



NEW YORK STATE LEGISLATURE

March 7, 2022

Hon. Kathy Hochul
Executive Chamber
State Capitol, Second Floor
Albany, NY 12224

Hon. Marie Therese Dominguez, Commissioner
NYS Department of Transportation
50 Wolf Road
Albany, NY 12232

Hon. Andrea Stewart-Cousins
Temporary President and Majority Leader
Room 907 LOB
Albany, NY 12247

Hon. Carl E. Heastie
Speaker of the Assembly
Room 932 LOB
Albany, NY 12248

Hon. Robert G. Ort
Senate Minority Conference Leader
Room 315 Capitol
Albany, NY 12247

Hon. William A. Barclay
Assembly Minority Conference Leader
Room 933 LOB
Albany, NY 12248

Hon. Timothy M. Kennedy
Chair, Senate Transportation Committee
Room 708 LOB
Albany, NY 12247

Hon. William B. Magnarelli
Chair, Assembly Transportation Committee
Room 830 LOB
Albany, NY 12248

Dear Governor Hochul and Legislative Leaders:

For the tenth consecutive session, on behalf of local transportation leaders, municipalities, and taxpayers from throughout our respective legislative districts and across New York State, we welcome this opportunity to address the need for greater state investment in local roads, bridges, and culverts.

We believe that New York State's **investment in local transportation infrastructure** must be a foundation of the nation's most aggressive infrastructure program in order for this program to achieve its envisioned generational goals. The Executive Budget proposes to increase funding for local roads, bridges, and culverts by 20 percent. The proposal represents a welcome step to strengthen New York State's commitment to the local infrastructure that is the lifeline of local communities in so many ways.

However, in the context of this moment in time, we believe a once-in-a-generation opportunity exists to do even more and truly set a long-overdue course for the improvement, maintenance, and repair of local roads, bridges, and culverts statewide.

In November 2021, the federal government enacted the \$1.2-trillion “Infrastructure Investment and Jobs Act” (IIJA). The IIJA increases federal highway aid to New York by 52 percent. In the last five years, the state received \$8.8 billion in aid. Over the next five years, we are poised to receive \$13.4 billion, a \$4.6-billion increase. Unfortunately, the vast majority of local roads-- 87% of the statewide road system—are ineligible to receive these funds.

At a time of declining local pavement conditions, record state budget surpluses, and significantly increased federal aid, we strongly believe one of New York’s fundamental priorities is to finally remake a local transportation system that is so critical to the future recovery and success of local communities, economies, and environments across every region of New York State.

It is important to be clear at the outset that equitability, fairness, and parity remain essential when funding our state’s infrastructure. We recognize the importance of funding for the MTA Capital Plan as a critical infrastructure investment that is necessary to meet the transportation needs of residents, commuters, and visitors for our downstate region.

We also recognize that funding for the DOT Capital Plan is an equally necessary and critical investment for all the residents, motorists, and taxpayers of the State of New York. The Executive Budget proposal calls for a 5-year, \$32.8-billion DOT Capital Plan.

We are one state, with challenging infrastructure needs statewide, and therefore we believe it is critically important that the capital needs of the MTA and the DOT each receive the level of funding necessary to keep both systems in a state of good repair.

While the proposed Executive Budget calls for the continuation of valuable programs that we have long advocated, such as the Consolidated Local Street and Highway Improvement Program (CHIPS), Extreme Winter Recovery (EWR), and PAVE-NY, the proposal holds each of these programs flat. A \$100-million increase is proposed for BRIDGE-NY, which is critically important considering that the program is overprescribed, and the creation of a new “Operation Pave Our Potholes” (POP) program will provide an additional \$100M annually. Altogether, as currently proposed, this means that \$1.2 billion per year will be distributed to all localities throughout the state, including New York City, to address the needs of their local transportation systems.

Therefore, we once again stress that New York State’s direct investment in local roads and bridges through CHIPS remains fundamental. It deserves priority consideration in the final allocation of state infrastructure investment the Executive proposes for the 2022-23 fiscal year.

CHIPS is the key difference for local communities, economies, governments, motorists, and taxpayers throughout the Empire State, including New York City and surrounding metro areas, and we cannot ignore this fact, especially this year.

It is warranted. Local governments, for the foreseeable future, will continue to struggle to address budgetary demands in the face of the state-imposed property tax cap, rising pension and health care costs, and unfunded state mandates, among other burdens.

We may never face a better opportunity or a more effective time to increase state funding for local roads, bridges, and culverts.

Therefore, we put forth the following four requests **to add to the Executive Budget proposal:**

- 1.) Increase the base funding level for CHIPS by \$250 million to a total of \$788 million;
- 2.) Increase Extreme Winter Recovery funding by \$50 million to \$150 million;
- 3.) Distribute the \$100 million proposed for the new “Pave Our Potholes” program utilizing the existing CHIPS/EWR aid formula to ensure equity and fairness; and
- 4.) Increase the 5-year, DOT Capital Plan to \$44.1 billion, an \$11.3-billion increase. This investment is justified and warranted given the billions of dollars in unmet infrastructure needs and the unprecedented decline in the state and local highway system. We have a historic opportunity with a projected \$24 billion state budget surplus over the next five years coupled with the \$13.4 billion federal infrastructure commitment. This investment will address critical needs and conditions while providing more parity between the DOT and MTA capital plans.

The case is compelling for New York State to take these proposed steps to address undeniable local transportation infrastructure shortcomings, and we believe it is simply the right thing to do.

Additionally, we strongly support the Executive Budget proposal to increase the CHIPS bidding threshold from \$350,000 to \$750,000.

Furthermore, as recently detailed in a new report from New York State Comptroller Thomas P. DiNapoli, we also have a historic opportunity to finally restore the Dedicated Highway and Bridge Trust Fund (DHBTF) to its originally intended purpose as a dedicated, pay-as-you-go funding source for critical transportation repairs and capital projects. We should not squander this chance to shore up the fund and return it to its original purpose of directly paying for road and bridge projects.

A stronger state-local partnership is the only solution to meeting the critical investment level needed to maintain and improve local roads, bridges, and culverts. Keep in mind that:

- Local governments are responsible for maintaining nearly 87 percent of the roads in New York State and one-half of the state’s 18,000 bridges;
- Drivers on local roads contribute nearly half of the gas taxes collected in New York State;

- Forty-eight percent of the vehicle miles traveled in New York are on local roads, yet less than 12 percent of the taxes and fees paid to the state by these drivers go back to maintaining local roads;
- Estimates by the State Comptroller, state Department of Transportation (DOT), and other independent studies have shown a large number of local roads deteriorating and many local bridges rated structurally deficient or functionally obsolete;
- Thirty-six percent of bridges are deficient and 38 percent of road pavements are rated fair or poor, and getting worse;
- According to TRIP, a national transportation advocacy group, roads and bridges that are deficient, congested, or lack desirable safety features, cost New York motorists an additional \$28 billion annually — up to \$3,200 per driver in some areas — due to higher vehicle operating costs, traffic accidents, and congestion-related delays;
- If the overriding goal is this state’s economic competitiveness, it cannot be overlooked that businesses locate in towns, villages, and cities and, therefore, it is imperative to ensure that local roads and bridges are maintained to spur economic development and job creation, while helping to control property taxes for individuals and businesses;
- Every \$1 invested in the CHIPS program is \$1 less the local property taxpayer has to pay. Additionally, every \$1 invested in the CHIPS program can save from \$6-\$14 in long-term rehabilitation costs. This state assistance benefits the middle class struggling with high local property taxes;
- Each \$150 million increase in funding for local roads, bridges, and culverts results in up to 4,200 highway construction-related jobs;
- The State Comptroller has estimated there will be \$89 billion in unmet local infrastructure needs over the next two decades. In an October 2017 report, the comptroller estimated that bridges owned by local governments require an estimated \$27.4 billion in repairs; and
- According to a recently updated analysis by the New York State Association of Town Superintendents of Highways, the local highway system outside NYC faces an annual funding gap of \$1.7 billion.

An increase in the CHIPS base level and Extreme Winter Recovery assistance, enhanced BRIDGE-NY, maintained PAVE-NY, and the new POP allocations will significantly strengthen the foundation we have built over the last several state budgets and further solidify our fundamental belief that “Local Roads are Essential!”

Through the renewed, vigorous, long-term state investment we have outlined, we will finally move toward the safe and reliable local infrastructure we envision, an infrastructure that will serve as the catalyst for future community and economic development, job creation, and overall public and motorist safety.

Once again, thank you for your leadership and thoughtful consideration. We look forward to working with you to achieve these critical goals and take advantage of this once-in-a-generation opportunity to make the 2022-23 New York State budget truly transformative for our local roads, bridges, and culverts.

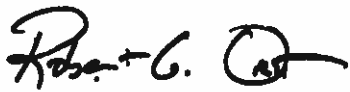
Sincerely,



Thomas F. O'Mara
Senate District 58



Philip A. Palmesano
Assembly District 132



Robert G. Ort, Senate Minority Leader
Senate District 62



Andrew J. Lanza
Senate District 24



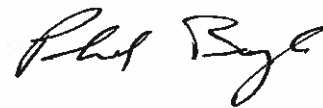
Joseph A. Griffo
Senate District 47



Fred Akshar
Senate District 52



George M. Borrello
Senate District 57



Phil Boyle
Senate District 4



Patrick M. Gallivan
Senate District 59



Pamela Helming
Senate District 54



Daphne V. Jordan
Senate District 43



Senator Mike Martucci
Senate District 42



Mario R. Mattera
Senate District 2



Peter Oberacker
Senate District 51



Anthony H. Palumbo
Senate District 1



Edward A. Rath III
Senate District 61



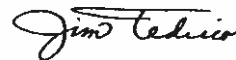
Patty Ritchie
Senate District 48



Sue Serino
Senate District 41



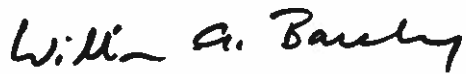
Daniel G. Stec
Senate District 45



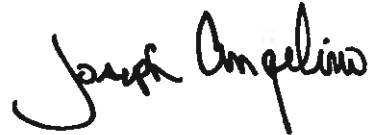
James Tedisco
Senate District 49



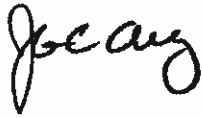
Alexis Weik
Senate District 3



Will Barclay
Assembly Minority Leader



Joseph Angelino
122nd Assembly District



Jacob Ashby
107th Assembly District



Kenneth D. Blankenbush
117th Assembly District



Karl Brabenec
98th Assembly District



Keith P. Brown
12th Assembly District



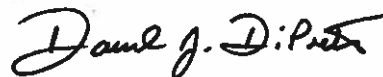
Kevin M. Byrne
94th Assembly District



Marjorie L. Byrnes
133rd Assembly District



Joseph P. DeStefano
3rd Assembly District



David J. DiPietro
147th Assembly District



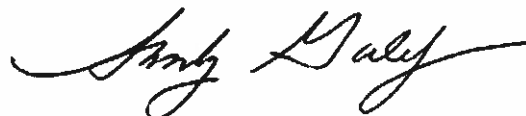
Michael Durso
9th Assembly District



Michael J. Fitzpatrick
8th Assembly District



Christopher S. Friend
124th Assembly District



Sandy Galef
95th Assembly District



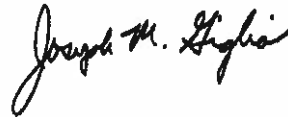
Jeffery Gallahan
131st Assembly District



Jarett Gandolfo
7th Assembly District



Jodi Giglio
2nd Assembly District



Joseph M. Giglio
148th Assembly District



Andrew Goodell
150th Assembly District



Stephen M. Hawley
139th Assembly District



Joshua T. Jensen
134th Assembly District



Michael Lawler
97th Assembly District



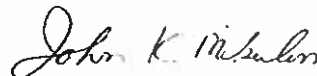
John Lemondes, Jr.
126th Assembly District



Brian D. Manktelow
130th Assembly District



David G. McDonough
14th Assembly District



John Mikulin
17th Assembly District



Brian D. Miller
101st Assembly District



Michael A. Montesano
15th Assembly District



Angelo J. Morinello
145th Assembly District



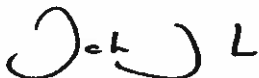
Michael J. Norris
144th Assembly District



Edward P. Ra
19th Assembly District



Michael W. Reilly, Jr.
62nd Assembly District



John J. Salka
121st Assembly District



Colin J. Schmitt
99th Assembly District



Matthew Simpson
114th Assembly District



Douglas M. Smith
5th Assembly District



Robert J. Smullen
118th Assembly District



Christopher Tague
102nd Assembly District



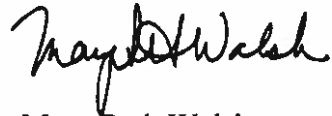
Michael Tannousis
64th Assembly District



Fred W. Thiele, Jr.
1st Assembly District



Mark C. Walczyk
116th Assembly District



Mary Beth Walsh
112th Assembly District