Politics is the transportation problem; restoring trust is the solution

by MICHAEL J. FOX - JANUARY 28, 2020

The time has come for serious leadership and direction that works for WE THE PEOPLE OF CT. The time has come to put politics aside and fix a real problem to finally get our state on the right path forward. We all know what the problem is. We can debate who causes the problem and why – politics is the real issue here and both sides of the aisle are to blame, but real harm has been done and continues to be done to our state. It is time to care more about fixing the problem than about politics.

Specifically, I am addressing the governor’s recent press release regarding the Special Transportation Fund and how to fix our roads and bridges. We all know how we got here and now is the time to finally fix it, prevent the problems of the past from happening again.

Let me explain I have been involved in the STF issue for 30+ years. I was the one screaming about the issues and problems to anyone who would listen about the highest-in-the-nation gasoline tax and then discovered the related issues of the STF. But this is not about me – it’s about the facts and fixing the problem.

Fact #1 Both political parties are the problem — some more than others. Both parties’ governors are to blame and, more importantly, WE THE PEOPLE are the blame. Why we do not and have not held all of our politicians responsible and accountable is just baffling to me. Now, our current governor issues a press release distorting facts and attempting to play us all as fools!

Fact #2 – A new revenue system is needed and the reasons are clear. The gasoline tax does not provide enough revenue and increasing it will never produce the amount of revenue needed. Most important, it misses over 40% of those who use and abuse our roads and bridges as they DO NOT purchase gasoline in Connecticut.

Connecticut resident drivers who live near the borders can easily avoid buying gas in Connecticut and purchase gasoline out of state. As I testified, my personal service station located by Exit 7 in Stamford lost over 1 million gallons of gasoline annually. The state, at the time, lost over $236,000 in gas tax revenue from just one service station. In addition, Channel 8 news had a video of a state legislator’s vehicle not only getting gas in Massachusetts, but liquor as well. Funny how that worked!
Fact #3 – This all began in the mid-1980s — not last year or even 10-years ago. We went from a huge general fund deficit to now an STF deficit. In other words, mismanagement of revenue generated bills the state needs to pay. Continued bad business decisions were made in favor of politics. In other words, getting elected is much more important that fixing huge problems –especially when you’re spending other people’s money.

Example, in FY89, the General Assembly transferred the cost of Department of Transportation employee pension and fringe benefits from the General Fund to the STF. In FY89, pension costs were $29.7 million and fringe benefits including health insurance, Social Security tax, and group life insurance cost a total of $17.5 million. In FY92, when the DMV was added, its employee pension and fringe benefit costs of over $12.4 million were also assigned to the fund. In FY94, the pension and fringe benefit costs for the highway patrol function were also assigned to the fund. All of these and many more political decisions were made due to the state’s general fund deficits.

So, I have identified all the problems of the past and now have suggestions on how to fix the problems for the future. The first issue is WE THE PEOPLE are sick and tired of being misled and no longer trust what goes on in our State Government from both sides of the isle. Do we need TOLLS YES, no matter what those say opposing tolls, they are just plain wrong! Bonding will increase long term debt and the interest payments will only kick the can down the road and put the burden on our young in the future. Both sides know this is a fact, we the people need to wake up, review these decisions of the past and see kicking the can down the road does not work and costs taxpayers billions.

How do we correct the errors of the past?

First, restoring trust to WE THE PEOPLE, eliminating the hidden gas tax called the Gross Receipts Tax (GRT). This tax was originally implemented to help pay for underground storage tank gasoline leaks. It worked very well, and in fact was used as the model for other states until, you guessed it, the state started robbing the revenue generated.

From 2006 to 2014, $1.3 billion in collected GRT tax revenue was diverted to the General Fund and not put into the STF fund. Again, it is a second gasoline tax. Eliminating the GRT would be a savings for Connecticut drivers and out-of-state drivers who purchase gasoline here. Connecticut residents would use this savings to pay a portion of reduced tolls for residents, and out-of-state drivers would finally start paying something as they have paid nothing. Not bad for a start. After tolls construction is paid for in full and interest, there should be a
reduction in the state gasoline state to provide further cost savings for WE THE PEOPLE! Giving back the money that has taken from we the people is a smart business decision, but a very difficult political one.

Second, implement a real lock box that the funds can only be used for the original intent of the STF, roads, bridges repairs and expansion of roads and bridges, period. Nothing can be done to change that lock box without a voter referendum! Nothing can be added except revenue, not expenses like in 1989; and, more importantly, revenues dedicated to the STF cannot, by a simple political vote, be diverted before they even get to the STF. This has been done so many times in the past, your head will hurt just reading the billions of dollars that have been handled that way due to politics.

Simply put, we the people do not trust our state government anymore, so we the people will make sure any transfer of funds or expenses into or out of the fund will be approved by WE THE PEOPLE – not elected officials who we put in office and do exactly the opposite of what they said to get elected.

It’s really that simple: restore trust in the system. Will you do it because it makes 100% sense? Do you want to start to restore the trust of we the people or do you want the same old politics of the past?

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