



## Conservative groups mobilizing against House highway bill



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By Keith Laing - 07/14/14 05:23 PM EDT

A pair of influential conservative groups have begun mobilizing against a \$10 billion bill to extend federal transportation funding that is scheduled to come up for a vote in the House on Tuesday.

The Heritage Action and Club for Growth groups said Monday that would both be scoring lawmakers' votes on the transportation bill, which was **introduced** last week.

"The bill would offset the additional spending over the next decade through a series of revenue raisers, budget gimmicks and budget transfers," Heritage Action wrote in a **blog post**.

"Excessive spending levels set by highway bills enacted in recent years, and many spending diversions to non-road, non-bridge activities, have put the [Highway Trust Fund] on an unsustainable path," Heritage Action continued. "The aforementioned bailouts — which violated the user pays, user benefits principle that has long defined the federal highway program — were predictable and promise to be more frequent in the future."

The Club for Growth issued a similar warning on Monday in **action alert** to its members of its own.

"This bill uses budget gimmicks and fee increases to bail out a wasteful and inefficient program that shouldn't even exist," the Club for Growth said in an action alert to its members.

"If House leaders were serious about fiscal responsibility, they should promote comprehensive reforms that will prevent a future bailout from occurring," the group continued. "Or, at the very least, they should cut spending elsewhere in the budget."

The Department of Transportation has warned that its Highway Trust Fund will **run out of money** in August, a full month before the current transportation funding legislation had been scheduled to expire.

The agency has said that it would begin **cutting back** payments to state and local governments on Aug. 1 if Congress does not reach a deal to extend the road and transit funding.

Heritage Action has disputed the Transportation Department's analysis, and the group said Monday that "there is no economic danger in rejecting the proposed bailout.

"Because Washington funds about a quarter of road and transit spending, a 28 percent cut to the federal share is a 7 percent reduction to spending over all," the group wrote. "Additionally, the bill offsets its ten months of spending over a ten-year period, increasing spending in the near-term with no certainty the funds will ever be fully recouped."

Heritage Action and the Club for Growth have supported efforts to eliminate the gas tax and transfer authority over federal highways and transit programs to states and replace current congressional appropriations with block grants.

The gas tax, which is currently priced at 18.4 cents per gallon, has been the source of transportation funding in Congress since the

Department of Transportation's Highway Trust Fund was created.

The tax has been stagnant since 1993, however, and has struggled to keep pace with infrastructure expenses as cars have become more fuel efficient in recent years.

Heritage Action said Monday that each temporary transportation funding patch makes the gas system less sustainable.

"An inability to control spending combined with costly regulations that inflate the cost of projects has rendered the HTF model functionally obsolete," the group wrote. "With each bailout, the link between highway spending and gas taxes is degraded, making it increasingly difficult to enact structural reforms that turn over the federal highway and transit programs to the states, so they can manage their transportation needs without Washington bureaucrats."

The Club for Growth added that "Members should vote 'NO' on HR 5021 and then consider co-sponsoring the Transportation Empowerment Act (HR 3486), which dramatically reduces the federal gas tax and devolves most transportation authority back to the states."

Transportation advocates called the proposals to do away with federal infrastructure funding "unserious and irresponsible" on Monday.

"Proposals by Heritage Action and its acolytes at the Club for Growth to 'devolve' federal highway spending without offering a viable alternative are unserious and irresponsible," Association of Equipment Manufacturers spokesman Michael O'Brien said in a statement.

"It's essential that Congress prevent a shortfall in the Highway Trust Fund next month, but lawmakers should also act to fix the trust fund before the end of this year," O'Brien continued.

—*This story was updated with new information at 5:37 p.m.*

**TAGS: Heritage Action, Highway Trust Fund, Gas Tax, MAP-21 Reauthorization**

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