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House Speaker Beth Harwell to GOP Caucus on gas tax vote: 'Try to keep personalities out of it'

by [Andy Sher](#) in Local Regional News.

NASHVILLE — With Republican Gov. Bill Haslam's gas tax bill scheduled to hit the House and Senate floors on Wednesday, GOP House Speaker Beth Harwell on Monday urged divided fellow Republicans to "try to keep personalities out of it" during debate.

"This will be a hard week," Harwell told GOP Caucus members Monday. "We got big votes and I'm just asking y'all no matter how you come down on this — we're going to have good Republicans for this bill, we're going to have good Republicans against this bill — I'm asking you to be kind to each other.

"We don't have to make it a personal thing, we don't have to talk about anyone," Harwell added. "Just vote your conscience and say what you need to about the issue. But let's try to keep personalities out of it."

Her comments came after weeks of infighting among House Republicans and a weekend in which Haslam launched a personal lobbying campaign by phone seeking to sway enough undecided Republicans and Democrats to vote for his IMPROVE Act.

With their 73-member "super majority," Republicans alone have enough representatives to pass the bill in the 99-member chamber. But the GOP is split on the bill, which seeks to replenish the state's highway fund with a 6-cents-per-gallon increase on gas and 10 cents on diesel over the next three years.

In exchange, Haslam has agreed to cut three taxes that support the state's general fund, which pays for most non-highway functions of state government, by a higher dollar amount than the fuel taxes and associated fee increases would raise.

That includes a 20 percent reduction in the sales tax on groceries.

In an email blast Monday, Haslam touted the plan, calling it "the largest tax cut in our great state's history."

Besides lowering the grocery tax from 5 percent to 4 percent, a move that affects most Tennesseans, the IMPROVE Act also includes a favorable business tax change that corporate manufacturers can use if they wish. And it continues to phase out the personal Hall Tax on investment income.

The Haslam administration, cities, counties, road builders, AAA and others say the money is needed to accelerate work on an estimated

\$6 billion in previously approved highway and bridge projects, while allowing an additional \$4.5 billion in projects that now face decades before they can even get into the pipeline under current funding.

Tennessee's 21.4 cents per gallon gas tax and 18.4 cents levy on diesel were last raised in 1989.

But the fight among House Republicans, most of whom have served six years or less, has been fierce and at times personal.

Harwell, who intends to seek the 2018 Republican gubernatorial nomination, for several months avoided stating her stance publicly. But earlier this month, her opposition to the fuel tax increases went public as Assistant Majority Leader David Hawk, R-Greeneville, cited her support when he unsuccessfully presented an alternative plan to divert sales tax revenue from new and used vehicle sales as an alternative.

Leaders including Majority Leader Glen Casada, R-Franklin, and GOP Caucus Chairman Ryan Williams of Cookeville also are uncomfortable with the fuel tax increase. During Monday's caucus meeting, Williams told fellow Republicans "we may debate the bill, we may discuss the bill, we may even completely disagree on the bill, but we won't be disagreeable on the bill. I think it's very important that we say that. People know we are Christians by our love, maybe they'll know we're the House Caucus by the way we treat each other."

It's not personal, Williams said, adding, "if we make it personal, we're wrong."

Last week, Harwell said she was leaning toward backing the IMPROVE Act. Asked Monday whether the votes are there, she said, "we'll find out."

By contrast, Republican Senate Speaker Randy McNally of Oak Ridge strongly supports the package of fuel tax hikes and general fund tax cuts, as does Senate Majority Leader Mark Norris, R-Collierville, another likely GOP gubernatorial primary candidate who successfully helped push Haslam on further tax cuts.

The Senate version also includes a partial restoration of cuts to state support for some elderly and disabled veterans on local property tax relief. Some House members who oppose the fuel tax have professed outrage over the maneuver with one group, the Veterans Caucus, charging the veterans "should not be used as political pawns."

Casada reiterated Monday night on the House floor that the chamber's position is the property tax issue needs to be handled in a separate bill.

The alternative House plan to divert a portion of existing sales taxes from vehicle sales, meanwhile, received a blow Monday when the nonpartisan Sycamore Institute released a 20-year look at how both vehicle sales and fuel taxes have fared.

"The data shows that gas tax collections in the last two decades have been relatively stable from one year to the next," the Sycamore Institute says in its comparison of both sources of funding. "Automobile sales during the same period have experienced more overall growth with higher volatility. Lawmakers should weigh the trade-offs of both revenue sources when considering how they will vote later this week."

State sales taxes on vehicles dipped by nearly 20 percent during the 2008 recession, according to a graph. Fuel taxes dipped by about 5 percent during that time.

Meanwhile, other lobby groups, including the Tennessee arms of AAA and AARP, are stepping up their support of Haslam's IMPROVE Act.

AAA plans to hold a news conference at its Chattanooga office today to outline a new study that shows the average driver in the Chattanooga urban area loses nearly \$1,500 annually "as a result of driving on roads that are deteriorated, congested, and that lack some desirable safety features."

The report was created by TRIP, a Washington, D.C.-based nonprofit transportation research group. Local speakers will join TRIP to highlight the findings and discuss possible solutions.

Also Monday, AARP began promoting the IMPROVE Act in an email, citing its replenishing of the state's stand-alone highway fund for transportation infrastructure improvements as well as the grocery tax reduction, among other taxes that support the general fund.

"We feel it is also important that it includes increasing property tax relief for low income seniors, low income disabled and the 100% disabled veteran," the AARP email says, citing the Senate bill provision.

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