

killer amendment which really has the effect of prohibiting any spending of the accumulated balances in any of the trust funds.

Now, if we believe that it is fundamentally wrong to have a \$30 billion balance, money paid in there by the users, and are now saying that it can never be spent, that is just fundamentally wrong. There are other ways to deal with this, more appropriate ways, and indeed the Committee on Appropriations which sets the annual ceiling. If our legislation passes today, the Committee on Appropriations will still set the annual ceiling, and that is the place to make that decision. But to say today that none of the \$30 billion that has accumulated can ever be spent is just fundamentally wrong. This would artificially cordon off that nearly \$30 billion in accumulated balances and hold them hostage.

Mr. SMITH of Michigan. Mr. Chairman, will the gentleman yield.

Mr. SHUSTER. I yield to the gentleman from Michigan.

Mr. SMITH of Michigan. But it is not a question of them not being allowed to be spent. It is a question of them being spent in the same way that it has been spent since the existence of the trust fund in 1956.

Mr. SHUSTER. Mr. Chairman, I do not believe that is what the amendment does. What the amendment does is say you cannot spend it.

Mr. SMITH of Michigan. No, it just does not take them off budget.

Mr. SHUSTER. Mr. Chairman, it does not take them off budget, and the fundamental issue here is that these should be taken off budget. This gets to the heart of the question. Indeed these are user fees paid in there. They should be taken off budget.

But I would be quick to emphasize that limits should be set on what can be spent, and those limits are what should be set by the authorizers and by the appropriators, and in fact for the past year we have been saying we want to sit down with the appropriators and the budgeteers in order to negotiate a compromise on this kind of an issue, but unfortunately they were never willing to sit down and negotiate with us. So now to come at the last minute with a proposal I think, while I would not want to say it lacks good faith, although others have said that, nevertheless I think that this should be defeated and we should set these limits through the normal process of the authorizing and appropriating committees.

Mr. OBERSTAR. Mr. Chairman, I move to strike the requisite number of words.

This amendment is like so many others that look benign but have a poison pill attached. Clearly, this amendment undercuts a vitally important purpose of this legislation, which is to enable the Congress to spend down in a phased and fiscally responsible manner the \$30 billion in surplus built up in the highway trust funds and the aviation and the other trust funds.

The \$30 billion of surplus that we have been debating about all afternoon, the gentleman would say, oh, sorry, we are not going to spend the surplus, we can just spend what comes in on an annual basis. That is what this debate is all about, about withholding funds and building up these accumulated surpluses that then are sued to mask the deficit.

These surpluses should be off budget with the trust fund. The surpluses have accumulated because of failure to spend the user taxes we agreed to be taxed for that we have agreeably paid for the purpose of building highways and bridges and airports and deepening our waterways and improving our navigation channels. As budgetary conditions permit, the surplus should be devoted to their intended purpose.

The surpluses will not be spent down overnight, as we have repeatedly said in the course of this afternoon's debate. The bill does not exempt funds or the surpluses from the authorization or the appropriation process. We will have complete control over whether and when the surpluses are drawn down. In fact, over the past year the gentleman for Pennsylvania [Mr. SHUSTER] has been working diligently with the Committee on Appropriations and Committee on the Budget leadership to try to work out a plan under which the spend down would occur. It can be done; we have done so in the past in the aviation bill of 1990, the AIP reauthorization bill.

We worked out a very fine accommodation of reasonable accommodation with the Committee on Appropriations, the transportation appropriation subcommittee, the Office of Management and Budget, the Department of Transportation, the Committee on Ways and Means, under which agreement over a period of time, the very complex adjustment, we would draw down the surplus built up in the aviation trust fund, those moneys to be invested in airport runways and taxiways and parking aprons that were needed to relieve congestion at the Nation's airports, and it worked. That money was not all drawn down overnight in one big fell swoop; gradually over a period of time. Unfortunately, now the surpluses have begun to build up again.

So take the trust funds off budget, the surplus will be spent down in a reasonable and responsible fashion under accommodations between our committee and the Committee on Appropriations, working with the Committee on the Budget as well. We do not need this amendment. This really is a killer amendment. It ought to be defeated and ought to be unmasked for what it is: an attempt to gut the bill.

Defeat the Smith amendment.

Mr. LAHOOD. Mr. Chairman, I move to strike the last word.

I just want to emphasize what the distinguished ranking member of the Committee on Transportation and Infrastructure said. If my colleagues vote for the Smith amendment, they kill

the bill. This is a killer amendment. The gentleman from Michigan [Mr. SMITH] does not like this bill. So in the option that he has been given he has offered his amendment to simply kill the bill.

We know the purpose of the bill is to take trust funds off budget and permit Congress to set whatever levels of spending it deems appropriate. In the Truth in Budgeting Act this amendment would not allow Congress to determine what trust funds support the aviation and highway system needed.

So I want to support what the ranking member said and advise Members to defeat this amendment because it, in fact, will kill the bill.

Mr. SHAYS. Mr. Chairman, I move to strike the requisite number of words, and with that I yield to my colleague, the gentleman from Michigan [Mr. SMITH] to respond to some of the points made.

Mr. SMITH of Michigan. Mr. Chairman, just very briefly, by not having the so-called cash reserve or the accumulated interest transferred and taken off budget means it will be spent exactly how the total trust fund has been spent since it was first started in 1956. So it is not a question of not spending the money, it is a question of that \$30 billion coming under the caps and being spent in such a way through the budget process and the appropriation process as it has always been spent.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. SMITH].

The amendment was rejected.

The CHAIRMAN. The Committee will rise informally.

#### MESSAGE FROM THE PRESIDENT

The SPEAKER pro tempore (Mr. LAHOOD) assumed the chair.

The SPEAKER pro tempore. The Chair will receive a message.

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

#### TRUTH IN BUDGETING ACT

The Committee resumed its sitting.

The CHAIRMAN. Are there further amendments?

AMENDMENT OFFERED BY MR. MINGE

Mr. MINGE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. MINGE: At the end of Section 2 insert the following:

(c) PROHIBITION ON EARMARKING OF HIGHWAY TRUST FUND AMOUNTS.—Subsection (a) shall no longer apply with respect to the Highway Trust Fund after the last day of any fiscal year in which amounts are made available for obligation from the Highway Trust Fund for any highway construction