

Editorial: Raise diesel tax to a fair level as a first step toward fixing transportation funding

By The Grand Rapids Press Editorial Board

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A comprehensive fix for the state's running-on-fumes transportation system is still a distant goal. However, a state Senate panel has moved the matter down the road by voting for a needed increase in Michigan's diesel tax for trucks.

Earlier this month, the Senate Transportation Committee approved bills that would increase the tax on diesel fuel for trucks from 15 cents a gallon to 19 cents a gallon. The 19-cent levy is currently paid by all drivers for standard gasoline. The disparity between the gas tax and the diesel tax demands correction.

The diesel tax and gas tax were the same until 1997, when the Legislature raised the gas tax from 15 cents to 19 cents. Thanks to a powerful trucking lobby, however, the diesel tax remained at the lower rate. The result has been a loss of \$40 million a year in transportation dollars — \$520 million since the inequity was put in place by lawmakers.

The current diesel tax rate is indefensible as transportation policy. Trucks, because of their weight, take a disproportionate toll on roads. Truckers in Michigan have it especially good. Weight limits here permit them to haul twice as much cargo as in other states — a rule that adds to the wear and tear on asphalt and concrete.

The bill in the Senate would dedicate the additional money from the diesel tax increase to bridge repair. A report prepared two years ago for the U.S. Department of Transportation following the bridge collapse in Minnesota rated bridges all over the country. Michigan ranked in the top 10 among states for the volume of traffic driving on "structurally deficient" bridges. "Structurally deficient" doesn't mean the bridge is unsafe to travel. But it does mean some portion of the bridge needs to be scheduled for repair.

The 2007 bridge collapse in Minneapolis, which killed 13 people and injured 145, is a cautionary tale about the importance of bridge maintenance. Directing the additional state dollars to bridge repair is a good route to go.

Michigan's roads, meanwhile, continue to deteriorate. Truckers rank them among the worst in the nation. Without sufficient road funding, Michigan stands to lose billions in matching federal transportation dollars in coming years. This while our maintenance and new-road needs grow, and the Michigan Department of Transportation faces a big to-do list that simply won't get done.

The U.S. House of Representatives has approved a bill that would grant temporary reprieve from the matching funds problem. Thursday the House passed legislation to exempt states from having to match funds for the next fiscal year as part of a larger federal stimulus plan. That exemption is welcome, but temporary.

Without a long-term transportation plan, the state will see a further economic slide as it tries to attract

businesses and tourists. The plan should include a shift in fuel-tax revenue, which continues to diminish, from a per-gallon cost to a percentage of the wholesale gas price, as well as an increase in vehicle registration fees.

An even longer-term solution should include toll roads. More fuel-efficient cars will increasingly dominate highways. Fuel tax receipts will likely continue to decline. A toll system would levy a more direct user fee.

The Senate Transportation Committee has made a good down-payment by raising the diesel tax. Senate Majority Leader Mike Bishop, R-Rochester, should embrace the idea and push it through the full Senate.

That would be the first leg of a much longer trip lawmakers should begin in earnest after the first of the year: sustained funding for a transportation system that will keep Michigan moving.

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