

IDAHO

Transportation Funding Initiative

Legislative Cycle: This bill was introduced on March 17, 2013.

Title of Legislation: Safe Roads Act of 2013 (House Bill 340)

Sponsor of Legislation: Transportation and Defense Committee

Summary of Legislation

This bill proposed increasing the motor fuel tax by 2-cents-per-gallon annually for a five-year period. Additionally, the legislation included an annual 3 cent increase on the diesel fuel tax rate. House Bill 340 proposed a 4 cent transfer fee increase for delivering and storing gasoline and diesel; this does not include other petroleum products. This bill also proposed a three-year pilot program to bolster the dyed fuel program enforcement by Idaho State Police. In sum, the legislation would generate approximately \$149.7 million in new revenue for Idaho.

The Idaho Legislature's Statement of Purpose projected that the new revenues would generate \$102.4 million annually from the gasoline, diesel, and additional motor fuel tax increases.

The annual gross fiscal impact from increasing the transfer fee would be \$44.6 million, and the dyed fuel enforcement pilot project would yield \$2.7 million.

Status of Legislation: Failed —House Transportation and Defense Committee Adjourned

Overview

- **Former Governor Phil Batt** said he believed Idaho should raise its gas tax in order to support infrastructure maintenance (Boise State Public Radio). Mr. Batt said, ““Butch [Idaho’s current Governor Butch Otter] has tried his best to get some funding...It’s the legislators that wouldn’t cooperate. There’s some talk that they won’t do it again this year because it’s an election year. I never believed in that philosophy, but I understand it” (Russell, *The Spokesman-Review*).
- **Senator Chuck Winder (R-Boise)** agreed with ex-Governor Batt’s assessment regarding transportation funding; he said, “I think he’s absolutely correct.”
- **House Speaker Scott Bedke (R-Oakley)** said “This generation cannot duck our responsibility to maintain the investment that previous generations have put into our roads, so when the time’s right, I’m optimistic that we’ll step up.”

Why Legislation Failed & Lessons Learned

- **Former Governor Batt as Champion of Gas Tax.**

As the former Governor of Idaho, Mr. Phil Batt increased the state's gas tax from \$.21 to \$.25 (Wright, 6/13/13). Former Governor Batt also previously served as a senator, transportation board member, and lieutenant governor. The Idaho Transportation Department recently renamed the building after Governor Batt, and during his speech, he told audience members that transportation funding improvements are necessary and without raising the gas tax, the state's infrastructure will deteriorate (Russell, 6/14/13).

- **The Politics of Timing: An Election Year.**

Ex-Governor Batt praised the current Governor's efforts during his speech and placed the blame on the legislature for putting politics ahead of policy; he said, "Butch has tried his best to get his funding...it's the legislators that wouldn't cooperate. There's some talk that they won't do it again this year because it's an election year. I never believed in that philosophy, but I understand it" (Russell, 6/14/13).

Text of Legislation

Bill Text: <http://legislature.idaho.gov/legislation/2013/H0340.pdf>

Statement of Purpose: <http://legislature.idaho.gov/legislation/2013/H0340SOP.pdf>

References

<http://www.boisestatepublicradio.org/term/gas-taxes>

<http://www.spokesman.com/stories/2013/jun/14/batt-chides-idaho-for-not-raising-gas-tax/>

<http://legislature.idaho.gov/legislation/2013/H0340Bookmark.htm>

<http://legislature.idaho.gov/legislation/2013/H0340.htm>

http://www.ncsl.org/issues-research/transport/ncsl-transportation-funding-finance-legis-database.aspx#DB_search

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