

Joint Legislative Public Hearing on 2026 Executive Budget Proposal

SUBJECT: Transportation

Hearing Room CB, Legislative Office Building

Tuesday, February 3, 2026

Albany, New York

Written testimony provided by Mr. John Hroncich, BAE Systems, North American Transit Sales Director

Thank you and Good Afternoon. I would like to thank Senate Finance Committee Chair Liz Krueger and Assembly Ways and Means Committee Chair J. Gary Pretlow for this opportunity to submit this testimony. I would also like to thank Senate Transportation Committee Chair Jeremy Cooney, Assembly Transportation Committee Chair William Magnarelli and all of members of the joint Transportation Committee for their attention to our concerns and requests for consideration.

My name is John Hroncich. I reside in Vestal NY and work at BAE Systems' Endicott NY campus, proudly located in Assembly District 123 and the 52nd Senate District. Before I start my testimony, I would like to recognize our outstanding legislators, Senator Lea Webb and, of course, Assemblywoman Donna Lupardo. She has been a stalwart in the halls of the Assembly for our District for over 20 years and has announced that this, her 11th term, will be her last.

On behalf of BAE Systems' 2,000 employees across New York State, I am here to highlight our work as a leading manufacturer of electrified powertrains for transit buses and our importance to New York State's leadership position in the low and no emission transportation technologies industry. Specifically, I ask that you support Made-in-NY products for hybrid electric buses in the MTA's 2025-2029 Capital Plan and include hybrid electric buses as an eligible option under the New York State Department of Transportation's (NYSDOT's) Zero-Emission Transit Transition Program (ZETT).

Over the past 30 years, we have fielded over 19,000 hybrid electric bus drive powertrains. Our work consists of designing, testing, assembling, shipping and field supporting our products globally with our skilled workforce; all emanating from our global headquarters facility in Endicott NY.

We have been investing in our NY workforce and our presence in NY State. We have invested hundreds of millions of dollars in to our NY-based products, facilities and workforce. It is estimated that our annual economic impact to NY State is \$350M. Last year, BAE Systems announced a \$65 million dollar investment in to expanding our energy storage systems research & development and production capacity in Endicott; bringing an additional 130 high-paying jobs to the region.

Our impact to New York State goes far beyond our own financial investments. Our hybrid electric bus fleet in New York City, each year, is saving the MTA 1.8M gallons in diesel fuel and eliminating 26,000 tons of CO2. These proven emissions reductions align with the targets set out in the CLCPA. Our Made-in-NY hybrid electric powertrains also support hundreds of NY State jobs in Endicott NY, our manufacturing plant location, but also at Eck Plastics In Binghamton, Mersen USA in Rochester and Tusk Manufacturing in Bohemia; just to name a few of our NY-based sub-suppliers. We also are hiring graduates every year from NY's leading universities and represent a key channel to market for NY's growing semi-conductor chip manufacturers such as Wolfspeed and Micron.

In the 2025-2029 Capital Plan, the MTA is planning to procure over 1,700 conventional diesel engine powered transit buses. Per the MTA's own admission, 57% of their direct carbon emissions come from diesel buses. Diesel buses are the most polluting option for the MTA and are contrary to both the City's and State's greenhouse gas emissions targets.

The MTA's Capital Plan is also an investment for New York jobs, economic growth and further private sector investment in to New York State. For every dollar in the MTA's Capital Plan for investment in to hybrid electric buses, 80 cents would stay in NY State. If the MTA would stop buying diesel buses in favor for hybrid electric buses, \$340M of the MTA's Capital Plan could stay in NY rather than going somewhere else.

In November 2025, the MTA took an important first step in the right direction by approving a procurement of 161 hybrid electric buses under the 2025-2029 MTA Capital Plan. This procurement will keep New York State dollars in New York State and supports jobs across New York State.

For non-MTA transit agencies, the NYSDOT ZETT program should avail itself to hybrids electric buses, just like the MTA. Today, the State program is only eligible to battery electric and hydrogen fuel cell buses. In 2025, the ZETT program was under-prescribed. Non-MTA transit agencies wanted hybrid electric buses but they weren't eligible under the existing State ZETT guidelines. Let's allow hybrid electric buses to be eligible under ZETT and keep New York State moving forward on its emissions targets while promoting Made-in-New York technology.

Members of this Joint Committee, I am asking for your support to fund hybrid electric buses in the MTA's Capital Plan and the NYSDOT ZETT program . They will keep precious NY State dollars in NY, improve our air quality and keep the New York State on the path towards further transit bus fleet electrification.

Thank you.

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