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MEMORANDUM OF SUPPORT

BILL: A.9008-A (Budget – Part Q) / S.6408-A (Budget – Part Q)

SUBJECT: Transfer the New York State Canal Corporation to the New York Power Authority

DATE: March 8, 2016

The Associated General Contractors of New York State (AGC NYS) the leading statewide trade association representing union and non-union construction companies supports A.9008-A (Budget – Part Q) / S.6408 (Budget – Part Q) which would authorize the transfer of the New York State Canal Corporation from the New York State Thruway Authority to the New York Power Authority.

For more than 60 years, the Thruway System has been essential for commerce and travel in the Northeast. About one-third of all vehicles using the Thruway are from out of state. The Thruway System also plays a vital role in New York State's economy. This 570-mile superhighway, with 809 bridges, 118 interchanges, 11 toll barriers, and 27 travel plazas, connects New York's principal cities, rural areas, and tourist destinations.

According to the Thruway Authority, our aging infrastructure was not designed to accommodate today's traffic demands. While visible pavement conditions may appear to be good in many areas, to date just 10 percent of the original Thruway pavement has been fully reconstructed and eight of every ten Thruway bridges are nearing the end of their useful service life. Heavy truck traffic, intense and frequent weather systems, and severe winter weather including numerous freeze-thaw cycles all result in roadway deterioration, which in turn necessitates extensive and costly repairs to roads and bridges to keep them safe and in good condition.

The transfer of the New York State Canal Corporation to the New York Power Authority is a long overdue reform supported by AGC NYS which will relieve the Thruway Authority from \$85 million in annual maintenance and operational expenses. The additional funding must be reinvested into the repair and reconstruction of the deteriorating Thruway roads and bridges.

An additional provision included in A.9008-A (Budget – Part Q) / S.6408-A (Budget – Part Q) includes the Thruway Authority takeover of personnel costs of the Division of State Police Troop T. While AGC NYS supports the transfer of the New York State Canal Corporation to the New York State Power Authority, transferring personnel costs of Troop T to the New York State Thruway Authority constitutes a net loss of toll revenue to the financially strapped Thruway Authority. Therefore, AGC NYS urges the Legislature to oppose the Troop T transfer back to the Thruway Authority.