

CRCOG Weekly Legislative Report

2019 Legislative Session

April 4, 2019

Weekly Legislative Feature Issues:

This week at the Capitol has been a quiet one with a number of committees passing their final committee deadlines. Those committees were the Planning and Development Committee (4/1), the Education Committee (4/1), the Government Administration and Elections Committee (4/3) and the Public Health Committee. There are only three committees that have not passed their final deadlines-the Judiciary Committee (4/12), the Finance, Revenue, and Bonding Committee (5/2), and the Appropriations Committee (5/3).

Governor Lamont presided over his first State Bond Commission meeting, where observes noted that he seemed surprised that attendees rose when he entered the room and waited for him to sit before taking their own seats. At this meeting, the State Bond Commission approved \$115.9 million in state bond requests. The \$115.9 million will fund a number of projects including grants to municipalities and money for police body cameras. Additionally, the Commission approved \$159.7 million in special transportation bonds for paving 221 miles of highway and local bridge repairs.

This past week has revealed new developments of particular interest to you:

Toll Barriers Could Derail Lamont's Transportation Plan: Getting There

In this article, Jim Cameron writes about a recent call he received from former Governor Dan Malloy. A week or so prior, Cameron had written a column about Connecticut's Transportation Strategy Board. Malloy was concerned about Cameron's characterization of the Special Transportation Fund's "lock box" that was designed to mandate the use of toll funds for transportation-related infrastructure; Cameron characterized it as having many back doors. Malloy was worried that this image of the lock box would further hinder support for tolls.

Cameron sees this call from Malloy as telling of a growing concern about gaining support for tolls. This concern sprouted when Lamont switched his position on the campaign trail from "truck-only tolling" to "all-vehicle tolling." It grew when Lamont pulled the car sales tax revenue from the Special Transportation Fund. Now, this concern is being nurtured by Republicans doing work in local communities by giving a voice to toll-opposers in "information sessions." Lamont continues to hold press

events to gain support for tolls by emphasizing toll-revenue as the best solution for Connecticut's funding shortages. Nevertheless, Cameron believes that tolls in Connecticut are in trouble.

CT Post: Toll Barriers Could Derail Lamont's Transportation Plan: Getting There

GOP Leader Worried Lamont's 'Debt Diet' Could Stifle Grants for Small Towns

Some are concerned that Lamont's "debt diet" could mean less funding for Connecticut's small towns. Specifically, some noticed that STEAP grants—a program that the legislature approved to offer \$30 million in support to towns with populations under 30,000—were not on the agenda for Lamont's first bond commission meeting. These grants are typically used for smaller projects such as sidewalk and parking lot development. But Lamont wants to cut borrowing, and that may include the borrowing that funds STEAP grants. Lamont's budget director, Office of Policy and Management Secretary Melissa McCaw, announced that the Lamont administration has not made a final decision about STEAP grant authorizations.

This conversation about grants is happening in tandem with revenue conversations surrounding tolls. Republicans would rather pursue a non-tolling option to funding transportation infrastructure. For example, one option would redirect other bonding—used for school construction and economic development—to the transportation fund. This option would increase funds for transportation construction work from \$800 million to \$1.6 billion starting next year, while Lamont's toll plan would mean four to five years without additional revenue until tolling gantries are built. From STEAP grants to tolling revenue, it is clear that the Lamont administration has many difficult financial decisions to make for the state.

CT Mirror: GOP Leader Worried Lamont's 'Debt Diet' Could Stifle Grants for Small Towns

Bonding Plans Demand More Scrutiny: Editorial

In this opinion article, this author raises concerns about Lamont's "debt diet." The author concedes that the debt diet sounds great in a press release, but they are skeptical about the efficacy in practice. Some borrowing, the author argues, does more good than harm. The kind of long-term borrowing for Connecticut-based projects that Lamont opposes may also be the borrowing that creates essential programs and jobs that benefit Connecticut long-term. Of course, this doesn't mean that borrowing is "always good." But at the same time, Lamont should listen to the concerns of the state's nonprofit organizations and housing agencies who are worried about the temporary loss of funds from the state. This author argues that a "debt diet" is happening, but Lamont should be careful not to fall into a "debt fast."

CT Post: Bonding Plans Demand More Scrutiny: Editorial

Connecticut Toll Foes Organize Series of Protests for Saturday

A group organized by NoTollsCT.org held protests in Vernon, Tolland/Mansfield, New Haven, Trumbull, and Stratford this past weekend. NoTollsCT.org hosts a petition on its website that has collected nearly 100,000 signatures opposing tolls. Lamont says that tolls are the only viable long-term solution to funding Connecticut's transportation infrastructure. The NoTollsCT.org group hopes to sway toll supporters away from Lamont's philosophy. Toll supporters hear the uproar from Connecticut citizens; but, without offering a viable alternative, many remain unswayed. "If you oppose tolls, tell me how you want to finance infrastructure investment," said U.S. Representative Jim Himes, a Democrat from Greenwich. "Debt doesn't count. That's getting your kids to pay for it."

Hartford Courant: Connecticut Toll Foes Organize Series of Protests for Saturday

Education Committee Approves Gov. Ned Lamont's Watered-Down Regionalization Bill

Lamont's two bills aimed at regionalizing Connecticut schools, House Bill 7150 and Senate Bill 874, were approved by their respective committees last week. Senate Bill 874—a controversial bill that tasks the newly-created Commission on Shared School Services with saving the state money through school regionalization—didn't get through committee without some key changes. Firstly, the committee removed language that would require municipalities to chip in on teacher's pensions. They also removed a plan that required homeschoolers to register in their school district. Lastly, the committee took power away from the commission by only allowing the commission to "make recommendations" regarding reconsolidation.

Some state Republicans are still not happy about the bill. Some are worried that, by passing this bill, the original implication of the bill lives on—an implication that larger school districts are "always better." Other Republicans are worried that creating a commission now will enable the legislature in the future to give this commission power to force regionalization. Others voted against the bill because of a provision in the bill that could reduce education sharing funds for wealthier districts.

<u>Hartford Courant: Education Committee Approves Gov. Ned Lamont's Watered-Down Regionalization</u>
<u>Bill</u>

For Connecticut Businesses, Tolls Like a 'Double-Edged Sword'

The Danbury Chamber of Commerce and the Business Council of Fairfield County have taken positions on tolls—they are opposed and in support, respectively—but many organizations that represent Connecticut business have not yet taken a position. Governor Ned Lamont hopes to rally these businesses to convince legislators to vote in favor of tolls. But what he's hearing back from these businesses is that tolls are a "double-edged sword." Some see tolls as "just another tax" that makes Connecticut less competitive compared to its neighbors. Others point out that the final cost of tolls is "impossible to calculate" when balancing issues of estimated toll-related expenses and lost productivity

from sitting in traffic. Others say that the decision to support tolls was difficult, but they support tolls because improving Connecticut's public works is necessary to keep up tourism.

The Lamont administration will collect an estimated \$800 million per year in revenue from tolling gantries, with 40% of that revenue coming from out-of-state drivers. This revenue wouldn't start coming in until tolls are finished in four to five years. Many Democrats support tolls as the 'only viable option' to funding the state's transportation infrastructure. In opposition, many Republicans propose a bonding plan to fund transportation. When considering tolling, one Cromwell manufacturer insists that the issue must be viewed in a broader context with the many burdens that Connecticut businesses could also take on under the new budget: a constantly raising minimum wage, paid family and medical leave partially financed by a payroll tax, and now tolls. Tolls are a tricky issue, and it is yet to be seen if Lamont can broadly rely on businesses to support them.

Hartford Courant: For Connecticut Businesses, Tolls Like a 'Double-Edged Sword'

Tracked Bills:

Please see attached document.