



## **Prices at the Pump Thankfully Low Ahead Of NJ Gas Tax Hike**

**By: Patrick Lavery, September 30, 2020**

New Jersey's gas tax jumps by 9.3 cents per gallon Thursday, but it does so at a time when gas prices are low enough that Garden State drivers will simply revert to what they were paying about a month ago, which is still much lower than this time last year.

Wednesday's average price per gallon of regular gasoline was \$2.16, below the national average and about 60 cents cheaper than October 2019, according to AAA.

Simple math will tell you the gas tax hike brings us to about \$2.25, but that's not a back-breaker, at least for now.

"Prices one month ago were \$2.24 a gallon and now we're at \$2.16 a gallon, so we've seen that kind of fluctuation pretty regularly," Tracy Noble, AAA Mid-Atlantic manager of public and government affairs, said. "With the gas tax looming, we are going to see prices increase a little bit over the next couple days into several weeks."

**Where New Jersey may truly suffer is in comparison to surrounding states, according to Sal Risalvato, executive director of the New Jersey Gasoline, C-Store, Automotive Association.**

**"It will now be about 20 to 30 cents cheaper for New Jersey motorists to fill up in New York," Risalvato said in a statement provided to New Jersey 101.5. "Considering the current situation, an increase at this time in the gas tax doesn't make any sense."**

However, continued limited travel due to COVID-19 has meant that New Jersey gas prices have been trending far below last year's figures for quite a while, Noble said.

"We did see a little bit of an uptick in miles traveled toward the end of the summer, but now as everybody gets back into a school routine, that travel is still not happening," she said.

In addition, a feared impact on supply by the once very active Atlantic hurricane season has not materialized.

AAA expects travel volume to remain low through the fall and the holiday season, given the CDC's urging that large family gatherings be avoided for Thanksgiving, Christmas, and other end-of-year holidays.

Noble said most people have been heeding such warnings, keeping gas demand at a minimum.

"They want to keep their family and friends safe, so they are staying closer to home, they're only having the small gatherings with immediate family, so we do expect that to continue," she said.

Also, AAA reports that gas stations have begun making the transition to winter-blend gasoline, which is less expensive to produce than the summer blend and typically pushes gas prices lower.

Still, it remains to be seen what lengths New Jerseyans will go to in order to keep their payments at the pump as low as possible.

**"The gallons that New York is now selling already represent a revenue loss to the New Jersey Transportation Trust Fund of \$190 million," Risalvato said. "This new increase will make that number grow."**