



MEMORANDUM IN OPPOSITION

S.7508 (Budget Bill) / A.9508 (Budget Bill) TED Article VII - Part F, §§ 1 and 2 (DOT ROW Fee)

AN ACT to amend the highway law and the transportation corporations law, in relation to occupancy of the state right of way for a fee

The Capital Region Chamber, representing over 2,400 businesses and organizations from throughout the Capital Region that employ more than 150,000 area residents, opposes Part F, sections 1 and 2 of S.7508 /A.9508, which would authorize the Department of Transportation to impose right of way fees on private broadband companies.

New York State continually ranks at or near the bottom in terms of our business climate. By imposing this new right of way fee, the state would be moving in completely the wrong direction. The state should be encouraging, not preventing, private investment — such as investment in fiber optics — that will help bring the latest technologies to the state and thus make us more competitive. The Chamber understands how important it is for businesses and our communities in the Capital Region to have access to quality broadband and we welcome this investment.

There is no justification for imposing this new right of way fee in order to fund highway and bridge repairs. Such infrastructure repairs should be funded through a broad-based mechanism, not by imposing this fee exclusively on companies deploying fiber optic cable. It should be noted that this is the very industry that the Governor and the Legislature are relying on to make further substantial investments in broadband-capable facilities. The state should be encouraging not deterring these companies from making such investments in New York State.

This budget proposal would also prohibit companies that are subject to this new fee from passing on the costs of the fee to their customers. This is unfair to private companies and is simply an unreasonable attempt by the state to hide a new tax from consumers.

The Chamber strongly encourages the state to pursue policies that make the state more competitive and improve our overall business climate. This proposal would move the state in the wrong direction.

For these stated reasons, the Capital Region Chamber opposes this budget proposal.

At the Center of New York's Tech Valley
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