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## A brake for highway spending

By Ed Feulner

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President Bush has experienced more than his share of Churchillian moments leading America in the war on terror. Now, with rising concern over the growth in the size and scope of the federal government, his first Churchillian moment on domestic policy appears close at hand.

I'm referring to the oversized federal transportation bills now rumbling through the House and Senate, and the president's principled stand to restrain them.

It won't be easy. Highway spending is just one component of our \$2 trillion federal budget, but it's probably the area with the greatest waste. Highway bills are notorious for their pork-barrel spending, since politicians love to use road-building projects to "create" jobs and show voters they're "getting something done" in their district.

Congress is considering three competing proposals. President Bush's plan would boost highway spending by a generous 21 percent. Weighing in at \$257 billion over six years, the president's plan (known as SAFETEA) is no bargain; it would waste tens of billions of dollars. But it's far better than what has been proposed in the House and the Senate.

The president wants to tie future surface transportation spending to the fuel-tax revenues generated by the gas tax of 18.4 cents per gallon. That means his program would spend about \$20 billion more than it receives in dedicated taxes. But SAFETEA also would introduce some much-needed reforms.

For the first time, many interstate highways would be able to use tolls. New capacity would be created through toll-express lanes. Plus, the bill would allow partnerships with private-sector investors and new forms of tax-exempt financing. These tools would bring in tens of billions of dollars, which then could be targeted to America's most congested roads.

The Senate proposal tips the scales at \$318 billion over the six years. That's about \$80 billion more than federal fuel taxes are estimated to provide over that period.

On the plus side, the Senate proposal does include innovative tools similar to the president's, such as allowing additional tolls on interstates under certain conditions and building lanes financed by tolls.

The House transportation bill, by contrast, crushes the scales at an astounding \$375 billion. Worse, it completely lacks innovation.

Put forward by Rep. Don Young, Alaska Republican, and ranking member James Oberstar, Minnesota Democrat, this proposal would cost taxpayers \$119 billion more than SAFETEA. Its sponsors would make up the difference by raising the federal fuel tax 43 percent between now and 2009.

This isn't some arcane debate over transportation policy. If the big spenders prevail, you can forget about Congress adopting the president's budget plan (which would all but freeze most discretionary spending), cutting programs slated for elimination in the president's budget, passing a budget reform bill that favors taxpayers, or confronting the burgeoning entitlement programs that will hobble future generations of taxpayers.

It's critical that President Bush draw a firm line on spending. Congress seems incapable of resisting the urge to spend taxpayers' money. By vetoing a bloated transportation bill, Mr.

Bush would prove he intends to get federal spending under control.

Now for that Churchillian moment: In a letter to Senate Majority Leader Bill Frist, two Cabinet secretaries, Treasury's John Snow and Transportation's Norm Mineta, set forth a clear veto threat on the highway legislation. They laid out three criteria that would allow the president to sign such legislation:

Transportation spending shouldn't rely on "an increase in the gas tax or other federal taxes."

The federal government should resist the temptation to use creative financing techniques to pay for new highways, such as "bonding or other mechanisms that conceal the true cost to federal taxpayers."

Highway spending should be paid for from the highway trust fund, not the general fund.

Some on Capitol Hill have read these words to mean some ways to enhance federal revenues are still OK and won't call forth the veto pen.

Wrong. The president's position doesn't allow for any "fuzzy" congressional math. Here's hoping the spirit of one of the great British prime ministers has seeped into the veins of our leaders at both ends of Pennsylvania Avenue, and that they'll remember it's the taxpayers who occupy the most prominent position at this negotiating table.

*Ed Feulner is the president of the Heritage Foundation.*