



U.S. Department
of Transportation
Federal Highway
Administration

Office of the Administrator

400 Seventh St., S.W.
Washington, D.C. 20590

July 15, 1996

Refer to: HPD-1

The Honorable Daniel Patrick Moynihan
United States Senate
Washington, DC 20510-3201

Dear Senator Moynihan:

Thank you for your April 22 letter regarding the proposed relocation of the Miller Highway in New York City. I appreciate your letting me know of your concern about the decision to prohibit the use of additional Federal-aid highway funds for the current environmental study of the proposal.

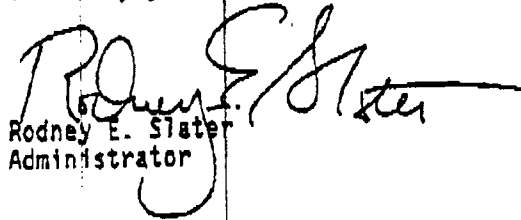
In recent years, Congress has included several provisions regarding the Miller Highway in transportation legislation. The Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) authorized funds for "Improvements on Miller Highway in New York City, NY." The Department of Transportation's appropriations act for fiscal year (FY) 1996 states that, "None of the funds made available in this Act may be used for improvements to the Miller Highway in New York City, New York." As you noted, however, the National Highway System Designation Act of 1995, which was enacted after the FY 1996 appropriations act, revised the project description in ISTEA to include redevelopment of the James A. Farley Post Office, Pennsylvania Station, and associated service buildings. The authorized funds were divided, with \$4,440,398 earmarked by Congress for the Miller Highway improvements.

Thus, Congress transferred most of the funds originally authorized for the Miller Highway to other projects. Based on discussions with the New York State Department of Transportation (NYSDOT) and the Empire State Development Corporation, our Division Office staff in Albany became concerned that work underway would exceed the reduced amount (\$4,440,398) currently authorized by Congress. Having expressed concern to NYSDOT on December 22, 1995, about the cost and scope of the work underway, our Division Office issued the Federal-Aid Ineligibility Notice (FAIN) on January 17, 1996. It stated that any work on the consultant agreement after December 22, 1995, would be ineligible for reimbursement. This action was necessary to ensure that the cost of the consultant work stays within the amount Congress authorized for the work.

You mentioned our Division Office's belief that additional expenditures on the consultant work are not in the public interest. This view was contained in the Division Office's January 23 memorandum to NYSDOT (copy enclosed) clarifying the issues surrounding the FAIN. The comment was prompted by the fact that, to date, State and local officials have not included any further work on the Miller Highway improvements in the long-range statewide or metropolitan transportation plans (covering 20 years or so) or the shorter range transportation improvement programs (TIP) spanning 3 years of projects. If the improvements are scheduled beyond the period covered by the TIP, it is very likely that additional funds would be needed to reevaluate the current environmental documentation because of the time that will have elapsed since completion of the earlier documentation.

I believe the FAIN is consistent with the intent of Congress, as expressed in the National Highway System Designation Act of 1995, to limit expenditures on the Miller Highway to \$4,440,398. However, please let me know if you need any additional information on this matter.

Sincerely yours,



Rodney E. Slater
Administrator