



INVEST IN NEW YORK STATE'S
INFRASTRUCTURE.

OUR FUTURE AND ECONOMY
ARE BUILT ON IT.

February 3, 2026

Good afternoon, Senator Krueger, Assemblymember Pretlow and other members of the Legislature. Rebuild NY Now appreciates the opportunity to discuss the fifth and final year of the New York State Department of Transportation (NYSDOT) Five-Year Capital Program as proposed in the Governor's 2026-2027 Executive Budget. More specifically, what projects will be delivered under the \$34.1B Capital Plan, which will not, and what funding decisions will need to be made in the next Capital Plan. Unlike the MTA's Capital Program which normally makes funding available until the project is completed, NYSDOT Capital Program projects that are not awarded in the five-year plan must be reassessed, re-prioritized, and re-authorized in the new plan based on available appropriations. Based on current assessments that number could approach \$10B; or about a third of the current program.

My name is Fred Hiffa, I am here today representing the Rebuild NY Now Coalition. The Coalition has over 40 members/partners, including organized labor, highway and building contractors, municipal associations, business groups, trucking and transit organizations and environmental advocates.

Previously, I worked in state service for two decades, rising to the position of First Deputy Commissioner of NYSDOT. In that and other roles at NYSDOT, I helped develop and implement the agency's capital program. Since leaving the state I have represented transportation interests in almost every major sector of the industry.

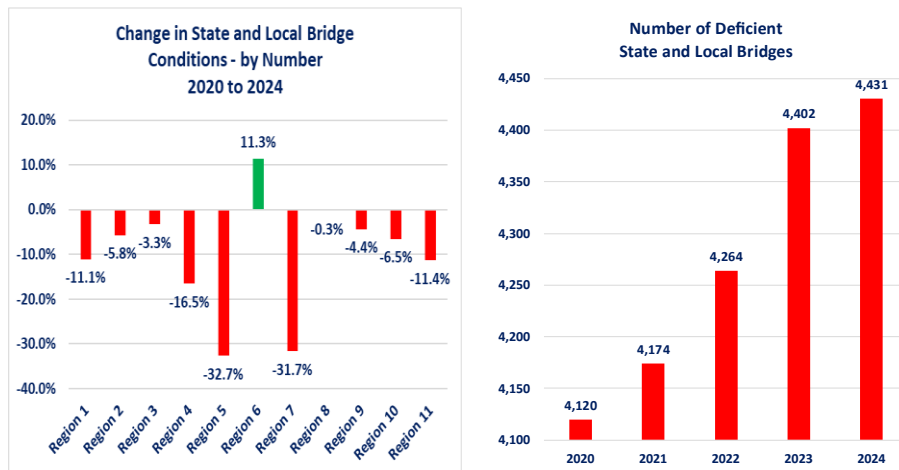
RBNYN greatly appreciates how seriously you, and your colleagues in the Legislature take your oversight responsibility of the state and local road systems; realizing it is critical to both the state's economy and quality of life for all New Yorkers. In 2021, you passed A.4010-B/S.199 into law requiring NYSDOT to submit its Annual Highway and Bridge Condition Report to the Legislature, by June 1st. You did this after the agency, as of 2020, had not released system condition reports for 2016, 2017, 2018 and 2019 – at the time the last available report was from 2015 – five years earlier. Thanks to your leadership the reports are now being released annually, and we utilize them as a benchmark to see if the funding proposed for the Executive's Budget Proposal for NYSDOT's Five-Year Capital Plan is adequate to at least maintain our critical public assets.

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NYSDOT's latest condition reports are alarming at best. Due to this combination of inflation and insufficient investment, from 2020 to 2024, every one of the of the state's 11 NYSDOT Regions, except one, saw an increase the number of its deficient bridges. Statewide the total number of deficient bridges is increasing at an alarming rate. In 2024, an unprecedented 4,431 of the state's 16,335 bridges were deficient. According to a July '24 report from the NYS Comptroller's office just the state's local bridges need a staggering \$29 billion investment.

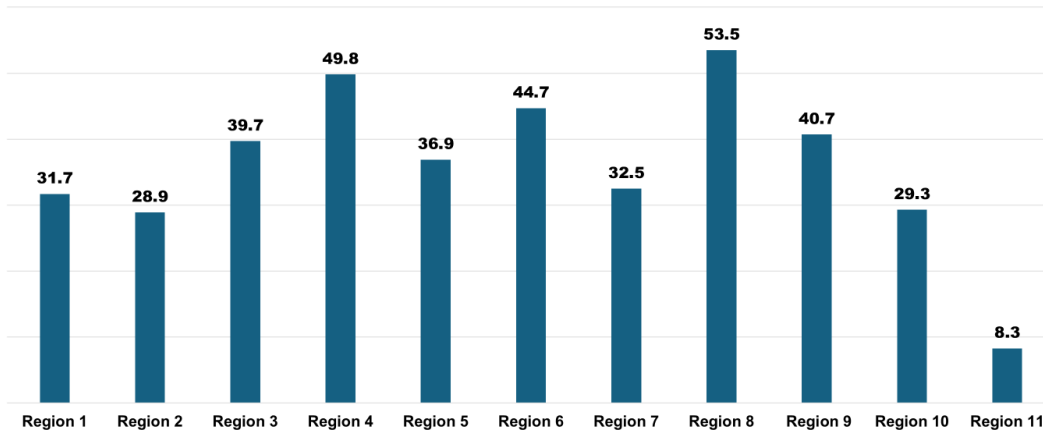
Pavement conditions don't fare any better, in 2024 thirty nine percent of NYSDOT's 38,223 lane-miles of roads were in fair or poor condition. Only three of NYSDOT's eleven regions have less than 30 percent of the of their roads rated deficient. The Hudson Valley which has the most lane miles of any NYSDOT Region has the worst road conditions in the state with over 50 percent of their roads in need of repair or replacement. New York's poor roads if laid out one after another would go from New York City to Houston, Texas and back almost five times.

Bridge Conditions by Number



NYSDOT 2024 Pavement Conditions Report

% Fair/Poor



TRACKING DELIVERY OF NYSDOT'S CAPITAL PROGRAM

After you adopted NYSDOT's five-year capital program in the spring of 2022 the Governor and Legislative Leaders negotiated and signed a 32-page Memorandum of Understanding (MOU). This MOU laid out in great detail the cost, project type, location and timeframe for spending NYSDOT's \$32.8 billion Five-Year Capital Program (which has grown to \$34.1 billion). The Associated General Contractors of New York State (AGC) tracks NYSDOT's construction lettings. Historically, AGC's construction dashboard covers about 85% of the projects and their values contained in the MOU. Things that would be included in that nonconstruction category (other 15%) would include, but be not limited to, MOU dollars directed to fund transit operations, Help Trucks, VPP's and traffic operation centers.

Core Program

That said, in the first four years of the Five-Year Capital Program the MOU projected \$11.037 billion would be spent on NYSDOT core projects. From April 1, 2022 through December 18, 2025 (one quarter short of that four-year mark), NYSDOT's construction lettings totaled \$5.269 billion, which means only 52% was spent on construction projects. The state's Five-Year Capital Program spending plan projected NYSDOT would be spending \$7.06 billion annually during its first three years. In those first three years, the updated capital spending plan appears to show the agency only spending, on average, \$5.74 billion; nearly \$1.25 billion less than originally programmed, per year. This doesn't imply that the MOU dollars won't eventually be spent but RBNYN is asking you and your colleagues request NYSDOT provide you with an accounting of the

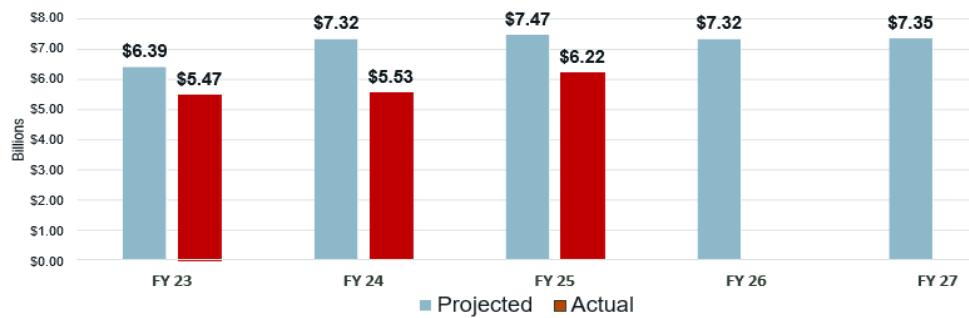
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actual dollars spent versus those contained within the MOU before adopting the SFY 2026-27 budget this spring.

There are three NYSDOT Regions that are each at least \$1 billion behind in receiving their MOU funding commitment from the Five-Year Transportation Capital Program. They are New York City (Region 11), Hudson Valley (Region 8), and Western New York (Region 5). Historically, when projects were delayed NYSDOT substituted other projects guaranteeing that they fully utilized their existing appropriation authority. As a result, billions in highway dollars are going unspent.

NYSDOT MOU Core Program April 1, 2022 - December 18, 2025				
NYSDOT Region	CORE MOU (first 4 years)	Construction Lettings to Date 4.1.22 - 12.18.25	MOU Dollars Not Spent or Not Spent on Construction 4.1.22 - 3.31.26	% Not Spent on Construction
Region 1	\$597,224,598	\$441,407,461.06	\$155,817,136.94	26%
Region 2	\$375,051,781	\$240,804,184.64	\$134,247,596.36	36%
Region 3	\$431,276,826	\$289,486,765.03	\$141,790,060.97	33%
Region 4	\$509,084,771	\$422,032,153.43	\$87,052,617.57	17%
Region 5	\$848,170,132	\$625,032,652.31	\$223,137,479.69	26%
Region 6	\$269,941,211	\$209,233,996.24	\$60,707,214.76	22%
Region 7	\$283,585,239	\$213,956,724.70	\$69,628,514.30	25%
Region 8	\$1,398,320,875	\$852,582,217.14	\$545,738,657.86	39%
Region 9	\$552,784,576	\$404,355,815.31	\$148,428,760.69	27%
Region 10	\$1,048,534,880	\$644,739,120.61	\$403,795,759.39	39%
Region 11	\$4,723,216,508	\$926,312,235.63	\$3,796,904,272.37	80%
Total	\$11,037,191,397	\$5,269,943,326.10	\$5,767,248,070.90	52%

NYSDOT Five Year Capital Program FY 2023-2027 Actual Spending vs. Projected

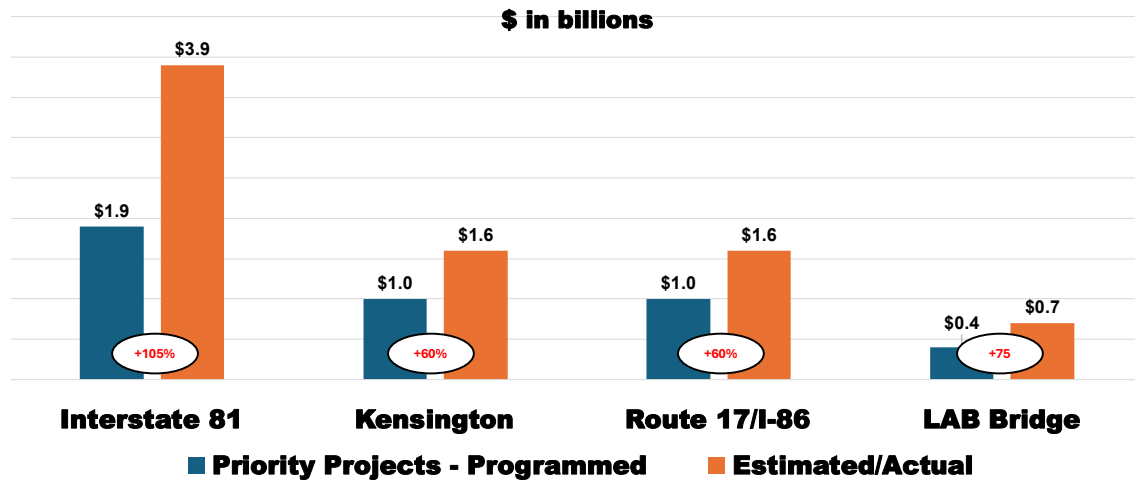


Source: NYS Division of Budget, Capital Program and Financing Plan FY 23, FY 24, FY 25

Mega/Signature Projects

The Legislature provided \$4.4 billion for four mega projects in the Capital Program. There was \$1.9 billion for Syracuse I81, \$1 billion for Buffalo's Kensington, \$1 billion for the Hudson Valley's Rt.17 and \$400million for Albany's Livingston Avenue Rail Bridge. Only two of the four projects are being constructed during the current five-year plan. As you know, construction costs have skyrocketed, the Interstate 81 project is now at \$3.9 billion and the Livingston Avenue Rail Bridge at \$700 million. NYSDOT budgeted \$4.4 billion for the four structures and will spend \$4.6 billion to build two leaving a \$3.2 billion carry over into the next program if you decide to include it.

Priority Projects are Consuming the Budget



Finally, Governor Kathy Hochul's 2026-2027 Executive Budget continues the additional \$50 million local add to CHIPS last year but does not maintain the \$800 million increase for the NYSDOT core (focused on maintaining the state's physical transportation infrastructure) program from 2025-2026. RBNYN is requests that the Legislature include \$250 million more for CHIPS and \$950 million additional for the core NYSDOT program in this year's enacted budget. More funding is essential to help offset rising construction costs, stabilize the transportation program, and ensure critical infrastructure projects advance.

NYSDOT Capital Program (in Million \$s)	SFY Enacted 2024-25	SFY Enacted 2025-26	SFY Executive Budget 2026-27	SFY Requested 2026-27	
State/Local Construction	\$2,603	\$3,479 (+800M)	\$2,767	\$3,717(+950M)	
Signature	\$1,900	\$100	-	-	
State/Local Construction/Signature	\$4,503	\$3,579	\$2,767	\$3,717	
Engineering/Administration	\$1,042	\$1,043	\$1,045	\$1,045	
Preventative Maintenance	\$391	\$391	\$391	\$391	
Right of Way	\$75	\$75	\$75	\$75	
Facilities/Equipment	\$37	\$37	\$37	\$37	
Other Federal	\$26	\$26	\$26	\$26	
Rail	\$90	\$90	\$90	\$90	
Aviation	\$27	\$27	\$27	\$27	
Non-MTA Transit	\$140	\$120	\$120	\$120	Combine
CHIPS	\$598.1	\$648.1 (+50M)	\$648.1	\$898.1 (+250M)	
EWR	\$100	\$100	\$100	\$100	\$1,138.1
Local State Touring Routes Program	\$140	\$140	\$140	\$140	
Local PAVE-NY	\$150	\$150	\$150	\$150	
Local POP	\$100	\$100	\$100	\$100	\$250
Marchiselli	\$39.7	\$39.7	\$39.7	\$39.7	
Local BRIDGE-NY	\$200	\$200	\$200	\$200	
Airport Program	0	\$0	\$0	\$0	
NYSDOT Plan Total	\$7,659	\$6,766	\$5,956	\$7,156	

We look forward to continuing our collaboration to ensure our state's transportation systems receive the necessary funding it deserves. Again, on behalf of the Rebuild New York Now membership, thank you very much for addressing these important issues.