

September 16, 2020

## **Lanza Calls On Governor To Use Executive Authority To Stop 22.5% Gas Tax Increase**

During the September 15<sup>th</sup> Hunterdon County Freeholder Board meeting, Freeholder John E. Lanza called on Governor Phil Murphy to use the executive authority he used to shut down the state's economy, to halt the 9.3 cents per gallon gas tax increase scheduled for October 1<sup>st</sup>.

Lanza stated, "The gas tax will go up again, this time by 22.5%, from 41 to 50 cents per gallon, on October 1<sup>st</sup>, and it will be ruinous to residents, commuters and businesses at a time it can be least afforded. The tax hike will increase costs on already struggling businesses here in the county and throughout the state, at a time when many businesses are barely hanging on. The Governor can stop it, if he wants to."

Lanza said, "Governor Murphy has issued many executive orders during the current public health emergency to shut the parks, shut the senior centers, shut the libraries, shut restaurants, preventing voters from casting ballots in person, and even shut the schools last spring, unilaterally, without legislative approval. But now he says he cannot stop the gas tax increase."

We're told by Governor Murphy he is powerless to stop it because the law requires a gas tax increase to keep revenues in the transportation trust fund or TTF, funded at the \$2 billion level, and when gas consumption falls – because everyone was shut in at home by his orders – tax revenues fall and, therefore, the tax must go up."

Lanza added, "If the TTF account has a reduction in revenue, the state needs to rein in its spending to match the revenues. Not increase the tax. And just Monday, the Governor proudly announced that the TTF will receive a \$750 million revenue boost from added federal dollars and an additional \$600 million in what the Governor claims is excess TTF bonding capacity.

With these additional funds, and with so called excess bonding capacity, why is there a need to raise the gas tax at all?"

Lanza pointed out, "The gas tax increase creates an additional burden on Hunterdon County residents. We are a county of hundreds of miles of roadways, we use our cars. There is no significant public transportation. Many who live in the more rural areas need to drive a distance to the store, the doctor, to visit friends and family members, and of course to work.

So, we use gasoline probably more on a per capita basis than residents of most other counties, meaning the tax increase hits us harder.

From cuts in aid to our school districts, to the gas tax increase, to putting our restaurants at a competitive disadvantage with those just across the river in Pennsylvania, and many other actions, it just seems that Hunterdon County keeps coming up on the short end with Governor Murphy," the Freeholder concluded.