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NEWS RELEASE

EMBARGOED UNTIL 8 P.M. EDT May 14, 2002 Contact: April Gentry (202) 225-2006

Rep. Nethercutt says bill will aid state transportation funding crisis

Bill restores \$74 million in highway funds for Washington

WASHINGTON – Today U.S. Rep. George Nethercutt (R-Wash.) voted for authorizing legislation to make up for billions in proposed highway funding cuts that would cost Washington state \$125 million.

"Our state has dire transportation needs right now. Restoring this funding keeps us on the road to improving our economy and quality of life in Washington state," Nethercutt said.

The Transportation Equity Act for the 21st Century (TEA-21) directly linked highway gas tax receipts to the Highway Trust Fund distributions provided to each state. TEA-21 set a funding level for each year, but also includes a complex budgetary mechanism to adjust this funding up or down based on projections of future receipts. Since TEA-21 was enacted in 1998, revenue from the gas tax has exceeded expectations resulting in increased distributions to states.

This year, however, trust fund receipts are down, meaning the proposed 2003 highway funding levels will be cut more than \$8 billion from 2002 levels and are about \$4.5 billion less than the benchmark level in TEA-21.

The legislation would increase the authorized level of highway funding in Washington for fiscal year 2003 to \$442 million – a \$74 million increase over the president's budget recommendation, and the amount anticipated by a prior transportation authorization bill. The Appropriations Committee, of which Nethercutt is a member, has agreed to pick up the tab for the increase in a supplemental spending bill. That measure is expected to go before the House later this week.

"Highway funding creates high-paying jobs in our state, and it helps us keep the jobs that are already here," Nethercutt continued.

Local highway projects that have received Highway Trust Funds include: expanding I-90 through Spokane, initial planning and construction of the North Spokane Freeway, and improving I-90 at Snoqualmie Pass East.