

South Carolina: Gas tax increase measure still in play despite disagreements



David M. Kall | Wednesday, April 19, 2017

We [recently addressed](#) the increasing possibility that South Carolina would pass a gas tax increase this year, by way of [House Bill 3516](#), formally known as the Infrastructure and Economic Development Reform Act (Act). House members approved it 97 to 18, and it moved to the Senate, where that chamber received it favorably. In mid-March, the measure proceeded to the Finance Committee, but a late March vote of 23 to 18 revealed less widespread support. In early April, the Senate's debate on the bill was put on hold.

Despite support in the House, there have been suggestions that the Palmetto State may not see a gas tax increase any time soon. *The Post and Courier* blamed this on “[a] faction of rebellious Senate Republicans [who] killed an effort by members of their own party that would have made the highway gas tax bill a priority.” The dissenting senators took issue with the fact that the increase, which ultimately would have amounted to 12 cents, or 2 cents per year for each year between July 1, 2017, and July 1, 2022, was not offset by either tax cuts elsewhere, or reform of the highway department. The paper characterized the move as a “revolt.”

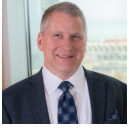
Nevertheless, in press conferences, a few of these senators underscored their ongoing desire to fix the state's roads. Yet, the South Carolina Chamber of Commerce was skeptical:

Each day that senators waste by refusing to take up the roads bill costs lives and money...The people of South Carolina deserve better and expect more – they want the Senate do its job, follow the House's lead and make a long term investment in our decaying roads and decrepit bridges that we can all celebrate.

Gov. Henry McMaster is not on board with a gas tax increase either. In describing a letter that he wrote to House Speaker Jay Lucas, WISTV reported that the governor promised to veto any such tax, and instead wants to use a bonds bill currently being debated in the House for higher education, facilities repair, among other things, to fix the state's deteriorating roads, up to \$1 billion. The governor wrote: “[u]nderstanding that our need for road repair has gone from important to critical to urgent, I believe that this should be our top priority for spending.”

Speaker Lucas criticized the governor's plan to use bonds as being an impermanent solution to the infrastructure crisis, protesting that “[t]he House passed our roads bill with an overwhelming bipartisan and veto-proof majority, which protects the South Carolina taxpayer by providing a sustainable funding stream that requires every motorist to pay their fair share.”

In a subsequent piece, the *Post and Courier* noted that the Senate will now debate House Bill 3516 after all. “This bill now holds the highest priority status in the Senate,” said Senator Larry Grooms.



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