

Re: SB 151 AN ACT CONCERNING RECOMMENDATIONS BY THE DEPARTMENT OF TRANSPORTATION

MTAC Opposes U-Pass Expansion (Section 1)

Chairman Leone, Chairman Lemar, Ranking Member Martin, Ranking Member Devlin, and Transportation Committee members, thank you for the opportunity to submit testimony on these matters. My name is Joe Sculley, I am President of Motor Transport Association of Connecticut (MTAC). MTAC is a statewide trade association which represents small business trucking companies.

SECTION 1: U-Pass Agreements with Private Colleges and Universities

REVENUE IMPACT

Administration officials have claimed that the U-Pass program is a revenue gain for the state. This is an interesting claim, which I struggle to believe. To know whether or not this is true, we would have to know a couple of things. 1.) How much U-Pass fee revenue was collected by the state? 2.) How much fare revenue WOULD the state have collected IF the students paid for every ride they took?

If U-Pass truly is a revenue gain for the state, that would mean U-Pass fee revenue exceeds fares that would have been paid by the students. If that is true, then not enough students are using the program. However, if proponents of this want to claim that U-Pass is a success and has tons of riders, that would mean that fare revenue that WOULD have been paid far exceeds the U-Pass fee revenue collected by the state. Thus, U-Pass would be a net revenue loss. We need verifiable numbers to know which scenario is happening right now.

EQUITY

This will be a further strain on the Special Transportation Fund (STF) and the DOT operating budget. The DOT currently spends 64% of its operating budget on transit subsidies, even though only 5% of people in Connecticut commute using public transit. This will increase that ratio, if indeed students are taking advantage of U-Pass as proponents claim.

This is also inequitable to commuters. To give one example, one round trip ride from New Haven to Greenwich on Metro North is \$19.50, This proposal would give students at private universities an essentially free pass for the cost of one of those rides, if the cost of an annual pass is the same as the current program, which is \$20. That is not fair to the commuters who actually pay for their rides.

PRIVATE VS PUBLIC



Private colleges or universities should not expect to be treated like public colleges or universities. Private colleges and universities typically charge more for tuition than their public counterparts. Part of the reason for that is they believe they are able to offer more of a benefit to their students, compared to their public school competitors. If these private colleges and universities want to offer transit passes to their students, they should buy them **at cost**. Build them into the cost of tuition, as they might do for a computer.

To use one private university as an example, Yale has a \$30 billion endowment. Why don't they use that huge endowment to pay full price for transit passes for their students?

For one more example, Sacred Heart University just built a 4,000-seat, \$60 million hockey and skating arena on its West Campus in Fairfield. That's \$15,000 per seat! Do they really need to be given free transit rides for their students if they can afford to spend money in this manner?

CONCLUSION

MTAC urges rejection of Section 1. Government-sponsored free transit rides is not something students at a private college or university should expect. In fact, the impact of the current U-Pass system for public colleges might be unknown. Verifiable numbers need to be analyzed to determine if it is even working as proponents claim.

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ABOUT CT TRUCKING INDUSTRY:

85.8%: number of Connecticut communities that depend exclusively on trucks to move their goods

94%: percent of manufactured tonnage transported by truck in Connecticut

\$3.2 billion: total trucking industry wages paid in Connecticut (2017)

58,400: trucking industry jobs in Connecticut (2017)

\$53,3500: average annual salary in Connecticut (2017)

\$8,610: average annual CT-imposed highway user fees paid by tractor trailers (as of 4/1/2018)

\$8,906: average annual fed-imposed highway user fees paid by tractor trailers (as of 4/1/2018)