Snyder: No. 1 priority is elusive road-funding fix

By DAVID EGGERT, Associated Press

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Gov. Rick Snyder greets supporters at a election night party in Detroit Wednesday, Nov. 5, 2014. Snyder won a second term Tuesday, defeating Democrat Mark Schauer after a race in which the Republican touted an economic and fiscal turnaround and promised to keep Michigan on the right path. Photo: Paul Sancya, AP

DETROIT (AP) — A newly re-elected Gov. Rick Snyder is hoping to achieve his No. 1 unfinished priority — increasing taxes to improve the roads — before his second term even starts.

The Republican said Wednesday he will push lawmakers to approve a plan to permanently raise more money for transportation funding in its "lame-duck" session before year's end, when roughly a third of the 148-member Legislature turns over. A proposal to double fuel taxes came "very close" before stalling in June, he said, when he said both Republicans and Democratspreparing for primary or general elections balked.

"We have that constraint gone. So that framework is still there," Snyder told reporters in Detroit, where he had celebrated a win over Democrat Mark Schauer the night before. "So hopefully we can make progress and get it done because I'd still like to say, 'That was a first-term accomplishment.'"

Snyder first called for legislative action on road funding three years ago. If nothing happens in November or December, frustrated leaders of the state Chamber of Commerce could consider backing a petition drive to force a legislative or statewide vote.

The governor, who bills himself as a practical decision-maker, has not been afraid to break from conservatives' anti-tax hike ideology. He argues that additional transportation revenue would save the government higher road maintenance bills in the future, lessen vehicle repair costs for drivers and boost economic development.

A major issue in Snyder's re-election run was a $1.8 billion business tax cut he enacted with the GOP-controlled Legislature. Democrats criticized his decision to offset much of the lost revenue by reducing or eliminating tax breaks for retirees, homeowners, low-wage earners, parents and others.

Despite qualms from his own advisers about the political peril of raising tax on seniors, the "non-politician" did it anyway within months of taking office, saying the old exemptions were not fair to younger earners.

Now he is grabbing what many politicians consider another third rail for consumers — gasoline prices.

Michigan spends less per driver on roads than any other state. Yet is also has some of the country's highest taxes at the pump — the 6 percent sales tax that is also applied to motor fuel mostly goes to schools and local governments under the state constitution.

Flat per-gallon fuel taxes, 19 cents for gas, are faulted for declining state transportation revenue as people drive less and with more fuel-efficient vehicles.

Snyder acknowledged having "some concerns" about being able to enact a $1 billion-plus tax hike during the compressed late-year session in which legislators, particularly those subject to term limits, will have their own agendas, too. The House and Senate, where Republicans padded their majorities in Tuesday's election, have 12 scheduled voting days left this year.

One potential factor that might help the talks is that the average price of gas statewide dropped below $3 a gallon last week for the first time in nearly four years.

Lance Binoniemi, vice president of government affairs for the Michigan Infrastructure & Transportation Association, said the construction trade group is hopeful that the governor's re-election leads to a road-funding deal.

"We had some concerns that any major shake-ups from the election could potentially have had a negative impact on chances in lame duck. However, this issue has and always will be a bipartisan one so both side of the aisle will have to come together to find a solution," he said.

Also Wednesday, Snyder laid claim to a "strong mandate" for his second term despite winning by 4 percentage points, a narrower margin than his 18-point victory in 2010.

"I had to make some tough decisions. Everybody likes changes until it arrives, and then it's more challenging," said the governor, who also blamed negative campaign TV ads that criticized his record.

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