Backgrounder

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Yes, Mr. President, Veto the Highway Bill

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In early February 2004, Secretary of the Treasury John Snow and Secretary of Transportation Norman Mineta sent identical letters to House Speaker Dennis Hastert (R–IL) and Senate Majority Leader Bill Frist (R–TN) advising them that the bloated highway bills now under development in the House and passed by the Senate would be potential targets of a veto if the bills raised taxes, added to the deficit, or resorted to accounting gimmicks that disguised their true costs. President George W. Bush and his advisers are to be commended for their toughened stand on wasteful spending, and they should refuse to compromise on the White House's three principles for an acceptable transportation bill.

By issuing a strong veto message so early in the year and acting on it if Congress chooses to test his sincerity, the President will establish a tone and standard that will pay big fiscal dividends during a session in which Congress will be tempted to give away the store as the election looms closer. The highway bill is a poster child for profligate spending, expected to be loaded with thousands of pork-barrel earmarks,[1] multimillion-dollar boondoggles unrelated to improving mobility, and pervasive regional inequities that each year ship billions of dollars from the South to the North. It is an ideal target for a veto to make the case to the voters that the President is serious about restraining federal spending.

1. Senator James Inhofe's proposal (S. 1072) does not include any earmarks and will still be free of earmarks when ultimately passed by the Senate and sent to conference.

Talking Points

- By issuing a strong veto message against bloated highway bills so early in the year and enforcing it if necessary, the President will establish a tone and standard that will pay big fiscal dividends during the current session of Congress.
- Transit's share of the journey-to-work market (commuters) has consistently fallen since 1970, from 8.9 percent in 1970 to 4.7 percent in 2000, despite the federal expenditure of $130 billion over that same period.
- Creating jobs is not the same thing as creating value. Hurricanes, tornadoes, and forest fires create lots of jobs but destroy value in the process, an outcome not materially different from much federal spending on costly and underutilized light rail transit systems.
- The existing federal highway program should be terminated or dramatically revised. One promising solution is to turn back the program to where it once belonged—the states.

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In his fiscal year (FY) 2005 budget, the President has proposed to spend no more than $256 billion on highways and transit over the next six years, somewhat more than the $234 billion that the federal fuel taxes will supply to the highway trust fund over the same period. The Senate's bill, in turn, proposes to spend $318 billion and intends to close the $84 billion gap between gas tax revenues and spending with a complicated package of tax changes that the White House argues will add to the deficit and raise taxes. On the House side, Representative Don Young (R–AK), chairman of the Committee on Transportation and Infrastructure, wants to spend $375 billion and narrow the resulting gap by raising federal fuel taxes by 43 percent over the next six years.

From a fiscal restraint perspective, the President's plan is the most responsible, and his spending target should be the absolute upper limit for any final highway bill.

But passing an appropriate highway bill involves more than just the amount that it would cost the taxpayers. The federal highway program has become the country's largest spoils system, in which spending and programs are increasingly designed and directed to reward influential constituents and senior Members of Congress. With about a third of annual federal trust fund spending directed to underutilized transit schemes, thousands of pork-barrel projects, historic renovation, union-mandated wages, beautification programs, national parks, the Appalachian Regional Commission, historic preservation, bicycle and hiking trails, and magnetic levitation, little is left to benefit the tax-paying motorist who funds the program but receives little more than worsening congestion in return.

Because the Administration's highway plan, like its congressional counterparts, fails to address this pervasive waste, the only meaningful difference among them is that the President's plan—the Safe, Accountable, Flexible and Efficient Transportation Equity Act (SAFETEA)—proposes to misallocate only a quarter of a trillion dollars over the next six years, while the plan proposed by Senator James Inhofe (R–OK) would misallocate nearly a third of a trillion dollars. If this is the best either branch of government can deliver this year, perhaps they should go back to the drawing board and address the real needs of motorists and truckers.

Key goals of any legislative rewrite should include:

1. A commitment to stop wasting money,
2. Supplementing taxes with tolls to better direct money to needs,
3. Greater use of private–public partnerships to increase investment,
4. Allowing a wide range of innovative financing arrangements, and
5. Decentralizing and devolving more resources and decision making to the states.

Current Program Fails the Motorist, Fails the Nation

In a recent defense of his costly plan to reauthorize the federal highway and transit programs, Chairman Young inadvertently offered a devastating critique of the federal highway program's performance over the past three decades. Noting that the numbers of licensed drivers (up 71 percent), registered vehicles (up 99 percent), and miles driven (up 148 percent) have all soared since 1970, he added, incredibly, that "during the same time period, new road miles have increased by only 6 percent."[2]

Six percent? This is an astounding indictment of a federal program that has spent (in inflation-adjusted dollars) a staggering $700 billion in taxpayer money since 1970 on top of an even larger amount spent by the 50 state transportation departments over the same period.[3] And this is all the motorists and truckers received for their taxes—6 percent more roads?

Chairman Young neglected to note the even sorrier performance of the federal transit program, which absorbs 20 percent of federal transportation spending while serving less than 2 percent of the nation's travelers. Data from the 2000 census reveal that transit's share of the journey-to-work market (commuters) has consistently fallen since 1970,

2. Representative Don Young, "New Measure Will Meet Transportation Needs," *Roll Call*, December 8, 2003, p. 4.
3. *Budget of the United States Government, Fiscal Year 2005: Historical Tables*, Table 9.6, p. 168.

from 8.9 percent in 1970 to 4.7 percent in 2000, despite the federal expenditure of $130 billion (inflation-adjusted) over that same period. Indeed, since 1990, census data show that journey-to-work ridership fell both absolutely and as a share of commuters.[4] One would be hard-pressed to find other federal spending programs that had so little to show for the billions of dollars that were spent.

If such results are as much as Congress can claim for its half-century of transportation stewardship, it is time to scrap these failed programs and devise a better way to serve the traveling public. In 2004, motorists and truckers will pump $34 billion in user taxes into the highway trust fund, and they have a right to expect public officials to spend the money to enhance mobility and ease congestion. Congress should go back to the drawing board and write a transportation bill that better fulfills this expectation.

Veto Could Begin a Meaningful Reform Process

To their credit, albeit for deficiencies different than those noted above, Secretary Mineta and Secretary Snow have informed Congress that they would advise the President to veto any highway transportation bill that contains several of the deficiencies of the bills now taking shape in the House and Senate.

With budget deficits exceeding a half a trillion dollars, combined with the President's chief domestic policy objective of preserving hard-won tax relief, Secretaries Mineta and Snow quite correctly objected to the tax increases and/or deficit spending provisions contained in the bills. The Transportation Equity Act: A Legacy for Users (TEA–LU), the House transportation reauthorization bill proposed by Chairman Young, would spend $375 billion over the next six years on roads and transit. Federal excise taxes including fuel taxes will raise only $234 billion over the same period, so Chairman Young wants to raise the regressive fuel tax by 43 percent to close most of the $141 billion gap.

In contrast to the House proposal, the Senate highway bill reported out of the Environment and Public Works Committee, as amended on the floor, would spend $318 billion on roads and transit, leaving a gap of about $84 billion between planned spending and trust fund receipts. To close this gap, or most of it, Senate Finance Committee Chairman Chuck Grassley (R–IA) has devised a complicated package of tax changes, revenue redirections, offsets, and trust fund spend-downs—including the aviation trust fund—that allegedly would close the gap. Critics, however, charge that this tax package will increase the deficit by diverting money from general revenues to the highway trust fund and raise other taxes, albeit none currently dedicated to the highway trust fund.

It is largely for these reasons—higher taxes and higher deficits—that the President's advisers would recommend a veto of both bills in their current forms. While Senator Inhofe believed that his plan met the President's conditions for an acceptable bill, he was quickly advised by the White House that it did not. U.S. Department of the Treasury analysts apparently saw through the Finance Committee's proposal and found the tax and deficit increases buried under the exotic tax schemes.

Pervasive Deficiencies

While the cost differences among the bills are certainly objectionable and merit a veto, the President's advisers should have gone further and objected to the vast sums of wasted money embodied in these transportation bills, even if modified to accommodate the President's concerns. Since completing the interstate highway system in the early 1980s, the federal transportation program has little to show for spending hundreds of billions of the taxpayers' dollars.

Significantly, the House bill, in its current form, includes little in the way of reforms that would decentralize decision making and resource allocation to state and local governments, allow greater private-sector participation in road building and operations, and rely more on non-tax revenues,

4. Ronald D. Utt, "Reauthorization of TEA–21: A Primer on Reforming the Federal Highway and Transit Programs," Heritage Foundation *Backgrounder* No. 1643, April 7, 2003, Table 3, p. 8, at *www.heritage.org/Research/SmartGrowth/bg1643.cfm*. See also Wendell Cox, "Reasonable Expectations for Transit in the Modern Urban Area," testimony before the Committee on Banking, Housing, and Urban Affairs, U.S. Senate, October 8, 2002, p. 3.

such as tolls, to fund additional future road building, repair, upgrade, and maintenance.

In contrast to the business-as-usual approach of the House proposal, the Senate bill incorporates many of the reforms urged earlier by the White House and by pro-market advocates like The Heritage Foundation.[5] Specifically, the Senate bill would allow states to raise additional funds for road investment by tolling the interstate under certain conditions; allowing high-occupancy vehicle (HOV) lanes to become high-occupancy/toll (HOT) lanes; charging variable tolls to ease rush-hour congestion; levying tolls to fund new capacity; and allowing the private sector to participate more in financing, building, and operating roads.

While the Senate bill is superior to the House version, it still suffers from a number of deficiencies. If these are not corrected, the President should veto the bill. These deficiencies include:

- A misallocation of financial resources among alternative modes and non-transportation programs that limits the bill's impact on mobility, congestion relief, and improved transportation services;
- Regional funding inequities that disproportionately burden fast-growing states where congestion is worsening;
- Financial limits on the implementation of promising reforms; and
- Tax and budget deficit increases to fund programs that, overall, are of limited value to the traveling public.

Misallocations Limit Roadway Mobility

Although worsening congestion is the most serious problem confronting the motorists and truckers who finance the highway trust fund, neither bill will do much to relieve congestion. Indeed, the reasons cited by many congressional leaders to justify their support for the bill are unrelated to mobility or transportation.

For example, Senate Majority Leader Frist justifies his support on the basis of the bill's potential to create jobs, citing lobbyists' claims that each billion spent on transportation "creates" 47,000 new jobs, despite conflicting findings from several federal government studies.[6] What Senator Frist fails to recognize is that creating jobs is not the same as creating value. Spending any sum of money on nearly anything will contribute to a job, but whether that job leads to the creation of products and services of broad public value is another question. Hurricanes, tornadoes, and forest fires create lots of jobs but destroy value in the process, an outcome not materially different from much federal spending on costly and underutilized light rail transit systems.[7]

As currently constructed, the three transportation bills now under consideration contain few of the needed reforms. Motorists who fund the program get a poor return on their money because as much as one-third of highway trust fund revenues would be diverted to projects other than general-purpose roads. In the Senate bill, transit receives $57 billion, even though its commuter market share has fallen below 5 percent and much of that is concentrated in a handful of cities, despite being funded from fuel taxes collected throughout the country. At present, 74 percent of transit ridership occurs in just seven metropolitan areas, with the New York City metropolitan area accounting for 42 percent.[8]

Besides transit, highway trust fund revenues are also diverted to the Appalachian Regional Commission, beautification programs, bicycle and hiking paths, historic renovation, scenic byways, National Forests and Parks, magnetic levitation research, and

5. See Utt, "Reauthorization of TEA–21."
6. A 1993 study by the Congressional Research Service estimated that $1 billion of highway spending creates 24,300 jobs. See David Cantor, "Highway Construction: Its Impact on the Economy," *CRS Report for Congress*, 93–21 E, January 6, 1993. Since $1 billion bought more goods and services in 1993 than it does today, the disparity in estimates between the CRS and Senator Frist implies that one is badly in error or that there has been a staggering collapse in labor productivity within the road-building industry over the past 10 years. Similarly, a 1986 U.S. General Accounting Office study found that federal spending targeted at jobs created relatively few jobs.
7. John Semmens, "Public Transit: A Bad Product at a Bad Price," Laissez Faire Institute *Issue Analysis*, January 2003, pp. 11–12.
8. Utt, "Reauthorization of TEA–21," Table 3, p. 8.

covered bridge renovation. Bills now before Congress would add additional diversions, including a "Conserve by Bicycling Program" and a "Safe Roads to School" program to build more sidewalks to encourage walking to school as part of the battle against obesity.

Finally, the propensity of Members of Congress to earmark spending for a variety of pork-barrel projects in their home states and districts has grown worse with each reauthorization. The 1998 Transportation Equity Act for the 21st Century (TEA–21) contained 1,800 earmarks, compared to 538 in the 1991 reauthorization, and the pending reauthorization promises to include even more, although the total number will probably be made public only just before the final vote. In TEA–21, earmarks absorbed about 4.4 percent of total trust fund spending, but the recently enacted omnibus spending bill reduced the unencumbered formula allocation to the states by $1 billion in FY 2004 to make room for another 600 earmarks.[9]

Regional Inequities

Flaws in the formula used to allocate trust fund revenues among the states have created a nearly permanent class of donors and recipients, with donor states (largely concentrated in the South and Great Lakes region) paying a greater share of the fuel taxes into the trust fund than the share they receive back in grants. In contrast, recipient states (the Northeast) receive more than they pay.

In FY 2001, there were 22 donor states and 28 recipient states. Since the beginning of the trust fund, Texas and Oklahoma have had share return ratios below 80 percent, while Florida and South Carolina are two of the several donors whose shares have been below 90 percent. By contrast, West Virginia, New York, Massachusetts, Connecticut, and Vermont are five of the many states that have received at least 10 percent more than they paid. Alaska has received 500 percent more.

One of the reasons that both the House and Senate bills propose spending much more than the federal fuel tax provides is to create the illusion of curing the regional inequity without changing the allocation formula and creating losers. Under the proposed remedy, every state (more or less) achieves the mathematical impossibility of receiving an "above average" return for its taxes. But in doing this, even the perennial recipient states are in line to achieve positions that are even better than before. In the Senate bill, for example, recipient Alaska has its formula allocation raised another 35 percent, while perennial loser Texas receives an increase of 42 percent.[10] As a result, the traditional recipient states are still "more equal" than the others, which prompted Senator Kay Bailey Hutchison (R–TX) to threaten to vote against the bill.[11]

Nor do the regional inequities end there. The allocation of earmarks among the states has tended to exacerbate the inequities caused by the dysfunctional allocation formula. In 2001, Texas provided 8.6 percent of the money flowing into the trust fund but received only 6.9 percent, but its earmark allocation was even worse. Between 1998 and 2002, Texas' share of the federal highway earmarks was only 4.5 percent.[12] By contrast, West Virginia's share of taxes going into the fund was only 0.7 percent, but it received twice that (1.4 percent) in return. In the earmark contest, West Virginia hit the jackpot, getting nearly the same amount and share as Texas—4.5 percent.

Limits on Innovation

The Senate's bill includes a modified form of the President's proposals to allow and encourage states and local governments to seek alternative sources of funds to expand their road capacity. With gas tax revenues likely to grow slowly over the next several

9. Heather Rothman, "Omnibus Contains Thousands of Earmarks for Members Special Transportation Projects," Bureau of National Affairs *Daily Report for Executives*, December 8, 2003, p. A1.

10. Committee on Environment and Public Works, U.S. Senate, "Table of Funding Allocations to States Under SAFETEA, S. 1072," January 13, 2004, from U.S. Department of Transportation, Federal Highway Administration, "6-Year Funding vs. TEA–21 FY 2004–2009 Apportionments," at *epw.senate.gov/SAFETEA_table.htm*.

11. "Transportation Finance Committee Approves Highway Bill As Senate Invokes Cloture, Begins Debate," Bureau of National Affairs *Daily Report for Executives*, February 3, 2004.

12. "FHWA Allocated Funds and Projects, FY 1998–FY 2002," *Transportation Weekly*, March 3, 2003, p. 7.

years as fuel economy increases, the number of miles driven flattens out, and taxpayers at the state and local levels oppose increases in the tax rate, trust fund revenues devoted to roads are not expected to keep up with needed road construction and repair. Regrettably, current federal law places numerous obstacles in the path of states seeking alternative revenues through tolls and/or partnerships with the private sector.

If federal highway and transit spending were limited just to the growth in trust fund revenues, spending over the next six years would not exceed $234 billion—only marginally more than the $218 billion authorized for 1998–2003, but certainly less if adjusted for inflation.

Both the President's and the Senate's bills attempt to address this expected tax revenue deficiency by authorizing up to $15 billion in tax-exempt private activity bonds for use by public–private partnerships to finance construction of new toll roads over the next six years, but that total is a small fraction of what could be absorbed by these innovative partnerships. The Virginia Department of Transportation alone received three partnership proposals in 2003 that would invest up to $7 billion in new highways, while the Wisconsin Department of Transportation has estimated that as much as $6.2 billion could be invested in new tolled express lanes in the Milwaukee area. With more such proposals being developed in other states, the $15 billion in new private activity bond authority would be quickly exhausted.

Avoid Raising Taxes

Although the case can be made that current highway repair and expansion needs exceed future gas tax revenues and current law allocations, raising the fuel tax is a clumsy and inefficient way to close the gap between needs and resources. As noted above, it is likely that one-third of the revenue would be diverted to unrelated projects as transit, "enhancements," bicycle trails, and national parks make their traditional claims on the increase.

At the same time, every motorist in every state would pay more taxes regardless of whether their communities suffer from congestion and/or disrepair. Major metropolitan areas—such as Denver, Houston, Los Angeles, and Washington, D.C.—suffer from severe shortages in road capacity, but efforts to address their problems ought not to burden motorists in Oklahoma and Indiana or the rural residents of Virginia and Georgia, where capacity and quality may be at acceptable levels.

In contrast to the scattershot approach urged by supporters of the House bill and by those who want to spend more than the President's plan, greater reliance on tolls to finance added capacity on congested roads would expeditiously direct the financial resources to where it is needed most, and those who directly benefit would pay for it. The result: It would resolve the nation's congestion problems faster than any of the bills currently in Congress.

What Should be Done[13]

1. Stop wasting money.

As noted, the federal highway program suffers from a number of significant leakages that divert the federal fuel tax revenues paid by motorists and truckers to costly and inefficient transportation programs or projects that have little or nothing to do with transportation, such as hiking trails, beautification, historic preservation, federal lands, and covered bridges.

Of the many diversions, transit is the largest and most serious loss, misallocating funds from heavily used, cost-effective roads to expensive, underutilized transit systems that serve less than 2 percent of the traveling public. Light rail costs nearly four times more per passenger mile than automobiles, while buses are two times more expensive.[14] The Senate's recent proposal (added to S. 1702) would waste $57 billion on these failed systems over the next six years.

2. Make greater use of tolls to fund transportation needs.

With both state and federal highway programs pressed for funds to meet current repair and expansion obligations, some analysts have recommended that tolls be placed on some or all of the limited access highways and that the additional funds be used to maintain and improve those highways. Sup-

13. These update recommendations made by the author in "Reauthorization of TEA–21."

14. Semmens, "Public Transit," p. i.

porters of tolls argue that such user fees are more efficient than gas taxes because the fees (in theory) would be devoted to the infrastructure used.

The toll provisions incorporated in the Senate bill are a good start and could be substantially enhanced by including the new toll proposal in the Freeing Alternatives for Speedy Transportation (FAST) Act (H.R. 1767), introduced by Representative Mark Kennedy (R–MN) and Senator Wayne Allard (R–CO), which would allow unlimited use of tolls on federally funded corridors provided that the tolls are used only for new capacity and collected exclusively through electronic means, a free option is available in the same corridor, and the tolls are removed when the debt for construction and repair of the new capacity is paid off.[15]

It is important to note that tolls would be applied only to those limited-access road projects where it made economic and administrative sense, and the revenues would be devoted only to those roads. With a more liberal tolling law, the money raised would supplement existing state and federal fuel tax revenues that would otherwise have to be spent on all roads. With tolls placed only on congested roads where they make economic sense, gas tax revenues could be devoted exclusively to other roads and projects where tolls are not practical or where toll collections would be insufficient to meet funding requirements.

3. Broaden the use of privatization and public–private partnerships.

By utilizing the skills and resources of the private sector, Canada, countries in Europe and Asia, and a number of U.S. states including Virginia and California have expanded and improved surface transportation for motorists and truckers at little cost to taxpayers or government budgets, because tolls paid by motorists service the debt used to fund the roads.

Virginia's Public Private Partnership Transportation Act of 1995 is one notable example. It encourages the private sector to submit unsolicited road-building proposals to the Virginia Department of Transportation for negotiation and approval.[16] In 2003, the state received four proposals from private-sector developer/investor consortiums to fund, build, and operate significant and costly capacity expansions in congested parts of the state. Most recently, a consortium of three companies proposed to extend the existing two-lane HOV lanes on I-95 south by an additional 20 miles and widen the entire road from two to three lanes. The consortium believes that converting the HOV lane to a HOT lane and charging a toll on single-occupant cars could finance the expected cost of $500 million.

Because of Virginia's success with the program, Georgia passed its own partnership law in 2003, and similar legislation has been introduced in Maryland. An estimated 18 states have similar laws of varying scope.

Although many traditional highway advocates oppose such innovations, toll-financed private partnerships have the advantage of being immune to government budget crunches. As government budgets tighten, state and federal transportation programs are limited, as they are in FY 2004. But if privately owned or operated roads were encouraged, transportation resources would be protected from such spending restraint, and the availability of funds would depend on transportation needs and usage, not on the whims of public officials or competing government programs. Furthermore, as private entities, these roads would be tax payers instead of tax users.

4. Broaden the use of innovative finance mechanisms to fund roads and bridges.

With the perception that federal and state fuel tax revenues are failing to keep pace with rising transportation needs, and with taxpayers increasingly reluctant to support tax increases, particularly those targeted for transportation, some transportation analysts and officials are advocating innovative finance mechanisms as an alternative source of funds for transportation projects.

15. For a more detailed description of the FAST Act, see Ronald D. Utt, "New Highway Proposal Fights Congestion with Fee-Based Lanes," Heritage Foundation *Executive Memorandum* No. 882, May 22, 2003, at *www.heritage.org/Research/SmartGrowth/EM882.cfm*.

16. See Virginia Department of Transportation, "Public Private Transportation Act," at *www.virginiadot.org/business/ppta-default.asp* (February 10, 2004).

One innovation contained in the President's SAFETEA bill and incorporated into the Senate's plan is extending the privilege of issuing tax-exempt private activity bonds to transportation projects. Like debt issued by state and local governments, the interest paid on private activity bonds is exempt from federal income taxes, making the borrowing rate about one-third lower than the rate paid on taxable debt such as corporate bonds, commercial loans, and residential mortgages. Extending private activity bond privileges to road projects would encourage more private road construction by allowing private road developers to use capital at the same cost as the public sector. Without that privilege, private road developers must overcome a 30 percent cost disadvantage to compete with public sector.[17]

Given the needs and the emerging opportunities, new legislation to reauthorize the highway program should allow partnerships to issue at least $15 billion in bonds in each of the six years of the bill.[18] At $90 billion in bonds over the life of the next bill, this could bring the President's proposed total up to $346 billion in new money for roads and transit—nearly as much as Chairman Young proposes to spend, but without a tax increase.

5. Turn back responsibility for roads and transit to the states.

Without a fundamental overhaul of the existing federal highway and transit program, applying any or all of the above reform options would yield only marginal improvements in surface transportation mobility and program costs and do nothing to correct either the misallocation of hundreds of billions of dollars or regional funding inequities. For these reasons, the existing federal highway program should be terminated or dramatically revised. One promising solution is to turn the program back to where it once belonged—the states.

Under a "turnback" plan, states would be permitted to collect and retain the federal excise tax of 18.4 cents per gallon and spend it on their own transportation priorities, not Washington's. States would also be freed from the costly and counterproductive federal regulations, mandates, and set-asides, and donor states would no longer be compelled to subsidize the motorists and transit riders in recipient states. To facilitate the move from one system to the other, a transition period of several years duration would be established, and the responsibilities and money would be transferred in increments.

Such a plan was introduced as the Transportation Empowerment Act (H.R. 3113) in September 2003 by Representative Jeff Flake (R–AZ). If enacted, it would incrementally devolve the federal highway program to the states over the next six years.[19]

Conclusion

The application of any or all of the first four options could lead to measurable improvements, the magnitude of which would depend upon the degree of implementation. But past experience demonstrates that the degree of implementation—if any—will likely be modest, as would any resulting improvements in mobility.

With meaningful reform within the existing institutional structure unlikely to happen this year, the better solution is simply to scrap the program and shift both the revenues and the authority to spend them to the states. While state officials, in general, are no more reform-minded than their federal colleagues, they are not subject to the same program-distorting political pressures. They are also closer to the problems and thus more accountable to the voters, as well as less vulnerable to the lobbyists and special interests that loom ever larger in Washington.

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17. Ronald D. Utt, "How the Senate's Tax Bill Would Facilitate Infrastructure Privatization," Heritage Foundation *Executive Memorandum* No. 618, August 4, 1999, at *www.heritage.org/Research/Taxes/EM618.cfm*.

18. See Ronald D. Utt, "Closing the Spending Gap Between Contending Transportation Proposals," Heritage Foundation *Backgrounder* No. 1688, September 11, 2003, at *www.heritage.org/Research/SmartGrowth/BG1688.cfm*.

19. For more information on H.R. 3113, see Ronald D. Utt, "Proposal to Turn the Federal Highway Program Back to the States Would Relieve Traffic Congestion," Heritage Foundation *Backgrounder* No. 1709, November 21, 2003, *www.heritage.org/Research/SmartGrowth/BG1709.cfm*.