



For Immediate Release
May 13, 2008

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Statement of Berry Jenkins, *NC Go!* Vice Chair on Governor Mike Easley's Proposed 2008-2009 Budget

Raleigh, N.C. – With the release of his proposed '08-'09 budget, Governor Mike Easley has made a positive step forward in addressing one of the most pressing needs for North Carolina – our transportation system.

The governor has recommended phasing out the transfer from the Highway Trust Fund to the General fund. In the first year the transfer would be reduced by \$25 million, with funds available for gap funding for the NC Turnpike Authority or urban loop projects included in the Transportation Improvement Program. Phasing out the transfer also is supported by the 21st Century Transportation Committee, and is a move *NC Go!* has called for since its inception.

In 1989, when the transfer originated it was a sensible proposal, helping to hold harmless funds previously directed to the General Fund. Since that time, the General Fund has grown while the Highway Trust Fund – and most other transportation funding – has remained virtually flat.

Put simply, transportation revenue should be used for transportation projects. Citizens need a sign that transportation is a priority for our elected leaders – they care little about an agreement made 19 years ago. Beginning to phase out the transfer is a step in the right direction and *NC Go!* applauds the governor's recommendation.

The gas tax, however, should be addressed. Governor Easley has recommended leaving in place the cap on the motor fuels tax. We recognize the pain at the pump drivers feel – we are drivers too. However, the variable rate exists in order to deal with the fluctuations in pricing because the vehicles used for maintenance and construction - as well as many construction materials - are impacted by the cost of fuel.

We welcome the governor's proposals but hope logic will prevail with regards to the gas tax cap. And, as the legislative session commences, we urge the General Assembly to quickly act end the Highway Trust Fund transfer and consider additional revenue sources for transportation.

About *NC Go!*

NC Go! is the state's only broad-based coalition advocating for North Carolina's transportation system. Our coalition consists of nearly 100 businesses, chambers of commerce, associations and transit agencies representing 25,000 businesses and member organizations, with more than 6 million employees, transit riders, citizens and drivers in North Carolina. *NC Go!* has led the call to adequately invest in highways, bridges, public transportation, rails, ports, airports and ferries. For more information, visit www.ncgo.org.