Three Midwestern governors call for increases in gas tax at start of 2019

Tim Anderson [1]

Two of the Midwest’s newly elected governors — one Democrat, one Republican — shared a similar message to legislatures in their first-ever State of the State addresses: It’s time to invest more in our transportation and water infrastructures.


DeWine referred to his proposed 18-cent-per-gallon hike — which would raise an estimated $1.2 billion a year — as a “minimalist, conservative approach ... the absolute bare minimum we need to protect our families and our economy.”

“If you think the roads are bad now — you have not seen anything yet,” DeWine, a Republican, warned legislators about inaction. “While the local governments have been suffering for some time with a lack of resources for roads, state roads are just now entering the period where the revenues for them are going to drop dramatically.”

Whitmer, a Democrat, made the slogan “Fix the Damn Roads” a central part of her 2018 run for governor. She now is seeking to phase in a 45-cent-per-gallon increase in the gas tax between now and 2020. “By one estimate, the vehicle damage from our roads costs the average motorist $562 a year in repairs,” she said to legislators. “We’re paying a road tax that doesn’t even fix the damn roads.”

Gov. Walz made a similar case [4] about how Minnesota’s “crumbling infrastructure” was costing motorists money in lost time and car damage, while also putting them at risk. The Democratic governor wants to raise the gas tax by 20 cents per gallon.

Since 2013, five Midwestern states have raised their gas tax: Indiana, Iowa, Michigan, Nebraska and South Dakota. According to Whitmer, Michigan’s “failing infrastructure” is one of two crises that policymakers must address (the other, she said, is fixing the education system to address a gap in the availability of skilled workers).

Along with roads, she wants to invest more state dollars in drinking water — for example, projects that remove lead service lines and provide clean, filtered drinking water in school buildings.

In Ohio, DeWine is proposing a new H2-Ohio Fund. “We cannot continue to lurch from water crisis to water crisis,” he said, referencing problems such as Lake Erie’s pollution from excess nutrients. “And this fund will give us the ability to plan and develop long-lasting solutions.”

In Illinois, newly elected Gov. J. B. Pritzker [5] focused on strategies to fix an overall structural budget deficit of $3 billion per year and to meet the state’s pension liabilities. “It took decades to get us into this mess,” he said. “It will take at least several years to get us out of it. He called for a variety of revenue-enhancing measures: legalize recreational marijuana and sports betting; impose an assessment on managed-care insurers; and raise tax rates on incomes of more than $250,000. (Illinois currently has a flat income tax.)

This article is the second of a two-part series highlighting proposals from this year’s State of the State addresses. The January edition of Stateline Midwest [6] highlighted policy ideas from the governors of Indiana, Iowa, Kansas, Nebraska, North Dakota, South Dakota and Wisconsin.