AN ACT CONCERNING “PRIORITIZE PROGRESS”.

SUMMARY

This bill requires the State Bond Commission to authorize general obligation bonds for transportation projects, up to the maximum amounts specified in Table 1. The bonds are subject to the existing statutory debt limit and bond allocation cap (see BACKGROUND). (The bill does not, however, include most of the standard provisions that typically accompany new bond authorizations.)

Table 1: Maximum Bonding Amounts, 2020-2029

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Maximum Amount ($ millions)</th>
<th>Calendar Year</th>
<th>Maximum Amount ($ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>703.7</td>
<td>2025</td>
<td>623.1</td>
</tr>
<tr>
<td>2021</td>
<td>739.0</td>
<td>2026</td>
<td>659.1</td>
</tr>
<tr>
<td>2022</td>
<td>732.2</td>
<td>2027</td>
<td>699.7</td>
</tr>
<tr>
<td>2023</td>
<td>715.0</td>
<td>2028</td>
<td>699.6</td>
</tr>
<tr>
<td>2024</td>
<td>744.6</td>
<td>2029 to 2050</td>
<td>699.5</td>
</tr>
</tbody>
</table>

The bill also establishes the 13-member Transportation Strategy and Advisory Board, within the Office of Policy and Management (OPM) for administrative purposes only. The board is charged with developing, to the bill’s specifications, (1) a fiscal report on the Special Transportation Fund’s (STF) health, which it must submit annually to the governor and the Transportation, Appropriations, and Finance, Revenue and Bonding committees and (2) a transportation strategy, which it must submit to the legislature every four years.

Lastly, the bill requires the Department of Transportation (DOT) to annually submit, starting by October 1, 2020, a priority project report that identifies the 20 transportation projects that are a priority for the department and provides other information related to the status and
budgets of transportation projects.

EFFECTIVE DATE: July 1, 2019

§ 1 — TRANSPORTATION STRATEGY AND ADVISORY BOARD

Board Membership and Procedures

The bill establishes a 13-member Transportation Strategy and Advisory Board, consisting of (1) the transportation commissioner or his designee; (2) the OPM secretary or her designee; (3) the Treasurer or his designee; (4) the executive directors of the Connecticut Airport Authority and the Connecticut Port Authority, or their designees; and (5) eight appointed members, as shown in Table 2. Appointed board members serve four-year terms, except that the initial term lengths are staggered as shown in Table 2. Initial appointments must be made by September 1, 2019. Members may serve more than one term.

<table>
<thead>
<tr>
<th>Appointing Authority</th>
<th>Number of Appointments</th>
<th>Qualifications</th>
<th>Initial Term Length</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senate President Pro Tempore</td>
<td>One</td>
<td>Expertise in mass transit</td>
<td>Four years, ending July 1, 2023</td>
</tr>
<tr>
<td>Senate Majority Leader</td>
<td>One</td>
<td>Large business representative</td>
<td>Four years, ending July 1, 2023*</td>
</tr>
<tr>
<td>Senate Minority Leader</td>
<td>One</td>
<td>Small business representative</td>
<td>Unclear**</td>
</tr>
<tr>
<td>House Speaker</td>
<td>Two</td>
<td>Connecticut Conference of Municipalities representative Connecticut Council of Small Towns representative</td>
<td>Two years, ending July 1, 2021</td>
</tr>
<tr>
<td>House Majority Leader</td>
<td>One</td>
<td>Expertise in transportation for people with mobility impairments</td>
<td>Three years, ending July 1, 2022</td>
</tr>
<tr>
<td>House Minority Leader</td>
<td>One</td>
<td>Transportation advocacy organization representative</td>
<td>Four years, ending July 1, 2023</td>
</tr>
<tr>
<td>Governor</td>
<td>One</td>
<td>Commuter advocacy organization representative</td>
<td>Four years, ending July 1, 2023*</td>
</tr>
</tbody>
</table>

* Unspecified; thus, presumably defaults to a four-year term
** Specifies both a two- and three-year term, and it is unclear which applies

Vacancies must be filled by the appointing authority, and members must serve until their successors are appointed. Vacancies that occur other than by term expiration must be filled for the unexpired term’s
balance.

Under the bill, the governor selects the chairperson from among the board’s members. The chairperson must schedule the board’s first meeting, which must be held by November 1, 2019. A majority of the board constitutes a quorum.

Board members must serve without compensation and cannot be reimbursed for expenses incurred in performing their duties.

**Board Powers**

The bill gives the board the following powers and duties:

1. conduct an annual public hearing to receive comments on the current state of mass transit services, transportation infrastructure, and other transportation matters;

2. obtain assistance and data from any executive department, board, commission, or other agency as is necessary and available to carry out the bill’s purposes; and

3. perform other acts that may be necessary and appropriate to carry out the duties in the bill, including developing the STF report and the transportation strategy.

**§ 2 — STF REPORT**

The bill requires the board to annually report, beginning by December 1, 2020, on the STF’s fiscal health to the governor and the Transportation, Appropriations, and Finance, Revenue and Bonding committees. The report must include the following:

1. a fiscal analysis of the STF’s current sustainability based on current revenue and long-term projections of expenses;

2. recommendations for possible changes to taxes, fees, and other sources of revenue to increase the STF’s sustainability;

3. a list of recommended priorities for transportation projects that will require bond authorizations;
4. recommendations for legislation to meet the transportation needs of the state and proposed changes regarding (a) the Connecticut Port Authority and the Connecticut Airport Authority and (b) the Metro-North Commuter Railroad to the extent permitted by the Metro-North operating agreement.

§ 3 — TRANSPORTATION STRATEGY

The bill requires the board to submit a transportation strategy to the legislature every four years, beginning by January 1, 2021.

In developing the transportation strategy, the board must consider the following:

1. the strategic concerns associated with the movement of people and goods;

2. the technological and multimodal transportation options, including transportation by rail, road, air, or water, available to address such concerns;

3. the relationship of such concerns and options to sustainable economic growth, environmental quality, urban development, open space, open space preservation, state residents’ access to employment, and public safety;

4. the state’s connectivity to the northeast, continental, and international economies and that the mobility of people and goods within the state are critical to vibrant and sustainable economic growth;

5. the integration of brownfield remediation, affordable housing, and access to employment that should occur as a result of implementing the strategy;

6. the need to engage local planning agencies and other relevant constituencies in developing the strategy;

7. the need to engage representatives of the state's major transportation assets and of the transportation industry in the
strategy to help ensure that the strategy is multimodal and integrated;

8. the benefits of technology to expand capacity, enhance safety, provide information, and access funding alternatives;

9. the need to fully explore the sources and methodologies for (a) funding investments in transportation infrastructure and (b) annual operating and maintenance costs and the regulations applicable to the expenditure of federal and state funds;

10. the development, renovation, and expansion of Bradley International Airport;

11. the state conservation and development plan;

12. that transportation is a cornerstone of the state's economic vitality and overall quality of life and is therefore inextricably linked to other key policies that deal with the state's future, including land use planning, environmental quality, urban vitality, and access to quality jobs and services for the state's residents;

13. that the benefits of leveraging existing transportation assets and infrastructure, especially in urban centers, and the reduction of automobile-oriented demands are highly desirable;

14. that the development of appropriate metrics, methodologies, and standards is essential for determining customer needs, evaluating the return on transportation investments, and the prioritization of specific projects;

15. that the state needs to play a leadership role with other northeastern states and the eastern Canadian provinces in developing and advocating a transportation strategy for the northeast region of the continent; and

16. that the analyses and decision-making related to transportation initiatives in the strategy needs to be done expeditiously within
the existing statutory and regulatory framework and that any amendments to the statutes or state regulations that are needed to achieve such objectives should be identified.

The board must also take into account that the role, including the role of financial incentives, of private sector companies, public agencies, and institutions needs to be clearly defined with respect to:

1. encouraging and supporting employees to use public transportation;

2. providing employees with appropriate alternatives to the locations at which and the times they perform their work, including, flexible working hours and telecommuting;

3. developing an effective means for delivering goods within and through the state; and

4. encouraging different sectors to participate with the state in specific initiatives.

§ 4 — PRIORITY PROJECT REPORT

Starting by October 1, 2020, the bill requires the DOT commissioner to annually report to the board a priority projects report that identifies the 20 transportation projects that are in the planning, design, or construction phase and are a priority for DOT, including whether each project is:

1. scheduled to be substantially completed by the originally expected completion date;

2. under budget or on budget and, if not, the amount over the budgeted amount and the reasons for the overage;

3. subject to a change order and the amount and reason for the order.

DOT must also include in the priority project report all
transportation projects:

1. that are at a stage where construction can begin but for which no funding has been provided;

2. for which the Bond Commission has authorized bond issuances but construction has not begun, including the date the issuances were authorized by the commission, the reasons construction has not begun, and the date DOT expects construction to begin; and

3. that DOT expects to become a priority within the next 30 years based on use, traffic demands, and the transportation mode’s integrity.

BACKGROUND

Statutory Debt Limit

Existing law prohibits the legislature from authorizing General Fund-supported debt (e.g., bonds, notes, or other evidences of indebtedness) that exceeds 1.6 times the estimated net General Fund tax receipts for the fiscal year of authorization, with certain exclusions (CGS § 3-21(a)).

Bond Allocation Cap

Existing law caps at $2 billion (annually adjusted for inflation) the amount of general obligation (GO) or credit revenue bonds the Bond Commission may allocate in each calendar year, excluding any GO bonds issued for transportation projects in 2018 and 2019 (CGS § 3-20(d)(2)).

Related Bill

SB 1142, favorably reported by the Finance, Revenue and Bonding Committee, establishes the Strategic Transportation Planning Commission and charges it with, among other things, (1) defining the overarching goals that will guide the state’s transportation investments and (2) preparing a report with its recommendations.

COMMITTEE ACTION

Finance, Revenue and Bonding Committee
Joint Favorable

Yea  34  Nay  15  (05/01/2019)