



## **2005 REBUILD AND RENEW TRANSPORTATION BOND ACT** **Critically Important Legislation for New York State**

The American Council of Engineering Companies of New York (ACEC New York), an organization representing over 240 engineering firms totaling more than 15,000 employees in New York State, supports and aggressively seeks passage of the \$2.9 billion 2005 Transportation Bond Act. A critical component of the state's five-year \$35.8 billion transportation plan, the bond act will help leverage the potential of transportation development--generating economic growth, creating good-paying jobs, ensuring the protection of public safety and greatly improving the quality of life for all New Yorkers.

The economic benefits of maintaining and improving highways, bridges and mass transit systems across New York State, as delineated in the five-year plan, are well documented:

- Every dollar spent on infrastructure returns an estimated four dollars to the state's economy.
- The Federal Highway administration projects that 42,100 jobs are created for every \$1 billion in construction spending, statewide.
- Every \$1 million in direct construction and engineering spending generates nearly 18 jobs in New York City and a total of 26 jobs in the Metropolitan region.

The economic benefits of the bond act can be quantified as well. Evenly distributing \$2.9 billion in funding between New York State Department of Transportation (NYSDOT) and Metropolitan Transportation Authority (MTA) projects, the bond act will benefit all regions of the state, generating jobs in the construction industry as well as for suppliers, bus and railcar manufacturers, trucking firms and related businesses. MTA funding alone will generate 16,000 - 35,000 average annual jobs for the next nine years, including railcar manufacturing jobs in upstate New York, which, in turn, spawn subcontractor and vendor jobs throughout the region. The dollar figures are impressive: \$25.3 billion in economic activity/sales, \$10.2 billion in wages and salaries, and \$941 million in state and local personal income and sales taxes.

Specific projects in each region of the state have already been identified for action upon approval of the bond act. The breakdown in funding is as follows:

For NYSDOT:

- *\$1.39 billion for state highway and bridge projects*--to repair and rehabilitate the state's aging bridges, enhance safety, upgrade pavement conditions and strategically invest in projects that promote economic development and job creation
- *\$50 million for non-MTA systems*--to accelerate the purchase of clean-fuel buses, including hybrid electric buses, which will support the state's efforts to improve air quality
- *\$50 million for canal corridor improvements*--to support redevelopment of the state's historic canal system, transforming the Erie, Champlain, Oswego and Seneca-Cayuga canals into major transportation and recreational areas, providing expanded economic development opportunities for canal communities and related enterprises in the entire canal corridor

- \$76 million to modernize and expand general aviation facilities--to improve security, accommodate corporate aircraft and continue enhancements in infrastructure
- \$135 million for rail and port improvements--to enhance freight and passenger movement with clearance and capacity track projects, intermodal center development and train station improvements

For the MTA, including New York City Transit, the Long Island Rail Road and Metro-North Railroad:

- \$450 million for East Side Access
- \$450 million for the Second Avenue Subway
- \$100 million for the JFK Rail Link
- \$450 million for core infrastructure needs, including ongoing repairs to enhance the reliability and quality of the transportation system, and renewal and improvement of existing infrastructure

According to the American Society of Civil Engineers' 2005 *Report Card for America's Infrastructure*, 34 percent of New York's major roads are in poor or mediocre condition, and 38 percent of the state's bridges are structurally deficient or functionally obsolete. If the bond act is not passed, it is clear that the state's economy and citizens will suffer. Approximately \$54 billion in investments, which have been made in New York State infrastructure over the past decade, will be compromised. Major capital projects planned under the five-year State and MTA capital plans will be severely delayed, and, because the state will be inhibited from drawing federal money from SAFETEA-LU, the recently passed transportation legislation, it will risk losing \$7 billion in matching funds. Economic costs to business, as well as drivers and passengers, will increase, as will the harm to the environment. Overall, New York State's economy will be weakened, and the quality of life for its citizens will be diminished.

The future of New York State is at stake. Passage of the 2005 Transportation Bond Act is critically important to maintain New Yorkers' economic competitiveness--statewide, nationally and internationally--and to ensure the safety and well-being of the people who live and work in this great state.

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*The American Council of Engineering Companies of New York is the leading advocate of New York State's consulting engineering community, striving to enhance the business practices of professional engineering companies in the planning, design and construction industry. Founded in 1921, ACEC New York presently comprises over 240 private engineering firms employing more than 100,000 people worldwide.*

*(Approved August 2005)*