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## **Congressman Scott Garrett Introduces the Surface Transportation and Taxation Equity (STATE) Act**

WASHINGTON, D.C. – On March 3, 2005, Rep. Scott Garrett (NJ-05) introduced the Surface Transportation and Taxation Equity (STATE) Act, which will allow any state that increases their state gas tax to have their federal gas tax contributions offset by the same amount.

“For every dollar that New Jersey taxpayers send to Washington in the form of federal gas taxes, Washington only returns 92 cents to be spent on New Jersey roadways,” said Garrett. “This legislation would at least allow New Jersey gas tax funds to stay in New Jersey to improve the driving conditions for New Jerseyans.”

The interstate highway system was completed 20 years ago. Over that same time, the number of licensed drivers has increased 71%, registered vehicles are up 99%, and the number of miles driven by motorists has risen by 148%. However, the United States continues to spend billions of dollars through the same inefficient, top-down approach that only increased our nation’s road capacity by a paltry 6% since completion.

Congressman Garrett's legislation would allow states to opt out of the Federal Gas Tax, either in whole or in part, by raising their state gas tax by a certain amount, and thus they would not be forced to comply with federal regulations, mandates or fund enhancement projects, having more money for legitimate transportation needs.

The STATE Act would:

- Return primary transportation program responsibility and taxing authority to the States
- Free States' transportation dollars from federal micromanagement, earmarking, and budgetary pressures
- Enable decisions regarding which infrastructure projects will be built, how they will be financed, and how they will be regulated to be made by state departments of transportation that are best able to make the decisions
- Eliminate the current system in which a federal gasoline tax is first sent to Washington and then through a cumbersome Department of Transportation bureaucracy, and,

- Prohibit the federal government from forcing unwanted mandates on states by threatening to withhold transportation funding
- *(There is also a provision that retains a 2 cent federal tax for transportation programs that are inherently federal in nature.)*

“The National Interstate Highway System has been completed,” said Garrett. “There needs to be a new system set in place that allows the states more discretion over their transportation programs, maximizes the resources available for our transportation system, and is more equitable for New Jersey and other donor states like it. This legislation will accomplish those goals.”

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