



Committee on Transportation and Infrastructure

Congress of the United States

House of Representatives
Washington, DC 20515

Bud Shuster
Chairman

James L. Oberstar
Ranking Democratic Member

May 12, 2000

Jack Schenendorf, Chief of Staff
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PROTECT TEA 21 AND AIR 21 – VOTE “NO” ON H.R. 853

Dear Colleague:

We urge you to oppose H.R. 853, the Comprehensive Budget Process Reform Act of 2000. In our May 11, 2000 letter to you, we outlined our concerns regarding the bill's weakening effect on the role of authorizing committees and rank-and-file Members in the budget process in general. We also want to alert you to our more specific concerns regarding the impact of this bill on transportation trust funds.

H.R. 853 will undermine TEA 21 and AIR 21, and will make it more difficult to reauthorize these programs in the future. While proponents of the bill have in good faith addressed some of the concerns raised by our Committee regarding the bill's impact on the Highway and Airport and Airway Trust Funds, we have nevertheless concluded that the bill still falls far short of being acceptable.

H.R. 853 does not acknowledge any of the important budget reforms contained in TEA 21 and AIR 21 – including the reform that transportation revenues must be used for transportation purposes. Rather than updating the budget process to reflect a link between transportation trust fund spending and transportation trust fund receipts – a budget process change that was mandated by the overwhelming majority of the House in TEA 21 and AIR 21 – H.R. 853 merely strengthens the old budget process, which assumes that transportation trust fund revenues are no different from general revenues. With regard to transportation trust funds, H.R. 853 is the budget process “un-reform” bill.

H.R. 853 would shift power to entities that are institutionally opposed to the trust fund reforms that our Committee achieved in TEA 21 and AIR 21, and would effectively shut most Members and committees out of the budget process. Giving the budget resolution the force of law means that budget targets and allocations would be negotiated up-front solely by the Budget Committees, the House and Senate Leadership, and the President. Our Committee has first-hand experience with such a process. The 1997 Balanced Budget Agreement was negotiated with the White House early in 1997 and was thereafter treated as sacrosanct with no input or adjustments possible – even those supported by a majority of Members of the House. That Agreement made TEA 21 impossible in 1997.

Not only does H.R. 853 fail to institutionalize the trust fund reforms enacted in TEA 21 and AIR 21, it assumes flat spending from transportation trust funds for purposes of calculating the budget surplus after TEA 21 and AIR 21 expire. This assumption is made despite the fact that transportation trust fund revenues will continue to increase each year as our economy and highway and air travel continue to grow. A flat-spending assumption would result in a return to the old days of trust fund surpluses being used for non-transportation purposes. If the link between trust fund revenues and trust fund spending is to be maintained, budget procedures and the assumptions for transportation spending must reflect the annual growth in trust fund revenues.

The basic purpose of H.R. 853 is to strengthen a budget process that does not recognize the unique nature of the transportation trust funds. If you support the trust fund reforms enacted in TEA 21 and AIR 21, vote “NO” on H.R. 853.

Sincerely,


BUD SHUSTER
Chairman


JAMES L. OBERSTAR
Ranking Democratic Member