States surrounding West Virginia are creating jobs and economic development because they are investing in their highway infrastructure. It is time for West Virginia to do the same.

THIS ISSUE’S FACT:

STATES INVESTING BILLIONS IN THEIR TRANSPORTATION INFRASTRUCTURE

- Tennessee, on April 24, 2017, became the fourth state to legislatively increase its gas tax in 2017 and the 21st state since 2013. They join California, Indiana and Montana as the latest states to pass highway funding this year.

- The Tennessee House voted 67-21 and the Senate voted 25-6 to raise the gas tax 6 cents-per-gallon, raise the diesel tax 10 cents-per-gallon, create a $100 road user fee for electric vehicles, increase taxes on alternative fuel, and increase vehicle registration fees from between $5 and $20. The bill raises $350 million annually.

- The Montana legislature on April 22, 2017 raised the gas tax 6 cents-per-gallon and it created a new $95 electric vehicle fee and increased vehicle registrations three percent.

- The Indiana legislature on April 21, 2017 approved legislation that will provide $1.2 billion annually in new transportation funding. The bill increases the gas tax by 10 cents-per-gallon, creates a new annual vehicle tax, and initiates a $150 annual tax for electric vehicles.

- California lawmakers on April 6, 2017 approved a plan to boost transportation funding by $5 billion annually by increasing the state gas tax by 12 cents-per-gallon, increasing the diesel tax by 20 cents-per-gallon, creating a transportation improvement fee based on the market value of a vehicle, and instituting a $100 annual fee for electric vehicles.

- The South Carolina Senate on April 26, 2017 passed 34-10 a 12 cents-per-gallon gas tax increase. It now goes back to the House which previously voted 97-18 for a 10 cents-per-gallon gas tax hike.

- West Virginia’s surrounding states have stepped up to the plate to provide funding for their highway programs.

- SEE OTHER SIDE FOR MORE INFORMATION -
Virginia decreased its gas tax but increased its state consumer sales tax and dedicated revenue to the Virginia Department of Transportation, and added a 3.5 percent wholesale gas tax and 6 percent wholesale diesel tax. Ohio sold $1.5 billion in bonds backed by the Ohio Turnpike Commission. Maryland added an excise tax to its gas tax and changed its tolling procedures to allow a reduction for E-ZPass holders. Pennsylvania passed Act 89 which changed to an Oil Company Franchise Tax in 2013 that increased the gas tax about 26 cents-per-gallon.

Virginia DOT just announced that Virginia’s new revenue will provide more than $4.9 billion for study and construction in the Hampton Roads District alone.

*Area Development* magazine (2011) says good transportation (improved access, reduced transportation costs and improved, safe highway accessibility) was ranked as the number one site selection factor. West Virginia will continue to lag behind other states in attracting economic development projects as other states invest in and improve their transportation systems.