

DEPARTMENT OF TRANSPORTATION

MISSION

The Department of Transportation (DOT) directly maintains and improves the State's more than 38,000 State highway lane miles and over 7,500 bridges. In addition, the Department partially funds locally-operated transit systems, local government highway and bridge construction, and rail, airport, and canal programs.

The DOT of the 21st Century is capitalizing on intelligent transportation technology to manage increases in traffic and to balance 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 the goal of creating a seamless statewide transportation system that addresses environmental and community concerns and more efficiently moves people and goods.

ORGANIZATION AND STAFFING

The Department is headed by a Commissioner appointed by the Governor, subject to Senate confirmation. 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.

BUDGET HIGHLIGHTS

The Executive Budget recommends **\$8.3 billion** All Funds (\$97.6 million General Fund; \$3.9 billion Capital Projects Funds; \$4.3 billion Other Funds) for the Department. This is an overall decrease of **\$526 million (-6 percent** overall; \$397 million (-9.3 percent) in Capital Projects Funds and \$129 million (-2.9 percent) in Other Funds) from 2010-11 levels. This net change primarily reflects non-recurrence of a 2010-11 Federal rail capital appropriation, a 10 percent year-to-year reduction in operations funding from the Dedicated Highway and Bridge Trust Fund (DHBTF), the annualization of 2010-11 workforce actions and a decrease in mass transit appropriation levels.

The Executive Budget reduces the agency's operations expenses in the DHBTF by 10 percent. These savings are intended to be achieved through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

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 by revenues from the Petroleum Business Tax, highway use tax, motor fuel taxes, auto rental tax, transportation/transmission tax, motor vehicle fees, and other fees. Substantial Federal aid is also used to support the programs. While no new appropriations are provided, spending from the 2005 Bond Act continues.

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The budget continues the second year of a two-year DOT capital program enacted in 2010-11 while also implementing necessary reductions in agency operations and programs. Major budget actions include:

- **Preserving State Support for Highway and Bridge Investments:** Funding in the Dedicated Highway and Bridge Trust Fund (DHBTF) for highway and bridge construction is preserved at \$501 million, the same level as 2010-11.
- **Preserving 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.
- **Preserving Rail Programs:** The budget includes a \$16.9 million appropriation to support Amtrak service and additional rail capital investments.
- **State Operations Reduction:** The budget contains a \$64 million, or 10 percent, year-to-year reduction in DHBTF appropriations for DOT operations. The Department will achieve the reduction through administrative efficiencies in non-personal service and negotiated workforce savings that minimize layoffs to the extent possible.

The Department's operations are devoted primarily to highway maintenance, particularly snow and ice removal. The 2011-12 Executive Budget provides \$615 million for snow and ice control and State forces preventive maintenance. This level represents a decrease of almost \$54 million from 2010-11 levels.

The Department's regulatory programs and other operations are primarily funded by fees, miscellaneous revenues and Federal aid. Approximately \$25.7 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 various safety and regulatory oversight functions as well as highway safety and aviation programs.

Federal aid of \$16.3 million and dedicated mass transit funds totaling \$5.4 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. Obligations for State and local highway and bridge construction contracts will total \$1.8 billion in 2011-12.

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 portions of the petroleum business tax, motor fuel tax, motor vehicle fees, highway user 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.

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 SAFETEA-LU, expired on September 30, 2009. A successor program has not been enacted and Federal support for the State's transportation programs continues at reduced levels through temporary funding measures

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passed by Congress. The Federal capital aid appropriation in 2011-12 is available for up to \$2 billion of Federal funding, including provisions for State and local highways and bridges, engineering, rail and community enhancement programs.

Local highway and bridge capital programs include the Consolidated Highway Improvement Program (CHIPS), the Municipal Streets and Highways Program (“Marchiselli” Program) and the Multi-Modal Program. The CHIPS and Marchiselli programs are funded by bonds issued by the Thruway Authority with debt service paid from the State’s Dedicated Highway and Bridge Trust Fund. In 2011-12, the CHIPS capital program will be funded at \$363.1 million, and the Marchiselli program at \$39.7 million.

A \$16.9 million rail preservation appropriation will be available to support Amtrak service and new rail infrastructure investments. The State will also provide up to \$4 million to match Federal aviation grants.

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, the Metropolitan Transportation Authority Financial Assistance Fund (MTASP) and the Dedicated Mass Transportation Trust Fund (DMTTF). Mass Transportation Operating Assistance Fund revenues are derived from a 3/8 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. MTASP revenues are derived from a tax on payrolls, surcharges on motor vehicle registration and license fees, a rental car surcharge, and a taxi surcharge, all within the Metropolitan Commuter Transportation District (MCTD). 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.

The Executive Budget provides appropriations of more than \$4.2 billion in aid to transit systems throughout the State, including more than \$3.8 billion for the MTA and more than \$401 million for other systems. This appropriation level reflects a decrease of approximately \$106 million from the amended 2010-11 levels, and is comprised of a \$108 million decrease for the MTA and a \$2 million increase for all other transit systems. The drop in appropriations is primarily due to a correction from a 2010-11 MTA Payroll Mobility Tax appropriation that exceeded actual tax receipts and, therefore, aid levels. Despite this drop in appropriations, the MTA is anticipated to receive an increase of \$43 million on a year-to-year cash basis.

In addition to the State Transportation Operating Assistance Program, the Executive Budget provides \$37 million for the DMTTF non-MTA capital program, no change from the SFY 2010-11 level. This capital program funds a variety of transit related needs, including 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. During 2009-10, the Department replaced or rehabilitated a total of 139 State bridges and completed more than 3,800 corrective and preventive bridge treatments to slow deterioration. More than 4,600 lane miles of State highway were resurfaced, rehabilitated or given preventive maintenance treatment. The Executive Budget continues

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this commitment to strategic investments in critical infrastructure needs. Even more than in previous years, preventive maintenance performed by State forces and private sector contractors will be an area of significant concentration.

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 130 public transportation operators, 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, plus "paratransit" services designed to meet the needs of disabled people as required by the Federal Americans with Disabilities Act.

State financial assistance to transit systems is supported by the Mass Transportation Operating Assistance Fund, the Metropolitan Transportation Authority Financial 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)

Category	Available 2010-11	Appropriations Recommended 2011-12	Change	Reappropriations Recommended 2011-12
State Operations	50,340,000	47,404,000	(2,936,000)	111,268,700
Aid To Localities	4,357,490,900	4,232,596,900	(124,894,000)	177,064,000
Capital Projects	4,384,915,000	3,986,577,000	(398,338,000)	18,771,163,000
Total	<u>8,792,745,900</u>	<u>8,266,577,900</u>	<u>(526,168,000)</u>	<u>19,059,495,700</u>

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

Program	Full-Time Equivalent Positions (FTE)		
	2010-11 Estimated FTEs 03/31/11	2011-12 Estimated FTEs 03/31/12	FTE Change
Design and Construction			
Capital Projects Funds - Other	2,673	2,673	0
New York Metropolitan Transportation Council			
Special Revenue Funds - Other	54	54	0
Non-Federally Aided Highway Capital Projects - Administration			
Capital Projects Funds - Other	590	590	0
Operations Program			
Special Revenue Funds - Other	6	6	0
Passenger and Freight Transportation Program, Office of			
Special Revenue Funds - Federal	64	64	0
Special Revenue Funds - Other	81	81	0
Capital Projects Funds - Other	98	98	0
Planning and Program Management			
Capital Projects Funds - Other	529	529	0
Preventive Maintenance			
Capital Projects Funds - Other	4,445	4,445	0
Real Estate			
Capital Projects Funds - Other	168	168	0
Total	8,708	8,708	0

The above table does not reflect layoffs that may be necessary in the absence of negotiated workforce savings.

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

Fund Type	Available 2010-11	Recommended 2011-12	Change
Special Revenue Funds - Federal	18,031,000	16,315,000	(1,716,000)
Special Revenue Funds - Other	32,309,000	31,089,000	(1,220,000)
Total	50,340,000	47,404,000	(2,936,000)

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

Program	Available 2010-11	Recommended 2011-12	Change
Operations Program			
Special Revenue Funds - Other	15,710,000	16,210,000	500,000
Passenger and Freight Transportation Program, Office of			
Special Revenue Funds - Federal	18,031,000	16,315,000	(1,716,000)
Special Revenue Funds - Other	16,599,000	14,879,000	(1,720,000)
Total	50,340,000	47,404,000	(2,936,000)

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STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2011-12 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Operations Program	16,210,000	500,000	532,000	(162,000)
Passenger and Freight Transportation Program, Office of	31,194,000	(3,436,000)	9,668,000	(2,169,000)
Total	47,404,000	(2,936,000)	10,200,000	(2,331,000)

Program	Nonpersonal Service	
	Amount	Change
Operations Program	15,678,000	662,000
Passenger and Freight Transportation Program, Office of	21,526,000	(1,267,000)
Total	37,204,000	(605,000)

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

Fund Type	Available 2010-11	Recommended 2011-12	Change
General Fund	97,550,900	97,550,900	0
Special Revenue Funds - Federal	53,062,000	53,062,000	0
Special Revenue Funds - Other	4,206,878,000	4,081,984,000	(124,894,000)
Total	4,357,490,900	4,232,596,900	(124,894,000)

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

Program	Available 2010-11	Recommended 2011-12	Change
Additional Mass Transportation Assistance Program			
General Fund	44,866,000	44,866,000	0
Dedicated Mass Transportation Trust Fund Program			
Special Revenue Funds - Other	617,600,000	620,400,000	2,800,000
Local Transportation Planning Studies Program			
Special Revenue Funds - Federal	18,868,000	18,868,000	0
Mass Transportation Assistance Program General Fund	25,251,000	25,251,000	0
Metropolitan Transportation Authority Support Program			
Special Revenue Funds - Other	1,811,600,000	1,736,000,000	(75,600,000)
Mass Transportation Operating Assistance Fund Program			
Special Revenue Funds - Other	1,583,242,000	1,531,148,000	(52,094,000)
Mass Transportation Operating Assistance Program			
General Fund	27,433,900	27,433,900	0
Special Revenue Funds - Other	194,436,000	194,436,000	0
Passenger and Freight Transportation Program, Office of			
Special Revenue Funds - Federal	9,094,000	9,094,000	0
Rural and Small Urban Transit Aid Program Special Revenue Funds - Federal	25,100,000	25,100,000	0
Total	4,357,490,900	4,232,596,900	(124,894,000)

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

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Aviation				
Airport or Aviation Program				
Capital Projects Fund - Aviation (Bondable)	0	0	0	2,073,000
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	403,000
Regional Aviation Fund	0	0	0	7,037,000
Airport or Aviation Program -- Bondable				
Capital Projects Fund - Aviation (Bondable)	0	0	0	826,000
Airport or Aviation State Program				
Dedicated Highway and Bridge Trust Fund	4,000,000	4,000,000	0	44,563,000
Regional Aviation Fund	0	0	0	4,082,000
American Recovery and Reinvestment Act Federal Stimulus	0	0	0	10,000,000
Aviation				
Transportation Capital Facilities Bond Fund	0	0	0	3,393,000
Federal Airport or Aviation Federal Capital Projects Fund	6,000,000	6,000,000	0	41,414,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	0	0	0	44,503,000
Bond Proceeds				
Rebuild and Renew New York Transportation Bonds of 2005				
Rebuild and Renew New York Transportation Bonds of 2005	0	0	0	1,849,213,000
Canals and Waterways				
Canals and Waterways - Bondable				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	485,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	0	0	0	49,767,000
Economic Development				
Non-Federal Aided Highway Capital Projects Dedicated Highway and Bridge Trust Fund	0	0	0	275,555,000
Health and Safety				
Non-Federal Aided Highway Capital Projects Dedicated Highway and Bridge Trust Fund	8,885,000	8,299,000	(586,000)	11,268,000
Highway Facilities				
Accelerated Capacity and Transportation Improvements Fund				
Accelerated Capacity and Transportation Improvements Fund	0	0	0	26,275,000
Airport or Aviation State Program Dedicated Highway and Bridge Trust Fund	0	0	0	152,000
American Recovery and Reinvestment Act Federal Stimulus	10,000,000	0	(10,000,000)	1,188,159,000
Engineering Services				
Engineering Services Fund	0	0	0	129,993,000
NY Metro Transportation Council Account	19,300,000	18,148,000	(1,152,000)	43,926,000
Federal Aid Highways - Bondable Purpose Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	6,114,000
Federal Aid Highways - Federal Purpose Federal Capital Projects Fund	2,000,000,000	2,000,000,000	0	8,072,913,000
Highway Facilities				
Dedicated Highway and Bridge Trust Fund	0	0	0	11,982,000
Infrastructure Bond Act Projects Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	7,255,000
Multi-Modal				
Dedicated Highway and Bridge Trust Fund	0	0	0	41,166,000
Municipal Highway - Railroad Crossing Alterations Dedicated Highway and Bridge Trust Fund	0	0	0	1,568,000

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

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
New York State Agency Fund				
Miscellaneous New York State Agency Fund	50,000,000	50,000,000	0	299,562,000
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	1,218,448,000	1,183,912,000	(34,536,000)	2,360,682,000
Other Highway Aid				
Dedicated Highway and Bridge Trust Fund	0	0	0	1,150,000
Priority Bond Act Projects				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	8,830,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	0	0	0	633,456,000
Road and Bridge Improvements - Bondable				
Capital Projects Fund - AC and TI Fund (Bondable)	0	0	0	26,221,000
Small and Minority and Women-Owned Small Business Assistance				
Dedicated Highway and Bridge Trust Fund	0	0	0	3,500,000
Transportation Infrastructure Renewal Bond Fund				
Transportation Infrastructure Renewal Bond Fund	0	0	0	27,346,000
Maintenance Facilities				
Maintenance Facilities				
Dedicated Highway and Bridge Trust Fund	18,165,000	18,165,000	0	50,333,000
Mass Transportation and Rail Freight				
American Recovery and Reinvestment Act Federal Stimulus	0	0	0	2,019,700,000
Mass Transportation				
Dedicated Mass Transportation Non MTA	18,500,000	18,500,000	0	103,629,000
Mass Transportation and Rail Freight				
Capital Projects Fund - Energy Conservation (Bondable)	0	0	0	149,000
Dedicated Highway and Bridge Trust Fund	15,300,000	16,930,000	1,630,000	78,062,000
Dedicated Mass Transportation Non MTA	47,971,000	47,971,000	0	129,748,000
Federal Capital Projects Fund	0	0	0	19,575,000
Mass Transportation and Rail Freight Bondable				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	2,686,000
Other Transportation Aid				
Federal Capital Projects Fund	300,000,000	0	(300,000,000)	300,000,000
Rail Freight				
Capital Projects Fund - Advances	0	0	0	21,350,000
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	121,000
Dedicated Mass Transportation Non MTA	0	0	0	1,351,000
Rail Preservation and Development Fund				
Energy Conservation Improved Transportation Bond Fund	0	0	0	164,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	0	0	0	38,613,000
Small and Minority and Women-Owned Small Business Assistance				
Dedicated Mass Transportation Non MTA	0	0	0	5,000,000
Special Rail and Aviation Program				
Capital Projects Fund - Authority Bonds	0	0	0	20,949,000
Dedicated Mass Transportation Non MTA	0	0	0	5,244,000
Port Development				
Port Development Bondable				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	57,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	0	0	0	95,525,000

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

Comprehensive Construction Program	Available 2010-11	Recommended 2011-12	Change	Reappropriations 2011-12
Preservation of Facilities				
Non-Federal Aided Highway Capital Projects				
Capital Projects Fund	0	0	0	3,000,000
Dedicated Highway and Bridge Trust Fund	668,346,000	614,652,000	(53,694,000)	641,075,000
Total	4,384,915,000	3,986,577,000	(398,338,000)	18,771,163,000
Adjustments:				
Prior Year Deficiency				
American Recovery and Reinvestment Act Appropriated 2010-11	5,000,000			
	4,389,915,000			