



BUSH BUDGET SLASHES HIGHWAY FUNDING

Action Compromises Infrastructure, Army Corps and other U.S. Construction Programs

Reaction to President Bush's 2003 budget by Associated General Contractors of America.

([PRWEB](#)) February 6, 2002 -- Washington, January 30, 2002 -- The administration's fiscal year 2003 budget poses a grave threat to the highway construction industry and to infrastructure improvements across the country, the nation's leading construction trade association warned today. The Associated General Contractors of America (AGC) pointed out that the Budget calls for a 28 percent drop in highway funding, a \$275 million cut in funding for the Army Corps of Engineers construction program and a more than 50 percent cut in federal prison funding. AGC has long advocated for a national commitment to infrastructure investment; however, the administration's budget calls for a significant drop in several vital national construction programs.

"This budget compromises several U. S. construction programs and threatens to sacrifice jobs in the industry. At a time when infrastructure spending is needed most, the Budget is a double-edged sword for AGC member firms and the construction industry as a whole," said Stephen E. Sandherr, Chief Executive Officer of AGC. "On the positive side, the budget does renew the President Bush's call for an economic stimulus package, energy independence and permanent tax relief."

"In these uncertain times, permanent tax relief and energy independence will bolster the economy, but a lack of commitment to national infrastructure investment may have a detrimental impact on long term economic growth," Sandherr said. "In January, the construction industry lost 54,000 jobs, according to Friday's report from the Labor Department. Cutting infrastructure investment will worsen this situation and risk weakening the recovery that is barely under way."

Sandherr said, "AGC will work with Congress to reverse the cuts and make a national commitment to ensuring economic growth for the next generation by investing in the infrastructure that provides a foundation for our economy. We will continue to work with the president to make the tax cuts passed into law last year permanent, create jobs and protect our country."

Editors Note: For a detailed analysis on how the president's budget affects the construction industry, contact AGC Public Affairs at 703-837-5310.

The Associated General Contractors of America (AGC) is the largest and oldest national construction trade association in the United States. AGC represents more than 35,000 firms, including 7,500 of America's leading general contractors, and over 12,000 specialty-contracting firms. Over 14,000 service providers and suppliers are associated with AGC through a nationwide network of chapters. Visit the AGC web site at www.agc.org. AGC members are "Building Your Quality of Life."

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