

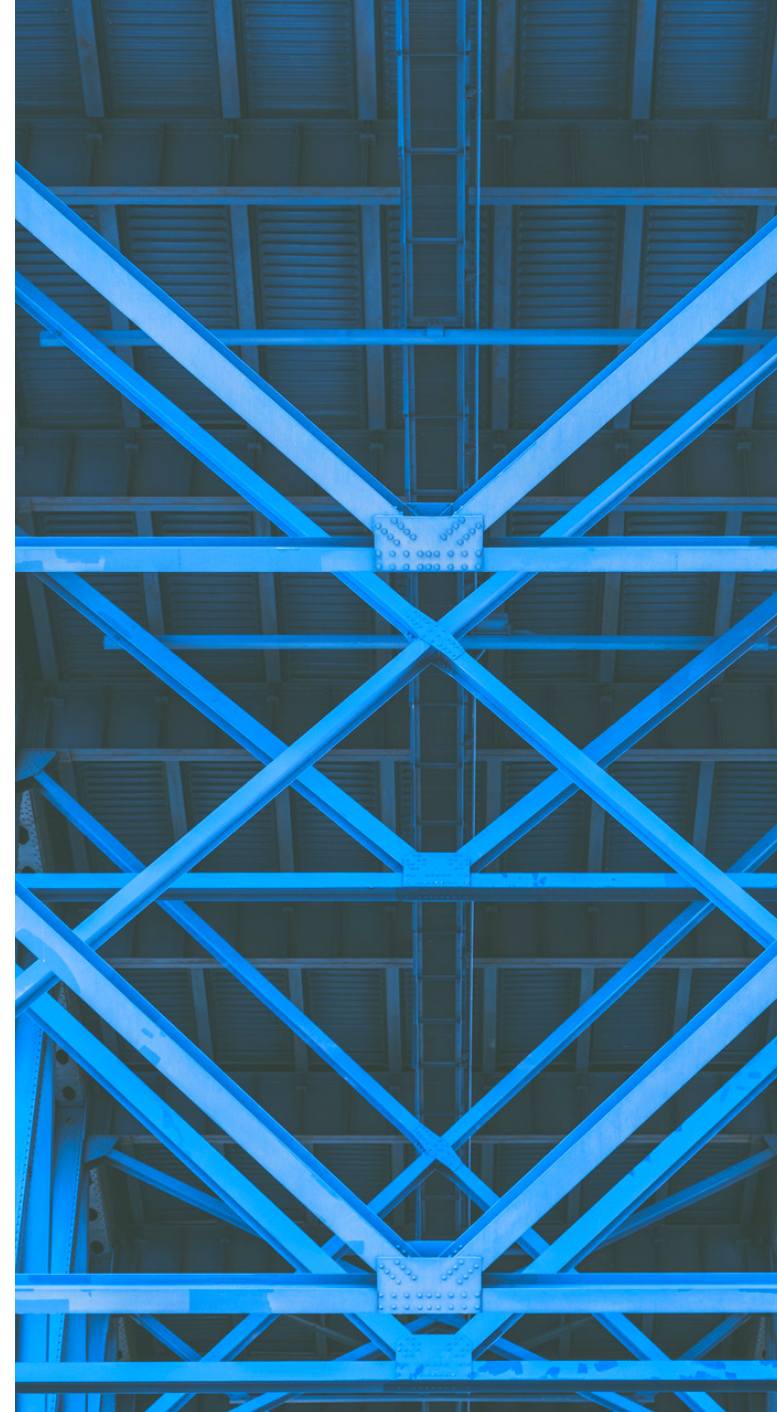



**Road Work  
Ahead:  
Connecticut's  
Transportation  
Infrastructure  
Challenge**

# PRESENTATION OVERVIEW

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- Part I: Connecticut Transportation Funding Basics
- Part II: Connecticut's Transportation Challenge
- Part III: Policy Options for Future Investment





# PART I: THE BASICS

# SPECIAL TRANSPORTATION FUND

## QUICK FACTS:

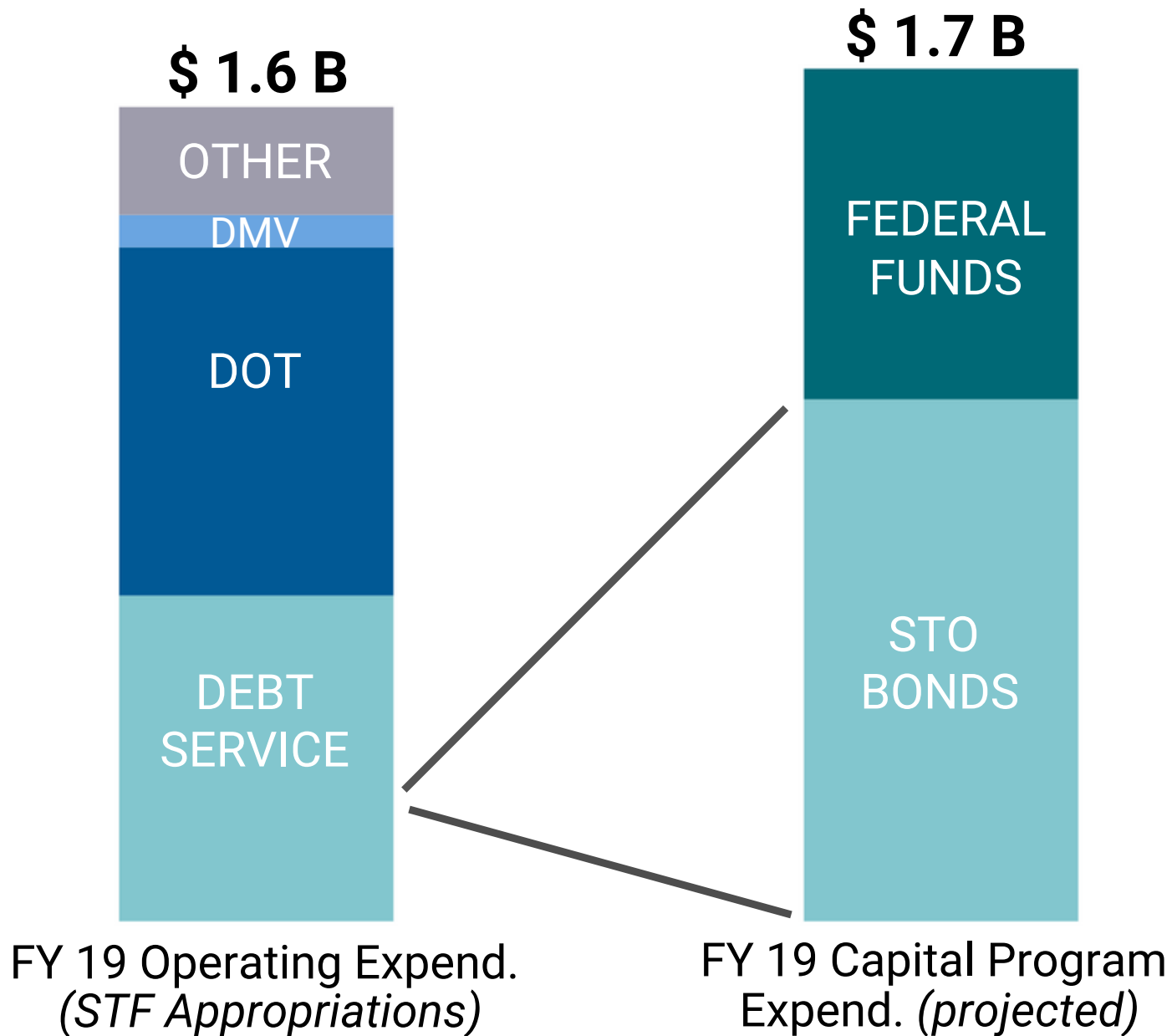
- Separate fund dedicated to transportation
- Law directs specified revenue sources to fund
- Constitutional lockbox requires that these sources be deposited in STF and used for transportation purposes

## Revenue Breakdown



Source: OFA FY 19 est.

# TRANSPORTATION SPENDING





# PART II: THE CHALLENGE

# EXISTING CONDITIONS

## AMERICAN SOCIETY OF CIVIL ENGINEERS INFRASTRUCTURE GRADES



**D +**



**C -**



**B**



# SYSTEM AGE

**50%**

portion of road network that is over 55 years old

**62%**

portion of rated bridges that are 48+ years old

**5**

Metro North line bridges that are 100+ years old





# SYSTEM CAPACITY

**40+**

Annual hours lost  
to congestion per  
person in urban  
centers

**10%**

State routes that  
are currently  
over capacity

**3%**

Increase in  
vehicle miles  
traveled from  
2013 to 2016



# COSTS

**\$2.4<sub>B</sub>**

Total value of lost  
time and wasted  
fuel annually

**\$3.7<sub>B</sub>**

Total annual cost  
to drivers from  
deficient roads  
and bridges

**4x**

Increase in  
future costs due  
to deferred  
maintenance

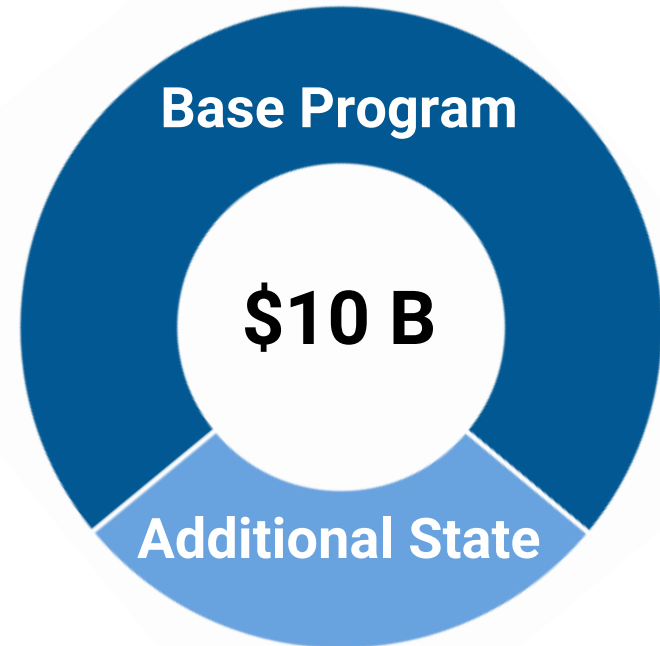
# LET'S GO CT!

*"Connecticut's Bold Vision for a Transportation Future"*

## 30-YEAR PLAN



## 5-YEAR RAMP-UP



# MAJOR POLICY CHANGES

2015-Present

2015

**Statutory lockbox**

**Bonds for Ramp-Up \$2.8 B (FY 15-20)**

**1st constitutional lockbox resolution**

**0.5% general sales and use tax to STF**

2016

2017

**2nd constitutional lockbox resolution**

**Vehicle sales tax revenue to STF in FY 21**

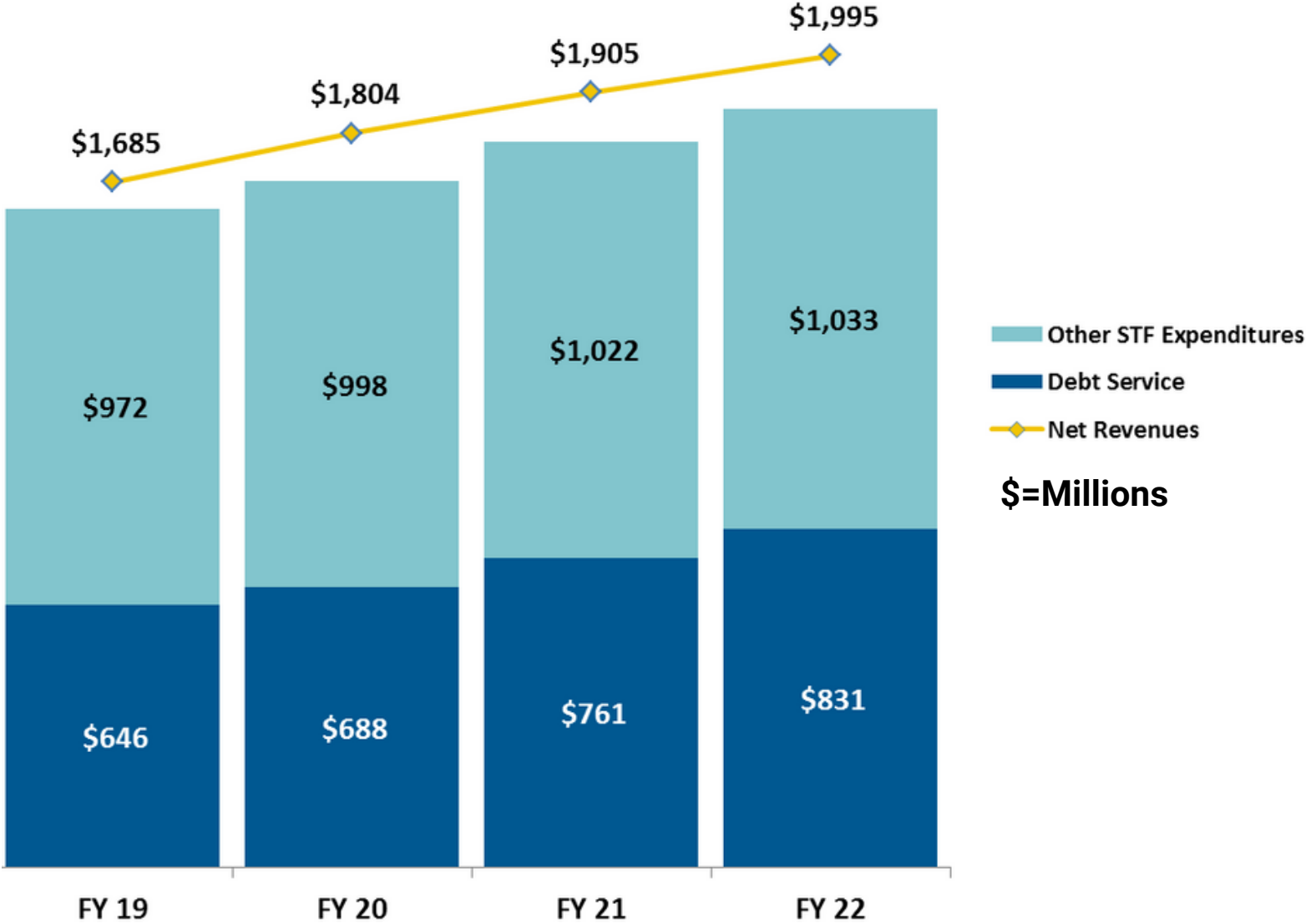
2018

**Voters approve constitutional lockbox**

**Accelerate vehicle sales tax transfer to FY 19**

**GO bonds for transportation**

# FOUR-YEAR STF OUTLOOK



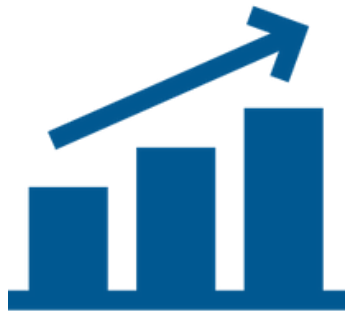
# TRENDS | GROWTH DISPARITY

**FY 19-22** *(projected)*



**Revenue Change**

**5.8 %**

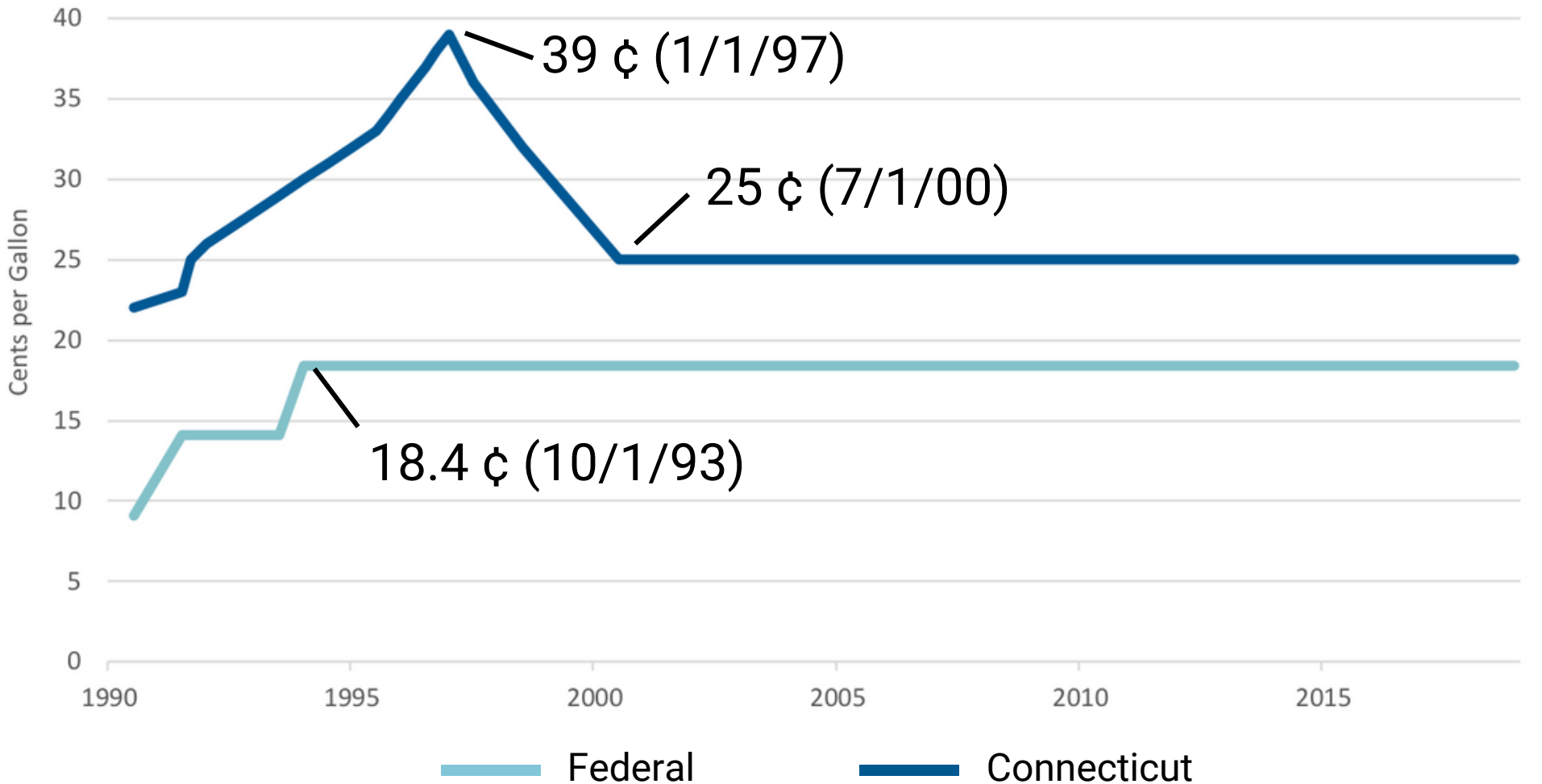


**Debt Service Growth**

**8.8 %**

# TRENDS | GAS TAX SUSTAINABILITY

## Gas Tax Rate Changes Since 1990



## **THE CHALLENGE**

While recent legislative actions have funded the "Let's Go!" ramp-up and stabilized the STF through 2023, without additional funding, the state will have to reduce its transportation spending in the future.





**PART III:  
POLICY OPTIONS**

# POLICY OPTIONS

- Use of Non-STF Resources for Transportation
- Gas Tax Increase
- Transportation-Related Fee Increases
- Mileage-Based User Fees
- Public-Private Partnerships (P3s)
- State Infrastructure Bank





# TOLLING

## QUICK FACTS

- DOT has evaluated several tolling options
- Currently, the Value Pricing Pilot (VPP) program is the state's most viable option
- Tolling requires both legislative and federal approval and must be done in accordance with federal law
- Bills passed committee in 2017 & 2018 but were not voted on by either chamber



# TOLLING

## VPP PROGRAM

- Allows participating states to toll on existing federal-aid highways in order to manage congestion
  - Connecticut qualifies for an exemption under the program
- Tolling under this program must (1) be all-electronic, (2) be implemented in congested areas & (3) use congestion pricing
- Congestion Pricing  $\neq$  Dynamic Pricing

# THE TOLLING DEBATE

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## ARGUMENTS FOR



Direct user fee (users pay/users benefit)



Captures money from out-of-state drivers



Significantly improves congestion

## ARGUMENTS AGAINST



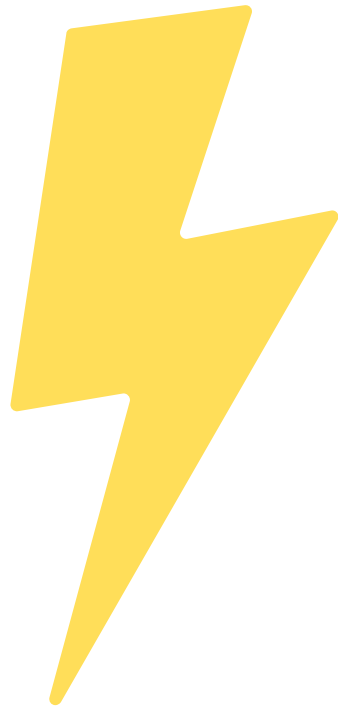
Geographic Inequity



Economic Inequity



Comparatively expensive to collect



# **Tolls Lightning Round**

Top 10 FAQs

1

Doesn't federal law prohibit states from tolling?

2

Do we have to do  
congestion pricing?



3

Won't we lose  
federal funding if we  
impose tolls?

4

What can states use  
toll revenue for?

5

Can we put tolls  
only at the border?

6

How many gantries  
will there be?



Who sets toll  
rates?



Can we give toll discounts to state residents?

9

How much revenue  
will tolls bring in  
annually?

10

Does toll revenue go  
in the lockbox?





QUESTIONS



Presenters

**Heather Poole, OLR**  
**Eric Michael Gray, OFA**  
**George Miles, OLR**

For further research, the Library  
Research Guide is available [here](#).