

# Transportation

Metropolitan Transportation Authority  
Department of Motor Vehicles  
Thruway Authority  
Department of Transportation

## Overview

The Executive Budget makes new capital investments to improve the transportation system, enhance its resiliency and create jobs, delivers an increase in aid for transit systems, and continues to implement initiatives to improve customer service at the Department of Motor Vehicles.

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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) is responsible for construction, reconstruction, maintenance, and snow and ice removal for more than 43,000 State highway lane miles and more than 7,800 bridges. In addition, DOT provides funding for rail, airport, bicycle, pedestrian and canal programs, as well as local government highway and bridge construction.

The Department also provides coordination 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 also include 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 \$1.7 billion in revenue for the State and localities in 2014-15. Credentialing and identification documents issued by DMV are relied on daily by New Yorkers to conduct financial transactions, obtain employment, and board aircraft, among other uses.

The Thruway Authority operates a 570-mile highway system, including the 426-mile mainline from Buffalo to New York City. Its subsidiary, the New York State Canal Corporation, operates the 524-mile navigable waterway. The New York State Bridge Authority is responsible for five bridges spanning the Hudson River. These and other transportation-related authorities are primarily financed through toll revenue.

## Investing in a Safe, Reliable Transportation System

### Department of Transportation

The Executive Budget implements the second year of a two-year transportation program providing over \$3.4 billion for capital improvement of highways, bridges, rail, aviation infrastructure, non-MTA transit, and DOT facilities. The investments include \$155 million in new State funding under the New York Works program to fast-track road improvements and create jobs by accelerating highway and bridge

projects into 2014-15; \$45 million for essential project engineering; and \$25 million to enhance transit, rail and aviation programs. Funding for local highway and bridge projects under the Consolidated Highway Improvement Program (CHIPS) and Marchiselli program is maintained at a record high of \$477.8 million.

DOT's capital program is supported by Federal aid, State capital projects funds, dedicated taxes and fees deposited in the Dedicated Highway and Bridge Trust Fund, and a significant subsidy that the Trust Fund receives from the General Fund. These monies support projects that improve and rehabilitate highway, bridge, aviation infrastructure, rail, transit, port, bicycle and pedestrian facilities throughout the State.

In addition to the ongoing core capital program, DOT has played a crucial role in State storm preparedness and disaster recovery, preparing for and then cleaning up and rebuilding after the impacts of storms Lee, Irene, and Sandy. The Department also provided support to local governments with debris removal and repair efforts resulting from these extreme weather events. To date, DOT has reopened, repaired and replaced State highway and bridge infrastructure, with a work value of approximately \$420 million, funded largely by Federal emergency relief programs.

The Executive Budget also proposes to make design-build contracting authorization permanent and to extend the provisions to award construction projects that optimize quality, cost and efficiency to local governments in instances where projects are not subject to the Wicks Law. Since being signed into law in 2011, DOT has used design-build for eleven procurements including bridge and deck replacements, and highway, bridge and rail station rehabilitation that resulted in 40 accelerated projects totaling \$858 million. The most prominent example of savings that can be achieved using the design-build procurement method is the New NY Bridge project which will be replaced at a cost that is \$1 billion less than previously estimated.

## **Mass Transit**

Since 1975, New York State has provided transit system operating assistance through the Statewide Mass Transportation Operating Assistance (STOA) program. Today this multi-billion dollar aid program reflects the importance of the services provided by transit systems to an annual ridership of more than 2.8 billion passengers. In 2013-14, State transit aid accounted for approximately 38 percent of the operating resources used to support the State's transit systems.

The Executive Budget provides operating support totaling \$4.8 billion to transit systems. The MTA will receive over \$4.3 billion, an increase of more than \$85 million from 2013-14, and other transit systems will receive over \$461 million, which reflects an increase of \$7.9 million. The Budget also includes \$309.2 million in General Fund support for the MTA to fully offset the revenue impact of the 2011 payroll tax reform.

The State's contribution to the MTA's capital program is fully funded using existing appropriation authority. These funds will create jobs and improve the MTA's core infrastructure. Spending continues from the State's \$770 million 2012-13 appropriation and the \$1.45 billion dedicated to the MTA from the 2005 Transportation Bond Act.

Superstorm Sandy caused excessive damage to the MTA's infrastructure, thus increasing the need for capital investment. In 2013, an amendment was approved to the MTA 2010-14 Capital Plan to add projects totaling \$4.75 billion to begin the repair and restoration of these assets. In addition, the MTA estimated \$321 million in operating losses that included lost fare and toll revenue. This funding is

expected to be supported primarily through Federal disaster recovery funds. Additional Federal funding is expected to be made available for resiliency projects to ensure MTA assets are better able to withstand future storm events.

### Department of Motor Vehicles

As DMV transactions have increased steadily in volume and complexity, DMV has utilized electronic and internet-based services to increase the efficiency of transaction processing and to provide customers with a convenient alternative to visiting DMV offices. Currently, more than four million transactions per year are processed through the DMV website. In 2013-14, DMV began to implement a customer service initiative that installed kiosks in most of their offices to conduct transactions, a new queuing system to more efficiently manage customer flow in offices, expanded office hours and roaming customer service representatives or greeters in all of their offices to answer questions, review paperwork and direct customers to the most expedient means of service delivery. DMV is also in the process of creating a modern, dynamic and easy-to-use website using "responsive design" to allow access via mobile devices, including smart phones and tablets. Moving forward, DMV will continue to be innovative, striving to redesign and realign their procedures to maintain a high level of customer service.

The Executive Budget appropriates \$318 million for DMV in 2014-15, a decrease of over \$24 million from prior year levels. This primarily reflects a transfer of personal services to the Office of Information Technology Services. Additionally, the Budget includes a reduction of 10 staff through attrition from prior year levels to reflect the benefits of the customer service initiative.

### Thruway Authority

The Executive Budget continues to provide State funding assistance of approximately \$86 million for the Thruway Authority, including the State takeover of personnel costs of the Division of State Police Troop T that patrols the Thruway. This support, which began in 2013-14, offsets the need for a commercial toll increase.

The Thruway has awarded a \$3.9 billion contract for the replacement of the Tappan Zee Bridge which is over \$1 billion less than previously estimated. The New NY Bridge project was also awarded a \$1.6 billion Federal TIFIA loan, the largest in TIFIA program history. Dredging and pre-construction of trestles began in Spring 2013 and construction is expected to take approximately five years.

### Summary of Spending (All Funds)

Category	2013-14 (\$ in millions)	2014-15 (\$ in millions)	Change	
			Dollar (in millions)	Percent
Transportation Spending	9,646	9,490	(156)	(1.6)
Department of Transportation <sup>1</sup>	4,798	4,631	(167)	(3.5)
Metropolitan Transportation Authority	4,507	4,529	22	0.5
Department of Motor Vehicles <sup>2</sup>	315	304	(11)	(3.5)
Thruway Authority	26	26	0	0.0

1. The year-to-year decline in DOT spending is primarily due to variations in Federal capital funding, transfer of technology functions and spending to the Office of Information Technology Services and the impact of the New York Works project acceleration initiative that occurred in 2012-13.

2. The year-to-year decline in DMV spending is primarily due to transfer of technology functions and spending to the Office of Information Technology Services.

## Proposed 2014-15 Budget Actions

The Executive Budget provides capital funding to restore and improve the State's transportation infrastructure, increases transit aid to support the vital role that transit systems play in the State's economy and continues investment that will support DMV's efforts to better serve its customers.

### DOT Operations

- **Eliminate Cost Growth Through Operational and Administrative Efficiencies.** Adjusted for the shift of IT personnel to the Office of Information Technology Services (OITS), the 2014-15 Budget for DOT operations is maintained at the same level as 2013-14 as the result of operational and administrative efficiencies.
- **Additional Freight Rail Safety Inspectors.** The 2014-15 Executive Budget provides funding available for five additional freight rail safety inspectors, doubling DOT's current inspection capability on the State's equipment and 3,500 miles of track, encompassing freight rail and Amtrak.

### Department of Motor Vehicles Operations

- **Eliminate Cost Growth Through Operational and Administrative Efficiencies.** The 2014-15 Executive Budget reduces DMV's personal service expenses by \$552,000 through attrition to reflect benefits of customer service initiatives. As a result, DMV's personal and non-personal services expenses will be maintained at the same level as 2013-14, excluding the impact of shifting IT personnel and expenses to the Office of Information Technology Services (OITS) which creates a nominal year-to-year reduction.

### DOT Capital Plan Highlights

- **Invest in Infrastructure through New York Works.** The 2014-15 Executive Budget implements the second year of a two-year transportation program providing over \$3.4 billion for capital improvement of all modes of transportation infrastructure. The investments include \$225 million of New York Works funding to accelerate road and bridge projects, provide for project engineering, and improve transit, rail and aviation facilities.
- **Preserve Local Capital Aid.** Capital aid to local governments for highway and bridge projects is preserved at 2013-14 levels, with \$438.1 million provided for the Consolidated Highway Improvement Program (CHIPS) and \$39.7 million for the Marchiselli program. In order to improve transparency, financing efficiency and seamlessness of payments to local governments, the CHIPS, Marchiselli and other local programs are being appropriated and brought on budget. Previously, CHIPS, Marchiselli and other local programs were financed outside the budget, with bonds issued, and payments made directly from State-supported bonds issued by the Thruway Authority.

## Transit

- **Increase Transit Aid Levels.** The Executive Budget proposes \$4.8 billion of transit aid for systems throughout the State. Downstate systems, funded principally by dedicated taxes imposed in the region, will receive over \$4.6 billion, an increase of \$90.7 million. Upstate transit systems will receive \$175.9 million, an increase of \$2.3 million.
- **Use Transit Funds to Pay Transit Debt Service Costs.** The Budget will use \$40 million in surplus mass transportation operating assistance funds to pay for a portion of the debt service associated with previously issued MTA service contract bonds.