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If you want to see eyes roll these days, suggest to Maryland's elected leaders that they should consider raising the state's gasoline tax.

Most in the General Assembly, from its leadership to junior lawmakers, will instantly dismiss the topic without a millisecond's worth of thought.

To them, it's the third rail, a non−starter, politically radioactive. It's an elephant that's not even in the room.

For many Maryland business CEOs, however, the idea of increasing the per−gallon state gas tax by 10 cents or 12 cents to strengthen funding for highways, transit, port and airport facilities is one of those difficult but necessary decisions. It's hard for them to understand why the state hasn't done anything since 1992 to increase its largest source of transportation funding revenue.

'Sense of urgency gap'

This illustrates the chasm that exists between elected leaders and business leaders when it comes to the issue of transportation funding in Maryland. It's what I call the "sense of urgency gap."

Lawmakers reflect the perceived attitudes of their collective constituents. Paying for transportation infrastructure is generally not regarded as a priority until it becomes a crisis. By the time the electorate perceives a crisis, it's too late because transportation projects are, by definition, long−term and not prone to being built in a single election cycle.

Business executives, on the other hand, grasp the urgency of finding ways to strengthen funding for long−term capital needs. They more readily recognize the value of enhanced mobility and quality transportation resources to maintaining a good business climate.

Most people familiar with Maryland's Transportation Trust Fund would argue that a crisis has arrived, because the state has a backlog of planned, but unfunded, transportation projects with a combined price tag exceeding $40 billion and growing.

But even now, elected leaders are distracted by other issues −− a major recession and a decline in almost all state operating revenue as well as transportation funds.

Questions persist

Nevertheless, larger questions about Maryland's transportation funding remain valid.

How did our state work itself into its present transportation conundrum?

How and why have the state's elected leaders refrained, for 17 years, from taking any steps to increase Maryland's top source of transportation funding revenue −− the gas tax?

So far this decade, how is it that Maryland's overall annual state revenue and spending have increased by 65 percent, but gas tax revenue for the state's Transportation Trust Fund has increased by only 10 percent?

The simple answer lies in the basic facts. The tax on gasoline is a fixed, per–gallon rate that has been set at 23.5 cents, and at 24.25 cents for diesel fuel, since these rates were enacted during a 1992 General Assembly special session. The per–gallon tax does not increase with price increases, so gas tax revenue rises only with increased gasoline usage.

The more complicated, but equally obvious, answer is that the political will among Maryland lawmakers to periodically adjust gas tax rates upward to address new transportation needs and increasing construction costs has not only waned, it has essentially disappeared.

Falling out of favor

Maryland lawmakers increased the gasoline tax rate five times in the 21 years prior to 1992. In fact, both political parties embraced the periodic gas tax increases until then. But they have not raised it since.

Over the years, there have been several legislative attempts to index gas tax rates to inflation. In 1982, the General Assembly passed legislation to index the tax rate to the wholesale price of gas if that price exceeded $1.35 per gallon. The wholesale price never triggered the index and the provision was removed in 1987.

Another 1987 indexing proposal would have produced an additional $127 million in revenue between FY 1988 and FY 1992. However, lawmakers balked at enacting an automatic annual tax rate increase and failed to pass the provision.

Several more attempts to index the gas tax rate to inflation have failed, including a bill in 2000 to tie the rate to the consumer price index, and proposals in 2007 and 2009 that would have linked gas tax rates to the construction cost index.

In 2007, Senate President Thomas V. Mike Miller introduced an unsuccessful bill that would have increased the gas tax rate by 12 cents and provided an indexing mechanism. Two bills were filed in the 2009 session –– one in the House and one in the Senate –– to increase the gas tax rate by 5 cents per gallon. Both died in committees.

Meanwhile, the General Assembly's 2007 special session enacted legislation to direct a projected $400 million in new annual non–gas tax revenue to the state's Transportation Trust Fund from a portion of the state sales tax increase, and from increases in corporate income taxes and vehicle fees. However, lawmakers subsequently took back $50 million annually for five years to pay for repealing the computer services tax.

Most, if not all, of the remaining revenue increase has evaporated amid the state's recessionary revenue declines.

In any case, it's pretty clear that the gas tax has fallen out of favor at a time when the state faces a growing backlog of transportation infrastructure needs combined with chronically stagnant levels of transportation funding.

Which prompts many to ask: if not the gas tax, then what? From where will future funding for new highways, transit, port and airport facilities be derived?

It's a fair question. Next month, I'll report on some of the options being studied by a ***Greater Baltimore Committee*** transportation funding task force of private–sector executives.

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Highlights: Greater Baltimore Committee