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**Senate Joint Resolution No. 23
Resolution Proposing An Amendment To The State Constitution Limiting The Use
Of Moneys Contained In The Special Transportation Fund**

Committee on Transportation

March 5, 2014

CCIA Position: Supports

The Connecticut Construction Industries Association is comprised of a number of substantial firms in various sectors of the construction industry who have a long history of providing quality work for the public benefit and a great deal of experience providing materials to and building transportation projects to support all modes of travel in the state. Those firms include building contractors, heavy civil contractors, utility contractors, transportation contractors, quarry operators, asphalt producers, ready mixed concrete producers, and equipment dealers that make up an important part of the state's workforce, and economy. They play a key role in providing safe and efficient transportation to the traveling public.

CCIA supports Senate Joint Resolution No. 23, a Resolution Proposing An Amendment To The State Constitution Limiting The Use Of Moneys Contained In The Special Transportation Fund because even though the General Assembly and the Administration have made strides over the past several years to increase state investment in transportation, needs continue to outpace investments in all modes, and every dollar of available funding must be protected and put to good use towards improving our transportation systems.

Federal transportation funding can no longer be expected to be the mainstay to support Connecticut's transportation needs. The Eisenhower Interstate Highway System was built over 35 years ago at a cost of \$425 billion in 2006 dollars. At that time, the federal contribution was 90% of the \$425 billion, which covered up to 95% in some states.

Today, the American Society of Civil Engineers' 2013 Report Card states that the United States needs \$3.6 trillion dollars in infrastructure investments by 2020. At that level, the federal government cannot be expected to contribute 90% of what it is going to take to rebuild the interstate highway system, modernize our transit systems and expand capacity across all modes, especially when maintaining the current level of federal commitment can no longer be supported by the current revenue stream.



Under the current federal surface transportation funding scheme, when the long-range authorization legislation, MAP-21, expires, Connecticut faces a potential 87% cut in federal highway apportionment in 2015 unless Congress and the Obama Administration find new revenues to support the program. This could be a drastic cut. In Federal Fiscal Year 2014, Connecticut will receive approximately \$489 million in core federal highway funding. Without new revenues on the federal level, that funding will be cut to \$60 million in Federal Fiscal Year 2015. Transit and other programs could face similar cuts.

Another reason why it is important for Connecticut to protect every dollar of available state transportation funding is that changes in federal transportation policy under MAP-21 do not favor Connecticut. In that bill:

- There was an increase in the guaranteed rate of return to all states' formula funding to 95%, which reduced Connecticut's share of the formula funds from over 120% on every dollar that went to Washington to under a dollar.
- There was a reduction in programs and an increase in the percent of the overall funding distributed under formulas, which exacerbates the increase in the rate of return by applying it to more funding.
- There were no earmarks, which helped Connecticut maintain its federal funding levels in the previous bill, SAFETEA-LU, at no cost to the state.
- There was an increase in TIFIA funding. Connecticut is not prepared to apply for funding under this program. Additionally, similar to other competitive grant programs, it will cost the state time, money, and resources to participate in the competition. Moreover, Connecticut will need to have projects ready to go to compete under competitive grant programs, which is challenging at this time.
- More flexibility to use tolls is provided as relief for a lack of funding. Connecticut is not prepared to take advantage of this.

All of this means that Connecticut is going to have to figure out how to pay for growing transportation needs with state and local investments. Connecticut has to maintain its infrastructure in a state of good repair; modernize its systems; and add capacity across all modes. Protecting every dollar of available state transportation funding is the key to moving forward.

Please contact Don Shubert, CCIA President, at 860-529-6855, or at dshubert@ctconstruction.org if you have any questions or if you need additional information.