention one other  
8 thing about the \$5 million for a program  
9 advancing projects that utilize Complete  
10 Streets. You mentioned it earlier. The  
11 Governor signed the law that I passed, along  
12 with Assemblywoman Fahy, recently. We're  
13 excited about that. There's \$5 million in  
14 the budget about moving forward with  
15 Complete Streets.

16 Can you talk about how the DOT is  
17 going to use those funds? You know, what's  
18 the process, that \$5 million for the  
19 Complete Streets program.

20 DOT COMMISSIONER DOMINGUEZ: So the  
21 way that we're looking at it -- so thank you  
22 for your leadership and that of  
23 Assemblymember Fahy on the Complete Streets  
24 bill.

1           The \$5 million that's included in the  
2 Executive Budget actually starts to go  
3 towards some planning and really looking  
4 at -- recognizing that the implementation  
5 doesn't occur until the end of this year,  
6 take that initial \$5 million and start to  
7 plan out how we can -- how we can move  
8 forward. Because the legislation as you  
9 passed it really is for locals, and how do we  
10 start to reconcile those.

11           SENATOR KENNEDY: So will  
12 municipalities be able to tap into that  
13 \$5 million for studies?

14           DOT COMMISSIONER DOMINGUEZ: We're  
15 defining that now.

16           SENATOR KENNEDY: Okay, thank you.

17           And STOA, would you like to speak on  
18 that STOA question that I mentioned?

19           DOT COMMISSIONER DOMINGUEZ: With  
20 regard to STOA, I just -- you know, you all  
21 had a great chance to talk to the MTA. The  
22 fundamental difference between the MTA and  
23 their sourcing, you talked to them about  
24 their financing, what they're looking at,

1 what they're drawing from. It's a -- what  
2 I'm talking -- in other words, local taxes,  
3 additional revenues that they can pull from.

4 Upstate, what we're talking about is  
5 straight-out state-level funding coming  
6 from -- for state operating assistance.  
7 There's not the same level of fees and taxes  
8 that can be drawn from localities to support  
9 upstate operations. And so it's really  
10 apples and oranges in terms of being able to  
11 draw from dedicated funding sources. There's  
12 just not the same level of dedicated funding  
13 for upstate.

14 SENATOR KENNEDY: Well, thank you, and  
15 I look forward to our work together and  
16 rectifying that percentage. Thank you.

17 CHAIRWOMAN KRUEGER: Thank you.  
18 Assembly.

19 ASSEMBLYMAN MAGNARELLI: I think I'm  
20 it. This will be the end.

21 First of all, I'd like to let everyone  
22 know that Assemblyman Jensen has joined us as  
23 well at the hearing.

24 Just a couple of questions to bring



1 this to an end, I guess. First of all, thank  
2 you for being here and answering our  
3 questions for a couple of hours. This is --  
4 thank you.

5 I'd like to reiterate what Senator  
6 Kennedy said, though, as far as local monies:  
7 CHIPS, PAVE-NY, BRIDGE NY, all of those  
8 things. I do believe that we need more  
9 monies into those pots for what is going  
10 right now. And also STOA, we need more money  
11 there too. And if you're saying we don't  
12 have enough dedicated funding, then give me  
13 some ideas of where we can allocate some  
14 dedicated funding to these organizations.

15 I think mass transit is absolutely  
16 essential to what we want to do as far as  
17 climate control is, you know, going forward.  
18 So without those kinds of monies I don't see  
19 how we build out these systems at all. I  
20 don't.

21 I also know that there's money in here  
22 for new electric buses and things like that,  
23 but not enough. It's nowhere near enough.

24 So, you know, I don't know exactly

1 where we're going with all of that. Just  
2 wanted to say that, put it on the record.

3 The questions that I have for you,  
4 though, deal with staffing. I've heard this  
5 in a number of different areas. This is our  
6 first hearing, budget hearing, but I'm  
7 hearing it almost on every agency. I want to  
8 know how it's affecting the DOT, how it's  
9 affecting your being able to use these monies  
10 that we're receiving from the federal  
11 government, using monies that we're putting  
12 into the budget. Are we going to be able to  
13 do what we say we're going to do with the  
14 staffing that we have?

15 DOT COMMISSIONER DOMINGUEZ: Well, I  
16 think, like every entity, corporation, public  
17 service entity, et cetera, across the nation,  
18 we've all seen a peak on Baby Boomers  
19 retiring. And so New York State DOT is not  
20 immune from that, I'm sure you'll hear it  
21 across the board.

22 One of the things that the Executive  
23 did was put forward some very good look at  
24 Civil Service on how we can really enhance

1 our recruiting and retention for state  
2 employees, which is --

3 ASSEMBLYMAN MAGNARELLI: And are you  
4 going to take part in what the Governor is  
5 proclaiming here about Civil Service and  
6 redoing some of the classifications, et  
7 cetera? Because we're finding this across  
8 the board, not only with our roads and  
9 bridges, but with aviation, for sure. I've  
10 got real problems.

11 So, I mean, those are things that we  
12 need to look at.

13 DOT COMMISSIONER DOMINGUEZ: So I want  
14 to first assure you that we have the people  
15 to do the work, fundamentally.

16 Secondly, I do look forward to the  
17 Executive's proposals because it's an issue  
18 that affects every business, and I applaud  
19 the Governor for her leadership on looking at  
20 the state workforce.

21 And -- but just know, what we've got  
22 right now in terms of the programs, the  
23 policies, we're always looking to recruit  
24 more engineers, more planners, more, you

1 know, geotech folks, you name it. But the  
2 bottom line is is we've got a great workforce  
3 at DOT, very experienced, very seasoned. And  
4 they're ready, capable and are actually  
5 executing on that capital plan.

6 ASSEMBLYMAN MAGNARELLI: I heard a new  
7 term last week that I -- I've heard similar  
8 ones, but the new one was the Silver Wave.  
9 And, you know, I thought just meant older  
10 gentlemen like me, the Silver Wave. But it's  
11 the retirement age. People are retiring and  
12 that's causing a problem in a lot of areas,  
13 especially engineering.

14 We'll do this off -- you know, outside  
15 of the hearing, but I'd like to hear about  
16 that \$10 million pilot program in support of  
17 innovative transit mobility. That's  
18 something I wanted in the budget last year, I  
19 had a bill for it. But mine was \$10 million  
20 for two pilot projects; I think you're doing  
21 it over like ten \$1 million projects or  
22 something like that. So I'm not really sure  
23 how that works, and I'll talk to you about it  
24 as we go on. Okay?

1 DOT COMMISSIONER DOMINGUEZ: Okay.

2 I wanted to address your one question  
3 with regard to electrification. And there is  
4 opportunity specifically for school buses in  
5 the Environmental Bond Act to help pay for  
6 that. So I'm sure you're aware of that, but  
7 I just wanted to flag it.

8 ASSEMBLYMAN MAGNARELLI: Okay. Not  
9 enough. Okay, thank you very much,  
10 Commissioner. I think that ends this part of  
11 our hearing, and we appreciate it.

12 CHAIRWOMAN KRUEGER: Yes. Thank you.  
13 We do appreciate it, thank you.

14 And for people who are keeping score,  
15 we are moving on to the third and fourth  
16 testifiers today: The New York State  
17 Department of Motor Vehicles, Mark Schroeder;  
18 and the New York State Thruway Authority,  
19 Frank Hoare. We'll give everybody a few  
20 minutes to move into position.

21 And don't take it personally, I think  
22 much of the Assembly had to go to conference,  
23 so I think they'll only have a few or a fewer  
24 number of Assemblymembers repping for a

1 while. I'm not telling them to leave for  
2 conference, trust me, but there's a rumor  
3 that there's a conference out there  
4 somewhere.

5 (Off the record.)

6 CHAIRWOMAN KRUEGER: So if we could  
7 ask people who are moving on to move on and  
8 people who are coming to sit, to sit. And  
9 then people who want to have conversations,  
10 take them out in the hallway, please. Thank  
11 you. You can come back after you've finished  
12 chatting with each other.

13 Okay. So now that it's 3:00 in the  
14 afternoon -- oh, excuse me, 5:00 in the  
15 afternoon, thank you for being here with us.

16 And are we going to start with the  
17 DMV? Yes, we are. Thank you. So please,  
18 Mark, start. And -- oh, sorry -- DMV gets  
19 10 minutes, then Thruway Authority gets  
20 10 minutes, and then we'll all ask questions.

21 And for anyone who's come in new  
22 since -- I was going to call you  
23 Senator Magnarelli. Perhaps not.  
24 Assemblyman Magnarelli, if you're an

1 Assemblymember, you want to let him know if  
2 you want to be on the question list. And  
3 Senators should let me know or Tom O'Mara  
4 know.

5 Please, Mark.

6 DMV COMMISSIONER SCHROEDER. Good  
7 afternoon. And thank you very much for this  
8 opportunity, Chairpersons Krueger, Kennedy,  
9 Magnarelli, Weinstein, and other members of  
10 the New York State Legislature, for inviting  
11 me here today. My name is Mark Schroeder. I  
12 am the commissioner of the Department of  
13 Motor Vehicles. I also serve as the chair of  
14 the Governor's Traffic Safety Committee.

15 When I became the commissioner four  
16 years ago, there was no shortage of DMV  
17 jokes -- long lines, slow service, outdated  
18 technology, you name it. So we embarked on a  
19 strategic plan to change how we operate,  
20 focused on our customers and employees, first  
21 and foremost. We updated our vision  
22 statement to reflect our goal of shattering  
23 perceptions of the DMV, and we initiated a  
24 variety of transformative projects to make it

1 happen.

2 As I sit here today, I am so proud to  
3 say that our progress has not gone unnoticed.  
4 Moreover, because of the foundation we laid  
5 during the past few years, we are uniquely  
6 positioned to build upon our success in  
7 fulfillment of Governor Hochul's proposal to  
8 enhance and improve access to state  
9 government services.

10 So I want to take a moment to share  
11 with you just three compliments we recently  
12 received from our customers, and I quote:

13 "What an amazing experience! The  
14 staff was very kind, welcoming and friendly.  
15 Ms. DeJesus was thorough and friendly."

16 Next compliment: "This was the best  
17 DMV experience I've had in 30 years! Travis  
18 was amazing, helpful, efficient, and  
19 incredibly sensitive to my transaction."

20 Last compliment for today: "Makes  
21 coming to the DMV fun! Great, quick  
22 service -- had all the answers to my  
23 questions and took care of my service  
24 efficiently." Fun, that's a new one, but



1 we'll take it.

2 Every day, every day our customers are  
3 reaching out to thank us for improvements we  
4 made. And more than 300 times this past  
5 year, you and your staff have given us  
6 compliments for helping you serve your  
7 constituents across New York State.

8 My point is that these comments and so  
9 many others like them reflect our ongoing  
10 transformation and the commitment of our  
11 nearly 3,000 employees. Through some of the  
12 toughest times our agency, our state, and our  
13 nation have ever seen, DMV employees have not  
14 only overcome challenges and loss, but they  
15 have also gone far above and beyond to  
16 support the critical functions of our agency  
17 and the nearly 16 million New Yorkers that we  
18 serve each and every year.

19 DMV engages in more than 35 million  
20 customer interactions annually and collects  
21 approximately \$2 billion, \$2 billion in  
22 yearly revenue. Governor Hochul's  
23 Executive Budget plan provides \$477.6 million  
24 for DMV to support its statewide operations,

1 Traffic Violation Bureaus, and state- and  
2 county-operated offices. One of those  
3 locations is our Innovation Center in Albany,  
4 where I gave my testimony last year. It has  
5 become the test lab for groundbreaking  
6 products and services. And just a few weeks  
7 ago we opened a satellite innovation center  
8 in the Empire State Plaza Concourse to  
9 further our goal of meeting customers where  
10 they are. Customers, your constituents from  
11 all over New York State, come here to see  
12 you. They are now our customers in the  
13 Concourse.

14 We also remain unwavering in our  
15 commitment to providing equitable service to  
16 residents, and we strive to make sure our  
17 workforce and the vendors who support us are  
18 as diverse as our customers. I am thrilled  
19 to say that more than 60 percent of our  
20 discretionary spending is done through  
21 Minority- and Women-Owned Business  
22 Enterprises, and 30 percent is done through  
23 Service-Disabled Veteran-Owned Businesses,  
24 which is five times the amount required by

1 law.

2 The DMV also was awarded last year for  
3 its consistent support of the state's  
4 Preferred Source Program, which employs  
5 individuals with disabilities through  
6 New York State Industries for the Disabled  
7 member agencies.

8 And this past year I had the esteemed  
9 privilege of presenting the first New Yorkers  
10 with state-issued IDs with "X" gender  
11 markers. It was truly an historic moment for  
12 DMV and for New York.

13 In accordance with the Governor's  
14 proposal in her 2022 State of the State  
15 address, the DMV and the Department of  
16 Corrections and Community Supervision  
17 established a process to provide incarcerated  
18 individuals with state-issued IDs prior to  
19 their release. We know that a valid identity  
20 document is critical for finding quality  
21 housing and employment, and we are so proud  
22 to support this vital project. We are  
23 currently operational in three facilities,  
24 with the goal of expanding to 20 facilities

1 this year.

2 We also continue to work with DOCCS to  
3 prepare incarcerated individuals for their  
4 return to the workforce, including commercial  
5 driver education and automotive technology  
6 instruction.

7 The DMV has also proudly been at the  
8 forefront of the Governor's decisive actions  
9 to address the shortage of truck and bus  
10 drivers. Under her leadership, the DMV  
11 launched a third-party commercial road test  
12 program; expedited the licensing process for  
13 qualified drivers; expanded the validity of  
14 the Commercial Learner Permit; created  
15 resource and study guides; and we are  
16 currently working to implement the federal  
17 waiver for the "under the hood" portion of  
18 the road test, which many of you know about.

19 The Governor's budget plan will enable  
20 us to continue these important efforts and  
21 many others that will improve overall  
22 customer service, promote traffic safety, and  
23 protect consumers. Among those projects is  
24 our expansion of digital services. We now

1 have 74 online transactions, including our  
2 very successful REAL ID pre-screening  
3 process. This new service allows customers  
4 to come to our offices fully prepared to  
5 complete their transaction in one visit. We  
6 call it "one and done." It is just one of  
7 many ways we are preparing New Yorkers for  
8 the upcoming implementation of the federal  
9 REAL ID Act.

10 I also toured 11 airports statewide to  
11 get the word out. Many of you joined me, so  
12 thank you for that.

13 We also expanded touchless payment  
14 options, both in-person and online, and we  
15 created a new online transaction to make it  
16 easier and cheaper to request DMV records.

17 But we are not stopping there. This  
18 fiscal year, we expect to roll out a  
19 completely redesigned website and a fully  
20 revamped MyDMV customer portal.  
21 Additionally, DMV is undertaking a  
22 transformation of its customer contact  
23 center. This initiative will allow DMV's  
24 customers to interact with our agency in the

1 way they most prefer -- by phone, through  
2 live chat, self-service, or email.

3 To achieve our lofty goals,  
4 Governor Hochul's Executive Budget continues  
5 to invest in our new technology  
6 infrastructure. This will allow the  
7 department to eventually replace hundreds of  
8 legacy systems that are difficult to support  
9 and modify, and often restrain innovation.

10 Beyond these operational changes, we  
11 also remain committed to improving traffic  
12 safety, delivering secure identity documents,  
13 and administering the laws you have enacted  
14 to promote safety, transparency, and consumer  
15 protections. Last year our field  
16 investigators and automotive inspectors  
17 conducted 87,000 investigations. We also  
18 secured restitution for more than  
19 570 New York motorists.

20 And our driver license document was  
21 nationally recognized for its use of  
22 cutting-edge security features proven to  
23 reduce counterfeiting and prevent identity  
24 theft. We are also committed to working with

1 tolling authorities, such as the MTA and the  
2 Triborough Bridge and Tunnel Authority, to  
3 ensure that motorists who do not pay their  
4 tolls are held accountable.

5 In closing, I spoke to you last year  
6 about DMV's transformation. I've come now to  
7 realize that everything we do at DMV is  
8 transformative. Every project we undertake,  
9 every engagement we have with the public, and  
10 every transaction we complete is truly  
11 transformative to the millions of New Yorkers  
12 who we serve every year. We have fully  
13 embraced being the doorway into state  
14 government for most New Yorkers, and I am  
15 proud of our continued success and the  
16 success we will build on this coming year.

17 I'll answer and entertain any  
18 questions you might have.

19 ASSEMBLYMAN MAGNARELLI: Okay. Acting  
20 Commissioner Frank Hoare, you're next.

21 INTERIM EXECUTIVE DIRECTOR HOARE:  
22 Good afternoon, Chair Kennedy, Chair  
23 Magnarelli, thank you for this opportunity to  
24 address you and speak with you and the

1 distinguished members of the fiscal and  
2 transportation committees.

3 My name is Frank Hoare. For the past  
4 two-plus years I've been the general counsel  
5 at the New York State Thruway Authority, and  
6 for the past six weeks I've also been the  
7 interim executive director of the authority.

8 I am joined by Matt Howard, who is the  
9 chief financial officer of the Thruway  
10 Authority.

11 I have submitted testimony, but in the  
12 interests of time, I'm going to just  
13 summarize some of the highlights from my  
14 testimony.

15 During this period between executive  
16 directors, we continue to move ahead with a  
17 \$412 million capital program for this year,  
18 making necessary investments into the Thruway  
19 system. The overall 2023 Thruway Authority  
20 budget represents a total financial  
21 commitment of \$1.2 billion. It is a budget  
22 that is balanced and provides the resources  
23 required to maintain the current levels of  
24 maintenance, safety and service that our



1 customers have come to expect.

2 The Thruway Authority is operated and  
3 maintained solely as a user-fee system and is  
4 not supported by any federal, state or local  
5 taxpayer dollars. Also, we did not receive  
6 any portion of the \$13 billion that New York  
7 received as part of the federal  
8 infrastructure funds over the past couple of  
9 years.

10 Our toll revenues go directly toward  
11 making the Thruway one of the safest highways  
12 in the nation.

13 Underscoring its importance to the  
14 state and region, the Thruway is a dependable  
15 and cost-effective transportation system and  
16 serves as a vital link to interstate travel,  
17 providing a major route of access to our  
18 state's tourism anchors. It's also a  
19 principal artery of commerce and serves as a  
20 catalyst of the state's economic activity,  
21 with 17 percent of our total traffic coming  
22 from commercial vehicles and a third of that  
23 traffic coming from out of state.

24 A recent transformative project that

1 spans the entire Thruway is cashless tolling,  
2 which went live in November 2020. Since that  
3 time we have successfully processed more than  
4 744 million transactions. The benefits of  
5 cashless tolling include nonstop travel that  
6 reduces congestion, improves traffic flow,  
7 includes convenient payment methods, and is  
8 safer and better for the environment.

9       Since the conversion to cashless,  
10 E-ZPass usage continues to increase and is  
11 now up to 84 percent of all users of the  
12 Thruway. This demonstrates our customers  
13 have embraced modern toll collection. And in  
14 case you're wondering, there are about  
15 874 locations throughout the state that you  
16 can purchase an E-ZPass.

17       With more and more customers familiar  
18 with the cashless toll collection system, we  
19 recognize that we need to continuously  
20 improve. We've significantly increased our  
21 outreach and education efforts, enhancing the  
22 online system through account management, and  
23 expanding the payment options to meet  
24 customer needs. We expect all motorists

1 using the Thruway to pay their tolls, and we  
2 have enforcement tools to encourage payment,  
3 because again, the Thruway receives no  
4 federal or state funding. We believe these  
5 incentives are balanced to ensure that  
6 everyone pays their fair share, and we make  
7 every effort to collect every single dollar  
8 owed to the Thruway.

9 The vast majority of customers pay  
10 their tolls. Approximately 90 percent of all  
11 toll revenues are collected in a timely  
12 manner, and the remaining 10 percent is an  
13 ongoing process. Six percent of that  
14 10 percent is paid within two months of being  
15 billed, and the remaining 4 percent remains  
16 subject to ongoing collection efforts.

17 The authority has the ability to  
18 charge violation fees for nonpayment and  
19 contracts with a collection agency after  
20 multiple attempts to collect over a 120-day  
21 period. Finally -- we hope that it doesn't  
22 come to this -- we work with DMV partners for  
23 vehicle registration suspension. This is a  
24 serious penalty for toll scofflaws, and a

1 last resort. These enforcement tools,  
2 though, enable us to maintain fairness and to  
3 offer the lowest prices for our customers.

4 To bolster our toll collection  
5 efforts, I want to express our support for  
6 Governor Hochul's Article VII toll violation,  
7 which you'll find in the TED bill at Part F.  
8 This bill will outlaw certain common toll  
9 evasion practices that render license plates  
10 difficult or impossible to read. This will  
11 enhance enforcement by increasing fines,  
12 seizing materials affixed for the purpose of  
13 blocking numbered plates, and allow for the  
14 denial and suspension of registrations.

15 Our current large-scale project that  
16 began in July 2021 is the redevelopment of  
17 the Thruway's 27 service areas. This project  
18 is part of a \$450 million investment with the  
19 Empire State Thruway Partners, where 23 out  
20 of 27 service areas will be completely  
21 rebuilt and the other four extensively  
22 renovated. The project is funded through a  
23 public-private partnership with no toll  
24 dollars -- let me say it again -- no toll

1 dollars and no federal or state or local  
2 taxpayer funding being used.

3 Operating and maintaining the Thruway  
4 while enhancing and modernizing our system is  
5 not free. Additional revenue is required for  
6 the authority to fulfill its ongoing debt  
7 services and capital needs through the  
8 upcoming forecast period. This is why, in  
9 December of 2022, the Thruway's board of  
10 directors authorized the first step of a  
11 public toll adjustment process.

12 This proposal represents the first  
13 toll adjustment for New York E-ZPass  
14 customers, outside of the Governor Mario  
15 Cuomo Bridge, since 2010, which is 14 years  
16 without an increase. The proposed rates will  
17 remain below the current rates of many other  
18 toll roads across the nation.

19 The assessment released by the  
20 Comptroller's office on Friday fails to  
21 appreciate these points. The document was  
22 released outside of the Comptroller's own  
23 audit procedures and without the Thruway's  
24 response, as is the accepted practice. As a

1 result, the assessment, which is not an  
2 audit, contains inaccurate and misleading  
3 facts and does not address the revenue needed  
4 to operate, maintain and construct a safe and  
5 reliable transportation system.

6 And this assessment does nothing to  
7 contribute to a serious public discussion.

8 Our accomplishments remain possible  
9 because of the commitment from the 1700 men  
10 and women of the Thruway Authority. Their  
11 dedication and professionalism ensures that  
12 the Thruway continues to be a safe and  
13 reliable highway for all motorists. The most  
14 recent example of their selflessness and  
15 dedication is the back-to-back historic  
16 storms in the Buffalo region. Our team  
17 worked nonstop through the holidays, plowing  
18 the roads, rescuing stranded motorists, and  
19 assisting with medical emergencies, among  
20 many other heroic acts. The Thruway  
21 Authority, hands down, has the best team in  
22 the nation.

23 In closing, please know that I remain  
24 committed to keeping the Thruway the safest

1 and most convenient means of travel in the  
2 state. Whether one is commuting to work,  
3 visiting family or friends, or enjoying the  
4 recreational opportunities around our state,  
5 or supporting the freight economy, the  
6 Thruway will take you there.

7 That concludes my testimony, subject  
8 to your questions.

9 ASSEMBLYMAN MAGNARELLI: Well, I guess  
10 I'm going to be number one here, okay?

11 Let's start with Commissioner  
12 Schroeder. The '22-'23 enacted budget  
13 included \$106 million for IT upgrades at the  
14 DMV. Whole bunch of questions on that. Will  
15 any additional funding be required for that  
16 project? When will the upgrades be complete?  
17 What improvements will our customers  
18 experience as a result? I guess you've  
19 already told us everybody's happy. Are there  
20 any specific benchmarks for improving service  
21 further? And will these IT upgrades result  
22 in any savings?

23 So just an overall how did the IT  
24 project go, where is it, and where are we

1 going.

2 DMV COMMISSIONER SCHROEDER: Yeah.

3 Thank you, Mr. Chairman.

4 And so first of all, the Executive  
5 Budget, which I mentioned in my testimony, is  
6 \$477.6 million. And also to answer your  
7 further questions, this gives us the ability  
8 to continue our partnership with ITS in terms  
9 of the very important transformation and tech  
10 redesign that's going on with our agency.

11 And also, you mentioned the  
12 reappropriation of last year's funding  
13 included this year to continue to support  
14 these most critical efforts.

15 In terms of IT overhaul and what the  
16 status is and what we've been able to do,  
17 thanks to your agreement last year, we have  
18 initiated a new Live Chat on the new DMV  
19 website. So this is something that's  
20 beneficial for your constituents. We have  
21 new payment options that we put in place this  
22 year, in-office and online.

23 On the REAL ID, that has been really  
24 very helpful. REAL ID is very complicated.



1 The requirements come from the federal  
2 government. So what we've established,  
3 Mr. Chair, is uploading and downloading, so  
4 your constituent can upload to us all of the  
5 information we need; we download it; and then  
6 they then come in and they're able to get  
7 their REAL ID or their enhanced driver's  
8 license. And it's one and done. And that's  
9 important to us. That has happened this  
10 year.

11 New training, self-development,  
12 self-development on programs. We also too, I  
13 heard in the previous testimony, we have a  
14 reason to try to retain our employees. So  
15 we've entered into an MOU with Empire State  
16 College to help our employees go back and get  
17 their degrees.

18 We also have partnering programs, and  
19 we work with the dealers, as you know,  
20 Mr. Chair, you work with the auto dealers  
21 across New York State. And so -- and we are  
22 now developing also, because of the  
23 initiative last year through the Governor and  
24 through you, the development of Mobile

1 Driver's License. We will be able to have  
2 that ready by the end of the year.

3 And the most important thing is we are  
4 retiring legacy lines. These legacy lines  
5 have to be retired. These legacy lines go  
6 back to Rockefeller, 1961. No wonder there  
7 were outages and glitches in all of our  
8 offices. We recognized it, and we're doing  
9 something about it, with your support.

10 ASSEMBLYMAN MAGNARELLI: Okay.

11 Another question, Commissioner. The  
12 Executive proposal recommends increasing  
13 staffing levels at the DMV by 200. Can you  
14 tell me, what are these additional staff?  
15 Can you provide any kind of a breakdown?  
16 What kind of improvements is this going to  
17 bring to the customers? And will the IT  
18 upgrades that are underway have any impact on  
19 the staffing levels required by the  
20 department?

21 In other words, you're increasing  
22 people, but you're also increasing the IT.  
23 Is there any savings? What's going on?

24 DMV COMMISSIONER SCHROEDER: Yeah,

1 thank you, Mr. Chair.

2 And so to the 200 FTEs, they -- what  
3 they will be doing, essentially, they will  
4 assist with the enhanced customer service and  
5 federal grant management of a lot of the  
6 different programs that I explained during my  
7 testimony.

8 Also during our transformation  
9 process, the customer service and the contact  
10 centers, in terms of the chats and trying to  
11 be -- use the technology the best we can.  
12 Some of the safety initiatives.

13 Also, with the cannabis management, it  
14 gives us responsibility, and we take our  
15 responsibility very seriously to help manage  
16 that. As you know, we train law enforcement  
17 across New York State and the drug  
18 enforcement -- and the DREs, the drug  
19 recognition experts. So that will also help  
20 by having these new employees.

21 ASSEMBLYMAN MAGNARELLI: Can I  
22 interrupt you there just one second?

23 DMV COMMISSIONER SCHROEDER: Yes.

24 ASSEMBLYMAN MAGNARELLI: Do you have a

1 problem with the way "impaired" is being  
2 defined at this point in our Vehicle and  
3 Traffic Law?

4 DMV COMMISSIONER SCHROEDER:

5 Mr. Chair, I don't -- I'm not certain if I  
6 understand what you're asking me. But I will  
7 say one thing.

8 Impaired is something that we take  
9 very seriously at the Governor's Traffic  
10 Safety Committee. So it could be drowsy  
11 driving, it could be alcohol. It could be  
12 cannabis, it could be drug-related. It's not  
13 good, and it's unlawful.

14 And so we are preparing right now to  
15 do everything we can to be helpful to law  
16 enforcement across the state so that they  
17 recognize, you know, what they see when  
18 they're on a traffic stop.

19 Thank you for that.

20 ASSEMBLYMAN MAGNARELLI: I appreciate  
21 that answer. Thank you.

22 DMV COMMISSIONER SCHROEDER: The last  
23 point I wanted to make with where some of our  
24 employees will be going to is that there --

1 the adjudication of increased tickets  
2 resulting from a proposal for New York  
3 City -- and, Senator Krueger, you might be  
4 interested in this. I know you are  
5 interested -- in terms of New York City to  
6 lower its speed limit.

7 If that does happen, you know, by this  
8 honorable body and the Governor, we are  
9 preparing to make sure that we have the  
10 proper managers to be able to do all of these  
11 initiatives that you would expect us to do.

12 Also, I am very aware -- I have a list  
13 in here somewhere of all the laws that go --  
14 are enacted this year, in 2023, that DMV that  
15 has responsibility to, and we will do it on  
16 time.

17 ASSEMBLYMAN MAGNARELLI: Another  
18 question, Commissioner: Article VII budget  
19 language to change the percentages due county  
20 clerks. Are they going to stop knocking on  
21 my door now? Is this what they want? Is it  
22 not what they want?

23 DMV COMMISSIONER SCHROEDER:  
24 Mr. Chair, so I take the -- I'm a former

1 comptroller, and so I take the \$13 million  
2 very seriously.

3 And I will say to this transportation  
4 committee of the Assembly and the Senate, you  
5 represent -- this body alone represents  
6 28 counties in New York State. And so I am  
7 very confident that that Article VII will  
8 make your one-house bills as we get to March.

9 And the reason? One reason, respect.  
10 Respect for the county clerks.

11 The county clerks, at your charge  
12 100 years ago, began being involved in motor  
13 vehicle business across New York State.  
14 They've been operating under the same  
15 retention model for the last 23 years, and  
16 the whole world has changed. And so in our  
17 strategic plan alone, Mr. Chair, I say  
18 59 times in that strategic plan, we want to  
19 reach customers to where they are.

20 That's completely opposite in terms of  
21 how the county clerks get paid. They get  
22 paid when a customer comes in their office,  
23 and they get 12.7 percent.

24 So in short, I do believe that they

1 won't be knocking on your door anymore. The  
2 clerks are very interested in this  
3 10.75 percent flat rate. It's fair, it's  
4 equitable for all parties.

5 ASSEMBLYMAN MAGNARELLI: Okay, thank  
6 you, Commissioner.

7 Mr. Hoare, I just want to say you are  
8 the luckiest guy in the world to take office  
9 and then have a blizzard and seven feet of  
10 snow on the Thruway. I don't know why you  
11 deserved something like that.

12 But I want to commend you on the way  
13 the Thruway is being handled. I do know that  
14 it takes a lot of money to run the Thruway,  
15 and we will look very closely at these rate  
16 increases that you are suggesting, or that  
17 the Governor is suggesting, and we will go  
18 forward from there.

19 And I thank you for being here today.

20 INTERIM EXEC. DIR. HOARE: Thank you,  
21 Mr. Chairman. It is -- the Thruway board is  
22 recommending these changes. Again, it speaks  
23 to --

24 ASSEMBLYMAN MAGNARELLI: I misspoke,

1 you're right.

2 INTERIM EXEC. DIR. HOARE: And it  
3 speaks to that there's not been a raise in  
4 14 years, there's no state or federal funding  
5 for those -- for the operations of the  
6 Thruway Authority.

7 And if you look at the numbers -- and  
8 my colleague can speak to give you some  
9 specific examples -- it is -- the percentage  
10 of increase that we propose is far below any  
11 of our neighboring states in the region. We  
12 go from 4.5 percent a mile for vehicle  
13 traffic, passenger traffic -- 4.5 cents,  
14 cents, to 4.9 cents over the next four years.

15 So we think it's a de minimis increase  
16 in order to address the needs over the next  
17 several years, over the next four years, to  
18 address our operation, maintenance, and  
19 capital needs.

20 Matt, if you want to give an example  
21 or two --

22 ASSEMBLYMAN MAGNARELLI: Perfect  
23 timing. We're down. Thank you.

24 CHAIRWOMAN KRUEGER: Thank you very



1 much.

2 Hi, gentlemen. Our first questioner  
3 will be Senator Kennedy, our chair of  
4 Transportation.

5 SENATOR KENNEDY: Thank you,  
6 Chairwoman.

7 Good evening, gentlemen. Commissioner  
8 Schroeder, thank you so much for your  
9 testimony. Thank you for your leadership.

10 DMV COMMISSIONER SCHROEDER: Thank  
11 you, Senator.

12 SENATOR KENNEDY: Executive Director  
13 Hoare, thank you as well for your testimony  
14 and leadership.

15 I'm going to start right where you  
16 left off. The Thruway board authorized the  
17 start of the administrative process to  
18 increase tolls on the Thruway, and that would  
19 be for all users. Last week Comptroller  
20 DiNapoli came out and said that an increase  
21 in tolls should only be an absolute last  
22 resort. I agree with him.

23 He also suggested looking at other  
24 forms of revenue to supplant the gap in funds

1 that is being suggested.

2 That being said, how did the Thruway  
3 come to the conclusion that this is a time to  
4 increase tolls?

5 INTERIM EXEC. DIR. HOARE: The primary  
6 conclusion was that it's been 14 years since  
7 there has been an increase.

8 So if you look at prices and costs  
9 back in 2010, just in the last two years our  
10 equipment and vehicle costs have gone up by  
11 40 percent. In 2010, structural steel was  
12 \$1.31 a pound; it is now \$4.08 a pound.  
13 That's a 212 percent increase. Roadbed  
14 gravel, 123 percent. Asphalt, 87 percent.  
15 Our -- obviously our personnel costs, people  
16 have gotten raises over the last 14 years.

17 So that primarily is the reason, that  
18 it's been 14 years. There's never a good  
19 time to raise prices. I know that. Every  
20 one of us, you can go to the store, you'll  
21 see nobody likes to pay more. But if you  
22 look at prices and you look at expenses and  
23 what the needs were in 2010 versus now, it's  
24 gone up. And if we want to maintain a safe

1 and reliable system so people can get to  
2 work, people can visit family and friends,  
3 they can come visit the sights in your  
4 district, commerce can flow from one end of  
5 the district to the other, we're going to  
6 need to continue to invest in that.

7 I defer to our chief financial  
8 officer, who was involved in some of the  
9 more -- the details of putting that proposal  
10 together.

11 THRUWAY CFO HOWARD: Yeah, I'll just  
12 continue to follow up on one of the points  
13 that the director was making earlier, that  
14 the result of the proposed toll change would  
15 be to increase our base rate per mile from  
16 4.5 cents per mile today to 4.9 cents per  
17 mile by 2027.

18 When you compare that to what other  
19 states currently charge today, the  
20 Pennsylvania Turnpike is currently today  
21 charging 14.5 cents per mile. The New Jersey  
22 Garden State Parkway is 6.5 cents per mile.  
23 The Indiana Toll Road, today, is 8.6 cents  
24 per mile.

1           So to use an example, the trip from  
2 Buffalo to Albany today currently is a  
3 \$12 toll to go from Buffalo to Albany. As a  
4 result of the proposed toll change, by 2027  
5 that toll would increase by about 91 cents,  
6 to \$13. If you were to drive that same trip  
7 on the Pennsylvania Turnpike today, instead  
8 of paying \$13, it would be 39. And that's an  
9 important point that oftentimes gets lost in  
10 terms of the need and relative, you know,  
11 context of the rate change being proposed.

12           INTERIM EXEC. DIR. HOARE: And we also  
13 dealt with the impact of COVID. Just in  
14 2020, the Thruway lost \$125 million in toll  
15 revenue from that year because of the impacts  
16 of COVID. That will grow to \$240 million  
17 over a five-year period. That is money we  
18 will never see again and, again, will not  
19 be -- cannot be used for maintenance and  
20 operations and rebuilding a structure that's  
21 been around since the early '50s.

22           My colleague talked about  
23 Governor Rockefeller. We're talking about  
24 Governor Dewey here, right? And the roadbed,

1 the roadbed that was built in the '50s is  
2 still the same roadbed. And 870-odd bridges  
3 that span the Thruway have not been -- many  
4 of them have not been refurbished or  
5 renovated in years. So that money is needed  
6 now.

7 SENATOR KENNEDY: What other sources  
8 of revenue are available other than a toll  
9 increase? You know, we talk about it being a  
10 last resort. What else can be done?

11 INTERIM EXEC. DIR. HOARE: Well, let  
12 me just say, Senator, we certainly agree with  
13 the Comptroller that a toll increase should  
14 be the last resort. That's why we've been  
15 looking at this for -- intensely for the last  
16 several years. But really this review  
17 started years ago as we started seeing these  
18 costs escalate since 2010.

19 So 90 percent of -- 95 percent of our  
20 revenue comes from tolls. The remaining  
21 5 percent will come from leases. We lease  
22 cell towers, we lease fiber. We make some  
23 money, not much, but off the service areas.  
24 But that's where the remaining amount comes

1 from.

2 So 95 percent comes from tolls.

3 SENATOR KENNEDY: And you cannot tap  
4 into federal infrastructure funds. Can you  
5 explain that?

6 INTERIM EXEC. DIR. HOARE: The federal  
7 infrastructure dollars that came into  
8 New York were part of the capital program  
9 that Commissioner Dominguez was referring to  
10 before. That money is spent, as she said.  
11 It's been programmed. And we were not  
12 included in that.

13 There are some small discretionary  
14 fund programs that federal DOT has. We are  
15 attempting to access those. We have applied  
16 for two. One is approximately \$20 million,  
17 the other is approximately \$22 million. So  
18 there's not much there even if we get those  
19 funds, and they're the famous one-shots. We  
20 won't see them again.

21 SENATOR KENNEDY: And how much of a  
22 funding gap would occur if these toll  
23 increases do not happen?

24 THRUWAY CFO HOWARD: Our current

1 projections are that beginning in 2024, we'd  
2 have a gap of about, you know, \$4 million.  
3 That gap would grow over time so that by 2031  
4 it would be roughly in the \$250 million range  
5 if we don't act before then.

6 SENATOR KENNEDY: And then as far as  
7 getting the public's input on this -- public  
8 hearings are necessitated here. How many  
9 hearings do you expect to have? Where are  
10 these hearings going to be held?

11 INTERIM EXEC. DIR. HOARE: The  
12 hearings are held pursuant to the State  
13 Administrative Procedure Act for public  
14 regulations, and also pursuant to the  
15 Public Authorities Law. So there's a minimum  
16 of three hearings that are required to be  
17 held. We are working on that and looking at  
18 where we can hold those hearings, probably  
19 mid-to-late spring. I know we had a  
20 conversation with Senator Hinchey when we  
21 visited with you, about moving around and  
22 making them accessible. We are committed to  
23 making them accessible and having every voice  
24 heard.

1 Public hearings are not the only --  
2 are not the only way to make your voice  
3 heard. We've opened a website for that,  
4 folks have been commenting since -- since  
5 December when the proposed increases were  
6 authorized by the board of directors.

7 SENATOR KENNEDY: Okay, I do have more  
8 questions on that, but I'm going to just  
9 switch gears here -- I only have a few  
10 minutes left. I want to talk about the  
11 Thruway Service Center construction. Can you  
12 talk about that, the three new ones open but  
13 others that are opening in the future? You  
14 know, what is the date that every single  
15 service area will be open for use by the  
16 general public? And are we ready to take  
17 action if in fact there's delays on these  
18 projects?

19 INTERIM EXEC. DIR. HOARE: There is a  
20 delay. They project at this point to be  
21 finished in late May, early June of 2025.  
22 They're approximately eight to 10 months  
23 behind, depending on location. Again,  
24 because of COVID and supply side issues and



1 even the war in Ukraine has been cited as  
2 reasons for impacting scheduling.

3 So I can assure you -- my predecessor  
4 was very involved in staying on top of the  
5 project and pushing them along, and now we're  
6 in the process of trying to accelerate that  
7 and make up some of that time. We have  
8 multiple weekly calls with both the operator  
9 that we have contracted with and with the  
10 design-builder that the operator contracted  
11 with.

12 SENATOR KENNEDY: And are we expecting  
13 with the new service areas that the Thruway  
14 Authority gets a cut of the sales at these  
15 areas, that that revenue will increase? Is  
16 that what we're anticipating?

17 INTERIM EXEC. DIR. HOARE: Pursuant to  
18 the contract, there's a small -- but it is a  
19 very small, admittedly, percentage that comes  
20 to the Thruway. And that's because the  
21 \$450 million cost of those 27 areas is coming  
22 completely from the operator. There's not a  
23 dime -- again, it's said -- that comes from  
24 the Thruway and its toll revenue or a dime

1 from the state.

2 SENATOR KENNEDY: Thank you.

3 And just again, to be mindful of time  
4 here, I've got a little less than a minute  
5 left.

6 Aside from being chair of  
7 transportation, I'm also chair of the  
8 Subcommittee on Native American Affairs, and  
9 we know that there's been issues with the  
10 various Native nations whose land the Thruway  
11 runs through.

12 What is the Thruway Authority doing to  
13 restore relations with the various nations?

14 INTERIM EXEC. DIR. HOARE: Well,  
15 you're referring to -- there's a federal  
16 court case with the Seneca Nation relating to  
17 the three-mile stretch of Thruway that goes  
18 through the Cattaraugus Reservation. We've  
19 been in litigation with them for years now.  
20 This is actually Round 2. And the earlier  
21 case, commenced in the '90s, was dismissed in  
22 the early 2000s.

23 We stay in touch with them. They --  
24 the most recent development is that the

1 Second Circuit Court of Appeals denied the  
2 Thruway's motion to dismiss the matter. So  
3 now we'll be -- we're currently exploring our  
4 options on what the next step is. The  
5 Thruway Authority is represented by the  
6 Attorney General's office.

7 SENATOR KENNEDY: All right, thank you  
8 all again. And I'll reserve the rest for  
9 Round 2.

10 CHAIRWOMAN KRUEGER: Thank you.  
11 Assembly.

12 ASSEMBLYMAN MAGNARELLI: Assemblywoman  
13 Gallagher.

14 ASSEMBLYWOMAN GALLAGHER: Hello.  
15 Thank you so much. And I have to say I'm  
16 really excited, maybe even want to come work  
17 at the DMV now. It sounds amazing.

18 (Laughter.)

19 ASSEMBLYWOMAN GALLAGHER: So I was  
20 very excited to see that Hochul has -- or,  
21 excuse me, the Governor has included higher  
22 fees and fines associated with obstructing or  
23 defacing a license plate. But I know in my  
24 district we still see many, many license

1 plates that are destructed or we have ones  
2 that are on pieces of paper that look like  
3 somebody printed it off their computer. It  
4 just seems like there's a really big problem  
5 with the license plates being the metric that  
6 we are using for the bus lane -- the new bus  
7 lane provisions where we're going to be  
8 checking to see if people are blocking the  
9 bus lane, the enforcement of paying tolls.

10 So I'm wondering, is there any  
11 innovations that you're seeing coming up to  
12 prevent these kind of obstructions? And is  
13 that something that we can work on together?

14 DMV COMMISSIONER SCHROEDER: Yes.

15 Thank you very much for your question.

16 And the answer is several -- in 2020  
17 we actually changed the license plate. And  
18 also the DOCCS, who are the ones who do the  
19 RFP, they came up with a vendor. The vendor  
20 equipment and the plate has been able to get  
21 through all of the different, you know,  
22 Thruway Authority and not on the Thruway,  
23 through the different testing. And so things  
24 are going really well.

1           There are a number of plates, though,  
2 across New York State that are peeling. And  
3 those plates that are peeling, we have had a  
4 program for several years that if your  
5 constituent lets us know, we will replace  
6 their plate for no fee whatsoever. So if  
7 that's something that's happening, you please  
8 let me know.

9           ASSEMBLYWOMAN GALLAGHER: Can we let  
10 you know if someone's else's plate is  
11 peeling? Because I think often people are  
12 taking advantage of their own plate peeling.

13          DMV COMMISSIONER SCHROEDER: Yes. But  
14 we have a system in place, and so we would  
15 look at that.

16          And I do get people from across  
17 New York State to send me photos of the  
18 plates. And what I do is I go to our  
19 commissioner within communications, and she's  
20 able to figure out what to do about it.  
21 Because it's not safe. It's not safe when  
22 these plates are not readable, especially for  
23 law enforcement.

24          ASSEMBLYWOMAN GALLAGHER: Well, I

1 think you just gave a lot of people in my  
2 district a new hobby of taking photos of  
3 these plates and sending them to you.

4 DMV COMMISSIONER SCHROEDER: Send them  
5 to Schroeder.

6 ASSEMBLYWOMAN GALLAGHER: And then --  
7 well, I only have 11 seconds left, so I'll  
8 let it go. But thank you.

9 DMV COMMISSIONER SCHROEDER: You're  
10 welcome. Thank you.

11 CHAIRWOMAN KRUEGER: Thank you.

12 Senator Comrie.

13 SENATOR COMRIE: Thank you, Madam  
14 Chair.

15 Good afternoon, Commissioners. I want  
16 to just --

17 CHAIRWOMAN KRUEGER: (Inaudible; mic  
18 off.)

19 SENATOR COMRIE: Thank you. Good  
20 evening, gentlemen. I just want to start --  
21 did neither one of you submit testimony for  
22 us? It's down there? Oh, okay. All right.  
23 All right. Thank you. I didn't -- anyhow,  
24 good evening, everyone.

1 I wanted to find out first,  
2 Director Hoare, where are we with the ability  
3 to do last mile/first mile connection to DOT  
4 to ensure that they can run fiber throughout  
5 the rest of Western New York? And can you  
6 explain to us how the Thruway Authority is  
7 helping to make that happen?

8 INTERIM EXEC. DIR. HOARE: Well,  
9 Senator, we have a robust fiber program  
10 ourselves where we're using the Thruway right  
11 of way from one end of the state to the  
12 other, to put our own fiber, to lease ducts,  
13 and to have -- lease with other companies to  
14 put their fiber in our system.

15 SENATOR COMRIE: And you had said  
16 before or it was said before, prior to -- by  
17 the previous commissioner that your fiber  
18 system was in robust shape and was able to --  
19 already at 5G speeds and above, and connect.

20 Are you gaining revenue from your  
21 ability to work with profitable companies  
22 that want to connect to your system? And how  
23 much of that revenue do you expect to  
24 increase over time?

1 INTERIM EXEC. DIR. HOARE: Yes, we're  
2 working with such companies as Verizon, and  
3 there are others.

4 In terms of the amount --

5 THRUWAY CFO HOWARD: Yeah, so within  
6 the last two years we've changed how we  
7 operate and manage the fiber system. As a  
8 result, we've -- over the last two years have  
9 had significant contract activity with firms  
10 coming in to access that fiber.

11 As a result, we saw about \$8 million  
12 in revenue in 2022, we estimate. We think  
13 that that number is going to go to about 11  
14 next year.

15 However, I would say that we also  
16 anticipate that given that activity, that a  
17 large portion of the fiber duct itself, the  
18 capacity, will be accessed by those outside  
19 entities. So that we kind of anticipate the  
20 revenue figure to kind of begin to abate a  
21 little bit. Because right now we're in the  
22 process of entering into those lease  
23 agreements, and it won't, you know, continue  
24 at that growth rate, you know, indefinitely



1 into the future.

2 INTERIM EXEC. DIR. HOARE: To clarify,  
3 many of those lease agreements call for  
4 up-front larger payments in order to access  
5 the right to be in there. And then after  
6 those one-time payments, then it's a yearly  
7 rental.

8 And not only are we on the Thruway,  
9 we're on the Grand Island Bridge and the  
10 Governor Mario Cuomo Bridge as well.

11 So we're looking for every effort to  
12 increase those revenues and increase that  
13 opportunity that fiber brings.

14 SENATOR COMRIE: So do you think  
15 that -- well, you're saying that because of  
16 the up-front payments that were initially  
17 done, the continual payments are going to be  
18 lower. But do you think that you'll be able  
19 to get other providers to continue to  
20 purchase into the system to be able to get  
21 access?

22 INTERIM EXEC. DIR. HOARE: Yes. We  
23 have a robust program that looks to market  
24 our right of way for fiber.

1           SENATOR COMRIE: And on the other end,  
2 my initial question, you know, a lot of my  
3 colleagues upstate are complaining about the  
4 inability to access high-speed internet. And  
5 I keep mentioning it every year, how the  
6 Thruway Authority could hopefully tie into  
7 State DOT to give them that access to run  
8 fiber into their new roadways.

9           So I would hope that we could get some  
10 feedbacks on improvements on how that's  
11 happening.

12          INTERIM EXEC. DIR. HOARE: Yes,  
13 Senator.

14          SENATOR COMRIE: Thank you.

15          Now, my pet question. The Governor  
16 vetoed my Tollpayer Protection Act again.  
17 You know, we have a lot of constituents  
18 that -- all over the state that, due to the  
19 fact that their credit card or bank account  
20 changed, find out themselves at the end of  
21 the month with a major bill from different  
22 authorities that they don't know which.

23          I have constituents that travel  
24 interstate to go to work every day because

1 they have to. Some people go from  
2 Suffolk County to New Jersey or Connecticut  
3 to go to work, and at the end of the month  
4 they find themselves with a major bill.

5 Can you give us an update on how those  
6 folks that are legitimately having problems  
7 can get their bills either in some amnesty  
8 program or get their bills reduced because  
9 they're legitimately showing you that they  
10 didn't have -- they didn't hide their plates  
11 or they didn't do anything illegal?

12 INTERIM EXEC. DIR. HOARE: Yes,  
13 Senator. Well, if they're driving from  
14 Long Island into Manhattan and then on to  
15 New Jersey, it's not the Thruway Authority,  
16 it would be the Triborough Bridge and Tunnel  
17 Authority.

18 But what we do, what we do when people  
19 have issues or they believe a mistake has  
20 been made -- which is a small number out of  
21 the 740 million transactions that have been  
22 conducted since November of 2020, when we  
23 went to cashless tolling. First of all,  
24 there's a -- we have a contractor that runs a

1 customer service center. And it is the same  
2 center for whether it's TBTA or the  
3 Port Authority.

4 But there's a customer service center  
5 that folks can call, and that number is on  
6 their bill and is on our website so they can  
7 access that and call. Most of the time their  
8 issue is taken care of right there on the  
9 phone.

10 For those that have not had it taken  
11 care of, they then -- we have a tollpayer  
12 advocate since 2019 that works within the  
13 Thruway Authority, and there's been some  
14 5,000 cases resolved since 2019 for customers  
15 who feel that their bill is not -- is not  
16 accurate.

17 In addition to that tollpayer  
18 advocate, other staff members get calls. We  
19 get many calls from the Legislature, from  
20 your colleagues here, with a constituent that  
21 has come in with an issue. And we make every  
22 effort to resolve -- to resolve that issue on  
23 their toll.

24 And again, I would just say that the

1 number, out of that 740 million transactions,  
2 is low. And we're proud of that. We work  
3 with folks to pay a bill and to pay a right  
4 bill. And we want them -- we want them to  
5 pay their bill, and we want them to -- but  
6 only pay their fair share.

7 SENATOR COMRIE: And if a person calls  
8 your agency and they actually have -- the  
9 penalty is with another agency, do you  
10 automatically send them over to the proper  
11 agency, to that advocate or the  
12 Port Authority or the MTA to correct --

13 INTERIM EXEC. DIR. HOARE: We do. We  
14 refer them. We identify that and say, That's  
15 not us, here's who you need to call. We  
16 share the same contractor, but there are  
17 three -- they maintain three separate desks,  
18 so to speak, scripts. But we're actually  
19 working on trying to consolidate that so  
20 there would be access. But right now, we  
21 don't have that access.

22 But we do refer them on, we don't just  
23 say it's not us, we explain to them that your  
24 toll was incurred with another tolling

1 agency.

2 SENATOR COMRIE: Thank you.

3 INTERIM EXEC. DIR. HOARE: The Bridge

4 Authority also. That comes up with the

5 Bridge Authority at times as well.

6 SENATOR COMRIE: Thank you.

7 Appreciate that.

8 And so you're saying that those -- and

9 you add those numbers into your percentage of

10 calls also, to -- you said your -- do you add

11 those numbers into your overall percentage of

12 complaints that come in as well, the ones

13 that are referred to other agencies?

14 INTERIM EXEC. DIR. HOARE: They --

15 they are not -- I don't know how they're

16 kept. I know -- but I -- is it a number we

17 keep? The 5,000 I mentioned is what we track

18 coming into the tollpayer advocate.

19 SENATOR COMRIE: Thank you.

20 And just quickly on the service

21 centers, can you assure the public that the

22 service centers that are going to be built

23 will have the same amount of amenities,

24 restroom facilities, as the existing ones

1 that were removed? And can you detail that  
2 for members? Because the -- as we talked  
3 previously, there were some concerns that the  
4 size of the new centers were not -- did not  
5 seem large enough to have the same amount of  
6 restroom facilities that were in the previous  
7 facilities.

8 INTERIM EXEC. DIR. HOARE: Well, no,  
9 they won't have the same amenities. They're  
10 going to have better amenities. They're  
11 going to be much more modern and serve the  
12 public much better in terms of the food  
13 they're offered, the spaces there.

14 Many of them will have -- four of them  
15 will have venues for truckers to shower and  
16 sleep and do laundry and rest. So they're  
17 going to be better.

18 The -- there are three sizes to the  
19 service areas. The three that are opened up  
20 right now -- and I think Senator Kennedy was  
21 asking about this before. Three are  
22 currently open west of Albany. There will be  
23 another seven open by the end of May, by  
24 Memorial Day weekend. And then the remaining

1 17 will open on a rolling basis. As one goes  
2 up, we take down another one. And we make  
3 sure that there's -- no two consecutive  
4 service areas are down, so that we can  
5 convenience the public.

6 But they will be -- of those service  
7 areas, there's three different sizes. The  
8 size of a particular service area is  
9 determined by the amount of traffic and the  
10 amount of folks that would be stopping at  
11 that on the prior -- on the prior service  
12 areas.

13 SENATOR COMRIE: And they'll be  
14 handicapped accessible throughout the --

15 INTERIM EXEC. DIR. HOARE: Yes. Yes.

16 SENATOR COMRIE: And then just my  
17 final question, if you can get back to us  
18 with the numbers on how you're doing with  
19 MWBE and procurement throughout your agency,  
20 so we can know what your percentage of MWBE  
21 and procurement is, with New York-based  
22 businesses and with MWBE.

23 INTERIM EXEC. DIR. HOARE: I can tell  
24 you that for MWBE, we were at 33.4 percent



1 for 2022, so over 3 percent above the state  
2 goal. And for servicemembers, it was  
3 4 percent on a goal of 6.

4 SENATOR COMRIE: Thank you.

5 Thank you. I have to do a Round 2  
6 because I didn't get to Commissioner  
7 Schroeder.

8 CHAIRWOMAN KRUEGER: Thank you.

9 Assembly?

10 ASSEMBLYMAN MAGNARELLI:

11 Assemblymember Jensen.

12 ASSEMBLYMAN JENSEN: Thank you very  
13 much Mr. Chairman.

14 This is for the Thruway Authority  
15 director. We've heard a couple of times  
16 about the thought process on the construction  
17 of the new rest stops. And my question  
18 pertains to the oversight over the newly  
19 opened ones. Certainly being a Thruway user  
20 and stopping at the rest stops and being very  
21 excited to see the new ones, I've been  
22 disappointed since they've opened that the  
23 quality of service, while the food is  
24 tremendous and the cafe is nice, the upkeep

1 is failing already.

2 At the rest stop at Indian Castle, you  
3 see in a men's room with six places to use  
4 the facilities, you have one that has been  
5 down for weeks. You have two all-gender  
6 family restrooms, one of which was down for  
7 two months. At the early morning hours when  
8 I travel, it looks like the facilities have  
9 not been cleaned.

10 So my question to you is, who has the  
11 oversight over the operational aspects of  
12 these locations? Because certainly when  
13 users have a problem, they don't direct it to  
14 the public/private partnership, they judge  
15 the Thruway Authority itself.

16 So who has the oversight over the  
17 maintenance?

18 INTERIM EXEC. DIR. HOARE: Well, we  
19 have oversight. The responsibility for  
20 maintaining and upkeeping those service areas  
21 is with the operator who we've contracted  
22 with. We have quality control, quality  
23 assurance folks on our end looking at that.

24 I'm not aware of those complaints.

1 We'll certainly look into that and act on  
2 that. When we do get a complaint or question  
3 about a particular service area, we respond  
4 to that and get on the phone to the operator  
5 and say, Hey, you've got to take care of  
6 this, you have an obligation, a contractual  
7 obligation to us to take care of that. And  
8 if you don't, then there's going to be  
9 penalties.

10 ASSEMBLYMAN JENSEN: So that's good to  
11 hear. I mean, I thought about calling  
12 myself, but it shouldn't take a member of the  
13 New York State Legislature to ensure proper  
14 maintenance, especially when you have  
15 bathrooms that are down for weeks at a time.

16 Going back to talking about the  
17 different sizes of the rest stops, whose  
18 decision was it to build in the order that  
19 they did? I know you said it's based on  
20 traffic volume. But I would think if you're  
21 doing wholesale reconstruction, you would  
22 have built the larger ones first, to address  
23 any capacity concerns where you have  
24 overloading of the existing stops, especially

1 as more vendors are pulling out.

2 So I know there's stretches,  
3 especially going from Long Island up towards  
4 Albany, where you have no food vendors at  
5 existing pre-renovated rest stops.

6 INTERIM EXEC. DIR. HOARE: There are  
7 some down. And again, there are no two  
8 consecutive ones down.

9 In terms of the determination, again,  
10 of the particular size, it was determined by  
11 the studies and the data as to how big the  
12 existing service area had been.

13 In terms of the order and which ones  
14 go first, I don't know. I can ask that  
15 question. I wasn't at the Thruway at that  
16 point, but happy to find that out and get  
17 back to you.

18 ASSEMBLYMAN JENSEN: Thank you,  
19 Director.

20 Thank you, Mr. Chair.

21 CHAIRWOMAN KRUEGER: Thank you.

22 Next, Senator Mattera.

23 SENATOR MATTERA: Thank you. Thank  
24 you, Chair. I appreciate the time.

1           And to the director, I appreciate all  
2 you guys are doing.

3           But, you know, this is something  
4 important; everybody knows what's happened  
5 with inflation and everything. Comptroller  
6 DiNapoli recently issued a statement  
7 expressing his disapproval of the proposed  
8 toll hikes, stating that the Thruway should  
9 be focusing first on improving its  
10 operations.

11           Given how expensive life is for  
12 New Yorkers, do you believe now is the right  
13 time to put additional burdens on all  
14 New Yorkers.

15           INTERIM EXEC. DIR. HOARE: Yes,  
16 because it's been 14 years. We're at a point  
17 where we cannot continue to push the can down  
18 the road.

19           SENATOR MATTERA: So, you know, you  
20 and I, we had a discussion -- and I thank you  
21 so much -- when you came to my office and  
22 everything like that. I know there was a  
23 toll, right, the toll for the bridge. Do you  
24 really -- again, do we really need to do both

1 the bridge and the Thruway? I know you're  
2 going to say yes to me again, but you know  
3 what? I mean, you know, can we help  
4 New Yorkers?

5 INTERIM EXEC. DIR. HOARE: Again,  
6 you're referring to the tolls in --

7 SENATOR MATTERA: Yeah, well, the  
8 bridge -- the bridge toll is going to be  
9 going up also. Everybody needs to know it's  
10 not just the Thruway, it's going to be the  
11 bridges also.

12 INTERIM EXEC. DIR. HOARE: Yes. And  
13 it's -- the Governor Cuomo Bridge went up  
14 50 cents in 2021, 50 cents in 2022, and the  
15 proposal is 50 cents over the next -- over  
16 the next four years.

17 Again, let me just finish that.  
18 Right? Again, as we said, if you look at the  
19 percentage, if you look at the percentage of  
20 those increases, compare the Governor Mario  
21 Cuomo Bridge to the cost of the George  
22 Washington Bridge, the Verrazano, and other  
23 bridges in the region. The percentage is --  
24 the raw number is still way down.

1           SENATOR MATTERA: You know, so  
2   14 years ago, you said, for the Thruway --  
3   that was the last time that it was increased,  
4   am I correct?

5           INTERIM EXEC. DIR. HOARE: Yes, for  
6   the main line E-ZPass.

7           SENATOR MATTERA: All right. But we  
8   just did the bridges, not even within a year.

9           THRUWAY CFO HOWARD: Yeah, so, you  
10   know, as you mentioned, there was an increase  
11   in 2021 and 2022. The proposal would provide  
12   for additional 50 cent increases beginning in  
13   2024 through 2027. That would bring the  
14   bridge rate in 2027 up to \$7.75.

15          If you compare that to what the George  
16   Washington Bridge toll is today, that number  
17   is over \$14 today. So we're -- we would be  
18   raising, over a four-year period, the toll to  
19   a level that is about half of what, you know,  
20   comparable crossings currently are today.  
21   That's really the underlying logic behind  
22   that.

23          SENATOR MATTERA: Okay, thank you.

24          And for Commissioner Schroeder -- and

1 I thank you. And I know someone had  
2 mentioned this and you already discussed it  
3 about, you know, since the legalization of  
4 cannabis, it is not uncommon to see and to  
5 smell cannabis being used as people are  
6 driving around.

7 What is the DMV doing to address this  
8 drugged driving? And I know we had this  
9 discussion, but this is something very dear  
10 to my heart that, you know, right now our law  
11 enforcement cannot detect anything. How --  
12 you said there's going to be a time frame.

13 When do you think this time frame is that  
14 we're going to be working with the DMV and  
15 law enforcement to make sure that this is not  
16 happening?

17 Because I drive down 95, I'm driving  
18 up the Thruway, and that's all I smell. We  
19 got now edibles, obviously, with this  
20 cannabis. It's just out of control.

21 DMV COMMISSIONER SCHROEDER: Thank  
22 you, Senator.

23 And so my response would be that at  
24 the Governor's Traffic Safety Committee we



1 take this very, very seriously. And so there  
2 are currently 400 -- 550 drug recognition  
3 experts. These -- these are law enforcement  
4 experts that we've helped train over the last  
5 several years. Our goal is to go up to 550.

6 In addition to that, we have eight  
7 more classes scheduled for this year. I've  
8 been to the classes. It's intense. It's  
9 almost like -- when they get done with the  
10 training, it's almost like sitting for the  
11 bar exam or the three-part CPA exam. It's  
12 intense. And the knowledge that they have  
13 and the knowledge that they're able to share  
14 with other law enforcement officers will  
15 prepare them for exactly what you're  
16 concerned about.

17 And finally, there's another program  
18 that we spend a lot of time on, and it's  
19 called the ARIDE program. And it's the  
20 Advanced Roadside Impaired Driving  
21 Enforcement. We have trained now 3,000  
22 officers, and it's an intense 16-hour  
23 training program, so that they are equipped  
24 to do exactly what they're supposed to do to

1 have safety on the road.

2 SENATOR MATTERA: And time frame?

3 Just quick, time frame for us? What do you  
4 think? Do you think -- when can this really  
5 come and be effective?

6 CHAIRWOMAN KRUEGER: I'm sorry, no  
7 more time to add another question.

8 (Overtalk.)

9 SENATOR MATTERA: Thank you. Thank  
10 you, Senator Krueger.

11 CHAIRWOMAN KRUEGER: Thank you.  
12 Assembly.

13 ASSEMBLYMAN MAGNARELLI:  
14 Assemblymember Smullen, please.

15 (No response.)

16 ASSEMBLYMAN MAGNARELLI: Okay.  
17 Assemblymember Jacobson.

18 ASSEMBLYMAN JACOBSON: Thank you,  
19 Mr. Chairman.

20 My questions are for the Thruway  
21 concerning the renovation of the rest areas.  
22 There's a number of them that I pass south of  
23 here, and they have signs on the road going  
24 there, and it says "No Restrooms Available."

1 Now, I understand if you're building  
2 over and there's no restrooms, and that's  
3 fine. I understand that. But couldn't we at  
4 least have some of these portable toilets,  
5 the ones you see on construction sites or  
6 that people rent when they have a large  
7 gathering outdoors?

8 INTERIM EXEC. DIR. HOARE: We  
9 considered that and determined that it was a  
10 risk because it's an open construction site.

11 ASSEMBLYMAN JACOBSON: Because what?

12 INTERIM EXEC. DIR. HOARE: It's a  
13 construction site, and that would be risky  
14 for -- to have folks drive in and use  
15 porta-potties, porta-johns.

16 ASSEMBLYMAN JACOBSON: I don't  
17 understand. You're saying we couldn't do  
18 that? Or it would delay construction time?

19 INTERIM EXEC. DIR. HOARE:  
20 Assemblyman, you're talking about where the  
21 site is currently under construction, is that  
22 correct?

23 ASSEMBLYMAN JACOBSON: I'm saying I  
24 don't -- why don't we have the portable

1 toilets at these sites that say "No Restroom  
2 Available"?

3 INTERIM EXEC. DIR. HOARE: Because  
4 those sites would be under construction, and  
5 the determination was made that it would be a  
6 risk to have folks driving in onto a  
7 construction site to use those facilities.

8 ASSEMBLYMAN JACOBSON: Couldn't we put  
9 them off to the side? I think -- I think the  
10 engineers can figure that out, that if you  
11 put it to the side of the parking lot, away  
12 from the construction, I think it could be  
13 done.

14 My second question is last year it was  
15 brought up at the hearings concerning having  
16 electric vehicle charging stations at all the  
17 areas along the Thruway, and I'm wondering  
18 how that is coming along.

19 INTERIM EXEC. DIR. HOARE: That is  
20 coming along. The commitment in the contract  
21 is for -- again, with the operator, is for  
22 120 charging stations at the 27 sites. The  
23 contract also calls for that to be renewed  
24 and to be constantly reviewing --

1 ASSEMBLYMAN JACOBSON: So you're  
2 talking only four per site?

3 INTERIM EXEC. DIR. HOARE: There would  
4 be approximately four per site. Some will  
5 have six.

6 ASSEMBLYMAN JACOBSON: Okay. To me,  
7 that's totally inadequate. I think you need  
8 at least eight. Because people are going to  
9 come there, we don't want them to get into  
10 fights over who was there first. And you  
11 should have at least eight because this is  
12 going to be the way of the future.

13 So that's a nice start, but while  
14 you're doing it, let's have eight, maybe 12.  
15 It wouldn't take that much, because once the  
16 initial cost goes in to doing it, you can  
17 have it.

18 So I would appreciate that, and that's  
19 it. Thank you.

20 CHAIRWOMAN KRUEGER: Thank you.

21 Next is Senator Hinchey.

22 SENATOR HINCHEY: Thank you,

23 Madam Chair.

24 And hello. Thank you all for being

1 here.

2 My question in my quick three minutes  
3 is going to Executive Director Hoare. Great  
4 to see you. Not surprising. As you know,  
5 much of my district encompasses the Thruway,  
6 and so thank you for your work.

7 The last time we spoke we talked about  
8 emergency services. And so, as you know,  
9 many of our fire departments and our EMS  
10 services are all volunteer. In the four  
11 counties that I represent, only one of them  
12 is paid. And right now many of those first  
13 responders are servicing the Thruway. Should  
14 there be an accident or something happens,  
15 it's our volunteer firefighters and our  
16 volunteer first responders who are the ones  
17 showing up at the scene first.

18 When we spoke, you had mentioned that  
19 you have an agreement with the State Police  
20 to help patrol those streets, and you were  
21 interested in possibly figuring out something  
22 with our first responders when we brought  
23 this to your attention. Because all of them  
24 are really struggling. Right? Many of them

1 are closing. They're shutting their doors  
2 because they just don't have the ability to  
3 operate.

4 Has there been any additional thought  
5 for that? We met before the budget was  
6 released. I didn't see anything in the  
7 budget for that type of funding. But what  
8 are your thoughts on that?

9 INTERIM EXEC. DIR. HOARE: So as a  
10 result of our meeting, we went back and there  
11 is a program that's been in existence for a  
12 while to pay a set amount to those  
13 responding. We acknowledge and recognize  
14 that --

15 SENATOR HINCHEY: It's really low.

16 INTERIM EXEC. DIR. HOARE: It's low.

17 SENATOR HINCHEY: It's too low.

18 INTERIM EXEC. DIR. HOARE: And we  
19 appreciate that. And we are -- I will commit  
20 to you to take a look at that.

21 We're not in -- again, we're not in  
22 the state budget, so you wouldn't see it  
23 there. But we will take a look at that  
24 because, again, we value -- we value the work

1 and we need them to do that work and we  
2 understand that some of them are in  
3 precarious financial shape.

4 SENATOR HINCHEY: And it would save  
5 you money in the long run by continuing that,  
6 as opposed to having to hire your own  
7 department, right, to service those accidents  
8 and crashes.

9 And so I think it's really important  
10 we work together on that. Let me know how we  
11 can help. Because the sooner, the better, on  
12 that front.

13 As it pertains to Senator Kennedy's  
14 questions, I understand why -- how you were  
15 not allocated in the federal infrastructure  
16 funding. But could you shed a little light,  
17 for those of us who may not know, why you're  
18 not represented in the state budget or  
19 looking at -- you're really only based on  
20 rate increases? Can you talk about that  
21 structure? Or toll increases, I should say.

22 INTERIM EXEC. DIR. HOARE: Well, I  
23 mean, the decision was made from -- dating  
24 back to the '50s when --



1           SENATOR HINCHEY: I guess I'm saying,  
2 is it changeable? Right? Is there a way  
3 that we would be able to change that payment  
4 structure for you, or the way that you  
5 operate in funds?

6           INTERIM EXEC. DIR. HOARE: I would say  
7 that would be above my pay grade.

8           SENATOR HINCHEY: Okay. I have  
9 20 seconds left, so I'll wait and we'll  
10 follow up. Thank you.

11          INTERIM EXEC. DIR. HOARE: You're  
12 welcome.

13          CHAIRWOMAN KRUEGER: Thank you.  
14 Assembly.

15          CHAIRWOMAN WEINSTEIN: Assemblyman  
16 Norris for five minutes, since he's the  
17 ranker on Transportation.

18          ASSEMBLYMAN NORRIS: Thank you very  
19 much, Madam Chair.

20          My question is first to Commissioner  
21 Schroeder. Thank you very much for what you  
22 do. I know we contact your office very often  
23 and you're very helpful to our constituents.

24          One of the areas -- and I'm grateful

1 to see the shift to help our county clerks.

2 That's very important in our local

3 municipalities, contained within the state

4 budget.

5 But what are we doing for Donate for

6 Life, and increasing that? As you know,

7 organ donations in New York State is one of

8 the lowest across the entire country. What

9 are we doing at the DMV to improve that?

10 DMV COMMISSIONER SCHROEDER: Yeah,

11 thank you for that. And we -- we are going

12 to beat Colorado. So Colorado is the best

13 state in the nation for Donate Life. Right

14 now New York ranks real low.

15 And so this year is a significant

16 year. I and my staff, we work not only with

17 the 51 county clerks, but we are seeing

18 incredible progress in the 27 district

19 offices that we run, mostly in metropolitan

20 New York. I was just in Manhattan a month

21 ago, and also last April during Donate Life

22 Month, to award the Manhattan district office

23 License Express because of their good work

24 for Donate Life.

1           And so in all of the 108 offices of  
2 county clerks and all 27 district offices  
3 that we run, starting in March we will have  
4 what is -- it's a -- when you go up to the  
5 counter, you see this little computer? It's  
6 called a customer-facing device. And right  
7 now it's essentially used to voter motor --  
8 Motor Voter, right? Now, in March -- we're  
9 installing it now -- that that -- the other  
10 half of all the people who come into a DMV,  
11 do registration work, they will be able to  
12 automatically enroll into Donate Life.

13           And so over the next year our goal is  
14 to enroll 2.5 million more New Yorkers, and  
15 then that takes us out of the low level and  
16 puts us into the high threshold.

17           We are totally committed to it. I  
18 have my button on. All of our -- all of  
19 our -- and during the month of March and  
20 April, we have -- just this last March we had  
21 a little person, five years old, she's had a  
22 heart transplant -- twice. They call her  
23 The Warrior. And she came to the DO office,  
24 the district office, in Albany and she danced

1 and she ran around. And it shows to all of  
2 our employees how important it is for us to  
3 know.

4 Training, also. We are training,  
5 along with the Donate Life organization, we  
6 are training, right now we're training all of  
7 our DMV offices across New York State. We  
8 are committed.

9 ASSEMBLYMAN NORRIS: Thank you,  
10 Commissioner. Thank you for the work.

11 I'd like to ask a couple of questions  
12 of Director Hoare. Thank you very much.

13 My first question is procedurally, how  
14 do you make the determination to close the  
15 Thruway through -- with significant events  
16 such as the recent blizzard in Buffalo?

17 INTERIM EXEC. DIR. HOARE: Our first  
18 concern, consideration, is always safety. So  
19 we talk to our partners in state government,  
20 we talk to our partners in localities, we  
21 talk to the National Weather Service, and we  
22 try and make a determination what is the  
23 safest approach to take for the traveling  
24 public.

1 ASSEMBLYMAN NORRIS: Thank you.

2 Is there a review being done after the  
3 two blizzards to see if the procedures are  
4 actually in place for communication purposes  
5 with the general public?

6 INTERIM EXEC. DIR. HOARE: After every  
7 storm we reevaluate, we do after action  
8 reports. And you heard those comments from  
9 the DOT commissioner. So yes, we're looking  
10 at the big picture on what the response was,  
11 and we're always looking to do better.

12 ASSEMBLYMAN NORRIS: Thank you very  
13 much.

14 Now I'd like to ask you about the  
15 Thruway staffs. I travel, of course, every  
16 week back and forth, out west towards  
17 Buffalo. What is being done to thoroughly  
18 examine the capacity at these sites as we go  
19 forward? I mean, the one stop I have,  
20 there's like restrooms there, there's very  
21 limited space for people to actually eat  
22 their food, to sit down or rest. We're  
23 concerned about drowsiness in drivers. I  
24 personally do not find them to be sufficient

1 as they're being designed right now. And I  
2 know many of my constituents don't either.

3 What's being done to look at that  
4 before the other ones are being constructed?

5 INTERIM EXEC. DIR. HOARE: Again, the  
6 sites -- the size of the sites were  
7 determined based on the traffic and based on  
8 the data from the other sites.

9 The three that are up online now, that  
10 opened first, are busier now. They're busier  
11 now because there are other rest areas down.

12 We anticipate that -- and our planning  
13 says that when they're all open, that you're  
14 not going to see, at some of the smaller  
15 sites, the crowds you're getting. Now,  
16 Chenango is one of the smaller sites, and it  
17 gets crowded, right, but -- but when the  
18 system is entirely open and functioning with  
19 all of them, we anticipate seeing a decrease  
20 in the crowds, with that feeling of  
21 crowdedness, at any individual site.

22 ASSEMBLYMAN NORRIS: And for our  
23 tourist buses who are going to go back and  
24 forth, particularly -- I represent, well,

1 Niagara County and Niagara Falls is part of  
2 that. Is that going to be considered as  
3 well, the number of tour buses that are  
4 going?

5 Thank you, Madam Chair. Thank you for  
6 answering my question.

7 INTERIM EXEC. DIR. HOARE: There's a  
8 relationship with bus companies. So we're  
9 constantly advising them what's open and  
10 what's not and where the bigger places are --  
11 to go are.

12 ASSEMBLYMAN NORRIS: And make sure  
13 there's space. Thank you very much.

14 CHAIRWOMAN WEINSTEIN: Thank you.

15 To the Senate now.

16 CHAIRWOMAN KRUEGER: Thank you.

17 Senator Borrello.

18 SENATOR BORRELLO: Thank you, Madam  
19 Chair.

20 First of all, thank you all for being  
21 here. I just want to direct my questions to  
22 the executive director.

23 Let me start off by saying that I --  
24 you know, I travel the Thruway a lot, and if

1 you had a frequent flyer program, I would be  
2 at your top tier, tens of thousands of miles  
3 a year.

4 I have lots of friends and family who  
5 work for the Thruway. They do an amazing job  
6 with keeping safe, they do a great job with  
7 construction.

8 But with all that being said, I want  
9 to address the toll hike. Now, you mentioned  
10 that I believe in 2024 you're going to have a  
11 \$4 million deficit. I have concerns about  
12 the nontransparency of the Thruway  
13 Authority's operations. And so a specific  
14 question, how many millions of dollars were  
15 wasted on those nonfunctioning wind turbines  
16 that are at the exits, at the Thruway exits?

17 INTERIM EXEC. DIR. HOARE: There was  
18 litigation over that, and the state was not  
19 successful in suing the manufacturer of  
20 that -- of those wind turbines.

21 SENATOR BORRELLO: Well, you know,  
22 when these things happen, there's supposed to  
23 be a process. You know, when you put up a  
24 wind turbine, you're supposed to get --



1 you're supposed to follow local zoning laws,  
2 there's public hearings. None of that  
3 happened.

4 So it doesn't surprise me that you  
5 guys bought these things from a company that  
6 went bankrupt, and now these things are  
7 sitting there.

8 So my question again was, how much  
9 money was wasted on those?

10 INTERIM EXEC. DIR. HOARE: I'd have to  
11 get back to you, Senator, on that. I don't  
12 have --

13 SENATOR BORRELLO: Well, I'd like to  
14 know, because \$4 million I think is a drop in  
15 the bucket. I think that one of those wind  
16 turbines was multiple millions of dollars to  
17 construct, and now they sit there rusting  
18 away, as a testament to waste.

19 So also, with that being said, I'm  
20 going to -- I want you to understand that I  
21 believe that -- I understand the tolls are  
22 going up, or that's your recommendation. But  
23 didn't we just save a lot of money with  
24 cashless tolling? And what about all of the

1 hundreds if not thousands of employees that  
2 were at toll booths? There was a savings  
3 there. How did that -- how are we going, all  
4 of a sudden so quickly, into a deficit after  
5 what should have been, you know, hundreds of  
6 millions of dollars in savings?

7 INTERIM EXEC. DIR. HOARE:

8 All-electronic tolling was not meant to save  
9 money. It was meant to provide safety,  
10 convenience to our customers, and help the  
11 environment.

12 The cost for -- in shifting to that  
13 program, costs were made. The gantries had  
14 to be built, we still have costs related to  
15 back office expenses. Sixteen percent of the  
16 public do Tolls By Mail, so that entails  
17 personnel.

18 So we have our -- so that's the answer  
19 why AET is not saving money.

20 SENATOR BORRELLO: So it didn't save  
21 any money with the tolling, all right.

22 All right. Well, I'll move on,  
23 because I have a very short period of time.

24 I just want to associate myself with

1 the comments of some of my colleagues on  
2 these new service areas. They're small,  
3 they're crowded, they're already -- in my  
4 opinion, they're not consistent on their  
5 hours. But this company -- it's out of  
6 Ireland, I believe? I'm just trying to  
7 figure out what qualifications they had to  
8 build Thruway Authority rest areas, because  
9 the only qualifications I could find for this  
10 company was that they made the right  
11 political donations. Where did these guys  
12 come from, and why are we not -- why are they  
13 operating? How did they get this contract?

14 INTERIM EXEC. DIR. HOARE: Well, I'm  
15 not here to do a public service plug for the  
16 company, but I'll tell you they responded to  
17 a public RFP and they met a very public and  
18 transparent process. I want to tell you they  
19 run service areas in New Jersey,  
20 Pennsylvania, and throughout Europe. So  
21 there was some basis.

22 SENATOR BORRELLO: All right, thank  
23 you.

24 CHAIRWOMAN KRUEGER: Thank you.

1 Assembly.

2 CHAIRWOMAN WEINSTEIN: Assemblyman

3 Otis.

4 ASSEMBLYMAN OTIS: Thank you, Chairs.

5 And thank you, Mark and Frank and Matt. Nice

6 to see you all.

7 DMV COMMISSIONER SCHROEDER: Thank

8 you.

9 ASSEMBLYMAN OTIS: I have some

10 questions for the Thruway Authority, but

11 first a thank you, which is we've had a lot

12 of construction activity the last few years

13 with the last-mile project in my area, and

14 really appreciate the responsiveness with the

15 Thruway Authority. Anytime we've had a

16 problem with constituents and neighbors or

17 local governments, you've been great. So

18 kudos there.

19 And also, with our turnaround on I-95

20 with the Mamaroneck/New Rochelle border,

21 excellent job.

22 I have a follow-up question on the EV

23 charging situation. In your contract with

24 your outside partner there, you have the

1 ability to ramp up even more ambitiously than  
2 the numbers that were stated here today. As  
3 need is, you're able to ramp up the number of  
4 charging stations at each rest area. That's  
5 in the contract.

6 Could you give a little more detail  
7 about what the mechanics of that are so that  
8 people can hear, you know, what the legal  
9 details are? Because I think we are probably  
10 going to have to grow it to bigger numbers  
11 than they're going to start off. And so what  
12 are those details?

13 INTERIM EXEC. DIR. HOARE: Well,  
14 right, we agree with you. The details are  
15 that we will work with them cooperatively as  
16 demand and capacity increases. There's also  
17 a capacity issue, right? We're working with  
18 PSC, the Public Service Commission, and  
19 utilities to ensure that there's capacity at  
20 these service areas so that we can increase.

21 Right now the commitment is 120. We  
22 know we're going to need to grow that.  
23 Right? That is our plan. We want to improve  
24 and increase and add to those sites.

1           We also have charging stations at the  
2 Governor Mario Cuomo Bridge landings, on both  
3 sides. We have them at our commuter lots,  
4 and we have them at the welcome centers. So  
5 there's -- in addition to the service areas,  
6 they will be throughout the system.

7           And we will continue to assess and  
8 reassess to ensure that we get more and more  
9 as demand grows.

10          ASSEMBLYMAN OTIS: So we met a few  
11 weeks ago, and one of the things that I  
12 suggested -- and you're already doing solar  
13 projects with NYPA, and that might be an  
14 opportunity to expand that and get more  
15 electricity online for charging as well.

16          So -- but thank you. That's all I  
17 have. I'm even going to yield back some of  
18 my time.

19          CHAIRWOMAN WEINSTEIN: Thank you.

20          We go to the Senate now.

21          CHAIRWOMAN KRUEGER: Thank you.

22          Senator Cooney.

23          SENATOR COONEY: Thank you,

24          Madam Chair.

1           And my questions are directed to the  
2 Thruway Authority.

3           Following up on our conversation  
4 tonight about this Thruway capital project, I  
5 want to direct my questions through the lens  
6 of the Senate's Procurement and Contracts  
7 Committee, which I chair -- specifically,  
8 about the opportunities that may be coming  
9 about through this renovation project.

10          How many jobs, directly or indirectly,  
11 are estimated to be constructed over the  
12 course of Phase 1 and Phase 2.

13          INTERIM EXEC. DIR. HOARE: Related to  
14 the construction of the service areas?

15          SENATOR COONEY: Correct.

16          INTERIM EXEC. DIR. HOARE: I don't  
17 have that. I'll have to get back to you on  
18 that. Unless you know.

19          THRUWAY CFO HOWARD: No.

20          SENATOR COONEY: You can get back to  
21 me about that.

22          Senator Comrie brought up a great  
23 point about the opportunity for these  
24 large-scale projects to engage with minority

1 and women-owned business enterprises. MWBE  
2 participation is terrific -- you cited  
3 33.4 percent. Thank you for your leadership  
4 on that.

5 I just want to make sure that with the  
6 increase in costs that you referenced  
7 earlier, Director, that these MWBE firms are  
8 actually getting paid and getting paid on  
9 time. Can you comment on that?

10 INTERIM EXEC. DIR. HOARE: We've had  
11 no complaints about somebody not getting  
12 paid.

13 We have a very active program. We  
14 have a whole office that deals with these  
15 issues, not just on the service area  
16 agreements, but on all our contracts, to  
17 ensure that there's an MWBE presence and  
18 they're meeting the state aspirational goals.

19 Our folks go out to job fairs, we go  
20 out to schools. They're working with our  
21 partners at OGS and Economic Development to  
22 ensure that that program flourishes. And we  
23 will -- we often give lists of MWBE companies  
24 to bidders to make sure that they have them



1 available to them, because sometimes they'll  
2 say, Well, you know, we're trying, and you  
3 really do a job to hold their feet to the  
4 fire to ensure that they're complying with  
5 the program.

6 SENATOR COONEY: It's often these  
7 smaller companies that fall victim to having  
8 to deal with cost increases that were  
9 unexpected. You talked about the cost of  
10 steel, the cost of asphalt, which is why you  
11 need to have this toll increase.

12 But I'm sure that there are additional  
13 costs for the construction of these  
14 facilities, and so I'm concerned that that  
15 might fall upon the contractors involved with  
16 the project. And so I want to make sure that  
17 this program is successful. I want to make  
18 sure that folks who have bid on these  
19 contracts have the opportunity to get this  
20 work and to earn a decent wage.

21 This Legislature did pass legislation  
22 in the past noting the cost increases due to  
23 the global health pandemic that we went  
24 through. The Governor did veto that

1 legislation. But I am conscious of the fact  
2 that -- I am worried that this project may go  
3 over budget. And I know you're working very  
4 hard to make sure that it continues to go on  
5 forward, but I wanted to be on the record  
6 that this is a job-creation program as much  
7 as it is about amenities for our state  
8 residents.

9 So thank you very much.

10 INTERIM EXEC. DIR. HOARE: Thank you.

11 CHAIRWOMAN WEINSTEIN: Thank you. We  
12 go to Assemblywoman Simon.

13 SENATOR SIMON: Thank you.

14 Commissioner Schroeder, I want to  
15 thank you for the conversation the other day  
16 and your commitment to revisit disability  
17 access issues throughout the DMV and its  
18 operations. I'm looking forward to hearing  
19 more about that.

20 DMV COMMISSIONER SCHROEDER: Thank  
21 you.

22 ASSEMBLYWOMAN SIMON: I also wanted to  
23 ask -- you know, you were asked a question  
24 about impaired driving, and Senator Liu and I

1 have a bill to reduce the blood alcohol  
2 content to .05, which is recommended by the  
3 National Transportation Safety Board. Is  
4 this something that would -- how would your  
5 agency interface with that, if at all?

6 DMV COMMISSIONER SCHROEDER: So thank  
7 you, Assemblymember. So I am very aware that  
8 in the State of Utah, that's exactly what the  
9 rate is, it's 0.05 percent.

10 So this would be a legislative matter.  
11 This would be something for the Assembly and  
12 the Senate to deliberate on.

13 And -- and -- you also know that I  
14 also serve as the chair of the Governor's  
15 Traffic Safety Committee. So we would be  
16 willing to work with you in any way to  
17 provide information for you, because we have  
18 it readily. We do major reports each and  
19 every year. We distribute about \$48 million  
20 worth of grants throughout the State of  
21 New York. These are federal grants coming  
22 through the Governor's Traffic Safety  
23 Committee. So we would be very willing to  
24 work with you and with Senator Liu as well.

1 ASSEMBLYWOMAN SIMON: Great, thank  
2 you.

3 DMV COMMISSIONER SCHROEDER: You're  
4 welcome.

5 ASSEMBLYWOMAN SIMON: And then with  
6 regard to the Thruway Authority, I'm not  
7 going to get into the toll angle, although I  
8 think the tolls are higher from Brooklyn to  
9 Albany than they are anywhere else. I'm  
10 joking.

11 But I also would, with regard to the  
12 replacement of the rest stops, I would  
13 implore you to put Shake Shack in the ones  
14 that I go to the most often.

15 (Laughter.)

16 ASSEMBLYWOMAN SIMON: Thank you.

17 INTERIM EXEC. DIR. HOARE: We'll get  
18 on that.

19 CHAIRWOMAN WEINSTEIN: Senate.

20 CHAIRWOMAN KRUEGER: Thank you.

21 Senator Oberacker, a ranker, for five.

22 SENATOR OBERACKER: Thank you.

23 And, gentlemen, thank you all for  
24 coming in and giving us your testimony today.

1 My first question would be to our DMV,  
2 Commissioner Schroeder. So as a owner of  
3 horses -- an equestrian, I guess would be the  
4 word that they use -- and as I've traveled  
5 around, I see a lot of out-of-state plates  
6 that are on trailers for horses. Not to kind  
7 of berate the State of Maine, but a lot of  
8 them I know are registered in Maine.

9 And so what I was wondering is, is  
10 there a way that maybe we're missing out on  
11 some potential revenue stream by not looking  
12 at or changing some of our processes. I know  
13 you can get like a longer registration in the  
14 State of Maine for a trailer. I know the  
15 rates seem to be a little bit better for  
16 longer. So is that something that maybe we  
17 could look at and --

18 DMV COMMISSIONER SCHROEDER: Yes.  
19 Yes. In fact, you know, I've been prepping  
20 now for months, and so this has not come up  
21 one time. So I'm glad you brought it up.  
22 And I will work with staff to look into this,  
23 because this could be an opportunity for  
24 New York. This is exactly the reason why

1 you're presenting it to me.

2 So I appreciate it, and we will get  
3 back to you offline and tell you what we've  
4 found and how we might be able to work  
5 together. We may be able to be helpful  
6 without any legislation or amending the VTL.  
7 So we'll look at that first. But if we do  
8 need help, you'll be the first one to know  
9 about it.

10 SENATOR OBERACKER: Well, I thank you  
11 for that. And if you could, if it affects  
12 rates too much, please strike this so my wife  
13 doesn't, you know, kick me out of the house,  
14 so to speak. So thank you, Commissioner --

15 (Laughter.)

16 DMV COMMISSIONER SCHROEDER: Yeah,  
17 it'll be between you and me.

18 SENATOR OBERACKER: -- on that. I  
19 appreciate that.

20 My next question would be for our  
21 Thruway Authority. It's actually two  
22 questions, quick, that I think could probably  
23 be answered together.

24 Is there any thought or is there any

1 process involved with the study of increasing  
2 the speed limit on the Thruway?

3 And if there is any thought process to  
4 reissuing, if you will, the exit and the mile  
5 markers. When I've traveled around a lot to  
6 some of the other highways, if you will,  
7 there seems to be like a -- if it was a  
8 200-mile marker, the exit's 200 and so on.  
9 So I'm just wondering if there's any thought  
10 process down the road for instituting that on  
11 the Thruway.

12 INTERIM EXEC. DIR. HOARE: On your  
13 first question, no.

14 On the second, we're looking at that.  
15 Senator Griffo has raised that. There's a  
16 number of issues and complications to doing  
17 that. But we certainly again always will  
18 take the time and be respectful to the  
19 Legislature to look at any issue that's  
20 raised.

21 SENATOR OBERACKER: Great. And  
22 you've answered my questions in such a  
23 concise and quick manner, I'd like it noted  
24 that I'm giving back my two minutes. Thank

1 you.

2 INTERIM EXEC. DIR. HOARE: You're  
3 welcome.

4 CHAIRWOMAN KRUEGER: And we thank you.

5 And the Assembly's done, so the  
6 Senate's just -- oh, wait. Oh, they just  
7 keep popping up like flowers.

8 (Laughter.)

9 CHAIRWOMAN WEINSTEIN: I'm sorry.  
10 Assemblyman.

11 ASSEMBLYMAN BURGOS: Thank you, Madam  
12 Chair.

13 My question is for the Thruway. So  
14 you guys obviously are responsible for 570  
15 miles of highway, and part of that is your  
16 contractual relationship with E-ZPass. I'll  
17 be honest with you, there is not a single  
18 issue I think in New York State that unifies  
19 New Yorkers more than their disdain for  
20 E-ZPass.

21 I hear countless stories of, you know,  
22 overcharging and really just terrible  
23 administrative policies. Just last year, I  
24 believe, your authority acknowledged that



1 59,000 people were overcharged at the  
2 Lackawanna toll gantry near Buffalo. And,  
3 you know, I've heard stories of bills not  
4 being mailed, bills sent to collections -- I  
5 mean, it's really not uncommon for me to hear  
6 from constituents that they have a \$6,000  
7 bill, or \$12,000 -- I've heard of \$18,000 in  
8 unpaid fines.

9 And these are not fines that they  
10 don't want to pay. The problem is that we  
11 have many counts of E-ZPass not mailing it to  
12 the constituents in a timely manner, not  
13 mailing at all, and instead the first notice  
14 they get is for collections.

15 Now, this has a huge impact. I mean,  
16 one, it's a huge bill, but constituents can  
17 then no longer register their car. And in my  
18 district, where the average median income is  
19 about \$35,000, having a car is not a luxury,  
20 it's a means to feed your family, to get to  
21 work, to just do everyday things.

22 So in your testimony you mention about  
23 10 percent of bills are not through E-ZPass,  
24 but only 60 percent are paid. So out of that

1 10 percent, 40 percent of people are not  
2 paying.

3 But again, I reiterate -- am I not  
4 clear on that? Out of the 10 percent it says  
5 here -- it says 10 percent don't have an  
6 E-ZPass -- 6 percent have paid in a timely  
7 manner, and the remaining 4 percent are  
8 subject to the ongoing collections process.

9 So 40 percent of that 10 percent are not  
10 paying.

11 And what I'm saying is you cannot  
12 throw all the blame on New Yorkers there.

13 Part of this is administrative. So what are  
14 you -- because right now we're proposing an  
15 increase in tolls in 2024. I think before we  
16 can talk about an increase in tolls, we have  
17 to fix the E-ZPass system. I mean,  
18 New Yorkers' cars are being taken away.  
19 They're hit with thousands of dollars of  
20 bills.

21 So, you know, I just want to know at  
22 the Thruway Authority, what are we doing to  
23 basically clean up E-ZPass's act?

24 INTERIM EXEC. DIR. HOARE: Well,

1 again, let's acknowledge that if somebody  
2 doesn't pay their bill within 30 days, they  
3 get a second letter, a warning letter, the  
4 first one. Then another one 30 days later,  
5 and another one 30 days after that.

6 So they don't -- it's not sent to  
7 collections until 120 days, four months after  
8 that. Right? So we -- we're not in the law  
9 enforcement business. We're not looking to  
10 take anybody's car. We just want folks to  
11 pay their bill, not only because they owe it  
12 to the Thruway Authority, but it's fair to  
13 everybody else who's actually paying their  
14 bill.

15 And as we said, 90 percent pay within  
16 that first 30 days.

17 I would say to you if you know  
18 somebody that has a multiple-thousand-dollar  
19 bill, you should call me and we will go  
20 through that and review that. Because that  
21 process of going to a collection agency  
22 doesn't happen until at least a four-month  
23 period.

24 ASSEMBLYMAN BURGOS: I have two quick

1 things I just want to say again, because  
2 people just are not receiving it sometimes.  
3 This is not uncommon.

4 So I'm saying I understand the  
5 mailing, but we just have to clean it up,  
6 where, you know, again, people's cars may be  
7 registered somewhere else -- I know it's  
8 difficult, but we have to clean this act up  
9 so people can be notified of the bills.

10 CHAIRWOMAN WEINSTEIN: Thank you.

11 INTERIM EXEC. DIR. HOARE: And people  
12 need to contact their E-ZPass when they move,  
13 right, so that the bill keeps up with them.

14 ASSEMBLYMAN BURGOS: (Inaudible.)

15 CHAIRWOMAN WEINSTEIN: Thank you,  
16 Assemblyman Burgos.

17 So now we go on to the Senate.

18 CHAIRWOMAN KRUEGER: Thank you. And  
19 we go on to Senator John Liu.

20 SENATOR LIU: Thank you, Madam Chair.

21 I -- I'm going to be quick. I just  
22 want to thank Commissioner Schroeder for  
23 being proactive with the DMV and helping  
24 New Yorkers get their REAL ID. In fact, he

1 came out to Queens to do some on the ground  
2 outreach, and lo and behold, the same day we  
3 were going to announce the REAL ID effort to  
4 get everybody done by this coming May, the  
5 federal government announced a two-year  
6 extension.

7 So I don't know how you worked that  
8 magic, Commissioner, but it just gives  
9 New Yorkers more time to get compliant with  
10 REAL ID on their licenses. But we still want  
11 New Yorkers to just get it done quickly.  
12 Don't wait for another two years before the  
13 deadline approaches.

14 And with regard to the  
15 Thruway Authority, I concur with everything  
16 that my colleagues have said about the rest  
17 areas. I will only thank you for, you know,  
18 I read that we're getting rid of McDonald's  
19 and replacing them with Burger King, is that  
20 right?

21 INTERIM EXEC. DIR. HOARE: Yes.

22 SENATOR LIU: Thank you!

23 Thank you, Madam Chair.

24 (Laughter.)

1 CHAIRWOMAN KRUEGER: All right. Thank  
2 you, John Liu.

3 Senator Gonzalez.

4 SENATOR GONZALEZ: Thank you,  
5 Madam Chair. And thank you all so much for  
6 being here.

7 My question is for the commissioner of  
8 the Department of Motor Vehicles,  
9 Commissioner Schroeder. So I am the chair of  
10 Internet and Technology, and a priority of  
11 mine is expanding personal data protection  
12 and preventing governmental and corporate  
13 surveillance.

14 So this is a question I asked in our  
15 previous session, but, you know, in regards  
16 to that, last year the Department of Motor  
17 Vehicles was granted roughly 100 million in  
18 appropriations for a Transformation Plan.  
19 The stated purpose for these increases is  
20 investments in technology and process  
21 improvements to enhance the DMV customer  
22 experience.

23 I'm curious what technology  
24 investments you are making, what customer

1 experience investments does that include, and  
2 then does this plan include any new data  
3 protections for New Yorkers?

4 DMV COMMISSIONER SCHROEDER: Thank  
5 you. And so the way I would explain this, we  
6 were very grateful to the Governor last year  
7 and to the Legislature for underwriting the  
8 \$108 million for the transformation and tech  
9 redesign of DMV. It's been very, very  
10 important, because as I mentioned earlier,  
11 some of the data lines date back -- the  
12 legacy lines date back to the 1960s. This is  
13 the reason why there are so many different  
14 outages and also glitches around New York  
15 State.

16 So what we've done is we've taken this  
17 very seriously. This will not be just a  
18 one-month project or a one-year project.  
19 Right? This is probably going to be three to  
20 five years to totally be able to transform  
21 DMV and all of our offices.

22 I ask the question each and every  
23 day -- and this would fit into the committee  
24 that you run -- I ask the question to DMV,

1 what will DMV look like in 2030, because of  
2 all the technology, because right now  
3 New Yorkers have the ability to do  
4 74 transactions online.

5 And so we have had a very successful  
6 year. I mentioned earlier we have the Live  
7 Chat. So rather than have customers wait on  
8 the phone and get aggravated, there are ways  
9 for customers to be able to do the Live Chat  
10 back and forth, and we give them the  
11 information that they need.

12 SENATOR GONZALEZ: Okay, that sounds  
13 great. Sorry to cut you off, but very  
14 quickly --

15 DMV COMMISSIONER SCHROEDER: No,  
16 that's okay.

17 SENATOR GONZALEZ: The Driver's  
18 Privacy Protection Act allows State DMV to  
19 sell driver data for both marketing and  
20 distribution, if the state has obtained  
21 express consent from individuals. Does the  
22 DMV do this currently? Are we getting -- so  
23 do you sell that data, and are we getting  
24 individual consent? As it's permitted under,



1 again, the --

2 DMV COMMISSIONER SCHROEDER: There --  
3 there is a process through the authorization  
4 of the Legislature for us to work with, like,  
5 insurance companies and things of that  
6 nature, so that they have the information  
7 that they need. For instance, for like  
8 recalls and things of that nature.

9 But we at DMV are very clear in terms  
10 of who we share information with and who we  
11 don't share information with. We're very  
12 clear about that.

13 SENATOR GONZALEZ: I'll follow up  
14 another time, but curious how that individual  
15 consent is obtained, as under the Federal  
16 Privacy Protection Act.

17 DMV COMMISSIONER SCHROEDER: Okay.

18 SENATOR GONZALEZ: Great. Thanks.

19 CHAIRWOMAN KRUEGER: Thank you. Thank  
20 you, Senator.

21 I guess I'm the last one to go.

22 So for the Thruway Authority, I know  
23 you talked about the percentage that we're so  
24 much below other states, and we have talked

1 about that. And I can't believe we kicked  
2 the can down the road so long that now we  
3 find ourselves having to do a significant  
4 jump. And personally I would have preferred  
5 to see it go up every year a little bit.

6 But can you tell me, if you know, what  
7 percentage of the people who pay tolls are  
8 actual New York residents versus out of state  
9 versus national trucks?

10 THRUWAY CFO HOWARD: So for passenger  
11 cars, about 74 percent of, you know, our  
12 customer base is New York E-ZPass accounts.

13 The remaining 24 percent, it's about  
14 16 percent I think are non-New York E-ZPass  
15 accounts, and about 10, I believe, are  
16 Toll by Mail customers.

17 So I know that, you know, when you  
18 look to the commercial side, the vast  
19 majority of that 17 percent of our commercial  
20 traffic are New York accounts. There's only  
21 about 3 percent of the 17 that's commercial  
22 that are either non-New York or Toll by Mail  
23 customers.

24 CHAIRWOMAN KRUEGER: So, so many

1 trucks come from out of state; do they just  
2 not take the Thruway?

3 THRUWAY CFO HOWARD: No, actually, you  
4 know, we have a disproportionate share of  
5 commercial traffic use New York accounts. A  
6 big reason for that is we have, you know,  
7 commercial discount programs that are  
8 advantageous to truckers. So, you know, many  
9 of the companies actually sign up for a  
10 New York E-ZPass account.

11 CHAIRWOMAN KRUEGER: Thank you. Mark,  
12 for DMV. Hi.

13 So I had a couple of mechanics in my  
14 district -- now, I have a little weird of a  
15 district, I have zero gas stations in my  
16 district. Because no one can afford to have  
17 a gas station in my district. I know  
18 everyone else is going, What is she talking  
19 about, there's not one gas station. But I  
20 have a few mechanics who still do vehicle  
21 inspections.

22 And they've said, why are we still  
23 doing it this way? Cars aren't what they  
24 were 40 years ago. Cars that were built in

1 the last -- even they'll say 15 years, they  
2 don't have problems every two years. Or they  
3 don't have problems when they're two years  
4 old, four years old, six years old, eight  
5 years old. Why do you make everybody have  
6 such frequent inspections? Because frankly  
7 we don't have enough people to work in our  
8 shops, and it's taking away from our ability  
9 to do other work because we have to do all of  
10 these vehicle inspections.

11 And they were telling me that even gas  
12 stations in New York City are talking about  
13 pulling out of being inspection stations  
14 because it's actually such a problem for  
15 them.

16 Is there any logic to our thinking  
17 about changing the rules of how often you  
18 have to have modern cars inspected?

19 DMV COMMISSIONER SCHROEDER: Yes,  
20 Senator, we are totally open to it. In fact,  
21 several years ago it was talked about from a  
22 DMV perspective, the Chamber and the  
23 Legislature, about really changing that.

24 This would be the time really to look

1 at it. Right now I'm sure the mechanics may  
2 have told you about what is called NYVIP3.  
3 This is new equipment that they are required  
4 to get because the old equipment is 10 years  
5 old. And so we're working with all of the  
6 inspection stations across New York State.

7 But this would be the perfect time for  
8 us to really look at it and to figure out a  
9 way, is there some permanent different  
10 situations that could take place so that they  
11 don't have to do these things, you know,  
12 every year or every two years.

13 We are totally open. And I would  
14 be -- we work with a lot of different  
15 organizations. The auto dealers, they also  
16 have inspection stations across New York  
17 State. So this is a great subject matter,  
18 and we would be willing to take it to the  
19 next level with you, Senator.

20 CHAIRWOMAN KRUEGER: Okay. Thank you.

21 DMV COMMISSIONER SCHROEDER: You're  
22 welcome.

23 CHAIRWOMAN KRUEGER: And this is a  
24 perpetual problem for New York City -- I

1 don't know about the rest of the state. If  
2 you just go up and down streets and look at  
3 the cars parked on the streets, half of them  
4 have out-of-state licenses. Personally I  
5 think half of them come from Vermont. I  
6 think there are more cars with license plates  
7 from Vermont in New York City than there are  
8 people living in Vermont.

9 Is there anything ever we're going to  
10 be able to figure out to do about that?  
11 Because I think they're registering in other  
12 states probably to save some kind of  
13 insurance money or fees money, but then  
14 they're taking up the very limited street  
15 parking spaces in New York City, which has  
16 actually become a crisis issue in some  
17 neighborhoods.

18 And, like, somebody must have come up  
19 with some way to be able to track that this  
20 car isn't really from Vermont, it's really  
21 from, with all due respect, Brooklyn or  
22 Queens or Manhattan.

23 DMV COMMISSIONER SCHROEDER: Senator,  
24 believe it or not, I did anticipate this

1 question because you have been concerned  
2 about it in the past. And the real question  
3 would go to Connecticut and New Jersey and  
4 the other states --

5 CHAIRWOMAN KRUEGER: Any other state  
6 you want, fine.

7 DMV COMMISSIONER SCHROEDER: Yeah. So  
8 what we're trying to do is -- there is an  
9 organization, a nationwide organization  
10 called AAMVA. AAMVA's like DMV on steroids.  
11 It's for all DMVs across the nation. All  
12 50 states belong to AAMVA. And so this is a  
13 question that we have posed to them to find  
14 out why does this happen. And there would be  
15 no doubt disadvantages to New York if people  
16 who reside in the City of New York and have  
17 license plates that don't reflect that,  
18 that's a disadvantage.

19 So we -- I will have an answer way  
20 before next year's hearing.

21 CHAIRWOMAN KRUEGER: I have to wait a  
22 whole year?

23 DMV COMMISSIONER SCHROEDER: No. No,  
24 no, before. Like in a month.

1 CHAIRWOMAN KRUEGER: Okay. All right.

2 Thank you.

3 DMV COMMISSIONER SCHROEDER: You're

4 welcome.

5 CHAIRWOMAN KRUEGER: I think that's

6 it. For us.

7 CHAIRWOMAN WEINSTEIN: Thank you.

8 Thank you for being here. Sorry, I had to

9 make a presentation, so I wasn't able to hear

10 the beginning of your testimony, but I do --

11 I have read it.

12 So thank you all for -- thank you both

13 for -- all three of you for being here.

14 And we are now going to move on to

15 the -- that's it.

16 CHAIRWOMAN KRUEGER: Thank you,

17 everyone.

18 CHAIRWOMAN WEINSTEIN: Thank you.

19 Thank you.

20 INTERIM EXEC. DIR. HOARE: Thank you.

21 DMV COMMISSIONER SCHROEDER: Thank you

22 for having us. Thank you.

23 CHAIRWOMAN WEINSTEIN: You can drive

24 away.



1           So now we are going to move on to the  
2 public portion of our Transportation Budget  
3 Hearing, as the agency folks leave. And as  
4 published on -- posted on the website, we  
5 have three different panels.

6           We're just going to wait.

7           (Off the record.)

8           CHAIRWOMAN WEINSTEIN: So we are -- if  
9 people could take conversations out of the  
10 room. If people could take conversations out  
11 of the room.

12          So we have several panels as we move  
13 on in the Transportation hearing. If you're  
14 following along, Panel B: The New York  
15 Public Transit Association, Bill Carpenter,  
16 president; Permanent Citizens Advisory  
17 Committee to the MTA, Lisa Daglian, executive  
18 director; Associated General Contractors of  
19 New York State, Walter Pacholczak -- I'm sure  
20 I totally mispronounced that -- vice  
21 president of government affairs. Now you  
22 know why I call you "Walter."

23          So if we can go in that order. And I  
24 just remind these witnesses and those ones

1 coming that we do have your testimony and it  
2 was distributed to all members over the  
3 weekend. And so just in terms of the verbal  
4 presentation, there is a three-minute clock,  
5 and so we encourage you to summarize your  
6 testimony.

7 So why don't we start with New York  
8 Public Transit Association.

9 MR. CARPENTER: Thank you,  
10 Chairwoman Weinstein and Chairwoman Krueger,  
11 for your support of public transportation and  
12 giving NYPTA the opportunity to testify  
13 today. And thank you, Chairmen Kennedy,  
14 Comrie, Magnarelli, and Zebrowski, and  
15 members of both your houses that are so  
16 supportive of public transit.

17 I'm Bill Carpenter, president of  
18 NYPTA. Earlier -- much earlier -- you heard  
19 from the MTA addressing their financial  
20 needs. Addressing their financial needs is  
21 critical to the state economy, and we support  
22 their priorities. I will focus my comments  
23 on upstate transit systems and downstate  
24 suburban systems.

1           The COVID-19 pandemic underscored the  
2 importance of good public transportation  
3 services, and now our customers are returning  
4 and communities are demanding more transit  
5 service and new mobility options.

6           The state climate plan states that  
7 New York can achieve its climate goals  
8 through historic investments in expanded  
9 public transportation and micromobility.

10          Expanding public transit and mobility is the  
11 way of the future and not only supports goals  
12 for climate change but also for economic  
13 development, affordable housing, downtown  
14 revitalization, social equity, and access to  
15 healthcare and education.

16          But financial challenges are holding  
17 us back and will grow in the future if not  
18 addressed. All transit systems face similar  
19 financial challenges as the MTA -- loss of  
20 revenues, impact of inflation, rise in  
21 capital needs from the costly transition to  
22 zero emission vehicles, and customer demands  
23 for more services.

24          Upstate transit faces a further hurdle

1 in being dependent on state general funds.  
2 In the state executive budget, 40 percent of  
3 upstate transit funding is from general  
4 funds, only 60 percent from dedicated funds.  
5 The MTA and downstate suburbs -- 99 percent  
6 of state aid is dedicated -- is from  
7 dedicated funds.

8 We thank Governor Hochul for  
9 recognizing the importance of public transit  
10 in her Executive Budget. The MTA has a  
11 25 percent increase; downstate suburbs an  
12 8.5 percent increase; upstate transit  
13 systems, 7.1 percent.

14 Importantly, the Executive Budget  
15 proposes new dedicated revenues for the MTA.  
16 NYPTA supports the Governor's commitment to  
17 put MTA's financials on a sound footing and  
18 urges the same commitment to upstate  
19 communities. Fixing upstate funding  
20 challenges requires robust dedicated revenues  
21 to replace the current underperforming  
22 sources.

23 In closing, the MTA is NYPTA's largest  
24 member, and we strongly support the

1 Governor's funding for the MTA and new  
2 dedicated revenues. But why would the state  
3 only address the financial needs of its  
4 largest transit system when all smaller ones  
5 face similar circumstances? Finding  
6 sufficient, dedicated resources to address  
7 the transit needs in the rest of the state  
8 takes only a little more lifting beyond  
9 what's required for the MTA.

10 We urge the Governor and the  
11 Legislature to act this year. Thank you.

12 CHAIRWOMAN WEINSTEIN: Thank you.

13 Lisa?

14 MS. DAGLIAN: Thank you, and good  
15 evening. I know it's been a long day.

16 I'm Lisa Daglian, and I'm the  
17 executive director of the Permanent Citizens  
18 Advisory Committee to the MTA, or PCAC. We  
19 were created by the State Legislature --  
20 thank you -- in 1981 to represent riders on  
21 the Long Island Rail Road, Metro-North, and  
22 New York City subways, buses, and  
23 Staten Island Railroad.

24 Our work primarily focuses on

1 advocating on behalf of riders and advising  
2 the MTA on operational performance and  
3 capital projects. Our work also includes  
4 support for adequate funding and improving  
5 transparency, and that's why we're here  
6 today.

7 We're thrilled that 2023 is shaping up  
8 to be the year of trains and buses -- and  
9 riders -- and we really appreciate your  
10 support and look forward to working with you  
11 as you continue to work through the budget,  
12 and are ready to answer any questions that  
13 you may have.

14 The commitment of \$8.3 billion in the  
15 Governor's Executive Budget in total state  
16 operating aid will go a long way to keeping  
17 the MTA away from the edge of the fiscal  
18 cliff. And I was really happy to hear  
19 Chairman Leiber today saying that they were  
20 looking at the \$400 million in operating  
21 efficiencies as a way to cut from the budget  
22 without cutting service. Because cutting  
23 service is in fact a way to drive riders  
24 away, at a time when we really need to bring

1 riders back and to make sure that there is  
2 the best, most affordable, most reliable and  
3 accessible service that there can be so that  
4 more people will want to get onboard.

5 We think the \$300 million direct  
6 payment to the MTA is a great start, and we  
7 think it should happen all the time  
8 off-budget and that it be adjusted for  
9 inflation. If we can find \$300 million for  
10 this year, let's find it for every year.

11 We also think that the PMT and the  
12 casino funding mechanisms are great starts,  
13 but that there are other options and  
14 opportunities. And we look forward to  
15 working with you on those and are developing  
16 a funding thermometer that's a great visual  
17 tool that we'll be able to share with you  
18 more thoroughly in the next week or so.

19 In our testimony we look at other  
20 areas of support and on the TED Act, in terms  
21 of A, B, F, H, and I, which I won't go into  
22 too much detail, as you're aware of them.  
23 But I really want to talk about the Fix the  
24 MTA proposals.

1           We're largely in support of almost --  
2       we're in support of just about all of them.  
3       And, you know, giving our members the  
4       opportunity to have a voting role on the MTA  
5       board would really bring home the importance  
6       of riders in the entire equation of  
7       developing a budget and representing the  
8       millions of riders on the board with a voting  
9       membership.

10           So I'm happy to answer any questions  
11       that you may have and speak with you after or  
12       before or any other time.

13           Thank you.

14           MR. PACHOLCZAK: Good evening,  
15       Chairs Krueger, Weinstein, Kennedy,  
16       Magnarelli, and members of the Legislature.  
17       My name is Walter Pacholczak. I'm vice  
18       president of government affairs for the  
19       Associated General Contractors of New York  
20       State.

21           AGCNYS is a group of about 600 or so  
22       construction companies that represent both  
23       union and open-shop businesses. We have  
24       nearly 80 years of experience working in this



1 field of work, and we are the state affiliate  
2 of the Associated General Contractors of  
3 America.

4 Given the time of day today, I'm going  
5 to forgo reading my testimony today. But I  
6 wanted to talk about two themes that occurred  
7 here throughout this hearing -- and I've been  
8 here all day, so it's been a very long one.

9 I think the first theme here is that  
10 the Legislature and your constituents want  
11 better service on your trains. You want  
12 better tunnels. You want trains that are on  
13 time. You want to make sure they are safe  
14 and people are safe on trains.

15 We also heard a lot today about  
16 potholes and the pothole situation. And no  
17 matter how much we throw at paving our  
18 potholes, it never seems like it's enough  
19 here. It never seems like it's enough.

20 We talked about old bridges, both on  
21 the Thruway and on the DOT side of things.

22 People want more. You want more as  
23 legislators. You know, part of that wanting  
24 more comes with a cost. That cost is

1 reflected in, again, another recurring theme  
2 here today -- inflation. Inflation is not  
3 only just driving, you know, your day-to-day  
4 operations, but it's the cost of gasoline in  
5 your car, buying a \$5 now dozen of eggs that  
6 I guess they are now that I bought yesterday.

7 But inflation on construction  
8 materials is severely limiting the amount of  
9 projects the MTA has, the amount of projects  
10 that the DOT has, as well as the Thruway  
11 Authority -- and any infrastructure, for that  
12 matter.

13 You know, this also comes into play  
14 with some of our partners. It's not just  
15 contractors that are saying, you know, we  
16 need more money for roads and bridges and  
17 mass transit; it's our partners in organized  
18 labor, it's our partners at the  
19 municipalities, whether it's the towns, the  
20 counties, the highway superintendents. You  
21 know, it's a much broader group of us -- a  
22 much broader group than just contractors  
23 saying, Here, give us more money, we need it.

24 I think if you also look back at the

1 various inflation adjustments that this  
2 Legislature has made, most recently last  
3 year, in 2022, when we had a COVID materials  
4 price escalation bill that was passed but  
5 unfortunately vetoed -- look back at '04,  
6 when the Legislature realized that steel was  
7 a problem, there were adjustments made there.

8 And look right here at the South Mall, here  
9 in the building of the South Mall and the  
10 Empire State Plaza back in '69, '73, and  
11 1976. The Legislature took action and  
12 adjusted prices for those materials, price  
13 escalations and increases.

14 So two, one here -- my time is up.

15 Thank you all, I appreciate it.

16 CHAIRWOMAN WEINSTEIN: Thank you.

17 We go to Assemblyman Ed Ra.

18 ASSEMBLYMAN RA: Thank you, Chair.

19 Lisa, I was wondering if you could  
20 elaborate a little bit -- you mentioned  
21 having a member having a voting role on the  
22 MTA board. Obviously this is -- we have a  
23 proposal dealing with giving the MTA more  
24 funding that will be on a sustainable basis.

1 I think we all recognize the  
2 importance of the MTA and the importance of  
3 all of the component systems, but one of the  
4 things that has come up, I would say  
5 certainly with my constituents when they hear  
6 about these proposals, is what structural  
7 reform is going on within the MTA. Because  
8 we do tend to every decade or so end up in  
9 this type of situation where we're looking  
10 for some new funding source.

11 So do you or your group have any  
12 further thoughts about things that might be  
13 done within the MTA to -- along with this  
14 infusion of a new funding source -- put them  
15 on a good solid track going forward?

16 MS. DAGLIAN: Sure. So PCAC has been  
17 looking into these -- into fiscal  
18 responsibility and transparency at the MTA  
19 for decades. But it's never as important as  
20 it is now. And transparency, I think, is  
21 really critical, particularly as more  
22 information is available and it's so dense.

23 So there are a number of pieces of  
24 legislation that are before you that are part

1 of the Fix the MTA package, and a part that  
2 are separate, to improve and enhance  
3 transparency, including fixing the capital  
4 program dashboard.

5 So I urge you to look at those. And,  
6 you know, Senator Comrie has certainly been  
7 on top of that and a major advocate of that  
8 for years.

9 For the voting membership that I spoke  
10 of -- so our -- we have three non-voting  
11 members on the board, including a Metro-North  
12 representative who is a West of Hudson rider,  
13 including the longest-serving MTA board  
14 member, who brings a lot of knowledge but not  
15 a vote.

16 So having that actual voice who is not  
17 at the -- who can't be removed when somebody  
18 leaves office but who is selected by fellow  
19 riders, to be able to weigh in and to make  
20 change from within, we think is very  
21 important.

22 ASSEMBLYMAN RA: Great. Well, I just  
23 want to say thank you to all three of you for  
24 your patience today. I think your

1 perspectives are very important to our  
2 discussion.

3 MS. DAGLIAN: Thank you.

4 CHAIRWOMAN WEINSTEIN: Senate?

5 CHAIRWOMAN KRUEGER: Senator Tim  
6 Kennedy.

7 SENATOR KENNEDY: Thank you,  
8 Chairwoman.

9 Lisa, thank you for that explanation.  
10 You actually answered my question that I had  
11 for you.

12 I want to go to Bill quickly about  
13 STOA. Tell us the need for STOA. You're  
14 looking for 20 percent for upstate non-MTA.  
15 Can you explain how that will be used and the  
16 problems with only getting a 7 percent bump?

17 MR. CARPENTER: Yeah, the increased  
18 demand that we're seeing in our  
19 communities -- communities like Rochester,  
20 where in order to move out of poverty the  
21 state is investing in a lot of other  
22 services, but they lack the mobility to take  
23 advantage of those services -- mental health,  
24 healthcare, job access.

1           The move to zero-emission vehicles  
2 amend training the employees. So operating  
3 dollars to make our communities better, make  
4 the transit system better.

5           We saw downstate last year get a  
6 36 percent increase because they had the  
7 dedicated revenues afforded that. Upstate  
8 had 15 percent, so there's about a 20 percent  
9 gap last year. And this year again, the  
10 dedicated resources downstate are allowing a  
11 little bit more of an increase than upstate.

12           SENATOR KENNEDY: So it sounds like  
13 there is systemic instability for these  
14 authorities upstate?

15           MR. CARPENTER: Upstate.

16           SENATOR KENNEDY: Okay. We need to  
17 rectify that. We look forward to working  
18 with you and your organization over the next  
19 several weeks. Hopefully we can get the  
20 numbers up where they need to be.

21           When I go back to Walter, describe for  
22 us really the issues on the ground with the  
23 lack of funding. Again, you heard me  
24 earlier, I saw you here all day -- again,

1 thank you all for your patience. You heard  
2 what was said about the historic levels of  
3 funding.

4 How is that being undercut on the  
5 ground, what you're seeing in the workforce  
6 on these construction sites?

7 MR. PACHOLCZAK: Well, absolutely.

8 Thank you, Senator, that is a great question.

9 Last year when you advanced and the  
10 Senate advanced that \$44 billion  
11 transportation infrastructure proposal for  
12 DOT, a lot of contractors were very, very  
13 pleased by that. And for good reason. Costs  
14 are going up across the board. Whether it's  
15 just construction materials, there's  
16 workforce shortages, there's also new  
17 mandates that the state puts on us, and it  
18 costs us more time and money on back-office  
19 stuff.

20 I think that, moving forward, we can't  
21 let it come to a point where we let  
22 maintenance fall too far behind. And I think  
23 having a five-year capital program with  
24 certain additions to that in this budget and



1 of future years, particularly on some of  
2 those signature projects that are unfunded in  
3 those final two years of this five-year plan,  
4 that will take us a long way in rectifying  
5 and making this a better system of  
6 infrastructure for taxpayers.

7 SENATOR KENNEDY: Do you believe that  
8 the roads will get better or deteriorate over  
9 the next five years if we do not put more  
10 money into the five-year capital plan?

11 MR. PACHOLCZAK: I think a lot of that  
12 depends on what happens in both the Assembly  
13 and the Senate and the final budget agreement  
14 with the Governor. And we have time to make  
15 changes and make the right changes.

16 CHAIRWOMAN KRUEGER: Thank you.  
17 Assembly?

18 CHAIRWOMAN WEINSTEIN: Assemblywoman  
19 Shimsky.

20 ASSEMBLYWOMAN SHIMSKY: Thank you very  
21 much, Madam Chairwoman.

22 Mr. Pacholczak, I'm basically going to  
23 address this to you, although if anyone else  
24 has any other ideas, I would be happy to hear

1 them.

2 We all know that the amount of money  
3 that is being proposed -- whether it's to fix  
4 the roads, whether it's to fix the bridges,  
5 whatever it is -- is only going to fix a  
6 relatively small percentage of what should be  
7 fixed today. We're not talking about two or  
8 three years down the road.

9 What, in your mind, are some of the  
10 things we might be able to do in the budget  
11 to get the most bang for our buck in terms of  
12 funding more repairs?

13 MR. PACHOLCZAK: Well, thank you,  
14 Assemblywoman.

15 Don't delay. The longer you wait, the  
16 more expensive it becomes to fix things.  
17 Okay? If you have a leaky roof, you know,  
18 you can put patches on it, but eventually the  
19 leak is going to come through your whole home  
20 and ruin your house.

21 So investing now and investing down  
22 the road so that when businesses can plan for  
23 these things, businesses can plan for capital  
24 expenditures, businesses can plan to try to

1 settle or solve workforce shortages, giving  
2 contractors that stability moving forward,  
3 will bring other players in, other  
4 subcontractors and others here into the  
5 state.

6 And competition is a good thing. And  
7 the more work we have, the more competition,  
8 and the better it is for the taxpayer as  
9 well.

10 ASSEMBLYWOMAN SHIMSKY: Do you think  
11 a transportation bond might be a good idea at  
12 this point?

13 MR. PACHOLCZAK: Yes, we've had  
14 transportation bond acts in prior years.

15 But I think a more dedicated stream,  
16 something like what the Senate proposed last  
17 year and something that the Governor has  
18 proposed this year -- there needs to be a  
19 big -- maybe more of a middle ground on that.

20 MR. CARPENTER: Yeah, I think -- to  
21 answer your first question -- to have it be a  
22 certain period of time, five or 10 years.  
23 When you've got assets that need to be  
24 repaired or replaced and you have a one-year

1 bill or a two-year bill -- you make different  
2 decisions when you know this is the funding  
3 you'll have for the next five or the  
4 next 10 years.

5 So you can make wiser investments.  
6 Lower investment up-front can go a lot  
7 longer. So immediacy and then a long-term  
8 commitment.

9 MS. DAGLIAN: If I can just add, I  
10 think the more money the better, but it has  
11 to be spent wisely and it has to be  
12 transparently shown how the money is being  
13 used and that it's being used in the best way  
14 possible.

15 And I think there's so much to do and  
16 there's just not enough money, so the more  
17 the better. I said yes to a bond act, but  
18 we're happy to work with you on that. But  
19 maybe that's not my place right here.

20 ASSEMBLYWOMAN SHIMSKY: Thank you.

21 CHAIRWOMAN WEINSTEIN: Senate?

22 CHAIRWOMAN KRUEGER: Senator Leroy  
23 Comrie.

24 SENATOR COMRIE: Thank you,

1 Madam Chairs.

2 I don't have any direct questions. I  
3 just want to thank you for your consistent  
4 focus on reviewing this from the different  
5 areas.

6 I'm happy to support -- I understand  
7 the need for funding for the upstate  
8 roadways. Thanks to President Carpenter and  
9 Walter. Thank you for continuing to focus on  
10 making sure that contractors not only are  
11 able to get the work, but produce it and turn  
12 it around quickly.

13 And Lisa, I can't thank you enough for  
14 the information that you've imbued and your  
15 consistent focus and your dedication to  
16 trying to make the system better by your  
17 positive outlook and focus on making sure  
18 that people really think about how the MTA is  
19 funded.

20 MS. DAGLIAN: Thank you.

21 SENATOR COMRIE: So I would ask you,  
22 you know, just one brief question on  
23 Penn Station. Where do you -- what do you --  
24 where do you see this going?

1 MS. DAGLIAN: Right into it.

2 So Penn Station -- the Penn Station  
3 project is really important. And our most --  
4 our number-one priority is fixing it for  
5 riders as soon as possible. Understanding  
6 that making sure that it's a transit and  
7 transportation system, not just for now but  
8 for the future, is -- must also be a  
9 priority.

10 But making sure that it's a place that  
11 people don't want to get out of, but they  
12 want to go. I spent an hour and a half in  
13 Grand Central Madison the other night walking  
14 around. Nobody does that in Penn Station  
15 unless they've missed the last train.

16 All right? So making sure it's a  
17 place that people want to -- don't want to  
18 just run out of, but a place that is, in  
19 fact, a train hall. And maybe not a  
20 destination, but a place where people can see  
21 some of the rebounding of transit and our  
22 entire region encapsulated right there.

23 But we do have to look at what it  
24 means to be a completely regional system.

1 And if that means looking at through-running,  
2 we would probably be one of the last systems  
3 that did that, but we need to.

4 SENATOR COMRIE: Thank you. I  
5 appreciate your overview.

6 I'm at the short view with the fact  
7 that the federal government has put it in  
8 Tier II of review. Our -- it seems our  
9 United States Senator says he doesn't like  
10 the plan.

11 Do you think that they can turn around  
12 and stop fighting with each other and get  
13 something done this year?

14 MS. DAGLIAN: Well, I think that -- I  
15 don't want them to stop progress to make it a  
16 workable, livable, viable station for the  
17 commuters that need to use it. And not just  
18 for now, but for Penn access also.

19 If there's a way to make that -- to  
20 make it a better station and to use future  
21 money to make it really the place it needs to  
22 be to be a regional hub and a  
23 through-running -- a through-running hub,  
24 then I think it can be better. But I don't

1 know that it needs to be stopped.

2 SENATOR COMRIE: Thank you.

3 CHAIRWOMAN KRUEGER: Assembly? No?

4 I think we're good.

5 CHAIRWOMAN WEINSTEIN: That's it for

6 you folks. Thank you --

7 CHAIRWOMAN KRUEGER: Thank you.

8 MS. DAGLIAN: Thank you.

9 MR. PACHOLCZAK: Thank you all.

10 MR. CARPENTER: Thank you.

11 CHAIRWOMAN WEINSTEIN: -- for being

12 here.

13 CHAIRWOMAN KRUEGER: Thank you.

14 CHAIRWOMAN WEINSTEIN: Now we move on

15 to Panel C: New York State Association of

16 County Clerks, Holly Tanner, Columbia County

17 Clerk and New York State Association of

18 County Clerks DMV Committee Chair; New York

19 State Highway Superintendents Association,

20 Kevin Rooney, president; New York State

21 Association of Town Superintendents of

22 Highways, David Miller, president; and

23 Rebuild New York Now, Fred Hiffa, technical

24 consultant.



1           So if you can go in that order. So I  
2           guess, Holly, starting with you.

3           Just a reminder, it's three minutes.

4           And your testimony has been circulated to all  
5           of the members over this weekend.

6           MS. TANNER: Good evening. My name  
7           is Holly Tanner. I'm the Columbia County  
8           Clerk and 20-year cochair of the DMV  
9           Committee for NYSACC, the New York State  
10          Association of County Clerks.

11          Thank you for this opportunity to  
12          address this esteemed body on the important  
13          issue of local DMV retention. As you may or  
14          may not know, 51 county clerks across the  
15          state serve as agents of the commissioner of  
16          the New York State DMV, processing DMV  
17          transactions the same as what happens in  
18          state-run DMV offices.

19          Since 1998 the rate of retention to  
20          local governments to provide this service to  
21          our constituents has remained stagnant at  
22          12.7 percent for most transactions. The  
23          Clerks Association has been bringing this  
24          issue to the forefront of our legislative

1 package for years. Many of us have met with  
2 many of you to discuss this important issue.

3 Clerks pride themselves on providing  
4 excellent customer service to our customers,  
5 and we work closely with the New York State  
6 DMV to provide this excellent service,  
7 ensuring that the motoring public is safe on  
8 the road and following applicable laws and  
9 procedures, and we have happily been doing  
10 this for New York State since the Legislature  
11 first created the method for tracking and  
12 licensing drivers, which was first done by  
13 the Department of State.

14 State DMV was not created until 1962,  
15 and county-clerk-run offices continue to  
16 provide these much-needed services to  
17 residents throughout the state, again  
18 receiving a portion of the revenue generated  
19 by said transactions.

20 Our value to New York State and the  
21 public was never more evident than during the  
22 pandemic shutdown several years ago. Being  
23 separate elected officials, many of us were  
24 able to provide services to constituents who

1 were in dire need of them. The Governor had  
2 deemed that auto dealers were essential, and  
3 who was there to process these transactions  
4 and keep the state moving? County-clerk-run  
5 DMV offices.

6 State DMV, specifically Commissioner  
7 Mark Schroeder, has been a great champion for  
8 us, recognizing that without county-clerk-run  
9 DMV offices these DMV transactions would have  
10 ground to a halt during this very difficult  
11 time. The association wants to thank  
12 Commissioner Schroeder and his team for  
13 recognizing our value and sharing it with  
14 state leadership.

15 We were very happy to note that  
16 Governor Hochul in her budget address has  
17 announced a plan to provide equity for  
18 county-clerk-run DMV offices by putting  
19 forward a plan, developed in partnership with  
20 New York State DMV, of a flat rate across the  
21 board, whether in office or online.

22 Online is another issue that has  
23 impacted county-clerk-run DMV offices in the  
24 digital age. Clerks have recognized and

1 supported the digitization of processes that  
2 our offices provide. Many of us already  
3 accept e-filing of court documents for years,  
4 and also the e-recording of land records.  
5 That DMV services moved online was  
6 inevitable, and you heard the commissioner  
7 earlier talk about e-licensing and that 75  
8 transactions currently are available on-line.

9 And while clerks want to support these  
10 initiatives, we often found ourselves at odds  
11 with it, as it was keeping customers out of  
12 our offices and lowering retention in a time  
13 of ever-increasing costs to local governments  
14 to keep local DMV offices open.

15 I guess I have to finish up, so I'm  
16 going to say thank you very much. I'm  
17 available for questions. We do support  
18 Donate Life. And we're hoping that we can  
19 move this transaction forward so that we can  
20 be true partners with State DMV and keep our  
21 doors open for those transactions that cannot  
22 be done online.

23 Thank you so much.

24 CHAIRWOMAN WEINSTEIN: Thank you.

1 Kevin Rooney?

2 MR. MILLER: Excuse me. Yes, me and  
3 Kevin are here in partnership, so I'm going  
4 to start, if you don't mind. Thank you.

5 Good evening, Senator Krueger,  
6 Assemblymember Weinstein, and other members  
7 of the New York State Legislature. I am  
8 David Miller, president of the New York State  
9 Association of Town Superintendents of  
10 Highways, and the highway superintendent for  
11 the Town of Lockport in Niagara County.

12 With me, representing the New York  
13 State County Superintendents, is their  
14 president from Wayne County, Highway  
15 Superintendent Kevin Rooney.

16 As always, we appreciate the annual  
17 opportunity to discuss the Executive Budget  
18 proposal and the needs of New York State's  
19 local transportation system.

20 We'd like to begin by thanking you and  
21 your colleagues for your steadfast support of  
22 local roads, bridges and culverts. As you  
23 know, our collective membership is  
24 responsible for insuring the safe operation

1 of 87 percent of the state's public roads,  
2 half of its bridges, and plowing not only our  
3 huge system but over a quarter of the  
4 New York State DOT's roads.

5 This massive system is owned by  
6 1600 local governments and consists of over  
7 97,000 center-line miles of roadways and  
8 8600 highway bridges.

9 Every time there is a weather event,  
10 major snow accumulation, freezing  
11 temperatures or severe flooding, the  
12 hard-working people of our local crews ensure  
13 that New York's drivers get to and from work  
14 and to their destinations safely.

15 Governor Hochul's Executive Budget  
16 proposal continues the second year of a  
17 \$32.8 billion five-year investment plan for  
18 the New York State Department of  
19 Transportation and the local roads system.  
20 This means we are held to \$1.2 billion per  
21 year to be distributed to all localities  
22 throughout the state, including New York  
23 City, to address the needs of our systems.

24 Despite our best efforts, this level

1 of funding for local road and bridge programs  
2 is simply just not enough. Record-high  
3 inflation rates on highway construction  
4 materials has severely increased costs, and  
5 as a result, local governments are seeing  
6 almost a 25 percent reduction in the real  
7 dollars from local highway maintenance  
8 programs.

9 It is critical that an additional  
10 \$270 million be added to the '23-'24 budget  
11 for local highway programs like CHIPS and  
12 Extreme Winter Recovery just to keep the  
13 funding at the same level as it was when the  
14 five-year program was initially adopted in  
15 2022.

16 According to a report issued by  
17 New York State Comptroller Thomas DiNapoli  
18 titled "Local Owned Roads by the Numbers,"  
19 local government -- excluding New York  
20 City -- spent \$2 billion on road maintenance  
21 and improvement in the 2020 fiscal year. The  
22 report highlighted a 2013 study of local  
23 highway and bridge needs published by our  
24 association, based in part by the

1 transportation.

2 I'd like to now turn this over to

3 Kevin.

4 MR. ROONEY: Thank you.

5 Good evening to the chairs and to the

6 members of the Legislature.

7 I'd like to speak a little bit about

8 the BRIDGE NY program. We're very excited

9 that the BRIDGE NY program continues to be in

10 the Governor's budget. It's a great program.

11 And as you know, this signature program

12 directs state and federal funds to our local

13 bridge and culvert projects throughout the

14 state.

15 In all three of the previous rounds of

16 BRIDGE NY, the number and value of project

17 applications have exceeded the funding

18 available for each region of the state. In

19 2021, only about one in five bridge projects

20 were able to be funded, and one in eight

21 culvert projects got an award. Obviously it

22 shows that we need more money. We don't have

23 enough to cover these projects.

24 Periodic review of this program has



1 proven beneficial to us all. As a result of  
2 this process, the New York State DOT is  
3 implementing the BRIDGE NY program with the  
4 existing capital program, rather than the  
5 state-wide solicitation used in recent years.

6 We think this approach is going to give money  
7 to the locals where we need it, where we know  
8 we have the needs.

9 So what do we need now? The  
10 Legislature has responded to the dire  
11 conditions of the state's transportation  
12 system and augmented the CHIPS and other  
13 local programs. Funding shortages mean many  
14 local governments' preventative pavement  
15 preservation strategies to apply well-timed  
16 and targeted maintenance treatments fall well  
17 short of what is necessary to avoid more  
18 costly major rehabilitation and  
19 reconstruction projects down the road.

20 So based on this, we are asking for  
21 the following. We'd like the support of  
22 increasing the CHIPS program by 200 million  
23 annually, to 738. We also ask that you  
24 increase the Extreme Winter Recovery program

1 by 70 million, to 170 million. And we also  
2 ask that you continue to support the other  
3 programs, being the Marcheselli, BRIDGE NY,  
4 PAVE-NY, the touring routes, and the pothole  
5 program.

6 Both the town and county associations  
7 also ask for your support in the worker  
8 assault prevention program. That basically,  
9 if there are assaults that occur out there on  
10 any of our staff working daily, these  
11 constitute an assault in the second degree.  
12 This is important.

13 We also ask that the CHIPS bidding  
14 threshold be increased from \$350,000 to  
15 \$750,000. By increasing this CHIPS bidding  
16 threshold, it will give municipalities more  
17 flexibility to pursue the most cost-effective  
18 option to bid out or perform the work  
19 in-house if possible.

20 In conclusion, as fellow public  
21 officials, we understand the difficulty in  
22 trying to meet all the needs of our  
23 constituents. We must work together so that  
24 all the state and local critical

1 infrastructure needs are being addressed.

2 Thank you for your time and consideration.

3 MR. HIFFA: Good evening. My name is  
4 Fred Hiffa. I'm with the ReBuild NY Now  
5 Coalition, and I want to thank you for the  
6 opportunity to discuss the second year of the  
7 DOT's five-year capital program as proposed  
8 in the Executive Budget.

9 As you look at the Executive's  
10 proposed funding levels for the DOT five-year  
11 plan, we should note DOT's road and bridge  
12 system is massive. It has the 12th-most lane  
13 miles of any state or territory in the  
14 country, and the 13th-most bridges. The  
15 condition of this massive system is troubling  
16 at best.

17 Nationally, New York has the seventh  
18 highest percentage of poor pavements on the  
19 National Highway System: 87 percent of the  
20 state roads are on the National Highway  
21 System. And we have the sixth-most deficient  
22 bridges by number in the country.

23 Our roads and bridge conditions are  
24 currently some of the worst in the country,

1 and I can tell you, if the funding levels put  
2 forth in the Executive's budget proposal for  
3 DOT's capital plan were adopted at the  
4 current levels, we will very well have, by  
5 the end of this five-year plan, the worst  
6 bridges and pavements in the country.

7 The Governor's budget ignores two  
8 critical issues that are literally gutting  
9 state and local governments' ability to  
10 adequately maintain their transportation  
11 infrastructure: inflation and underfunding  
12 the priority signature projects.

13 Record high inflation rates on highway  
14 construction materials has severely increased  
15 costs and, as a result, reduced DOT's core  
16 program to its lowest real spending levels  
17 since 2015.

18 The other significant issue not  
19 addressed in the Executive Budget is the  
20 department will need an additional  
21 \$2.2 billion, potentially a 50 percent  
22 increase, just to deliver the currently  
23 programmed signature projects.

24 New York's roads and bridges have been

1 on a steady decline for many years. Over the  
2 past 10 years, New York's paving cycle -- how  
3 long it takes for the state to go around and  
4 do all of its pavements -- has averaged  
5 15.6 years. Unfortunately, the treatments  
6 they use to maintain the roads only last  
7 9.5 years. So the treatment lasts 10 years,  
8 but they can't re-treat it for 15. That's  
9 the problem.

10 NYSDOT staff do an outstanding job of  
11 tracking the system's conditions and know the  
12 level of funding necessary to maintain these  
13 vital assets. Regrettably, there's currently  
14 no correlation in the Executive Budget  
15 between funding levels and system needs.

16 In December of '22, two months ago,  
17 NYSDOT engineers released a report stating  
18 that the department's estimated needs to  
19 bring their state roads to a state of good  
20 repair -- just 13 percent of the state  
21 roads -- an extra \$6.7 billion.

22 In closing, I ask you to look at the  
23 true needs of the state's road system and  
24 provide it with the necessary level of

1 funding to stop its deterioration. We look  
2 forward to working with you in ensuring our  
3 transportation systems are getting the funds  
4 they need.

5 Again, on behalf of ReBuild NY Now's  
6 membership, thank you very much for allowing  
7 us to address these issues today.

8 CHAIRWOMAN WEINSTEIN: We go to  
9 Assemblyman Norris.

10 ASSEMBLYMAN NORRIS: Thank you,  
11 Madam Chair.

12 My questions are directed to  
13 Superintendent Miller. I happen to know him  
14 quite well; he is my superintendent, and he  
15 makes sure all the roads in the Town of  
16 Lockport are well-maintained.

17 We appreciate your leadership in  
18 charge of the association of 932 towns, I  
19 believe, as we appreciate that as well.

20 But can you explain to the panel --  
21 because CHIPS funding is so important, we  
22 understand that -- how directly does it  
23 impact your municipality and other  
24 municipalities for the reduction of how the

1 roads are being actually done?

2 MR. MILLER: Well, Mike, especially  
3 when our costs are up 25 percent, it's more  
4 important now than ever. As we know every  
5 day, as we go to the store and everything  
6 we're buying is really crazy high right now,  
7 our dollars are not going as far. So we can  
8 do about 25 percent less. As it is, we are  
9 not keeping up.

10 I can speak for a lot of the small  
11 towns. The only money in their budget that  
12 they get to do their roads is the CHIPS  
13 money. A lot -- you know, I'm fortunate, in  
14 my town, that they kick in a little bit more  
15 than we get from CHIPS. But I know for a  
16 fact, just talking to my constituents, that  
17 they only get what the CHIPS money is. That  
18 makes it very tough to give up. A lot of  
19 times they can only do oil and stone  
20 treatments and stuff.

21 And it's important that we get this  
22 funded because, as Fred had said, 15 years is  
23 too long to let a surface go. We can't get  
24 that many years out of it.

1 ASSEMBLYMAN NORRIS: And also, in  
2 terms of culverts, correct -- it's a real  
3 issue in the rural areas to making sure that  
4 you replace our culverts and having the  
5 funding available for that.

6 MR. MILLER: Absolutely. Culverts --  
7 I had one in my town that we had to close  
8 down, and we actually had to do a detour.

9 We have, right now, applications in  
10 for BRIDGE NY. I've had it in for the last  
11 round; I put in again for this round. And  
12 the culverts, they're just deteriorating. A  
13 lot of those concrete culverts don't stand up  
14 to the salt. And it's just not taking --  
15 they're not faring well with the years and  
16 the conditions.

17 ASSEMBLYMAN NORRIS: Pretty good.

18 And then recently we just had a  
19 blizzard up in Western New York, I know our  
20 town was hit pretty hard, 24 to 36 hours  
21 straight. How was the coordination with the  
22 Department of Transportation? And what is  
23 the budgetary impact on our local  
24 municipalities in Western New York?



1 MR. MILLER: Well, the coordination  
2 was great. Our emergency services  
3 coordinator kept in contact with us, we kept  
4 in contact with him. Just as a story, 22  
5 straight hours my guys worked. We started at  
6 5:00 in the morning on Christmas Eve, and  
7 then we went until 3:00 in the morning  
8 Christmas morning. These guys did a great  
9 job, 22 straight hours. And I can tell you  
10 that it is the first time I have ever had to  
11 put two guys in a truck.

12 It's not only the cost of these events  
13 when they happen, it's the cost afterwards.  
14 The amount of, you know, the cleanup, the  
15 hauling of snow, the damage, the curbs, the  
16 signs -- these all go into these big events  
17 that we get in Western New York.

18 ASSEMBLYMAN NORRIS: Thank you,  
19 Superintendent.

20 MR. MILLER: Thank you.

21 CHAIRWOMAN KRUEGER: Thank you.

22 Senator Tim Kennedy.

23 SENATOR KENNEDY: Thank you all. It's  
24 good to see you. Thank you all for your

1 testimony.

2 I want to talk quickly about CHIPS.  
3 Superintendents, I know that, you know, you  
4 both made that a major part of your focus in  
5 your testimony. You know, just a couple of  
6 years ago we increased CHIPS funding by  
7 23 percent, \$100 million. It was the first  
8 increase in nine years. It was a priority  
9 for our Democratic conference, and we got it  
10 done.

11 We also increased funding for the  
12 Pave Our Potholes program, a new program by  
13 the Governor, the PAVE-NY program -- we  
14 increased everything. But what you're  
15 telling us is it's not enough.

16 I support more, just so you know.  
17 This \$200 million I support, \$70 million for  
18 Extreme Winter Recovery I support. I think  
19 we need to continue to invest.

20 What has the increase in funding that  
21 you've already gotten demonstrated on the  
22 ground? And what will a further increase, do  
23 you believe -- what will you see?

24 MR. ROONEY: I'll take that.

1           Yeah, so we were excited to see that,  
2 for one, the five-year plan. That's exciting  
3 because we can plan for it. The increase was  
4 also excellent, very exciting.

5           But then we had COVID, and we had cost  
6 increases, so everything that was  
7 steel-related went up in price. Everything  
8 that was petroleum went up in price -- gas,  
9 pipe, plastic pipe, rubber tires, all that  
10 went up in price.

11          I did the same amount of lane miles in  
12 work last year as I did the previous year,  
13 before the increase. So that increase got  
14 eaten right up.

15          So for us to continue to do -- I have  
16 406 miles of road in my county that I'm  
17 responsible for. In order to continue to do  
18 50, roughly, miles of road a year, I need  
19 more money.

20          SENATOR KENNEDY: Thank you.

21          And, Fred, thank you again for your  
22 testimony, for your leadership, the work that  
23 you do with my team. It's extremely  
24 valuable, so we are grateful for your

1 leadership.

2 Can you talk to what the  
3 superintendent just spoke to on CHIPS and how  
4 that will relate to an increase in costs in  
5 the five-year capital plan and why it's  
6 important that we add to that?

7 MR. HIFFA: Sure.

8 I think one of the most important  
9 things to do -- and I think Walter mentioned  
10 it earlier -- is that, you know, DOT runs a  
11 curve. And it basically shows you that as  
12 the deterioration of the pavement gets worse,  
13 the cost goes up.

14 So if you're doing a simple  
15 maintenance on a proper timeframe of like a  
16 five-year life of a pavement, that's going to  
17 be two to three times -- literally it will be  
18 16 times, if you let it go to a full death,  
19 for the reconstruction that has to happen.

20 So it's just a smart way of doing it.  
21 It's like the thing of repairing a few  
22 shingles versus waiting till the entire roof  
23 is gone. And so if we're able -- and that's  
24 when we talk about having the DOT pavements

1 and the treatment lifes. By having it off by  
2 four years, that significant deterioration  
3 costs you a lot more money to go back and do  
4 it, because you're not on a 12-and-12 cycle.  
5 Which, when I was at DOT, we were on a  
6 12-year cycle, 12-year treatment life.

7 SENATOR KENNEDY: All right. Thank  
8 you all.

9 CHAIRWOMAN KRUEGER: Thank you.

10 CHAIRWOMAN WEINSTEIN: Assemblyman  
11 Magnarelli.

12 ASSEMBLYMAN MAGNARELLI: (Mic off.)  
13 First of all, I'd just like to thank all of  
14 you for being here, as always, and the long  
15 way back.

16 Madam County Clerk, it's good to see  
17 you again. And hopefully we can move this  
18 thing along for you.

19 As far as CHIPS and all the other  
20 areas that we have in the past increased, I  
21 agree with Senator Kennedy. We've been  
22 pushing for those increases, we will continue  
23 to push for those increases going forward.

24 Just as a sidebar, are there any other

1 monies that can be used on these roads that  
2 have come either from the federal government  
3 or our counties to help with some of the  
4 things that are going on now? There's an  
5 awful lot of money going {inaudible} at this  
6 point.

7 MR. HIFFA: I just want to make one  
8 quick note. And, you know, with COVID relief  
9 what we saw was, you know, healthcare  
10 providers and hospitals got about \$6 billion,  
11 schools got 14, the MTA got 15. There was  
12 literally prohibitive monies coming to  
13 localities from us being able to use them on  
14 infrastructure. And it wasn't until the  
15 December bill that the feds passed that allow  
16 us now to take some of that COVID money and  
17 use it for the highway side.

18 So, you know, everyone's getting hit  
19 with inflation, but there was at least some  
20 offset of consideration of those expenses.  
21 We never got that on the highway side.

22 ASSEMBLYMAN MAGNARELLI: I'm asking  
23 you, is there anything now, going forward.

24 MR. HIFFA: Well, I would say back to

1 that federal bill, you -- the way the  
2 Comptroller, he keeps a spreadsheet on the  
3 available amount of COVID money. And I  
4 believe we've gotten 13.6 and, according to  
5 his last look at it, it was like 5.3 had been  
6 spent.

7 So there are monies potentially within  
8 that category that now can be used for  
9 highways based on the federal legislation  
10 passed in December, Assemblyman.

11 ASSEMBLYMAN MAGNARELLI: Right. Okay.

12 Thank you all for your testimony.

13 CHAIRWOMAN WEINSTEIN: Senate?

14 CHAIRWOMAN KRUEGER: Michelle Hinchey.

15 Senator Michelle Hinchey.

16 SENATOR HINCHEY: Thank you very much.

17 And don't tell any of the previous panels,  
18 but this might be my favorite, because I've  
19 got Columbia County in the house --

20 (Laughter.)

21 SENATOR HINCHEY: -- we've got our  
22 highway supervisors, who I love. So thank  
23 you.

24 MR. MILLER: Your secret is safe with

1 us.

2 (Laughter.)

3 SENATOR HINCHEY: Broadcast across the  
4 internet.

5 First, thank you for being here. And  
6 also I echo the thanks for holding out with  
7 us here.

8 I too support the increase in CHIPS  
9 funding and all the other road funding that  
10 we have, and I want to thank Senator Kennedy  
11 for his leadership and helping -- and yours  
12 as well -- for helping us get that in the  
13 budget and being a real champion for  
14 increasing it more. Because I have seen  
15 firsthand, in communities like mine --  
16 56 towns, lots of roadways -- how important  
17 the funding is.

18 I want to ask a little bit of a  
19 different question as it pertains to highway  
20 garages and equipment, because one of the  
21 biggest requests that we get for help with  
22 funding, my office gets, is help replacing  
23 old equipment, because it's incredibly  
24 expensive.



1 Can you talk a little bit about what  
2 that looks like generally for your  
3 associations, and that structure?

4 MR. MILLER: Sure.

5 Well, just a little bit here. The  
6 Climate Action Council final scoping plan,  
7 which will be moving forward over the next  
8 several years, will impact our local  
9 governments and requires significant changes  
10 to our garages, our equipment, our vehicles,  
11 and even the materials that we're allowed to  
12 buy and maintain.

13 So these mandates will require  
14 significant funding and additional financial  
15 investments well beyond what our traditional  
16 needs have been. So -- and those are going  
17 to vary, depending on where in the state the  
18 municipalities are, so --

19 SENATOR HINCHEY: Can you talk about,  
20 if you were to buy new equipment for your  
21 highway garage, what would be the cost from  
22 what you're using now to buying brand-new?

23 MR. ROONEY: So I can tell you I  
24 budgeted for a 10-wheel truck, and this is

1 not even with a plowing upfitted, so he'll be  
2 surprised how cheap this was. This was  
3 \$200,000 that was in my budget for this year.

4 And after going through a state  
5 contract and cutting some bells and whistles,  
6 you know, I ended up paying \$238,000. So  
7 just that -- you know, that kind of shows the  
8 magnitude of the increases that we're paying.

9 SENATOR HINCHEY: Thank you.

10 And as it pertains to the road funding  
11 and CHIPS funding and others, can you talk  
12 about how many projects typically are in a  
13 queue to be done and, if there was more  
14 funding, how many more of those you'd be able  
15 to reach in a year?

16 MR. ROONEY: That's tough to -- tough  
17 to kind of put a quantity -- you know, some  
18 of my projects are very small projects.  
19 Culvert replacements could be a \$30,000  
20 project. And then I will do some  
21 reconstruction and some drainage improvements  
22 that are \$300,000-plus projects.

23 I do a lot in-house. I'm lucky to be  
24 able to do that, because I have the

1 abilities, the staff, that are able to do  
2 those, have been trained in that. Not  
3 everybody has that.

4 SENATOR HINCHEY: Thank you.

5 CHAIRWOMAN KRUEGER: Thank you.

6 Assembly?

7 CHAIRWOMAN WEINSTEIN: Assemblyman Ra.

8 ASSEMBLYMAN RA: Thank you.

9 I'm just wondering if you can --  
10 Mr. Hiffa, I think you talked about the  
11 bidding threshold. And, you know, you've all  
12 mentioned the impact inflation has had on  
13 these projects and how much additional money  
14 is needed to really pave those same miles of  
15 roads that would have been with the lower  
16 cost.

17 So can you elaborate, though, on what  
18 impact the inflation has had on the bidding  
19 threshold and how that impacts getting those  
20 types of projects done? Because I would  
21 assume that a project that was formerly below  
22 that threshold is now well over it, with this  
23 increase in costs.

24 MR. HIFFA: Yeah, it's -- the math is

1 real straightforward. And I think the thing  
2 that is helpful, too, is the industry  
3 supports it. This is not where, you know,  
4 the municipalities and the industry that  
5 supports us are on different pages. I think  
6 everyone feels the same way. They know it's  
7 a necessity.

8 It makes a lot of sense, and it's  
9 something that we really need to think about  
10 doing. You know, that's the low-hanging  
11 fruit, let's put it that way, compared to the  
12 other things that we're dealing with right  
13 now as far as our limitations.

14 MR. ROONEY: And if I could add to  
15 that, my own county has a small engineering  
16 staff. We're are able to design some of our  
17 own work, build our own work, inspect our own  
18 work.

19 So that means I'm not putting bids  
20 out, I'm not taking that time to do the  
21 bidding threshold, having a set of plans  
22 designed to put out -- you can just imagine  
23 the cost savings that are available there.  
24 Not everybody can do that, but some of the

1 larger municipalities can operate that way.

2 SENATOR RA: Thank you.

3 CHAIRWOMAN WEINSTEIN: Senate.

4 CHAIRWOMAN KRUEGER: Thank you.

5 Senator Oberacker.

6 SENATOR OBERACKER: First off, I want

7 to say thank you all. I swear, each and

8 every one of you is a magician to be able to

9 do what you do on the tight budgets that you

10 have.

11 I also would like to take a moment to

12 thank our chair for Transportation for his

13 work on this. And again I too, as a former

14 chair of public works for Otsego County and a

15 former town supervisor for the Town of

16 Maryland, fully understand the challenges

17 that you have.

18 A couple of quick things. One of the

19 areas I think that we really do overlook is

20 maintenance, and the ability to go in and

21 have ditching programs and to cut the

22 canopies back and those type of things that

23 would help with the overall condition of our

24 roads moving forward. It's not just simply

1 paving, it's getting a return on our  
2 investment as we pave. And I'm sure you  
3 understand that.

4 Otsego County has 477 center-lane  
5 miles that we would -- which, if you're  
6 familiar with that, you double that to get  
7 your lane miles. And we would approximately  
8 try to pave 50 miles a year.

9 So is there some things that we're  
10 missing on the maintenance side? Is there  
11 things that maybe -- I think you heard me  
12 earlier say instead of using the words  
13 "Extreme Winter Recovery" I'd like to change  
14 it to "Extreme Weather Recovery" and maybe  
15 look at some funding that would be  
16 specifically noted or specifically designed  
17 for maintenance for ditching purposes and  
18 things of that nature.

19 Am I off the mark on that? Or is that  
20 something down the road that we could have  
21 maybe a further discussion on, if there's  
22 true value in that part of it?

23 MR. ROONEY: Yeah, I'll take that.

24 I don't believe that ditching is an

1 operation that would be CHIPS-eligible.

2 SENATOR OBERACKER: It's not.

3 MR. ROONEY: It's not. So --

4 SENATOR OBERACKER: Right.

5 MR. ROONEY: But ditching as a linear  
6 project, if you're going to put it together  
7 with a project, you ditch the first year, you  
8 change your culvert pipes, and then you do  
9 your roadwork. So it can be lumped together  
10 as a project, and that's what we do in our  
11 county.

12 Believe me, I'm not far Western  
13 New York, so I'm not dealing with snow, and  
14 this year we've been able to do a lot of  
15 ditching in the winter months this year,  
16 which we usually don't have the opportunity  
17 to do.

18 But yeah, ditching is super-important  
19 to be able to try to get your roads to drain,  
20 and then they'll stay longer.

21 MR. MILLER: If you don't mind, I'd  
22 like to add to that. You know, we have a  
23 motto in our business, which is to "keep your  
24 good roads good." And that reason being is

1 you try to pave a road and a few years later  
2 it might need a chip sealer or a light coat,  
3 but you try to keep your good roads good to  
4 make them last as long as you can.

5 What would be great in the future  
6 would be some funding for all the  
7 rehabilitation, and you take your bad roads,  
8 recycle them, redo them, now make them your  
9 good roads. And then you spend the next 10,  
10 15 years keeping that good road good.

11 So, you know, we have a policy and a  
12 way we do it. But you're right. And some  
13 funding for total rehabilitation of roads  
14 would be great.

15 SENATOR OBERACKER: Thank you. I  
16 appreciate that.

17 CHAIRWOMAN KRUEGER: Thank you.

18 Any other Senators? No?

19 CHAIRWOMAN WEINSTEIN: Thank you for  
20 being here and speaking as well as submitting  
21 your written testimony. Thanks.

22 So we're going to move on to our final  
23 panel.

24 SENATOR OBERACKER: Thank you very



1 much. I appreciate it.

2 CHAIRWOMAN KRUEGER: Thank you,  
3 everyone.

4 CHAIRWOMAN WEINSTEIN: Our final  
5 panel: Empire State Passengers Association,  
6 Steve Strauss, executive director; New York  
7 Aviation Managers Association, Gregory  
8 Topping, president; and Railroads of  
9 New York, Scott Wigger, executive director.

10 So if you can go in that order, that  
11 would be helpful. Are we ready?

12 CHAIRWOMAN KRUEGER: We're ready.

13 MR. STRAUSS: Chairs Krueger,  
14 Weinstein, Magnarelli, and Kennedy, ranking  
15 Minority members, my own State Senator,  
16 Senator Comrie, and the general members of  
17 the Transportation, Finance, and Ways and  
18 Means Committees, thank you all for staying  
19 this late to hear about railroads.

20 My name is Steve Strauss, and I am the  
21 executive director of the Empire State  
22 Passengers Association, a statewide intercity  
23 passenger rail advocacy organization with  
24 parallel interests in the downstate commuter

1 rail systems and local transit across the  
2 state.

3 In addition to the written testimony  
4 that ESPA has submitted, I would like to  
5 focus this evening on four key points on how  
6 you can help bring higher-speed passenger  
7 rail to the Empire Corridor and improve  
8 Amtrak service throughout the state.

9 First, for those of you who are new  
10 members of the Legislature this year, or new  
11 members of these committees, the most  
12 important thing that you can take away from  
13 today's hearing is that under federal law  
14 passed in 2009, New York State, or states in  
15 general, pay for all Amtrak service that is  
16 shorter than 750 miles in length. That means  
17 that all Amtrak service in New York State is  
18 paid for by the State of New York taxpayers  
19 after you subtract fare revenue -- except for  
20 the Lake Shore train that runs from New York  
21 City to Chicago. That's a long-distance  
22 train, and it is paid for by the federal  
23 government.

24 Like the MTA, the Governor and the

1 State Legislature, subject to negotiation  
2 with Amtrak, largely control the quantity,  
3 speed, and reliability of passenger train  
4 service here.

5 We don't particularly need more money  
6 right now. That may be hard to believe, but  
7 we think it's true: We need leadership and  
8 vision to create a strong state rail program.

9 Second, all of the federal  
10 infrastructure money appropriated for  
11 intercity passenger rail improvements in the  
12 IJJA is discretionary. The rail program is  
13 different from the highway and transit  
14 programs, which have formula money. New York  
15 State must develop projects, write grant  
16 applications, and compete against other  
17 states for this money.

18 In December the state submitted a  
19 large number of applications for projects,  
20 and ESPA thanks them for this aggressive  
21 action. But the pipeline of projects beyond  
22 this we believe to be quite thin. The  
23 competition in other states is better  
24 staffed, and they have more projects ready to

1 go.

2 Third, the long-delayed Empire  
3 Corridor EIS is going to be released very  
4 soon. There will be a preferred alternative,  
5 probably 90 miles per hour with some  
6 110-mile-per-hour segments. This will set  
7 off a public discussion process of how the  
8 state wants to implement the EIS, and we hope  
9 that the Legislature will be very involved in  
10 that as well.

11 And then finally -- excuse me --  
12 lastly we ask you to ask Governor Hochul and  
13 Commissioner Dominguez for a multiyear  
14 capital plan for intercity passenger rail.  
15 Just like the transit program and the highway  
16 program, we need a public multiyear plan.

17 I could go on, but I know you have  
18 time limits. Thank you very much for the  
19 opportunity to speak today. I would be happy  
20 to answer any questions that members may  
21 have.

22 CHAIRWOMAN KRUEGER: Thank you.

23 CHAIRWOMAN WEINSTEIN: Thank you.

24 Gregory?

1 MR. TOPPING: Good evening,  
2 Senator Krueger and Assemblymember Weinstein  
3 and members of the committee. I'm  
4 Greg Topping, president of the New York  
5 Aviation Management Association. I would  
6 like to express my appreciation for the  
7 opportunity to provide comments on the  
8 Executive Budget as it relates to airports  
9 and the aviation industry in New York.

10 NYAMA represents over 13,000 members  
11 and affiliate members comprised of commercial  
12 service and general aviation airports and  
13 various aviation industry professionals who  
14 believe that the economic development efforts  
15 at the state and regional level necessitate  
16 strong public investment in our aviation  
17 assets and facilities.

18 New York airports are beginning to  
19 recover economically from the post-pandemic  
20 world of travel, but we have a long way to  
21 go. NYAMA commends Governor Hochul for  
22 recognizing the unique capital needs of  
23 airports. State-supported investment drives  
24 new economic development, creating

1 high-quality and sustainable jobs as well as  
2 attracting greater private-sector investment.

3 The '22-'23 capital program included a  
4 high state level of funding for airport  
5 projects through a \$250 million program that  
6 transformed upstate New York airports and  
7 fostered regional economic development.  
8 These investments are helping New York State  
9 reestablish itself as a place for national  
10 and international aviation businesses to  
11 locate and grow.

12 While these signature projects  
13 primarily take place in the larger commercial  
14 service airports throughout the state,  
15 smaller and medium-sized airports that  
16 provide vital access points for business and  
17 tourism opportunities and communities from  
18 Long Island to Western New York are also in  
19 need of funding to carry out their important  
20 mission as part of the national air service  
21 system.

22 Airport capital funding is provided  
23 through two programs: The Airport  
24 Improvement Program, which delivers a portion

1 of the local share required to match federal  
2 AIP grants, funded in the Executive Budget at  
3 \$14 million; and the Aviation Capital Grant  
4 program that, unlike the AIP money, can be  
5 used to finance revenue-producing projects at  
6 airports such as parking lots, fuel farms,  
7 hangar construction, and concessions and  
8 development.

9       Unfortunately this program continues  
10 to be grossly underfunded at \$12.5 million  
11 per year. NYAMA calculates that the capital  
12 needs of airports that are eligible for state  
13 assistance require a commitment of  
14 \$40 million to the Aviation Capital Grant  
15 program. We also look for an increase in the  
16 the maximum grant size in the capital funding  
17 from 2.5 to 5 million.

18       Thank you for giving me the time to  
19 speak.

20       CHAIRWOMAN WEINSTEIN: Thank you.

21       Scott?

22       MR. WIGGER: Yeah, good evening. And  
23 thank you to the chairs and members for the  
24 opportunity to speak here today.

1 My name is Scott Wigger. I'm the  
2 executive director for Railroads of New York,  
3 and I represent the freight rail industry in  
4 New York State, which is comprised of four  
5 Class I railroads and 36 short-line regional  
6 railroads employing approximately 2600 people  
7 in New York State alone.

8 In 2019 we enacted the CLCPA law. It  
9 was an ambitious environmental initiative  
10 meant to cut emissions across all sectors of  
11 the economy, including transportation.  
12 According to the USEPA, the transportation  
13 sector counts for approximately 27 percent of  
14 total US greenhouse gas emissions.

15 In order to help achieve these  
16 statewide emissions reduction goals as  
17 outlined in the CLCPA law, shifting long-haul  
18 freight movement from trucks to rail will  
19 significantly contribute to reducing  
20 emissions in the transportation sector.

21 When it comes to the transportation  
22 sector, emissions are directly related to  
23 fuel consumption. According to the  
24 Association of American Railroads, moving



1 freight by rail instead of truck reduces  
2 greenhouse gas emissions by approximately  
3 75 percent.

4 Railroads on average are approximately  
5 four times more fuel-efficient than trucks  
6 and can move one ton of freight more than  
7 480 miles on one gallon of diesel fuel, and a  
8 single freight train can replace several  
9 hundred trucks on the road.

10 Many investments in the freight rail  
11 industry are devoted to implementing new  
12 technologies that make freight rail transport  
13 safer, more fuel efficient, and more  
14 environmentally friendly.

15 According to the AAR, in 2020 U.S.  
16 freight railroads consumed 675 million fewer  
17 gallons of fuel and emitted 7.8 million fewer  
18 tons of carbon dioxide than they would have  
19 if their fuel efficiency had remained  
20 constant just since 2000.

21 Included in the Governor's Executive  
22 Budget proposal is approximately 35.5 million  
23 for freight rail infrastructure projects and  
24 a separate \$10 million allocation for a mix

1 of freight rail, passenger rail, and port  
2 railyard projects. In addition, also  
3 included in the proposal is a \$100 million  
4 allocation for a local bridge and highway  
5 improvement fund that includes  
6 highway-railroad crossing projects as  
7 eligible.

8 On behalf of RONY and its members, I  
9 wish to express our support for this funding,  
10 which many of our rail companies rely on to  
11 maintain the state's rail network in a state  
12 of good repair and to remain economically  
13 viable in an increasingly competitive  
14 freight-based economy.

15 Thank you, and I'd be glad to answer  
16 any questions.

17 CHAIRWOMAN WEINSTEIN: Thank you.

18 And we go to Assemblyman Magnarelli.

19 ASSEMBLYMAN MAGNARELLI: First of all,  
20 I just want to say thank you for waiting all  
21 this time and testifying in front of this  
22 budget committee. I do appreciate the  
23 information. We have all talked in the past  
24 on different things.

1 I just have one question for  
2 Mr. Wigger. I heard -- and it's just  
3 something that came up at a meeting -- that  
4 there were CSX sidings that were being  
5 dismantled. And those sidings are used so  
6 that, you know, if something goes wrong with  
7 a freight train or a passenger train, other  
8 trains can still go by. You know, the main  
9 line.

10 Have you got any information on that?

11 And if you want, we can talk later or some  
12 other time. But that's very troubling to me  
13 at this point in time.

14 MR. WIGGER: I don't have any  
15 information specific to that. I defer to CSX  
16 on that.

17 But I do understand that the route  
18 that goes through Albany all the way up to  
19 Syracuse and Buffalo --

20 ASSEMBLYMAN MAGNARELLI: That's the  
21 one I take, right.

22 MR. WIGGER: The passenger rail  
23 on-time performance has been very, very good  
24 in recent years. Their metrics have been --

1 ASSEMBLYMAN MAGNARELLI: It's been  
2 good, but I'm always looking for ways of  
3 making it better. And, you know, anything  
4 that causes a major delay is what I think is  
5 really hurting passenger rail from the  
6 standpoint that people won't take it because  
7 they can't depend on it leaving and arriving  
8 at certain points in time that are on the  
9 schedule. That, I think, is the most  
10 important thing.

11 Whether we can get the trains to go  
12 60, 70, 80, 90 miles per hour I think all  
13 depends on what we do to the infrastructure  
14 that is there, and making sure we don't get  
15 rid of infrastructure that could help. I  
16 would just like some kind of an explanation  
17 on that.

18 I saw your hand go up.

19 MR. STRAUSS: Yes, sir, Assemblymember  
20 Magnarelli.

21 It is ESPA's understanding that CSX  
22 has taken out of service some sidings,  
23 passing sidings on the Empire Corridor. One  
24 of the issues that affects this decision is

1 that the freight railroads are running longer  
2 freight trains these days and in some cases  
3 the existing sidings may not be long enough  
4 to fit a freight train in the siding anymore  
5 because the trains are now longer than the  
6 siding.

7 But it's still -- the sidings have  
8 value because you can store maintenance-of-  
9 way equipment for the railroads there. If a  
10 passenger train breaks down, you can put the  
11 passenger train in the siding and the freight  
12 trains continue to pass.

13 So it's ESPA's position that these  
14 sidings are valuable and that they should  
15 remain in service.

16 ASSEMBLYMAN MAGNARELLI: I appreciate  
17 that. Thank you.

18 CHAIRWOMAN WEINSTEIN: Senate?

19 CHAIRWOMAN KRUEGER: Senator Kennedy.

20 SENATOR KENNEDY: Yes, I just want to  
21 say thank you to each of you. We've worked  
22 together respectively in your various roles,  
23 and each one of you has been extremely  
24 professional and helpful in my office's

1 ability to move a number of different  
2 initiatives forward.

3 So you are constantly communicating  
4 with me and my team, and I just want to say  
5 thank you again. Chairman Magnarelli  
6 mentioned your patience here today. It has  
7 been an almost nine-hour -- actually, a  
8 nine-and-a-half-hour event today in this  
9 hearing.

10 They tried to kick us out about four  
11 hours ago. They turned the lights out on us.  
12 We didn't relent.

13 But in all sincerity, you all play  
14 pivotal roles in the transportation network  
15 in this state. Commercial rail, passenger  
16 rail, and aviation -- we are investing in all  
17 of the above. I look forward to our  
18 continued work together. So thank you.

19 MR. STRAUSS: Thank you.

20 MR. WIGGER: Thank you.

21 MR. TOPPING: Thank you.

22 CHAIRWOMAN KRUEGER: Thank you.

23 Senator Hinchey.

24 SENATOR HINCHEY: Great, thank you so

1 much. I also echo my colleague's sentiments,  
2 so thanks for hanging on with us here.

3 My question is for Mr. Wigger, but  
4 open for anybody who can answer. We have CSX  
5 that runs through -- I have now the luxury of  
6 representing both sides of the Hudson, so I  
7 picked up new passenger rail. But I have --  
8 I'm continuing to represent our freight rail,  
9 and I have seen the pretty dilapidated rail  
10 lines that CSX runs on, especially along the  
11 Hudson. And so my question, I guess, to you  
12 is -- freight rail inspectors. Do we have  
13 enough of them? Do we need more? Is that a  
14 funding thing that we need more support from  
15 the state?

16 How can we help -- how can we help  
17 your members, right, and how can we help CSX  
18 do the right thing but also hold them  
19 accountable to make sure that the important  
20 and often questionable things that they're  
21 carrying within those cars -- "questionable"  
22 meaning we don't know what they are -- right  
23 along the Hudson we're working so hard to  
24 clean up -- God forbid something happens.

1           But again, I've seen firsthand kind of  
2 the state that much of this rail line is in.  
3 So can you talk a little bit about what that  
4 looks like and what we need?

5           MR. WIGGER: Sure, I'd be glad to.

6           As far as the inspectors, I know, you  
7 know, we've got state inspectors -- and also  
8 the FRA also has their inspectors too. And,  
9 you know, just anecdotally what I hear from  
10 my members is they're always out there.  
11 They're always looking at tracks and their  
12 yards, and you know --

13          SENATOR HINCHEY: We hear something  
14 very differently.

15          MR. WIGGER: Okay.

16          (Laughter.)

17          MR. WIGGER: I'm sure.

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1 But, you know, safety is the  
2 number-one priority for the whole industry.  
3 And that's, you know, what they focus on.

4 As far as, you know, the  
5 infrastructure, you know, it always comes  
6 down to dollars, you know, putting money into  
7 the ground. And we have a freight rail  
8 program here in the state that we've really  
9 been able to boost up over the past 10 years  
10 or so. It was after the 2005 bond act money  
11 ran out. It was zeroed out, so we had --  
12 there was no money.

13 We've been -- gradually been able to  
14 build this up. It's more for like kind of  
15 the smaller railroads and everything. Like  
16 when you talk about CSX, their products are  
17 just so much bigger in scale, you know. So  
18 this program that we have for the state  
19 really can only take it so far.

20 SENATOR HINCHEY: So the answer --  
21 what I'm hearing is no, we don't really have  
22 a funding mechanism to help.

23 But also, I don't have the numbers in  
24 front of me. I wish I did. We'll follow up

1 separately. I know that the numbers for  
2 state inspectors is very low. And what we've  
3 actually been told is they do not have the  
4 capacity or the time to be able to look at  
5 much of the freight rail.

6 And the same with federal. They're  
7 looking at -- across the nation, right, and  
8 they're not actually in our backyard. I know  
9 it because I've seen the lines effectively  
10 held together with duct tape and wood along  
11 the Hudson.

12 So it's something maybe we can work on  
13 together to actually get some changes and  
14 safety brought to the rail line along the  
15 Hudson River.

16 MR. WIGGER: Be glad to follow up with  
17 you, absolutely.

18 SENATOR HINCHEY: Thank you.

19 CHAIRWOMAN WEINSTEIN: Thank you.

20 Thank you for being here today with us.

21 This concludes the Joint Budget  
22 Transportation Hearing. Tomorrow the  
23 committees will reconvene at 9:30 a.m. for  
24 the Public Protection Hearing.

1 Thank you all for your participation  
2 today.

3 CHAIRWOMAN KRUEGER: Thank you very  
4 much.

5 MR. WIGGER: Thank you.

6 MR. STRAUSS: Thank you.

7 CHAIRWOMAN KRUEGER: Thank you for  
8 waiting so long for us.

9 (Whereupon, the budget hearing  
10 concluded at 8:03 p.m.)

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