



Senate leaves highways unfunded for another week



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By Keith Laing - 07/25/14 10:37 AM EDT

The Senate adjourned for the week on Thursday without taking up a bill to prevent a bankruptcy in federal transportation funding.

Senate Majority Leader Harry Reid (D-Nev.) had said he hoped to begin voting on the measure this week in the hopes of **completing the nearly \$11 billion** extension of road and transit funding ahead of a projected bankruptcy next month.

The measure would extend the federal government's authority to collect the 18.4 cents-per-gallon gas tax that is normally used for transportation projects and add about \$10.9 billion to the Department of Transportation's coffers to close a shortfall in infrastructure projects that runs about \$16 billion per year for eight months.

However, senators became bogged down in a debate over amendments to change the House's version that would alternatively eliminate the gas or shorten the House's version to allow for a possible increase in the levy after this year's election.

The Senate **adjourned** for the week around 1:45 Thursday afternoon, leaving the transportation funding extension to the final week before lawmakers take their traditional August recess.

The temporary transportation funding measure is intended to prevent a **bankruptcy** in the Department of Transportation's Highway Trust Fund that budget analysts have warned would happen next month without congressional action.

The normal source for funding transportation projects has been the 18.4 cents-per-gallon federal gas tax. The tax has not been increased since 1993, however, and it has struggled to keep pace with infrastructure expenses as cars have become more fuel efficient.

The current transportation bill, which is expiring in September, includes about \$50 billion per year in infrastructure spending. But the gas tax only brings \$34 billion per year at its current rate.

Transportation advocates have pushed lawmakers to **increase** the gas tax for the first time in two decades to help close the \$16 billion shortfall.

However, lawmakers and the Obama administration have both reluctant to ask drivers to pay more for road construction in the middle of an election year.

Conservative groups in Washington have pushed Congress to reduce transportation funding to at least the amount of money that is brought in by the gas tax or **eliminate** it completely.

But lawmakers have been equally as unwilling to cut back on construction projects in their districts as they have been to raise the gas tax to pay for them.

The Obama administration has pushed lawmakers to use approximately **\$150 billion** that it says can be saved from closing corporate tax loopholes to pay for a new long-term transportation funding package.

Lawmakers have largely ignored the proposal, focusing instead on a temporary extension paid for with money from other areas of the federal budget like pension changes and custom fee increases.

TAGS: Harry Reid, Highway Trust Fund, Gas Tax, MAP-21 Reauthorization, Transportation Empowerment Act (TEA)

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