

## REPUBLICAN TRANSPORTATION PROPOSAL

**Constitutionally dedicate \$500 million of existing motor vehicle fees, offset with \$500 million of structural budget savings, to:**

- 1) Fully fund an annual \$1.9 billion Transportation Trust Fund program through 2014 with \$1.5 billion of pay-as-you-go funding;
  - 2) Provide the full state match for the trans Hudson tunnel project;
  - 3) Leave the TTF with a \$700 million surplus account and an uncommitted \$300 million annual revenue stream in 2014; and
  - 4) Do it all without raising the gas tax or increasing other taxes or fees.
- Democrats have been arguing that the more than \$30 billion generated by existing taxes and fees should be spent in the upcoming budget and that once all the money is gone, they will decide which tax to raise to pay for transportation projects. Apparently, they believe that every penny in the budget they are about to pass is more important than transportation infrastructure improvements.
  - Republicans refuse to accept the idea that everything in the budget that is about to pass is more important than transportation infrastructure improvements. Instead of receiving aid increases in line with inflation, favored Abbot School Districts continue to get up to 20% increases in the budget despite audits that suggest the money they already receive is poorly spent. Favored municipalities continue to get more than a hundred million from a rudderless grant program that has been strongly criticized in State audits. Hundreds of patronage employees remain on the payroll. Dozens and dozens of unaccountable or low priority programs remain funded simply because they have always been funded.
  - Republicans support a constitutional amendment that permanently dedicates \$500 million of motorist fees annually in support of transportation programs.
  - The permanent dedication of \$500 million would be enough, in conjunction with existing constitutionally dedicated revenues, to provide for an annual \$1.9 billion transportation program through at least 2014, and to provide 100% of the federally required match to pay for the proposed trans Hudson tunnel.
  - While a new \$500 million permanent dedication of funding for transportation projects would allow for all transportation projects – even those on the so-called “tier 2 list” to proceed, it is strongly recommended that Governor Corzine and the Department of Transportation review planned projects and seek alternative funding for them or scale them back. Clearly, the Governor and Legislature should be more aggressive and insist that New York or New York City pay something towards the construction of a new tunnel.

Additionally, the Governor should review discretionary grant programs that have ill-defined criteria and either reform or cancel them.

- The adequate funding level would pay for needed transportation investments considered “tier 2” by Governor Corzine: traffic congestion mitigation projects in suburban and rural areas, including route 23/80 interchange, route 206, and Monmouth Road intersection improvements; mass transportation improvements, including the M-O-M Line, Lackawanna Cut-off, and North Branch Extension.
- No new gas taxes or tolls for TTF would be forced upon the overburdened taxpayers of this state as proposed by Governor Corzine and Democrat legislators.

**Example of how additional permanent dedication of \$500 million could fund \$1.9 billion of transportation projects through 2014, fully fund the tunnel match, and leave the TTF in 2014 and beyond with a \$700 million surplus account and \$300 million of annual uncommitted revenues for future transportation programming.**

**FY 09**

- Maximum \$1.6 billion debt backed by current constitutionally dedicated funds under current TTF program in place and funded through 2011. A portion serves as part of the match for the trans Hudson tunnel project.
- + Minimum \$300 million cash pay-as-you-go for TTF program out of annual \$500 million motor vehicle fee dedication.
- + \$200 million carries forward in special surplus account to fund future projects, including the trans Hudson tunnel project.

**FY 10**

- Maximum \$1.6 billion debt backed by current constitutionally dedicated funds under current TTF program in place and funded through 2011. A portion serves as part of the match for the trans Hudson tunnel project.
- + Minimum \$300 million cash pay-as-you-go for TTF program out of annual \$500 million motor vehicle fee dedication.
- + \$200 million is added to special surplus account to fund future projects, including the trans Hudson tunnel project, bringing its total to \$400 million.

**FY 11**

- Maximum \$1.6 billion debt backed by current constitutionally dedicated funds under current TTF program in place and funded through 2011. A portion serves as part of the match for the trans Hudson tunnel project.
- + Minimum \$300 million cash pay-as-you-go for TTF program out of annual \$500 million motor vehicle fee dedication.
- + \$200 million is added to special surplus account to fund future projects, including the trans Hudson tunnel project, bringing its total to \$600 million.

**FY 12**

- Maximum \$1.6 billion debt backed by 30 year pledge of \$100 million out of annual \$500 million motor vehicle fee dedication. A portion serves as part of the match for the trans Hudson tunnel project.

- + Minimum \$300 million cash pay-as-you-go for TTF program out of annual \$500 million motor vehicle fee dedication.
- + \$100 million is added to special surplus account to fund future projects, including the trans Hudson tunnel project, bringing its total to \$700 million.

**FY 13 - \$1.9 billion TTF + tunnel commitment**

- Maximum \$1.6 billion debt backed by 30 year pledge of \$100 million out of annual \$500 million motor vehicle fee dedication.
- + Minimum \$300 million cash pay-as-you-go for TTF program out of annual \$500 million motor vehicle fee dedication.
- Special surplus account to fund future projects, including the trans Hudson tunnel project, retains \$700 million.

**FY 2014 -2027 – remaining funds for tunnel and other projects**

- Special surplus account funded at \$700 million is available to fund future projects, including the trans Hudson tunnel project.
- \$300 million annually of additional \$500 million dedication of motor vehicle fees will be available for transportation program.