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Drivers Descend on New Jersey Pumps for Final Hours of Cheap Gas

By <u>NATE SCHWEBER</u> and <u>JAMES BARRON</u> NOV. 1, 2016

Stephanie Long roared into a service station in her red Mustang late on Monday, yanked a red lollipop from her mouth and told the attendant to top off the tank, fast. She was worried about the red ink in her budget.

Ms. Long, a graduate student who has been holding down three jobs trying to cover her expenses, was out to beat a deadline that haunted drivers in and around New Jersey on Halloween: At midnight, the state's gasoline tax would jump by 23 cents per gallon, to 37.5 cents.

"I'm going to need a new car because of this, maybe a Prius," said Ms. Long, 24, who lives in Suffern, N.Y., as she handed the attendant three \$1 bills — the cost of 1.485 gallons of regular. "I'd like to keep the 'Stang, but I can't be cool forever."

Half a tank here, a tiny top-off there. Drivers descended on service stations on Monday night for one last fill-up before the increase descended on them. Many were New York residents accustomed to sneaking into New Jersey for a better deal. Less-expensive gasoline has long lured drivers from other states, and many New Jersey drivers considered the gasoline tax a bargain that offset their high property taxes.

"I said to myself, 'Fill the car up while you can,'" said Barry Simpson, who lives in the mid-Hudson Valley of New York, 45 minutes away. In New York, he said, gasoline cost \$2.21 to \$2.45 a gallon, while in New Jersey the price, at least before Tuesday, was \$1.90.

The <u>increase was agreed to last month</u> by Gov. <u>Chris Christie</u>, a Republican who had relished refusing to raise any taxes, even as the state's Transportation Trust Fund, which is financed by the gas tax, ran low. Hundreds of highway and transit projects across New Jersey were stalled for months as Mr. Christie fought Democratic leaders in the Legislature.

Mr. Christie acquiesced on the gasoline tax, which will cover a \$32 billion reauthorization of the transportation fund over eight years, after a fatal train crash in Hoboken that put a spotlight on the problems plaguing the state-run commuter rail line. In return, the Democrats agreed to a slight reduction in the state sales tax — less than one percentage point — and the elimination of the estate tax within two years.

The Tax Foundation, a nonpartisan research organization based in Washington, said the gas-tax increase had pushed New Jersey from having the second-lowest tax in the nation, behind only Alaska, to having one of the 10 highest. As drivers in the habit of crossing the state line from New York to New Jersey are well aware, New York's gas tax is fourth highest in the nation, according to the organization.

"We are not happy that the tax had to go up, but we understand why it did," said Sal Risalvato, the executive director of the New Jersey Gasoline, C-Store, Automotive Association, which represents gas stations. "It's a bitter pill, but it could have been a much more bitter pill."

In some ways, New Jersey is defined by cars. It had the first drive-in. It not only has a turnpike that runs from end to end, it has a parkway. It has Bruce Springsteen songs like "Thunder Road." And when it comes to gasoline, it is still the only state in the nation in which pumping your own fuel is against the law. (Oregon relaxed its restrictions earlier this year, allowing limited self-service.)

Mr. Risalvato said there had been talk of allowing self-service gas when the trust fund issue surfaced more than a year ago. "We thought giving people the convenience of doing that and saving 10 cents a gallon would be a way to offset the gas tax increase," he said.

But legislative leaders said it would not happen. The State Senate president, Stephen M. Sweeney, a Democrat, told The Asbury Park Press in August that permitting self-service would only fatten retailers' profits. "You won't see the savings because it just disappears," he said.

Mr. Christie has said he stopped talking about it because "I get my head handed to me."

As midnight approached on Monday, drivers fretted.

"My bank account is unhappy," said Hudis Kenner, who paid \$27 for a little more than 13 gallons. "When I made my financial plan for the year, I didn't plan for this."

Ms. Kenner said the higher gas prices would mean buying fewer shoes and driving less. "My car is going to stay in the driveway," she said.

At 11:59 p.m., the station attendant, Abdul Rehman, turned off the lights on everything, except for the large sign advertising gas prices.

Mr. Rehman, 61, said that when he began working at the station in 1999, gas cost 89 cents a gallon.

Over the years he had watched customers dig deeper as the price climbed above \$4 a gallon. He, and they, breathed easier when the prices dropped. He said the tax increase was troubling because it would be permanent.

He said he figured that Monday had been his last busy day for a while. He said he expected business to be "slow, slow" starting on Tuesday.

He replaced the numbers on the sign, marking the price jump to \$2.24 a gallon, cash or credit, from \$2.01. "That looks good, eh?" he said, but he was talking about the numbers, straight in their slots, not the complaints he knew he would hear when the station reopened before dawn.