Members of the Senate Finance Committee were presented with testimony stressing the need for long-term funding for transportation projects, but much like what was heard earlier in the week by the House Ways and Means Committee, the source of funding remains a divisive issue.

In his opening remarks, Committee Chairman Orrin Hatch (R-Utah) called passage of a six-year highway bill is a "great" goal. "Virtually everyone in Congress agrees that we need to get to the point where we are no longer facing a highway cliff every few months," he said.

He also referred to a six-year option as the "gold-standard" for long-term funding. "That’s what everyone apparently wants to see happen. Of course, according to (the
Congressional Budget Office), a six-year highway bill that maintains the current spending baseline will cost roughly $92 billion,” he added.

“You don’t find that kind of money by sifting through the cushions of your couch. It’s going to take hard work and real policy changes to get us anywhere near that level of funding,” Hatch said.

Ranking Member Ron Wyden (D-Oregon) said in his opening statement there is a “bipartisan understanding” that major investment is needed for transportation, but that it needs to be taken as seriously as can be.

“It’s my view that funding a transportation network is right up there with maintaining a fair judicial system and a strong national defense among the most basic and necessary functions of government,” he said.

Wyden also bemoaned the continual stopgap efforts by Congress to fund transportation projects on the short term “My bottom line is that you can’t have a big-league economy with little-league infrastructure. But the way Congress has limped from one short-term funding patch to the next more than thirty times is unquestionably a little-league strategy,” he added.

“The stop-and-go approach without a viable long-term funding source lowers our sights in terms of what our transportation system can do. It forces states and federal agencies into making little plans – barely keeping up with the potholes and falling far behind on new railways, ports, and highways,” Wyden concluded.

Presenting testimony were Stephen Moore from the Heritage Foundation, Ray LaHood, former Transportation Secretary and co-chair of Building America’s Future, and Joseph Kile, assistant director for the Microeconomic Studies Division, Congressional Budget Office (CBO).

LaHood said in his testimony the U.S. needs a strategic plan for transportation, echoing the view of Wydon and Hatch regarding short-term efforts.

“It is past time for Washington to step up and produce a long term transportation plan that is robust and sustainable,” he told members of the committee. “To do otherwise would amount to putting a Band-Aid on a gunshot wound. America needs a strategic plan with a vision – not another short-term bill that isn’t even enough to keep filling the potholes.”

His organization, he said, wants Congress to pass a bill that goes beyond providing “small inflationary” funding increases. To do that, the U.S. needs an increase in the gas tax, with Building America’s Future recommending an immediate increase of 10
cents per gallon, as well as indexing the to inflation. Citing the CBO, LaHood said a one-cent gas tax bump adds $1.5 billion a year, which would translate to $15 billion a year with the 10-cent proposal.

“While this would not be enough to fund a robust long term bill, it would be enough to keep the Highway Trust Fund solvent while Congress considers other sustainable and longer term solutions,” he said. “Voting to increase the gas tax is a tough vote. But leadership takes vision to see the big picture and courage to do the right thing.”

Moore’s testimony focused on funding management, and a hint at the recent hot top of devolution.

“Rather than raise the federal gas tax, a better policy would be to phase down the federal tax and let states pay for their own road projects,” he said. “The interstate highway system was completed 30 years ago and there is no more need for a national tax at 18.34 cents a gallon to fund bridges and high speed rail projects to nowhere. Turning back transportation projects to the states will ensure that gas tax money is used for the highest value added projects.”

He added Congress’ first step should be making sure “every dollar of gas tax paid” goes to building roads. “That is what a “user fee” is intended to do,” he said.