

# Planned Cuts in Transportation Too Severe, Democrats, Industry Groups Say

By Kathryn A. Wolfe, CQ Staff

Some Democrats and transportation groups are pushing back against House Republicans' proposed cuts for transportation spending as well as a declaration in the GOP budget resolution challenging the widely held assumption that infrastructure spending creates jobs.

The fiscal 2012 budget resolution, drafted by House Budget Chairman [Paul D. Ryan](#), R-Wis., would significantly shrink transportation-related spending over the next decade, probably to levels that the Highway Trust Fund could support without new revenue.

The budget assumes cuts in transportation spending of about \$633 billion over 10 years. In fiscal 2012 alone, transportation spending would drop to \$64 billion, down from \$85 billion that the budget assumes for fiscal 2011.

[Nick J. Rahall II](#), D-W.Va., the ranking member on the House Transportation and Infrastructure Committee, said that instead of making targeted cuts, Republicans are behaving like "Civil War surgeons by hacking off limbs instead of diagnosing the disease."

"The old, tired and stale slash-and-burn approach to transportation investments in the Republican budget blueprint would drive our economy off the road to recovery and back into the ditch," Rahall said.

The comment in Ryan's budget plan that minimized the value of transportation infrastructure projects in creating jobs also upset some transportation stakeholders.

"However worthy some highway projects might be, their capacity as job creators has been vastly oversold, as demonstrated by the extravagant but unfulfilled promises that accompanied the 2009 stimulus bill, particularly with regard to high-speed rail," the blueprint says.

Jeff Solsby, a spokesman for the American Road and Transportation Builders Association, called that assertion a "cheap shot" at the stimulus law.

"At the end of the day, the stimulus supported some 13,000 highway- and bridge-improvement projects across the country, including in Wisconsin," Solsby said. "And those projects didn't build themselves. They were built by actual people."

The Federal Highway Administration (FHA) has been tracking the effect of infrastructure spending on jobs since at least 1997.

In 2007, the last time the statistics were updated, the FHA estimated that every \$1 billion of federal money spent on infrastructure supported 10,300 construction jobs, 4,675 support jobs and 15,094 jobs classified as "induced employment," a term for those created by government programs.

The budget document — as well as a short-term continuing resolution Republicans introduced Monday night ([HR 1363](#)) — also takes aim at high-speed rail, one of President Obama's signature initiatives.

The budget resolution assumes zero spending on the high-speed rail program and suggests that intercity passenger rail services should be funded only “if they can be established as self-supporting commercial services.”

Additionally, the weeklong continuing resolution proposes to cut \$1.8 billion in fiscal 2011 transportation-related spending, \$1.5 billion of which would come from high-speed rail. That would leave \$1 billion for high-speed rail in fiscal 2011, equal to the president’s original request.

Beyond high-speed rail, the continuing resolution would reduce transit “new starts” — full-funding grant agreements for other rail systems — by \$280 million and cut \$8.7 million from the Federal Aviation Administration’s facilities and equipment account, which mostly funds capital projects.

However, the budget resolution is unlikely to advance beyond the House and is non-binding.

The fate of the Republicans’ latest continuing resolution is also shaky, with Obama already rejecting it as a non-starter.