



CRCOG Weekly Legislative Report

2019 Legislative Session

April 25, 2019

Weekly Legislative Feature Issues:

This week at the Capitol was very busy with the House convening for legislative sessions on Tuesday, April 23rd and Wednesday, April 24th. The Senate convened for their own legislative sessions on Wednesday, April 24th and Thursday, April 25th.

The Appropriations and Finance, Revenue, and Bonding Committees are continuing their work developing a legislative budget proposal as their final committee deadlines approach next week.

House Honors late Rep. Ezequiel Santiago

On Wednesday, April 24th, the House paid tribute to the late Rep. Ezequiel Santiago, who died unexpectedly last month from an apparent heart attack. Santiago's passing shocked Connecticut policymakers.

Over nearly two hours, lawmakers shared anecdotes and offered tributes to the man that fellow Bridgeport Democrat, Rep. Steve Stafstrom described as "a steady hand for well over a decade in Bridgeport politics and up here [in Hartford]."

Another Bridgeport Democrat, Rep. Chris Rosario, said "no matter how crazy and hectic this building got, Ezequiel was our steadying force."

Rep. Robyn Porter, a New Haven Democrat, said that Santiago loved Bridgeport and built relationships with fellow lawmakers through his hard word and dedication on legislation. She counted him as a brother.

Following the tribute, the House honored his memory further by turning to what he loved—working to make the state he loved a better place.

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

Lamont Talking with Private Sector on Tolls, Vows State Control

Gov. Ned Lamont has begun informal discussions with firms about the possibility of a public/private partnership for toll construction and operation. On March 6, Lamont had a half-hour meeting with Patrick Jones, executive director and CEO of International Bridge, Tunnel and Turnpike Association. Later that month, Lamont got coffee in New York with Jamie Rubin, CEO of the North American operations of Meridiam Infrastructure. It's not known what was discussed at these meetings, but we do know meetings like these are not uncommon; former Gov. Dannel P. Malloy also had meetings with toll companies when his administration explored the possibility. His administration did not use public/private partnerships to fund any transportation projects because of strict regulations from the legislature on their use.

Most states use public/private partnerships to construct new toll roads, and a partnership would provide an opportunity to pay for the estimated capital start-up costs of \$372 million without using state bonding. Lamont insists Connecticut won't give over its roads entirely to private control, insisting that, "We'll keep ownership." Lamont has not elaborated on the details of a public-private partnership, but he does assert there is "real interest" from the private sector.

[NewsTimes: Lamont Talking with Private Sector on Tolls, Vows State Control](#)

A New Vision to Replace the I-84 Viaduct Could Drastically Change the Look and Feel of Downtown Hartford

State and city planners have a new vision for Hartford. They outlined a plan that would restructure the 108-acre area around Hartford's Union Station as part of a larger initiative to replace the 49-year-old I-84 viaduct. The planners envision 8- to 14-story-buildings, a recreation field, and walkable stretches from Bushnell Park to The Hartford Financial Services Group's corporate campus. A study on this new development, now named "Capital Gateway," is still awaiting adoption by the city council. Additionally, an estimated funding of \$5.3 billion must still be secured. Discussions of re-building the viaduct in an underground tunnel are now off the table, since this option would have cost as much as \$10 billion. The Department of Transportation is not expected to make a formal recommendation on the I-84 viaduct until next year, although they've hinted at wanting to lower the highway below the grade.

The purpose of this project, says Sandy Fry, principal planner in the city department of development services, is to "remove blight from the landscape." The plan is receiving praise for tying redevelopment to the nearby train and bus stations, but many are concerned about funding. Regardless, many see this initiative as a necessary reparation considering how the I-84 viaduct created a barrier between downtown Hartford and the surrounding neighborhoods. The redevelopment could affect as many as 3,000 units of housing and office-space that could hold 4,000 workers. Additionally, rail lines and the CTfastrak buy will both have to be relocated to accommodate this change.

[Hartford Courant: A New Vision to Replace the I-84 Viaduct Could Drastically Change the Look and Feel of Downtown Hartford](#)

Legislators Break with Lamont and Propose Higher Taxes on Wealthy Connecticut Residents

Democratic legislators are advocating for a tax hike on the incomes of Connecticut's wealthiest residents, running in opposition with Lamont's promise to keep all tax rates untouched. The proposed plan would apply 2 percentage points only to income from capital gains; this plan would apply to single filers earning more than \$500,000 annually and couples earning over \$1 million. Lamont argues such a move would weaken Connecticut's economy by driving out wealthy taxpayers. Despite opposition, the bill was raised by the Democratic majority on the Finance, Revenue, and Bonding Committee. There is no official estimate yet on how much the tax hike would raise, but a source familiar with the material anticipates at least \$200 million per year in new revenue.

Although Lamont has remained steadfast on not raising tax rates, he has been an advocate for new taxes. His current budget would levy new taxes on sugary drinks, plastic bags, vaping products, and services that were not previously taxed—services such as haircuts, architecture, and law services. These taxes are seen as 'regressive' by many since the rate is flat, but Lamont disagrees. He points out that expanding the sales tax to services will be progressive in its effect on the wealthy, since their income bracket is more likely to use services. Republicans oppose the new taxes of Lamont's budget as well as the recently-proposed plan by state Democrats but have yet to offer substitute solutions for Connecticut's fiscal deficit. "Yet again we're seeing the tax code being used to go after certain segments of society," Deputy House Minority Leader Vincent J. Candelora said.

[Hartford Courant: Legislators Break with Lamont and Propose Higher Taxes on Wealthy Connecticut Residents](#)

Tolls vs. 'Prioritize Progress': Competing Plans or a Natural Pairing?

To pay for transportation infrastructure, should we support Lamont's all-vehicle tolling plan, or the Republicans' Prioritize Progress general-obligation bonding plan? Both plans would help Connecticut begin to pay debts after a long history of borrowing for transportation funding. Lamont's plan could raise \$800 million a year by 2024 or 2025, with 30 to 40 percent of that revenue coming from out-of-state drivers. This plan would allow Connecticut to fund the bulk of its transportation projects without using borrowed dollars. Conversely, Prioritize Progress would reallocate borrowing from Connecticut's general fund to fund transportation projects without the need for tolls. Many Republicans support this plan because it will give Connecticut funding for transportation right now, rather than having to wait four to five years for toll gantries to be built to collect revenue.

What if these ideas could somehow be merged? Lyle Wray, executive director of the Capitol Region Council of Governments, advocates for the idea that the Republicans' plan could serve as a funding 'bridge' from 'right now' to 'four or five years from now,' when the tolls are finally up and running. This would allow for major projects, such as repairing I-84 or the widening of I-95, to proceed as planned. But many are worried politics will get in the way. Many Connecticut residents are staunchly against tolls, pushing many Republican legislators to draw a hard line in the sand against them. Time is running out to find a viable solution. With the legislative session ending soon, and an economic recession on the horizon for as soon as next year, we can only hope that some compromise can be reached to fund transportation before it's too late

[CT Mirror: Tolls vs. 'Prioritize Progress': Competing Plans or a Natural Pairing?](#)

Lamont Promises a Cost-Efficient, User-Friendly Government

“It’s my goal to make Connecticut one of the nation’s most cost-efficient, data-informed, results-driven states,” said Governor Ned Lamont. To meet this goal, David Wilkinson was appointed as Connecticut’s new chief performance officer. Wilkinson has a long history of success in the Obama and Malloy administrations, and he hopes to use his position to streamline the Connecticut bureaucracy. He is tasked with helping Josh Geballe, former IBM executive and now-commissioner of administrative services, to make Connecticut more ‘user-friendly’ and ‘cost-effective.’ Lamont has hired others from the private sector to meet these needs; David Lehman joined the administration at economic and community development, and Sibongile Bongile Magubane joined with the Department of Motor Vehicles.

Lamont hopes regular cabinet meetings will facilitate achievement of his ambitious goals. His first cabinet meeting was last Monday. Agency heads took the opportunity of a public cabinet meeting to lay out their short- and long-term goals. Magubane said that one of his key goals was to modernize the state’s information-technology infrastructure, including moving many DMV transactions completely online. Paul Mounds, the administration’s chief operating officers, is also developing a ‘digital tool’ to track cross-agency objectives such as Magubane’s. Lamont is hoping these initiatives will save money long-term in a time when finances are tight, but no exact numbers have been given.

[CT Mirror: Lamont Promises a Cost-Efficient, User-Friendly Government](#)

Hartford HealthCare, Trinity, UConn to Launch Hartford Medtech Accelerator

Hartford HealthCare, Trinity College, and the UConn School of Business have chosen the London-based organization Startupbootcamp to operate a new digital health accelerator in downtown Hartford. Startupbootcamp is the same organization that has spent the past two years operating the Hartford InsurTech Hub accelerator. The accelerator is designed to attract startups to Hartford and grow Hartford’s economy. The accelerator is being unveiled publicly on Wednesday. It will be housed in Trinity College’s space on the third floor of One Constitution Plaza, and Berger-Sweeney hopes it will be a way for students from her college to find “jobs of the future.” The accelerator project was scaled back after a recent \$400,000 botched construction plan to build a 70,000-square-foot office building on President’s Corner. Although plans to redevelop the area have been tabled for now, the accelerator may re-stimulate interest in the future.

[Hartford Business: Hartford HealthCare, Trinity, UConn to Launch Hartford Medtech Accelerator](#)

Hartford Region Sees Growth in Innovation Hubs, But Still Trails Major Tech Cities

Henkel USA’s new, 2,200-square-foot lab officially debuted April 3, and it is among nearly a dozen corporate labs and innovation hubs to pop up in the Greater Hartford area lately. These new labs will hopefully help all involved—the companies hope to develop new efficiencies and innovations for their customers, and Hartford hopes to compete in innovation and business with Boston and New York. Also contributing to Hartford’s recent growth are Nassau Re, The Hartford, Travelers Cos., and Hartford Steam Boiler and Insurance Co.

To further promote innovation, Nassau Re launched an insurtech incubator downtown to promote startups in the life, annuity, and reinsurance sectors. Another accelerator, the Hartford InsurTech Hub, is backed by The Hartford, Travelers, and Cigna; it seeks to promote technological development. Also included in this category of collaborative spaces is MakerSpaceCT, a space where entrepreneurs can meet to exchange ideas and resources. With these innovations, Connecticut hopes to live up to its reputation of being Bloomberg's fourth most innovative state in the country, based on its R&D intensity, productivity, tech-company density, and concentration of STEM jobs.

[Hartford Business: Hartford Region Sees Growth in Innovation Hubs, But Still Trails Major Tech Cities](#)

Tracked Bills:

Please see attached document.