

## NJ Gas Tax Hike Could Create Ripple Effect for Consumers

October 3, 2016 6:32 PM Steve Langford

The New Jersey legislature is set to vote on a deal that would hike gas prices by 23 cents after Gov. Chris Christie and Democratic leaders reached a deal.

CBS2's Steve Langford reports the tax hike could increase the cost of other things people buy.

The last time New Jersey raised its gas tax Ronald Reagan was in the White House, but 28 years later, the Garden State's transportation trust fund is bone dry, and now Trenton is paying attention.

A hastily arranged announcement Friday, a day after a NJ TRANSIT train crashed at Hoboken terminal, hailed an agreement to raise the gas tax by 23 cents a gallon, refilling the state's empty transportation fund.

"I'm happy to be a governor now who is going to be able to say that we have responsibly financed for a long period of time the longest period the state will ever see," Christie said.

However, New Jersey drivers were not happy about the tax.

"You have single mothers and fathers who have to put kids in day care, travel to work every day and you want to go up on gas prices?" one person said.

Another said, "That's too much."

Sal Risalvato, head of the New Jersey Gasoline Association, said there's no question the state's transportation infrastructure needs major work, but consumers will see a clear ripple effect because of the gas tax hike.

"It is inevitable for the price of groceries and all consumer goods to rise because of this gas tax increase," Risalvato said.

Newark station operator Leonard Spinelli said everyone was just getting used to a little relief at the pump.

"You know, people need gas. They're going after the gas tax because people need gas," Spinelli said.

Lawmakers said the gas tax will pay for an eight-year, \$32 billion injection of funds to start rebuilding transportation in New Jersey.

The gas tax agreement may be voted on by legislators as soon as this week. It includes a deal to slightly lower the state sales tax and eliminate the estate tax.