**Testimony on Senate Bill 1142 (an act concerning strategic transportation planning and the financing thereof)**

Submitted by Scott Shepard, Policy Director

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Good afternoon. My name is Scott Shepard. I am the Policy & Research Director for the Yankee Institute for Public Policy, Connecticut's free-market think tank. I submit this note in consideration of Senate Bill 1142.

This proposal is a heartening recognition of a basic fact: before the state thinks about demanding another punishing payment from its residents, it should have, and should share with all of us, a transparent and detailed plan of how it intends to spend that money. We need to know how much it will cost to improve, repair and then properly maintain the transportation infrastructure of this state.

We are particularly heartened by Section 1(b)(4) of the proposal, which requires the commission to "[s]eek to minimize the state's long-term transportation costs and expenditures and recommend procedures to analyze the state's total projected transportation costs over a continuous period of not less than thirty years." We hope and trust that the commission will recommend ways to cut per-mile construction costs, including bidding out projects to private companies without the constraints that presently raise the price of public-works projects at the expense of taxpayers for the benefit of narrow special interests.

We also note with particular favor that portion of Section (1)(c)(5)(A) which would require that "[i]f proposing a new tax, fee or user fee, the commission shall specify in detail how such proposed tax, fee or user fee will be structured and implemented, the method of collection, the applicable rate and the projected revenue over a period of not less than ten years after the implementation of such tax, fee or user fee." Of course, these specifications will only be meaningful if they are generated by studies conducted using the best available data by neutral, objective analysts with a track record of accurately predicting total revenues and net revenues generated by such taxes, fees or user fees in other contexts. Reliance on analysis by organizations that favor any particular method of revenue generation, or that benefit directly or tangentially by the adoption of such methods, or that have a track record of over estimating revenues while underestimating costs, would be of no value.

We hope and trust that once the proposed commission has provided these details, built on best available knowledge and objective and reliable analysis, any later legislation that attempted to implement such methods of revenue generation would make implementation specifically contingent upon the state's ability to proceed according to the plan proposed and according to the indicated specifications. Any inability of the state to proceed as promised must result in the cancellation of the whole project, because it would render the details and projections provided by the commission meaningless.

With these conditions and caveats, we endorse this proposal.