



Written by [Brian Koenig](#) on October 12, 2011

Md. Transportation Comm. to Recommend Gas Tax Hike

A Maryland commission will be offering a recommendation to increase the state's gas taxes, raise vehicle registration fees, and employ a catalog of new tax hikes to augment roughly \$870 million a year in new transportation revenue. Members of the Blue Ribbon Commission on Maryland Transportation Funding settled on a 15-cents-a-gallon tax hike over three consecutive years, which if approved, would inflate the current 23.5-cents-a-gallon tax to 38.5 cents. Maryland officials plead that the state needs \$12 billion to fulfill its transportation needs, and they are predicting a \$1 billion shortfall in fiscal 2013.



The commission will make their recommendation to the Democrat-led General Assembly and Gov. Martin O'Malley (D) next month. "I think this is a really balanced and reasonable approach," [said](#) Gus Bauman, the commissions chairman. "It gives the governor and the General Assembly something to start debating."

Mr. Bauman said the assembly will make a formal endorsement of the plan at its next meeting in late October. "We all knew this day was going to come, and were going to have to make tough decisions," said Bauman, referencing the groups onerous charge to rescue the states exhausted Transportation Trust Fund.

Maryland officials claim the biggest money-generator will stem from gas revenue, which is estimated to raise an extra \$491 million a year after the 5-cent per year tax increase goes into effect. Boosting vehicle registration costs and fees for vehicle emissions are estimated to raise about \$165 million. The new revenue will benefit state infrastructure and other areas associated with municipal transportation, including road maintenance and new transportation projects.

The *Washington Times* [reported](#) on the proposals details:

Its tentative recommendations include the phased gas-tax increase, increasing Maryland Transit Administration public transit fares, raising the 6-percent titling tax to 6.5 percent, doubling the \$14 fee for emissions inspections and raising vehicle registration fees by 50 percent from \$50.50 to \$75.75 for most vehicles and \$76.50 to \$114.75 for heavier vehicles

Its recommended increases are designed to help pay for infrastructure improvements, restore \$350 million in annual highway-user funding to local governments and stabilize a Transportation Trust Fund from which the state borrowed more than \$2 billion for nontransportation use in the past three years.

The panel ruled out a sales tax or property tax increase, largely due to anticipated opposition from Maryland citizens. "If we link the funding to transportation, we stand a chance in building up the



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peoples trust,” Bauman strategically noted.

The commission chairman conceded that part of the blame of the transportation funds budget shortfall goes to state officials who have manipulated the stream of revenue by steering money to other departments, particularly to fill massive budget gaps. “It cannot be diverted as theyve been doing in past years to other purposes of the government,” Bauman [affirmed](#). “That is the core recommendation of this group.”

To address these concerns, the commission will advise the General Assembly to amend the state constitution to prevent lawmakers from shuffling revenue out of the transportation fund for exterior use. “That would be a detailed mechanism with requirements of sorts,” said Senate Majority Leader Robert Garagiola, a Montgomery Democrat. “We cant predict the economic situation down the road, but there are difficult decisions that are going to happen.”

Although the trust fund is supposed to address only transportation needs, Gov. OMalley has been [redirecting](#) large sums of money to pay for other state expenses, and as of February almost \$1 billion had not been replenished to the fund, according to the commission.

Regardless of the proposals specifics, Bauman said one of their top priorities is to put the “trust” back in the Transportation Trust Fund, by ensuring that money is allocated strictly for transportation purposes. But with the paradoxical label that many Americans stick to the federal governments Social Security Trust Fund, such credence may prove difficult, particularly from Maryland car owners who may see their vehicle expenses climb.

The Maryland commissions recommendation is, naturally, a product of reckless government spending by a spendthrift Democratic legislature. Indeed, the states budget is a damaged roadway, with more voids than a lawmaker can count. And unfortunately for Maryland drivers, they are left to fill the potholes.

Photo: Maryland’s State House, Annapolis



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