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# We busted the Highway Trust Fund!

By Peter Harnik

**W**e've got it. We've got a compromise."

With those words, the Goliath of the U.S. lobbies symbolically shook hands with its David and conceded defeat. The Highway Trust Fund had been cracked open.

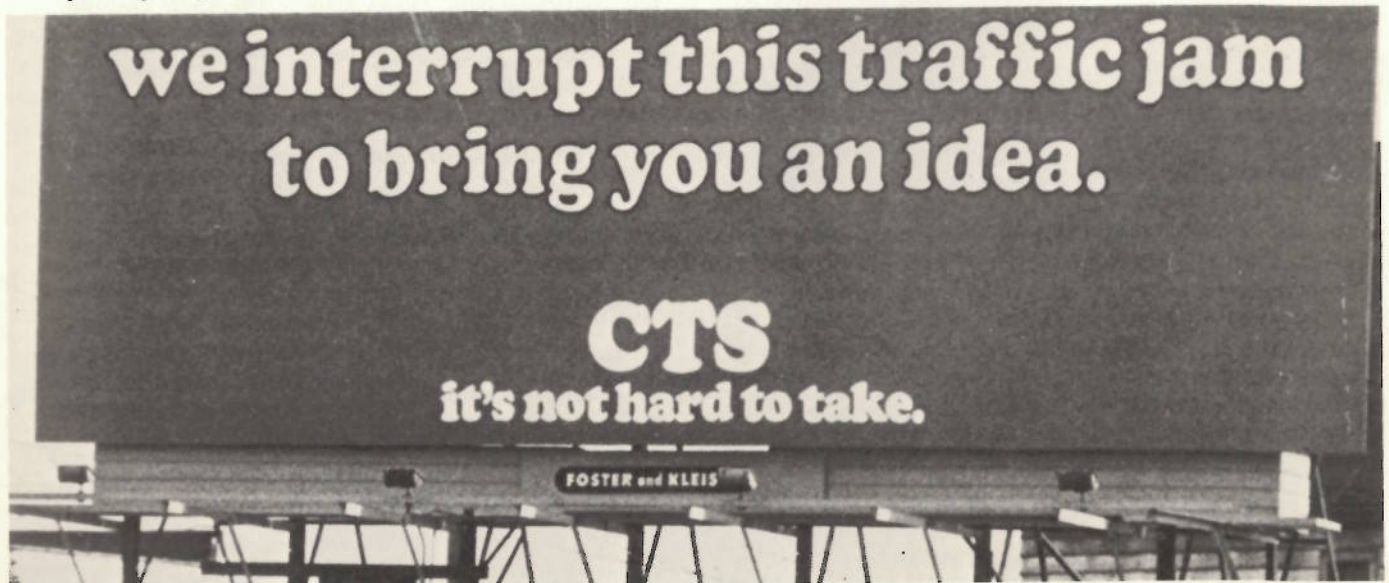
The compromise was unexpectedly reached on July 20 after more than three months of complex and tense bargaining between members of the Senate and the House of Representatives who were charged with reconciling the differences between the two 1973 Federal Aid-Highway bills passed by the two houses. Rarely do Conference Committees take so long, fight so acrimoniously and reconcile bills so philosophically different — and the agreement worked out was a compromise in the best of political traditions.

Although environmentalists had to settle for a final bill weaker than the one passed by the Senate in March, we conclusively defeated the powerful highway lobby in its attempts to maintain the Highway Trust Fund as an inviolable storehouse of dollars earmarked only for the construction of highways. The \$6-billion-a-year fund has been credited by environmentalists and many planners with added air pollution, urban sprawl, inner city decay, decreased mobility for the poor, the young and the old, and the destruction of neighborhoods. The answer to these problems, freeway fighters contend, is a massive expansion of inter- and intra-urban mass transit facilities, coupled with subsidization of bus fares and disincentives to auto commuting.

The complicated compromise worked out by the 16-member Conference Committee provides for a \$19-billion highway program over the next three years. Although no mass transit money will flow from the fund this year, cities will have the option to spend \$200 million on buses in 1975, and \$800 million on bus and rail facilities in 1976. They can also use trust fund money to construct special highway bus lanes and fringe commuter parking areas. If urban residents persuade their officials of the need for mass transit, cities for the next two years can return up to \$800 million of trust fund money and apply for an equal amount from the Treasury's general fund. All this money comes from a section of the trust fund allocations known as the Urban System.

In addition, the compromise provides for the possible flow of dollars for mass transit through the Interstate System, an-

Cover photo by Mary McAllister



This billboard was erected by the Cleveland Transit System in an effort to lure drivers out of their cars. (photo courtesy Cleveland Press)

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other part of the Highway Trust Fund. Under this stipulation, a city, in conjunction with its state's governor and the U.S. Secretary of Transportation, may decide not to build controversial urban links of the Interstate System provided that those links "are not essential to the continuity of the System." The state from which the controversial link is withdrawn would receive, in turn, an amount equal to the federal share of the removed link for bus and rail mass transit in that state. The money, however, would come out of general funds and not the trust fund; the arrangement is known as the "Interstate transfer" provision.

Clearly, the senators and representatives on the committee were relieved that the negotiations had finally come to an end. Throughout the three months of secret sessions, rumors had been flying that a compromise could never be reached and that the bills would be returned to the two houses for the third all-out floor fight in nine months. In fact, the evening of the surprise announcement, the Highway Action Coalition (HAC), the anti-freeway federation organized by Environmental Action, was on the verge of sending out a full-scale mailing to its supporters asking them to gear up for another vote on the House and Senate floors.

**T**he latest round of floor fights took place in March and April when the Senate passed and the House rejected strong mass transit amendments which would have immediately provided for up to \$800 million in trust fund money for possible urban mass transit use. The Muskie-Baker amendment in the Senate triumphed 49-44 while the Anderson amendment in the House fell short by 215-190 (see *Environmental Action*, March 31 and April 28).

Because of the wide disparity in the bills, the conference dragged out, often resembling "a prolonged game of 'chicken,'" according to John Kramer, HAC's director. Although the two factions stuck steadfastly to their positions, Kramer continued, "both sides were eager to reach a compromise quickly because time was running out for the existing highway legislation." Twice the legislators had to provide for interim funding of highway programs to keep state highway departments from running out of money.

Despite the opening of the fund, environmentalists could by no means claim total victory. One of the biggest disappointments was the loss in Conference Committee of a provision to make \$400 million available to help defray the operating costs of mass transit systems. Studies have shown that bus ridership is closely related to its cost, and such subsidies would give transit systems a welcome shot in the arm. The Administration, however, announced that the bill would be vetoed if operating subsidies were included, so the measure was dropped.

Another setback occurred when a House provision to fund a 10,000-mile Priority Primary System of roads found its way (though weakened) into the final bill. HAC fears that this new road project could, in effect, become a "junior interstate" system.

Unfortunately, the Senate bill also contained environmentally harmful aspects which were accepted by the conferees. Under the final bill, the San Antonio Expressway and Chicago's Crosstown Expressway will be permitted to be built outside of normal Interstate procedures, thus freeing the roads from the requirement of an environmental impact statement.

On a more positive side, a House-passed moratorium on

the removal of "directional signs" (a billboard loophole) was deleted. Also, the Conferees set the bill's funding level at \$19 billion, far less than the \$25 billion authorized by the House.

**H**ow can freeway fighters make best use of the gains that have been wrenched from Congress and the highwaymen? Linda Katz, coordinator of HAC, writing in the current issue of *Concrete Opposition* explains:

"Money in the Urban Systems part of the Trust Fund will be spent on transit only if the authorities in charge ask for it. Although these dollars won't begin to flow until mid-1974, now is the time for urbanites to begin to fight for transit money. The requests for Urban Systems money are made by city governments and regional planning agencies through state transportation or highway agencies. These agencies tend to be bastions of pro-highway sentiment, and the task of persuading them to opt against highways and for transit will be sizeable."

"Elected officials on all levels can influence these decisions, and citizens should try to influence the elected officials. It is up to local officials and citizens to persuade the state officials that a particular transit project is needed," she concluded.

HAC researcher Lenny Arrow points out that the Interstate Transfer provisions of the new bill may prove to be the most important lever local citizens can use. "We count at least 46 incomplete controversial Interstate highways in urban areas, all of which are potential candidates for Interstate Transfer," he told *Environmental Action*. "The provision should make it easier to kill such roads since city governments won't have to give up all that free federal money. They can go back to the general fund and get the same amount of money for badly-needed mass transit." According to HAC figures, the 46 segments would cost about \$8 billion, an amount theoretically available from the Treasury if the Administration does not impound funds.

HAC is quick to point out that the federal Department of Transportation is not the only hurdle that freeway foes must face. Most states also have their own transportation departments, trust funds and highway-oriented bureaucrats. Now that the federal fund has been "busted," citizens should concentrate on doing the same in their states. So far only Maryland and Connecticut have converted their highway funds into transportation funds.

**A**s is usually the case in the world of politics, neither side could claim total victory in the outcome. HAC has surprised all knowledgeable observers by making its rallying cry a reality only two-and-a-half years after it first called for "busting the trust." On the other hand, the Coalition did have to settle for a number of less-than-satisfactory provisions after it persuaded one house of Congress — the Senate — to report out a truly superior highway bill.

On the other hand, while the highway lobby put all of its prestige and power on the line in demanding the preservation of a highways-only Highway Trust Fund — and lost — it also made some gains that should keep the roadbuilders happy for years to come.

But, most important, the Highway Trust Fund is now officially "open" and the funding situation for mass transit can only improve in the highway bills of the future. The first and toughest hurdle in reorienting America's transportation policy has been cleared. ■