

**Testimony of Commissioner Joseph Giulietti
Department of Transportation
Fiscal Year 2020 & 2021 Capital Budget**

**Finance, Revenue & Bonding Committee
Transportation Bonding Subcommittee
April 8, 2019 11:00 a.m.**

Good morning Chairman Leone, Chairman Perone, and members of the Committee. I am Joseph Giulietti, Commissioner of the Department of Transportation. I am pleased to appear before you today to discuss Governor Ned Lamont's recommended Biennial Capital Budget for the Department of Transportation.

The Governor's proposed Capital Budget (Governor's Bill No. 876) provides \$806.6 million in fiscal year 2020 and \$812.4 million in fiscal year 2021 in bonding authorizations for the Transportation Capital Program. The Governor's proposed budget maintains the Department's base program, providing funds for the State's most critical state-of-good repair needs and highest priority infrastructure improvements.

I am pleased with the continued investment in transportation infrastructure evidenced by the level of bond authorizations included in the Governor's recommended Capital Budget. I understand and support the Governor's goal of providing sufficient funding for transportation projects to ensure the safety and preservation of Connecticut's transportation system, while living within the constraints of a debt diet, until a long-term sustainable revenue solution is in place that will support larger infrastructure investments.

In advance of the implementation of tolling, or some other additional revenue source for the Special Transportation Fund, the Department will continue to perform its core services in the most cost-effective manner possible, streamlining both administrative and construction costs and constraining the Capital Program to a level that can be supported by the current revenue streams.

The Department will scrutinize all planned projects and assess their priority in terms of safety and preservation. The Department is confident that within the constraints of a debt diet we will have sufficient state funding to complete projects already in construction and to advance a small number of essential projects, using our federal funds and the required state bond match.

The Governor's Recommended Budget includes the following authorizations for infrastructure improvements in the next biennium:

- \$185 million each year for the "Fix-it-First" road and bridge programs that will address reconstruction, repair or replacement of bridges and roads in need of immediate attention.
- \$33 million each year for the State Bridge Restoration program.
- \$13 million annually in the Interstate program, that provides for the maintenance and replacement of the state's portion of the nationwide system of highways.
- \$44 million each year for the Intrastate program that will fund maintenance and replacement to the state's primary and secondary roads.
- \$106.5 million of annual funds in the Resurfacing program for ongoing restoration of the state's highways.
- \$236 million each year for Bus and Rail facilities and equipment that will provide funding for capital projects necessary to support the state's railroads, and Transit operations in eight urban areas and thirteen local transit districts.

- \$16.75 million annually for Urban Systems.
- \$9.9 million annually for environmental compliance and hazardous waste abatement.
- \$16.0 million each year for Highway and Bridge Equipment
- \$24.6 million in the biennium for renovation and repair to highway maintenance garages and other facilities.

The Governor's recommended Capital Program also continues authorizations to municipalities, with annual bond authorizations of \$10 million for the Local Bridge Program and \$67 million for the Local Transportation Capital Improvement Program (LOTICIP). In addition, \$60 million is dedicated annually for the Town Aid Road grant program, with \$30 million in Special Tax Obligation bonds and \$30 million in General Obligation bonds.

The Governor's Bond Bill also amends the authorizing language for the Let's Go CT Ramp Up initiatives provided under Section 233 of public act 15-1 of the June Special session, to make the language consistent for all initiatives and provide more flexibility for utilization of the bond authorizations, while still meeting the intent of the original legislation. This will allow the Department to utilize the funds in the most efficient way possible.

I recognize the tough decisions that you are faced with this session, and I look forward to working with you to implement a budget that allows for the continued preservation and improvement of the State's transportation network, and also ensures a financially solvent and stable STF.

I will be happy to answer any questions.