

Days of cheap gas coming to a sad end in New Jersey

October 30, 2016 8:54 AM

By BRUCE SHIPKOWSKI Associated Press

The end has come for a long-celebrated tradition for Pennsylvania and New York drivers: Starting Tuesday, cheap gas in New Jersey is a thing of the past.

Cheap gas has long been the siren that lured drivers in neighboring states to New Jersey. And since residents there pay the highest property taxes in the nation, drivers have always seen the low fuel prices as one of the ways to keep down the cost of living in the nation's most densely populated state.

But after New Jersey ran out of money to pay for transportation projects, Republican Gov. Chris Christie and the state's Democratic-led Legislature agreed to raise the gas tax by 23 cents. It will go from 14.5 cents per gallon to 37.5 cents, marking the first time it has been raised since 1988.

Rather than the second-lowest gas taxes in the nation behind Alaska, New Jersey will catapult to sixth highest.

For Pennsylvania drivers like Richard Dworkin, that means the end of savings on the other side of the bridge. He said he enjoys frequent trips to visit friends or to eat seafood at the Jersey shore, but admits the best perk of his frequent visits is the state's cheap gas.

"You can save 20 to 40 cents (per gallon) by filling up there, and that adds up after a while," the Lower Makefield Township man said. "New Jersey has a lot to offer, but those low prices are the best draw for people like me."

The steady traffic at New Jersey pumps has long provided an economic boon to gas station owners in New Jersey, especially during the summer tourism season.

Industry officials and drivers alike think there are still enough incentives for out-of-staters to travel to New Jersey, though they admit it's not clear how much of an impact the higher tax rate will have in the coming months and years.

Tracy Noble, spokeswoman for AAA Mid-Atlantic, said a continued savings of 10 to 22 cents per gallon will continue to drive out-of-state residents to fill up in New Jersey, especially those that commute in for work. The increase also will provide a much needed investment in the state's

transportation infrastructure, making roads and bridges safe and improving those commutes. The gas tax increase is being sued to restore the state's transportation trust fund.

"Obviously, it was great having one of the lowest gas taxes in the nation for all these years, but I always knew that someday we would have to pay the piper, and that day is November 1," said Bob Kippinger, from Manchester, New Jersey, as he filled his tank at a station in Jackson. He said he would have preferred the increase be phased in, but it's something that has to be done to stop passing the buck on transportation spending.

Sal Risalvato, executive director of the New Jersey Gasoline, C-Store and Automotive Association, said he has been preparing association members for the last two years about the inevitability of some kind of tax increase. But he noted that even with the hike, New Jersey will still have a 13-cents tax advantage over Pennsylvania and a 5- to 10-cents advantage over New York.

"We've just resigned ourselves that this it's a bitter pill for us, but it could have been more," he said.

The gas tax increase is part of a deal between the governor and lawmakers that includes an 8-year, \$16 billion transportation trust fund and cuts to the estate and sales taxes. The deal passed with bipartisan support but also faced strong opposition from lawmakers on both sides of the aisle. And two Republican state senators — Kip Bateman and Mike Doherty — have recently introduced a measure seeking to repeal the increase, saying people were shocked to learn the 23-cent a gallon increase could rise in the future if revenue targets are not met.

While the prices at the pump will go up Tuesday, one big benefit will remain: In New Jersey, they'll still pump the gas for you.