

The Washington Times

Highway (trust fund) robbery

Obama wants new taxes to replenish the trust fund depleted by raiding

EDITORIAL

June 6, 2014

The Highway Trust Fund is running on fumes, and this is sending certain congressmen and the administration into a tizzy. The administration insists that America's roads are crumbling, the bridges tumbling, and [Congress](#) must raise taxes, or else.

“If they don't act by the end of the summer,” President Obama says, “federal funding for transportation projects will run out — will run out. There will be no money. The cupboard will be bare.”

This is a classic Washington crisis by the numbers. [Congress](#) sets up a “trust fund” — in this case, the Highway Trust Fund — and depletes it by spending the cash on projects that have nothing to do with highways. When there's no money left, taxes must be raised.

The Obama administration sells this fanciful tale with claims that America's cars and trucks have been made magically more fuel-efficient by government fiat, and since everybody is paying less than ever in taxes on gasoline, raising the tax on gasoline won't actually hurt. It might sound plausible, but that's not the story the numbers tell. In 2009, gross receipts for the gasoline tax were \$24.6 billion. Every year since, they've gone up, to the most recent accounting of \$25.5 billion. Separate taxes imposed on diesel fuel for the big rigs brings the total sum to \$41.3 billion.

That's a lot of money, and it's keeping America's roads and bridges in the best condition in decades. According to a Cato Institute review of Federal Highway Administration figures, nearly 9 percent of all bridges in the National Highway System were deemed “structurally deficient” in 1992. That number has been steadily declining, and less than 4.6 percent of bridges are now considered “structurally deficient.” “Structurally deficient,” by the way, is not “structurally dangerous.”

Still, Mr. Obama and his transportation secretary, Anthony Foxx, want to replenish the Highway Trust Fund with a \$150 billion tax increase on U.S. businesses. Mr. Foxx says he will take “untaxed earnings ... and plow some of that into infrastructure.”

If he gets the money, there's no assurance he will spend it on tumbling bridges and crumbling highways. This White House has been spending the money intended for bridges and highways on niceties, such as bike paths, sidewalks, hiking trails and landscaping. Billions more go to high-speed rail, trolleys and other expensive mass-transit projects.

The Highway Trust Fund was created as a user-pay, user-benefits system, in which those who paid fuel taxes would see those dollars returned through road and bridge construction, repair and maintenance. It has become a slush fund to pay for wants, not needs.

No matter what Mr. Foxx, members of [Congress](#) and the president argue, bridges will not fall and roads will not crumble if these irresponsible new taxes are not enacted. What could happen is what should have happened years ago. [Congress](#) would set priorities of transportation needs, eliminate the wasteful projects and utilize highway user fees to pay for the repairs and reconstruction that are vital to the nation.