

Transportation
Coordinator – Patrick Mellon
Office of Fiscal Analysis

	Page #	Analyst	Actual FY 23	Actual FY 24	Appropriation FY 25	Governor Recommended		Committee	
						FY 26	FY 27	FY 26	FY 27
Special Transportation Fund									
Department of Motor Vehicles	156	PM	77,500,668	67,767,013	77,351,548	77,570,955	78,270,955	77,030,820	77,730,820
Department of Transportation	159	PM	718,841,070	816,093,260	964,814,174	990,148,566	987,570,704	994,798,048	1,001,395,761
Total - Special Transportation Fund			796,341,738	883,860,273	1,042,165,722	1,067,719,521	1,065,841,659	1,071,828,868	1,079,126,581
Cannabis Regulatory Fund									
Department of Motor Vehicles	156	PM	-	522,583	522,583	-	-	540,135	540,135
Department of Transportation	159	PM	-	549,991	550,000	-	-	550,000	550,000
Total - Cannabis Regulatory Fund			-	1,072,574	1,072,583	-	-	1,090,135	1,090,135
Total - Appropriated Funds			796,341,738	884,932,847	1,043,238,305	1,067,719,521	1,065,841,659	1,072,919,003	1,080,216,716

Department of Motor Vehicles

DMV35000

Permanent Full-Time Positions

Fund	Actual FY 23	Actual FY 24	Appropriation FY 25	Governor Recommended		Committee	
				FY 26	FY 27	FY 26	FY 27
Special Transportation Fund	591	591	591	601	601	594	594
Cannabis Regulatory Fund	-	7	7	-	-	7	7

Budget Summary

Account	Actual FY 23	Actual FY 24	Appropriation FY 25	Governor Recommended		Committee	
				FY 26	FY 27	FY 26	FY 27
Personal Services	48,337,021	46,341,942	57,600,854	54,499,261	54,499,261	53,959,126	53,959,126
Other Expenses	17,392,613	18,851,458	18,957,262	19,078,262	19,778,262	19,078,262	19,778,262
Equipment	468,519	468,756	468,756	668,756	668,756	668,756	668,756
Other Current Expenses							
DMV Modernization	10,985,715	1,788,057	-	3,000,000	3,000,000	3,000,000	3,000,000
Commercial Vehicle Information Systems and Networks Project	316,800	316,800	324,676	324,676	324,676	324,676	324,676
Agency Total - Special Transportation Fund	77,500,668	67,767,013	77,351,548	77,570,955	78,270,955	77,030,820	77,730,820
Personal Services	-	522,583	522,583	-	-	540,135	540,135
Agency Total - Cannabis Regulatory Fund	-	522,583	522,583	-	-	540,135	540,135
Total - Appropriated Funds	77,500,668	68,289,596	77,874,131	77,570,955	78,270,955	77,570,955	78,270,955

Account	Governor Recommended		Committee		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27

Policy Revisions

Transfer Driver Training Program from the Department of Aging and Disability Services

Personal Services	244,500	244,500	244,500	244,500	-	-
Other Expenses	21,000	21,000	21,000	21,000	-	-
Total - Special Transportation Fund	265,500	265,500	265,500	265,500	-	-
Positions - Special Transportation Fund	3	3	3	3	-	-

Background

The Driver Training Program provides free special equipment evaluation, driver training, and license certification for people with physical disabilities who may require special adaptive equipment to operate a motor vehicle. According to the Department of Aging and Disability Services (ADS), in FY 24 the program served 278 clients. Of these, 143 clients completed the program, 43 were actively receiving services, and 92 had requested services.

PA 11-44 transferred the program from DMV to the newly established Bureau of Rehabilitative Services (now ADS). The Governor's Recommended Budget transfers the program back to DMV, including three positions, three modified vehicles, and associated funding (this is an equal transfer of positions and dollars from the General Fund to the Special Transportation Fund).

Governor

Transfer funding of \$265,500 and three positions in both FY 26 and FY 27 to move the Driver Training Program from the Department of Aging and Disability Services within the General Fund to the Department of Motor Vehicles within the Special Transportation Fund.

Account	Governor Recommended		Committee		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27

Committee

Same as Governor

Maintain Cannabis Costs in the Special Transportation Fund

Personal Services	540,135	540,135	-	-	(540,135)	(540,135)
Total - Special Transportation Fund	540,135	540,135	-	-	(540,135)	(540,135)
Positions - Special Transportation Fund	7	7	-	-	(7)	(7)
Personal Services	(540,135)	(540,135)	-	-	540,135	540,135
Total - Cannabis Regulatory Fund	(540,135)	(540,135)	-	-	540,135	540,135
Positions - Cannabis Regulatory Fund	(7)	(7)	-	-	7	7

Background

PA 21-1 JSS, *An Act Concerning Responsible and Equitable Regulation of Adult-Use Cannabis*, legalized recreational cannabis use for adults 21 years of age or older. Recreational cannabis sales began in January 2023.

The Governor's Recommended Budget moves the Cannabis Regulatory Fund (CRF) and the Prevention and Recovery Services Fund (PRSF) expenditures to the General Fund (GF) and the Special Transportation Fund (STF). This affects 11 agencies, 94 positions, and an appropriation of \$12.8 million in FY 26 and FY 27 across the GF and the STF.

DMV cannabis expenditures are for seven positions to support the administrative license suspension program for drug-impaired drivers.

Governor

Transfer funding of \$540,135 and seven positions in both FY 26 and FY 27 for cannabis regulatory and enforcement duties from the Cannabis Regulatory Fund to the Special Transportation Fund.

Committee

Maintain current funding structure within the Cannabis Regulatory Fund.

Current Services

Adjust Funding to Reflect Current Requirements

Personal Services	(6,000,000)	(6,000,000)	(6,000,000)	(6,000,000)	-	-
Other Expenses	100,000	800,000	100,000	800,000	-	-
Equipment	200,000	200,000	200,000	200,000	-	-
DMV Modernization	3,000,000	3,000,000	3,000,000	3,000,000	-	-
Total - Special Transportation Fund	(2,700,000)	(2,000,000)	(2,700,000)	(2,000,000)	-	-

Background

The Governor's Recommended Budget adjusts various DMV accounts to reflect current requirements as described below.

- Reduces Personal Services to better reflect historical spending patterns and anticipated staffing levels. DMV has consistently underspent its initial Personal Services appropriation in recent years and is projected to do so again in FY 25 due primarily to vacancies.
- Increases the DMV Modernization account to support ongoing and new efforts including the implementation of digital mobile identification and licensing. Funding for DMV's multiyear modernization program has come through a variety of sources including a \$3 million ARPA allocation (fully expended in FY 24), carry forward, the state's IT Capital Investment Program, and direct appropriations.
- Increases the Other Expenses and Equipment accounts to reflect anticipated requirements.

Governor

Reduce funding by \$2.7 million (net) in FY 26 and \$2 million (net) in FY 27 to reflect current agency requirements.

Committee

Same as Governor

Account	Governor Recommended		Committee		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27

Annualize the Cost of Existing Wage Agreements

Personal Services	2,113,772	2,113,772	2,113,772	2,113,772	-	-
Total - Special Transportation Fund	2,113,772	2,113,772	2,113,772	2,113,772	-	-
Personal Services	17,552	17,552	17,552	17,552	-	-
Total - Cannabis Regulatory Fund	17,552	17,552	17,552	17,552	-	-

Background

The Governor's Recommended Budget provides funding of \$124.4 million in FY 26 and FY 27, across nine appropriated funds, to reflect current wage-related adjustments resulting from existing wage agreements.

Governor

Provide funding of \$2,113,772 in both FY 26 and FY 27 in the Special Transportation Fund, and \$17,552 in both FY 26 and FY 27 in the Cannabis Regulatory Fund to reflect this agency's increased wage costs.

Committee

Same as Governor

Totals

Budget Components	Governor Recommended		Committee		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27
FY 25 Appropriation - TF	77,351,548	77,351,548	77,351,548	77,351,548	-	-
Policy Revisions	805,635	805,635	265,500	265,500	(540,135)	(540,135)
Current Services	(586,228)	113,772	(586,228)	113,772	-	-
Total Recommended - TF	77,570,955	78,270,955	77,030,820	77,730,820	(540,135)	(540,135)
FY 25 Appropriation - CRF	522,583	522,583	522,583	522,583	-	-
Policy Revisions	(540,135)	(540,135)	-	-	540,135	540,135
Current Services	17,552	17,552	17,552	17,552	-	-
Total Recommended - CRF	-	-	540,135	540,135	540,135	540,135

Positions	Governor Recommended		Committee		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27
FY 25 Appropriation - TF	591	591	591	591	-	-
Policy Revisions	10	10	3	3	(7)	(7)
Total Recommended - TF	601	601	594	594	(7)	(7)
FY 25 Appropriation - CRF	7	7	7	7	-	-
Policy Revisions	(7)	(7)	-	-	7	7
Total Recommended - CRF	-	-	7	7	7	7

Department of Transportation

DOT57000

Permanent Full-Time Positions

Fund	Actual FY 23	Actual FY 24	Appropriation FY 25	Governor Recommended		Committee	
				FY 26	FY 27	FY 26	FY 27
Special Transportation Fund	3,567	3,567	3,567	3,567	3,567	3,567	3,567

Budget Summary

Account	Actual FY 23	Actual FY 24	Appropriation FY 25	Governor Recommended		Committee	
				FY 26	FY 27	FY 26	FY 27
Personal Services	204,366,366	199,281,277	231,453,386	236,076,271	236,076,271	236,076,271	236,076,271
Other Expenses	60,603,223	65,814,075	57,534,586	63,984,586	63,984,586	63,434,586	63,434,586
Equipment	2,003,291	2,102,963	1,376,329	1,376,329	1,376,329	1,376,329	1,376,329
Minor Capital Projects	433,689	613,716	449,639	449,639	449,639	449,639	449,639
Other Current Expenses							
Highway Planning And Research	3,295,269	4,686,570	3,060,131	3,060,131	3,060,131	3,060,131	3,060,131
Rail Operations	148,323,231	231,583,406	284,183,528	316,004,297	314,803,218	316,004,297	317,803,218
Bus Operations	180,455,716	163,507,463	261,931,227	293,209,174	291,832,391	298,408,656	303,207,448
ADA Para-transit Program	39,871,702	40,449,546	40,449,564	51,982,687	51,982,687	51,982,687	51,982,687
Non-ADA Dial-A-Ride Program	576,359	576,361	576,361	576,361	576,361	576,361	576,361
Pay-As-You-Go Transportation Projects	69,953,523	38,908,422	18,028,794	18,054,208	18,054,208	18,054,208	18,054,208
Port Authority	3,400,000	400,000	400,000	-	-	-	-
Transportation Asset Management	3,188,072	5,798,832	3,000,000	3,004,254	3,004,254	3,004,254	3,004,254
Other Than Payments to Local Governments							
Transportation to Work	2,370,629	2,370,629	2,370,629	2,370,629	2,370,629	2,370,629	2,370,629
Grant Payments to Local Governments							
Town Aid Road Grants - TF	-	60,000,000	60,000,000	-	-	-	-
Agency Total - Special Transportation Fund	718,841,070	816,093,260	964,814,174	990,148,566	987,570,704	994,798,048	1,001,395,761
Other Expenses	-	549,991	550,000	-	-	550,000	550,000
Agency Total - Cannabis Regulatory Fund	-	549,991	550,000	-	-	550,000	550,000
Total - Appropriated Funds	718,841,070	816,643,251	965,364,174	990,148,566	987,570,704	995,348,048	1,001,945,761

Account	Governor Recommended		Committee		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27

Policy Revisions

Reduce Rail Subsidy by Increasing Fares and Fees

Rail Operations	(11,579,499)	(22,550,698)	(11,579,499)	(22,550,698)	-	-
Total - Special Transportation Fund	(11,579,499)	(22,550,698)	(11,579,499)	(22,550,698)	-	-

Background

The Governor's Recommended Budget reduces the state's rail subsidy by increasing fares and parking lot fees. Specifically, it (1) increases rail fares by 5% on July 1, 2025, and by an additional 5% on July 1, 2026, and (2) increases parking fees by 25% at state-owned rail stations which include Stamford, Bridgeport, West Haven, Fairfield Metro, Berlin, Meriden, and Wallingford. The fare increase is

Account	Governor Recommended		Committee		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27

expected to generate \$10.4 million in FY 26 and \$21.4 million in FY 27, while the parking fee increase is projected to generate \$1.1 million each year. Fares were last increased by 4.5% on 11/1/2023 and parking lot fees have not changed since the current locations have opened between 2000 and 2018.

Rail Fares Change History	
Date Implemented	Increase
1/1/2016	1%
12/1/2016	6%
1/1/2018	1%
11/1/2023	4.5%
7/1/2025 (proposed)	5%
7/1/2026 (proposed)	5%

Source: OPM Budget Documents

Governor

Reduce the STF subsidy by \$11,579,499 in FY 26 and \$22,550,698 in FY 27 by increasing (user-based) rail fares and parking fees.

Committee

Same as Governor

Increase Service on Shore Line East

Rail Operations	-	-	-	3,000,000	-	3,000,000
Total - Special Transportation Fund	-	-	-	3,000,000	-	3,000,000

Committee

Provide funding of \$3 million in FY 27 to increase service levels on the Shore Line East rail line.

Adjust Bus Subsidy by Increasing Fares and Fees

Bus Operations	-	(6,175,575)	-	-	-	6,175,575
Total - Special Transportation Fund	-	(6,175,575)	-	-	-	6,175,575

Background

The Governor's Recommended Budget reduces the state's bus subsidy by increasing fares and fees beginning July 1, 2026. Specifically, it (1) increases the standard bus fare, from \$1.75 to \$2.00, for both CTtransit and transit districts, generating \$4.8 million in FY 27, and (2) increases the per-semester fee, from \$40 to \$50, for the U-Pass program, generating \$1.4 million in FY 27.

Bus Fare Change History	
Date Implemented	Amount
1/1/2012	\$1.30
1/1/2014	\$1.50
12/1/2016	\$1.75
7/1/2026 (Governor proposed)	\$2.00

Source: OPM Budget Documents

Governor

Reduce the STF subsidy by \$6,175,575 in FY 27 by increasing (user-based) bus fares and fees.

Committee

Do not increase bus fares and fees.

Provide Fare-Free Bus Public Transportation Services for High School Students

Bus Operations	-	-	3,000,000	3,000,000	3,000,000	3,000,000
Total - Special Transportation Fund	-	-	3,000,000	3,000,000	3,000,000	3,000,000

Committee

Provide \$3 million in both FY 26 and FY 27 for fare-free bus public transportation services for high school students.

Account	Governor Recommended		Committee		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27

Provide Funding for Norwalk Transit District Route Enhancements and ADA Shortfall

Bus Operations	-	-	1,099,482	1,099,482	1,099,482	1,099,482
Total - Special Transportation Fund	-	-	1,099,482	1,099,482	1,099,482	1,099,482

Committee

Provide funding of \$1,099,482 in both FY 26 and FY 27 for Norwalk Transit District route enhancements and ADA shortfall.

Provide Funding for Norwalk Transit Coastal Link Shortfall

Bus Operations	-	-	1,100,000	1,100,000	1,100,000	1,100,000
Total - Special Transportation Fund	-	-	1,100,000	1,100,000	1,100,000	1,100,000

Governor

Provide funding of \$1.1 million in both FY 26 and FY 27 for the Norwalk Transit Coastal Link shortfall.

Eliminate the Connecticut Port Authority Subsidy

Port Authority	(400,000)	(400,000)	(400,000)	(400,000)	-	-
Total - Special Transportation Fund	(400,000)	(400,000)	(400,000)	(400,000)	-	-

Background

The Connecticut Port Authority (CPA) is a quasi-public agency established on July 1, 2015, to, among other things, market and coordinate the development of the state's ports and harbors. Major programs and projects of the CPA include the redevelopment of the State Pier in New London and the administration of the Small Harbor Improvement Projects Program (SHIPP), a competitive grant program for projects not related to the state's three deepwater ports. Beginning in FY 16, DOT was appropriated funds to subsidize the establishment of the CPA. The subsidy was increased to \$400,000 in FY 17 and has remained at that amount each year up through the current biennium. The CPA uses this annual appropriation to support operating expenses.

Governor

Reduce funding by \$400,000 in both FY 26 and FY 27 to eliminate DOT's subsidy to the Connecticut Port Authority.

Committee

Same as Governor

Fund Town Aid Road Grants through Bond Authorizations

Town Aid Road Grants - TF	(60,000,000)	(60,000,000)	(60,000,000)	(60,000,000)	-	-
Total - Special Transportation Fund	(60,000,000)	(60,000,000)	(60,000,000)	(60,000,000)	-	-

Background

The Town Aid Road (TAR) grant program provides funds to every Connecticut municipality for a variety of purposes, including construction, reconstruction, improvements and maintenance of local roads and bridges, various other traffic and planning improvements and operating funding for public transportation services. Since FY 14 (PA 13-247) the Secretary of OPM has authority to approve the use of TAR funds by a municipality for other purposes. Annual payments, which are based on a statutory formula that considers population and road mileage, have traditionally been split in half, with the first payment issued in July and the second in January. No local match is required.

The Governor's Recommended Budget funds TAR through bond authorizations, as had been regularly done prior to the FY 24 and FY 25 Budget, rather than through STF appropriations. The proposed annual amount is unchanged from recent years at \$60 million.

Governor

Eliminate Town Aid Road appropriations of \$60 million in both FY 26 and FY 27 and instead fund the program through bond authorizations.

Committee

Same as Governor

Maintain Cannabis Costs in the Special Transportation Fund

Other Expenses	550,000	550,000	-	-	(550,000)	(550,000)
Total - Special Transportation Fund	550,000	550,000	-	-	(550,000)	(550,000)
Other Expenses	(550,000)	(550,000)	-	-	550,000	550,000
Total - Cannabis Regulatory Fund	(550,000)	(550,000)	-	-	550,000	550,000

Account	Governor Recommended		Committee		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27

Background

PA 21-1 JSS, *An Act Concerning Responsible and Equitable Regulation of Adult-Use Cannabis*, legalized recreational cannabis use for adults 21 years of age or older. Recreational cannabis sales began in January 2023.

The Governor's Recommended Budget moves the Cannabis Regulatory Fund (CRF) and the Prevention and Recovery Services Fund (PRSF) expenditures to the General Fund (GF) and the Special Transportation Fund (STF). This affects 11 agencies, 94 positions, and an appropriation of \$12.8 million in FY 26 and FY 27 across the GF and the STF.

DOT cannabis expenditures are for marketing and outreach efforts, which include billboards, TV, radio, and social media as well as for Drug Recognition Expert (DRE) training for law enforcement officers. The DRE expenses represent the state's share of matching federal grants. DOT administers these programs in its role as the federally recognized Highway Safety Office for Connecticut.

Governor

Transfer funding of \$550,000 in both FY 26 and FY 27 for cannabis regulation, education, and training duties from the Cannabis Regulatory Fund to the Special Transportation Fund.

Committee

Maintain current funding structure within the Cannabis Regulatory Fund.

Current Services

Adjust Funding for Rail Operations to Reflect Revenue and Spending Trends

Rail Operations	43,372,309	53,142,429	43,372,309	53,142,429	-	-
Total - Special Transportation Fund	43,372,309	53,142,429	43,372,309	53,142,429	-	-

Background

The Rail Operations account is used to fund state subsidies related to the New Haven Line, Shore Line East, and Hartford Line. As of the end of CY 2024, these lines are operating as follows:

- New Haven Line service is 99% of pre-COVID (2019) levels and ridership is 79%.
- Shore Line East service is 59% of pre-COVID levels and ridership is 29%.
- Hartford Line service is 109% of pre-COVID levels and ridership is 112%.

Governor

Provide funding of \$43,372,309 in FY 26 and \$53,142,429 in FY 27 to recognize expense growth across the rail lines including station costs and overhead and operating payments to the service providers.

Committee

Same as Governor

Adjust Funding for Bus Operations to Reflect Revenue and Spending Trends

Bus Operations	31,277,947	36,076,739	31,277,947	36,076,739	-	-
Total - Special Transportation Fund	31,277,947	36,076,739	31,277,947	36,076,739	-	-

Background

The Bus Operations account represents the state's operating subsidy for bus services including CTtransit, express bus services, microtransit, and services provided by transit districts. This account also funds the State Matching Grant Program (MGP) for municipal dial-a-ride services.

The Governor's Recommended Budget adjusts this account for current revenue and spending trends and maintains services at current levels. Bus ridership is at approximately 84% of pre-COVID levels. A separate proposal to raise fares is described above.

Governor

Provide funding of \$31,277,947 in FY 26 and \$36,076,739 in FY 27 to reflect current revenue and spending trends.

Committee

Same as Governor

Account	Governor Recommended		Committee		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27

Adjust Funding for ADA Paratransit Services to Reflect Revenue and Spending Trends

ADA Para-transit Program	11,533,123	11,533,123	11,533,123	11,533,123	-	-
Total - Special Transportation Fund	11,533,123	11,533,123	11,533,123	11,533,123	-	-

Background

The Americans with Disabilities Act (ADA) Paratransit Program is designed to meet the ADA service criteria established by the federal government to provide transportation accessibility services in all areas with local fixed transit routes. Services must be provided within $\frac{3}{4}$ of a mile of a fixed bus route or rail station, at the same hours and days, for no more than twice the regular fixed route fare, and individuals must be found eligible by a Connecticut regional ADA service provider.

Governor

Provide funding of \$11,533,123 in both FY 26 and FY 27 to reflect projected ridership in the ADA Paratransit Program.

Committee

Same as Governor

Adjust Funding to Reflect Current Requirements

Personal Services	(5,900,000)	(5,900,000)	(5,900,000)	(5,900,000)	-	-
Other Expenses	5,900,000	5,900,000	5,900,000	5,900,000	-	-
Total - Special Transportation Fund	-	-	-	-	-	-

Background

In recent years, DOT has consistently underspent its initial Personal Services appropriation and exceeded its initial Other Expenses appropriation due to both vacancies and increases in expenses for items such as electricity, highway supplies, and fleet repair. Typically, this issue has been resolved through mid-year transfers subject to the Finance Advisory Committee process.

Governor

Reallocate \$5.9 million in both FY 26 and FY 27 from the agency's Personal Services account to its Other Expenses account to reflect historical spending patterns.

Committee

Same as Governor

Annualize Cost of Existing Wage Agreements

Personal Services	10,522,885	10,522,885	10,522,885	10,522,885	-	-
Rail Operations	27,959	27,959	27,959	27,959	-	-
Pay-As-You-Go Transportation Projects	25,414	25,414	25,414	25,414	-	-
Transportation Asset Management	4,254	4,254	4,254	4,254	-	-
Total - Special Transportation Fund	10,580,512	10,580,512	10,580,512	10,580,512	-	-

Background

The Governor's Recommended Budget provides funding of \$124.4 million in FY 26 and FY 27, across nine appropriated funds, to reflect current wage-related adjustments resulting from existing wage agreements.

Governor

Provide funding of \$10,580,512 in both FY 26 and FY 27 to reflect this agency's increased wage costs.

Committee

Same as Governor

Totals

Budget Components	Governor Recommended		Committee		Difference from Governor	
	FY 26	FY 27	FY 26	FY 27	FY 26	FY 27
FY 25 Appropriation - TF	964,814,174	964,814,174	964,814,174	964,814,174	-	-
Policy Revisions	(71,429,499)	(88,576,273)	(66,780,017)	(74,751,216)	4,649,482	13,825,057
Current Services	96,763,891	111,332,803	96,763,891	111,332,803	-	-
Total Recommended - TF	990,148,566	987,570,704	994,798,048	1,001,395,761	4,649,482	13,825,057
FY 25 Appropriation - CRF	550,000	550,000	550,000	550,000	-	-
Policy Revisions	(550,000)	(550,000)	-	-	550,000	550,000
Total Recommended - CRF	-	-	550,000	550,000	550,000	550,000