

1 **2022 Legislative Conference**  
2 **Standing Committee on Transportation and Public Works**  
3 **Resolution #1**

4 **Resolution Urging the Enactment of an Increase in the Statutory CHIPS**  
5 **Bidding Threshold**

6 **WHEREAS**, under current law, the local assistance funds allocated for local street or  
7 highway projects under the Consolidated Local Street and Highway Improvement  
8 Program (CHIPS) are used to undertake work on projects either with the municipality's  
9 own resources and work forces or by competitively bid contracts; and

10 **WHEREAS**, when the estimate for the contract work exceeds \$350,000 the work must  
11 be competitively bid in accordance with the provisions for competitive bidding in the  
12 General Municipal Law; and

13 **WHEREAS**, raising the competitive bidding threshold for highway projects is  
14 necessary to compensate for increases in inflation impacting material, transportation,  
15 labor, equipment and other highway construction costs; and

16 **WHEREAS**, Governor Kathy Hochul included an increase in the current cost threshold  
17 from \$350,000 to \$750,000 over which local highway and bridge construction work  
18 under the CHIPS program must be competitively bid in the 2022-2023 Executive  
19 Budget; and

20 **WHEREAS**, the Governor justifies the need for the increase in the minimum  
21 competitive bid threshold to mitigate the inflationary impacts on materials, labor,  
22 equipment and other construction related costs and maintains that enactment of this  
23 increase is necessary to allow more flexibility for municipalities.

24 **NOW, THEREFORE, BE IT RESOLVED**, that the New York State Association of  
25 Counties (NYSAC) supports the adoption of budget language that increases the CHIPS  
26 bidding threshold to give municipalities flexibility and the option to bid out or perform  
27 in-house projects that cost less than \$750,000 to allow more opportunities for county  
28 governments to act to minimize the cost of its transportation projects on behalf of local  
29 taxpayers; and

30 **BE IT FURTHER RESOLVED**, that copies of this resolution be sent to the counties  
31 of New York State encouraging member counties to enact similar resolutions; and

32 **BE IT FURTHER RESOLVED**, the New York State Association of Counties shall  
33 forward copies of this resolution to Governor Kathy Hochul, the New York State  
34 Legislature and all others deemed necessary.