Iowa State Gas Increase Signed into Law This Week; 12 States Considering Similar Plans, According to a New Report from the Transportation Investment Advocacy Center

(WASHINGTON)—A 10 cents-per-gallon state gas tax increase signed into law Feb. 25 by Iowa Governor Terry Branstad (R) is the latest in a series of initiatives recently put forward by state governments to boost infrastructure funding, according to a new report from the American Road & Transportation Builders Association (ARTBA).

ARTBA’s Transportation Investment Advocacy Center© (TIAC) found there are currently 90 measures related to transportation funding awaiting action in 26 state legislatures. Among the findings:

- Twelve states: Ga., Mich., Minn., Mo., Mont., Neb., N.J., S.C., S.D., Texas, Utah, and Wash.—are considering legislation to increase their gas tax or sales tax on gasoline.
- Four states: Conn., N.H., N.M., and Texas—are considering legislation to protect their transportation funds from diversions.
- Four states: Ark., Iowa, Mo., and Utah—have proposed legislation to convert their flat-rate excise tax on gasoline to a variable-rate tax.
- Seven states: Conn., Ga., Minn., N.M., N.Y., Wash., and Wis.—have proposed bonds to pay for transportation projects.
- Two states with variable-rate gas taxes—Ky. and N.C.—are considering legislation to instate or raise a “floor” on the tax in order to prevent it from collecting below a minimum amount.

State and local spending accounts for just under half of all highway and bridge capital outlays, according to an analysis from ARTBA’s Chief Economist Dr. Alison Premo Black. The federal government is the source, on average, of nearly 52 percent of annual highway and bridge capital improvements made by the states.

“Governors and state legislators recognize the negative impacts of deteriorating road and bridge conditions on the local economy, safety and mobility, and are
taking action to fix the problem.” Black said. “At the federal level, Congress should be taking a similar approach to finding a permanent solution for the Highway Trust Fund before highway and transit program funding expires at the end of May.”

The full “State Transportation Funding Initiatives Report” can be found on the TIAC website: www.transportationinvestment.org

Established in 1902, Washington, D.C.-based ARTBA has been the “consensus voice” of the U.S. transportation design and construction industry before Congress, federal agencies, the White House, news media and the general public.