

The Future of Transportation in NYS

Roadblocks to Recovery

Mary Ann Crotty

November 16, 2010

Where we are today

- Over the past 30 years we have invested over \$120 billion dollars in transportation
- We have had funded five year plans until this one
- In the past we had expanding federal programs
- Passed Bond Acts to fund remaining program

Troubling Facts

- We have five year plans with 2 years of funding
- Our bridge and pavement conditions are amongst the lowest 10 percent in the country
- We have a modern signal system on only one subway line
- Our rail system has been cut back and has only half the original track

Our Decline

- Built the Erie Canal and Thruway and did it fast
- Our strength was based on the transportations system
- We now have an antiquated and deteriorating system
- Inadequate rehabilitation money and lack of investment in modern system

What Happened

- Our regulatory environment (TZ example)
- Our construction costs
- Delays leading to enormous cost increases on major projects (ESA and 2nd Ave)
- Behind the curve in use of new technology
- DEBT!!!!!!

Debt for Transportation

- Great expansion of what we borrowed for
- Reduced pay as you go program
- Debt service for MTA and DOT by 2014 will be over \$3.6 BILLION annually
- 75 Percent of Dedicated Highway fund will be debt service (68 percent in 2011)
- Nearly 20 percent of MTA operating budget goes to debt

What Does the Future Hold

- Arguments on sector shares (decline of spending on transportation versus medicaid and education)
- A chance to work together to reduce costs of construction
- A change in procurement processes
- PPP's for certain projects

Financing

- Federal reauthorization rather than short extensions
- Changing bonding policies
- Reforming the dedicated fund
- Controlling costs and project delivery
- Revenues??????