

Legislative Action for Fuel Tax Increases (2013-2015)

<u>State</u> <i>(Oregon Population: 3.9 million)</i>	<u>Year</u>	<u>Revenue Increase</u>	<u>Summary</u>	<u>Percentage/ Indexing</u>	<u>Increase in Registration/Fees</u>	<u>Registration/ Surcharge on Hybrid/Electric Vehicles</u>	<u>Transit Funding</u>	<u>Gov</u>	<u>Leg</u>
Washington, D.C. <i>Pop: 660,000</i>	2013	Revenue neutral in year enacted	Eliminated the 23.5 cents per gallon tax.	New 8.3% wholesale tax on fuel.				D (Mayor)	D (Council)
Georgia (HB 170) <i>Pop: 10.1 million</i>	2015	\$900 million/year	Increases the gas tax by 18.5 cents per gallon (from 7.5 to 26 cents per gallon) and diesel tax by 21.5 cents per gallon (to 29 cents per gallon) while eliminating a percentage sales tax on fuel. The bill also raises new revenue by imposing a \$5 per night hotel fee.	Eliminates percentage sales tax but the new fuel tax rates are indexed jointly to inflation and to increasing vehicle efficiency.	Heavy vehicles pay an annual highway impact fee: \$50 for vehicles between 15,500-26,000 lbs, \$100 for vehicles greater than 26,000 lbs.	New registration fees for electric vehicles: \$200/year for noncommercial, \$300/year for commercial.	Gives the ability to counties and groups of counties to impose a limited duration transportation purpose local option sales tax of up to 1% by ballot. (HB 60, largely incorporated into HB 170)	R	R
Idaho (HB 312) <i>Pop: 1.6 million</i>	2015	\$94 million/year	Raises the state motor fuel taxes by 7 cents per gallon (from 25 to 32 cents per gallon). The bill will dedicate some excess dollars from the general fund to statewide road projects.		Increases annual registration fees \$21 for cars, \$10 for motorcycles and \$25 for commercial and farm vehicles.	Electric vehicle registration fee of \$140 and hybrid vehicle registration fee of \$75.		R	R
Indiana (SB 176) <i>Pop: 6.6 million</i>	2014	N/A	Authorized eligible counties in Central Indiana (Indianapolis metropolitan region) to place local option transit tax on ballot.				See description at left. Ballot measure anticipated in 2016.	R	R
Iowa (SB 257) <i>Pop: 3.1 million</i>	2015	\$215 million/year	Increases the state excise tax on gasoline, diesel, and alternative motor fuels by 10 cents per gallon. The new excise tax will be 30 cents per gallon.	None	Increase fees for excess size and weight permits.			R	Split

Kentucky (HB 299) <i>Pop: 4.4 million</i>	2015	\$292 million in 2015	Sets the floor on the wholesale fuel price, setting the minimum tax to 24.6 cents per gallon. The current rate is 27.5 cents per gallon but the rate was expected to fall to 22 cents per gallon on the April 1 automatic adjustment date due to falling gas prices.	None	None	None	None	None	D	Split
Maryland (HB 1515) <i>Pop: 5.9 million</i>	2013	\$4.4 billion over six years, which includes borrowing ability against future revenues	Index the gas tax to inflation starting immediately (with a ceiling of no more than 8% in any given year). Add a 3% sales tax at the pump, phased in over a period of three years starting in 2013. Requires indexing transit fares charged by the MTA to inflation via the Consumer Price Index. The sales tax on gas automatically increased to 4% in 2015 and will again automatically increase to 5% in 2016 if the congressional ban on internet sales tax is not lifted.	Annual vehicle registration fee surcharge increased \$3.50 (fee collected on a biennial basis)	None				D	D
Massachusetts (HB 3535) <i>Pop: 6.7 million</i>	2013	Estimated to raise \$4.4 billion over 6 years The loss of indexing for inflation at the ballot last fall will not allow the full increase to be realized.	Raised state fuel tax 3-cents per gallon (from 21 to 24 cents per gallon)	As passed, the legislation also indexed the fuel tax rate to inflation in future years. However, the indexing portion was repealed by a voter referendum in 2014.	None	None			D	D
Nebraska (LB 610) <i>Pop: 1.9 million</i>	2015	\$25 million/year for the state; \$51 million for cities/counties	Gas tax will increase 6 cents per gallon (from 10.3 to 16.3 cents per gallon by 2019). Over each of the next 4 years, increase the amount allocated to the state by 0.5 cents-per-year and increase the portion allocated to cities and counties by 1 cent-per-year.	None	None	None	None	None	R (Vetoed)	Non-partisan (Over-rode veto)
New Hampshire (SB 367) <i>Pop: 1.3 million</i>	2014	\$33 million/year	Estimated at a 4.2 cent increase over the current rate of 18 cents per gallon.	One time increase, to be calculated according to the change in the Consumer Price Index from 2003-2013.	None	None			D	Split

North Carolina (SB 20) <i>Pop: 9.9 million</i>	2015	\$266 million in FY16	<p>Reduces the gas tax from 37.5 to 34 cents per gallon through the end of 2016, but amounts to a higher tax than what would have been calculated under the percentage rate with the drop in fuel prices.</p> <p>Beginning in January 2017, the gas tax is automatically adjusted based 75% on population increases and 25% on changes in the Consumer Price Index.</p> <p>The result is a \$13.5 million reduction in transportation revenues in the short-term, but a \$400 million gain from changes in the calculation in the gas tax.</p>	Yes; see description at left.	None	None			R	R
Pennsylvania (HB 1060) <i>Pop: 12.8 million</i>	2013	\$2.3 billion/year (when fully implemented) \$1.65 billion for highways and \$476 million for transit	<p>Repeals the cents per gallon fuel tax and replaces it with an increased rate on the oil company franchise tax.</p> <p>Increased rate is achieved by raising and removing the cap on average wholesale price of fuels subject to the tax by 2017 (\$1.25 per-gallon cap eliminated, \$2.99 floor put in place)</p>	Adds 3.9 percentage points to the wholesale tax rate	<p>Increases vehicle registration, licensing, and truck weight fees and moving violations.</p> <p>Creates optional county vehicle registration fee.</p>	None	None		R	R
Rhode Island (HB 7133) <i>Pop: 1.1 million</i>	2014	\$4.2 million in 2015	<p>Directs revenues from vehicle fees and rental car taxes to the state highway maintenance fund.</p>	Sets the gas tax rate to automatically increase with inflation in future years. The rate will go up one-cent-per-gallon in July 2015 as a result of this law.	None	None			D	D
South Dakota (SB 1) <i>Pop: 850 thousand</i>	2015	\$40.5 million/year from fuel tax increase \$27-30 million/year from vehicle sales tax increase	<p>Increases motor fuels taxes by six cents per gallon (to 28 cents per gallon).</p> <p>Increases vehicle sales tax by one percentage point for an extra \$27-\$30 million annually.</p> <p>Expands abilities for counties and townships to levy local option property taxes for road and bridge repair and construction (with approval by voter referenda).</p> <p>Creates a local bridge improvement competitive grant fund.</p>	None	<p>Increases vehicle registration and weight fees, and certain license plate fees.</p> <p>Increases optional county vehicle registration fees.</p>	Adjusts the excise tax on special fuels.			R	R

Utah (HB 362) <i>Pop: 2.9 million</i>	2015	\$76 million by FY2017	<p>Converts tax on gas from 24.5 cents per gallon to a 12% assessed rate beginning January 1, 2016, with a floor on the gas tax rate 5 cents per gallon higher than today's and a ceiling of 40 cents per gallon. This change is estimated to raise the gas tax by 5 cents.</p> <p>On diesel, natural gas, and hydrogen it incrementally increases the tax rate to 16.5-cents-per gallon by July 1, 2018, (an increase of 8 cents per gallon for diesel and natural gas and a new 16.5 cents per gallon-equivalent tax applied to hydrogen).</p>	Yes; see description at left.	None	None	Enables counties to raise a quarter-cent local sales tax to fund local roads, transit, bicycle or pedestrian infrastructure or other transportation projects.	R	R
Vermont (HB 510) <i>Pop: 630,000</i>	2013	\$28 million annually	<p>Lowered the excise tax by 6.9 cents per gallon (from 19 to 12.1 cents per gallon).</p> <p>In combination with sales tax on gas, predicted to yield a net gas tax increase of 5.9 cents per gallon in FY 2014.</p> <p>Diesel per gallon tax will rise by 3 cents over two years.</p>	Imposes a 4% tax on the average retail price of gas over two years (within limits).	None	None	None	D	D
Virginia (HB 2313) <i>Pop: 8.3 million</i>	2013	\$3.5 billion over five years (\$96 million more than the cents per gallon tax had raised)	<p>Repealed the previous 17.5 cents per gallon tax entirely.</p> <p>The bill was passed with a trigger to increase the rate if Congress did not permit the collection of sales taxes on Internet sales (which it has not).</p> <p>When the bill was passed, with the anticipated lower wholesale rate, revenue from the tax on gas was projected to decrease.</p>	<p>Adds a 3.5% wholesale tax on gasoline and 6% on diesel.</p>	<p>Increases vehicle registration and weight fees.</p> <p>Increased fees from \$33 to \$48 for motor vehicles.</p>	<p>Creates a \$64 annual fee on hybrid, alternative fuel, and electric vehicles (repealed in 2014).</p> <p>Current law imposes a \$50 fee on electric motor vehicles only.</p>		R	Split
Washington (SB 5987) <i>Pop: 7.1 million</i>	2015	\$16.1 billion	<p>Increasing state tax on motor fuel and special fuel by 7 cents per gallon on Aug. 1, 2015, and an additional 4.9 cents per gallon on July 1, 2016.</p> <p>Directs \$8.8 billion to new state and local highway construction projects, \$1.4 billion to road repair, and \$1 billion to transit, pedestrian, and bike projects.</p> <p>Local option: allows Sound Transit to impose a vehicle tax of up to 0.8%, an additional 0.4% sales tax, and/or a property tax of 25 cents per \$1000 by referendum; increase the cap on local option vehicle fees from \$20 to \$50; allow transit benefit districts to impose a sales and use tax of up to 0.3% by referendum; and allow for the creation of passenger ferry funding districts.</p>		<p>Increased vehicle weight and drivers license fees.</p>	<p>\$100 annual fee for electric vehicles.</p>	<p>See description of local option at left.</p>	D	Split

Wyoming (HB 69) <i>Pop: 580,000</i>	2013	\$70 million/year	Raised state fuel tax by 10 cents per gallon (from 14 to 24 cents per gallon).	None	None	None	None	R	R
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