



Senate Dems to House: Amended highway bill can be fixed



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Senate Democrats said Wednesday that their amended version of a bill to save federal transportation funding could be fixed in time to beat a Friday deadline for Congress to reach an agreement.

Republicans in the House have argued that the Senate's changes to their nearly \$11 billion bill to extend transportation funding until next spring would leave the measure about \$2 billion **short** of the amount of money that is needed to refill the Department of Transportation's Highway Trust Fund until the end of the year.

Two of the primary authors of a Senate amendment that moved up the expiration date for the highway funding from May 2015 to December said Wednesday afternoon that the House could fix the error and still accept their version of the transportation funding extension.

"The Senate's transportation bill contains a small technical drafting error that affects the Congressional Budget Office's score of the bill," Sens. Barbara Boxer (D-Calif.) and Tom Carper (D-Del.) said in a statement.

"The House could easily fix this error and send the bill back to the Senate, which has voted overwhelmingly in favor of an extension of transportation programs only through the end of the year without pension smoothing," the lawmakers continued. "There is still no question that the Senate bill takes the most responsible path toward shoring up the Highway Trust Fund in the long-term."

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

However, the House and Senate disagree not only on how long the patch should last, but also on how it should be paid for.

The House version of the measure relies on changes to pension programs known as "pension smoothing" to generate more than \$6 billion of the money that would be used to pay for the transportation funding stopgap. Democrats have objected to the technique because it involves allowing employers to contribute less to their employees' pensions, and thus claim few tax exemptions, to generate transportation revenue.

Democrats have said the House proposal relies largely on savings that would be realized over ten years to pay for eight months of transportation funding.

Republicans have countered that their version of the transportation bill is fully paid for, which they gleefully pointed out was not true of the Senate's measure after Tuesday's amendments.

"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."

Carper and Boxer said Wednesday afternoon that it was routine for the chambers of Congress to make technical corrections to legislation that is passed between them.

"The Senate has already corrected a much more drastic error in the House's bill – one that could have blown an \$11 billion hole in the federal budget – by unanimous consent," the senators said. "The House now has the choice to do its part to follow the Senate's lead and make a routine technical correction or take us down a path toward more short-term extensions that will cost taxpayers a great deal more in the long run."

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 on Friday if Congress does not reach an agreement.

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