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MEMORANDUM

To: Reporters and Editors  
Re: Commission on highway funding  
Da: Tuesday, Jan. 15, 2008

A bipartisan commission created under the 2005 highway law today released its long-awaited report, recommending an increase of up to 40 cents per gallon in the federal gasoline tax. Sen. Chuck Grassley, ranking member of the Committee on Finance, with jurisdiction over taxes, made the following comment on the report from the National Surface Transportation Policy and Revenue Study Commission.

“An orange traffic cone could have come up with a gas tax increase. I don’t know about the rest of the report, but that part doesn’t seem worth the time or money. Commissioners blew by any rigorous study of the health of the highway trust fund, which was a major reason that Congress funded this study in the first place. After working for two years and spending more than a million dollars, this panel came up with saddling taxpayers with a gas tax increase of up to 40 cents a gallon. Everyone knows most members of Congress will toss that recommendation right in the trash.

“Raising gas taxes should be a last resort. Instead, it’s a first resort for this commission. Raising the gas tax would put us in the fast lane to a recession. Businesses and consumers depend on strong transportation infrastructure. A gas tax increase would ramp up transportation costs without ensuring road improvements. A tax increase wouldn’t even work. Consumers already are driving less because of high gas costs. If we raise gas taxes, Americans will buy less fuel, digging a bigger hole for the Highway Trust Fund. I’d hoped for new ideas to build and maintain transportation infrastructure. Instead, the majority of the commissioners embraced old, cold ideas and said we need more of them.”