

CONNECTICUT ASSOCIATION FOR COMMUNITY TRANSPORTATION  
Written Testimony of Gloria Mills, Executive Director  
In Support of Raised Bill 5474  
Submitted to the Transportation Committee  
March 12, 2010

On behalf of the Connecticut Association for Community Transportation (CACT), I write in support of Raised Bill No. 5474, An Act Concerning the Establishment of Electronic Tolls at the State's Borders, to create a source of revenue for Connecticut's Special Transportation Fund (STF). The STF has a revenue problem. Its revenue sources are insufficient to fund a 21<sup>st</sup> Century multi-modal transportation system that strengthens Connecticut's economy, reduces congestion and CO<sub>2</sub> emissions, creates livable communities, and improves the quality of life of its residents.

The Special Transportation Fund is suffering from declining revenues, increasing expenditures, construction cost escalation, and unknown federal commitments. In FY 2012, the STF operating balance will be in deficit because estimated expenditures will continue to increase faster than estimated revenues according to the Office of Fiscal Analysis.

The Motor Fuels Tax is the primary source of revenue for the Special Transportation Fund (STF). In FY 2009, the realized revenue from the Motor Fuels Tax was \$495,024,644—a loss of \$28,575,356 in the revenue budgeted according to the STF Statement of Estimated and Realized Revenue for Fiscal Year Ended June 30, 2009 (Office of the State Comptroller). The Motor Fuels Tax will generate less revenue as the public's consumption of motor fuel continues to decline due to the efficiency of newer automobiles, the economy, and use of alternative modes of transportation. In FY 2011, it is estimated to generate about 40.3% of the STF revenues (Office of Policy Management), down from 51% in FY 2003.

Connecticut's economy, reduction of congestion and CO<sub>2</sub> emissions, and quality of life require a change in the status quo. The revenue of the Special Transportation Fund must be sufficient to meet the expenditures required by a multi-modal transportation system that includes improved rail and transit, and maintains and repairs existing roads and bridges. Connecticut must expand the funding options, including but not limited to:

- Electronic Tolling (AET) – Modern technology makes cashless tolling safe and fast for users. Many Connecticut residents already use EZ pass in neighboring states (Connecticut and Vermont are the only states without highway tolls in the Northeast).
- Congestion pricing on Connecticut roads and highways;
- Raising the gas tax – From January 1, 1997 to July 1, 2000, Connecticut reduced the gas tax from 39 cents to 25 cents; and,
- Using the majority of revenue from the Petroleum Gross Receipt Tax for the Special Transportation Fund.

Expanding the funding options is not without challenges or limits. According to the Connecticut Electronic Tolling and Congestion Pricing Study (February 2009), the challenges of tolls at Connecticut's borders are considerable and so are "the pre-implementation tasks to gain consensus, legal and regulatory authority." However, the authors of the study also indicated that "if the toll revenue were used effectively, there could be other transportation system benefits achieved that were not evaluated by the study." Investment in highway and transit projects in the corridor could be examples of such benefits. Thank you.

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