

THE BOND BUYER

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Infrastructure

House Approves 2 Month Extension For Road Funding to Prevent Shutdown

by [Jim Watts](#)

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DALLAS - The House voted 387 to 35 on a bill Tuesday night that would reauthorize surface transportation programs for another two months and avoid a cutoff of federal reimbursements to states for highway and transit projects during the busy construction season.

Rep. Mark Amodei, R-Nev., merely voted "present" on the bill, H.R. 2353, which is expected to be voted on by the Senate later this week and would provide federal transportation funding through July 31.

The measure had been proposed by Rep. Bill Shuster, R-Pa., chairman of the House Transportation & Infrastructure Committee, and Rep. Paul Ryan, R-Wisc., chairman of the House Ways & Means Committee and was adopted with no amendments.

The Transportation Department's highway and transit spending authority will expire on May 31 without the extension, cutting off federal reimbursements during the busy summer construction season. Cash balances and incoming revenue are expected to keep the fund solvent through July, when the most recent short-term fix would have to be extended or replaced with a multiyear transportation bill.

Shuster said he and Ryan prefer an extension of the Highway Trust Fund's solvency through December, but that might take another short-term fix.

Another extension would give Congress more time to agree on comprehensive tax reform that could provide the \$100 billion or so of additional revenue needed for a six-year transportation bill, he said.

"It's more than likely we'll be back before you asking for another extension before the August recess so we can focus on long-term funding through comprehensive tax reform," Shuster said during Tuesday's debate on the two-month extension.

"This is not the approach that I would prefer," Shuster said of the short extension. "I would have preferred that we had found the money that we need to have a fully funded bill that is sustainable."

The Office of Management and Budget, in a statement of administration policy issued before the

vote, said that President Obama will support the extension in hopes that it leads to passage of a long-term transportation bill in 2015.

"The administration will not support continued failure in making the investments the nation needs," it said. "The administration expects that the Congress will use this two-month extension to make meaningful and demonstrable progress towards a significant bill in 2015.

Rep. Steny Hoyer, D-Md., the Democratic whip in the House, said he would ask House Democrats not to support any more extensions.

"Let us not pretend that we can extend this to December 31st or another year," he said. "Let's come up with a paid-for six-year reauthorization over the next 60 days."

The two-month extension of the Highway Trust Fund is the 33rd in the last six years and it should be the last one, agreed Rep. Peter DeFazio, D-Ore., the ranking Democrat on the Transportation & Infrastructure Committee.

"This road is at a dead end," he said.

"Sixty days is more than enough time to find the answers from all the funding solutions we've heard around here," DeFazio said. "This is the last wakeup call."

DeFazio said he and 19 Democratic cosponsors plan to introduce President Obama's six-year, \$478 billion Grow America Act transportation bill.

The Senate is expected to vote on the House-approved bill before breaking for the week-long Memorial Day recess on Friday, one day after the House's scheduled recess.

Sen. Orrin Hatch, R-Utah, chairman of the Senate Finance Committee, has been stymied so far in his efforts to find the revenue needed for an extension until the end of the year, but vowed to continue.

Keeping the Highway Trust Fund solvent through the end of 2015 would require an \$11 billion transfer from the general fund that would have to be offset with new revenue or spending cuts.

Hatch said Senate Republicans have identified \$5 billion of additional revenue and enough spending cuts to accomplish the \$11 billion needed to accomplish the longer extension, but that Democrats have declined to develop their own package of revenue additions and spending reductions.

"One party cannot do it alone," Hatch said Monday night in a Senate speech. "It takes cooperation and compromise, something that, unfortunately, has been lacking around here for some time."

