

HOUSE BILL 3509

By Niceley

AN ACT to amend Tennessee Code Annotated, Title 54;
Title 55 and Title 67, Chapter 3, relative to fuel tax
revenues apportioned to Tennessee.

WHEREAS, Tennessee and approximately two dozen other donor states pay far more fuel taxes into the federal Highway Trust Fund than they receive in return; and

WHEREAS, under this perverse form of trickle-up economics, Congress utilizes a flawed formula, developed in 1956, to determine the amount of federal fuel tax revenues each state receives; and

WHEREAS, because donor states, which are primarily located in the South and the economically battered Great Lakes region, receive far less in federal fuel tax revenues than they pay into the Highway Trust Fund, billions of dollars are effectively transferred to donee states, primarily located in the wealthier states of New England and the Middle Atlantic regions, that receive more in federal fuel tax revenues than they pay into the Fund; and

WHEREAS, since the federal surface transportation law has expired and must be newly authorized, now is the perfect time for Congress to address this inequity by repealing the flawed formula for apportioning federal fuel tax revenues and making each state responsible for funding its own transportation programs; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. If and when the United States Congress enacts legislation to permit such action, the state of Tennessee hereby declines to participate in the federal-aid highway program and elects instead to retain the state of Tennessee's contributions to the Highway Trust fund for each fiscal year.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.