

Washington spin on transportation spending bill makes good look even better

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MCCLATCHY NEWSPAPERS
Monday, 03.12.12

WASHINGTON -- The Senate on Tuesday plans to debate, and likely pass this week, an ideal election-year bill: a bipartisan plan to spend billions on highway and transit projects. Passage of the bill not only would be an economic boost, but it would serve several important political purposes.

Lawmakers are boasting how the \$109 billion, two-year measure would save or create as many as 2.8 million jobs. They are congratulating one another for working across party lines, a trait that hasn't been evident much in recent years. And they can go home and point to rutted roads and congested highways and brag that they did something about it.

Or can they?

"The highway bill is fairly routine. It's not like a special stimulus bill," said Robert Bixby, executive director of the nonpartisan Concord Coalition, a budget watchdog group.

While the bill is welcome as a job producer, he said, "it's not going to make a significant dent in the jobs market."

Politicians, though, tout the bill as a vital jobs measure.

"This is an important piece of legislation. Not dealing with tens of jobs or hundreds of jobs or thousands of jobs, but millions of jobs," said Senate Majority Leader Harry Reid, D-Nev.

Many House Republicans prefer a longer-term approach. The House is expected to consider legislation later this month.

"At this point in time, the plan is to bring up the Senate bill," said House Speaker John Boehner, R-Ohio.

Independent analysts tended to agree with Bixby.

"The bill does take steps in the right direction," said Joshua Schank, president and chief executive officer of the Eno Center for Transportation, a nonprofit, nonpartisan think tank.

But, he said, "There's a huge amount of politics here. Congress wants to look like they're doing something for the economy, and that they're doing something in a bipartisan way."

He said it was "not likely" the bill would save or create 2.8 million jobs. Estimating job creation, he said, "is not an exact science. There are a lot of variables." Even if Congress failed to act on the big bill, highway and transit funding probably still would continue in some form.

The more important question, Schank said, is the impact on the economy. Will better roads and transit make it easier to move goods? For people to get to work?

Maybe, said other analysts. But Chris Edwards, a federal budget and tax expert at the libertarian Cato institute, worried about the impact of more federal spending.

The funding comes from extending authority for the government's Highway Trust Fund, which pays for the programs through a series of taxes and fees, as well as a series of other transportation-related cuts and adjustments.

Still, he said, "you're taking \$100 billion out of the private economy somewhere."

Bixby said the vague funding sources continue an ongoing, disturbing pattern.

"This is just emblematic of the entire budget dysfunction," he said. "Nobody wants to acknowledge these things cost money."

The bill would authorize spending on highway, transit and safety programs at current levels, plus an adjustment for inflation. The previous long-term authorization expired in 2009, and programs have since been funded through a series of short-term extensions. The current extension expires March 31.

That has made it difficult for state and local agencies to plan ahead, so this bill is being welcomed as an important step. State officials also welcome the inflation adjustment, citing previous increases in inflation-related construction costs that were not compensated.

States will get \$39.1 billion during this fiscal year, which runs through Sept. 30, and another \$39.8 billion for fiscal 2013 for highway programs. Another \$10.4 billion would go to public transit programs.

Other funds would go for a variety of programs, including highway safety and research.

Many conservatives have been skeptical about the spending.

"The bill before the Senate spends more than we can afford," said Sen. Bob Corker, R-Tenn., who criticized the bill for "gimmicks" that hold down the cost.

But it appears that in this election year, the measure is headed for an overwhelming, bipartisan vote.

"This is a piece of legislation that was prepared the way legislation should be prepared," Reid said.

