OFFICE OF FISCAL ANALYSIS
Legislative Office Building, Room 5200
Hartford, CT 06106 ◇ (860) 240-0200
http://www.cga.ct.gov/ofa

sHB-5464
AN ACT IMPLEMENTING RECOMMENDATIONS FROM THE DEPARTMENT OF TRANSPORTATION AND ESTABLISHING A PILOT PROGRAM TO OPERATE AUTOMATED TRAFFIC ENFORCEMENT SAFETY DEVICES ON LIMITED ACCESS HIGHWAYS.

As Amended by House "A" (LCO 4662)

House Calendar No.: 302

OFA Fiscal Note

State Impact: See Below

Municipal Impact: See Below

Explanation

The bill makes various changes to transportation-related laws and results in the fiscal impacts described below.

Section 1 lowers Department of Transportation (DOT) capital costs over the next several years by removing a prohibition on purchasing diesel transit buses, which have lower upfront purchase costs compared to battery electric buses. The agency has a fleet of approximately 516 diesel, 77 hybrid diesel, and 61 battery electric buses and plans to continue purchasing a mix of bus types while building out its charging infrastructure.

Section 3 reduces the number of electric vehicle (EV) charging stations at new state facilities from 20% to 8% of total spaces and results in potential savings to the state to the extent fewer EV charging stations are constructed.

Sections 5 – 11 & 13 authorize DOT to designate flex lanes and allow

Primary Analyst: PM
Contributing Analyst(s):
Reviewer: MM

4/28/26

for related enforcement measures, resulting in both a potential cost and potential revenue gain to the state and municipalities, predominately in the out years. The authority for flex lanes and related enforcement programs is permissive and as the bill provides no funding for these provisions, it is expected that the state and municipalities will only implement the program to the extent funding is available.

DOT costs to implement flex lanes include planning, construction, and operating costs. The agency is currently in the planning phase of its first flex lane project, which is expected to be located along the 3.75 miles of I-84 between exits 4 and 7 in Danbury. Planning costs of $6 million are included in the agency's current capital plan, with 90% anticipated to be reimbursed by the federal government. The construction phase of the project is expected to cost an additional $250 million, beginning in early FY 29 and completing in early FY 31. Construction costs include much of the infrastructure that will be used for any future enforcement programs, including overhead gantries, signs, cameras, and communications infrastructure. DOT plans to fully integrate the construction phase of this project, including assignment of funding sources, into future iterations of its capital plan.

The bill also establishes restrictions and related violations for driving in flex lanes and includes provisions allowing DOT to establish automated enforcement systems (i.e., cameras) for enforcement. Any municipality operating a bus in a flex lane can also participate in the automated enforcement program provided they enter into an agreement with DOT and adopt a related ordinance, as further described in the bill.

For state level violations, the bill imposes a $75 fine for a first offense and up to a $200 fine for subsequent offenses, resulting in a potential revenue gain to the Special Transportation Fund (STF) from fines and a potential cost to the General Fund (GF) for any State Trooper overtime incurred in reviewing recorded images from the automated enforcement program and issuing citations, as required by the bill.

For municipal level violations, the bill allows for a fine of up to $75 for a first offense and up to $200 for subsequent offenses, resulting in potential revenue gain to participating municipalities from fines and potential costs to municipal police departments for reviewing recorded images and issuing citations. Under the bill, municipalities shall deposit any fine revenue into the municipality's general fund or any designated special fund.

Fiscal impacts associated with enforcement would only occur in the out years because no flex lanes are anticipated to be operational until at least FY 31.

Section 12 increases the maximum fine for violating a governor-issued travel restriction order from $50 to $250, resulting in minimal potential revenue gain to the GF.[1]

Section 14 designates the "Kevin Ryan Memorial Highway" resulting in a minimal one-time cost in FY 27 to DOT for signs.

Section 15 results in revenue gain of approximately $3,750 in FY 27 and approximately $5,000 in FY 28 and annually thereafter to the Connecticut Airport Authority by making the following changes to aviation facility fees: (1) establishing a new $100 registration fee for the approximately 34 smaller facilities in the state, and (2) increasing the existing license fee from $150 to $300 for the approximately 67 larger facilities in the state.[2]

Section 15 also creates a new misdemeanor for operating a facility in violation of the bill's registration requirement, which results in a potential cost to the Judicial Department for probation and a GF potential revenue gain from fines. On average, the marginal cost for supervision in the community is less than $600[3] each year for adults and

[1] Between FY 22 and FY 25, there were a total of 18 offenses recorded and about $1,000 in fines collected under CGS Sec. 3-6a.

[2] Both the registrations and licenses are effective for three years, and this estimate assumes that a roughly equal number of applications and renewals occur each year. The lower amount for FY 27 is due to the October 1, 2026, effective date.

[3] Probation marginal cost is based on services provided by private providers and only includes costs that increase with each additional participant. This does not include a cost for additional supervision by a probation officer unless a new offense is

$450 each year for juveniles.

Sections 18 – 22 result in potential minimal revenue gain from fines to the GF and municipalities by modifying Transportation Network Company requirements.

Sections 23 & 24 make various changes to the traffic light modernization program, which is funded through General Obligation (GO) bonds. Future GF debt service costs may be incurred or incurred sooner due to the program changes to the degree that it causes authorized GO bond funds to be expended or to be expended more quickly than they otherwise would have been.

As of April 1, 2026, there is an unallocated bond balance of $98 million under the authorization, of which $75 million is available for the traffic light modernization program. These sections do not change overall GO bond authorization levels.

Section 25 delays and potentially reduces costs to local and regional boards of education (BOEs) associated with existing school bus emissions requirements. The section: (1) eliminates an existing requirement for all school buses to be zero-emission or alternative fuel by January 1, 2035; (2) requires 90%, rather than 100%, of school buses to be zero-emission by January 1, 2040; (3) requires 50% of school buses in distressed municipalities to be zero-emission by FY 36; (4) eliminates an existing requirement for environmental justice communities to fully transition to zero-emission buses by January 1, 2030; and (5) requires municipalities to submit plans for meeting the section's requirements.

These changes delay and potentially reduce costs a district would incur in order to comply with the requirements. The requirement that 90% of school buses must be zero-emission, instead of all school buses, potentially results in a savings to districts to the extent the lesser requirement allows for decreased costs associated with fueling and

---

anticipated to result in enough additional offenders to require additional probation officers.

maintaining alternatives.

The section additionally may shift zero-emission bus grant program funds from school districts, towns, and bus operators in environmental justice communities to those in distressed municipalities, beginning in FY 27. All distressed municipalities are also environmental justice communities; some environmental justice communities are U.S. census tracts that are not within distressed municipalities.

Sections 29 & 30 result in revenue loss to the Connecticut Port Authority of less than $1,000 annually by eliminating the fee for issuing or renewing a marine pilot license. The fee is $105.48 and there are currently seven licensed marine pilots in the state.

Section 31 increases the fine, from $150 per offense to $1,000 per offense, for certain noise-related motor vehicle violations, resulting in revenue gain from fines.[4]

Sections 32 – 35 update and expand certain driving-related offenses, resulting in a potential cost to the Judicial Department for probation and a potential revenue gain to the state from fines.[5]

Sections 26, 36 & 37 create two workings groups and a task force and do not have a fiscal impact because it is anticipated that the relevant agencies have the expertise and resources necessary to complete the requirements in these sections.

The remaining sections are technical and clarifying, conform to current agency practices, or otherwise do not result in a fiscal impact to the state or municipalities.

House "A" eliminates the original bill and its associated fiscal impact, and results in the impact described above.

[4] Between FY 22 and FY 25, there were a total of 1,557 offenses recorded and $131,000 in fines collected under CGS Sec. 14-80.

[5] Between FY 22 and FY 25, there were about 58,000 offenses recorded and $6.3 million in fines collected under CGS Sec. 14-296aa.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation, implementation decisions made by state agencies and municipalities, the number of aviation facilities and marine pilots in the state, the terms of any bonds issued, the number of violations, or as otherwise described.