



Division of
the Budget

TRANSPORTATION

IMPLEMENT CONGESTION PRICING

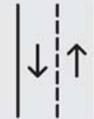
Charge fees for vehicles in the most congested area of New York City



Reinvest funds in subway and bus system and in underserved areas



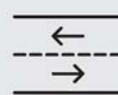
Combat gridlock



The **\$30.3 billion** MTA capital program includes a record **\$8.6 billion** in New York State funding.

Mario M. Cuomo Bridge has both spans open to traffic since **September 2018** – completed on-time and on-budget.

The Budget supports the **\$29.3 BILLION** capital plan for



ROADS

BRIDGES

and maintains record funding for local roads at **\$477.8M.**



No toll hikes on the Thruway through 2020

Budget Highlights

Overhaul the MTA Bureaucracy. The MTA lacks a single leader to guide the organization, leaving it without accountability.

Implement Congestion Pricing. The Budget initiates the design and construction of the infrastructure needed to implement congestion pricing in New York City.

Continue Support of the MTA Capital Plan. The Budget provides all remaining appropriation authority to fully fund the State's \$8.6 billion commitment towards the MTA's \$30.3 billion capital program.

Continue Support for Roads and Bridges. The Budget continues the State's unprecedented \$29.3 billion investment in DOT and Thruway Authority programs and maintains record CHIPS and Marchiselli funding for local roads at \$477.8 million.

Thruway Authority to Implement System-wide cashless tolling. This initiative will improve customer service with no toll increase through 2020.

The FY 2020 Executive Budget continues New York State's historic investments in the State's transportation system, which are improving our transit systems, roads and bridges, increasing mobility, and supporting economic growth. The Budget reflects the fifth year of a \$59 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 expands on reforms in the FY19 budget to provide additional funding directly to the MTA, enhances safety for limousines, buses, motor carriers, and other liveries, and continues to modernize the Department of Motor Vehicles (DMV) by authorizing online testing for the 5-hour pre-licensing course.

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 approximately 44,500 State highway lane miles and nearly 7,900 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 2.6 billion passengers who ride the subways, buses and commuter rail systems each year, and facilitates 320 million annual bridge and tunnel crossings. It includes the Metro North Railroad (MNR) and Long Island Railroad (LIRR) commuter lines.

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 2019. 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, which includes the 426-mile mainline from Buffalo to New York City, as well as the new Mario M. Cuomo Bridge crossing the Hudson River.

The New York State Bridge Authority is responsible for five other bridges spanning the Hudson River. These and other transportation-related authorities are primarily financed through toll revenue.

Investing in a Safe, Reliable Transportation System

Reimagining the MTA

By 2017, prior decades of underfunding, questionable management priorities, bureaucratic dysfunction, slow project delivery and excessive cost overruns had brought the MTA subway system to a crisis point. With public transit ridership straining capacity, the system experienced an increasing number of system failures, breakdowns, delays and declining customer service.

Governor Cuomo intervened to declare a state of emergency at the MTA and begin the process of reversing the decline. Many improvement projects were already underway through the record \$30.3 billion MTA Capital Program, funded in part through the State's record contribution of over \$8.6 billion. But the subway system required additional immediate investments. To jump start the turnaround, the Governor pushed for passage of a new \$836 million MTA Subway Action Plan for 2017 and 2018, and committed the State to fund half, with the City of New York supporting the other half. In addition, to fund the Subway Action

Performance Profile

Completing the Mario M Cuomo Bridge. The \$3.9 billion design-build project to replace the Tappan Zee Bridge is in use. The westbound span of the bridge opened to traffic August 2017, and the eastbound span opened in September 2018.

Improving the DMV customer experience. The DMV continues to 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.

Renewing State Roads and Bridges. During FY 2018, the Department of Transportation replaced or rehabilitated a total of 204 State bridges and completed 5,973 corrective and preventive bridge treatments to slow deterioration. In addition, 1,815 lane miles of State highway were resurfaced or reconstructed.

Freezing Tolls on the Thruway. The \$2 billion Thruway Stabilization fund is supporting capital improvements on the entire system, allowing the Authority to freeze tolls until at least 2020. This marks at least ten years since the last increase took effect.

Plan's operating components in 2019 and beyond, as well as reduce congestion, the FY 2019 Enacted Budget instituted For-Hire Vehicle surcharges south of 60th Street in Manhattan. This sets the stage for further modernization.

In 2019, the MTA will advance the fifth-year of their 2015-2019 Capital Program, which is providing major investments throughout the system. Ongoing capital investments are protecting the safety, reliability, and quality of existing service by replacing trains, buses, and subway cars, and renewing track, signals, yards, depots, bridges, and stations. Capital investments are also modernizing and expanding the MTA network through upgrades such as the 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, and advancement of the East Side Access project to bring Long Island Rail Road riders into Grand Central Terminal. The Long Island Rail Road second track was completed in 2018. The MTA is also moving forward on its Third Track project, on one of the busiest sections of the LIRR, to increase capacity and speed commutes.

The convergence of historic economic and population growth along with a transit system in crisis has resulted in the remarkable growth of for hire vehicles in New York City. There are now over 100,000 for hire vehicle drivers making more than 20 million trips every month, producing unprecedented traffic congestion. The average vehicle speed in Manhattan's Central Business District (below 60th Street) has dropped to 7 miles per hour, and during the workday, it is often faster to walk to your destination in Midtown Manhattan than it is to drive.

Acting upon the recommendations of two expert panels, the Fix NYC Advisory Panel and the Metropolitan Transportation Sustainability Advisory Workgroup, the Executive Budget will implement congestion pricing to establish a reliable funding stream to transform the subway system, improve bus service, and reduce congestion in Manhattan.

The Governor's congestion pricing plan is the first of its kind in the nation. Last year's Budget addressed the growth in usage of for hire vehicles and provided funding for the Subway Action Plan. This year's Budget initiates the design and construction of the infrastructure needed for the cordon pricing zone, which will apply to all vehicles, and creates the congestion program.

By charging fees for vehicles to move within the most congested area of New York City and then reinvesting those funds into transit improvements in underserved areas and upgrading the subway and bus system to modern standards, this plan will combat gridlock and deliver to the city's residents and visitors the world-class transit system they deserve.

For real, lasting improvement to the MTA, however, a realignment of management responsibility and accountability is required.

Currently, the board of 17 members gives no single person a clear majority of nominees. The Governor selects the Chairman and five other members, which is not a majority. Of the remaining members, the Mayor selects four and the regional County Executives outside of New York City select seven, casting four votes. Furthermore, the MTA Board itself does not control the Capital Plan. Even after board passage, the Governor, Senate Leader, Assembly Speaker, and Mayor are

each able to veto all or part of the plan for the MTA at their discretion. This essentially gives each of them control in their ability to veto the Capital Plan. When everyone is in charge, no one is in charge. To overhaul this bureaucracy and fix the system, the Governor will work with the Legislature to establish clear authority over the MTA, while continuing to solve the need for dedicated funding and splitting capital funding shortfalls between New York City and New York State.

Strengthening Roads and Bridges

Statewide, New York’s economy relies on a resilient and efficient transportation infrastructure network of roads and bridges to continue attracting investment and creating jobs. The State’s unprecedented \$29.3 billion investment in DOT and Thruway Authority programs, first enacted with the FY 2017 Budget, will continue to ensure stronger State and local roads and bridges for years to come. The plan included new initiatives for BRIDGE NY and PAVE NY, in addition to the \$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 open to traffic, and the old bridge nearly dismantled. Renamed the Mario M. Cuomo Bridge in honor of the former Governor, the \$3.98 billion design-build construction project remains on budget. To eliminate traffic bottlenecks, delays and pollution, the modernization of toll collection has accompanied the bridge replacement, and cashless tolling is now operational at the bridge along with removal of the old toll plaza in Tarrytown.

Following the Governor’s call for additional modernization, to reduce traffic congestion and improve the customer experience, the Thruway Authority is currently in the process of implementing cashless tolling system-wide, while continuing its pledge of no toll increases through 2020.

Table 18: Summary of State Funds Spending

Category	FY 2019 (millions)	FY 2020 (millions)	Change	
			Dollar (millions)	Percent
Department of Transportation	3,777	3,940	163	4
Metropolitan Transportation Authority	5,778	5,940	162	3
Department of Motor Vehicles	313	353	40	13
Transportation Spending (Total)	9,868	10,233	365	4

For comparability, MTA numbers include revenues that are directed to MTA without appropriation: Payroll Mobility Tax, For-Hire Vehicle surcharges, and MTA Aid Trust.

Proposed FY 2020 Transportation Budget Actions

Improving Roads, Bridges, and Safety

In support of the transportation plan period that began in FY 2016, the Executive Budget provides \$4.4 billion for the fifth 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 two new initiatives launched in FY 2017 – BRIDGE NY and PAVE NY which are further improving conditions on State and local roads and bridges.

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.

To help the State realize the full value of its assets, the Budget includes legislation that would authorize DOT to enter into agreements with fiber-optic utility companies to occupy State rights of way. Such agreements are projected to provide potential revenue to the State of \$15 million in FY 2020, \$30 million in FY 2021, and \$50 million annually thereafter.

The FY 2020 Budget includes legislation to substantially improve the safety of limousines, buses, taxies, and liveries throughout New York State. The legislation would ban certain types of stretched or modified vehicles, strengthen civil and criminal penalties for violations, and significantly enhance the Department of Transportation's authority to take dangerous vehicles off the road. The Budget also increases the maximum Notice of Violation fine from \$5,000 to \$25,000 per occurrence for vehicles regulated under Section 140 of State Transportation Law, such as limousines, issued as the result of one or more Out-of-Service violations.

In the interest of public safety for bus passengers and other drivers and passengers that share the road, the Executive Budget imposes a \$120 inspection fee on for-profit vehicles included in the Bus Inspection Program. These vehicles are currently being inspected semi-annually by, and at the expense of, the Department of Transportation. Bus owners, with the responsibility for the inspection fee and the re-inspection fee should they fail inspection, would be more likely to properly maintain their vehicle.

Investing in 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 systems 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 transit systems across the state.

The FY 2020 Executive Budget provides over \$5.8 billion in operating support to transit systems, including off-budget resources that are collected by the State and sent directly to the MTA. The MTA will receive \$5.3 billion from all State sources, an increase of \$287 million (6 percent) over the FY 2019 Enacted Budget.

The \$30.3 billion 2015-2019 MTA Capital Program is the largest and most expansive plan in the authority's history. The State's \$8.6 billion contribution to the plan was memorialized in state law with the FY 2017 Enacted Budget, and the FY 2020 Executive Budget includes the 5th year of appropriation authority – \$1.5 billion – to fully fund the State's commitment. This unprecedented level of State support is many times greater than under any previous MTA capital plan.

To support local aid levels and expedite the transfer of revenue to the MTA so that funds may be used more quickly, the FY 2020 Budget provides MTA Aid Trust Account revenues directly to the MTA. This reform has a number of advantages for the MTA. By moving these revenues out of the State Financial Plan, a natural payment processing lag is eliminated. This reform will also provide credit enhancement for the MTA, which will lower capital financing costs as the revenues will not be subject to appropriation.

In addition to MTA-oriented legislation, the FY 2020 Budget raises new revenues for Upstate transit systems by expanding an auto rental surcharge currently limited to the Metropolitan Commuter Transportation District (MCTD) to the entire State. This Statewide expansion raises revenues of \$11 million, which will be used to provide added support for Upstate systems that serve many of the most economically disadvantaged, disabled, and elderly riders throughout the State.

For non-MTA transit systems, the FY 2020 Budget provides \$218 million in operating support for Upstate transit, for a 5.3 percent increase year over year, and \$339 million for downstate systems, representing a year over year increase of 7.2 percent. Additional downstate transit aid includes \$11 million to continue to fund the Lower Hudson Transit Link serving the Mario M. Cuomo Bridge and parts of Rockland and Westchester counties.

Modernizing DMV Customer Service

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 continues to 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 is continuously improving to provide a more responsive design for its customers.

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

Additional motor vehicle Budget actions include the following:

- **License Renewal Cycle.** The Budget continues funding for the second year of the license renewal cycle and programmatic mandates that include conversion to REAL ID by October 2020.
- **Public Safety.** As part of continued public safety awareness, the Budget proposes legislation to extend for two years the ignition interlock program for those convicted of an alcohol related traffic violation. Additionally, the Department is implementing a 10-year plate replacement program, which will assist law enforcement and ensure use of cash-less tolling.
- **Autonomous Vehicles.** Expands on the 2017 Autonomous Vehicle legislation to encourage more autonomous vehicle manufacturers to operate in New York by extending the authorization to test for two years, and make permanent reporting requirements
- **Locally Authorized Scooters.** This Budget authorizes local governments to allow certain lower speed scooters and motorized bicycles within their jurisdiction. This authorization includes provisions that apply traffic and safe operating procedures for those operating such scooters and motorcycles.