

Transportation

*Department of Transportation
Department of Motor Vehicles*

I. Overview

The State's transportation system is operated, maintained and administered by a network of State and local agencies and public authorities. The Department of Transportation (DOT) coordinates planning and policy development and provides for the direct operation and capital improvement of much of the transportation system. DOT is responsible for construction, reconstruction, maintenance, and snow and ice removal for more than 38,000 State highway lane miles and more than 7,500 bridges. In addition, DOT provides funding for local government highway and bridge construction as well as rail, airport, bicycle, pedestrian and canal programs.

The Department also provides oversight and funding for more than 130 public transportation operators including the Metropolitan Transportation Authority (MTA), the four upstate regional transportation authorities, and other (usually county-sponsored) transit systems. These systems provide bus, subway, commuter rail and light rail services as well as "paratransit" services designed to meet the needs of the disabled. The MTA provides transit and commuter services in the New York City region to over two and a half billion passengers riding the subways, buses and commuter rail systems each year.

The State's transportation programs are also supported by the Department of Motor Vehicles (DMV), which operates 27 district and branch offices, and provides services via county clerk offices acting as DMV agents at 102 locations throughout the State. DMV issues licenses, non-driver identification cards, and vehicle registrations, conducts road tests, monitors driver training, performs enforcement activities, conducts more than 20 million customer transactions annually, and is projected to collect more than \$1.9 billion in revenue for the State and localities in 2011-12.

The New York State Thruway Authority, the New York State Bridge Authority and other public authorities operate and maintain certain other toll transportation facilities within the State.

II. History/Context

DOT Capital Programs

Funding to maintain and improve the State's transportation infrastructure is provided through multi-year capital plans and supported by a combination of State and Federal funds. A two-year \$7 billion DOT capital plan covering State fiscal years 2010-11 through 2011-12 was adopted in 2010-11 to support improvements to highway, bridge, aviation, rail, transit, port, bicycle and pedestrian facilities throughout the State.

Mass Transit

Since 1975, New York State has provided transit system operating assistance through the Statewide Mass Transportation Operating Assistance (STOA) program. Today, this \$4.2 billion aid to localities program reflects the importance of the services provided by transit systems to an annual ridership of more than 2.8 billion passengers. In 2010-11, State transit aid accounted for approximately 36 percent of the operating resources used to support the State's transit systems.

Department of Motor Vehicles

In recent years, the Department of Motor Vehicles has relied on technology to manage an increasing workload while conserving resources. Although DMV transactions have increased steadily over the past ten years, the level of staff necessary to deliver services has declined by 23 percent. This efficiency improvement is primarily the result of the Department's utilization of electronic and internet-based services that provide customers with a convenient alternative to visiting Department or County Clerk's offices. Currently, more than three million transactions per year are processed through the DMV website.

III. Proposed 2011-12 Budget Actions

Maintaining reliable transportation is critical to returning New York to economic prominence. Despite the current fiscal crisis, the 2011-12 Executive Budget continues prior year funding levels for the core transportation capital programs supported by the Dedicated Highway and Bridge Trust Fund. As a result of agency redesign and increased efficiencies, a reduction in operations costs and spending decreases will be achieved.

DOT Programs

DOT's capital plan and other programs are supported by Federal aid, dedicated taxes and fees deposited in the Dedicated Highway and Bridge Trust Fund, and remaining 2005 Transportation Bond Act funds. The Trust Fund also receives a significant subsidy from the General Fund. The Executive Budget continues the two-year \$7 billion DOT capital plan adopted in 2010-11 that balances core infrastructure preservation with fiscal necessity. Program and funding levels remain constrained by a number of key factors including the lack of a new multi-year Federal transportation act, the phase-out of funding from the 2005 Bond Act, and the Trust Fund's continued reliance on General Fund subsidies. Despite these financial challenges, the Executive Budget maintains the State's core Trust Fund investment in the highway and bridge program at 2010-11 levels and also preserves funding for local highway and bridge projects under the Consolidated Highway Improvement Program (CHIPS) program at prior-year levels. The DOT budget incorporates reductions to improve agency operations that reduce General Fund subsidies to the Trust Fund.

Mass Transit

The Executive Budget provides operating support to transit systems totaling \$4.2 billion. The MTA will receive \$3.8 billion, a cash increase of \$43 million from 2010-11, and other transit systems will receive \$401 million, which reflects a cash increase of \$2 million.

Although appropriations for the MTA are decreased to better reflect actual funds collected, cash support for both MTA and non-MTA programs will increase year to year.

The MTA's capital program will be provided \$100 million in new State support from the redirection of existing economic development capital funds. The redirected funds will create jobs and improve the MTA's core infrastructure. The MTA is also projected to receive \$194 million in 2005 Transportation Bond Act funds from reappropriations for the Authority's capital program.

Department of Motor Vehicles

The Executive Budget proposes \$343 million of appropriations for 2011-12, a decrease of \$13 million from prior year levels. This reduction reflects streamlining agency operations and enhancing program performance.

IV. Summary of Spending (All Funds)

Category	2010-11 (\$ in millions)	2011-12 (\$ in millions)	Change	
			Dollar (in millions)	Percent
Transportation Spending*	7,626	7,725	99	1.3
Department of Transportation	3,557	3,637	80	2.2
Metropolitan Transportation Authority	3,767	3,810	43	1.1
Department of Motor Vehicles	300	276	(24)	(8.0)
Thruway Authority (Canal Corp)	2	2	0	0

* Transportation spending excludes one-time impacts of Federal Stimulus, 2005 Bond Act funds and 2009-10 transit aid carry-out; DOT spending increase is attributable to capital spending increase netted against DOT operating reductions.

V. Major Initiatives

Gap-closing Actions

Proposal	2011-12 (\$ in millions)	2012-13 (\$ in millions)
Transit Fund Actions	200.0	0.0
DOT Ten Percent State Operations Reduction	45.4	45.4
DMV Ten Percent State Operations Reduction	12.0	12.0
Total	257.4	57.4

Transportation Operations

- **Transit Fund Actions.** The Executive Budget proposes using \$165 million of Metropolitan Mass Transportation Operating Assistance Account (MMTOA) funds to pay debt service on State bonds previously issued for the MTA capital program that otherwise would be paid from the State's General Fund. MMTOA receives portions of transportation related taxes and fees and is used to support operating aid for the MTA and other transit systems in the 12-county MTA district. In addition, \$35 million of MMTOA funds derived from statewide revenues will be transferred to the General Fund. In order to help the MTA manage the impact of these actions, the Executive Budget proposes redirecting \$100 million of existing economic development capital funds to the MTA capital program. *(2011-12 Value: \$200 million; 2012-13 Value: \$0)*
- **Ten Percent State Operations Reduction.** The Executive Budget will decrease spending for State agency operations by 10 percent through a redesign effort focused on rightsizing government, increasing efficiencies, as well as by reducing workforce spending. Governor Cuomo intends to partner with State employee labor unions to achieve these workforce savings; if negotiations are not successful, significant layoffs are likely. *(2011-12 Value \$57.4 million; 2012-13 Value: \$57.4 million)*

Other Budget Actions

DOT Capital Plan Highlights

- **Preserve State Support for Highway and Bridge Investments.** Funding in the Dedicated Highway and Bridge Trust Fund for highway and bridge construction is maintained at \$501 million, the same level as 2010-11.
- **Preserve Local Capital Aid.** Capital aid to local governments for highway and bridge projects is preserved at 2010-11 levels, with \$363.1 million provided for the Consolidated Highway Improvement Program (CHIPS) and \$39.7 million for the Marchiselli program.
- **Preserve Rail Programs.** The Executive Budget includes a \$16.9 million appropriation to support Amtrak service subsidies and additional rail capital investments.