

## Why drivers deserve a federal subsidy: Guest opinion

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## **By Terry Parker**

I have long thought drivers, especially those with long commutes to and from their places of employment, should receive some sort of transportation subsidy or tax break. Although driving is subsidized, the dollar amount is far less than the other mode alternatives.

The book "Gridlock" by Randal O'Toole - a Cato Institute senior fellow working on urban growth, public land and transportation issues - notes that taxpayer-funded subsidies for transit are second only to rail passenger service. The research in the charts and graphs clearly points out that while driving is subsidized at pennies per passenger mile (less than a dime), public transit is taxpayer-subsidized at over 60 cents per passenger mile. User-paid transit fares only cover a mere 25 percent of the operating costs. Moreover, the modern, fuel-efficient hybrid and electric cars coming off the assembly lines use less energy per passenger mile (as measured in BTUs) and produce less emissions per passenger mile (as measured in CO2) than riding transit, and that includes riding transit in Portland.

While the vast majority of funding for roads and bridges comes from the fuel taxes and other fees paid only by drivers and truckers, two-axle transit buses do the heaviest damage to streets and roads for which the riders do not pay. Even though the Federal Highway Trust Fund is primarily supported by the federal gas paid by drivers, 20 to 30 percent of the fund is siphoned off to pay for alternative transport infrastructure and options.

In addition to motorist- paid fuel taxes, over the past few years general fund dollars have been injected into the Federal Highway Trust Fund. The dollar amount is about the same as what is being siphoned off for alternative transport infrastructure. In other words, what motorists pay in gas taxes is self-sustainable for roadways. It is the alternative modes that are the problem - draining the fund dry in addition to increasing the national debt.

Furthermore, history clearly demonstrates higher rates of personal mobility (such as driving) significantly contribute to greater economic productivity, which in turn generates more family wage and better paying jobs. That, in turn, is supportive of a vibrant economy. Depending on location, 7 to 10 percent of the jobs in the U.S. are tied to the auto industry. As an example, the average new car dealership in Oregon employs about 60 people. Much of this overall job base is in the private sector and the jobs are self-sustaining.

The bottom line here is that increasing the subsidies for transit riders is simply more government-directed social engineering. Maintaining **"An odd tax break for drivers,"** as the

Oregonian editorial board put it, only provides a little equity for the daily drivers that are in actuality subsidizing the other transport modes.

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