

STATE OF ALASKA

THE LEGISLATURE

1989

Source

Legislative
Resolve No.

SCS HJR 15 (Rls)

52



Relating to the increase in federal motor fuel taxes and the use of fuel taxes to reduce the federal budget deficit.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

WHEREAS the United States Congress is looking for effective means to reduce the federal budget deficit in the immediate future; and

WHEREAS several proposals being considered for deficit reduction would increase the existing federal fuel taxes by various sizable increments; and

WHEREAS the United States Department of Energy has stated that a motor fuel tax will create an economic loss that is greater than the possible benefits of the tax; and

WHEREAS motor fuel taxes are regressive taxes and their increase would affect the poor to a greater extent than persons of other income levels; and

WHEREAS states would not receive direct revenue benefits from increased federal fuel taxes, but would incur substantial increases in their public assistance costs; and

WHEREAS United States residents in the south, midwest, and west pay more fuel taxes because they must travel greater distances by personal vehicles than residents of other regions and, therefore, would bear a disproportionate burden of deficit reduction; and

WHEREAS since a great need exists to rehabilitate and reconstruct the nation's transportation system infrastructure, motor fuel taxes should continue to be dedicated to transportation purposes; and

WHEREAS the tourism industry, one of the top three employers in 80 percent of the states, would be adversely affected by the proposed fuel tax increases; and

WHEREAS the gross national product, the consumer price index, and employment all would be severely and negatively affected by the proposed fuel tax hikes; and

WHEREAS raising the motor fuel taxes and using the taxes for deficit reduction purposes would not only undermine the highway trust fund, but would severely and negatively affect the nation's transportation system; and

WHEREAS Senate Resolution 63 in the United States Congress states that federal excise taxes on gasoline and diesel fuel should not be used to reduce the federal deficit; and

WHEREAS House Resolution 41 in the United States Congress states that federal excise taxes on gasoline and diesel fuel should not be increased to reduce the federal deficit;

BE IT RESOLVED that the Alaska State Legislature urges the United States Congress to oppose an increase in the federal motor fuel taxes and the use of the taxes to reduce the federal budget deficit, and expresses its support for Senate Resolution 63 and House Resolution 41 in the United States Congress.

COPIES of this resolution shall be sent to the Honorable George Bush, President of the United States; the Honorable Dan Quayle, Vice-President of the United States and President of the U.S. Senate; the Honorable Jim Wright, Speaker of the U.S. House of Representatives; the Honorable Lloyd Bentsen, Chair of the U.S. Senate Finance Committee; the Honorable Dan Rostenkowski, Chair of the U.S. House Ways and Means Committee; to the Honorable Samuel K. Skinner, Secretary of the U.S. Department of Transportation; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress.