



Wisconsin State Journal

Senate To Debate Fuel Tax Increases

Gay Marriage, Conceal-carry Issues Will Also Be Considered

Wisconsin State Journal :: FRONT :: A1

Tuesday, December 6, 2005

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Fueled by a populist uprising against high gas prices, the state Senate today will consider ending the automatic annual increase in Wisconsin's motor fuel tax.

The proposal -- one of many contentious issues the Senate plans to debate today including measures to ban gay marriage and to allow citizens to carry concealed weapons -- had been dead on arrival each time it was introduced over the past four legislative sessions. Last month, a Senate committee voted 3-2 against repeal.

With its steady stream of revenue, the formula ensures funding for costly road projects -- and business for road builders, among the biggest patrons of Democratic and Republican lawmakers alike. The automatic nature of the increases also suits legislators averse to voting to raise taxes.

But a spike in gasoline prices after Hurricane Katrina, followed by calls to end the regular increases by talk radio hosts, bloggers, constituents and, now, the two Republican candidates for governor have put the issue on the Legislature's front burner.

"Few recent debates at the Capitol have generated as much attention as this one," said Sen. Scott Fitzgerald, R-Juneau, co-chairman of the Legislature's budget committee, who said he plans to support the proposal, SB 331.

The bill's chief sponsor in the Senate is freshman Sen. Tom Reynolds, R-West Allis.

Still, the measure faces an uncertain future in the Republican-controlled Legislature, where both Senate Majority Leader Dale Schultz, R-Richland Center, and Assembly Speaker John Gard, R-Peshtigo, oppose it.

"I think we have a transportation infrastructure that has to be maintained," Schultz said.

That was underscored at a Capitol news conference Monday by a coalition of transportation, manufacturing and labor interests who said repeal of the automatic "indexing" formula would threaten jobs and lives as needed road improvement projects would inevitably fall behind.

The tax provides most of the funding for highway projects.

Prior to 1985, the Legislature had to approve any increase in the gas tax. Lawmakers adopted the indexing plan 20 years ago to ensure funding for road projects grew as the cost of those projects also grew.

"When you go back to making a (tax) decision on an annual basis, we get transportation funding in fits and starts," said Robert Cook, executive director of the Transportation Development Association, an industry advocacy group. "Instead of maintaining a quality system at a lower cost, you're having to play catch-up and spend a lot more money to get yourself back to square one."

At 29.9 cents per gallon, the tax will have the average motorist paying about \$200 this year. Under the existing formula, that is scheduled to go up eight-tenths of a cent per gallon on April 1, or about \$4 a year.

Eliminating the automatic increase in the gas tax could cost the state nearly \$26 million in the fiscal year that ends in June 2007, according to the state Department of Revenue.

Supporters also argued that other taxes, such as those from sales and income, also tend to go up every year, even if the rate doesn't increase, because of inflation. And because it's a flat figure per gallon, the gas tax doesn't go up when the price of fuel does, they said.

The fluctuations in the price of gas earlier this fall had "nothing to do with the state gas tax," which remained unchanged, said Terrance McGowan, business manager for the International Union of Operating Engineers Local 139.

"Developing and maintaining that (road) system is not cheap," McGowan said. "There's not a legislator who has not had a road in his or her district improved with these dollars. How do you think projects like the Marquette interchange got paid for?"

Rep. Spencer Black, D-Madison, a longtime opponent of gas tax indexing, said repealing the increases doesn't mean the tax would never rise.

"What it means is it would be debated openly. Legislators would be accountable for their votes," Black said. "Politicians are largely gutless. They want to provide money for transportation ... but they don't have the backbone to have a recorded vote on providing the revenue."

Besides the marriage amendment, which passed a Senate committee on a 3-2 vote Monday, and the concealed-carry legislation, other items on the Senate's crowded calendar include bills to:

Regulate traveling sales crews, inspired by the deaths of seven young magazine sellers in a 1999 van crash in Janesville.

Prohibit felons from working as lobbyists for five years or until they have served their sentence, inspired by the corruption conviction of former state senator and current lobbyist Brian Burke.

Prohibit using state money to provide hormonal therapy or sexual reassignment surgery to prisoners, inspired by a male inmate seeking a sex change who was given female hormones by prison doctors.