

## **Buttigieg cites gas-tax hike at hearing, but aide walks it back**

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*By Jessica Wehrman, CQ*

Former South Bend, Ind. Mayor Pete Buttigieg Thursday put a gas tax hike on the table of ways to pay for federal highway programs, only to have a spokesman later rule out that possibility.

Buttigieg, testifying before the Senate Commerce, Science and Transportation Committee at his confirmation hearing to be secretary of Transportation, was pressed on a gas tax increase by Sen. Rick Scott, R-Fla., one of several Republicans eager to put him on the record supporting a tax hike.

“Would you support gas tax increases, and if so, how much?” asked Scott.

“I think all options need to be on the table,” Buttigieg replied. “As you know, the gas tax has not been increased since 1993 and it's never been pegged to inflation, and that is one of the reasons why the current state of the Highway Trust Fund is that there's more going out than coming in.”

Later, under questioning from Sen. Mike Lee, R-Utah, Buttigieg said it was “possible” the federal government could raise the gas tax.

“Certainly many states have taken that step, including my own, but it's not the only approach,” he said.

A Buttigieg spokesman later walked that statement back, telling reporters that a “variety of options need to be on the table to ensure we can invest in our highways and create jobs, but increasing the gas tax is not among them.”

Buttigieg added that Congress has solved the trust fund shortfall in the past by making periodic transfers from the general fund. “I don't know whether Congress would want to continue doing that, and I think in the near term, we need a solution that can provide some predictability and sustainability,” he said.

In ruling out raising the gas tax, Buttigieg would be at odds with a variety of transportation stakeholders, including the U.S. Chamber of Commerce, the American Trucking Associations, the AFL-CIO and the American Automobile Association. It also puts him at odds with Rep. Peter A. DeFazio, D-Ore., the chairman of the House Transportation and Infrastructure Committee.

President Joe Biden has not specifically endorsed hiking the gas tax, but his campaign website says “the Highway Trust Fund has for far too long been grossly underfunded,” and that Biden “will ensure new revenues are secured to stabilize” the fund.

Others, such as Rep. Sam Graves, R-Mo., the ranking member of the House Transportation Committee, have advocated a financing measure based on vehicle miles traveled. Buttigieg suggested a similar method during his 2020 presidential run but acknowledged technological and privacy barriers that keep it from being a short-term solution.

### **Perennial debate**

The standoff over whether to raise or even index the federal gas tax, now an 18.4-cents-a-gallon federal gas tax and 24.4-cents-a-gallon diesel tax, has become a perennial one.

“Transportation infrastructure investment around here has always been an area for bipartisan cooperation,” said Sen. John Thune, R-S.D. “The other thing that enjoys bipartisan popularity around here is not paying for it.”

Buttigieg acknowledged during the hearing that there are a variety of models and timelines to consider, including adjusting the gas tax, connecting it to inflation or moving toward a model based on vehicle miles traveled.

“I think there's a recognition that we don't have adequate national resources going into roads and highways and that we need to look at any responsible viable revenue mechanism we can all agree on to do something about that,” he said.

Despite repeated questions over highway financing, Buttigieg faced a largely friendly panel, with many eager to win cooperation from the former Democratic presidential candidate on their pet transportation projects.

Incoming Chairwoman Maria Cantwell, D-Wash., pushed the importance of the Interstate 5 Columbia River Bridge replacement and other bridges in her state. Sen. Richard Blumenthal, D-Conn., urged Buttigieg to support the \$30 billion Gateway Program, a multifaceted infrastructure project on Amtrak's Northeast Corridor that includes rebuilding the Hudson Tunnel between New York and New Jersey. Sen. Kyrsten Sinema, D-Ariz., urged his support for work on Interstate 11 in her state.

For those projects, and the other legislative proposals, agenda items and wish lists offered by the senators, Buttigieg was amenable, promising to work with the senators and study what they asked him to study. His most common answer during the three-hour hearing was an expressed willingness to work with senators on their concerns.

The strategy worked. “You have put on a clinic on how a nominee should work and act,” said Sen. Jon Tester, D-Mont. “You haven't avoided the questions. You've been straightforward, and you know what the hell you're talking about. And that's really pretty damn refreshing.”

But at least two Republican senators offered mild pushback on Biden's decision to revoke the Keystone XL pipeline permit.

Without targeting Buttigieg directly, Sens. Dan Sullivan, R-Alaska, and Ted Cruz, R-Texas, both criticized the decision, saying it would eliminate thousands of jobs.

Buttigieg defended the decision.

“We are very eager to see those workers continue to be employed in good-paying union jobs, even if they might be different ones,” he said.

Cruz was dissatisfied, arguing that the Keystone XL decision “is the front end of a whole series of regulatory decisions, one after the other after the other, that will be eliminating union jobs, that will be eliminating manufacturing jobs, that will be eliminating energy jobs.”

“I think the answer is that we're going to create more good-paying union jobs,” Buttigieg replied. “And we can do that while recognizing the fact that when the books are written about our careers, one of the main things we'll be judged on is whether we did enough to stop the destruction of life and property due to climate change. I've got to believe we can do both of those things.”

Even before the hearing ended, Buttigieg had stated support from Sens. Edward J. Markey, D-Mass., and Jacky Rosen, D-Nev., who urged the committee “to facilitate a swift confirmation of Mr. Buttigieg so he can immediately get to work on all the things that our colleagues on this committee have asked for for our nation and their states as well.”

Outgoing Chairman Roger Wicker, R-Miss., praised Buttigieg’s “impressive credentials” and said he was “quite certain” that Buttigieg would be confirmed.

If confirmed, Buttigieg could become familiar with the committee quickly. Congress faces an October deadline to reauthorize federal highway programs. Last year, Congress extended the current highway law (PL 114-94) for a year.

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