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Boxer: Congress 'running out of time' on highway funding



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The chairwoman of the Senate committee that oversees infrastructure projects said Thursday that Congress is "running out of time" to approve legislation to prevent a bankruptcy in the Department of Transportation's Highway Trust Fund.

The highway trust fund, which is used to pay for road and transit projects, is traditionally filled by revenue collected from the 18.4 cents per gallon federal gas tax.

Infrastructure expenses have outpaced receipts for the gas tax by about \$20 billion annually in recent years however, and the Congressional Budget Office (CBO) has project the fund will run out of money this fall.

Speaking at a hearing of the Environment and Public Works Committee, Sen. Barbara Boxer (D-Calif.) said Congress cannot afford to wait until the that happens to approve a new round of funding.

"Make no mistake – we are running out of time for action," Boxer said. "Here are the sobering facts: CBO and U.S. DOT estimate that the Highway Trust Fund may run out of funds as early as September 2014, which would create cash flow problems for states during the critical summer construction season."

The gas tax brings in approximately \$34 billion per year. However, the last transportation bill that approved by Congress in 2012 included more than \$50 billion in infrastructure spending, which advocates say is barely enough to scratch the surface of the nation's road and transit needs.

Boxer said Thursday that the impact of the shortfall is already being felt, even before the bankruptcy date that has been projected for this fall is reached.

"Already states are cutting back on the construction projects they planned to go forward with this spring, and this trend will only continue to get worse as we get closer to insolvency," she said.

Transportation bills have historically been crafted to last five or six years, but lawmakers said they were only able to find enough funding to pay for a two-year measure in 2012.

Now the measure, which authorizes the federal government to collect the gas tax at all, is scheduled to expire in September. The CBO has projected that it will require \$100 billion in addition to the money that is collected from the gas tax to provide enough funding to pass a six-year infrastructure bill, which said Thursday was her goal.

Boxer said her intention was to pass a transportation bill that includes enough funding to last that long sooner rather than later.

"My goal, along with Sen. [David] Vitter [R-La.], is to move swiftly this spring to pass a long-term reauthorization bill in the EPW Committee that provides six years of funding certainty," Boxer said.

The California Democrat said the funding source for a new transportation bill was still very much in the air, however.

"I have begun discussions with Chairman [Ron] Wyden [D-Ore.] and ranking member [Orrin] Hatch [R-Utah] on funding this bill and addressing the shortfall in the Highway Trust Fund," Boxer said of the Finance Committee's top senators. "They have that responsibility, and I will continue to work closely with the other Senate committees of jurisdiction to pass legislation with the same bipartisan support that we experienced with [the 2012 transportation bill]."

President Obama and the leading Republican budget writer in the House, Rep. Dave Camp (R-Mich.), have both suggested using revenue from closing corporate tax loopholes to provide the additional funding that will be necessary for a new long-term transportation bill. Neither the House or Senate has begun moving legislation that contains the proposal, however.

Boxer said Thursday that the infrastructure problems in the U.S. are only likely to worsen if no additional transportation funding is approved this year.

"According to the U.S. Department of Transportation's recently released 2013 Conditions and Performance Report, about 49 percent of highway miles traveled are on roads that are in less than 'good' condition, and 18 percent are on roads in less than 'acceptable' condition," she said.

"In addition, over 21 percent of the nation's bridges are structurally deficient or functionally obsolete. Of these, over 70,000 bridges are structurally deficient," Boxer continued. "These statistics show that there is a lot of work to be done to maintain our global competitiveness, and we must continue to invest in our transportation infrastructure — not just for now but for future generations."

TAGS: Highway Trust Fund, Gas Tax, Transportation Funding shortfall

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