

# Hope Wanes on Highway Bill

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By Ethan Wallison, Roll Call (<http://www.rollcall.com/>)

Wary of provoking brinkmanship with a White House in full campaign mode, Congressional Republicans have all but given up hope of passing a transportation bill this Congress.

While anything could still happen in a volatile election year, the bill is caught between two conflicting impulses: the desire to boost the economy and the desire to rein in a ballooning federal deficit.

On the one hand, administration figures such as Transportation Secretary Norm Mineta have toured the country to gin up support for the measure and its potential to create jobs. On the other hand, the White House has also laid down strict budgetary limits that many Republicans and Democrats alike are not eager to stay within.

"It looks like we could be back next year to get this done," said Rep. Tom Petri (R-Wis.), who chairs the Transportation and Infrastructure subcommittee on highways, transit and pipelines. "That's the way it looks."

A key GOP Senate aide added that the chances of a highway package clearing Congress this year are probably "five percent."

"Nobody is going to send the president a bill he's going to veto," the aide said. "That would be ridiculous."

The stalemate is an unwelcome development for lawmakers, who have waited six years for reauthorization of the transportation bill - a measure that is typically flush with road and transit projects that translate into jobs back home.

Lawmakers are chafing under the Administration's maximum price tag for the bill - about \$256 billion. The administration has signaled that the president will likely veto any highway bill that comes in above that number, unless Congress can find a way to pay for it without dipping into general revenues.

Sen. Saxby Chambliss (R-Ga.), a key White House ally on the transportation bill, does not see any give in the President's position. "I don't think the President will be intimidated by arguments that the bill could boost job creation before the election. "I think he's going to do what he thinks is right."

But lawmakers say that is miles short of what they consider reasonable, and they're getting support for that stance from the private sector. In a late-April letter to Congress, a broad coalition comprising business, labor and environmental interests, among others, drew a firm line at \$318 billion and vowed not to support any legislation that dips below that figure.

“As business and labor, we will only support a final conference report at the Senate level for a six-year bill,” the group wrote.

The letter’s emphatic demands immediately dimmed hopes for a compromise even between the Senate and the House, which brought its version of the legislation in at \$275 billion.

“It’s a pretty powerful letter,” said Senate Minority Whip Harry Reid (D-Nev.). Asked whether the letter would strengthen resistance to cuts, Reid said, “I’m sure it will.”

This has forced Republicans into a quandary. If the president capitulates to them, he risks alienating his base of fiscal conservatives, who have demanded that he hold the line on spending. But vetoing a “jobs” bill in the heat of election season is not a palatable alternative, either.

Since Congress could quickly extend current transportation spending through a continuing resolution, the safest option for the White House - doing nothing - appears to be taking shape.

While both chambers currently have more than enough votes to override a veto, President Bush’s two key allies in Congress - Senate Majority Leader Bill Frist (R-Tenn.) and House Speaker Dennis Hastert (R-Ill.) - have each indicated that they will not send the president a transportation bill that would bring a veto.

While spending on transportation enjoys a degree of bipartisanship that has disappeared from much of the Congressional agenda in recent years, this year’s measure - largely due to its timing in an election year - has heightened the institutional stakes. Members, prevented from spending in other ways, are eagerly eyeing the transportation bill to fund projects in their own districts.

Many of the battleground states in the forthcoming presidential election - places like Florida, Minnesota, Ohio, Pennsylvania and West Virginia - could reap a bonanza from any bill that clears Congress and is signed by the president.

Indeed, in the past several months, Transportation Secretary Mineta has visited several of these states, making speeches that underscore President Bush’s support for a “fiscally responsible, six-year” package and highlighting projects that would be supported in the bill.

As matters now stand, lawmakers are struggling even to get the transportation package to conference, as Senate Democrats seek assurances that they will not be locked out of endgame negotiations on the measure.

In taking this stand, the Democrats have invoked their experiences getting frozen out of key House-Senate negotiating sessions for such bills as last year's Medicare reform measure.

Some Republicans consider this a bluff. Sen. Kit Bond (R-Mo.), a senior member of the Environment and Public Works Committee, has been pressuring Frist to move the conference issue to the floor for cloture - under the presumption that Democrats would not want to be seen as blocking a "jobs" bill from reaching the next stage.

The stakes for the Democrats may be higher still: Although Senate Republicans show no signs of compromise with the White House on the measure's final price tag - the two sides remain \$62 billion apart - any cuts forced upon the bill would presumably come from projects sought by the Democrats.

"There are three cards in this game, and they're all held by the Republicans," Sen. Frank Lautenberg (D-N.J.) said, referring to the GOP's control of both Congress and the White House.

In a tone only slightly harsher than that used privately by some of his Republican colleagues, Lautenberg called the funding level demanded by the White House "pitiful," and suggested the administration may back off its veto threat once the presidential campaign nears its climax.

"We've heard veto threats before, and they didn't turn out," Lautenberg said. The White House version of the bill, he said, is "so pitifully small ... that I think we have to go to the wall on this."

Sen. Mike DeWine (R-Ohio), likewise, suggested that Congress could prevail in a test of wills with the White House. "Ultimately, in a confrontation with the president, you don't know how things will work out," DeWine said. Suggesting that the legislation would create jobs in his state, he said, "it will be a good thing to get done before the election."