

# **DEPARTMENT OF TRANSPORTATION**

## **MISSION**

The Department of Transportation (DOT) directly maintains and improves the State's more than 40,000 State 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 9,948 employees by the end of 2006-07.

## **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 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.

In 2005-06, a new five-year transportation capital plan was approved by the Governor and the Legislature that includes over \$35.9 billion for the State's transportation systems during the period. The plan provides over \$17.9 billion for DOT capital programs and over \$17.9 billion for the Metropolitan Transportation Authority program. In order to finance the plan, existing resources were augmented by increases in motor vehicle fees, a restructuring of the Dedicated Highway and Bridge Trust Fund debt, increases in the sales tax and mortgage recording tax levied in the MTA service district, and the Rebuild and Renew New York Transportation Bond Act of 2005 passed by the voters in November 2005.

The Department's operations are devoted primarily to highway maintenance, particularly snow and ice removal. The 2006-07 Executive Budget provides \$502 million for snow and ice control and State forces preventive maintenance. This level represents an increase of approximately \$44 million, due to increased salary costs and energy-related inflationary pressures. Funding for preventive maintenance performed by private firms is continued at \$210 million as part of the highway and bridge contract level.

The Department's regulatory programs and other operations are primarily funded by fees, miscellaneous revenues and Federal aid. Approximately \$24.2 million is derived from fees, including those imposed on trucks registered to transport products throughout the State;

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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 \$14.2 million and dedicated mass transit funds totaling \$6.2 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 \$1.85 billion in 2006-07, an increase of \$100 million over the prior year.

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 planned restructuring of the Trust Fund debt was completed in September 2005 to 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 2005-06 Enacted Budget also increased certain motor vehicle fees to support the plan.

Additionally, the Rebuild and Renew New York Transportation Bond Act of 2005 provides \$1.45 billion each for the DOT and MTA capital programs from State fiscal years 2005-06 through 2009-10.

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 covers Federal fiscal years 2004-09. 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 transportation projects. This includes authorization of design-build contracts to improve the cost efficiency and delivery time of projects and an initiative to authorize transportation development partnerships, which would leverage private sector investment to expand and enhance the State's transportation infrastructure.

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 2006-07, the CHIPS capital program will be funded at \$289.5 million, an increase of \$6.2 million over the prior year and the Marchiselli program will be funded at \$39.7 million. The Executive Budget also provides a \$50 million appropriation for the Multi-Modal Program, representing the second year of a five -year \$350 Multi-Modal Program established in 2005-06.

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. A \$5.3 million Regional Aviation Fund appropriation has also been provided, which includes \$4 million for environmental projects at Stewart Airport and \$1.3 million for statewide aviation passenger, cargo and commercial development.

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 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. 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 \$2.5 billion.

More than \$2.1 billion of new operating aid appropriations are recommended for the Metropolitan Transportation Authority (MTA) in 2006-07. This includes \$635 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 \$379 million in new appropriations in 2006-07. Of this amount, \$149 million is targeted for upstate transit systems. An increase of \$23 million in upstate transit aid is the result of redistributing the Corporation and Utilities Taxes, sections 183 & 184 (Transmission Tax), between the upstate and downstate regions to better reflect the statewide collection of this tax. Capital funding of \$34 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. During 2004-05, the Department replaced or rehabilitated a total of 154 State bridges and completed 5,242 corrective and preventive bridge treatments to slow deterioration. Nearly 5,470 lane miles of State highway were resurfaced, rehabilitated or given preventive maintenance treatment. The Executive Budget continues our commitment to 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.

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. The Executive Budget also includes continuation of a new Multi-Modal Program established in 2005-06, which will further assist localities with their transportation needs.

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.

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## **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.

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 2005-06</b>	<b>Appropriations Recommended 2006-07</b>	<b>Change</b>	<b>Reappropriations Recommended 2006-07</b>
State Operations	43,501,000	46,417,000	2,916,000	37,016,000
Aid To Localities	2,393,619,000	2,534,232,000	140,613,000	138,521,000
Capital Projects	6,904,465,000	4,155,560,000	(2,748,905,000)	12,943,791,000
Total	9,341,585,000	6,736,209,000	(2,605,376,000)	13,119,328,000

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

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

<b>Program</b>	<b>2005-06 Estimated FTEs 03/31/06</b>	<b>2006-07 Estimated FTEs 03/31/07</b>	<b>FTE Change</b>
Design and Construction			
Capital Projects Funds - Other	3,803	3,980	177
New York Metropolitan Transportation Council			
Special Revenue Funds - Other	68	68	0
Operations			
Special Revenue Funds - Other	10	12	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	526	526	0
Preventive Maintenance			
Capital Projects Funds - Other	4,872	4,872	0
Real Estate			
Capital Projects Funds - Other	180	180	0
Total	9,769	9,948	179

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

Fund Type	Available 2005-06	Recommended 2006-07	Change
General Fund	5,000,000	0	(5,000,000)
Special Revenue Funds - Federal	10,167,000	14,177,000	4,010,000
Special Revenue Funds - Other	28,334,000	32,240,000	3,906,000
Total	<u>43,501,000</u>	<u>46,417,000</u>	<u>2,916,000</u>

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

Program	Available 2005-06	Recommended 2006-07	Change
Operations			
Special Revenue Funds - Federal	400,000	400,000	0
Special Revenue Funds - Other	10,993,000	12,424,000	1,431,000
Passenger and Freight Transportation			
General Fund	5,000,000	0	(5,000,000)
Special Revenue Funds - Federal	9,767,000	13,777,000	4,010,000
Special Revenue Funds - Other	17,341,000	19,816,000	2,475,000
Total	<u>43,501,000</u>	<u>46,417,000</u>	<u>2,916,000</u>

## STATE OPERATIONS - GENERAL FUND SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 2006-07 RECOMMENDED (dollars)

Program	Total		Contractual Services	
	Amount	Change	Amount	Change
Passenger and Freight Transportation	0	(5,000,000)	0	(5,000,000)
Total	<u>0</u>	<u>(5,000,000)</u>	<u>0</u>	<u>(5,000,000)</u>

## STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2006-07 RECOMMENDED (dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Operations	12,824,000	1,431,000	536,000	71,000
Passenger and Freight Transportation	33,593,000	6,485,000	12,321,000	427,000
Total	<u>46,417,000</u>	<u>7,916,000</u>	<u>12,857,000</u>	<u>498,000</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Operations	264,000	37,000	12,024,000	1,323,000
Passenger and Freight Transportation	13,843,000	2,463,000	7,429,000	3,595,000
Total	<u>14,107,000</u>	<u>2,500,000</u>	<u>19,453,000</u>	<u>4,918,000</u>

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

<u>Fund Type</u>	<u>Available 2005-06</u>	<u>Recommended 2006-07</u>	<u>Change</u>
General Fund	148,016,000	103,016,000	(45,000,000)
Special Revenue Funds - Federal	35,414,000	42,244,000	6,830,000
Special Revenue Funds - Other	2,210,189,000	2,388,972,000	178,783,000
Total	2,393,619,000	2,534,232,000	140,613,000

Adjustments:

Recommended Deficiency			
Transportation, Department of			
General Fund	(45,000,000)		
Special Revenue Funds - Other	(200,000,000)		
Appropriated 2005-06	2,148,619,000		

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

<u>Program</u>	<u>Available 2005-06</u>	<u>Recommended 2006-07</u>	<u>Change</u>
Additional Mass Transportation Assistance			
Program			
General Fund	21,447,000	21,447,000	0
Special Revenue Funds - Other	39,400,000	25,400,000	(14,000,000)
Dedicated Mass Transportation Trust			
Program			
Special Revenue Funds - Other	600,300,000	634,800,000	34,500,000
Federal Highway Administration Local			
Planning			
Special Revenue Funds - Federal	10,566,000	12,181,000	1,615,000
Urban Mass Transportation Administration			
Local Planning			
Special Revenue Funds - Federal	4,400,000	4,506,000	106,000
Mass Transportation Assistance			
General Fund	90,000,000	45,000,000	(45,000,000)
Passenger and Freight Transportation			
General Fund	36,569,000	36,569,000	0
Special Revenue Funds - Federal	20,448,000	25,557,000	5,109,000
Special Revenue Funds - Other	1,318,547,000	1,453,630,000	135,083,000
Section 18-B Program			
Special Revenue Funds - Other	187,436,000	187,436,000	0
Special Transit Aid			
Special Revenue Funds - Other	64,506,000	87,706,000	23,200,000
Total	2,393,619,000	2,534,232,000	140,613,000

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

<b>Comprehensive Construction Program</b>	<b>Available 2005-06</b>	<b>Recommended 2006-07</b>	<b>Change</b>	<b>Reappropriations 2006-07</b>
<b>Aviation</b>				
Airport or Aviation Program				
Capital Projects Fund - Aviation (Bondable)	0	0	0	2,085,000
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	718,000
Regional Aviation Fund	0	5,300,000	5,300,000	0
Airport or Aviation Program -- Bondable				
Capital Projects Fund - Aviation (Bondable)	0	493,000	493,000	864,000
Airport or Aviation State Program				
Dedicated Highway and Bridge Trust Fund	8,000,000	8,000,000	0	35,067,000
Regional Aviation Fund	0	0	0	15,371,000
<b>Aviation</b>				
Transportation Capital Facilities Bond Fund	0	0	0	7,677,000
Federal Airport or Aviation				
Federal Capital Projects Fund	6,000,000	6,000,000	0	20,917,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	15,000,000	15,000,000	0	15,000,000
<b>Bond Proceeds</b>				
Rebuild and Renew New York Transportation Bonds of 2005				
Rebuild and Renew NY Trans Bonds of 2005 Bond Fund	2,900,000,000	0	(2,900,000,000)	2,900,000,000
<b>Canals and Waterways</b>				
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)	10,000,000	10,000,000	0	10,000,000
<b>Economic Development</b>				
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	159,000,000	59,000,000	(100,000,000)	205,981,000
<b>Health and Safety</b>				
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	6,976,000	7,363,000	387,000	5,093,000
<b>Highway Facilities</b>				
Accelerated Capacity and Transportation Improvements Fund				
Accelerated Capacity and Transportation Improvements Fund	0	0	0	43,846,000
Airport or Aviation State Program				
Dedicated Highway and Bridge Trust Fund	0	0	0	1,335,000
Engineering Services				
Engineering Services Fund	0	0	0	214,522,000
NY Metro Transportation Council Account	10,202,000	15,894,000	5,692,000	24,321,000
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	5,902,742,000
Highway Facilities				
Dedicated Highway and Bridge Trust Fund	0	0	0	14,409,000
Infrastructure Bond Act Projects				
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	7,770,000
Multi-Modal				
Dedicated Highway and Bridge Trust Fund	0	0	0	65,896,000
Municipal Highway - Railroad Crossing Alterations				
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	225,189,000

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

<b>Comprehensive Construction Program</b>	<b>Available 2005-06</b>	<b>Recommended 2006-07</b>	<b>Change</b>	<b>Reappropriations 2006-07</b>
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	1,240,502,000	1,395,224,000	154,722,000	2,266,104,000
Other Highway Aid				
Dedicated Highway and Bridge Trust Fund	0	0	0	3,956,000
Other Transportation Aid				
Dedicated Highway and Bridge Trust Fund	0	0	0	100,000
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)	170,000,000	235,000,000	65,000,000	170,000,000
Road and Bridge Improvements - Bondable				
Capital Projects Fund - A.C. and T.I. Fund (Bondable)	0	0	0	42,043,000
Transportation Infrastructure Renewal Bond Fund				
Transportation Infrastructure Renewal Bond Fund	0	0	0	34,312,000
Maintenance Facilities				
Maintenance Facilities				
Dedicated Highway and Bridge Trust Fund	31,000,000	12,900,000	(18,100,000)	57,119,000
Mass Transportation and Rail Freight				
Mass Transportation				
Dedicated Mass Transportation Fund	41,000,000	18,000,000	(23,000,000)	87,136,000
Mass Transportation and Rail Freight				
Capital Projects Fund - Energy Conservation (Bondable)	0	0	0	821,000
Dedicated Highway and Bridge Trust Fund	20,000,000	20,000,000	0	74,911,000
Dedicated Mass Transportation Fund	41,500,000	40,100,000	(1,400,000)	67,908,000
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	5,868,000
Rail Freight				
Capital Projects Fund - Advances	0	0	0	21,350,000
Capital Projects Fund - Infrastructure Renewal (Bondable)	0	0	0	1,433,000
Dedicated Mass Transportation Fund	0	0	0	1,392,000
Rail Preservation and Development Fund				
Energy Conservation Improved Transportation Bond Fund	0	0	0	905,000
Rebuild and Renew New York Transportation Bonds of 2005				
Capital Projects Fund - Rebuild Renew NY 2005 (Bondable)	10,000,000	10,000,000	0	10,000,000
Special Rail and Aviation Program				
Dedicated Mass Transportation Fund	0	0	0	5,804,000
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)	27,000,000	27,000,000	0	27,000,000
Preservation of Facilities				
Non-Federal Aided Highway Capital Projects				
Dedicated Highway and Bridge Trust Fund	458,285,000	520,286,000	62,001,000	307,616,000
Total	6,904,465,000	4,155,560,000	(2,748,905,000)	12,943,791,000