



Senate

General Assembly

File No. 352

January Session, 2015

Senate Bill No. 937

Senate, April 1, 2015

The Committee on Transportation reported through SEN. MAYNARD of the 18th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT REQUIRING ALL MONEYS DIRECTED TO THE SPECIAL TRANSPORTATION FUND TO BE DEPOSITED IN SAID FUND, AND ALL EXPENDITURES FROM SAID FUND TO BE FOR TRANSPORTATION PURPOSES.

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

1 Section 1. Section 13b-61 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2015*):

3 (a) On and after July 1, 1975, there shall be paid promptly to the
4 State Treasurer and thereupon, unless required to be otherwise applied
5 by the terms of any lien, pledge or obligation created by or pursuant to
6 the 1954 declaration or part III (C) of chapter 240, credited to the
7 General Fund:

8 (1) All moneys received or collected by the state or any officer
9 thereof on account of, or derived from, motor fuel taxes; provided on
10 and after July 1, 1983, one cent of the amount imposed per gallon
11 before July 1, 1984, and received or collected from any rate of such tax
12 on motor fuels shall be credited by the State Treasurer to the Special

13 Transportation Fund;

14 (2) All moneys received or collected by the state or any officer
15 thereof on account of, or derived from, motor vehicle taxes;

16 (3) All moneys received or collected by the state or any officer
17 thereof on account of, or derived from, expressway revenues;

18 (4) All moneys becoming payable, under the terms of the 1954
19 declaration and part III (C) of chapter 240, into the Highway or
20 Additional Expressway Construction Funds mentioned in said
21 declaration;

22 (5) All moneys received or collected by the state or any officer
23 thereof on account of, or derived from, highway tolls;

24 (6) All other moneys received or collected by the commissioner or
25 his department; and

26 (7) Any other receipts of the state required by law to be paid into the
27 state Highway Fund or the Transportation Fund other than proceeds
28 of bonds or other securities of the state or of federal grants under the
29 provisions of federal law.

30 (b) Notwithstanding any provision of subsection (a) of this section,
31 there shall be paid promptly to the State Treasurer and thereupon,
32 unless required to be applied by the terms of any lien, pledge or
33 obligation created by or pursuant to the 1954 declaration, part III (C) of
34 chapter 240, credited to the Special Transportation Fund:

35 (1) On and after July 1, 1984, all moneys received or collected by the
36 state or any officer thereof on account of, or derived from, sections 12-
37 458 and 12-479, provided the State Comptroller is authorized to record
38 as revenue to the General Fund for the fiscal year ending June 30, 1984,
39 the amount of tax levied in accordance with said sections 12-458 and
40 12-479, on all fuel sold or used prior to the end of said fiscal year and
41 which tax is received no later than July 31, 1984;

42 (2) On and after July 1, 1984, all moneys received or collected by the
43 state or any officer thereof on account of, or derived from, motor
44 vehicle receipts;

45 (3) On and after July 1, 1984, all moneys received or collected by the
46 state or any officer thereof on account of, or derived from, (A)
47 subsection (a) of section 14-192, and (B) royalty payments for retail
48 sales of gasoline pursuant to section 13a-80;

49 (4) On and after July 1, 1985, all moneys received or collected by the
50 state or any officer thereof on account of, or derived from, license,
51 permit and fee revenues as defined in section 13b-59, except as
52 provided under subdivision (3) of this subsection;

53 (5) On or after July 1, 1989, all moneys received or collected by the
54 state or any officer thereof on account of, or derived from, section 13b-
55 70;

56 (6) On and after July 1, 1984, all transportation-related federal
57 revenues of the state;

58 (7) On and after July 1, 1997, all moneys received or collected by the
59 state or any officer thereof on account of, or derived from, fees for the
60 relocation of a gasoline station under section 14-320;

61 (8) On and after July 1, 1997, all moneys received or collected by the
62 state or any officer thereof on account of, or derived from, section 14-
63 319;

64 (9) On and after July 1, 1997, all moneys received or collected by the
65 state or any officer thereof on account of, or derived from, fees
66 collected pursuant to section 14-327b for motor fuel quality registration
67 of distributors;

68 (10) On and after July 1, 1997, all moneys received or collected by
69 the state or any officer thereof on account of, or derived from, annual
70 registration fees for motor fuel dispensers and weighing or measuring
71 devices pursuant to section 43-3;

72 (11) On and after July 1, 1997, all moneys received or collected by
73 the state or any officer thereof on account of, or derived from, fees for
74 the issuance of identity cards pursuant to section 1-1h;

75 (12) On and after July 1, 1997, all moneys received or collected by
76 the state or any officer thereof on account of, or derived from, safety
77 fees pursuant to subsection (w) of section 14-49;

78 (13) On and after July 1, 1997, all moneys received or collected by
79 the state or any officer thereof on account of, or derived from, late fees
80 for the emissions inspection of motor vehicles pursuant to subsection
81 (k) of section 14-164c;

82 (14) On and after July 1, 1997, all moneys received or collected by
83 the state or any officer thereof on account of, or derived from, the sale
84 of information by the Commissioner of Motor Vehicles pursuant to
85 subsection (b) of section 14-50a;

86 (15) On and after October 1, 1998, all moneys received by the state
87 or any officer thereof on account of, or derived from, section 14-212b;

88 (16) On and after July 1, 2009, all moneys received or collected by
89 the state or any officer thereof on account of, or derived from, any
90 direct federal subsidy pursuant to Section 6431 of the Internal Revenue
91 Code of 1986, or any subsequent corresponding internal revenue code
92 of the United States, as amended from time to time, and relating to
93 bonds or bond anticipation notes issued by the state pursuant to
94 sections 13b-74 to 13b-77, inclusive;

95 (17) On and after July 1, 2011, all moneys received or collected by
96 the state or any officer thereof on account of, or derived from, sections
97 13b-61a to 13b-61c, inclusive; and

98 (18) On and after July 1, 2011, any other funds, moneys and receipts
99 of the state required by law to be deposited, transferred or paid into
100 the Special Transportation Fund other than proceeds of bonds or other
101 securities of the state or of federal grants under the provisions of
102 federal law.

103 (c) None of the revenues of the state required pursuant to subsection
104 (b) of this section to be deposited into the Special Transportation Fund
105 may be deposited, transferred or paid into any other fund, and no law
106 shall be enacted authorizing such deposit, transfer or payment.

107 Sec. 2. Section 13b-69 of the general statutes is repealed and the
108 following is substituted in lieu thereof (*Effective July 1, 2015*):

109 (a) Except as provided in subsection (b) of section 14-212g, the
110 Treasurer shall apply the resources in the Special Transportation Fund,
111 upon their receipt, first, to pay or provide for the payment of debt
112 service requirements, as defined in section 13b-75, at such time or
113 times, in such amount or amounts and in such manner, as provided by
114 the proceedings authorizing the issuance of special tax obligation
115 bonds pursuant to sections 13b-74 to 13b-77, inclusive, and then to pay
116 from the Transportation Strategy Board projects account of the Special
117 Transportation Fund, established under section 13b-57r, the
118 incremental revenues identified in approved annual financing plans
119 for cash funding in accordance with the provisions of section 13b-57q.

120 (b) The remaining resources of the Special Transportation Fund
121 shall, pursuant to appropriation thereof in accordance with chapter 50
122 and subject to approval by the Governor of allotment thereof, be
123 applied and expended for (1) payment of the principal of and interest
124 on "general obligation bonds of the state issued for transportation
125 purposes", as defined in subsection [(c)] (d) of this section, or any
126 obligations refunding the same, (2) payment of state budget
127 appropriations made to or for the Department of Transportation and
128 the Department of Motor Vehicles, and (3) payment of state budget
129 appropriations made to or for the Department of Emergency Services
130 and Public Protection for members of the Division of State Police
131 designated by the Commissioner of Emergency Services and Public
132 Protection for motor patrol work pursuant to section 29-4, except that
133 (A) for the fiscal years commencing on or after July 1, 1998, excluding
134 the highway motor patrol budgeted expenses, and (B) for the fiscal
135 years commencing on or after July 1, 1999, excluding the highway

136 motor patrol fringe benefits.

137 (c) The resources of the Special Transportation Fund may only be
138 used as provided in this section. No law shall be enacted authorizing
139 the resources of said fund to be applied or expended for other
140 purposes, unless the Governor declares an emergency or the existence
141 of extraordinary circumstances, and at least three-fifths of the members
142 of each house of the General Assembly votes to approve such deposit,
143 transfer or payment into another fund for purposes of such emergency
144 or extraordinary circumstances.

145 [(c)] (d) As used in this section, "general obligation bonds of the
146 state issued for transportation purposes" means the aggregate
147 principal amount, as determined by the Secretary of the Office of
148 Policy and Management, of state general obligation bonds authorized
149 for transportation purposes pursuant to the following authorizations
150 issued and outstanding at any time: Special acts 406 of the 1959
151 session; 328 of the 1961 session, as amended; 362 of the 1963 session, as
152 amended; 245 of the February 1965 special session, as amended; 276
153 and 315 of the 1967 session, as amended; 255 and 281 of the 1969
154 session; 31 of the 1972 session, as amended; 73-74, as amended; 74-43;
155 74-102, as amended; 75-101; 76-84, as amended; 77-47; 78-70; 78-71, as
156 amended; 78-81, as amended; 79-95; 80-41; 81-71; 82-46, as amended;
157 83-17 of the June special session; and 83-2 and 83-3 of the October
158 special session; sections 4-66c; 13a-20; 13a-29; 13a-32 to 13a-35,
159 inclusive; 13a-157; 13a-165; 13a-166; 13a-176 to 13a-192, inclusive; 13a-
160 197; 13a-198a to 13a-198j, inclusive; 13a-239 to 13a-246, inclusive; 16-
161 338; 16a-40j; and section 28 of public act 132 of 1959, sections 8 and 13
162 of public act 325 of the February 1965 special session, as amended;
163 sections 4 and 5 of public act 755 of 1969, as amended; and section 1 of
164 public act 80-392.

165 Sec. 3. Section 13b-69 of the general statutes, as amended by section
166 76 of public act 13-277, is repealed and the following is substituted in
167 lieu thereof (*Effective July 1, 2015*):

168 (a) Except as provided in subsection (b) of section 14-212g, the

169 Treasurer shall apply the resources in the Special Transportation Fund,
170 upon their receipt, first, to pay or provide for the payment of debt
171 service requirements, as defined in section 13b-75, at such time or
172 times, in such amount or amounts and in such manner, as provided by
173 the proceedings authorizing the issuance of special tax obligation
174 bonds pursuant to sections 13b-74 to 13b-77, inclusive, and then to pay
175 from the Transportation Strategy Board projects account of the Special
176 Transportation Fund, established under section 13b-57r, the
177 incremental revenues identified in approved annual financing plans
178 for cash funding in accordance with the provisions of section 13b-57q.

179 (b) The remaining resources of the Special Transportation Fund
180 shall, pursuant to appropriation thereof in accordance with chapter 50
181 and subject to approval by the Governor of allotment thereof, be
182 applied and expended for (1) payment of the principal of and interest
183 on "general obligation bonds of the state issued for transportation
184 purposes", as defined in subsection [(c)] (d) of this section, or any
185 obligations refunding the same, (2) payment of state budget
186 appropriations made to or for the Department of Transportation and
187 the Department of Motor Vehicles, and (3) payment of state budget
188 appropriations made to or for the Department of Emergency Services
189 and Public Protection for members of the Division of State Police
190 designated by the Commissioner of Emergency Services and Public
191 Protection for motor patrol work pursuant to section 29-4, except that
192 (A) for the fiscal years commencing on or after July 1, 1998, excluding
193 the highway motor patrol budgeted expenses, and (B) for the fiscal
194 years commencing on or after July 1, 1999, excluding the highway
195 motor patrol fringe benefits.

196 (c) The resources of the Special Transportation Fund may only be
197 used as provided in this section. No law shall be enacted authorizing
198 the resources of said fund to be applied or expended for other
199 purposes, unless the Governor declares an emergency or the existence
200 of extraordinary circumstances, and at least three-fifths of the members
201 of each house of the General Assembly votes to approve such deposit,
202 transfer or payment into another fund for purposes of such emergency

203 or extraordinary circumstances.

204 [(c)] (d) As used in this section, "general obligation bonds of the
 205 state issued for transportation purposes" means the aggregate
 206 principal amount, as determined by the Secretary of the Office of
 207 Policy and Management, of state general obligation bonds authorized
 208 for transportation purposes pursuant to the following authorizations
 209 issued and outstanding at any time: Special acts 406 of the 1959
 210 session; 328 of the 1961 session, as amended; 362 of the 1963 session, as
 211 amended; 245 of the February 1965 special session, as amended; 276
 212 and 315 of the 1967 session, as amended; 255 and 281 of the 1969
 213 session; 31 of the 1972 session, as amended; 73-74, as amended; 74-43;
 214 74-102, as amended; 75-101; 76-84, as amended; 77-47; 78-70; 78-71, as
 215 amended; 78-81, as amended; 79-95; 80-41; 81-71; 82-46, as amended;
 216 83-17 of the June special session; and 83-2 and 83-3 of the October
 217 special session; sections 4-66c; 13a-20; 13a-29; 13a-32 to 13a-35,
 218 inclusive; 13a-157; 13a-165; 13a-166; 13a-176 to 13a-192, inclusive; 13a-
 219 197; 13a-198a to 13a-198j, inclusive; 13a-239 to 13a-246, inclusive; 16-
 220 338; 16a-40j; and section 28 of public act 132 of 1959, sections 8 and 13
 221 of public act 325 of the February 1965 special session, as amended;
 222 sections 4 and 5 of public act 755 of 1969, as amended; and section 1 of
 223 public act 80-392.

224 [(d) The resources of the Special Transportation Fund shall be used
 225 only for transportation purposes.]

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2015</i>	13b-61
Sec. 2	<i>July 1, 2015</i>	13b-69
Sec. 3	<i>July 1, 2015</i>	13b-69

TRA *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: See Below

Municipal Impact: None

Explanation

The bill prohibits the state from (1) depositing, transferring, or paying into any other fund the revenue that the law requires be placed in the Special Transportation Fund (STF) or (2) enacting a law authorizing such a deposit, transfer, or payment. The bill also requires a three-fifths vote of each house of the General Assembly to authorize a transfer to another fund for non-transportation purposes.

Background

The bill repeals PA 13-277, a previously-authorized, but not yet effective, provision restricting the use of STF funds for only transportation purposes.

The Out Years

State Impact: See Above

Municipal Impact: None

OLR Bill Analysis**SB 937*****AN ACT REQUIRING ALL MONEYS DIRECTED TO THE SPECIAL TRANSPORTATION FUND TO BE DEPOSITED IN SAID FUND, AND ALL EXPENDITURES FROM SAID FUND TO BE FOR TRANSPORTATION PURPOSES.*****SUMMARY:**

This bill prohibits the state from (1) depositing, transferring, or paying into any other fund the revenue that the law requires to be placed in the Special Transportation Fund (STF) or (2) enacting a law authorizing such a deposit, transfer, or payment.

It generally prohibits the state from using STF resources for purposes other than those the law requires or enacting a law authorizing such a use. But it allows the resources to be used for another purpose if:

1. the governor declares an emergency or the existence of extraordinary circumstances and
2. at least three-fifths of the members of each chamber vote to approve the use of STF money for the purposes of the emergency or extraordinary circumstances.

The bill also makes a conforming change. It is unclear whether the bill's provisions are enforceable on future legislatures (see BACKGROUND).

EFFECTIVE DATE: July 1, 2015

BACKGROUND***Special Transportation Fund (STF)***

By law, the STF pays for state highway and public transportation

projects. It is supported by a number of revenue streams, including the motor fuels tax, motor carrier road tax, petroleum products gross earnings tax, certain motor vehicle receipts and fees, (e.g. driver's license fees), and surcharges on motor vehicle related fines and penalties (CGS § 13b-59 et seq.).

By law, money in the fund must be used first for debt service on special tax obligation bonds and to pay for certain transportation projects. Remaining funds must be spent to pay general obligation bonds issued for transportation projects and budget appropriations for the departments of transportation and motor vehicles (CGS § 13b-69).

Legislative Entrenchment

Legislative entrenchment refers to one legislature restricting a future legislature's ability to enact legislation. For example, CGS § 2-35 previously prohibited appropriations bills from containing general legislation. This provision has since been repealed. In *Patterson v. Dempsey*, 152 Conn. 431 (1965), the Connecticut Supreme Court held that this provision of CGS § 2-35 was unenforceable, writing that, "to hold otherwise would be to hold that one General Assembly could effectively control the enactment of legislation by a subsequent General Assembly. This obviously is not true, except where vested rights, protected by the constitution, have accrued under the earlier act."

Related Bills and Resolutions

HJ 62, HJ 63, and HB 6857, reported favorably by the Transportation Committee, similarly require that money the law requires to be placed in the STF continue to be placed there, and prohibit the legislature from using STF money for purposes not related to transportation.

HJ 62 and HJ 63 propose constitutional amendments. HB 6857, as does this bill, proposes statutory changes.

COMMITTEE ACTION

Transportation Committee

Joint Favorable

Yea 18 Nay 13 (03/18/2015)