

Texas officials trying to revise gas tax

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Fuel-efficient cars may be good for the environment and their owners' pocketbooks, but they may also make it more difficult for Texas to maintain its roads.

The reason, experts say, is that the state's 20-cent-per-gallon gasoline tax is a key funding source for transportation projects. And when cars use less gas, their owners contribute less money for road construction.

"There has been an increased use of roadways ... but the revenue has stayed the same," said David Ellis, a research scientist at the Texas Transportation Institute who has briefed the Legislature on the issue.

State Sen. Steve Ogden, R-Bryan, this month proposed amending the Texas Constitution to revise the tax. The goal, he said, is to pave the way for voters to decide whether they want to pay a little more at the pump to improve their roads.

Ogden's amendment would direct any new revenue earned by a gas tax increase into a new state account. Money from that account would exclusively pay off debt from road projects, thus freeing up revenue in the state's current accounts to build new projects.

That is necessary, he said, because only three-fourths of the current tax now goes to transportation projects and public safety. The rest goes to schools.

"By not [revising the law], the debt service is crowding out our ability to maintain our highways with the money we are already receiving," he said.

The proposal would need to be approved by two-thirds of both houses of the Legislature and a majority of the state's voters in an election. Then, Ogden said, the Legislature would have a voter mandate to increase the tax by up to a nickel in 2013.

Legislators have tried to adjust the tax in the past. In 2009, a bill that would have automatically increased it along with inflation failed, along with another that would have allowed local voters to adjust the tax in their area.

The Texas Transportation Institute has proposed basing the tax on miles driven instead of gasoline used. Rep. Linda Harper-Brown, R-Irving, has filed a bill this session that would implement a two-year pilot program testing that method on electric cars.

Gov. Rick Perry has opposed a vehicle-miles-traveled tax. His office has also denounced the idea of raising the gas tax. But people on both sides of the aisle agree that the problem needs to be addressed somehow.

The Texas Comptroller's Office estimated last year that the state will need to invest \$315 billion by 2030 -- or \$14.3 million a year -- on road construction to adequately handle growth. That's more than four times the \$3 billion a year the state currently spends.

The tax hasn't increased since 1991. And, given projected increases in population and improvements in technology, Ellis estimates that vehicle miles traveled in Texas will increase 33 percent over the next 20 years, but fuel tax revenue will drop 23 percent. Road construction costs, meanwhile, have skyrocketed.

But with the economy struggling to recover from a recession and gas prices spiking because of unrest in the Middle East, some wonder whether now is the time to tackle the issue.

"Now would be a terrible time," said Talmidge Heflin, director of the Center for Fiscal Policy at the conservative Texas Public Policy Foundation. "Yes we do need the infrastructure, but any time you take money out of the private sector, that means less jobs."

Heflin said rewriting the law to allow all money raised from the tax to go to transportation would be a more effective strategy. Too much of the tax revenue is spent on public safety, he said, and correcting that would help improve roads without increasing people's tax burdens.

Ogden's plan would slightly rewrite the code and not increase the tax until 2013, giving the economy time to recover.

Ellis, the Texas Transportation Institute researcher, called the idea "a very positive step."

"I think everybody recognizes that we have to protect the investment we have made in the roadways and continue to expand that system to accommodate new growth," he said. "And sending it to the voters, if that is what the Legislature desires, that is a great

and positive step. But in the long term, whether 10 or 15 years down the road, we are probably going to have to look at some other needs in financing our roadway system."

Tips to conserve fuel

- * Stay close to the speed limit. Lower speeds provide greater fuel efficiency than higher speeds.
- * Keep your car light by leaving heavier objects at home. The more weight that your car carries, the more fuel it needs.
- * Use cruise control for long stretches on roads like freeways, except on hills.
- * Plan your errands so you do not have to make multiple trips to the same general area during the week.
- * Coordinate errands with a neighbor; take turns driving to the grocery store.
- * Take public transportation or carpool.
- * Ride a bicycle.
- * Participate in community car programs where cars are available for "loan" use by residents at sites throughout the city.

For more tips check out: www.fueleconomy.gov

Source: AgriLife Extension