



# House of Representatives

General Assembly

**File No. 297**

*January Session, 2017*

Substitute House Joint Resolution No. 41

*House of Representatives, March 29, 2017*

The Committee on Transportation reported through REP. GUERRERA of the 29th Dist., Chairperson of the Committee on the part of the House, that the substitute resolution ought to be adopted.

***RESOLUTION PROPOSING AN AMENDMENT TO THE STATE CONSTITUTION LIMITING THE USE OF MONEYS IN THE SPECIAL TRANSPORTATION FUND.***

Resolved by this Assembly:

1 Section 1. That the following be proposed as an amendment to the  
2 Constitution of the State, which, when approved and adopted in the  
3 manner provided by the Constitution, shall, to all intents and  
4 purposes, become a part thereof:

5 Article third of the Constitution is amended by adding section 19 as  
6 follows:

7 Sec. 19. The Special Transportation Fund shall remain a perpetual  
8 fund. The general assembly shall direct the resources of said fund  
9 solely for transportation purposes, including the payment of debt  
10 service on obligations of the state incurred for transportation purposes.  
11 Sources of funds, moneys and receipts of the state credited, deposited  
12 or transferred to said fund by state law on or after the effective date of

13 this amendment shall be credited, deposited or transferred to the  
14 Special Transportation Fund, so long as such sources are authorized by  
15 statute to be collected or received by the state, or any officer thereof,  
16 and the general assembly shall enact no law authorizing the resources  
17 of said fund to be expended other than for transportation purposes  
18 and the payment of debt service on obligations of the state incurred for  
19 transportation purposes.

20 RESOLVED: That the foregoing proposed amendment to the  
21 Constitution be continued to the next session of the General Assembly  
22 elected at the general election to be held on November 6, 2018, and  
23 published with the laws passed at the present session, or be presented  
24 to the electors at the general election to be held on November 6, 2018,  
25 whichever the case may be, according to article sixth of the  
26 amendments to the Constitution. The designation of said proposed  
27 amendment to be used on the ballots at such election shall be "Shall the  
28 Constitution of the State be amended to ensure (1) that all moneys  
29 contained in the Special Transportation Fund be used solely for  
30 transportation purposes, including the payment of debts of the state  
31 incurred for transportation purposes, and (2) that sources of funds  
32 credited, deposited or transferred in the Special Transportation Fund  
33 be credited, deposited or transferred in said fund so long as such  
34 sources are authorized by statute to be collected or received by the  
35 state?"

***Statement of Legislative Commissioners:***

The date of the 2018 general election was changed to "November 6," in two places for accuracy

***TRA***      *Joint Favorable Subst. -LCO*

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:**

Agency Affected	Fund-Effect	FY 18 \$	FY 19 \$
Secretary of the State	GF - Cost	None	5,000

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

This resolution proposes an amendment to the State Constitution to restrict the use of funds in the Special Transportation Fund and require continued deposits into said fund. The Secretary of the State is anticipated to incur a cost of \$5,000 in FY 19 (for the November 2018 election) for providing posters with the proposed constitutional amendment question and explanation to each polling place in every municipality. The FY 19 cost may be shifted into FY 21 pursuant to the requirements of the constitutional amendment process.

This cost will cover the printing and mailing of the posters. Since all materials required for placing a constitutional amendment on the ballot are supplied by the State, and the vote will occur in a regularly scheduled statewide election, no costs will be incurred by municipalities.

**The Out Years**

The cost identified above is one-time. However, the FY 19 cost may be shifted into FY 21 pursuant to the requirements of the constitutional amendment process, as noted above.

**OLR Bill Analysis**

sHJ 41

***RESOLUTION PROPOSING AN AMENDMENT TO THE STATE CONSTITUTION LIMITING THE USE OF MONEYS IN THE SPECIAL TRANSPORTATION FUND.*****SUMMARY**

This resolution proposes a constitutional amendment that does the following:

1. maintains the Special Transportation Fund (STF) as a perpetual fund;
2. requires the legislature to use the STF solely for transportation purposes, including paying debt service on state obligations incurred for those purposes;
3. requires STF funding sources that must be legally credited, deposited, or transferred to the STF on or after the amendment's effective date to be credited, deposited, or transferred to the STF as long as state law authorizes the state, or any of its officers, to collect or receive those sources; and
4. prohibits the legislature from enacting a law authorizing the spending of STF funds for any purpose other than transportation and the payment of debt service on obligations the state incurred for transportation purposes.

This resolution is nearly identical to RA 15-1, December Special Session (DSS) (see BACKGROUND).

The ballot designation to be used when the amendment is presented at the general election is "Shall the Constitution of the State be amended to ensure (1) that all moneys contained in the Special

Transportation Fund be used solely for transportation purposes, including the payment of debts of the state incurred for transportation purposes, and (2) that sources of funds credited, deposited or transferred in the Special Transportation Fund be credited, deposited or transferred in said fund so long as such sources are authorized by statute to be collected or received by the state?"

EFFECTIVE DATE: If the resolution passes by at least three-fourths of the membership of each house of the General Assembly, it will be placed on the 2018 general election ballot. If it passes by a majority of the members of each house but less than three-fourths, it will be referred to the legislature's 2019 session. If it passes in that session by a majority of each house, it will appear on the 2020 general election ballot. If a majority of those voting in the general election approves the amendment, it will become part of the state constitution.

## **BACKGROUND**

### ***RA 15-1, December Special Session (DSS)***

This resolution differs from RA 15-1, DSS, because the latter prohibits the legislature from enacting a law authorizing the spending of STF funds for any purpose other than transportation, but does not address the payment of debt service on state transportation obligations. In addition, this resolution's ballot designation, above, refers to sources of funds "credited, deposited or transferred" in the STF. RA 15-1, DSS, refers to funds "deposited" in the STF.

### ***Special Transportation Fund***

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), motor vehicle-related fines and penalties, and a portion of state sales tax revenue (CGS §§ 13b-61, -61a , -61b, -61c, and 12-408 (1) (L)).

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 used to pay for (1) general obligation bonds issued for transportation projects, (2) budget appropriations for the departments of Transportation and Motor Vehicles, (3) Department of Energy and Environmental Protection boating regulation and enforcement, and (4) the Department of Social Services' transportation for employment independence program (CGS § 13b-69).

### **Statutory “Lockbox”**

By law, the STF is a perpetual fund and the use of STF funds is restricted to transportation purposes, including paying debt service on state transportation obligations. The legislature is prohibited from passing any law authorizing the use of STF funds for any purpose other than transportation (CGS § 13b-68 (b)). But under the principle of “legislative entrenchment,” it is unclear whether these statutory provisions are enforceable with regard to future legislatures.

Legislative entrenchment refers to one legislature statutorily restricting a future legislature's ability to enact legislation. The Connecticut Supreme Court has held that one such provision (in that case, a statute prohibiting general legislation from being included in an appropriations bill) 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 is obviously not true, except where vested rights, protected by the constitution, have accrued under the earlier act” (*Patterson v. Dempsey*, 152 Conn. 431 (1965)).

### **Related Resolutions**

SJ 5, favorably reported by the Transportation Committee, requires the legislature to use the STF only for transportation purposes.

HJ 100, raised by the Government Administration and Elections Committee, is identical to RA 15-1, DSS.

**COMMITTEE ACTION**

Transportation Committee

Joint Favorable

Yea 35 Nay 0 (03/17/2017)