



Obama to Congress: Finish highway bill before recess



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By Keith Laing - 07/30/14 05:04 PM EDT

President Obama pushed lawmakers on Wednesday to finish working on a bill to extend federal transportation funding before they leave Washington for the August recess.

Lawmakers spent much of Wednesday **squabbling** over competing versions of a short-term extension that would prevent road and transit funding from drying up next month.

Obama said during a speech in Kansas City that it was important that Congress come to an agreement.

"We've got just today and tomorrow until Congress leaves town for a month, and we've still got some serious work to do," he said. "We've still got ... to put people to work rebuilding roads and bridges. And the Highway Trust Fund is running out of money; we got to get that done."

The Department of Transportation has warned that its Highway Trust Fund, which is used to reimburse states for construction projects, will **run out of money** in August unless Congress act to replenish it.

The agency has said that it will have to begin **cutting** back payments to state and local governments by as much as 28 percent if Congress does not reach an agreement on Friday.

Both chambers have passed versions of the transportation funding extension, but the Senate version expires five months sooner than the House's, in an effort to force Congress to approve a long-term measure before the end of the year.

The House has said that it prefers to extend transportation funding until next May to avoid efforts to increase the 18.4 cents-per-gallon gas tax that is normally used to pay for transportation projects.

The gas tax has been the traditional source of paying for transportation projects since the inception of the Interstate Highway System in the 1950's. 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.

Lawmakers in both chambers generally agree that an approximately \$10 billion fix is needed to avoid a transportation funding bankruptcy in the run-up to the midterm elections.

The chambers spent Wednesday sniping over amendments that were attached to the House version of the bill by the Senate during a Tuesday night vote.

House GOP leaders said the Senate's amendments to move the expiration date for the highway funding from May 2015 to December contains a "critical error" that would leave the transportation fund about \$2 billion short at the end of the year.

"The Senate-passed highway bill contains a critical error, and is not fully offset through December 19," House Speaker John Boehner's (R-Ohio) spokesman Michael Steel said in a statement. "The only responsible course is for the Senate to pass the original House-passed highway bill, which we will soon send back to them."

Senate Democrats have said the temporary transportation funding patch should be shorter to force action on a long-term transportation bill at the end of the year, when they think it will be easier to win support for an increase in the gas tax for the first time in two decades.

Republicans in the House have expressed **confidence** that the Senate would ultimately accept their version of the transportation-funding package because neither party is eager to be blamed for shutting down construction projects in the middle of an election year.

Transportation advocates have attempted to **rally** behind the Senate's version of the highway funding bill. The Obama administration has said it generally supports the shorter December deadline, though the transportation department declined to weigh in on the bicameral bickering on Wednesday.

"I applaud the Senate's strong bipartisan vote, which sends a clear message that we need action on a long-term transportation bill this year, and reaffirms that Democrats and Republicans can come together to do it," Transportation Secretary Anthony Foxx said in a statement.

"There is no reason to delay the real debate about long-term funding and badly needed policy updates until we reach another crisis point, which could be May 2015 and at the beginning of the next construction season," the DOT chief continued.

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

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