

## ECONOMY COMMENTARY

# Hiking the Federal Gas Tax Is a Mistake. Here's Why.

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COMMENTARY BY



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Emily Goff advances conservative solutions to economic challenges by analyzing federal budget, transportation and agriculture policy issues as research associate in the Thomas A. Roe Institute for Economic Policy Studies at The Heritage Foundation. Much clamoring for more federal transportation spending, and fuel tax hikes to pay for it, has come out of Washington recently. The Highway Trust Fund faces [a \\$15 billion gap in 2015](#) between projected spending and the money it will collect in fuel taxes and fees.

Trouble is, our Washington-centric approach isn't solving our traffic and mobility issues. It's getting us nowhere but stuck in traffic — in some cities, for the equivalent of a full work week or more each year.

The main culprits? Spending priorities are determined more by politicians appeasing special interests than local needs or consumer choices. And the federal regulatory burden delays projects and smothers state and private-sector innovation.

When car and truck drivers pay the 18.4 cents per gallon federal gas tax (24.4 cents per gallon for diesel) at the pump, they expect better roads and less traffic congestion in

return.

Instead, Washington diverts more than 25% of that money to subways, streetcars, buses, bicycle and nature paths, and landscaping, at the expense of road and bridge projects.

A federal gas tax hike presumably would continue this unfair trend.

The beneficiaries of these local activities take from, but do not contribute to, the Highway Trust Fund. Better for New York and New Jersey to fund their subways, Oregon its bike paths and Maryland its trails.

Funds reserved for road and bridge projects go through the regulatory wringer. The flawed Davis-Bacon Act hikes federally funded construction projects by 10%. The average federally mandated environmental review for a highway project takes more than eight years, according to the non-partisan group Common Good. Translation: States get less for their money.

Washington is an unnecessary middleman in transportation. Instead of raising taxes, it should repeal oppressive regulations and remove barriers to let states fund their infrastructure. Better yet, it should hand over transportation funding decisions to the states.

Remember, only inside Washington — the same Washington that spawned a “Bridge to Nowhere” and a \$17.5 trillion debt — is this a radical idea. But Americans know better, and they don’t have time to waste.

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