



August 4, 2005

The Honorable George W. Bush
The White House
1600 Pennsylvania Ave., NW
Washington, DC 20500

Dear President Bush:

On behalf of our members, the undersigned groups urge you to veto H.R. 3, the “Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users” (SAFETEA-LU). Despite your stated position on the issue, Congress used budget gimmicks to break the \$283.9 billion ceiling you set by approximately \$11 billion. Your veto will send the message that Congress must rein in its profligate spending habits and send you a fiscally responsible transportation bill.

All of our organizations echo your view that the size of this bill should at the very least be constrained by the amount of gas tax revenues that the Treasury will collect. Based on this principle, \$283.9 billion should be the maximum (though not necessarily ideal) spending level in the bill. Congress, however, chose to ignore fiscal responsibility and pushed the spending level higher, to \$286.45 billion. As a result, SAFETEA-LU contains at least \$2.5 billion in spending that will add directly to the deficit. For this reason alone, we believe this bill deserves a veto.

Congress went further, however, and included a rescission of past budget authority totaling more than \$8.5 billion. This provision is triggered on September 30, 2009, the last day of the bill’s authorization, and essentially masks the total cost of the bill. Such a tactic is not dissimilar from a “re-opener clause,” which you have also rightly opposed in the past because it would allow Congress to add money to the bill at a later time. By pushing off the rescission until the very end of the bill, it is likely that supporters of the legislation are simply waiting for a future Congress and Administration to fill this funding hole.

Finally, our organizations are disappointed by the explosion of earmarks in this bill. There are nearly 6,500 member-requested projects worth more than \$24 billion, nearly nine percent of the total spending. President Reagan vetoed a transportation bill in 1987 because there were 152 such earmarks. In addition to driving up the overall cost of the bill, many of these projects are not related to improving our nation’s transportation system. Their inclusion also represents micro-management of transportation decision-making that is better left to state and local interests.

All of us vividly recall the controversy surrounding cost estimates that occurred shortly after you signed the Medicare prescription drug benefit into law more than two years ago. Signing this

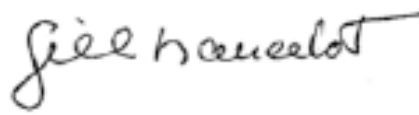
transportation bill, whose actual “hidden” cost could well exceed the amount you pledged to veto, will only re-ignite this controversy and erode the public credibility of your Administration’s worthy goal of cutting the budget deficit in half by the year 2009.

H.R. 3 is full of wasteful spending and uses budget gimmicks that hide the true cost to taxpayers. We urge you to veto it, so Congress can craft a fiscally responsible transportation bill.

Sincerely,



John Berthoud
President
National Taxpayers Union



Jill Lancelot
President
Taxpayers for Common Sense Action



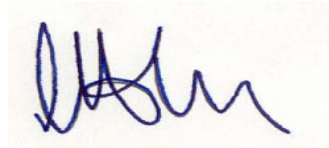
Thomas Schatz
President
Council for Citizens Against Government Waste



The Honorable Pat Toomey
President and CEO
The Club for Growth



Michelle Korsmo
Executive Vice President
Americans for Prosperity



Matt Kibbe
CEO and President
FreedomWorks