



Senate

General Assembly

File No. 435

February Session, 2022

Substitute Senate Bill No. 106

Senate, April 13, 2022

The Committee on Appropriations reported through SEN. OSTEN of the 19th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT CONCERNING LEGISLATIVE OVERSIGHT AND APPROVAL
FOR THE EXPENDITURE OF FEDERAL TRANSPORTATION
INFRASTRUCTURE FUNDING.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective from passage*) (a) There is established the
2 Connecticut Infrastructure Strategy Board, the members of which shall
3 be as follows:

4 (1) Five members from the private sector, shall be appointed as
5 follows: (A) The Governor shall appoint one member, who shall be the
6 chairperson, shall have expertise in transportation infrastructure, and
7 whose first term shall expire on June 30, 2027, (B) the president pro
8 tempore of the Senate shall appoint one member, who shall have
9 expertise in water and wastewater infrastructure systems, and whose
10 first term shall expire on June 30, 2026, (C) the speaker of the House of
11 Representatives shall appoint one member, who shall have expertise in
12 business, and whose first term shall expire on June 30, 2025, (D) the
13 minority leader of the Senate shall appoint one member, who shall have

14 expertise in finance, and whose first term shall expire on June 30, 2025,
15 and (E) the minority leader of the House of Representatives shall
16 appoint one member, who shall have expertise in law, and whose first
17 term shall expire on June 30, 2024;

18 (2) One member from each TIA, as defined in section 13b-57d of the
19 general statutes, for which position the chairpersons of the board of the
20 local planning agencies in such TIA, after consulting with the
21 participants in such TIA, shall nominate, for consideration by the
22 appointing authority, three individuals who live in such TIA and who
23 have significant experience in and knowledge of local, regional and state
24 governmental processes, including at least one chief elected official in a
25 municipality in such TIA, and who shall be appointed as follows: (A)
26 The chairpersons of the joint standing committee of the General
27 Assembly having cognizance of matters relating to transportation shall
28 appoint one member from the southeast corridor TIA, whose first term
29 shall expire on June 30, 2024, (B) the president pro tempore of the Senate
30 shall appoint one member from the I-91 corridor TIA, whose first term
31 shall expire on June 30, 2025, (C) the speaker of the House of
32 Representatives shall appoint one member from the coastal corridor
33 TIA, whose first term shall expire on June 30, 2026, (D) the majority
34 leader of the Senate shall appoint one member from the I-395 corridor
35 TIA, whose first term shall expire on June 30, 2027, and (E) the majority
36 leader of the House of Representatives shall appoint one member from
37 the I-84 corridor TIA, whose first term shall expire on June 30, 2027; and

38 (3) (A) The Commissioners of (i) Administrative Services, (ii)
39 Transportation, (iii) Energy and Environmental Protection, (iv)
40 Economic and Community Development, (v) Revenue Services, (vi)
41 Public Health, and (vii) Emergency Services and Public Protection, (B)
42 the Secretary of the Office of Policy and Management, and (C) the
43 Consumer Counsel.

44 (b) Upon the expiration of the term of a member of the board who is
45 appointed as provided in subdivision (1) or (2) of subsection (a) of this
46 section, each subsequent appointee to the board shall serve for a term of

47 four years. No person shall serve as a member of the board for more
48 than two consecutive terms. A vacancy in the position of an appointed
49 board member shall be filled by the appointing authority.

50 (c) The board may establish such subcommittees as it deems
51 appropriate and appoint the members of such subcommittees from
52 among its members. Ten members of the board shall be present to
53 constitute a quorum.

54 (d) The members of the board shall not be compensated for their
55 service as members of the board.

56 (e) The board may issue guidelines for coordination and
57 organization. These guidelines shall not constitute regulations, as
58 defined in section 4-166 of the general statutes.

59 (f) The Departments of Administrative Services, Transportation,
60 Energy and Environmental Protection, Economic and Community
61 Development, Revenue Services, Public Health, Emergency Services
62 and Public Protection and the Office of Policy and Management shall
63 provide staff assistance to the board. The board may hire consultants
64 with approval by the Secretary of the Office of Policy and Management
65 and such consultants shall be procured through the Department of
66 Administrative Services. All contracts for the procurement of consultant
67 services shall be posted on an Internet web site maintained by the board.

68 (g) The Infrastructure Strategy Board is a public agency, as defined in
69 section 1-200 of the general statutes, for purposes of the Freedom of
70 Information Act, and shall be deemed a quasi-public agency, as defined
71 in section 1-79 of the general statutes, for purposes of chapter 10 of the
72 general statutes.

73 Sec. 2. (NEW) (*Effective from passage*) (a) Not later than January 1, 2023,
74 the Infrastructure Strategy Board, established pursuant to section 1 of
75 this act, shall report, in accordance with the provisions of section 11-4a
76 of the general statutes, to the joint standing committees of the General
77 Assembly having cognizance of matters relating to transportation and

78 appropriations and the budgets of state agencies on an initial strategy
79 and recommended allocations for the use of funding received by the
80 state pursuant to the Infrastructure Investment and Jobs Act, P.L. 117-
81 58, as amended from time to time, for public infrastructure projects.

82 (b) In developing the strategy and any revisions, the board shall take
83 into account the Department of Transportation's comprehensive long-
84 range plans, as described in section 13b-14 of the general statutes.

85 (c) The board shall include in the strategy the criteria by which the
86 board, said commissioners, the Secretary of the Office of Policy and
87 Management and the Consumer Counsel will evaluate and prioritize
88 existing and proposed infrastructure projects based on the needs of the
89 state.

90 (d) In developing and revising the strategy, the board may: (1)
91 Conduct public hearings; (2) consult and cooperate with officials and
92 representatives of the federal government, neighboring states, interstate
93 commissions and authorities, local agencies and authorities, interested
94 corporations and other organizations concerning problems affecting the
95 state's infrastructure; (3) request and receive from any agency or other
96 unit of the government, of the state or of any political subdivision of the
97 state, or from any public authority, such assistance and data as may be
98 necessary to enable the board to carry out the board's responsibilities
99 under this section; and (4) to the extent the board may deem
100 appropriate, make use of, and incorporate in the strategy, any existing
101 long-range infrastructure plan, survey or report developed by any
102 public or private agency or person.

103 (e) (1) Copies of the strategy and revisions to the strategy shall be kept
104 on file by the board as a public record and posted on the Internet web
105 sites of the board, the Department of Transportation and the Office of
106 Policy and Management.

107 (2) Not later than December 15, 2024, and every two years thereafter,
108 the board shall update or revise the strategy, if necessary, and shall
109 submit a report concerning the strategy, in accordance with section 11-

110 4a of the general statutes, to the joint standing committees of the General
111 Assembly having cognizance of matters relating to transportation and
112 appropriations and the budgets of state agencies concerning the
113 strategy.

114 (3) The initial strategy, including the recommended funding
115 allocations, and all such updates and revisions shall be subject to
116 approval by the joint standing committees of the General Assembly
117 having cognizance of matters relating to transportation and
118 appropriations and the budgets of state agencies in accordance with
119 section 3 of this act.

120 Sec. 3. (NEW) (*Effective from passage*) (a) (1) Not later than fifteen days
121 after receipt of the report from the Connecticut Infrastructure Strategy
122 Board, established pursuant to section 1 of this act, concerning an initial
123 strategy and recommended allocations for the use of funding received
124 by the state pursuant to the Infrastructure Investment and Jobs Act, P.L.
125 117-58, as amended from time to time, for public infrastructure projects,
126 the joint standing committees of the General Assembly having
127 cognizance of matters relating to transportation and appropriations and
128 the budgets of state agencies shall hold a meeting to report their
129 approval or modifications, if any, of such recommended allocations to
130 the board. If said joint standing committees do not act within fifteen
131 days after receipt of the board's recommended allocations for the use of
132 such funding, such recommendations shall be deemed approved.

133 (2) Disbursement of such funds by the Secretary of the Office of Policy
134 and Management shall be in accordance with such partial or final
135 allocations, as approved or modified by said committees, and no
136 disbursement of such funds shall occur prior to said committees
137 reporting their approval or modifications to the board.

138 (b) (1) On and after July 1, 2024, not later than fifteen days after receipt
139 of any funds by the state pursuant to the Infrastructure Investment and
140 Jobs Act, P.L. 117-58, as amended from time to time, the board shall
141 submit recommended allocations of such funds to the joint standing
142 committees of the General Assembly having cognizance of matters

143 relating to transportation and appropriations and the budgets of state
144 agencies. Not later than fifteen days after receipt of such report, said
145 joint standing committees shall hold a meeting to report their approval
146 or modifications, if any, of such recommended allocations to the board.
147 If said joint standing committees do not act within fifteen days after
148 receipt of the board's recommended allocations for the use of such
149 funding, such recommendations shall be deemed approved.

150 (2) Disbursement of such funds by the Secretary of the Office of Policy
151 and Management shall be in accordance with such partial or final
152 allocations, as approved or modified by said committees, and no
153 disbursement of such funds shall occur prior to said committees
154 reporting their approval or modifications to the board.

155 (c) If it is determined that any amount allocated and approved or
156 modified pursuant to subsection (a) or (b) of this section is not allowable
157 under guidance provided by the federal government, including, but not
158 limited to, the United States Treasury, the Secretary of the Office of
159 Policy and Management shall immediately notify the joint standing
160 committees of the General Assembly having cognizance of matters
161 relating to transportation and appropriations and the budgets of state
162 agencies of the specific amount and recipient of such allocation and the
163 reason for such determination.

164 (d) (1) The secretary shall report any proposed change in the
165 recommended allocations made pursuant to this section to the board
166 and the joint standing committees of the General Assembly having
167 cognizance of matters relating to transportation and appropriations and
168 the budgets of state agencies. Not later than fifteen days after receipt of
169 such report, said committees shall hold a meeting to report their
170 approval or modifications, if any, of such recommended allocations to
171 the secretary. If said joint standing committees do not act within fifteen
172 days after receipt of the secretary's recommended allocations for the use
173 of such funding, such recommendations shall be deemed approved.

174 (2) Disbursement of such funds shall be in accordance with such
175 partial or final allocations, as approved or modified by said committees,

176 and no disbursement of such funds shall occur prior to said committees
177 reporting their approval or modifications to the secretary.

178 (e) Not later than January 1, 2024, and annually thereafter, the board
179 and the Secretary of the Office of Policy and Management, shall jointly
180 submit a report, in accordance with the provisions of section 11-4a of the
181 general statutes, to the joint standing committees of the General
182 Assembly having cognizance of matters relating to transportation and
183 appropriations and the budgets of state agencies concerning the receipt
184 and expenditure of funds received by the state pursuant to the
185 Infrastructure Investment and Jobs Act, P.L. 117-58, as amended from
186 time to time. Such report shall include, but need not be limited to, (1) a
187 full accounting of all funds that have been received and disbursed, (2) a
188 plan for the disbursement of any remaining funds the secretary
189 anticipates receiving pursuant to said act, (3) a description of any project
190 funded in whole or in part by funds received pursuant to said act, and
191 (4) the status of each such project, including the timeline for completion.

192 Sec. 4. (NEW) (*Effective from passage*) (a) On or before February 1, 2023,
193 and annually thereafter, the Commissioner of Transportation shall
194 submit a report, in accordance with the provisions of section 11-4a of the
195 general statutes, to the joint standing committees of the General
196 Assembly having cognizance of matters relating to transportation,
197 appropriations and the budgets of state agencies and finance, revenue
198 and bonding. Such report shall include, but need not be limited to: (1)
199 The Department of Transportation's five-year transportation capital
200 plan; (2) a description of the condition of the state's transportation
201 infrastructure; and (3) the department's long-range plan, that is
202 prepared every five years pursuant to 49 USC 5304 and 23 USC 135.

203 (b) Not later than thirty days after submission of the report, said
204 committees shall hold a public hearing on the report. At the hearing, the
205 commissioner shall present a detailed summary and fiscal analysis of
206 the report.

207 (c) The commissioner shall establish a separate page on its Internet
208 web site dedicated to the department's capital program projects. Such

209 Internet web site page shall include, but need not be limited to: (1) A
 210 brief description of each project; (2) the current status of each project; (3)
 211 a map showing the municipality where each project is located; (4) the
 212 anticipated cost of each project phase included in the capital program;
 213 and (5) the estimated start and completion dates for each construction
 214 project included in the capital program.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>from passage</i>	New section

Statement of Legislative Commissioners:

In Section 1(g), "is a quasi-public agency" was changed to "shall be deemed a quasi-public agency" for clarity.

APP *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Various State Agencies	Various - Cost	Potential Significant	Potential Significant

Note: Various=Various

Municipal Impact: None

Explanation

The bill establishes the Connecticut Infrastructure Strategy Board to develop and maintain a strategy and recommended allocations for funding received by the state pursuant to the Infrastructure Investment and Jobs Act. The first report under the bill is due January 1, 2023 and is subject to approval and modification by the Appropriations and Transportation Committees.

The bill results in a potential significant cost to the state because it requires several state agencies, as outlined in the bill, to provide staff support to the board and allows for the procurement of consultants. The extent of this cost depends on actions taken by the board as well as available agency resources.

Additionally, there may be a fiscal impact to the extent that the board's planned federal funding allocations, as approved by the committees, differ from what would have otherwise occurred, leading to changes in required state matching amounts (which vary based on the federal program and specifics of a given project).

Lastly, the bill could result in administrative expenses associated with the board itself, such as the establishment and maintenance of the

board's website and the conducting of public hearings.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and actions of the board.

OFA Bill Analysis**SB 106****AN ACT CONCERNING LEGISLATIVE OVERSIGHT AND APPROVAL FOR THE EXPENDITURE OF FEDERAL TRANSPORTATION INFRASTRUCTURE FUNDING.****SUMMARY:**

The bill establishes the Connecticut Infrastructure Strategy Board to report to the legislature on strategy and recommendations regarding the use of federal funding received by the state pursuant to the Infrastructure Investment and Jobs Act (IIJA), P.L. 117-58. The bill outlines the membership and responsibilities of the board, requires various state agencies to provide staff assistance to the board, sets deadlines for its activities, and outlines legislative approval responsibilities.

EFFECTIVE DATE: Upon Passage

Establishment of the Connecticut Infrastructure Strategy Board

The bill establishes a 19-member Connecticut Infrastructure Strategy Board. It allows the board to establish organizational guidelines, hire consultants subject to the approval of the Office of Policy and Management (OPM), and requires various state agencies to provide staff assistance to the board.

Board membership consists of one gubernatorial appointment who shall serve as the chair, nine legislative appointments, and nine executive branch officials serving ex-officio. Board members serve without compensation, and initial board terms expire on a staggered basis with subsequent appointments lasting four years. Members are appointed as follows:

- Five members from the private sector, each having specified areas of expertise, including one by the Governor (chair) and one by each of the following: president pro tempore of the Senate, speaker of the House, and minority leaders of the Senate and House.
- One member from each of the five transportation investment areas (TIAs) defined in CGS. Sec. 13b-57d. The chairs of the board of the local planning agencies in each TIA must nominate three individuals, at least one of whom must be a chief elected official in a municipality in such TIA, for consideration by the respective appointing authorities, which are as follows: Transportation Committee chairs for the southeast corridor TIA; Senate president pro tempore for the I-91 TIA; speaker of the House for the coastal corridor TIA; Senate majority leader for the I-395 TIA; and House majority leader for the I-84 TIA.
- Nine executive branch officials serving ex-officio, including: the Commissioners of Administrative Services, Transportation, Energy and Environmental Protection, Economic and Community Development, Revenue Services, Public Health, Emergency Services and Public Protection, the Secretary of OPM, and the Consumer Counsel.

Duties of the Board

The board is required, no later than January 1, 2023, to report to the Transportation and Appropriation Committees (the committees) on a strategy and recommended allocations for the use of funding received by the state pursuant to IIJA. The board must update the strategy, if necessary, by December 15, 2024, and every two years thereafter. The strategy, including all such updates and revisions, is subject to the approval of the committees and must be posted on the public websites of the board, the Department of Transportation (DOT) and OPM.

In developing the strategy, the board is required to consider DOT's long-range plans and to include criteria for prioritizing infrastructure

projects. Additionally, the board may conduct public hearings, consult with stakeholders and other relevant documentation, and request information from any public entity in the state.

Legislative Approval

Within 15 days of receipt of the board's initial report, the committees must meet to either approve or modify the board's recommended allocations. If the committees do not act within 15 days, the board's recommendations shall be deemed approved.

On and after July 1, 2024, within 15 days of receipt of any IIJA funds, the board must again submit recommended allocations to the committees, who must either approve or modify such recommendations within 15 days.

OPM must report any proposed changes to both the board and the committees. The committees must either approve or modify the proposed changes within 15 days.

Disbursement and Accounting of Funds

Disbursement of IIJA funds by OPM must be in accordance with the board's recommendations, as modified or approved by the committees. If allocations are not found to be allowable under federal rules, OPM must immediately notify the committees regarding the amounts, intended recipients, and reasons that such allocations are not allowed.

The bill further requires the board and OPM, not later than January 1, 2024 and annually thereafter, to jointly report to the committees on: (1) a full accounting of funds received and disbursed, (2) a plan for the disbursement of any remaining funds, (3) a description of any projects wholly or partially funded via IIJA, and (4) the status of each such project and timeline for completion.

DOT Reporting Requirements

The bill requires DOT, on or before February 1, 2023, and annually thereafter, to report to the committees on: (1) the department's capital plan, (2) the condition of the state's transportation infrastructure, and (3)

DOT's long-range transportation plan. The committees must hold a public hearing on the report within 30 days, at which time DOT must provide a detailed summary and fiscal analysis of the report.

The bill also requires DOT to establish a separate internet page dedicated to the status of the department's various capital projects, as outlined in the bill.

BACKGROUND

Federal Transportation Funding

Federal transportation funds are provided to states on a reimbursable basis through dozens of programs and funding categories. In general, federal funds are not received by state DOTs until after projects have been authorized by the relevant federal agency, states have made payments for actual costs incurred, and states have submitted bills to the federal agency for reimbursement of such costs. Given that DOT typically has hundreds of federal-aid projects ongoing at any given time, the actual number of individual disbursements to the department is high.

Additionally, federal programs typically include established funding ratios that define the federal and state cost share responsibilities. For transportation formula funding, the federal share is 80%-90%, though it could be higher for certain projects including eligible safety or innovation projects. For competitive grant programs, the federal share can vary widely but is typically below 50% of total project costs. In Connecticut, the state share for federal transportation projects is normally provided through bond funds.

Infrastructure Investment and Jobs Act

In November 2021, IIJA was signed into law, directing \$1.2 trillion in funding nationwide for roads, bridges, ports, and airports as well as expanded clean water, broadband, and climate initiatives. Under the law, Connecticut is expected to receive approximately \$5.38 billion in transportation formula funding over five years, which is 43% higher than the previous federal authorization for Connecticut's ongoing

transportation capital programs. The law also includes over \$100 billion in competitive grant programs, as well as an additional \$30 billion specific to the Northeast Corridor, for which Connecticut may be eligible to apply, among other provisions. It should be noted that IIJA funds largely represent a continuation and expansion of existing federal programs.

COMMITTEE ACTION

Appropriations

Joint Favorable Substitute

Yea 49 Nay 0