

HOUSE BILL REPORT

EHJM 4012

*As Passed House
March 19, 1991*

Brief Description: Asking Congress to make motor fuel tax moneys available to the states for highway work.

Sponsor(s): Representatives R. Fisher, Wilson, Schmidt, Prentice, Wood, Cooper, R. Meyers, Heavey, Chandler, R. Johnson, Forner, P. Johnson, Mitchell, Brough, Haugen, Zellinsky, Jones, Kremen, Cantwell, Holland, Rasmussen, Nealey, Paris, Horn and Ferguson.

Brief History:

Reported by House Committee on:
Transportation, March 4, 1991, DPA;
Passed House, March 19, 1991, 91-0.

**HOUSE COMMITTEE ON
TRANSPORTATION**

Majority Report: *Do pass as amended.* Signed by 27 members: Representatives R. Fisher, Chair; R. Meyers, Vice Chair; Betrozoff, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Basich; Brough; Cantwell; Cooper; Day; G. Fisher; Forner; Haugen; Heavey; Horn; P. Johnson; R. Johnson; Jones; Kremen; Mitchell; Nelson; Orr; Prentice; Prince; Schmidt; Wilson; Wood; and Zellinsky.

Staff: Robin Rettew (786-7306).

Background: An additional five-cent federal gas and diesel tax went into effect in December 1990. Two and one-half cents of the tax increase is dedicated to the General Fund for deficit reduction purposes, and 2.5 cents is earmarked for the Highway Trust Fund. (.5 of the 2.5 cents is dedicated to the Mass Transit Account.) None of the Highway Trust Fund money may be spent. The tax is scheduled to expire in 1995.

Summary of Bill: The House Joint Memorial requests the President of the United States, President of the Senate, Speaker of the House of Representatives, and members of Congress to (a) make the Highway Trust Fund portion of the gas/diesel tax available for immediate expenditure; or (b) if the federal government will not release the proceeds from the 2.5-cent gas/diesel revenue dedicated to the Highway

Trust Fund, then provide states with the authority to spend their own resources now with the federal commitment to pay back later, through future obligation authority.

The memorial also requests that the entire five-cent gas/diesel tax be extended indefinitely with all proceeds earmarked for the Highway Trust Fund. If extended, the proceeds would be dedicated solely to highway purposes unless individual states/local governments decide to use some portion for transit purposes.

Congress is further requested to appropriate balances in the Highway and Transit Accounts to the states over the next five years.

Fiscal Note: Not requested.

Testimony For: The federal government is urged to release Trust Fund moneys in order to free up funding for necessary state projects which are already obligated.

Testimony Against: None.

Witnesses: Douglas DeForest, Washington Transportation Policy Institute; Bruce Olsen, Highway Users Federation; and Dick Goldsmith, Washington State Transit Association.