



Wyden wants transportation funding in place by July



By Keith Laing - 06/05/14 08:50 AM EDT

Greg Nash

The chairman of the Senate Finance Committee said Thursday that his committee would identify a funding source for federal transportation projects.

Lawmakers are searching for at least \$16 billion to prevent a **bankruptcy** in the Department of Transportation's Highway Trust Fund that could occur as early as August without congressional action.

Sen. Ron Wyden (D-Ore.) said Thursday that everything was on the table as the deadline quickly approaches.

"We're pulling out all the stops to find a funding solution to keep the Highway Trust Fund solvent, and [Wednesday's] bipartisan members meeting to discuss options was a critical step forward," Wyden said in a statement.

"We had a productive discussion regarding both immediate funding options and longer term solutions to support our infrastructure needs," Wyden continued. "I've now asked committee members to come back by early next week with their preferences, so that we can come to a bipartisan agreement by the end of June. As I said in the committee hearing, failure is not an option."

The Senate Environment and Public Works Committee has approved a six-year, **\$265 billion** transportation bill. But the infrastructure panel has left it up to Wyden's Finance Committee to come up with a way to pay for it.

The traditional funding source for transportation projects is the federal gas tax, which is currently priced at 18.4 cents per gallon. The gas tax has not been increased since 1993 however, and the federal government's authorization to collect it is set to expire in September without a new transportation bill.

The gas tax brings in approximately \$34 billion per year at its present rate, but senators are trying to maintain current transportation funding levels of about \$50 billion per year. Transportation advocates have said the current funding level is the bare minimum that can be spent on U.S. infrastructure to maintain the nation's road and public transit systems.

The Congressional Budget Office (CBO) has projected that lawmakers will have to find an extra **\$100 billion** in addition to the expected gas tax revenue to pay for a six-year transportation bill, which is the length of time that is being sought now by the Senate.

The House has proposed a controversial plan to tie transportation funding to **cut backs** at the U.S. Postal Service. The lower chamber has said that eliminating some Saturday deliveries could produce approximately \$15 billion that could be used to plug the shortfall in the Highway Trust Fund for at least one year.

The post-office-for-transportation proposal is unlikely to gain momentum in the Democratically controlled Senate. The primary author of the Senate's transportation legislation, Sen. Barbara Boxer (D-Calif.), has already called the House's plan "**unworkable**."

Wyden has said previously that he is open to all ideas to help pay for a long-term transportation bill, as long as they were "sustainable."

"Congress needs to find a sustainable source of funds that will keep this crunch from happening again," he said during a May committee meeting. It would be a tragic mistake to let highway funding become another stop-and-go extender like Medicare physician payments and many important tax incentives. Relying on short-term policies, emergency patches, and temporary extensions makes forward-looking strategies impossible, and when it comes to infrastructure, planning ahead is absolutely essential."

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