

The Federal Flyer

House/Senate Leaders Introduce Highway Funding Equity Act of 2003 DeLay, Hill, Voinovich, & Levin Demand A Fair Share for All States



On May 21, 2003 the lead sponsors and supporters of donor state efforts to improve the equity of federal highway program distributions among the states introduced House and Senate versions of the Highway Funding Equity Act of 2003. In a joint press conference, **U.S. House Majority Leader Tom DeLay** (R - Texas), **Indiana Congressman Baron Hill** (D), **Ohio Senator George Voinovich** (R), and **Michigan Senator Carl Levin** (D) launched the latest volley in the continuing battle to improve donor states' rate of return in federal highway programs.

In front of a display calling for "A Fair Share for All States," DeLay stated that "Too many states send dollar bills to Washington only to get coins in return, while others get back much more than they send. Our proposed reforms are about fairness and fairness dictates that Texas dollars should be spent creating Texas jobs." Hill, DeLay's chief Democratic ally in the House, declared that "by guaranteeing each and every state get at least 95 cents back on the dollar, our legislation is a critical step in bringing equity and fairness to the federal highway program. In addition, taxpayers in donor states will be getting more bang for their buck — safer roads, better bridges, and a bigger boost to the economy," Hill said.

Voinovich, the lead Republican sponsor of the Senate bill, commented that "Ohio has been a 'donor state' since 1956 meaning Ohioans have given more to other states than they have received back in federal highway money. Addressing this inequity will determine the extent Ohio can maintain its highway network and improve it," Voinovich declared. For his part, Levin, the lead Democratic Senate sponsor, stated that "for decades, highway funding has been based on antiquated formulas which force some 20 states to subsidize road and bridge projects of other states. We believe that it is simply unfair to perpetuate this imbalance. Our bill would allow states to get back more of what they contribute in gas taxes to the Highway Trust Fund, which would bring more equity to the process.," Levin said.

The House bill (H.R. 2208) as introduced would both increase the size of the current Minimum Guarantee from 90.5 percent to 95 percent of a state's share of contributions to the Highway Trust Fund AND expand the scope of

"Too many states send dollar bills to Washington only to get coins in return."

U.S. House
Majority Leader
Tom DeLay
(R - Texas)

the guarantee to cover every dollar distributed to the states through the federal highway program. This expanded scope includes coverage of all discretionary distributions from the Highway Account - distributions not currently covered under the TEA 21 Minimum Guarantee

The Senate version, S. 1090, focuses on increasing the size of the Minimum Guarantee from the current 90.5 percent of a state's share of contributions to the proposed 95 percent of share. The Senate bill's Minimum Guarantee provision would cover the programs currently included in the TEA 21 Minimum Guarantee - the core highway formula programs (STP, NHS, Bridge, and CMAQ) and High Priority Projects. It would not extend the guarantee to cover discretionary distributions.

Protection of Low Population Density States Continued. Both the House and Senate versions of the Highway Funding Equity Act of 2003 would continue a practice of previous guarantees to protect states with a population density of less than 50 persons per square mile. These states are assured their current statutory share of highway funds even if it's greater than 95 percent of their share of HTF contributions. Generally, however, by limiting the Minimum Guarantee to 95 percent of a state's share of contributions to the Highway Trust Fund, the bill supporters (including the States' Highway Alliance for Real Equity or SHARE) acknowledge the need for some states to donate a small percentage of their federal motor fuels tax revenues to ensure the continuity of the national highway system.

House T&I Committee Chairman Supports Equity Efforts. Upon the introduction of the Highway Funding Equity Act of 2003, **House Transportation & Infrastructure Committee Chairman Don Young** (R - Alaska) reaffirmed his commitment to work towards including a 95 percent of share minimum guarantee in the reauthorization of TEA 21. In a statement issued by the committee on May 21, 2003, Chairman Young said "House Majority Leader DeLay and the other sponsors of this proposal are moving in the right direction in addressing the inequities in the highway funding formula for some states. I intend to work closely with them to correct this issue in the upcoming reauthorization of the highway and transit reauthorization legislation. I've repeatedly stated that I want to ensure a minimum 95 percent return to all 50 states," Young said.

For more details about the Highway Funding Equity Act of 2003, visit the SHARE website at www.sharestates.org.

Texans File Bills to Direct More Money to NAFTA Corridors **Bills Would Tie Funding to Border Crossing Connections**



On May 20, 2003, **Texas Senator Kay Bailey Hutchison** (R) introduced S. 1099, a bill designed to ease congestion brought on by the North American Free Trade Agreement (NAFTA) by reforming the "borders and corridors" program. Senator Hutchison's proposal would require that funds be expended only on international corridor and border projects.

"Texas highways bear the brunt - almost eighty percent - of NAFTA's impact on U.S. roads," Hutchison stated. "Increased truck volume has further congested and torn up Texas highways such as I-35, but we are getting shortchanged at the federal level. This bill will help bring the borders and corridors program back to its original purpose - alleviating the gridlock caused by NAFTA traffic."



At the same time, Freshman Texas Congressman **Dr. Michael Burgess** (R - Irving), together with fellow House Transportation & Infrastructure Committee member **Eddie Bernice Johnson** (D - Dallas) introduced H.R. 2220, a companion bill to S. 1099. These bills would fund the renamed NAFTA Corridor Planning & Development program at \$200 million a year for FY 2004



through FY 2009 and limit the eligibility of these funds to only those High Priority Corridors that connect to either the U.S.-Mexico or U.S.-Canada border. Both bills also would provide \$200 million a year for FY 2004 through FY 2009 for the Coordinated Border Infrastructure Program created in TEA 21, which the sponsors do not propose to change from its current program structure and project selection criteria.

USDOT Launches SAFETEA Proposal Receives Criticism for Low Funding Levels



On May 14, 2003 **U.S. Secretary of Transportation Norman Mineta** unveiled the Bush Administration's proposal for the reauthorization of federal highways, transit, highway safety, research, and motor carrier safety programs. The proposal, named the "**Safe, Accountable, Flexible, and Efficient Transportation Equity Act of 2003**" or **SAFETEA**, would provide a total of about \$247 billion over the period of Fiscal Years 2004 through 2009. The current authorization, TEA 21, enacted in 1998 provided a total of \$218 billion for Fiscal Years 1998 to 2003.

In introducing the proposal, Secretary Mineta called the proposal a "blueprint for investment in our future." "This proposal is on-budget and on-time, while protecting the environment, requiring no new taxes, and increasing highway safety," Mineta said. Mineta highlighted the significant increases in funding for national safety programs included in SAFETEA. "The goal is to reduce the number of injuries and fatalities on our nation's highways, beginning now," Mineta said. SAFETEA doubles the amount of money available for highway safety.

SAFETEA would provide \$192.4 billion for highway programs, \$45 billion for transit programs, \$3.4 billion for highway safety programs, \$2.8 billion for motor carrier safety programs, \$2.6 billion for transportation research programs, and another \$350 million for other miscellaneous programs over six years. According to the tables provided by USDOT, Texas would receive approximately \$14 billion over six years under SAFETEA in highway program funding, The USDOT did not provide an estimate of Texas transit funding under SAFETEA. In comparison, through five years of TEA 21 (1998 through 2002), Texas has received \$10.9 billion in highway program funds and \$1.4 billion in transit program funds.



Committees Criticize Low Funding in SAFETEA. Right after the announcement of SAFETEA, committees on both sides of Capitol Hill expressed their disappointment with the low funding levels of the proposal. At a hearing of the House Transportation and Infrastructure Committee on May 16, **Highways, Transit, and Pipelines Subcommittee Chairman Thomas Petri** (R - Wisconsin) called the \$247 billion proposal “inadequate” and said that the administration failed to include a number of options for increasing the level of investment for transportation programs. Petri and others said that the administration’s proposal is insufficient in part because USDOT’s own figures show billions more are needed to improve the system and because it does not go far enough to address congestion.

In the Senate, members of the Environment and Public Works Committee continued the unsatisfactory commentary. **Transportation and Infrastructure Subcommittee Chairman Christopher Bond** (R - Missouri) stated “I am very disappointed in the inadequate level of funding,” indicating that the administration’s \$247 billion funding level would “make it impossible” to move a six-year reauthorization bill. **Full committee Ranking Member James Jeffords** (I - Vermont) warned that “while a short-term extension presents problems, it is preferable to six years of under-investment.”

Key Provisions of Interest to Texas. We will provide a more detailed summary of the key provisions of SAFETEA of interest to Texas in the next issue of the *Federal Flyer*.

House Committee Passes Aviation Reauthorization Bill Measure Provides Steady Increases for Aviation Programs



The **House Transportation & Infrastructure Committee** on May 21 gave voice vote approval to the “Flight 100-Century of Aviation Reauthorization Act” (Flight 100). Flight 100, a 4-year \$59 billion proposal for AIR 21 reauthorization, would provide \$14.8 billion over four years for the Airport Improvement Program (AIP). Flight 100 would limit the amount of Airport Improvement Program funding that could be used to modify airport terminals to best fit explosives detection systems and makes projects that improve air quality eligible for AIP dollars.

The Federal Aviation Administration’s (FAA) would receive a total of \$31.9 billion over four years for FAA operations and another \$12 billion to upgrade the air traffic control system.

As a block grant state, the Texas Department of Transportation administers approximately \$40 million in annual federal AIP funds for improvements to the state’s general aviation and reliever airports system. The FAA also provides \$83.5 million in annual funding directly to the large commercial airports in Texas for needed infrastructure.

The *Federal Flyer* is a publication of the TxDOT Legislative Affairs Office. It is intended to provide up-to-date information on major legislative activities in the 108th Congress for the management of the Texas Department of Transportation, state leaders, and others interested in Texas transportation issues. This report will also feature key activities in the national transportation community. Sources include news services and staff reports.

Coby Chase, Director of Legislative Affairs, serves as publisher and can be reached at (512) 463-6086. Tonia Norman Ramirez (512-463-9957) and David Soileau (512-463-6081) make up the department’s federal legislative staff. Please contact any of the staff for information on federal transportation and legislative issues. To subscribe to the *Federal Flyer* by e-mail, please send your request to tramirez@dot.state.tx.us.

This publication will be filed with the State Publications Clearinghouse in the State Library in accordance with the Texas State Depository Law.

