

## **Transit panel urges 40 cent gas-tax hike**

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**WASHINGTON (AP) --** A special commission is urging the government to raise federal gasoline taxes by as much as 40 cents per gallon over five years as part of a sweeping overhaul designed to ease traffic congestion and repair the nation's decaying bridges and roads.

The two-year study being released Tuesday by the National Surface Transportation Policy and Revenue Study Commission, the first to recommend broad changes after the devastating bridge collapse in Minneapolis last August, warns that urgent action is needed to avoid future disasters.

Under the recommendation, the current tax of 18.4 cents per gallon for unleaded gasoline would be increased annually for five years - by anywhere from 5 cents to 8 cents each year - and then indexed to inflation afterward to help fix the infrastructure, expand public transit and highways as well as broaden railway and rural access, according to persons with direct knowledge of the report, who spoke to The Associated Press on condition of anonymity because the report is not yet public.

The report also calls for rebuilding and expanding the national rail network to meet a growing demand for alternatives to congested highways.

Continuing to apply patches to the nation's aging infrastructure is "no longer acceptable," and without dramatic changes, "the nation's system of transportation will further deteriorate," according to the report, portions of which were read to the AP.

But the 12-member commission's proposals, which are expected to cost \$225 billion each year for the next 50 years, face internal division. The commission's chairwoman, Transportation Secretary Mary Peters, and two other members oppose gas tax increases and were issuing a dissenting opinion to the report calling instead for private-sector investment and tolls.

The gas tax has not been increased since 1993, and recent efforts by Congress to raise it have faltered over the objections of the Bush administration. The tax increase being proposed is designed to take effect in 2009, after President Bush leaves office.

The commission was formed by Congress in 2005 to study the future needs of the nation's surface transportation system, which includes roads, mass-transit systems, ports and rail lines - as well to recommend funding options.

The report comes as state governments and several business groups, including the U.S. Chamber of Commerce and the National Association of Manufacturers, are calling on the federal government to raise gas taxes to pay for substantial transportation improvements.

The Minneapolis bridge collapse, which killed 13 people and injured about 100, spotlighted the decaying infrastructure and drew new calls for additional spending. The Bush administration has said that raising taxes won't cut congestion and creates additional risks for congressional pork, such as Alaska's infamous multimillion dollar "Bridge to Nowhere," which has been scuttled.

In its report, the commission unanimously agreed that measures of accountability were needed to keep watch over state and federal spending.

Besides Peters, the two commissioners opposing a tax increase are Maria Cino, Peters' former deputy who is organizing the 2008 Republican National Convention, and Rick Geddes, a Cornell University professor who has served as a senior staff economist in the Bush administration on the President's Council of Economic Advisers.