

Foxx: 'Impossible' to maintain roads without highway bill



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Transportation Secretary Anthony Foxx warned Friday that it will be "impossible" for state and local governments to maintain roads and bridges if Congress does not approve a new source of infrastructure funding this summer.

Foxx said in a **blog post** on the Department of Transportation's website that the agency would be unable to make payments to state governments for road and transit projects as early as August without an infusion of additional cash from lawmakers.

"Earlier this week, I sent a letter to all the state departments of transportation. It warned them that, if action isn't taken, the Highway Trust Fund could become insolvent as soon as August," Foxx wrote. "And if that happens, it will be nearly impossible for communities to keep their infrastructure in good shape."

Foxx was on Capitol Hill this week **urging** lawmakers to approve President Obama's proposed four-year, \$302 billion transportation bill that has been dubbed the "Grow America Act." The proposed measure is an attempt to avert a projected bankruptcy in the trust fund that is typically used to pay for transportation projects.

The current federal transportation bill, the 2012 Moving Ahead for Progress in the 21st Act, is scheduled to expire in September. The Congressional Budget Office (CBO) has forecast that the Highway Trust Fund will run out of money before the deadline.

The trust fund is normally filled with revenue that is collected from the 18.4 cents per gallon federal gas tax. The gas tax has not been increased since 1993, and it was not indexed to inflation when Congress last increased it.

The result has been that infrastructure expenses outpacing revenue from the fuel levy by as much as \$20 billion per year.

The current transportation bill that Obama and Foxx are pushing to renew included about \$54 billion worth of road and transit projects before the automatic budget cuts known as sequestration took effect. The gas tax only brings in about \$34 billion per year.

Foxx said Friday that state governments were already beginning to cancel transportation projects in anticipation of an infrastructure funding shutdown.

"States like Virginia, Arkansas, Florida, and others are delaying hiring contractors for road projects and deferring important road work because they know that in the height of the summer construction season, the Highway Trust Fund will be so low on funds that we might have to delay reimbursing state DOTs for road work," he wrote.

Foxx urged Congress to pass Obama's transportation plan to prevent the projects across the U.S. from being shut down this summer.

"This is why we sent a transportation bill ... to Congress last week," he wrote. "Because if we don't invest in infrastructure right now — which our proposal does — it's easy [to] see a future that is full of even more crumbling roads and bridges, broken track, and clogged freight routes."

Obama's proposal relies on using approximately \$150 billion he says can be generated from a corporate tax reform package that is unlikely to be approved this year to help pay for the new round of transportation spending. The remainder of the money in Obama's proposal would come from the gas tax.

Foxx said the president's proposal would put money "back into the Highway Trust Fund" and also grow "our transportation programs to

accommodate our growing population and fuel our growing economy."

"There's no reason Congress shouldn't support rebuilding our country's infrastructure in this way," the DOT chief wrote. "After all, every public figure in America takes the same oath, an oath to protect this country and its people. And that's what investing in our transportation system does: It creates a sturdier, stronger, safer nation."

TAGS: Anthony Foxx, Grow America Act, Highway Trust Fund shortfall, Gas Tax, MAP-21 Reauthorization

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