



STATE OF CONNECTICUT

OFFICE OF POLICY AND MANAGEMENT

Banking Committee

March 2, 2021

Testimony of Secretary Melissa McCaw, Office of Policy and Management In Opposition to Senate Bill 150 An Act Establishing the Connecticut Infrastructure Authority

Chairs Kasser & Doucette, Vice Chairs McCrory and Gucker, Ranking Members Berthel & Delnicki, and honorable members of the Banking Committee:

Thank you for the opportunity to submit testimony in opposition to Senate Bill 150 An Act Establishing the Connecticut Infrastructure Authority.

This bill sets up a new quasi-public authority to receive and disburse funds for a variety of infrastructure projects. The mandate is broad and appears to duplicate the work of a number of existing state and regional agencies, including the Department of Transportation (DOT) and the Connecticut Green Bank (CGB). The bill describes policies under which the bank might compete with those agencies for funding of various kinds, including federal transportation funds or new state taxes or fees to support infrastructure projects. Any funds that the authority receives would be out of the same set of federal or state funds that other agencies rely on for the infrastructure programs and projects already authorized.

The diffusion of authority and duplication of effort that this bill would provide for is unwarranted and unnecessary. This is especially so at a time when we have significant issues around transportation funding that we have yet to resolve. The Special Transportation Fund faces structural deficits growing from tens to hundreds of millions of dollars within the next decade. Absent a solution on the structural imbalance and long-term viability for transportation and growth, our transportation fund is at risk of having to significantly reduce funding for capital infrastructure projects, which will further reduce our available federal matching funds.

In light of the more comprehensive fiscal issues currently facing the State and lack of certainty as to stable and reliable funding for infrastructure, a new infrastructure authority is premature at best. I appreciate the intent behind this bill. We have made strenuous efforts over the last couple of years to identify new resources to bring to bear on our infrastructure needs. That work goes on. The Administration is happy to work with anyone on that way forward, however, at this time, this particular concept is not recommended, for the reasons stated. I respectfully request that the committee oppose this bill. I would like to again thank the committee for the opportunity to present this testimony.