

**TESTIMONY PRESENTED TO THE FINANCE REVENUE AND BONDING
COMMITTEE
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Testimony Supporting Senate Bill No.1004

AN ACT CONCERNING THE AUTHORIZATION OF SPECIAL TAX OBLIGATION BONDS OF THE
STATE FOR CERTAIN TRANSPORTATION PURPOSES

Senator Daily, Representative Widlitz and distinguished members of the Finance Revenue and Bonding Committee thank you for the opportunity to offer testimony on Senate Bill No. 1004, An Act Concerning the Authorization of Special Tax Obligation Bonds of the State for Certain Transportation Purposes.

This bill authorizes \$503.4 million of Special Tax Obligation Bonds (STO) in FY 2012 and \$515.2.4 million in FY 2013 to finance the capital programs of the Department of Transportation.

The bill authorizes significant funding for the fix-it-first program and provides additional funding for bus and rail projects beyond the normal program requirements. There is also increased investment in support facilities to enhance efficiency and save money.

Most notably, the bill adjusts the annual road resurfacing bond authorizations to align with the paving season. Senate Bill No. 1005, which requires immediate passage, provides the resurfacing funds for the coming 2011 paving season. The resurfacing funds under this bill are for the 2012 and 2013 paving seasons. This adjustment will result in maximization of the short paving season and an early passage bill like Senate Bill No. 1005 will no longer be necessary in the future.

The program requests are as follows:

	<u>FY2012</u>	<u>FY2013</u>
Fix-it-First Program for Bridges	\$ 66,150,000	\$ 64,129,000
Fix-it-First Program for Roads	39,146,000	57,600,000
Capital resurfacing and related projects	68,900,000	68,900,000
Environmental Compliance	13,000,000	11,205,000
Interstate Highway Program	13,000,000	14,950,000
Intrastate Highway Program	44,000,000	44,000,000
State Bridge Improvement Program	33,000,000	33,000,000
Urban Systems Projects	8,500,000	8,500,000
Department facilities including alterations and repairs	37,520,993	16,555,168
Cost of Issuance and Debt Service reserve	21,300,000	21,300,000
Bus and rail facilities and equipment, including rights-of-way	156,722,000	167,000,000
Development and Improvement of General Aviation Airports	2,000,000	2,000,000
Reconstruction/improvements to the State Pier, New London	<u>200,000</u>	<u>6,100,000</u>
TOTAL -	\$503,438,993	\$515,239,168

These funds are expected to leverage approximately \$1.9 billion in Federal funds in fiscal year 2012 and \$1.4 billion in fiscal year 2013.

I would like to again thank the committee for the opportunity to present this testimony. I respectfully request the committee support this bill and I will be happy to answer any questions you may have.