



Testimony of  
**Sal Luciano, President  
Connecticut AFL-CIO**

Transportation Committee  
January 31, 2020

***LCO 373 An Act Concerning the Sustainability of Connecticut's  
Transportation and Infrastructure***

Good morning Senator Leone, Representative Lemar and members of the Transportation Committee. My name is Sal Luciano and I am proud to serve as the President of the Connecticut AFL-CIO, a federation of hundreds of local unions representing more than 220,000 members in the private sector, public sector, and building trades. Our members live and work in every city and town in our state and reflect the diversity that makes Connecticut great. Today, I come before you in solidarity with our brothers and sisters in the building trades, to express the labor movement's support for LCO 373.

This proposal offers an historic opportunity. It authorizes unprecedented and long overdue investments in our state's transportation infrastructure. It will ensure that our roads and bridges can be traveled safely and efficiently, further develop rail and other public transit systems, create jobs and spur economic development. Few other investment programs can simultaneously deliver so much for Connecticut taxpayers. By providing a reliable revenue stream from user fees on large commercial trucks, the state can reduce its transportation borrowing, allowing it to make other critical investments in education, public safety, economic development and municipal aid. It is a win-win investment in our future.

No doubt you will hear plenty of testimony on the advantages and disadvantages of tolling. While we understand why that has been an important focus of discussion around this proposal, it's unfortunate that so little attention has been devoted to the jobs and related economic development this proposal will create. Make no mistake. This \$19 billion investment, according to estimates based on a Council of Economic Advisors report, will create more than 23,000 good-paying jobs per year for ten years, not including the indirect and induced jobs it will generate.<sup>1</sup> This will strengthen our economy and further improve the state of Connecticut's fiscal affairs.

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<sup>1</sup> <https://www.whitehouse.gov/wp-content/uploads/2018/03/The-Economic-Benefits-and-Impacts-of-Expanded-Infrastructure-Investment.pdf>

At the height of the Great Recession, Connecticut's unemployment rate hovered around ten percent. As bad as that was, the construction industry was hit much harder. More than one-third of the state's construction workforce was impacted, resulting in a loss of 20,400 jobs. Only since 2013 has the construction industry experienced any meaningful job gains, but we still have not fully recovered. We are still 6,900 jobs short of the peak construction employment of 2008. According to the Bureau of Labor Statistics, Connecticut's unemployment rate in the construction industry is 8.8%, the 47<sup>th</sup> highest in the country.<sup>2</sup> Compare that with the state's 3.7% overall unemployment rate.<sup>3</sup> This proposal provides us the means to fortify Connecticut's construction industry, finally recovering the jobs lost during the Great Recession and creating economic opportunity for new workers.

As of December 2019, Connecticut had recovered 86.1 percent, or 103,600 of the 120,000 seasonally adjusted jobs lost during the Great Recession. LCO 373 is a no-brainer. It finally allows the state to move beyond the Great Recession and into a new era of prosperity.<sup>4</sup>

There are those who say Connecticut cannot afford such robust investment. They point to economists' predictions that an economic downturn may be on the horizon. To them I say that is precisely the reason to invest *now*. Construction is a major contributor to our state's economy. The National Bureau of Economic Research estimates that every dollar spent on transportation investments yields twice as much in economic stimulus. This means that this \$19 billion investment will result in approximately \$40 billion in new economic activity. By putting tens of thousands of skilled Connecticut taxpayers to work, we can mitigate an economic downturn or recession.

Putting more than 23,000 people to work each year for the next ten years will ensure those workers collect a paycheck, not unemployment benefits. With these wages, workers will fuel further economic growth, paying their mortgage and property taxes, buying groceries, putting gas in their tanks and taking their kids to a movie. It also ensures that state revenue collections remain steady if other sectors experience recession.

By funding large-scale infrastructure projects, the state simultaneously invests in workforce development. When we create construction jobs, we also provide worker training opportunities in the form of registered apprenticeship programs. Apprenticeships allow entry-level workers to earn while working alongside highly skilled, certified and experienced trade professionals. Combined with classroom instruction, apprenticeship programs equip workers with top-notch skills in order to meet workforce demands. This proposal ensures there will be enough high-quality opportunities for apprentices to have on-the-job training.

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<sup>2</sup> <https://www.constructiondive.com/news/construction-industry-unemployment-at-record-low/554144/>

<sup>3</sup> <https://www1.ctdol.state.ct.us/lmi/laborsit.asp>

<sup>4</sup> <https://www1.ctdol.state.ct.us/lmi/laborsit.asp>

I also want to briefly cover two other issues concerning tolls. The first is the claim that trucks-only tolls will raise the cost of goods and services in Connecticut. We know this is not true because the price of goods is the same across the same stores in different states with tolls and without tolls. Please refer to Figure 1 at the end of my testimony for a price comparison in three different states. An opponent might argue that these stores have already raised the prices to cover the costs of tolls. If that's true, that means even without tolls in our state, Connecticut residents pay for tolls in other states twice over – first, whenever they cross state lines into a state with tolls and again when we go to the store to subsidize the increased cost of products because tolls in those other states.

The second issue is that tolls have somehow become a partisan issue or that Connecticut would be out-of-step with other states in the country if we passed trucks-only tolls. This is something that states across our country have figured out and it didn't matter if they were controlled by Democrats or Republicans, in the North or South, East or West. In total, 34 out of 50 states have some form of tolling. In fact, Connecticut is the only state on the entire East Coast with no tolling whatsoever, meaning we're losing out on millions of dollars every year while our taxpayers pay for every other state's infrastructure. Please refer to Figure 2 at the end of my testimony to see a map of states with and without tolls.

Not only is this proposal smart economic policy, it improves the quality of life for Connecticut residents. Safer bridges, better designed roadways and expanded rail service all translate to reduced commute times. For example, the recently completed improvements on I-84 in Waterbury increased average rush hour speeds by more than 45 mph, reducing travel time by 25 minutes.

Infrastructure is not a partisan issue. We can no longer afford to kick the can down the road. We can no longer risk the public's safety with so many roads and bridges in need of repair. We can no longer delay the creation of good paying jobs. We ask you to be bold and courageous. We ask you to finally turn the page on the Great Recession and put Connecticut's economic future first. We ask you to support the plan before you.

Thank you for the opportunity to testify. I am happy to answer any questions you may have.

Figure 1. Comparison of Shop & Stop flyers in New York, Massachusetts, and Connecticut.





**Figure 2. Map of states with and without tolls.**

