



State of Connecticut

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Transportation Committee Public Hearing

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Senate Minority Leader Len Fasano

H.J. No. 1 Resolution Proposing a State Constitutional Amendment to
Protect the Resources of the Special Transportation Fund

Senator Maynard, Representative Guerrera, Senator Boucher, Representative O'Dea and members of the Transportation Committee, thank you for the opportunity to testify today on Governor Dannel P. Malloy's proposal for a constitutional amendment designating a transportation funding lockbox.

For years, Republicans have spoken out against raiding and diverting funds from the state's Special Transportation Fund. Last January, Republicans raised the idea of creating a lockbox through a constitutional amendment. Since then the concept has clearly taken off, garnering the support of the governor and Democrat lawmakers. Both the House and Senate Republican caucuses have pledged to work with lawmakers on the other side of the aisle to enact an enforceable, clear and airtight lockbox to protect transportation funding.

While Democrats and Republicans may disagree on how to fund transportation needs in our state, we all agree that transportation dollars must be protected, especially in difficult financial times. Transportation infrastructure is a core function of government. Keeping people moving and keeping them safe as they travel are responsibilities that cannot take a back seat. In every state, transportation plays a vital role in economic development and quality of life. In Connecticut, it's clear that transportation has not been prioritized for far too long. Funding has been unpredictable and unreliable and funds intended for transportation projects have often been siphoned off to spend elsewhere. As a result, our transportation system is far from where it needs to be to foster growth and advancement.

It is time to make transportation a priority by preventing future legislatures and governors from sweeping money away from our transportation needs. This requires that we pass a constitutional lockbox. It also requires us to craft language very carefully. A constitutional amendment is a very serious matter. Once enacted, it supersedes all other law and cannot be undone or altered by the legislature. Therefore, if we are going to do this, we must do it right the first time. There can be no ambiguities that leave wiggle room for various interpretations. We need a law that is clear, direct and enforceable.

If a constitutional amendment is unclear, we are bound to see problems down the road. For example, the state spending cap constitutional amendment received overwhelming voter support in 1992. However, because final actions were never taken to implement the cap in full, we essentially have a toothless cap that cannot be enforced. We've seen this cap circumvented for years. While the public thought our state was protected from overspending, the truth of the matter is we were not and are not protected. Let's not repeat the same violation of the public's trust with the transportation lockbox before us today.

We need a lockbox that is airtight. We cannot have any wiggle room that would allow lawmakers to divert funding that is meant for transportation.

To be frank, my fear is that a lockbox could be used as a means to raise taxes or implement tolls, assuring the public that such new revenue streams would only be used to enhance transportation. But if those new streams of revenue are not protected by our lockbox language today, then there is always the potential that these new funds could be diverted for other uses.

In hearing from the governor's office today at this public hearing, I hope that that questions we have about the current language will be answered and the intent of the language will be clarified.

The lockbox that Republicans envision supporting is one that includes the following elements:

- Unmistakable protection requiring that all sources of revenue currently credited or deposited into the Special Transportation Fund - such as the motor vehicle fuels tax, motor carrier road tax, and title, license, permit and other fees - continue to be directed to the STF while the legislature be prohibited from intercepting that revenue and utilizing it for any other purpose.
- A clear requirement that any future source of revenue credited or deposited to the STF, such as tolls if they should be approved by the legislature, continue to be directed to the STF while the legislature be prohibited from intercepting that revenue and utilizing it for any other purpose.
- Security for all sources of revenue that are now or in the future credited or deposited into the STF to prevent such revenue from being intercepted or used for any other purpose.
- The ability to eliminate revenue flowing to the STF if it is no longer needed, thereby providing tax relief. While the legislature should be able to reduce or eliminate sources of revenue should we be lucky enough in the future to have caught up on our transportation needs, we should *not* be able to use that revenue stream, which had been credited to the STF, for other general fund purposes. Either the funds must go to transportation needs or go back to the taxpayers.
- A provision that allows the amendment to be effective and enforceable in a court of law against the legislature upon approval by the voters. Unlike the constitutional spending cap provision, we should not require legislative action in order for the lockbox to become effective.

Protecting funding for core services that keep our roads and bridges safe must be part of a long-term plan for change across our state. But if we are to make definitive promises to the public, we must ensure that these promises are true and absolute.

Thank you for the opportunity to testify today.



Len Fasano
Senate Minority Leader