



# STATE OF CONNECTICUT

## DEPARTMENT OF TRANSPORTATION

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Commissioner

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**Public Hearing – March 8, 2013**  
**Transportation Committee**

**Testimony Submitted by Commissioner Jim Redeker**  
**Department of Transportation**

**Raised S. B. 849 – An Act Concerning Local Bridge Program Reform and Establishing a Local Transportation Capital Program.**

The Department of Transportation (ConnDOT) is pleased to support Governor Malloy's Raised S.B. 849, AAC Local Bridge Program Reform and Establishing a Local Transportation Capital Program. Specifically, the proposed bill will:

- (1) create a new State program for municipalities to perform capital improvements with less burdensome requirements; and
- (2) reform the current Local Bridge Program to encourage participation in the program, streamline the administrative process, reduce the number of deficient municipal bridges, and reduce the cost to the State of inspecting decayed municipal bridges.

Funding for the programs is provided for in the Governor's transportation capital legislation S.B. 842 - AA Authorizing and Adjusting Bonds of the State for Capital Improvements, Transportation and Other Purposes. \$15 million is proposed for the Local Bridge Program in Fiscal Year 2014 and \$45 million is proposed for each Fiscal Year 2014 and 2015 to implement the Local Capital program.

### **Local Transportation Capital Program**

The legislation proposes ConnDOT administer a reimbursable Local Transportation Capital Grant Program for local governments. The Commissioner would request State bond allocations supported by the State Transportation Fund as part of the budget process. If funded, the program is intended to make capital funding available to local governments in lieu of federal transportation funding currently available and administered through the Department. The annual budget request would coincide with the anticipated federal funding levels available for the local transportation program.

This proposal is put forth in an effort to implement efficiencies in state government and streamline the flow of capital transportation funding to cities and towns.

Federal transportation authorizations have historically contained provisions that allow utilization of certain portions of the funds on locally owned assets; but federal funds are typically more difficult to use and administer than state funds. This was particularly apparent with the federal stimulus program in which a significant percentage of the funding was directed to local governments. It is generally recognized that the constraints and regulations attached to federal funds can be burdensome.

ConnDOT is heavily reliant on federal funds and is essentially organized to carry out a federal program. Town governments are not. This proposal will make ConnDOT's oversight role easier and of course the local governments will find the state funds easier to use. Furthermore, the state funding provided to the local governments should buy more capital improvement and less administration.

The Department has initiated discussions with the various MPO's regarding administration of the new grant program. There is support in those organizations for the conceptual change though the specifics of program have not been settled.

#### Local Bridge Program Reform

The second part of the bill revises CGS 13a-175p through 13a-175w to encourage participation in the Local Bridge Program and assist municipalities in reducing the number of deficient municipal bridges by increasing the reimbursement rate to municipalities, removing the current 15% cap on engineering costs, streamlining administrative requirements and extending the deadline for submitting applications.

The purpose of the changes is to increase the available funding, encourage participation in the program, streamline the administrative process, reduce the number of deficient municipal bridges, and reduce the cost to the State of inspecting decayed municipal bridges. As of August 2012, there were at least 256 structurally-deficient municipal bridges eligible under the Local Bridge program (the number of deficient municipal bridges is likely higher than this, because municipal bridges with spans less than 20 feet are not inspected by the Department). ConnDOT inspects local bridges with spans greater than 20 feet and notifies municipalities of our findings, however, all available funds in the Local Bridge Revolving Fund are already committed to existing projects, and the Department does not have another funding source to assist cities and towns. Unless a municipality can come up with its own funding to rehab or replace a bridge in town, they will eventually have to close these structures once they are deemed to be unsafe. Municipalities have asked often for renewal of the program and are extremely supportive of the changes.

Current statute allows for grants and loans to municipalities. At present, the grant percentage is calculated based upon a formula which takes into account the municipality's Adjusted Equalized Net Grand List per Capita, and varies from a minimum of 10% up to a maximum of 33% of the allowable project costs. The Department is proposing to increase the minimum grant to 15%, and the maximum grant to 50%, to make it more enticing to municipalities to initiate bridge projects.

In addition to grants, loans were historically available for up to 50% of project costs, with the interest rate set in statute at 6% (6% was a low interest rate at the time it was established in the mid-1980s). Because most municipalities require a larger loan to complete a bridge project than current statute allows, and most municipalities can borrow from other sources at lower interest rates, this loan program had not been utilized to any significant degree in many years. In fact, the last remaining loan under this program was paid off in June 2012. Therefore, the removal of the loan provision from the Local Bridge Program will have no negative impact on municipalities, and doing so will avoid the complexities of administering a loan program.

For further information or questions, please contact Pam Sucato, Legislative Program Manager for the Department of Transportation at (860) 594-3013 or [pamela.sucato@ct.gov](mailto:pamela.sucato@ct.gov).