



## White House endorses Republican highway bill



By Keith Laing - 07/14/14 05:55 PM EDT

The White House on Monday backed a \$10 billion bill in the House that would extend federal transportation funding through next spring.

The surprise endorsement of the bill, which is scheduled to come up for a vote in the House on Tuesday, clears the way for a deal with Democrats in the Senate.

For most of the year, President Obama has pushed lawmakers to approve a transportation funding package that would last four years and include **\$302 billion** in road and transit spending.

But with transportation funding expected to run out next month, the White House said Monday that Obama would accept the House's temporary measure, which would only extend transportation funding until May 2015.

"With surface transportation funding running out and hundreds of thousands of jobs at risk later this summer, the administration supports House passage of H.R. 5021," the White House said in a statement. "This legislation would provide for continuity of funding for the Highway Trust Fund during the height of the summer construction season and keep Americans at work repairing the Nation's crumbling roads, bridges, and transit systems."

The White House lamented that lawmakers have largely ignored Obama's transportation proposal, which relies mostly on using \$150 billion from closing corporate tax loopholes to close a **shortfall** in federal infrastructure funding that is predicted to be \$16 billion per year.

"Congress should work to pass a long-term authorization bill well before the expiration date set forth in H.R. 5021," the White House said before referencing Obama's proposal.

The traditional source for transportation funding has been revenue that is collected from the 18.4 cents per gallon federal gas tax. The tax has been stagnant since 1993, however, and has struggled to keep pace with infrastructure expenses as cars have become more fuel efficient.

The federal government's current transportation funding level is about \$50 billion per year, but the gas tax brings in approximately \$34 billion annually.

Lawmakers are considering using revenue from other areas of the federal budget, like pension changes and custom fees to pay for a temporary extension of the current transportation funding level.

The White House said Obama's proposal, which would increase the annual funding level to about \$75 billion per year, is "fully paid for through existing revenues and by reforming business taxes to help create jobs and spur investment while eliminating loopholes that reward companies for moving profits overseas."

**TAGS: Barack Obama, Highway Trust Fund, Gas Tax, MAP-21 Reauthorization**

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