

Congress moving forward with transportation extensions

Written by Vicki Needham
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House Transportation and Infrastructure Chairman James Oberstar (D-Minn.) is continuing his effort to pass a six-year reauthorization of surface transportation policy while Congress takes steps to extend the 2005 federal law through 2010.

On March 4, the House passed a bill (H.R. 2847) that provides an extension of transportation policy until the end of the year, shores up the depleted Highway Trust Fund and expands a popular infrastructure bond program.

The Senate is expected to take up the legislation after it completes work on a package of tax policy extensions, according to an aide with Senate Majority Leader Harry Reid (D-Nev.). But Republicans could force yet another series of procedural votes that would slow the bill's progress.

Earlier in the week of March 1, Obama signed a 30-day extension of surface transportation law that runs through March, giving Congress until the end of the month to move forward with a longer-term extension of the SAFETEA-LU, the Safe Accountable Flexible Efficient Transportation Equity Act – A Legacy of Users.

The extension included in this legislation “provides Congress with the opportunity to work toward passage of a long-term surface transportation authorization bill this year,” Oberstar said. Speaker Nancy Pelosi (D-Calif.) has publicly backed passage of comprehensive long-term legislation.

The bill provides \$63.5 billion for fiscal year 2010 and \$77 billion for the programs from Oct. 1, 2009 through the end of this year, while providing a \$21 billion increase over current funding levels under the continuing resolution.

The legislation also calls for a transfer of \$19.5 billion from the general fund into the Highway Trust Fund, covering project commitments through 2011. It allows the fund to collect interest for the first time since 1998 and shifts the burden of paying for motor fuel tax exemptions to the general fund.

The bill didn't change the distribution of \$932 million in transportation funds from two heavily earmarked programs favoring only a handful of states, a concern of transportation panel lawmakers from both parties. Oberstar has assurances from Pelosi and Reid the change will be included in future legislation. In the meantime, the lawmakers will ask DOT not to spend any of the nearly \$1 billion in question until after the distribution is altered.

The measure also adjusts the spending baseline for highway and transit spending, used to determine spending for future legislation, restoring it to the level it was before two separate rescissions cut about \$12 billion from the programs.

In addition, the bill includes an expansion of the Build America subsidy bonding program used by state and local governments to cut financing costs for infrastructure projects, letting certain

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school construction and clean energy projects utilize the program.

The measure also continues the mandate that 10 percent of transportation funds be spent through small businesses run by “socially and economically disadvantaged individuals.”