

**Testimony of Commissioner Joseph Giulietti**  
**Appropriations Committee**  
**Fiscal Year 2022 – Fiscal Year 2023 Operating Budget**  
**February 26, 2021 11:00 a.m.**

Good morning Chairwoman Walker, Chairwoman Osten, and members of the Committee. I am Joseph Giulietti, Commissioner of the Department of Transportation. I am pleased to appear before you today to discuss Governor Ned Lamont's recommended biennial operating budget for the Department of Transportation.

Governor Lamont's proposed budget recognizes the critical role transportation plays not only in the daily lives of our citizens, but also in the long-term economic vitality and future success of our state. The proposed funding for the upcoming biennium will enable the Department to continue to provide the citizens of Connecticut with a safe and efficient intermodal transportation network, and, the Governor's recommendations for new sources of revenue help set the stage for a sustainable path forward to fund transportation infrastructure maintenance and upgrades, which the state so desperately needs.

The Governor has recommended Special Transportation Fund appropriations of \$807.9 million for fiscal year 2022, and \$906.3 million for fiscal year 2023. The details of the proposed budget follow.

The Governor's proposed Personal Services budget of \$196.4 million in fiscal year 2022 and \$203.8 million in fiscal year 2023 provides funding for Department employees that plan, design, maintain, and provide support for a safe highway and bridge and public transportation system. The proposed authorized count of 3,361 reflects a reduction of 26 positions that are transferred to the Department of Administrative Services and the Office of Policy and Management, as part of the centralization of human resources and labor relations functions. The authorized count of 3,368 in the second year includes seven positions added to enable the Department of Revenue Services to administer the proposed Highway User Tax.

The Governor's proposed Other Expenses appropriation is \$53.0 million in FY 2022 and \$53.2 in FY 2023. The proposed budget includes a *decrease* that accounts for the transfer of funding to the Department of Administrative Services due to the centralization of the State's Microsoft 365 agreement; and it includes an *increase* for drug enforcement training related to the regulation of recreational cannabis use by adults. It is important to note that the Department's Other Expenses account contains funding dedicated to safety-related fixed costs, including snow removal materials and contractual services; fleet repairs and fuel for the Department's fleet of trucks, loaders, and other heavy equipment; highway and electrical items (such as guide rail, posts, concrete barriers and lights); highway illumination; and the costs for operating more than 100 Department facilities.

A key component of the Department's mission is maintaining existing rail and transit services that have historically served the mobility needs of over 80 million passengers annually. The Department works continually with service operators to achieve savings while striving to provide exceptional services within available resources. The Governor is proposing \$176.0 million in fiscal year 2022 and \$182.2 million in fiscal year 2023 for the Rail Operations appropriation; \$211.3 million in 2022 and \$195.9 million in 2023 for Bus Operations; as well as \$42.6 million in each year for the ADA Para-Transit Program. In recognition of ridership trends that are expected to continue beyond the pandemic, significant savings in Rail Operations are proposed through service reductions on the New Haven Line and Shore Line East. Reduced ADA ridership has led to a corresponding budget adjustment and savings in Bus Operations can be achieved through

consolidating express services. While these adjustments seek to realign service to meet lower ridership levels, there are areas where greater accessibility of services is warranted, including a proposed extension to the daily bus schedule in Greater New Haven, as well as an addition to the number of trains servicing the Waterbury line.

The Governor also recommends \$3 million to support implementation of the Department's Transportation Asset Management System. Asset Management (at DOT) is a risk-based, data-driven process to maximize transportation performance and user experience, to prioritize resources, and to optimize treatments and costs over the life of an asset for the state's multimodal transportation system. Using an Asset Management approach has proven to save money; performing timely, preventive maintenance (which an Asset Management Plan facilitates) keeps assets in better condition over a longer time period at a lower cost than a reactive approach. The proposed amount will fund technical support, including consultant services and software that are required for implementation.

The Pay-As-You-Go Transportation Projects (PAYGO) account provides operating funding for transportation infrastructure maintenance and improvements. The Governor has recommended an additional \$3.7 million to fund specialized contractual services to assist the Department in the maintenance and removal of damaged, dying and dead trees from the state right-of-way. More notably, the Governor proposes to expand the PAYGO program with an additional \$100 million in FY 2022 and \$200 million in FY 2023 to fund critical state highway and bridge activities, projects, and support maintenance activities with short-term benefits rather than the typical 20-year bond which has historically financed our transportation capital program.

The Federal Highway Administration and Federal Transit Administration have apportioned funds through the CARES Act and CRRSAA to provide relief to State transportation budgets. These funds are anticipated to support continuing Department operating shortfalls related to COVID-19.

The Governor's Budget is also recommending authorizations of Special Tax Obligation bonds in FY 2022 and FY 2023 of \$836.9 and \$929.6 respectively, to keep our transportation infrastructure in a state of good repair.

I look forward to working with you on implementing a biennial budget that allows for continued preservation and operation of the state's transportation network.