Connecticut Senate Bill 1501 (2015)

Title of Bill: Senate Bill No. 1501

Purpose: Authorizes $1.375 billion from FY 16 to FY 17 in special tax obligation (STO) bonds for transportation projects and $2.803 billion from Fiscal Year 2016 to Fiscal Year 2020 in STO bonds for a state Department of Transportation (ConnDOT) capital improvement program.

Status of Amendment: Signed into law June 30, 2015

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<th>Connecticut Senate Bill 1501 (2015)</th>
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History

Connecticut Bond Legislation

Connecticut issues two types of bonds, STO and General Obligation (GO) bonds. Both types are present in S.B. 1501. GO bonds tend to finance state and university building construction projects. GO bonds also generally finance economic development, housing development, and school construction projects. STO bonds are specifically allocated to fund transportation programs and projects. Both GO and STO bonds are repaid from tax revenue. However, STO bonds are typically financed through taxes related to transportation such as motor fuel taxes and vehicle registration fees.¹

Earlier in 2015, the Connecticut Senate proposed S.B. 479, which would authorize $4 billion in the form of STO bonds. These bonds would be used by ConnDOT for a ten-year program in order to improve rail infrastructure within the state.² However, the bill failed before the Senate or House was able to vote on the measure.

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Let’s Go CT

Connecticut Governor Dannel P. Malloy (D) introduced “Let’s Go CT” in February 2015 to invest approximately $100 billion into the State’s transportation system over a 30-year time span. The program provides a detailed plan to improve all facets of transportation infrastructure including highways, bridges, buses, rail systems, bike and pedestrian networks, ports, etc. The call for immediate and long-term need for transportation investments by the Governor comes out of a nearly 2-year strategic planning and public outreach process led by the Connecticut Department of Transportation (funded with Federal dollars) called TransformCT. In this planning process, the Connecticut DOT engaged the public, stakeholders, and partners (a broad spectrum of elected officials, industry advocates, and businesses) through large and small events, work sessions, surveys, webinars, and online interactions. From this extensive outreach, a number of important value statements emerged to help shape a “Best-In-Class” vision for transportation in Connecticut. This vision led to the development of “Let’s Go CT.”

For highways and bridges, “Let’s Go CT” plans to achieve and maintain a state of good repair. In fact, nearly half of the $100 billion “Let’s Go CT” program investments are for pavement and bridge preservation, which includes doubling existing funding for both state maintained and municipal maintained roadways and bridges, and also upgrading highway bridges to meet the 100,000 lb. national standard. In addition, Governor Malloy also hopes to widen certain highways to reduce congestion and improve mobility and choices of roads in general, specifically on I-84 between the New York State Line and the City of Hartford as well as the entire length of I-95 in Connecticut between New York and Rhode Island. Reducing congestion on these highway corridors is critical to the success and growth of the State’s economy.

“Let’s Go CT” also plans to increase mobility around the state by improving bus services, bike paths, and rail services throughout the state. Governor Malloy hopes to improve and expand Connecticut’s bus services in urban areas by 25 percent. Another goal is to expand CTfastrak, a commuter busway on the I-84 corridor, and increase access to CTfastrak stations. Bike paths and pedestrian walkways will expand in order to create “walkable communities.”

Governor Malloy aims to improve freight lines throughout the state and maintain the lines, so that passenger trains may be able to one day use them as well if there is a market demand for it. Specifically for the New Haven line, safety and reliability will be improved as part of “Let’s Go CT”, and the program also calls for fully employing all four tracks for two local and two express tracks. “Let’s Go CT” will also provide funding to the Hartford line. This line will connect New Haven to Springfield and possibly New York, Boston, and Montreal.
Improving Connecticut’s rail system is one of the largest set of initiatives projects in “Let’s Go CT”. It is receiving 62 percent of the one-time revenue dedicated by S.B. 1501. However, bridges are receiving the highest amount of funding throughout the 30-year plan.

**Summary of Legislation**

*S.B. 1501*

From S.B. 1501, Governor Malloy’s Let’s Go CT program will receive $2.8 billion to fund the first five years of the program. These first five years of Let’s Go CT is referred to by the State as a “Transportation Ramp-Up,” the first step towards re-investing in Connecticut’s infrastructure and economic future. The Transportation Ramp-Up includes a mix of multi-corridor, multi-modal initiatives administered by the Connecticut Department of Transportation, almost all of which the State did not have the resources to start without these added funds from S.B. 1501. The funds for the Transportation Ramp-Up are in addition to the anticipated funding of the State’s existing capital program over the next five years, which is funded by a nearly 50/50 split of state bonds and federal dollars. Inclusive of the Transportation Ramp-Up, the State anticipates on delivering a nearly $10 Billion capital program over the next 5 years.

To fund and invest the $100 billion plan, “Let’s Go CT” plans to use state and federal funding. The current funding from S.B. 1501 is in the form of STO bonds. The bonds are repaid from the revenue of motor fuel taxes, sales taxes on motor vehicle sales, and various other fees. In order to repay the STO bond issued by S.B. 1501, the governor agreed to dedicate a portion of the state sales tax to help repay S.B. 1501.

Without new revenue to support the plan, TransformCT forecasted that Connecticut could not maintain the existing conditions.

*How the Bill Was Passed*

In late June, President Pro Tem of the Senate, Martin Looney (D- New Haven) and Speaker of the House, Brendan Sharkey (D- Hamden), along with Sen. Bob Duff (D- Norwalk) and Rep. Joe Aresimowicz (D- Berlin/Southington) introduced S.B. 1501 via Emergency Certification. The Senate passed the bill a day after with members mostly voting along party lines.

There was immediate transmittal to the House where members overwhelmingly approved the legislature. Only 74 votes were needed for passage, but 138 representatives from both parties approved S.B. 1501. Only 9 republican representatives voted against and four democratic representatives either abstained or were absent.
Two days after legislation was introduced, Governor Malloy (D) signed the bill into law. The bill was then sent to the Legislators Commissioner’s Office to edit and finish the final draft.

Commenting on the bill’s passing, Sen. Stephen Cassano (D-Manchester) stated, “There’s no part of the budget that we will pass that will do more to create jobs.”

What the Bill Does

Connecticut’s Senate Bill 1501 plans to increase funding for transportation through STO bonds. Specifically, $2.803 billion in STO bonds will be funding the first five years (FY 16 to FY 20) of Governor Malloy’s “Let’s Go CT” program.

The program will invest the $2.803 billion in:

- Highways (22 percent)
- Bridges (10 percent)
- Bikes/Pedestrian Trails (4 percent)
- Bus (2 percent)
- Rail (62 percent)

These funds are allocated to meet various preservation needs and begin critical projects.

Additionally, $681.4 million in FY 16 and $693.3 million in FY 17 will be allocated to transportation projects in STO bonds. The Bureau of Public Transportation will receive 30 percent of the funding, $413.4 million between the two years. This will be invested in bus and rail facilities, equipment, and other related projects. Capital resurfacing and construction and Fix-it-First bridge repair program will also receive $150 million and $140 million respectively. Funds will also be invested in roads, facilities, and other related projects.

The bill also provides funding to:

- Grant programs and state capital projects through general obligation (GO) bonds in FY 16 and FY 17 ($3.732 billion)
- Revenue bonds over two years for the Clean Water Fund loans ($238 million)
- Establishes new grant programs for dog pounds, road repairs, homelessness prevention, school building improvements, and bike/walk/greenways ($115 million)
- Increases amount of bonds Green Bank issues which are backed by a special capital reserve fund from $50 million to $100 million
- Allows UConn to make bond reallocations in their infrastructure program in order to fund UConn Health Center’s electronic medical records system
- Cancelled GO bonds and STO bonds from previous years ($275.5 million)
It was written that transportation funds may not be redirected for outside projects, but there is no official ‘lockbox’ on the funds. An article from The Connecticut Mirror states, “For more than a decade, legislators and governors have assigned resources to transportation with one law, and then redirected them for other purposes with another law.” Governor Malloy stresses that a safeguard for the funds is necessary to promise them for transportation. ix

Legislative Makeup

At the time of SB 1501’s passage, Connecticut’s governor Dannel Malloy was Democrat, and the legislature was majority Democrat. 87 percent of legislators voted to approve SB 1501, while 11 percent opposed it, and 2 percent were absent or abstained.

- There were 106 Democrats in the Connecticut legislature, with 102 voting in favor of SB 1501, zero opposed, and four were either absent or abstained.
- There were 80 Republicans in the Connecticut legislature, with 59 voting in favor of SB 1501 and 21 opposed.
- There was one Working Family party member in the Connecticut legislature who voted in favor of SB 1501.

![Legislative Votes on Connecticut's SB 1501 (2015)](chart.png)
Supporters

Arguments:

- Connecticut’s infrastructure will improve and employ residents with the creation of jobs.\textsuperscript{x} Governor Malloy stated that the state’s “ability to grow jobs are tied directly to the condition of our roads, bridges ... and rails”.\textsuperscript{xi}
- A TRIP report about Connecticut’s top transportation issues for 2015 stated that the rate of economic growth in the state is severely impacted by the condition of the state’s transportation system. Traffic congestion and unreliable trains can decrease economic productivity limiting opportunities for residents and the state to grow.\textsuperscript{xii}
- The TRIP report also estimates that roadway characteristics are partially responsible for one-third fatal traffic crashes.\textsuperscript{xiii} More investment in transportation can improve the congestion problems present on various highways within the state and increase safety for residents.
- “Let’s Go CT” generally has a 100 percent state-funded design and combinations of state and federal funds are used for construction/procurement. The program claims that this is “more efficient, faster, [and] stretches dollars farther” to grow the program.\textsuperscript{xiv}
Key Players:

- Gov. Dannel Malloy (D)
- Lt. Governor Nancy Wyman (D)
- Sen. Martin Looney (D - New Haven)
- Sen. Bob Duff (D - Norwalk)
- Rep. Brendan Sharkey (D - Hamden)
- Rep. Joseph Aresimowicz (D - Berlin/Southington)
- Rep. Hilda Santiago (D-Meriden)
- Rep. Robyn Porter (D - 94th District)
- Rep. Terry Adams (D - 146th District)
- Rep. Bruce Morris (D - Norwalk)
- Rep. Patricia Billie Miller (D - Stamford)
- Rep. Al Adinolfi (R - Cheshire)

Opponents

Arguments:

- Connecticut is already ranked as one of the most indebted states. Nonpartisan analysts are predicting an $832 million deficit in state finances and only $362 million are estimated revenue from sales tax receipts.\textsuperscript{xv} Kevin Witkos (R) also argues that Connecticut will be unable to borrow to such a high amount in the future.\textsuperscript{xvi}
- This bond is diverting money away from other resources. Sen. Len Fasano (R - North Haven) stated that Democratic legislators are “stealing [the] money.”\textsuperscript{xvii}
- Nonpartisan analysts estimate that Connecticut’s transportation program may be in deficit by mid-2018. Analysts at the time estimated that the “Let’s Go CT” five-year ramp up program “would enjoy surpluses all five years.” However, a report released after the bond was approved estimated that the Special Transportation Fund will have a 2 percent deficit. Backlogged bonds, pensions, and decreasing revenue expectations. Connecticut has bond financing from 2011 to present that has yet to be issued and could add an extra $65 million in debt for 2018-19. In addition, retirement benefits are expected to increase due to lack of savings by legislatures in 2011. Transportation funds have an annual pension contribution that would increase spending for transportation in the coming years. Lastly, revenue is expected to decrease due to projected decreases from fuel tax revenue.\textsuperscript{xviii}

Key Players:

Sen. Kevin Witkos (R-Canton)

"I just think we've accelerated our bonding level to such a high degree, so quickly, that at some point it's going to be unattainable to do so, so I would urge rejection on the bonding bill."\textsuperscript{xix}

Suzanne Bates, Policy Director of Yankee Institute
“We think that the Governor’s current proposal is more of a laundry list than a prioritized plan,’ she stated. Bates would like to see an emphasis placed on fixing safety infrastructure first followed by a focus on much-needed improvements.”

Why did it succeed?

Bipartisan Support

S.B. 1501 was approved by both Democrats and Republicans.xxI In the Senate, representatives voted mostly along party lines. However, in the House of Representatives, around 90 percent of the Republicans in the House voted in favor of the bill.xxII In addition, no Democrats voted against S.B. 1501 indicating the party’s support for the bill. The Democratic Party contained a majority in both the House and Senate and did not need Republican support in order to pass the bill. Therefore, the overwhelmingly number of “Yea” votes by Republican members shows support of the bill within both parties.

Emergency Certification

S.B. 1501 was introduced via Emergency Certification. Therefore the bill was sent directly to the Senate and House floor for voting after proposal. Normally after a bill is proposed, it travels through a committee system or has a public hearing. Emergency Certification evades these two steps, though requires more votes for passage than a bill introduced in regular session.

Need expressed by the Governor

TransformCT and Governor Malloy have been working towards “Let’s Go CT”’s goal since February. Preserving and improving Connecticut’s infrastructure has become one of Governor Malloy’s priorities while in office. Governor Malloy has also expressed how transportation is key for improving employment and quality of life. According to the program’s forecasts, “We cannot sustain even existing conditions”. 41 percent of state and local roads are in “poor” conditions. It also estimates that these conditions cost drivers on average $661 a year. The number of Connecticut’s bridges in poor conditions has been steadily increasing over the years. Some of these bridges, which are over 100 years old, are supporting busy commuter rail lines.xxIII

A report by TRIP also confirms Connecticut’s existing conditions and argues the need for improved roads and other structures. The report states that roads have poor pavement conditions and lack safety features. This affects the road’s ability to meet the demands of commuters and residents. TRIP and the governor both share a sentiment that adequate transportation is important for growth and stability in the state’s economy.xxIV
Contact Information:

Alexandra Thompson
athompson@artba.org
202-289-4434

Carolyn Kramer
Program Manager, Transportation Investment Advocacy Center
American Road and Transportation Builders Association
ckramer@artba.org
202-289-4434
Appendix

I. Breakdown of votes for Connecticut SB 1501

SENATE

Senators who voted in favor of SB 1501:
John W. Fonfara (Democrat – District 1)
Eric D. Coleman (Democrat – District 2)
Tim Larson (Democrat – District 3)
Steve Cassano (Democrat – District 4)
Beth Bye (Democrat – District 5)
Terry B. Gerratana (Democrat – District 6)
Paul Doyle (Democrat – District 9)
Gary Winfield (Democrat – District 10)
Martin M. Looney (Democrat – District 11)
Ted Kennedy (Democrat – District 12)
Dante Bartolomeo (Democrat – District 13)
Gayle Slossberg (Democrat – District 14)
Joan V. Hartley (Democrat – District 15)
Joseph J. Crisco Jr. (Democrat – District 17)
Andrew Maynard (Democrat – District 18)
Catherine A. Osten (Democrat – District 19)
Marilyn Moore (Democrat – District 22)
Edwin A. Gomes (WFP – District 23)
Bob Duff (Democrat – District 25)
Carlo Leone (Democrat – District 27)
Mae M. Flexer (Democrat – District 29)
Clark J. Chapin (Republican – District 30)
Henri Martin (Republican – District 31)
Robert J. Kane (Republican – District 32)

Senators who voted against SB 1501:
John A. Kissel (Republican – District 7)
Kevin D. Witkos (Republican – District 8)
Joe Markley (Republican – District 16)
Paul M. Formica (Republican – District 20)
Kevin Kelly (Republican – District 21)
Michael A. McLachlan (Republican – District 24)
Toni Boucher (Republican – District 26)
Tony Hwang (Republican – District 28)
Art Linares (Republican – District 33)
Leonard Fasano (Republican – District 34)
Anthony Guglielmo (Republican – District 35)
L. Scott Frantz (Republican – District 36)

HOUSE

Representatives who voted in favor of SB 1501:
Matthew Ritter (Democrat – District 1)
Minnie Gonzalez (Democrat – District 3)
Angel Arce (Democrat – District 4)
Brandon Mcgee (Democrat – District 5)
Edwin Vargas (Democrat – District 6)
Douglass Mccrory (Democrat – District 7)
Jason Rojas (Democrat – District 9)
Henry Genga (Democrat – District 10)
Jeffrey Currey (Democrat – District 11)
Kelly Luxenber (Democrat – District 12)
Dave Baram (Democrat – District 15)
John K. Hampton (Democrat – District 16)
Andy Fleischmann (Democrat – District 18)
Brian Becker (Democrat – District 19)
Joseph Verrengia (Democrat – District 20)
Mike Demicco (Democrat – District 21)
Elizabeth Boukus (Democrat – District 22)
Rick Lopes (Democrat – District 24)
Bobby Sanchez (Democrat – District 25)
Peter Tercyak (Democrat – District 26)
Russell Morin (Democrat – District 28)
Antonio Guerrera (Democrat – District 29)
Joe Aresimowicz (Democrat – District 30)
Joseph Serra (Democrat – District 33)
Philip Miller (Democrat – District 36)
Ed Jutila (Democrat – District 37)
Ernest Hewett (Democrat – District 39)
Diana Urban (Democrat – District 43)
Paul Brycki (Democrat – District 45)
Emmett Riley (Democrat – District 46)
Russell Morin (Democrat – District 47)
Antonio Guererra (Democrat – District 48)
Susan Johnson (Democrat – District 49)
Daniel Rovero (Democrat – District 51)
Gregory Haddad (Democrat – District 54)
Claire Janowski (Democrat – District 56)
David Alexander (Democrat – District 58)
David W. Kiner (Democrat – District 59)
Robert Willis (Democrat – District 64)
Michelle Cook (Democrat – District 65)
Larry Butler (Democrat – District 72)
Jeffrey Berger (Democrat – District 73)
Victor Cuevas (Democrat – District 75)
Frank Nicastro (Democrat – District 79)
David Zoni (Democrat – District 81)
Emil Altobello (Democrat – District 82)
Catherine Abercrombie (Democrat – District 83)
Hilda Santiago (Democrat – District 84)
Mary Mushinsky (Democrat – District 85)
J. Brendan Sharkey (Democrat – District 88)
Mike D’Agostino (Democrat – District 91)
Patricia Dillon (Democrat – District 92)
Toni Walker (Democrat – District 93)
Robyn Porter (Democrat – District 94)
Juan Candelaria (Democrat – District 95)
Roland Lemar (Democrat – District 96)
Robert Megna (Democrat – District 97)
Sean Scanlon (Democrat – District 98)
Matt Lesser (Democrat – District 100)
Lonnie Reed (Democrat – District 102)
Linda Gentile (Democrat – District 104)
Theresa Conroy (Democrat – District 105)
David Arconti (Democrat – District 109)
Bob Godfrey (Democrat – District 110)
Stephen Dargan (Democrat – District 115)
Louis Esposito (Democrat – District 116)
Kim Rose (Democrat – District 118)
Joe Backer (Democrat – District 121)
Andre Baker (Democrat – District 124)
Charlie Stallworth (Democrat – District 126)
John Hennessy (Democrat – District 127)
Christopher Rosario (Democrat – District 128)
Ezequiel Santiago (Democrat – District 130)
Cristin McCarthy Vahey (Democrat – District 133)
Jonathan Steinberg (Democrat – District 136)
Chris Perone (Democrat – District 137)
Kevin Ryan (Democrat – District 139)
Bruce Morris (Democrat – District 140)
Caroline Simmons (Democrat – District 144)
Patricia Miller (Democrat – District 145)
Terry Adams (Democrat – District 146)
William Tong (Democrat – District 147)
Dan Carter (Republican – District 2)
Timothy Ackert (Republican – District 8)
Mark Tweedie (Republican – District 13)
Bill Aman (Republican – District 14)
Timothy Legeyt (Republican – District 17)
Devin Carney (Republican – District 23)
Gary Byron (Republican – District 27)
Prasad Srinivasan (Republican – District 31)
Christie Carpino (Republican – District 32)
Jesse Maclachlan (Republican – District 35)
Kathleen McCarty (Republican – District 38)
John Scott (Republican – District 40)
Aundré Bumgardner (Republican – District 41)
Christine Rosati (Republican – District 44)
Doug Dubitsky (Republican – District 47)
Mike Alberts (Republican – District 50)
Kurt Vail (Republican – District 52)
Gayle Mulligan (Republican – District 55)  
Christopher Davis (Republican – District 57)  
Tami Zawistowski (Republican – District 61)  
William Simanski (Republican – District 62)  
Jay Case (Republican – District 63)  
Eric Berthel (Republican – District 68)  
Arthur O'Neill (Republican – District 69)  
Rosa Rebimbas (Republican – District 70)  
Anthony D'Amelio (Republican – District 71)  
Selim Noujaim (Republican – District 74)  
John Piscopo (Republican – District 76)  
Cara Christine Pavalock (Republican – District 77)  
Whit Betts (Republican – District 78)  
Dave Yaccarino (Republican – District 87)  
Lezlye Zupkus (Republican – District 89)  
Noreen Kokoruda (Republican – District 101)  
Mitch Bolinsky (Republican – District 106)  
Stephen Harding (Republican – District 107)  
Richard Smith (Republican – District 108)  
John H. Frey (Republican – District 111)  
J.P. Sredzinski (Republican – District 112)  
Jason Perillo (Republican – District 113)  
Themis Klarides (Republican – District 114)  
Charles Ferraro (Republican – District 117)  
Pam Staneski (Republican – District 119)  
Laura Hoydic (Republican – District 120)  
Ben McGorty (Republican – District 122)  
Dave Rutigliano (Republican – District 123)  
Tom O'Dea (Republican – District 125)  
David Labriola (Republican – District 131)  
Brenda Kupchick (Republican – District 132)  
Laura Devlin (Republican – District 134)  
Janice Giegler (Republican – District 138)  
Terrie Wood (Republican – District 141)  
Friedrich Wilms (Republican – District 142)  
Gail Lavielle (Republican – District 143)  
Livvy Floren (Republican – District 149)  
Mike Bocchino (Republican – District 150)  
Fred Camillo (Republican – District 151)  

Representatives who voted against SB 1501:  
Al Adinolfi (Republican – District 103)  
Sam Belsito (Republican – District 53)  
Cecilia Buck-Taylor (Republican – District 67)  
Vincent Candelora (Republican – District 86)  
Mike France (Republican – District 42)  
Craig Miner (Republican – District 66)  
Robert Sampson (Republican – District 80)  
John Shaban (Republican – District 135)  
Melissa Ziobron (Republican – District 34)  

Representatives who abstained from voting for or against SB 1501:  
James Albis (Democrat – District 99)  
Daniel Fox (Democrat – District 148)  
Mary Fritz (Democrat – District 90)  
Peggy Sayers (Democrat – District 60)