



MEMORANDUM

Date: January 14, 2015

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator

A handwritten signature in black ink, appearing to read "CHH", is written over the printed name "C.H. Huckelberry".

Re: ***New York Times: Raise the gas tax to fix America's roads***

Yesterday, I provided the Board with a memorandum that included *Wall Street Journal* articles regarding United States Senate discussions of federal transportation funding and about how a safe and efficient transportation system is integral to economic development and expansion.

Attached is an editorial published in the *New York Times* on January 10, 2015 that argues the recent decline in fuel prices creates an optimal time to raise the federal gas tax, which has not been raised since 1993. It also indicates many states are currently considering raising their gas taxes, including Michigan and Iowa.

CHH/mjk

Attachment

c: John Bernal, Deputy County Administrator for Public Works
Priscilla Cornelio, Director, Department of Transportation
Farhad Moghimi, Executive Director, Regional Transportation Authority

Raise the Gas Tax to Fix America's Roads

By [THE EDITORIAL BOARD](#) JAN. 10, 2015



Credit Craig Lässig/European Pressphoto Agency

Gasoline prices have fallen more than 40 percent since the end of June thanks to the collapse of global oil prices. That makes this the perfect time for Congress to overcome its longstanding terror of offending the nation's motorists and raise the tax on gasoline and diesel fuel. The results could only be beneficial: for the nation's roads, bridges and transit systems, which badly need repair; for the budget; and, to the extent that higher taxes encourage greater fuel efficiency, for the climate.

The federal excise tax of 18.4 cents per gallon on gas and 24.4 cents on diesel has not been increased since 1993. That has severely shortchanged the Highway Trust Fund, which is expected to run out of money [in May](#) if Congress does not transfer more into it or raise fuel taxes. If the federal tax on gasoline had simply kept up with [inflation](#), it would be 30 cents today.

There is little doubt that the nation's road and transit systems could use more help. The American Society of Civil Engineers gave them a [nearly failing grade](#) of D in 2013; the state of bridges is somewhat better, earning a C-plus. The country's inadequate road and transit systems cost it billions through increased delays, extra fuel costs and auto repair bills. Poor road conditions are also said to play a significant factor in about one-third of all [traffic fatalities](#), or about 10,000 deaths a year.

Some lawmakers, [including some Republicans](#), are concerned enough about these trends to discuss an increase in fuel taxes. Senator Bob Corker, Republican of Tennessee, [has proposed](#) increasing the tax, and Senator James Inhofe, Republican of Oklahoma and a big supporter of the energy industry, has said he is [willing to consider](#) it. Some state leaders are also considering raising their own fuel taxes. Lawmakers in Michigan have put a gas tax increase on the ballot for a May election, and Iowa lawmakers are also talking about a higher tax.

The Obama administration has not thrown its support behind an increase because it is afraid, it seems, of political blowback. A White House spokesman [said last week](#) that the administration would prefer to find the money for roads, bridges, transit and other public works by closing corporate tax loopholes. That approach would require a much larger compromise with Republicans on tax policy, which seems unlikely. More important, it would not create the kind of dedicated and ongoing source of revenue the country's transportation system needs.

A modest increase in the gas tax phased in over a few months or a year would hardly be noticeable to most Americans, especially now that drivers have seen the cost of gasoline fall so much and so quickly — although some way should be found to offset the tax increase for low-income Americans, who would suffer most. The [average retail price](#) of gasoline in the United States was \$2.308 a gallon for the week ended Jan. 5, according to the Energy Information Administration; that is [down from](#) \$3.778 at the end of June. The E.I.A. estimates that the average American household [will spend](#) \$550 less on gas this year compared with 2014.

The Congressional Budget Office [estimated](#) last year that Congress would have to raise fuel taxes by between 10 cents and 15 cents a gallon to meet all of the obligations of the Highway Trust Fund. If lawmakers went with a 15-cent hike, that would add just \$3 to the cost of a 20-gallon fill-up once the increase was fully phased in. To put that into context, Americans are saving nearly \$30 on average for every 20 gallons of gas they buy thanks to the drop in oil prices. That is a small price to pay for better roads, bridges and transit systems.

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A version of this editorial appears in print on January 11, 2015, on page SR10 of the New York edition with the headline: Raise the Gas Tax to Fix America's Roads.