



## GOP confidence growing on highway bill



By Keith Laing - 07/18/14 04:33 PM EDT

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Republicans are going into the final two weeks of lawmaking before the August recess confident the Senate will have to accept the House GOP's proposal to extend funding for federal road projects.

Republicans see their bill is the only viable measure to prevent the transportation funding bankruptcy predicted to occur next month.

With lawmakers running out of time before their August break, and racing to complete work on an immigration bill as well, Republicans think they're well positioned to win out, following the House passage this week of transportation funding.

Speaker John Boehner (R-Ohio) reflected the GOP's confidence in Thursday comments predicting that the Senate will accept his chamber's \$10.9 billion bill.

"It's a sound proposal," Boehner said in a news conference. "It's why it got bipartisan support in the House and it's frankly why it's going to get bipartisan support in the Senate."

Senate Democrats had hoped for a shorter extension that would have kept alive the possibility of **raising** the 18.4 cents per gallon gas tax that is traditionally used to pay for transportation projects.

Democrats have grumbled about the House's decision to put off the broader transportation funding fight until the next Congress, arguing that an eight-month extension amounted to kicking the can down the road.

"All this does is set us up for the crisis a few months from now," President Obama said in a **speech** earlier this week. "Congress shouldn't pat itself on the back for averting disaster for a few months. Kicking the can down the road a few months ... instead of barely paying our bills in the present, we should be investing in our future."

Despite Obama's complaints, the White House has said that he will accept the GOP transportation funding legislation, adding to Republican confidence that the Senate will be forced to accept their version of the measure.

Senate Majority Leader Harry Reid (D-Nev.) has said that he will **allow** votes on the House's transportation bill as early as next week.

Reid also has said that he will allow votes on a pair of competing measures from Senate Democrats that would expire in December and wring more money from revenue sources GOP leaders have labeled tax increases.

Both chambers' versions of the transportation bill rely on "pension smoothing" — a proposal that budget experts across the ideological spectrum have dubbed a gimmick — and boosting customs fees to extend highway funding.

But the Senate proposal squeezes less money out of both those policies and adds a variety of other measures, such as requiring more information about home mortgage interest, that would raise revenue by increasing tax compliance.

Republicans have objected to the Senate approach of trying to extract more revenue through tax compliance, saying the House GOP wouldn't approve new taxes to pay for more spending, or give an IRS that has been dogged by controversy more power.

The Transportation Department has warned for months, while Congress has been debating, that the Highway Trust Fund is going to **run out of money** next month without congressional action.

The DOT has told lawmakers that the U.S. could lose 700,000 construction jobs and that states would have to take a **28 percent** funding cut if the highway fund is allowed to go broke.

The gas tax hasn't been raised since 1993, however, and it has struggled to keep pace with infrastructure expenses as cars have become more fuel efficient in recent years.

**TAGS: John Boehner, Harry Reid, Highway Trust Fund, Gas Tax, MAP-21 Reauthorization**

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