



Statement of Robert C. Pitcher
Vice President, State Laws
American Trucking Associations
Before
The Transportation Committee
February 29, 2016

**Re: H.J. No. 1, RESOLUTION PROPOSING A STATE CONSTITUTIONAL
AMENDMENT TO PROTECT THE RESOURCES OF THE SPECIAL
TRANSPORTATION FUND**

Mr. Chairman and Members of the Committee:

I am Robert C. Pitcher, Vice President, State Laws, at the American Trucking Associations (ATA), based in Arlington, Virginia. ATA is the national trade association of the American trucking industry. It is a united federation of motor carriers, state trucking associations, and national trucking conferences created to promote and protect the interests of the motor carrier industry. ATA's membership includes nearly 2,000 trucking companies and suppliers of motor carrier equipment and services. Directly and indirectly through our affiliated organizations, ATA encompasses over 37,000 companies and every type and class of motor carrier operation. In Connecticut, ATA's affiliate is the Motor Transport Association of Connecticut.

We believe that the amendment to the Connecticut Constitution proposed by the Governor's House Joint Resolution No. 1 (the Resolution) may be inadequate to ensure that revenues collected by the state from various sources related to transportation would be spent only for transportation purposes. It would be preferable, we believe, for the proposed amendment itself to identify specifically the revenue sources which the state intends to devote in perpetuity to transportation.

The intent of the amendment proposed by the Resolution seems clearly to be the preservation of revenues in Connecticut's Special Transportation Fund (the Fund) to be spent "solely for transportation purposes." The amendment would preserve the Fund itself as "a perpetual fund," and seems to be attempting to insulate the Fund's current revenue sources against diversion to other uses. It is here that we believe the language of the proposal may be inadequate.

The Fund has been established by statute. Conn. Gen. Stats. sec. 13b-61(b) enumerates the sources from which the revenues are, by current law, to be deposited into the Fund. Most of these eighteen enumerated sources are defined by that section with reference to other sections of statute. Paragraph (b)(5), for instance, identifies one source of revenue for the Fund as, "all

moneys received or collected by the state or any officer thereof *on account of, or derived from, section 13b-70*” after a specific date. (Italics supplied.) Sec. 13b-70 deals with “surcharges on motor vehicle related fines,” but, for purposes of the Fund, the identification of this revenue is tied solely to Sec. 13-70b. All of the other revenue sources for the Fund, with the exception of those specified by paragraphs (b)(2), (b)(6), and (b)(18) are identified solely by reference to existing statute.

In turn, the constitutional amendment proposed by the Resolution identifies the revenue sources that are to be protected and devoted to transportation purposes solely by reference to the Fund. Nothing in the language of the proposal, we believe, would prevent a future legislature from altering statutory language in such a way as effectively to remove one or more of the Fund’s current sources of revenue. A future legislature might, for example, recodify the current language of Gen. Stat. sec. 13b-70 to another section, without amending section 13b-61. The result would be a diversion of revenues from surcharges on motor vehicle related fines to a purpose other than the Fund, a purpose not covered by the proposed constitutional amendment. At the very least, such a statutory change would result in tying up a source of transportation revenue in years of litigation.

If indeed the intent of the constitutional amendment proposed by the Resolution is to ensure that certain revenues are to be devoted solely and in perpetuity to transportation purposes, it would, in our opinion, be more effectively secured if those sources were enumerated in the amendment itself. Other states have taken this course in order to protect their transportation funding from diversion. Here, we will only mention Article IX, sec. 3a, of the Oregon Constitution, which has withstood numerous court challenges over the years. See, for instance, *Ore. Telecommunications Assn. v. Ore. Dept. of Transp’n.*, 341 Ore. 418 (2006). The text of the Oregon provision reads:

Section 3a. Use of revenue from taxes on motor vehicle use and fuel; legislative review of allocation of taxes between vehicle classes. (1) Except as provided in subsection (2) of this section, revenue from the following shall be used exclusively for the construction, reconstruction, improvement, repair, maintenance, operation and use of public highways, roads, streets and roadside rest areas in this state:

(a) Any tax levied on, with respect to, or measured by the storage, withdrawal, use, sale, distribution, importation or receipt of motor vehicle fuel or any other product used for the propulsion of motor vehicles; and

(b) Any tax or excise levied on the ownership, operation or use of motor vehicles.

(2) Revenues described in subsection (1) of this section:

(a) May also be used for the cost of administration and any refunds or credits authorized by law.

(b) May also be used for the retirement of bonds for which such revenues have been pledged.

(c) If from levies under paragraph (b) of subsection (1) of this section on campers, motor homes, travel trailers, snowmobiles, or like vehicles, may also be used for the acquisition, development, maintenance or care of parks or recreation areas.

(d) If from levies under paragraph (b) of subsection (1) of this section on vehicles used or held out for use for commercial purposes, may also be used for enforcement of commercial vehicle weight, size, load, conformation and equipment regulation.

(3) Revenues described in subsection (1) of this section that are generated by taxes or excises imposed by the state shall be generated in a manner that ensures that the share of revenues paid for the use of light vehicles, including cars, and the share of revenues paid for the use of heavy vehicles, including trucks, is fair and proportionate to the costs incurred for the highway system because of each class of vehicle. The Legislative Assembly shall provide for a biennial review and, if necessary, adjustment, of revenue sources to ensure fairness and proportionality.

The American Trucking Associations thanks the Committee for the opportunity to provide testimony on this important issue.

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