

## Gas-Tax Suspension Bills Running Nearly on Empty

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By Rick Brundrett - The Nerve

**PHOTO BY RICK BRUNDRETT** House bills that would temporarily suspend the state gasoline tax are moving about as fast as the rate of fixing South Carolina's deteriorating roads and bridges.

Meanwhile, the surplus in a special fund created with the 2017 gas-tax-hike law continues to grow, standing at more than \$1 billion through February, which represented nearly 45% of all revenues collected since the law took effect.

The law raised the state gasoline tax by 12 cents per gallon over six years – a 75% jump from the base 16 cents – and increased other vehicle taxes and fees. The next 2-cent increase under the law is set to take effect July 1.

With skyrocketing gas prices nationwide in recent months, three states – Georgia, Maryland and Connecticut – have passed legislation temporarily suspending their state gas tax, while more than 20 other states have proposed or are considering suspending all or part of their tax, according to media reports.

In South Carolina, a House [bill](#) would suspend for one year the state gas tax paid by all drivers – currently at 26 cents per gallon – and a separate 26-cent-per-gallon tax applied to truckers and other specified motor carriers, while another House [bill](#) would lift both taxes temporarily, but only until the average price per gallon of gasoline in the state was less than \$3.25.

Neither bill has moved out the budget-writing House Ways and Means Committee, chaired by Rep. Murrell Smith, R-Sumter, since they were referred there on March 10, records show. The South Carolina Policy Council, the parent organization of The Nerve, has recommended [suspending](#) the gas tax for at least a year.

The bills face an uphill climb passing in this year's regular legislative session, as the deadline is Sunday under legislative rules for one chamber to get a bill to the other chamber. Lawmakers in one chamber can take up a bill from the other chamber after the deadline, but only with a two-thirds vote.

In passing the gas-tax-hike law, legislators promised that the revenues would be used to repair the state's bad roads and bridges. The S.C. Department of Transportation has said that 80% of the state's approximately 42,000 miles of roads need to be resurfaced or rebuilt, and identified 465 out of 750 "structurally deficient" bridges to be replaced.

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DOT, however, has designated nearly \$272 million out of gas-tax-hike revenues for interstate widenings – not for repairing existing roads or bridges – which as of Feb. 28 represented 11.7% of the total \$2.31 billion in project “commitments” identified by the agency.  
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Through February, the cash balance of the “Infrastructure Maintenance Trust Fund (IMTF),” which was created with the 2017 gas-tax-hike law, was \$1.07 billion – \$20.3 million more compared to the end of January, according to DOT and state comptroller general records. The surplus represented 44% of the total \$2.42 billion in deposits as of Feb. 28.

After several years of reporting by The Nerve about the surplus, DOT records began specifying that the money is committed to “pending vendor payments.” Yet the percentage of the cash balance compared to total deposits has consistently stayed in the low- to mid-40% range over the past year.

Looking at it another way, the \$1.07 billion cash balance in the IMTF as of Feb. 28 would equate to nearly \$264 for every driver with a regular South Carolina driver’s license as of March 2.

The Nerve’s latest review of DOT records found that as of Feb. 28, the total value of completed “pavements” projects in the state’s 46 counties was \$826.8 million, or 45.4% of the \$1.81 billion total estimated cost of all such projects. The state’s overall completion rate has been stuck in the mid-40% range over the past year.

Twenty-five counties fell below the 50% completion mark, including the larger counties of Charleston (39%), Richland (37.7%) and Lexington (27.8%), The Nerve’s review found. Thirty-eight counties showed no change from Jan. 31 to Feb. 28.

Even if DOT completed all 5,783 miles of “pavements” projects identified as of Feb. 28, it would represent only about 17% of the total approximately 33,600 miles of state-maintained roads that the agency says need to be repaved or rebuilt. The Nerve in September [reported](#) that the American Society of Civil Engineers gave the state’s roads an overall “D” grade in its annual report card.

The Nerve in January [reported](#) that Gov. Henry McMaster proposed using \$660 million in federal coronavirus-relief funds for next fiscal year, which begins July 1, to start construction of Interstate 73 toward Myrtle Beach, and widen I-26 between Columbia and Charleston. McMaster in a letter to lawmakers also noted widening I-95 in the Lowcountry and additional lane widening of I-85 in the Upstate.

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