

Highway bill enters legislative homestretch

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By [JOAN LOWY](#)

Associated Press

WASHINGTON — Defying expectations, Congress has reached the homestretch on a major overhaul of federal transportation programs that is critical if the nation is to avoid steep cutbacks in highway and transit aid.

The bill is driven partly by election-year politics. Both Congress and President Barack Obama have made transportation infrastructure investment the centerpiece of their jobs agendas. But the political imperative for passing a bill has been complicated by House Republicans' insistence on including a mandate for federal approval of the Keystone XL oil pipeline. The White House has threatened to veto the measure if it retains the Keystone provision.

And there are other points of disagreement between the GOP-controlled House and Democratic-controlled Senate, including how to pay for transportation programs and how much leverage the federal government should have over how states spend their aid money. Transportation Secretary Ray LaHood has said it's unlikely Congress will pass a final bill until after the November elections.

Despite LaHood's pessimism, lawmakers and transportation lobbyists said they believe prospects are improving for passage of a final bill by June 30, when the government's authority to spend highway trust fund money expires. The fund, which pays for roads and transit, is forecast to go broke sometime next year.

A House-Senate conference committee is scheduled to begin formal negotiations May 8.

It has taken Congress years to get this far. Work on a transportation overhaul began before the last long-term transportation bill expired in 2009. The Senate finally passed a \$109 billion bill with broad bipartisan support in March. The bill would give states more flexibility in how they spend federal money, step up the pace of road construction by shortening environmental reviews and impose a wide array of new safety regulations.

House Republicans, after failing to corral enough votes to pass their own plan, recently passed a placeholder bill that allows them to begin negotiations with the Senate. That bill

included the Keystone provision, as well as provisions limiting the public's ability to challenge transportation projects on environmental grounds and taking away the Environmental Protection Agency's power to regulate toxic coal ash.

"I feel like people are worn out on this issue and would like to get something done," said Jeff Shoaf, a lobbyist with the Associated General Contractors of America, a trade association for the construction industry. "I think the prospects are good."

Winning approval of the Keystone provision, which would give federal regulators no choice but to approve a pipeline to transport oil from Canada's tar sands, appears to be House Speaker John Boehner's top priority, lawmakers and transportation lobbyists said.

Republicans portray Obama's delay in the pipeline as a contributor to high gasoline prices. "Boehner wants to push Keystone as hard as he can because he sees it as a political winner," said Joshua Schank, president and CEO of the Eno Center for Transportation, a nonprofit foundation dedicated to improving transportation.

Senate Democratic conferees on the bill appear to have enough votes to block inclusion of the Keystone provision in the final product. Sen. Jay Rockefeller, D-W.Va., one of four Senate committee chairmen responsible for a portion of the bill, has announced he'll oppose Keystone and other House environmental provisions.

An open question is whether House Republicans will balk on an overall transportation bill if they can't get Keystone. Similarly, despite their public statements, it's unclear whether Senate Democrats would be willing to sacrifice the bill in order to block a Keystone provision, and whether Obama would follow through on his veto threat, especially if the Keystone language were softened in negotiations.

The president painted a bleak picture of America's infrastructure in a speech Monday to union workers in the construction industry, saying U.S. highways are clogged, railroads are no longer the fastest in the world and airports are congested. A transportation construction bill would boost employment and the economy, but "the House Republicans are refusing to pass a bipartisan bill that could guarantee work for millions of construction workers," Obama said, referring to the Senate bill.

"Instead of making the investments we need to get ahead, they're willing to let us all fall further behind," he said.

The transportation bill "is incredibly important to the president," said Ed Wytkind, president of the transportation trades department of the AFL-CIO.

Both sides ultimately must decide whether they want an issue to be used as a campaign weapon or an accomplishment they can tout to voters.

Dave Bauer, a lobbyist for the American Road and Transportation Builders Association, cautioned against reading too much into what congressional conferees say at this point.

"Before they even get to a conference table, some seem to be trying to make this all about Keystone, and it's not," he said.