



House of Representatives

General Assembly

File No. 6

February Session, 2008

House Bill No. 5142

House of Representatives, March 6, 2008

The Committee on Environment reported through REP. ROY, R. of the 119th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING THE MOTOR BOAT FUEL TAXES AND THE CONSERVATION FUND.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-460a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) Notwithstanding the provisions of section 13b-61, with respect to
4 the fiscal year ending June 30, 2003, the Commissioner of Revenue
5 Services shall deposit into the Conservation Fund established under
6 section 22a-27h two million dollars of the amount of the funds received
7 by the state from the tax imposed under this chapter attributable to
8 sales of fuel from distributors to any boat yard, public or private
9 marina or other entity renting or leasing slips, dry storage, mooring or
10 other space for marine vessels provided (1) two hundred fifty
11 thousand dollars shall be credited to the boating account, and (2) one
12 million dollars shall be credited to the fisheries account of which not
13 less than seventy-five thousand dollars shall be allocated to The
14 University of Connecticut for the Long Island Sound councils.

15 (b) With respect to fiscal years ending on or after June 30, 2004, the
 16 Commissioner of Revenue Services shall deposit into the Conservation
 17 Fund established under section 22a-27h three million five hundred
 18 thousand dollars of the amount of the funds received by the state from
 19 the tax imposed under this chapter attributable to sales of fuel from
 20 distributors to any boat yard, public or private marina or other entity
 21 renting or leasing slips, dry storage, mooring or other space for marine
 22 vessels provided (1) two hundred [fifty] ninety-five thousand dollars
 23 shall be credited to the boating account, and (2) two million three
 24 hundred thirty thousand dollars shall be credited to the fisheries
 25 account of which not less than [seventy-five] one hundred twenty-five
 26 thousand dollars shall be allocated to The University of Connecticut
 27 for the Long Island Sound councils.

| | | |
|-------------------------------------------------------------------------------|---------------------|---------|
| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>from passage</i> | 12-460a |

ENV Joint Favorable

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact:

| Agency Affected | Fund-Effect | FY 09 \$ | FY 10 \$ |
|----------------------------------------|---------------------------|----------|----------|
| Department of Transportation | TF - Revenue Loss | 500,000 | 500,000 |
| Department of Environmental Protection | Conservati - Revenue Gain | 500,000 | 500,000 |

Note: TF=Transportation Fund; Conservati=Conservation Fund

Municipal Impact: None

Explanation

The bill will result in a revenue loss to the Transportation Fund of \$500,000 per year from the motor fuels tax beginning in FY 09 and a revenue increase to the Environmental Conservation (EC) Fund of \$500,000 beginning in FY 09. The bill increases the transfer from the Transportation Fund to the EC Fund from \$3 million per year to \$3.5 million per year.

The actual EC Fund balance for FY 07 is \$6.2 million and the estimated fund balance for FY 08 is \$5.9 million. The EC Fund is used for the administration of conservation programs and is funded primarily through fees generated from parking, admission, boat launching, camping and other recreational uses of state parks, forests, boat launches, and other state facilities.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**HB 5142*****AN ACT CONCERNING THE MOTOR BOAT FUEL TAXES AND THE CONSERVATION FUND.*****SUMMARY:**

This bill increases, from \$3 million to \$3.5 million, the amount of motor boat fuel taxes the revenue services commissioner must transfer to the Conservation Fund. It requires the fund's (1) boating account to increase from \$250,000 to \$295,000 and (2) fisheries account from \$2 million to \$2.3 million. It also requires that at least \$125,000 in the fisheries account be allocated to the University of Connecticut for the Long Island Sound councils. Current law sets the minimum allocation at \$75,000.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Environment Committee

Joint Favorable

Yea 30 Nay 0 (02/27/2008)