GASOLINE & AUTOMOTIVE SERVICE DEALERS OF AMERICA, Inc.

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Our Members are responsible for selling over 60% of the 1.6 billion gallons of gasoline sold annually in the State of Connecticut!

SBA Report: Small Business Continues To Fuel the Economy!

President Obama Says Small Business must be at the Forefront of the Recovery!

Gov Malloy: As Mayor of Stamford, I worked every day not only to create jobs in the city, but also to provide economic security by promoting a thriving economy as Gov I will make sure Connecticut Becomes Competitive!

THIS IS THE OPPORTUNITY TO PROVE IT!

ENVIRONMENT COMMITTEE

By Michael J. Fox, Executive Director

March 07, 2011

Senator Meyer, Representative Roy and members of the Environment Committee, my name is Michael Fox, Executive Director of the Gasoline & Automotive Service Dealers of America, Inc. the Trade Association whose members are responsible for pumping 60% of the 1.4 billion gallons of gasoline sold in the State of Connecticut annually! I also serve as a volunteer member of the Connecticut Underground Tank Review Board and travel over 180 miles round-trip at my own expense. I point this out only demonstrate the importance of maintaining this fund for Connecticut!

We come before you today to speak in support of SB-1113 AA Establishing A Connecticut Commercial Tank Insurance Account with changes to the current language of the bill and HB-6506 AAC the Modernization of Certain Gasoline Vapor Recovery Equipment.

First I would like to address SB-1113 and say that our Association is ready to work with the committee to make the necessary changes to the language of this bill to make it a win win for the State of Connecticut, consumers and our industry. Back in 198O the legislature created the Connecticut Underground Tank Fund and at the same time created the Gross Receipts Tax or GRT to fund the program. This is the second or hidden additional gas tax.

It should be noted this program was the model for over 15-years, used by other States to create their funds/programs. But as many of you know continued raiding/redirecting of revenue generated from this fund has put us where we are today. I have provided examples in the written package you

have and since 2001 $1.7 billion has been generated by the gross receipts tax. From 1990 to 2007 only $192 million has gone to intended purpose or the Underground Tank Fund and during that same period of time $1.4 billion disappeared into the general fund. What is frustrating is traveling 180 miles to attend meetings at your own expense and the meetings are all about the lack of revenue available to pay claims. As a gasoline retailer and a consumer it is even more frustrating to know that if this revenue was left untouched and invested at just say 3% return on investment, the State could do away with the current $.24 extra tax on top of the $.25 State Gas Tax thereby providing relief for consumer, generate jobs in our state and still have plenty of money available to pay future claims from the Tank Fund. It is this type of forward money management that is missing from our policy makers in the State.

Regarding HB-6506 this bill will allow the either Federal EPA or the State DEP to make a determination that Stag II Vapor Recovery Systems are no longer needed in the State due to onboard refueling vapory recovery systems in cars are now in widespread use. This issue is the onboard systems are rendered useless when used in conjunction with Stag II systems. This is the opposite effect originally intended when Stag II was put into effect when no onboard systems were installed on cars. The cost savings to retailers in annual maintenance and testing is substantial. Thank you and I will answer any questions you might have!

State of
Petroleum Gross
Receipts Tax
(in thousands)

Fiscal Year	Gross Collections	Transfer to Underground Storage Tank Fund	Transfer to Emergency Spill Response Fund	Transfer to Special Transporation Fund	Net to General Fund
1990	$ 39,766	(10,926)	$ -	$ -	28,840
1991	55,290	(4,074)	-	-	51,216
1992	72,803	0	-	-	72,803
1993	81,791	(13,500)	-	-	68,291
1994	75,438	0	-	-	75,438
1995	75,129	(18,100)	-	-	57,029
1996	76,377	(7,200)	-	-	69,177
1997	90,809	(10,447)	-	-	80,362
1998	80,948	(19,090)	-	-	61,858
1999	63,255	(21,085)	-	(20,000)	22,170
2000	103,340	(13,055)	-	(36,000)	54,285
2001	127,400	(11,000)	(6,000)	(46,000)	64,400
2002	94,250	(15,941)	(8,000)	(46,000)	24,309
2003	125,451	-	(8,000)	-	117,451
2004	139,894	(12,000)	(10,500)	(10,500)	106,894
2005	179,100	(12,000)	(10,500)	(13,000)	143,600
2006	279,519	(12,000)	(12,000)	(43,500)	212,019
2007*	321,000	(12,000)	(12,000)	(141,000)	156,000
		(192,418)			1,466,142

mated as the accruals have not been finalized yet.

Total Gross Earning Tax Collected by Fiscal Year	Amount Collected Gross Receipts Only	Amount Collected Gas Tax Only	Total Amount Collected in Gas & Gross Recepts Tax
2001 to 2002	$100,113,928.89	$430,285,551.80	$530,399,480.69
2002 to 2003	$125,451,234.89	$457,993,450.29	$583,444,685.18
2003 to 2004	$139,895,375.02	$464,468,315.79	$604,363,690.81
2004 to 2005	$179,047,465.99	$483,796,835.53	$662,844,301.52
2005 to 2006	$279,590,420.22	$395,448,506.68	$675,038,926.90
2006 to 2007	$309,403,944.97	$393,076,196.63	$702,480,141.60
2008 to 2009	$367,783,239.57	$495,125,319.38	$862,908,558.95
2009 to 2010	$264,917,722.75	$503,655,620.24	$768,573,342.99
	$1,766,203,332.30	$3,623,849,796.34	$5,390,053,128.64