

Third proposed bill in six years seeking to raise Missouri gas tax filed

By John Haughey | [The Center Square](#) | December 4, 2020



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(The Center Square) — Missouri drivers lose an estimated \$8 billion a year in lost productivity and automobile operating costs because of the poor condition of local and state roads, according to TRIP, a Washington, D.C.-based transportation research nonprofit.

“Due to inadequate state and local funding, 52 percent of major roads and highways in Missouri are in poor or mediocre condition,” TRIP’s December 2020 report said, noting “driving on rough roads costs the average Missouri driver” from \$1,514 a year each in the Columbia-Jefferson City area to \$1,917 each annually in the St. Louis area.

“The TRIP report confirms what we know about the deficiencies in the condition of our transportation system in Missouri — there are not enough resources to properly maintain it,” Missouri Department of Transportation Director Patrick McKenna said. “Missouri’s basic infrastructure condition will continue to get worse until the proper funding is addressed.”

Missouri hasn’t raised its gas sales tax since 1996. At 17 cents a gallon, it is the nation’s second lowest state gas surcharge behind only Alaska’s 14 cents per gallon tax.

Missouri Senate President Dave Schatz, R-Sullivan, has pre-filed a 2021 bill seeking to raise the state’s gas tax. If adopted, the measure would need to be approved by state voters in a referendum.

Schatz’s proposed [Senate Bill 262](#) would increase the state motor fuels tax by 2 cents annually beginning

July 1, 2021, for five years until it is 27-cents-per-gallon in 2026.

Schatz’s proposed [Senate Joint Resolution 21](#) would formally place the constitutional amendment enacting the motor fuel tax hike before voters in a required statewide referendum.

Rep. Steve Butz, D-St. Louis, has introduced a similar proposal, [House Bill 114](#), in the House.

Since 2013, 30 states and the District of Columbia have enacted legislation to increase gas taxes, according to the National Congress of State Legislatures (NCSL).

One state, Virginia, and the District of Columbia, increased gas taxes this year while five states — Alabama, Arkansas, Illinois, Ohio, Virginia — did so in 2019, the NCSL reports.

In 2014 and 2018, Missouri lawmakers approved legislation to increase state motor fuel taxes. State law requires such tax hikes be approved by voters. Both, including 2018’s Proposition D, were rejected by voters.

Convincing lawmakers to pass SB 262 and state voters to agree to raise the state’s gas tax by 10 cents within five years will be a challenge, Schatz conceded, but “necessary.”

“It’s going to be tough either way. But I think it’s necessary,” he told reporters Friday. “We’ve got to have a conversation about how we’re going to do this.”

SB 262 is similar to the 2018 proposal that would have generated \$123 million a year for local road and bridge improvements and \$288 million to the Missouri Highway Patrol.

“Building and maintaining our infrastructure is one of the core functions of government,” Schatz said. “I think the gas tax is the most fair. It’s a user fee.”

Schatz’s proposal is likely to be backed by Gov. Mike Parson and Lt. Gov. Mike Kehoe, a former Missouri Highway and Transportation Commission chair, but could face opposition from new House Speaker Rob Vescovo, R-Arnold, has opposed gas tax hikes in the past.

The bill is certain to draw the Missouri Chamber of Commerce and Industry’s support.

“Our transportation infrastructure could be one of the greatest economic opportunities for our state — or one of the greatest economic failures of our generation,” Chamber President Dan Mehan said in a statement.