



Congress divided on length of extension for transportation programs

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On May 31, funding for highway and transit programs is set to expire. With only a few legislative days remaining, House and Senate leaders continue to discuss an extension to keep funds flowing. While nearly everyone agrees there is need for a long-term transportation reauthorization bill to create certainty for States and all impacted by these programs, there is no consensus on how to fund the highway trust fund, which has been running at a deficit in recent years due to lower revenues from federal gas taxes.

While disagreement does not follow party lines, politics are playing a key role in the debate about whether to do a short-term or long-term extension. Members who want to keep the pressure on to complete a reauthorization bill want to see a short-term extension. This group includes most members on the authorizing committees responsible for writing the bulk of the bill. Reports are that the House will look to move a two-month extension only through July, indicating that Transportation and Infrastructure Committee Chairman Bill Shuster, and others in this camp, are winning the day in the House. Shuster and others fear that if the bill is not passed this year, it will be that much harder to pass in 2016, a Presidential election year.

In the Senate, the funding portion of the highway falls to the Finance Committee. Senator Orin Hatch, who chairs the Committee, has stated that he would like to see an extension through the end of the current fiscal year in the fall or winter of 2015. Senator Hatch and others argue that a longer extension would provide certainty through the peak construction season and give Congress more time to reach a long-term deal on financing - something most agree is not close at this point. Even an extension of several months will have its challenges, as Congress must find billions in revenue offsets to continue to cover the shortfall that exists when maintaining current funding levels.

How will these positions be reconciled? Only time will tell, but the path of least resistance would seem to be a shorter extension. In recent years anyway, Congress has become very adept at putting off difficult decisions.

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