



May 6, 2008 Bulletin 0817

Debate on FAA Reauthorization Postponed — HTF Fix Not Completed

Senate Majority Leader Harry Reid (D-Nev) today pulled the Federal Aviation Administration (FAA) reauthorization bill from Senate consideration after a failed attempt to end a filibuster related to concerns about non-aviation related items in the bill. It remains uncertain at this time whether there will be an attempt to work out a compromise and bring the bill back up for consideration at a later date. Authority for the aviation taxes has been temporarily extended until June.

Included in the bill was a provision — sponsored by Senate Finance Committee Chairman Max Baucus (D-Mont) and Ranking Republican Member Chuck Grassley (Iowa)— to supplement revenues into the Highway Account of the Highway Trust Fund to assure that SAFETEA-LU authorized funding is fully available to states in fiscal year 2009. Earlier this year, the U.S. Treasury forecast that revenues into the Highway Account will fall short of meeting next year's SAFETEA-LU guaranteed funding by \$3.3 billion. As a result of this projected shortfall a cut of nearly \$13.5 billion or 31 percent in FY 2009 funding is possible. The Baucus/Grassley fix would provide \$5.1 billion in additional revenue for the Highway Account to meet SAFETEA-LU commitments, with an additional cushion should HTF receipts decline further.

AGC will continue to work with Senators Baucus and Grassley to find a legislative vehicle to enact this fix. It is important that your Members of Congress hear from you. It has become clear since the FAA bill debate began last week that most Senators and Representatives are unaware of the HTF's status and the consequences to their states if a fix is not put in place.

If you have not yet done so, please send a correspondence to your Senators and Representative about this issue. You can [email or fax a letter](#) by going to AGC's Legislative Action Center.

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