

## **Congress Daily PM** – *Thursday, February 17, 2005*

### TRANSPORTATION: Donor-State Lawmakers Receive Assurances On Funding

House Transportation and Infrastructure Chairman Young has reached a deal with Majority Leader DeLay and others on crucial transportation funding details regarding how highway dollars are distributed to states.

Young has promised DeLay and lawmakers from so-called donor states -- those that contribute more gasoline taxes to the federal highway trust fund than they receive back in aid from the fund -- that the minimum guaranteed rate of return will rise from 90.5 percent to 92 percent in the surface transportation reauthorization bill. Young also has promised DeLay to try to reach closer to 95 percent. Young and DeLay have agreed to retain the current formula that determines which programs are counted toward calculating a state's rate of return.

"I think it's good, probably the best we can get at the current level of funding," said Republican Rep. Vernon Ehlers, who represents Michigan, a donor state. "We don't have any choice because we're certainly not going to get the money out of the general fund, and we're certainly not going to increase taxes. The funding source is what it is." Rep. John Duncan, R-Tenn., added: "I think it's a good agreement. I'm very pleased about it."

Young and Senate Environment and Public Works Chairman Inhofe initially will pursue six-year reauthorization bills that authorize \$284 billion from FY04-FY09, the same level advocated by the Bush administration in its FY06 budget request. Young plans to include a provision allowing lawmakers to reopen the bill after it becomes law in order to add more projects and other language, in part to get the minimum rate of return for all states up to 95 percent by FY09. The White House has threatened to veto the bill if that language is included. It also is opposed by Inhofe and other senators.