Appropriations Committee Public Hearing
Written Testimony by Capitol Region Council of Governments
On the Agency Presentation on Transportation Funding
March 4, 2019

CRCOG Opposes:

• Elimination of General Obligation Bonds for Transportation
• Elimination of Scheduled Car Sales Tax Diversion from the General Fund to Special Transportation Fund

Senator Osten, Representative Walker, Senator Formica, Representative Lavielle and Members of the Appropriations Committee:

As the largest Metropolitan Planning Organization (MPO) for transportation funding in CT, CRCOG has a lot at stake in maintaining a state of good repair for infrastructure and a transit and train system that provides access to jobs in the region and beyond.

We have serious concerns about two provisions in the proposed biennial budget that we believe have serious negative consequences for the transportation system in our region and the state.

Specifically, CRCOG does not support the elimination of $250 million of General Obligation bonding to supplement the Special Tax Obligation bonds supporting the current schedule of transportation capital investments. Such a reduction would very negatively impact the many vital projects currently in the pipeline now and for years to come. We understand that other testimony by the Connecticut Department of Transportation has provided detail on the impact of this move to restrict the number of new projects that advance in the current and future years.

Additionally, CRCOG opposes holding level the diversion of the car sales tax from the General Fund at eight percent. The best estimate of the loss of revenue to the Special Transportation Fund over five years would be approximately $850 million.

Last year, a shortage of revenues to Special Transportation Fund led to transit and train fare increases, services cuts and project deferments. The fund requires a surplus to support issuance of Special Tax Obligation bonds. Last year the General Assembly passed a measure to expedite the schedule for the diversion of the car sales tax from the General Fund to the Special Transportation Fund precisely to provide several years of adequate funding to avoid those fare increases, service cuts and project deferments. Reversing that action would bring back the fare increases, services cuts and project deferments that were turned back.

We ask the Appropriations Committee to carefully consider these two items and their impacts on our transportation system in your deliberations. Transportation investments underpin the state’s economy and with economic growth as a core policy goal, reductions in funding the state transportation program will produce more challenges for the economy to overcome.
For more information, please contact Lyle Wray at CRCOG at 860 724 4232 or lwray@crcog.org.

Thank you for the opportunity to provide input on this important matter.