



**TESTIMONY OF FRANK G. HOARE
INTERIM EXECUTIVE DIRECTOR
NEW YORK STATE THRUWAY AUTHORITY
JOINT HEARING OF THE LEGISLATIVE FISCAL AND TRANSPORTATION COMMITTEES
February 6, 2023**

Chairs Krueger, Weinstein, Kennedy and Magnarelli and distinguished members of the Senate and Assembly Fiscal and Transportation Committees; thank you for inviting me to speak today. My name is Frank Hoare, and I am the Interim Executive Director of the New York State Thruway Authority and have been with the Authority for two years serving as its General Counsel.

During this period between executive directors, we continue to move ahead with our \$412 million capital program for this year making necessary investments into the Thruway system. The overall 2023 Thruway Authority budget represents a total financial commitment of \$1.2 billion. It is a budget that is balanced and provides the resources required to maintain the current levels of maintenance, safety and service our customers expect.

Stepping back a moment for context, the Governor Thomas E. Dewey Thruway is a 570-mile superhighway spanning New York State and is one of the longest toll systems in the United States. The Thruway is comprised of more than 2,800 lane miles, 800 bridges and 134 interchanges with the majority of the system constructed in the 1950s. In 2021, Thruway customers traveled approximately 7.5 billion vehicle-miles on the highway, averaging 20.5 million vehicle-miles per day.

The Thruway Authority is operated and maintained solely as a user-fee system and is **NOT** supported by any federal, state or local taxpayer funding. Also, we did **NOT** receive any portion of the \$13 billion New York received as part of the federal Infrastructure Investment and Jobs Act. Our toll revenue goes directly toward making the Thruway one of the safest highways in the nation.

Underscoring its importance to the state and region, the Thruway is a dependable and cost-effective transportation system, and serves as a vital link to interstate travel providing a major route of access to our state's tourism anchors. It's also a principal artery of commerce and serves as a catalyst of the state's economic activity with 17 percent of our total traffic coming from commercial vehicles and about one-third from out of state.

The Authority is continuing a decade-long modernization effort that began in 2013 with construction of the Gov. Mario M. Cuomo Bridge, one of the largest bridge infrastructure projects in the country. Safety and reliability through this corridor has drastically improved as a result of the removal of the 12-lane toll plaza, wider driving lanes and the addition of emergency lanes and shoulders among many other features. In fact, we've seen crashes decrease 68 percent and this directly translates to enhanced safety for our motorists and better yet, traffic keeps moving so you can get to your destination on time.

Another recent transformative project that spans the entire Thruway is cashless tolling, which went live November 2020. Since that time, we have successfully processed more than 744 million transactions. The benefits of cashless tolling include non-stop travel that reduces congestion, improves traffic flow, includes convenient payment methods and is safer and better for the environment. Since the conversion to cashless, E-ZPass usage continues to increase and is now up to 84 percent for all trips. This demonstrates that our customers have embraced modern toll collection. And in case you were wondering, you can get an E-ZPass at 874 locations across the state and you don't need to be a NY resident to get one.

With more and more customers now familiar with a cashless toll collection system, we recognize that we need to continuously improve. We've significantly increased our outreach and education efforts -- enhancing the online system for account management and expanding the payment options to meet customer needs.

We expect all motorists using the Thruway to pay their tolls and we have enforcement tools to encourage payment because again, the Thruway receives no federal or state funding. We believe these incentives are balanced to ensure that everyone pays their fair share and we make every effort to collect every single dollar owed to us.

The vast majority of customers pay their tolls. Approximately 90 percent of toll revenues are collected in a timely manner and the remaining 10 percent is an ongoing process. The 10-percent is comprised of customers who do not have an E-ZPass and are billed through Tolls by Mail. Of this, 6-percent have paid in a timely manner and the remaining 4-percent are subject to the on-going collection process.

The Authority has the ability to charge violation fees for non-payment and contracts with a collection agency after multiple attempts to collect over a 120 day period. Finally, and we hope motorists do not get to this point, we work with DMV for vehicle registration suspension. This is a serious penalty for toll scofflaws and a last resort. These enforcement tools enable us to maintain fairness and to offer the lowest prices for our customers.

To bolster our toll collection efforts, I want to express our support for Governor Hochul's Article VII toll violation proposal (TED Bill, Part F). This bill will outlaw certain common toll evasion practices that render license plates difficult or impossible to read. This will enhance enforcement by increasing fines, seizing materials affixed for the purpose of blocking numbered plates, and allow for the denial and suspension of registrations.

Our current large-scale project that began July 2021, is the redevelopment of the Thruway's 27 service areas. This project is part of a \$450 million investment plan with Empire State Thruway Partners, where 23 of the 27 service area restaurant buildings will be rebuilt with significant renovations to the remaining four. This project is funded through a public private partnership, with **no** toll dollars, nor any federal, state or local taxpayer funding being used.

As the new service areas open, customers will experience a wider variety of healthy and improved dining options and other amenities based on a customer survey and industry trends. At select service areas, amenities will also include exterior seating with access to Taste NY farm markets, playgrounds and pet walking areas with comfort stations. Expanded commercial trucking amenities at select location will include increased parking, shower and laundry facilities and dedicated lounges.

Operating and maintaining the Thruway, while enhancing and modernizing our system, is not free. Additional revenue is required for the Authority to fulfill its ongoing debt service and capital needs through the upcoming forecast period. This is why in December 2022, the Thruway's Board of Directors authorized the first step of the public toll adjustment process. This proposal represents the first toll adjustment for NY E-ZPass customers outside the Gov. Mario M. Cuomo Bridge since 2010 which is 14 years without an increase. The proposed rates will remain below the current rates of many other toll roads across the nation.

The "Assessment" released by the Comptroller's Office on Friday, fails to appreciate these points. The document was released outside of the Comptroller's own audit procedures and Thruway was not contacted to provide additional information or respond to any of the assertions and assumptions made in that report. As a result, the Assessment contains inaccurate and misleading findings, and does not address the revenue needed to operate, maintain, and construct a safe and reliable transportation system.

Beyond the bridge, cashless tolling and the service area renovation project, the Authority continues to invest in technology that improves the safety of our workforce and the traveling public. Innovations are visible in our on-board snow plow systems, our use of drones for various inspections, and our partnership with DHSES and SUNY for a real-time weather monitoring system known as Mesonet. I note that, over the past several years, we're proud to say we've significantly improved our statewide MWBE utilization numbers, more than doubling the rate.

Our accomplishments are made possible because of the commitment from the 1700 men and women of the Thruway Authority. Their dedication and professionalism ensure that the Thruway continues to be a safe and reliable highway for all motorists. The most recent example of their selflessness and dedication is the back-to-back historic storms in the Buffalo region. Our team worked non-stop through the holidays plowing the roads, rescuing stranded motorists and assisting with medical emergencies, among many other heroic acts. The Thruway Authority, hands down, has the best team in the nation.

In closing, please know that I remain committed to keeping the Thruway the safest and most convenient means of travel in the state. Whether one is commuting to work, visiting friends or family, enjoying the recreational opportunities around our state, or supporting the freight economy, the Thruway will take you there.

Thank you for your time. I'm happy to answer any questions you may have.