



New York State County Highway Superintendents Association
 New York State Association of Town Superintendents of Highways

**Joint Legislative 2025-2026 Budget Hearing – Transportation
 February 6, 2025**

Good afternoon, Chair Krueger, Chair Pretlow and other members New York State Legislature. I am Matt Mustico, President of the New York State Association of Town Superintendents of Highways (NYSAOTSOH) and Highway Superintendent for the Town of Elmira, Chemung County. With me representing the New York State County Highway Superintendents Association (NYSCHSA) is their President, Kevin Hajos, P.E., Superintendents of Public Works for Warren County. As always, we appreciate the annual opportunity to discuss the Executive Budget proposal and report to you on the conditions and needs of the New York’s local transportation system.

We would like to begin by thanking you and your colleagues for your steadfast support of local roads, bridges and culverts. As you know, our collective membership and union workforce is responsible for ensuring the safe operation of 87 percent of the state’s public roads, half of its bridges and plowing not only our huge system but over a quarter of the New York State Department of Transportation (NYSDOT) roads. This massive local system is owned by 1,600 local governments and consists of over 97,000 centerline miles of roadways and 8,600 highway bridges. Every time there is a weather event, major snow accumulation, freezing temperatures or severe flooding -- the hardworking people on our local crews ensure New York’s drivers get to and from work, homes, schools, hospitals and other destinations safely.

NY State and Local Highway/Bridges Inventory

	State Lane Miles	Local Lane Miles	State Bridges	Local Bridges
Albany County	293	1,709	219	83
Onondaga County	413	2,586	283	151
Monroe County	485	2,995	420	169
Erie County	522	3,966	353	393
Westchester	456	2,894	454	223
NYC	141	5,734	616	598
Long Island	693	10,810	534	157
State Wide	15,140	96,418	7,212	8,606

In the Executive Budget, Governor Kathy Hochul kept the state’s local highway and bridge funding programs flat while she added \$800 million for the New York State Department of Transportation (NYSDOT) CORE Road and Bridge Program. In her budget briefing book, she noted the need to restore

the purchasing power of the NYSDOT capital plan to address rising construction costs and ensuring that projects remain on track. This additional funding is necessary to slow asset deterioration. We agree state roads need investment but the Governor should have stepped up and also provide increased CHIPS funding for New York’s massive locally owned road and bridge system. Record high inflation rates for highway construction materials have severely increased costs and, as a result, local governments are seeing a significant reduction in the real dollar value of local highway maintenance programs.

It is critical that an additional \$250 million be added to the 2025-26 budget for local highway programs like CHIPS. This will allow us to recoup some of the real funding value lost to inflation since the five-year program was initially adopted in 2022. We are also requesting that five of the state’s local road assistance programs be combined into two, to reduce the administrative burden on recordkeeping at NYSDOT and our municipalities. The program uses are almost identical for CHIPS, EWR and STR as are the guidelines for POP and PAVE-NY.

NYSDOT Local Transportation Funding (in Million \$s)	SFY Enacted 2024-25	SFY Executive Budget 2025-26	SFY Request 2025-26
CHIPS	\$598.1	\$598.1	Combined CHIPS \$1,088.1 (+\$250M)
Extreme Winter Recovery	\$100	\$100	
State Touring Routes	\$140	\$140	
Local PAVE-NY	\$150	\$150	Combined POP \$250
Local Pave our Potholes	\$100	\$100	
Local BRIDGE-NY	\$200	\$200	\$200
Marchiselli	\$39.7	\$39.7	\$39.7
Total	\$1,327.8	\$1,327.8	\$1,577.8 (+\$250M)

LOCAL SYSTEMS’ NEEDS ARE GREAT

Local governments, excluding New York City, spent \$2 billion on road maintenance and improvement in the 2020 fiscal year, according to the NYS Comptroller. A 2013 study of local highway and bridge needs published by our Association, based in part on a 2007 “Transportation Needs Assessment” by NYSDOT found that municipalities would need an additional \$32 billion over 15 years to restore locally owned roads through repaving and improvements. In 2023, that need was updated to \$2.074 billion a year, up from \$1.3 billion in 2023, as a result of unprecedented inflation of construction materials costs.

We also remain concerned with the many policy goals of Climate Action Council Final Scoping Plan which over the next several years will impact local governments and require significant changes to our highway garages, our equipment and vehicles and even the materials we buy to maintain our critical infrastructure systems. New freshwater wetland permitting and expanded state jurisdiction, EV sales mandates for medium and heavy-duty trucks and the necessary charging infrastructure, road salt shortages and price hikes, and more severe weather events will likely result in project delays and

added costs. These mandates will require planning and significant additional financial investments well beyond what our traditional needs have been. And the true cost will vary depending on where in the state the municipalities are located.

Nearly 90% of Local Roads are Not Eligible for New Federal Infrastructure Money

Thanks to the Federal Infrastructure and Jobs Act, New York State will receive an additional \$4.6 billion from 2022-2027. Unfortunately, the vast majority of local roads are not eligible to receive these funds. At a time of declining local pavement conditions and increased federal aid, the state should be committing more resources to our local transportation system which is critical to the continued recovery of our state’s economy.

BRIDGE-NY

BRIDGE-NY is a signature program to direct federal and state funding to local bridge and culvert projects throughout the state. In all four rounds of BRIDGE-NY thus far, the number and value of project applications far exceeded the funding available for each region of the state. The chart below clearly indicates this gap between needs and availability of BRIDGE-NY funding. Periodic review and modifications to the program’s administration help improve its efficiency and regional balance. As a result of this process, NYSDOT is implementing the BRIDGE-NY Program through the existing capital program planning process instead of the statewide solicitation used in recent years. We think this approach provides greater local input on project scoring and selection.

Year	Amount \$ Available	Applications	Funded
2016	\$200M (\$20M dedicated to culverts)	Round I: 229 bridges, 366 culverts	93 bridges, 39 culverts
2018	\$262M (\$50M dedicated to culverts)	Round II: 259 bridges, 514 culverts	86 bridges, 79 culverts
2021	\$216M (\$50M dedicated to culverts)	Round III: 240 bridges, 421 culverts	52 bridges, 57 culverts
2022	\$516M (\$124M dedicated to culverts)	Round IV: 213 bridges, 328 culverts	115 bridges, 101 culverts
2024	\$483M (\$126M dedicated to culverts)	Round V: 202 bridges, 274 culverts	122 bridges, 94 culverts

WHAT IS NEEDED NOW

In previous years, the Legislature has responded to the dire conditions of the state’s transportation systems and augmented CHIPS and other local transportation funding. But more is required to reverse the deteriorating conditions of our local transportation systems and make significant progress in its rehabilitation. Funding shortages mean many local governments’ preventive pavement preservation strategies—to apply well-timed and targeted maintenance treatments—fall short of what is necessary to avoid more costly major rehabilitation or reconstruction down the road.

Based on the conditions we discussed above and rising costs we make the following requests:

- ✓ Support combining the following three programs into “Combined CHIPS” with an increase of \$250 million; totaling \$1,088.1 billion annually.
 - Increase CHIPS by \$250 million to \$848.1 million annually.
 - Maintain Extreme Winter Recovery funding of \$100 million annually.
 - Maintain the State Touring Route funding of \$140 million annually.
- ✓ Support combining the following two programs into “Combined POP”; totaling \$250 million annually.
 - Maintain the local PAVE-NY funding of \$150 million annually.
 - Maintain the POP funding of \$100 million annually.
- ✓ Support maintaining the Marchiselli program at \$39.7 million annually.
- ✓ Support maintaining the local BRIDGE-NY program at \$200 million annually.

ALTERNATIVE PROJECT DELIVERY METHODS AND ELECTRONIC BIDDING

Depending on a project’s size, nature, and timeline, alternative project delivery approaches such as progressive design build, construction manager build, and construction manager as constructor may be more suitable and can deliver projects more quickly and cost-effectively. The Governor has been aggressive in extending these options to more state agencies and to New York City. Other municipalities should have more project delivery options for the same reasons. An option for electronic bidding for public works projects similar to that available to many state agencies and recently granted to New York City, should also be authorized for municipalities as part of the final budget.

INCREASE THE CHIPS BIDDING THRESHOLD

We support adding to the Budget language to amend the Highway Law to increase the CHIPS competitive bid threshold from \$350,000 to \$1,000,000. Increasing the CHIPS bidding threshold, or eliminating the threshold altogether, will give municipalities more flexibility to pursue the most cost-effective option on behalf of taxpayers – bid projects or perform them in-house – while still being eligible for state reimbursement, regardless of project size. Considering the significant increases in construction inflation over the past three years, the current \$350,000 threshold is functionally obsolete.

CONCLUSION

As public officials ourselves, we understand the difficulty in trying to meet all of our constituent’s needs with limited resources. We must work together so that all state and local critical infrastructure needs are addressed. Our economy, workers and the traveling public are depending on us.

Thank you for your time and consideration, and we are available to answer any questions you may have.