

House transportation bill backs offshore drilling

Carolyn Lochhead, San Francisco Chronicle, 2-21-12

WASHINGTON -- Tea Party politics and trillion-dollar-plus federal budget deficits have turned this year's transportation bill upside down.

Five-year transportation bills are traditionally bipartisan earmark fests that send hundreds of billions of dollars for highways, bridges, transit and other infrastructure to California and other states.

But this year, House Republicans, ruling out earmarks but desperate for revenue, have produced a fossil-fuel extravaganza that would require oil drilling off the California coast and along the entire continental shelf on the east and west coasts, including Florida.

The House bill has turned Sen. Barbara Boxer, a famously partisan California Democrat, into a paragon of bipartisan virtue by comparison. Boxer, working closely with conservative Oklahoma Republican James Inhofe, produced a Senate transportation bill, S1813, that passed unanimously out of the Environment and Public Works Committee that she chairs.

Boxer's staunch opposition

Part of the House legislation that passed Thursday would not just allow but require opening the California, Florida and east coasts to oil and gas drilling to help pay for highways. It would also open the Alaska National Wildlife Refuge to oil drilling and many Western states to shale-oil extraction, a highly water-intensive process.

The legislation has virtually no chance of becoming law, given Boxer's staunch opposition. The drilling provisions are part of an attempt by House Republican leaders to find money to pay for a \$270 billion, five-year transportation bill that is meeting stiff resistance from Republican conservatives who contend it spends too much, and scorn from Democrats who called it the "worst transportation bill ever."

Reps. Mike Thompson, D-Napa, and Lynn Woolsey, D-Petaluma, attempted to amend the bill to block drilling off the Northern California coast, but Natural Resources Committee chairman Doc Hastings, R-Wash., refused, saying it would open a stampede of efforts by lawmakers along all the coastlines to block drilling.

"This California coast belongs to all the people of the United States of America," Thompson said. "We should break our pick to do everything to protect it."

Thompson said the North Coast has no large oil or gas reserves, is prone to earthquakes and is one of four of the world's large marine "upwellings" where currents drive nutrients from the ocean floor to the surface, creating a rich habitat for wildlife. Hastings said that the area should be open nonetheless in case there is potential for oil and gas.

Proposal's GOP opposition

Rep. John Garamendi, D-Walnut Grove (Sacramento County), mocked Republicans for touting states' rights even as they attempted to strip California's.

The proposal faced opposition even from Republicans in coastal states, including Florida Rep. Michael

Bilirakis, who offered an amendment to require an economic impact study on the effect of such lease sales on Florida's fishing and tourism industries.

The drilling provisions were voted on separately after House Speaker John Boehner, R-Ohio, was forced to split the larger bill into three parts, each with a separate vote, in an effort to get it passed. Another part would require federal workers to contribute more to their pensions, in an effort to raise money, and another would incorporate the main transportation elements of the original bill, HR7.

Using a highly unusual procedure, Republican leaders plan to put the legislation back together and deem it passed in its entirety.

The bill would all but eliminate bicycle and pedestrian programs and uncouple dedicated funding for mass transit from the Highway Trust Fund, leaving such programs at the mercy of annual appropriations. The measure would still be in the red because any conceivable revenues from oil drilling would arrive long after money in the bill is spent.

The Congressional Budget Office said the bill would leave the Highway Trust Fund, an account that holds gasoline tax revenues, \$78 billion short. Both parties have refused to raise the 18.4 cents-per-gallon gasoline tax since 1993, and it is not indexed for inflation.

'Doesn't cut any spending'

The conservative Club for Growth, which funds primary election challenges to Republicans it deems insufficiently fiscally conservative, has come out strongly against the House bill, calling it "a massive 846-page bill that doesn't cut any spending at all." In fact, the group said the bill "spends at least \$30 billion more by supplementing fuel taxes with additional revenue from other sources."

Taxpayers for Common Sense, a conservative budget group, began running radio ads against 12 Republican House members, urging them to vote against the bill.

California Democrats, led by Rep. Zoe Lofgren, D-San Jose, said the overall bill would reduce highway, transit and rail funding for California by \$724.5 million over five years. She said it would cut Amtrak by 25 percent, noting that California has three of the five busiest passenger rail corridors in the nation.

Hitting high-speed rail

The broader bill also would open California to shale-oil extraction and ban any funds for California's high-speed rail project. That project already has sufficient federal funding in hand, however, for a planned groundbreaking in the San Joaquin Valley this year or early next year.

Boxer's \$109 billion Senate bill would cover only two years, mainly because of the difficulty in finding money to pay for a bigger bill. It is still \$12 billion short of funds, but the Senate Finance Committee has produced offsetting revenues by doing such things as preventing paper producers from qualifying for an alternative fuels tax credit for a byproduct from paper mills called "black liquor" for which the tax credit was never intended.