

Fiery words over GOP proposal to cut transportation funds

By Ashley Halsey III, Published: July 7

As congressional leaders from both parties traveled up Pennsylvania Avenue on Thursday for a White House meeting on finances, open hostilities broke out on the traditionally bipartisan House transportation committee over a GOP proposal to cut spending by about \$15 billion a year.

Democrats said the plan would cost 490,000 jobs. They called it “mind-boggling” and “fantasy funding”; they said the committee chairman, John L. Mica (R-Fla.), was “out to lunch” and “a dictator.” Alarmed interest groups called the bill a “grave mistake” and a “sure-fire job killer.”

In reality, none of them had seen an actual bill. Although Mica briefed lobbyists and reporters Wednesday and held a two-hour open session Thursday in which he fielded questions from the audience and callers, only the outlines and objectives of the proposal emerged.

Mica’s goal is to match spending to the revenue that flows into the Highway Trust Fund, primarily from the federal gas tax. He said he believes that could provide \$35 billion for each of six years, which can be leveraged into \$75 billion a year.

“We’ve looked at every way possible to maximize those dollars,” he said.

Mica says the more-than-doubling of the available funds can be achieved by encouraging public-private construction projects, consolidating or eliminating about 70 federal programs, helping fund state infrastructure and streamlining federal requirements to speed completion of projects. Although Mica opposes tolls on existing interstate lanes, he said the bill would allow states to impose tolls on new lanes built on interstate right of ways.

Mica has held hearings throughout the country to <http://www.washingtonpost.com/wp-dyn/content/article/2011/02/13/AR2011021303440.html> sound out the public on transportation needs.

“Across the country and here in Washington, everyone unanimously said ‘You’ve got to do something about the process,’ ” Mica said. “These aren’t our ideas. They came from across the United States. The streamlining does not violate in any way we think our mutual interest in protecting and maintaining the environment.”

The Mica bill is at odds with a legislative proposal expected to emerge in the Senate next week. Senate Democrats favor a two-year transportation plan rather than the traditional six-year blueprint. Mica called a two-year bill a “recipe for bankruptcy of the trust fund.”

“We think we have a pretty good proposal,” Mica said Thursday. “Not that we can’t work with people to make it better.”

The Democrats, who were not in the committee room during Mica’s presentation, responded to the proposal later. They cited two major studies in the past year, one that says an investment of \$2 trillion was needed to rebuild roads, bridges, waterlines, sewage systems and dams that are

reaching the end of their planned life cycles. Another concludes that it would require spending as much as \$262 billion a year.

“Now the majority wants to slash our transportation investment by one-third, giving our competitors an even bigger lead,” said Rep. Nick J. Rahall II (D-W.Va.), the committee’s ranking member. “It’s actually mind-boggling. While our competitors are moving forward, this bill would leave us stuck in a ditch.”

Oregon Democrat Peter A. DeFazio called Mica’s belief that \$35 billion could be leveraged into \$75 billion “fantasy funding.”

“We need \$87 billion just to maintain the existing transit system, just to maintain the existing highways and bridges in this country,” DeFazio said. “If you want to improve it, you’re talking about \$115 billion a year, more than three times what they’re proposing.”

Rahall suggested that Congress draw on general-fund money, as it has in recent years, and settle on a two-year bill in the hope that economic recovery would provide additional revenue after that.

Mica said he planned to hold a hearing on the proposal next week.

Thursday, July 7, 2011 [1 Comment](#)

Mica's Transportation Proposal: Responses Flood In

by [Tanya Snyder](#) on July 7, 2011

The GOP transportation proposal is now [online](#).

Here are some early reactions.

Senator Bob Menendez (D-NJ), chair of the Senate Banking subcommittee with jurisdiction over public transportation: "It used to be that Republicans understood that transportation investment was necessary to spur economic growth and create jobs. Now, I guess they think if we give the rich enough tax breaks they will get off the golf course, get in a bulldozer, and start building roads."

Senator Tim Johnson (D-SD), chair of the full Senate Banking Committee: "Transit systems are one of the most efficient and reliable forms of transportation... Proposals to cut public transportation funding, as contemplated in the House, won't just make it harder for Americans to get to a job interview or the grocery store; cuts will also slow job growth at a time when we need it most. Construction workers, mechanics, employees of bus manufacturers and rail car suppliers, and many other hard-working Americans will lose their jobs if these cuts occur."

Caron Whitaker, campaign director of America Bikes: "The Mica bill is short-sighted; it focuses on cuts rather than return on investment. The bicycling industry supports over a million jobs and brings in over \$17 billion in federal, state, and local taxes. That's a great return for the \$700 million federal investment in biking and walking facilities."

James Corless, director of Transportation for America: "Chairman Mica's proposal to give states broader latitude needs strong provisions for accountability on national goals, such as economic prosperity, energy independence, equal access to opportunity and environmental stewardship. However, this emphasis on the state level cannot come at the expense of the places that are feeling the brunt of our inadequate investments to this point: local communities in both urban and rural locales. We are particularly concerned at the proposal to eliminate dedicated funding that helps provide more safe options for walking and biking. While Chairman Mica indicated an intent to preserve the historic share of 20 percent for transit, the overall effect is a devastating cut that leaves us well short of the amount required to meet rising demand for transit service, especially in this time of severe fiscal constraints."

Deron Lovaas, federal transportation policy director of the Natural Resources Defense Council: "Rep. Mica's bill would take the next exit ramp off the superhighway to a smarter, 21st century transportation system. This is no time to slam the foot of Big Government on the brakes. Instead, we need to go full speed ahead with targeted investments that prepare us for the rest of this century, and beyond."

Marcia Hale, president of Building America's Future: "We appreciate many of the proposed policy reforms that were announced today but we are disappointed by the funding level. We applaud the fact that Chairman Mica recognizes states and cities want certainty when it comes to long-term transportation funding but this proposal shows a significant cut from current funding levels."

John Horsley, executive director of AASHTO: "Chairman Mica's bill is the first step in the process to pass a new long-term surface transportation bill that is desperately needed to maintain our national transportation system. This proposed legislation features many reforms that state departments of transportation support including: consolidation of federal transportation programs resulting in greater focus on our core mission; strategies that will accelerate project delivery so states can deliver critical transportation projects faster; tools to leverage transportation funds so states can generate more value from public infrastructure investments; and distribution of nearly all federal highway funding by formula to state DOTs. States will work with Congress to assure that each state receives an equitable share of funding."

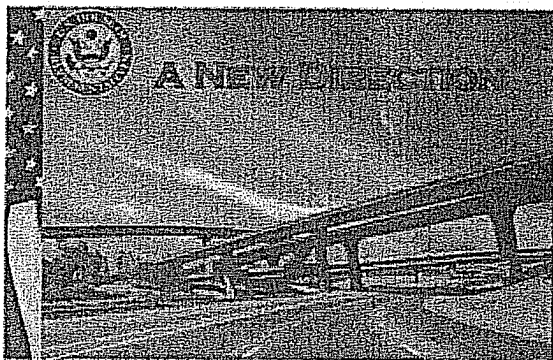
Transportation Committee Democrats pulled no punches at a press conference they held immediately after Mica's rollout event. We'll bring you more on what the Democrats said in just a bit.

The Exquisite Irony of the House GOP Transpo Bill Cover

by [Angie Schmitt](#) on July 12, 2011

That picture below? No, it's not one of those inspirational posters.

It's the cover for the new transportation reauthorization bill put forward by House Republicans, titled "A New Direction."



The GOP proposal itself is almost as tired as the title cliché. Photo: [Stop and Move](#)

We've [written about](#) how this proposal is not so much a new direction, but the old direction, except with a lot less money and a lot less pesky distractions (cyclists, pedestrians) from the time-honored practice of building roads for roads' sake.

The symbolism embodied in this — dare we say it? — Soviet-style piece of art was just too much for James Sinclair at Network blog [Stop and Move](#). And he has done a public service by decoding it for us. Here's what he determined:

A new direction? How exactly is the picture of a sprawling highway interchange, one likely built 50 years ago, in any way new? Is the title suggesting that highways are the future? What is being changed here? Are we supposed to be impressed? This picture may have impressed America in 1948 ... but today? I mean, yes, the inside of the bill is all about highways, so it makes sense to highlight that ...

But why is the highway so empty? Are highways not well used? And if not, why are we funding them? Seems like a waste. But we know that's not true, highways are always full of cars... so why on earth show a completely desolate piece of roadway?

The bill is all about slashing spending. Anyone who follows infrastructure maintenance can tell you that this country has not been doing its job when it comes to maintaining roads (it's easy to find stories about bridges closed due to being unsound, lanes blocked off due to erosion, etc.). So perhaps the cover is saying this: "If you approve our bill, then

our highways will look like this ... because we won't be able to maintain them, and engineers will have to close them off because the overpasses are structurally unsound.”

On the plus side, thousands of miles of (mountain) bicycle routes will be opened up. Can't let all that empty (crumbling) pavement go to waste.

Elsewhere on the Network today: [Broken Sidewalk](#) remarks on the planning failures, and resulting traffic problems, at the Kentucky Speedway. [WABA blog](#) reports on the push in Washington to adopt anti-harassment/anti-assault legislation to protect cyclists. And [Bike Portland](#) comments on strides being made toward diversity in cycling in Portland and Washington DC.

GOP Floats 6-year, \$230 Billion Transportation Bill, Dems Balk

By [Todd Zwillich](#) | July 7, 2011 – 4:50 pm

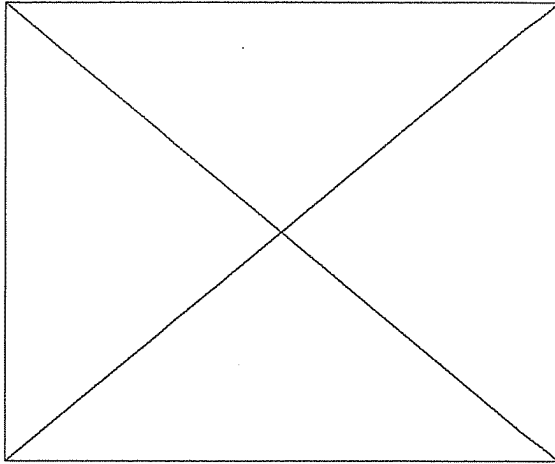


John Mica, center, chairing a House Transportation and Infrastructure Committee Dems slam House GOP transportation bill

By Keith Laing - 07/07/11 03:27 PM ET

Democrats on the House Transportation and Infrastructure Committee said Wednesday that the proposed surface transportation bill put forward by Chairman John Mica (R-Fla.) would destroy jobs, not create them, as industry advocates ardently hope the measure would do.

"The bill is best described as the Republican road to ruin," ranking member Nick Rahall (D-W.Va.) said in a news conference. "It takes our nation in the wrong direction, backwards instead of forwards. Instead of putting America on a pathway to prosperity, this bill provides the necessary funds for transportation to half the country and tells the other half to wait around for the next time."



Mica **unveiled** this week a draft of a six-year, \$230 billion proposal for the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, or SAFETEA-LU, transportation bill.

By contrast, the Senate has proposed a two-year, \$109 billion bill, which would work out to be about \$20 billion more per year.

On Thursday, Democrats called the House sum paltry, though both are significantly less than President Obama's proposal to spend \$556 billion on transportation over six years.

"What we have here is fantasy funding," said Rep. Peter DeFazio (Ore.), the ranking Democrat on the House Highways subcommittee.

"The amount of money we're spending today — which they want to cut — is not enough to maintain the existing system," he continued. "Even if they're fantasy came true, which it won't, you won't get near what you need to maintain the existing. And if you want to improve it, you're talking about \$150 billion" per year, he said.

In a news conference of his own, Mica said that he had to spend what the trust fund for highways brings in — about \$35 billion a year. But he said Wednesday that federal loan programs could give the bill "a dramatic multiplier effect."

Republicans on the transportation committee also touted the "streamlining" of transportation programs in the bill, which Mica said this week would consolidate or eliminate about 70 federal programs.

"I know a lot of folks are focusing on the dollar amount, but don't understate the streamlining," said Rep. Bill Shuster (R-Pa.), the chairman of the House subcommittee on Railroads, Pipelines and Hazardous Materials.

"If we're able to do what the chairman has laid out, the dollars are going to multiply," Shuster said.

Democrats doubted the bill would ever get far however, saying the GOP proposal was too small to be approved by the Democratically controlled Senate, which has proposed a shorter two-year bill that spends about \$54 billion a year on transportation.

"The bill as we have seen so far cannot pass the other body," Rep. Rahall said. "It would result in additional extensions, which is no way to run our transportation system."

The current short-term extension of the SAFETEA-LU bill is the eighth such measure, and both parties have said they do not want to see any more.

Transportation advocates were more reserved in their response Thursday than Democrats, but they expressed concerns Mica's bill was too small as well.

"We commend Chairman Mica and his fellow drafters on the push to get this long-stalled bill moving, and we appreciate the effort to consolidate programs, leverage non-federal resources and deliver projects more quickly," Transportation for America Director James Corless said in a statement. "However, we are skeptical that investments at this level can meet the country's infrastructure needs."

"We appreciate many of the proposed policy reforms that were announced today but we are disappointed by the funding level," Building America's Future President Marcia Hale agreed, also in a written statement. "We applaud the fact that Chairman Mica recognizes states and cities want certainty when it comes to long-term transportation funding but this proposal shows a significant cut from current funding levels."

"We hope the House can work with the Senate to find an acceptable bill with adequate funding levels to rebuild and repair our crumbling roads, bridges, and transit systems," Hale continued. "We must fight hard to remain economically competitive in this global economy and we have much work to do as this process gets underway."

meeting at Grand Central Station (Kate Hinds)

(Washington, DC — Todd Zwiilich) House Republicans formally floated an outline of their 6-year transportation bill Thursday, promising to try for large cuts in highway funding and to send more influence over projects to the states.

GOP lawmakers presented the \$230 billion bill as a way to fund critical transportation projects in lean economic times. Democrats promptly attacked it as inadequate and said it would not reach President Obama for a signature.

The most glaring top-line from Republicans' bill is a major curb in federal highways spending. The bill caps spending from the Highway Trust Fund to what it takes in in taxes. That's projected at right around \$35 billion per year over six-year life of the bill. That would comprise a major cut in highway spending, which has been borrowing money from the rest of the government for years to fund new projects and upkeep. The American

Recovery and Reinvestment Act, otherwise known as the stimulus, alone has spent about \$63 billion on highway projects since 2009.

“We believe we can do a lot more with less,” said Transportation and Infrastructure Committee Chairman Rep. John Mica (R-Fla.) at the committee’s roll-out event on Capitol Hill.

The “more” part, Mica said, comes from streamlining how highway projects go from blueprint to blacktop. The bill pares back environmental review requirements and other clearances for new projects. It also overhauls or eliminates up to 70 programs that now funnel money into highway projects and instead focuses on sending money to states in the form of loans and infrastructure bank installments.

A GOP handout promoting the bill states that the average highway project would get completed in six years under the bill, compared with 15 years now.

All of this together, Mica said, would mean more, not less, money reaching projects.

“I think we can more than double the \$35 billion we have in the Trust Fund,” he said.

Still the funding level is way below a \$55 billion-per-year, two-year proposal put forward by Senate Democrats Wednesday. That points up a deep divide that many lawmakers think will be impossible to bridge in order to get a final bill. The transportation sector is now operating under Congress’s 8th temporary extension.

Republicans are also proposing to up the direct federal loans under the Transportation Infrastructure Finance and Innovation Act (TIFIA) to \$1 billion and to give more control over the funds to state and local authorities. That’s good news for mayors like Democrat Antonio Villaraigosa, who chimed in by phone to offer his support.

Republicans are also gunning for changes in high-speed rail funding, including the very definition of “high-speed”. Trains funded under the bill would have to go at least 125 mph to qualify as high-speed, not the 110 mph used now.

View House Republicans 17-page bill outline here
(http://republicans.transportation.house.gov/Media/file/112th/Highways/Reauthorization_document.pdf)

Actual text of the Republicans’ bill could be out in time for a scheduled hearing next Tuesday. But Democrats took little time to trash the GOP proposal.

Rep. Nick Rahall (D-W.Va.), called Mica's bill a "road to ruin." "It takes our nation in the wrong direction, backwards instead of forwards. Instead of putting America on a pathway to prosperity, this bill provides the necessary funds for transportation to half the country and tells the other half to wait around for the next time," said Rahall, the ranking Democrat on the Transportation and Infrastructure Committee.

Given the \$20 billion-per-year gap between House Republicans' 6-year bill and Senate Democrats' 2-year bill, prospects of the GOP proposal surviving in its current form seem dim.

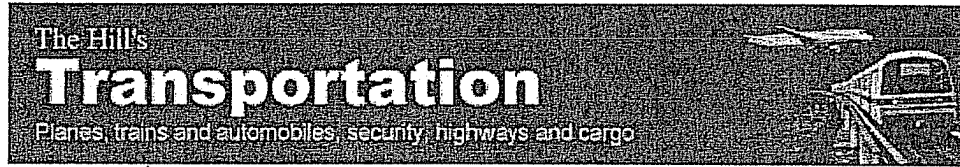


John Mica, center, chairing a House Transportation and Infrastructure Committee meeting at Grand Central Station (Kate Hinds)

"I don't think it goes anywhere," Rep. Earl Blumenauer (D-Ore.), a member of the committee, said in an interview. "I don't think six years of stability is worth setting bar so low that it'll take us years to crawl back. I think what's most likely is we'll get probably a 2-year extension."

Mica: Dem attacks on highway bill proposal are 'disappointing' - The H... <http://thehill.com/blogs/transportation-report/highways-bridges-and-ro..>

THE HILL



Mica: Dem attacks on highway bill proposal are 'disappointing'

By Keith Laing - 07/11/11 03:07 PM ET

The Republican chairman of the House Transportation and Infrastructure Committee chided Democrats for criticizing his proposal for a new surface transportation bill Monday, saying it was too important for partisan attacks.

Rep. John Mica (R-Fla.), who unveiled a proposal for a six-year, \$230 billion highway bill last week, said his plan was the result of "bipartisan hearings and meetings across the country" and the best way to utilize the dollars in the trust fund that pays for the measure.

Democrats sharply disagreed last week, criticizing Mica for not including them in drafting the bill and arguing the plan did not authorize enough spending to spur the stagnant economy. Mica's counterpart on the panel, Rep. Nick Rahall (D-W.Va.), called it "the Republican road to ruin."

Mica said Monday he was sad to see that kind of rhetoric about the transportation bill.

"It is disappointing and sad that some Democrats have launched a personal and partisan attack on the Republican proposal for a six-year transportation reauthorization," Mica said in a statement released by his office. "The outline responsibly presents how we can dramatically leverage Highway Trust Fund dollars within the current spending rules and restrictions imposed by the House-adopted budget."

Mica defended his proposal, saying, "Anyone who takes time to evaluate the proposals outlined will realize that they can ensure that even more transportation projects will move forward, the trust fund will be preserved, and significant job creation over a six-year period will result."

Mica: Dem attacks on highway bill proposal are 'disappointing' - The H... <http://thehill.com/blogs/transportation-report/highways-bridges-and-ro..>

"Even though there may be disagreement at this time, for the sake of our nation we must act in a positive manner to move this legislation forward as soon as possible," he said.

The Senate has proposed a two-year, \$109 billion transportation bill.

Both numbers are far below the \$556 billion, six-year bill that had been proposed by President Obama.

Source:

<http://thehill.com/blogs/transportation-report/highways-bridges-and-roads/170725-gop-rep-mica-dem-attacks-on-transportation-bill-proposal-disappointing>

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ANALYSIS: On Transportation Spending, Expectations Spiral Downwards

By [Andrea Bernstein](#) | July 8, 2011 – 7:59 pm



House Transportation and Infrastructure Committee Chair John Mica (Getty Images)

Almost exactly two years ago, Rep John Mica (R-FL) stood at a podium with sharp words for the Obama Administration. The White House had just put a halt to expectations that it would push for a new, \$500 billion, 6-year surface transportation bill.

Instead, the administration recommended an 18-month extension of the previous bill, which Rep. Mica wasn't having. It would mean transportation spending would be about half what almost everyone then wanted — members of Congress of both parties, the highway lobby, the rail industry, transit advocates.

“We’re going to do everything we can to move this bill forward, despite what the administration said yesterday,” Mica said in June, 2009, calling a \$500 billion transportation bill the “most critical jobs bill before Congress in the next year.”

And then, with Rep. Jim Oberstar (D-MN), then the chair of the House Transportation and Infrastructure Committee, Mica held aloft a shovel to symbolize all the construction jobs that would come with a big transportation bill.

How the worm turns.

Oberstar was voted out in November, 2010, after 36 years on the Committee. Mica is now the Chair.

In February, as part of its budget proposal, the White House asked for \$556 billion for a six year transportation bill.

On Thursday, Mica said absolutely not.

Instead, Mica unveiled his own proposal (though the actual bill is still pending) for a \$230 billion, 6-year bill.

“While some continue to advocate the same old tax-and-spend approach, I prefer a new direction,” Mica said, introducing the bill’s outline. “This long-term plan is the only fiscally responsible proposal and will ensure the continued solvency of the Highway Trust Fund,” he added.

Now, a bit of explainer for non-transit wonks. For decades, transportation has been funded through a gas tax. In the Clinton era, when Americans were driving giant SUV’s, the fund was flush. But as cars became more fuel-efficient, and then, as the economy was dashed on the rocks in the fall of 2008, driving plunged, and gas tax revenues sank. A new transportation bill was *supposed* to be approved in 2009, amid much hand-wringing that the highway-trust fund was “broke.”

In those days, a big transportation bill was still a bi-partisan priority. That buoyed hopes that there could be *some* new funding mechanism — a gas tax hike, perhaps. (The last time the gas tax was raised was 1993.) Or highway tolls. Or a tax on the number of miles driven — a VMT (vehicle miles traveled) tax.

But then came the aforementioned 18-month extender. In the spring of 2009, with the economy still badly teetering, that seemed a whole lot more palatable to the White House than raising a tax. And the 18-months would put them squarely beyond the 2010 elections. At the time, there was quiet cheering of Obama’s political deftness.

Except that the 18-month move meant a six-year bill would now be considered right as Obama’s own re-election campaign was getting underway.

But the President still believed he could get it done.

Even after everything that happened in November, the Tea Party ascension, the howls of anguish from economically-strapped voters, the Administration was still bullish on transportation. In his State of the Union, President Obama made connecting most Americans to high-speed rail a signature initiative. Less than a month later, he announced his support for the \$556 transportation bill.

To be sure, the administration never said how that \$556 billion would be funded. Called before Congress several times, Transportation Secretary Ray LaHood would only say he “looked forward” to working out the financing with Congress.

But then came the discussions over the continuing resolution, where the House Republicans made their antipathy towards any kind of spending perfectly clear.

In this context, on Thursday, stating flatly that Congress would not support a gas tax, Mica proposed a \$230 billion 6-year bill, an effective cut, by some estimates, of 30 percent over current spending. The bill drew the immediate derision of Democrats. “This

flawed plan would eliminate thousands of transportation jobs and be a major setback for our country's critical network of roads, bridges, and railways," said Senator Frank Lautenberg, a New Jersey Democrat, who warned nearly 500,000 jobs would be cut as a result.

Now, if this sounds like partisan positioning, remember that transportation bills used to have *bi-partisan* support. The bickering was over the details, not the spending levels — at least not really.

Analysts don't give Mica's bill much chance of passage as is, and advocates are pinning their hopes on a \$109 billion, 2-year bill, expected as early as the week of July 11, from Senator Environment and Public Works Committee Chair Barbara Boxer (D-CA). That bill would essentially maintain funding at "current" levels (remember the real bill, not the extender, expired in 2009), plus inflation. It would rely on a small amount of money from the general fund, and finding \$12 billion from "closing loopholes," such as oil company tax breaks.

But other than that, there's no talk of new revenues. There's no discussion of expanding expectations, repairing roads and bridges at an aggressive rate, or expanding transit at the rate of, say, China or even some third-world nations.

And the Democratic Senate bill is a far cry from the \$500 billion that both parties once agreed needed to be spent.

That shovel that Mica held aloft? It's now buried somewhere, deep down in the earth.