

The FY 2018 Executive Budget continues New York State's historic investments in the State's transportation system, which are improving our roads and bridges, increasing mobility, and supporting economic growth. The budget reflects the third year of the \$55 billion transportation capital plan, which is enhancing and expanding the Metropolitan Transportation Authority (MTA) network, and improving roads, bridges, airports rail facilities, ports and transit systems funded through the Department of Transportation (DOT) budget. This commitment also includes State-funded investments in the Thruway to lessen the capital burden on New York's toll payers.

In addition, legislation included with the Budget will provide a legal framework for allowing ridesharing services to operate outside the City of New York.

Overview

The State's transportation system is operated, maintained and administered by a network of State and local agencies and public authorities. 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 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 2.7 billion passengers who ride the subways, buses and commuter rail systems each year, and facilitates 300 million annual bridge and tunnel crossings. It includes Metro North and the Long Island Railroad (LIRR) commuter lines.

Budget Highlights

Continue Support of the Transportation Capital Plan.

The State's unprecedented \$27 billion investment in DOT and Thruway Authority programs, enacted with the FY 2017 Budget, will ensure stronger State and local roads and bridges for years to come.

Continue Support of the MTA Capital Plan.

The MTA is investing \$28 billion in its capital program over 6 years, including \$8.3 billion in funding from New York State.

Major Commitments to Upstate and Downstate Transportation Projects.

The budget accelerates projects that will study options to transform I-81 in Syracuse, build a new Amtrak station in Schenectady, replace the Scajaquada Expressway, complete the replacement of the Kosciuszko Bridge in Brooklyn and Queens, and make much-needed improvements in access to the John F. Kennedy International Airport and MacArthur Airport, and revitalize the Route 32/Route 17 Interchange near Woodbury Common Premium Outlets, a regional economic engine in Orange County.

Performance Profile

Second Avenue Subway is Open for Business. The first major expansion of the New York City Subway in more than 50 years opened in 2017 and will serve more than 200,000 people per day.

New NY Bridge Continues to Rise. Construction of the long-overdue replacement of the Tappan-Zee Bridge is on-budget and on-schedule for completion in 2018.

Improving Commutes and Conservation. Open road tolling will be completed at all MTA bridges and tunnels by the end of 2017. This initiative is projected to save commuters up to 21 hours of drive time every year and conserve approximately one million gallons of fuel.

DMV Cuts the Lines. Through the NYS Lean Program, the DMV has reduced wait times, including reducing the wait to obtain a driver's permit from 172 minutes to 45 minutes as part of a broader effort to cut office wait times by more than 50 percent.

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, and performs enforcement activities. DMV conducts more than 20 million customer transactions annually, and is projected to collect more than \$2 billion in revenue for the State and localities in FY 2018. New Yorkers rely on credentialing and identification documents issued by DMV 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 former subsidiary, the New York State Canal Corporation, which operates the 524-mile navigable waterway, is now operated by the New York Power Authority.

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

New York's economy relies on a resilient and efficient transportation infrastructure to continue attracting investment and creating jobs. The State's unprecedented \$27.14 billion investment in DOT and Thruway Authority programs, enacted with the FY 2017 Budget, will ensure stronger State and local roads and bridges for years to come.

The plan includes three new initiatives: BRIDGE NY, PAVE NY, and the Extreme Weather Infrastructure Hardening Program, in addition to \$2 billion in Thruway Stabilization funding that supports capital investments across the entire Thruway system.

Following decades of inaction, the replacement for the Tappan Zee Bridge is rising above the surface of the Hudson River. The New NY Bridge, a \$3.98 billion design-build construction project remains on budget and scheduled to open in 2018. Cashless tolling has already begun and the former toll plaza in Tarrytown has been demolished.

The FY 2017 Budget also supported the largest MTA capital plan in history. With public transit ridership nearing capacity and the system in need of significant repair and hardening, the MTA is investing \$27.98 billion in its multi-year capital program, including \$8.3 billion in funding from New York State.

After nearly a century, the first phase of the Second Avenue Subway finally opened in December. The new line includes the three new ADA-compliant stations at 96th Street, 86th Street and 72nd Street, and new entrances to the existing Lexington Ave/63rd Street Station at 63rd Street and Third Avenue. It provides service from 96th Street to 63rd Street and serves more than 200,000 people per day, reducing overcrowding on the Lexington Avenue Line and restoring a transit link to a neighborhood that lost the Second Avenue elevated subways in 1940.

Ongoing capital investments will modernize and expand the MTA network, including construction of four new Metro-North stations in underserved areas of the Bronx with service to Penn Station, extension of the Second Avenue Subway to East Harlem, a new fare payment system, advancement of the East Side Access project to bring Long Island Rail Road riders into Grand Central Terminal, and a second track along 18 miles of the LIRR between Farmingdale and Ronkonkoma. The MTA is also moving forward on development of a third track on one of the busiest sections of the LIRR to increase capacity and speed commutes.

The new MTA Capital Program will purchase nearly 1,000 new subway cars, over 300 commuter rail cars and over 1,700 state-of-the-art buses equipped with Wi-Fi and USB charging ports. The plan also provides financing for the Governor's initiative to reimagine and renovate 31 subway stations throughout the New York Metropolitan area to enhance customer experience with improved lighting, wayfinding signs and modern finishes. The renovated stations will offer charging stations; all underground subway stations are targeted to have cellular connectivity and Wi-Fi by the end of this year.

Table 17: Summary of State Funds Spending

Category	FY 2017 (millions)	FY 2018 (millions)	Change	
			Dollar (millions)	Percent
Department of Transportation	3,402	3,728	326	9.6
Metropolitan Transportation Authority	4,969	5,234	265	5.3
Department of Motor Vehicles	274	294	20	7.3
Transportation Spending (Total)	8,645	9,256	611	7.1

Proposed FY 2018 Budget Actions

Department of Transportation

In support of the transportation plan period that began in FY 2016, the Executive Budget provides \$5 billion for the third year of DOT's capital program, which will facilitate the improvement of highways, bridges, rail, aviation infrastructure, non-MTA transit, and DOT facilities. Progress continues on the three new initiatives launched last year – BRIDGE NY, PAVE NY, and the Extreme Weather Infrastructure Hardening Program to further improve conditions on State and local roads and bridges, as well as provide resiliency to roadways that are particularly susceptible to weather events.

The Executive Budget continues Governor Cuomo's record commitment to funding local highway and bridge projects. Funding for the Consolidated Highway Improvement Program (CHIPS) and the Marchiselli program is maintained at last year's level of \$477.8 million. The Budget also continues \$100 million in highway aid through the PAVE NY program, and \$100 million to fund local bridge projects from the BRIDGE NY program.

DOT's capital program is supported by Federal aid, State capital projects funds, financial settlement funds, dedicated taxes and fees deposited in the Dedicated Highway and Bridge Trust Fund, and the State's General Fund.

Additional transportation Budget actions include the following:

- **Upstate Airport Economic Development and Revitalization Competition Program.** The Budget continues to support the \$200 million Upstate Airport Economic Development and Revitalization Competition, established by the Governor in FY 2017. The competition includes \$190 million to support airport projects and \$10 million allocated through the Governor's Aviation Capital Grant Program. In the first round, funding was awarded to Elmira Corning Regional Airport to, and the Greater Rochester International Airport. Governor Cuomo recently announced the winners of the competition's second round. Plattsburgh International Airport will receive \$38 million to jumpstart the airport's \$43 million overhaul and \$35.8 million will drive forward a \$45.1 million transformation of the Syracuse Hancock International Airport.
- **Major Commitments to Upstate and Downstate Transportation Projects.** The Budget accelerates projects that will study options to transform I-81 in Syracuse, build a new Amtrak station in Schenectady, replace the Scajaquada Expressway, complete the replacement of the Kosciuszko Bridge in Brooklyn and Queens, make much-needed improvements in access to the John F. Kennedy International Airport and MacArthur Airport, and revitalize the Route 32/Route 17 Interchange near Woodbury Common Premium Outlets, a regional economic engine in Orange County.

Transit

New York State provides transit system operating assistance through the Statewide Mass Transportation Operating Assistance (STOA) program. This multi-billion dollar aid program reflects the importance of transit system services that provide an estimated 3.8 billion rides annually. State transit aid accounts for approximately one-third of the operating resources used to support the State's transit systems.

The FY 2018 Executive Budget provides \$5 billion in operating support to transit systems. The MTA will receive \$4.5 billion, an increase of \$30 million over current FY 2017 estimates. This includes a \$244 million contribution from the General Fund to partially offset the revenue losses incurred by the MTA from payroll tax changes for schools and small businesses made in December 2011. The Budget provides \$199 million in operating support for upstate transit systems, and continues to provide \$20 million in dedicated upstate capital support.

The Budget continues to reflect the enacted commitment of \$8.3 billion in State resources for the MTA's 2015-2019 capital plan, with a \$1.5 billion in new appropriation. Other transit Budget highlights include the following:

- **Increase Transit Aid Levels.** The Budget provides \$5.0 billion in transit operating aid for systems throughout the State. The MTA will receive \$4.5 billion, an increase of \$30 million from current FY 2017 estimates. Other transit systems will once again receive a record-high \$502 million, collectively.
- **Verrazano Bridge Rebate Programs.** The Budget continues full funding for and makes permanent the existing commercial and Staten Island resident rebate programs, again providing \$10.3 million toward the MTA's operating budget.
- **LIRR Station Improvements.** As part of the Governor's Long Island Transformative Investments, 16 LIRR stations will be enhanced with an \$80 million investment that includes \$35 million from the MTA.

Thruway Authority

The Thruway is a vital transportation artery that connects people to their jobs and their families and moves billions of dollars of products to market. The FY 2018 Executive Budget includes reappropriations of nearly \$2 billion from the Special Infrastructure Account for the Thruway Stabilization program. This money will continue to support capital investments including the New NY Bridge and other capital projects throughout the system.

In 2012, the Thruway awarded a \$3.9 billion design-build contract for the replacement of the Tappan-Zee Bridge. The New NY Bridge will form the centerpiece of the region's transportation system, ensuring the connection of communities and economic centers across the Hudson River

for generations to come. In addition to resources from the Thruway Stabilization program, funding sources for the bridge project include a \$1.6 billion Federal TIFIA loan, the largest in TIFIA program history. Construction began in the spring of 2013, and the Bridge is on-budget and on-schedule for completion in 2018.

Department of Motor Vehicles

Accounting for the steady increase in the volume and complexity of its transactions, DMV has utilized electronic and internet-based services to increase the efficiency of transaction processing. These services also provide customers with a faster and more convenient alternative to visiting DMV offices. Currently, close to seven million transactions per year are processed through the DMV website, and this number is expected to continue to rise as customers take advantage of online transactions.

Building on the success of previous customer service initiatives, DMV will further enhance the customer experience by employing office kiosks, an improved queuing system, and the use of greeters to answer questions, review paperwork, and direct customers to the most expedient means of completing their transaction. DMV's website has also been substantially improved to provide a more responsive design

Through the NYS Lean Program, the DMV reduced the wait time to register a vehicle acquired through a casual sale from 60 to 39 minutes and, in select pilot offices, to obtain a driver's permit from 172 minutes to 45 minutes as part of a broader effort to reduce office wait times by more than 50 percent.