



House panel approves stopgap highway bill

By Keith Laing - 07/10/14 11:53 AM EDT

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The top Democratic and Republican tax writers in the U.S. Senate on Thursday announced a \$10.8 billion plan to extend federal funding for transportation projects into the summer of 2015, roughly matching legislation...



The House Ways and Means Committee on Thursday approved a stopgap bill to prevent a bankruptcy in the Highway Trust Fund, setting up a fight with Senate Democrats over how long the funding should last.

The panel approved by voice vote a \$10.5 billion bill that would extend until May transportation funding that is now scheduled to run out at the end of August.

The chairman of the panel, Rep. Dave Camp (R-Mich.), cast the measure as a more transparent effort to debate transportation funding issues than a rival Senate plan that would expire during the lame-duck session after the midterm elections.

"We all know what lame-duck deals look like, and more importantly, how they come together," Camp said before the vote on Thursday.

"They are not done in this room and they are not done by the members of this committee. Maybe one or two of us will be consulted, but they are often leadership deals with the committees on the outside looking in."

The House measure would provide a one-time cash infusion into the Department of Transportation's Highway Trust Fund, which Obama administration officials have said **will run out of money next** month without congressional action.

The House GOP proposal would provide \$7.7 billion for highways and \$2 billion for public transportation systems, according to the bicameral Joint Committee on Taxation. The bulk of the funding would be offset by revenue from federal pension changes and a fee that is paid by travelers who use U.S. customs facilities.

The proposal would also take \$1 billion from the Leaking Underground Storage Tank (LUST) Trust Fund, a funding mechanism that Camp said Thursday was also used in the last transportation funding bill that was approved by lawmakers in 2012.

"These are policies everyone at the dais is familiar with, they are policies that will provide the funding we need, and they are the only policies that will pass both the House and Senate in time to fund the trust fund after the end of this month. So, I see no reason why we cannot work to get this done right away," Camp said.

The traditional source of transportation funding has long been the 18.4 cents per gallon federal gas tax. The tax has been stagnant for 21 years, however, and it has struggled to keep pace with infrastructure expenses in recent years as cars have become more fuel efficient.

The result has been a **shortfall in federal transportation spending** that budget analysts estimate is in the neighborhood of \$16 billion per year.

The gas tax typically brings in about \$34 billion per year, but the current transportation funding bill that is scheduled to expire in September includes more than \$50 billion in annual road and transit spending. Transportation advocates have said the current funding level is the bare minimum Congress can spend on infrastructure projects to maintain the nation's road and transit systems.

The GOP proposal relies mostly on revenue from pension changes and customs fees to offset the bulk of the cost of replenishing the Highway Trust Fund.

Democrats have pushed to have an approximately \$9 billion short-term transportation bill that relies on similar funding sources.

But Democrats in the House and Senate diverge on how long the stopgap should last. Infrastructure advocates have said pushing the issue to the lame-duck could help them convince lawmakers to approve an increase in the federal gas tax.

Democrats on the House Ways and Means Committee said Thursday that lawmakers would be unlikely to approve a long-term transportation bill if they put off a decision until later in the year.

"Soon we're going to find ourselves in the middle of a presidential election, and you know how much fun this issue will be when the guns go off for the race for the White House, which I suspect is going to be in November this year," Rep. Ron Kind (D-Wis.) said.

"We still have time in the 113th [Congress] to make some tough decisions, but everyone's so God-danged afraid of making tough decisions around here, especially anything involving revenue," Kind continued.

Camp rejected raising the gas tax to pay for transportation projects, however.

"The Senate appears to be heading down a road of higher taxes for more spending," he said. "That's not a path forward in the House."

Democrats criticized Republicans leaders in the House for relying on accounting maneuvers to pay for a short-term transportation funding package instead of increasing the gas tax, which has paid for maintenance of U.S. roads since the 1930s.

"We are grabbing all over the shelf for money to take care of transportation funding for the next 10 months, over the next 10 years," Rep. Xavier Becerra (D-Calif.) said. "The Peter's that are getting the money are robbing the Paul's that have nothing to do with transportation."

The gas tax was last increased in the first year of President Clinton's administration in 1993.

The current transportation bill, which includes the authorization for the government to collect the gas tax at all, is scheduled to expire on Sept. 30.

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