

# ***DEPARTMENT OF TRANSPORTATION***

## ***MISSION***

The Department of Transportation (DOT) directly maintains and improves the State's more than 40,000 highway lane miles and 7,500 bridges. In addition, the Department partially funds locally operated transit systems, local government highway and bridge construction, and rail and airport programs.

The DOT of the 21st Century is capitalizing on evolving world trade patterns, using "intelligent" transportation technology to manage increases in traffic and balancing arising security concerns with the need to move people and products safely and efficiently. The Department closely coordinates with other State transportation agencies and authorities, with a goal of creating a seamless statewide transportation system that addresses environmental and community concerns and more efficiently moves people and goods throughout the State's transportation system.

## ***ORGANIZATION AND STAFFING***

The Department is headed by a Commissioner appointed by the Governor. The Department's main office is in Albany, with 11 regional offices in Schenectady, Utica, Syracuse, Rochester, Buffalo, Hornell, Watertown, Poughkeepsie, Binghamton, Hauppauge and New York City. The Department also maintains highway maintenance and equipment repair facilities across the State.

Employees of the Department perform such activities as highway maintenance, snow and ice removal, highway and bridge design and construction inspection. In addition, the Department's staff inspects school and charter buses, regulates commercial transportation, oversees public transportation systems and State-owned airports and provides administrative support for the Department. The Department's full-time workforce will total approximately 9,475 employees by the end of 2005-06.

## ***FISCAL BACKGROUND AND BUDGET HIGHLIGHTS***

The Department is responsible for the implementation of transportation programs related to highways and bridges, transit, aviation, ports, rail and other modes. It is supported primarily by revenues from the Petroleum Business Tax, highway use and motor fuel taxes and motor vehicle fees. Substantial Federal aid is also used to support the programs.

The Executive Budget proposes a new five-year transportation capital plan that provides over \$36.6 billion for the State's transportation systems during the period. The plan includes \$17.4 billion for DOT capital programs and \$19.2 billion for the Metropolitan Transportation Authority program. In order to finance the plan, existing transportation resources will be supplemented with increases in motor vehicle title, registration and transaction fees, a restructuring of the Dedicated Highway and Bridge Trust Fund debt, and an increase in mortgage recording taxes levied in the MTA transportation district.

The Department's operations are devoted primarily to highway maintenance, particularly snow and ice removal. The 2005-06 Executive Budget provides a total of \$447.3 million for snow and ice control and State forces preventive maintenance and combines these two traditionally separate appropriations into a single appropriation. This level represents a total increase of approximately \$36 million, primarily due to increased salary costs. Funding for preventive maintenance performed by private firms is continued at \$210 million as part of the highway and bridge contract level.

Recommendations also include the elimination of the DOT Print Shop appropriation, reflecting the transfer of consolidated printing service responsibilities to the Office of General Services to enable the Department to better focus its efforts on core transportation-related activities.

## **TRANSPORTATION**

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The Department's regulatory programs and other operations are primarily funded by fees, miscellaneous revenues and Federal aid. Approximately \$22.2 million is derived from fees, including those imposed on trucks registered to transport products throughout the State; landing fees and rents levied at Republic Airport; and revenues generated by the sale and rental of Department property, such as commercial leasing of land for parking or storage. These funds support a number of agency activities, including administrative support services, highway safety and aviation programs.

Federal aid of \$10.2 million and dedicated mass transit funds totaling \$6.1 million help finance the Department's remaining operating responsibilities for mass transportation, aviation and motor-carrier safety programs.

Capital appropriations provide funding for construction and reconstruction projects on State highways, bridges, railways and airports, as well as financing the engineering staff and private-sector consultants who work on these projects. The highway and bridge construction contract level will total \$1.65 billion in 2005-06, initiating the first year of a new five-year transportation plan that commits \$17.4 billion for the Department's capital programs.

The centerpiece of the State's Highway and Bridge Program is the Dedicated Highway and Bridge Trust Fund, established in 1993. The Trust Fund derives its revenues from highway user fees, portions of the petroleum business tax, motor fuel tax, motor vehicle fees, auto rental tax, transportation/transmission tax, and miscellaneous transportation-related revenues. These funds are used both on a pay-as-you-go basis and to pay debt service on bonds issued by the Thruway Authority to finance portions of the State and local highway programs. The Executive Budget includes the refinancing of a substantial portion of current Trust Fund debt. This refinancing will more closely align the term of Trust Fund debt with the useful lives of the financed projects and provide additional financial resources to support the new five-year transportation plan. The Executive Budget also includes legislation to increase certain motor vehicle fees to support the plan.

A significant portion of the State and local highway capital program is supported by Federal aid, authorized in accordance with multi-year Federal transportation acts. The most recent Federal Transportation Act, known as TEA-21, expired on September 30, 2003. While Congress has passed a series of temporary extensions, a permanent successor act has not yet been passed. To the extent that Federal aid under the future Act or under further program extensions varies from the assumptions in the Executive Budget, the State's programs will need to be adjusted accordingly. The Federal capital aid appropriation in 2005-06 is available for up to \$1.7 billion of Federal funding, including provisions for State and local highways, engineering, rail and community enhancements programs.

The Executive Budget contains legislation that provides innovative approaches to building and financing major highway and bridge projects. This includes authorization of design-build contracts to improve the cost efficiency and delivery time of projects and a public-private partnership initiative that would leverage private sector financial resources to expand and enhance the State's transportation infrastructure.

Local highway and bridge capital programs include the Consolidated Highway Improvement Program (CHIPS) and the Municipal Streets and Highways Program ("Marchiselli" Program). These programs are funded by bonds issued by the Thruway Authority with debt service paid from the State's Dedicated Highway and Bridge Trust Fund. The CHIPS capital program will be funded at \$276.7 million, and the Marchiselli program will provide \$39.7 million in 2005-06. The funding levels for both programs are unchanged from the 2004-05 enacted budget.

A \$20 million appropriation for rail freight and passenger projects will continue an enhanced rail program that will expand shipping opportunities for New York businesses, reduce costs for consumers and improve passenger transportation. In addition, \$9 million will be provided for the Industrial Access Program to promote job creation and retention by encouraging business expansion with highway, rail and port projects.

The Aid to Localities budget is comprised primarily of appropriations supported by State taxes dedicated to public transportation through the Mass Transportation Operating Assistance (MTOA) Fund and the Dedicated Mass Transportation Trust Fund. Mass Transportation Operating Assistance Fund revenues are derived from a 1/4 percent sales tax;

a business tax surcharge levied in the New York City metropolitan region; and a portion of statewide taxes on transmission, transportation and petroleum-related businesses. Dedicated Mass Transportation Trust Fund revenues are derived from a share of the revenues deposited in the Transportation Dedicated Funds Pool, which includes portions of the Petroleum Business Tax, the Motor Fuel Tax and motor vehicle fees. New appropriations to transit systems will total approximately \$2 billion.

More than \$1.6 billion of new operating aid appropriations are recommended for the Metropolitan Transportation Authority (MTA) in 2005-06. This includes \$593 million from the Dedicated Mass Transportation Trust Fund in support of the MTA capital program. The operating assistance also includes \$45 million in General Fund support for the MTA as the State's contribution to reduced fares for New York City school children. The City will match this contribution.

Transit operators other than the MTA will receive a total of \$306.4 million in new appropriations in 2005-06. Of this amount, \$119 million is targeted for upstate transit systems. Capital funding of \$33 million is recommended for transit systems other than the MTA from the Dedicated Mass Transportation Trust Fund. This capital program funds a variety of transit-related needs, primarily bus purchases and a portion of the required match to Federal transit capital aid.

### **PROGRAM HIGHLIGHTS**

#### **HIGHWAYS AND BRIDGES**

Improving the State's vital transportation infrastructure remains the agency's highest priority. By the end of this year, the Department will have successfully completed the 2000-05 capital program, delivering significant improvements in our highway infrastructure. During 2003-04, a total of 142 State bridges were replaced or rehabilitated and 5,889 preventive bridge treatments were completed to slow deterioration. Over 6,550 lane miles of State highway were resurfaced, rehabilitated or given preventive maintenance treatment. The new 2005-10 program will continue our level of investment, emphasizing strategic investments in critical infrastructure needs. As in previous years, preventive maintenance performed by State forces and private sector contractors will be an area of significant concentration. Appropriations for the preventive maintenance program will total \$404 million in 2005-06.

State staff and private-sector consultants perform the planning, property acquisition, design engineering, environmental reviews, surveying, materials and soils testing and construction inspection associated with the Department's capital program. Construction of virtually all highway and bridge projects is performed by private firms.

The State makes a significant investment in helping localities maintain safe roads and bridges through its CHIPS and Marchiselli capital programs. These programs fund local construction projects, with the majority performed by private firms.

Through its safety inspections of school and charter buses and its regulation of commercial transport, the Department also focuses its resources on passenger safety and environmental issues.

#### **PUBLIC TRANSPORTATION**

The Department provides oversight and funding for more than 70 locally operated public transportation systems, including the Metropolitan Transportation Authority, the four upstate regional transportation authorities and other (usually county-sponsored) transit systems. These systems provide bus, subway, light rail and commuter rail services, as well as "paratransit" services designed to meet the needs of disabled people, as required by the Federal Americans with Disabilities Act.

## **TRANSPORTATION**

State financial assistance to transit systems is supported by the Mass Transportation Operating Assistance Fund, the Dedicated Mass Transportation Trust Fund and the General Fund. In addition, State law authorizes the imposition of an additional mortgage recording tax in regions covered by the Metropolitan Transportation Authority and the four upstate transit authorities. These moneys are collected by the affected counties and transmitted directly to the transit systems.

### **ALL FUNDS APPROPRIATIONS (dollars)**

<b>Category</b>	<b>Available 2004-05</b>	<b>Appropriations Recommended 2005-06</b>	<b>Change</b>	<b>Reappropriations Recommended 2005-06</b>
State Operations	40,601,500	38,501,000	(2,100,500)	26,293,000
Aid To Localities	1,795,671,000	1,984,819,000	189,148,000	120,990,700
Capital Projects	3,409,667,000	3,608,765,000	199,098,000	9,466,330,000
<b>Total</b>	<b>5,245,939,500</b>	<b>5,632,085,000</b>	<b>386,145,500</b>	<b>9,613,613,700</b>

### **ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS**

#### **Full-Time Equivalent Positions (FTE)**

<b>Program</b>	<b>2004-05 Estimated FTEs 03/31/05</b>	<b>2005-06 Estimated FTEs 03/31/06</b>	<b>FTE Change</b>
Design and Construction			
Capital Projects Funds - Other	3,590	3,587	(3)
New York Metropolitan Transportation Council			
Special Revenue Funds - Other	68	68	0
Operations			
Special Revenue Funds - Other	8	10	2
Passenger and Freight Transportation			
Special Revenue Funds - Federal	79	79	0
Special Revenue Funds - Other	133	133	0
Capital Projects Funds - Other	98	98	0
Planning and Program Management			
Capital Projects Funds - Other	527	527	0
Preventive Maintenance			
Capital Projects Funds - Other	4,802	4,793	(9)
Real Estate			
Capital Projects Funds - Other	180	180	0
<b>Total</b>	<b>9,485</b>	<b>9,475</b>	<b>(10)</b>

# TRANSPORTATION

## STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2004-05	Recommended 2005-06	Change
Special Revenue Funds - Federal	10,032,000	10,167,000	135,000
Special Revenue Funds - Other	26,455,500	28,334,000	1,878,500
Internal Service Funds	4,114,000	0	(4,114,000)
Total	<u>40,601,500</u>	<u>38,501,000</u>	<u>(2,100,500)</u>

Adjustments:

Transfer(s) From	
Special Pay Bill	
Special Revenue Funds - Federal	(201,000)
Special Revenue Funds - Other	(636,300)
Internal Service Funds	(74,000)
Transfer(s) To	
Transportation, Department of	
Special Revenue Funds - Other	
(Capital Projects)	237,800
Appropriated 2004-05	<u>39,928,000</u>

## STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2004-05	Recommended 2005-06	Change
Operations			
Special Revenue Funds - Federal	400,000	400,000	0
Special Revenue Funds - Other	9,283,700	10,993,000	1,709,300
Internal Service Funds	4,114,000	0	(4,114,000)
Passenger and Freight Transportation			
Special Revenue Funds - Federal	9,632,000	9,767,000	135,000
Special Revenue Funds - Other	17,171,800	17,341,000	169,200
Total	<u>40,601,500</u>	<u>38,501,000</u>	<u>(2,100,500)</u>

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2005-06 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Operations	11,393,000	(2,404,700)	465,000	(1,141,600)
Passenger and Freight Transportation	27,108,000	304,200	11,894,000	252,300
Total	<u>38,501,000</u>	<u>(2,100,500)</u>	<u>12,359,000</u>	<u>(889,300)</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Operations	227,000	(2,914,100)	10,701,000	1,651,000
Passenger and Freight Transportation	11,380,000	93,900	3,834,000	(42,000)
Total	<u>11,607,000</u>	<u>(2,820,200)</u>	<u>14,535,000</u>	<u>1,609,000</u>

## AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2004-05	Recommended 2005-06	Change
General Fund	111,616,000	103,016,000	(8,600,000)
Special Revenue Funds - Federal	35,414,000	35,414,000	0
Special Revenue Funds - Other	1,648,641,000	1,846,389,000	197,748,000
Total	<u>1,795,671,000</u>	<u>1,984,819,000</u>	<u>189,148,000</u>

# **TRANSPORTATION**

**AID TO LOCALITIES  
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM  
APPROPRIATIONS  
(dollars)**

<b>Program</b>	<b>Available 2004-05</b>	<b>Recommended 2005-06</b>	<b>Change</b>
Additional Mass Transportation Assistance Program			
General Fund	22,152,000	21,447,000	(705,000)
Special Revenue Funds - Other	0	39,400,000	39,400,000
Dedicated Mass Transportation Trust Program			
Special Revenue Funds - Other	536,000,000	593,300,000	57,300,000
Federal Highway Administration Local Planning			
Special Revenue Funds - Federal	10,566,000	10,566,000	0
Urban Mass Transportation Administration Local Planning			
Special Revenue Funds - Federal	4,400,000	4,400,000	0
Mass Transportation Assistance General Fund	45,000,000	45,000,000	0
Passenger and Freight Transportation General Fund	44,464,000	36,569,000	(7,895,000)
Special Revenue Funds - Federal	20,448,000	20,448,000	0
Special Revenue Funds - Other	879,353,000	961,747,000	82,394,000
Section 18-B Program			
Special Revenue Funds - Other	179,541,000	187,436,000	7,895,000
Special Transit Aid			
Special Revenue Funds - Other	53,747,000	64,506,000	10,759,000
Total	<u>1,795,671,000</u>	<u>1,984,819,000</u>	<u>189,148,000</u>

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## CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<b>Comprehensive Construction Program</b>	<b>Available 2004-05*</b>	<b>Recommended 2005-06</b>	<b>Change</b>	<b>Reappropriations 2005-06</b>
Aviation				
Airport or Aviation Program				
Capital Projects Fund - Aviation (Bondable)	0	0	0	2,087,000
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	818,000
Airport or Aviation Program -- Bondable				
Capital Projects Fund - Aviation (Bondable)	0	0	0	886,000
Airport or Aviation State Program				
Dedicated Highway and Bridge Trust Fund	8,000,000	8,000,000	0	34,820,000
Regional Aviation Fund	0	0	0	16,516,000
Aviation				
Transportation Capital Facilities Bond Fund	0	0	0	7,749,000
Federal Airport or Aviation				
Federal Capital Projects Fund	6,000,000	6,000,000	0	24,886,000
Canals and Waterways				
Canals and Waterways - Bondable				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	485,000
Economic Development				
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	9,000,000	9,000,000	0	55,227,000
Health and Safety				
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	4,550,000	6,976,000	2,426,000	2,830,000
Highway Facilities				
Accelerated Capacity and Transportation Improvements Fund				
Accelerated Capacity and Transportation Improvements Fund	0	0	0	58,775,000
Airport or Aviation State Program				
Dedicated Highway and Bridge Trust Fund	0	0	0	1,337,000
Engineering Services				
Engineering Services Fund	0	0	0	284,665,000
NY Metro Transportation Council Account	10,180,000	10,202,000	22,000	27,619,000
Federal Aid Highways - Bondable Purpose				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	8,453,000
Federal Aid Highways - Federal Purpose				
Federal Capital Projects Fund	1,700,000,000	1,700,000,000	0	5,736,016,000
Highway Facilities				
Dedicated Highway and Bridge Trust Fund	0	0	0	17,381,000
Infrastructure Bond Act Projects				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	7,767,000
Multi-Modal				
Dedicated Highway and Bridge Trust Fund	0	0	0	80,767,000
Municipal Highway - Railroad Crossing Alterations				
Capital Projects Fund - Advances	0	0	0	331,000
Dedicated Highway and Bridge Trust Fund	0	0	0	1,568,000
New York State Agency Fund				
Miscellaneous New York State Agency Fund	50,000,000	50,000,000	0	235,544,000
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	1,519,822,000	1,240,502,000	(279,320,000)	2,447,833,000
Other Highway Aid				
Dedicated Highway and Bridge Trust Fund	0	0	0	4,868,000
Other Transportation Aid				
Dedicated Highway and Bridge Trust Fund	0	0	0	293,000
Priority Bond Act Projects				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	10,924,000
Road and Bridge Improvements - Bondable				
Capital Projects Fund - A.C. and T.I. Fund (Bondable)	0	0	0	50,938,000

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## CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<b>Comprehensive Construction Program</b>	<b>Available 2004-05*</b>	<b>Recommended 2005-06</b>	<b>Change</b>	<b>Reappropriations 2005-06</b>
Small and Minority and Women-Owned Small Business Assistance				3,500,000
Dedicated Highway and Bridge Trust Fund	0	0	0	
Transportation Infrastructure Renewal Bond Fund				39,725,000
Transportation Infrastructure Renewal Bond Fund	0	0	0	
Maintenance Facilities				
Maintenance Facilities				
Dedicated Highway and Bridge Trust Fund	31,000,000	31,000,000	0	46,783,000
Mass Transportation and Rail Freight				
Marine Projects				
Dedicated Mass Transportation Fund	0	0	0	909,000
Mass Transportation				
Dedicated Mass Transportation Fund	15,815,000	41,000,000	25,185,000	58,672,000
Mass Transportation and Rail Freight				
Capital Projects Fund - Energy Conservation (Bondable)	0	0	0	1,023,000
Dedicated Highway and Bridge Trust Fund	20,000,000	20,000,000	0	63,640,000
Dedicated Mass Transportation Fund	35,300,000	38,800,000	3,500,000	66,858,000
Federal Capital Projects Fund	0	0	0	19,817,000
Mass Transportation and Rail Freight Bondable				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	7,067,000
Rail Freight				
Capital Projects Fund - Advances	0	0	0	21,350,000
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	1,908,000
Dedicated Mass Transportation Fund	0	0	0	1,785,000
Rail Preservation and Development Fund				
Energy Conservation Improved Transportation Bond Fund	0	0	0	1,038,000
Small and Minority and Women-Owned Small Business Assistance				
Dedicated Mass Transportation Fund	0	0	0	5,000,000
Special Rail and Aviation Program				
Dedicated Mass Transportation Fund	0	0	0	5,815,000
Port Development				
Port Development Bondable				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	57,000
Preservation of Facilities				
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	0	447,285,000	447,285,000	0
<b>Total</b>	<b>3,409,667,000</b>	<b>3,608,765,000</b>	<b>199,098,000</b>	<b>9,466,330,000</b>

\*Includes transfers from Special Pay Bill - State Operations. See the table for Special Pay Bill in the Miscellaneous section for details.