

Lawmakers Agree on Transit Package  
Bush Backs Off Threat to Veto

By Shailagh Murray  
Washington Post Staff Writer  
Thursday, July 28, 2005; A08

After a 22-month struggle, House and Senate negotiators agreed to a massive transportation package that would increase benefits for heavily traveled states and fund droves of individual highway and mass transit projects.

Although the \$286.5 billion price tag slightly exceeds the limit set by the White House, the administration appeared to back off an earlier veto threat. The long-awaited bill is expected to pass both chambers this week, lawmakers said, before Congress departs for the August recess.

"I think it's important to look at where members started, in terms of the Senate and the House," White House press secretary Scott McClellan said. "They have come down tens of billions from where they originally started."

The White House had warned that President Bush would veto any bill that topped \$284 billion, the level the House approved in March. The Senate passed a \$295 billion bill in May.

The major sticking point was the return that states are guaranteed on their contributions to the Highway Trust Fund, mainly in gasoline taxes. "Donor states," which contribute more in tax revenue than they receive back in transportation money, have long insisted on a more favorable return rate. Major donor states include California, Texas, Arizona and Florida.

Under the bill, the minimum guarantee would remain at the current 90.5 percent level for fiscal 2006, then rise to 91.5 percent in 2007 and to 92 percent in 2008. As recently as last week, lawmakers in donor states, including House Majority Leader Tom DeLay (R-Tex.), had insisted that the 92 percent level take effect immediately.

When the bill is formally announced today, its most colorful section will be the cornucopia of projects included, such as bike trails, transportation museums and bus stops. The House version of the legislation included more than 4,000 such projects.

In the final bill, the projects are split 60-40 between the House and the Senate, with the total value rumored to be as high as \$20 billion, people close to the negotiations said. Lawmakers said some of the projects were included to woo support in the House for the Central America Free Trade Agreement, scheduled for a vote late last night or early this morning.

"We will have miles of highways and all kinds of new bridges built in this country to persuade wayward House members" to vote for the trade

agreement, said Sen. Byron L. Dorgan (D-N.D.), an opponent of the Central American pact.

Many Republicans and Democrats had wanted a much larger transportation bill, citing pent-up construction demands and the job bonanza that highway projects represent. Given lawmakers' many priorities, complying with the White House's funding limit made negotiations so arduous that Congress had to pass 10 extensions of the previous transportation law, which expired in September 2003.

Because the most recent extension expired at midnight, an 11th and final extension is required and will run through tomorrow.

Sen. James M. Jeffords (I-Vt.), ranking minority member of the Environment and Public Works Committee, said the bill "is on cruise control for passage in the coming days." He said the measure would "make our nation's roads and bridges safer, less congested, and create thousands of jobs from coast to coast."

About 80 percent of the bill is directed toward highway projects. Mass transit would receive about 18 percent of the total, and the remainder would pay for transportation safety projects.

Beneficiaries would include 32,000 construction firms represented by the Associated General Contractors of America, which cited the bill's improved worker-zone safety provisions and funding to retrofit diesel-powered construction equipment.

House and Senate negotiators "used every available revenue source to increase funding," Stephen E. Sandherr, the group's chief executive, noted in a statement. But he added that "transportation needs remain great, and while this legislation moves us in the right direction, fully addressing those needs should remain a priority."

© 2005 The Washington Post Company