

LEGISLATIVE ISSUE BRIEF

March 2017

STATUS OF THE HIGHWAY TRUST FUND AND MASS TRANSIT ACCOUNT

In January, the Congressional Budget Office (CBO) released its latest estimate of the fiscal condition of the Mass Transit Account (MTA) and the Highway Account of the Highway Trust Fund (HTF). The FAST Act provided enough one-time revenues to supplement existing user fees to sustain HTF spending through fiscal year (FY) 2020. After FY 2020, the existing user fees – including federal gas and diesel taxes – will not provide sufficient revenues to maintain baseline spending. An additional \$120 billion will be needed to fund a six-year surface transportation bill *at only current baseline levels* for FY 2021-2026.

Projections of Highway Trust Fund Accounts – CBO's January 2017 Baseline
(Billions of dollars, by fiscal year)

	ACTUAL											
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
	Highway Account											
Start-of-Year Balance	9	51	41	30	19	7	a	a	a	a	a	a
Revenues and Interest ^b	36	36	36	36	36	35	35	35	35	35	34	34
Intragovernmental Transfers	52	0	0	0	0	0	0	0	0	0	0	1
Outlays ^c	44	45	45	45	46	46	47	48	48	49	50	51
End-of-Year Balance	51	41	30	19	7	a	a	a	a	a	a	a
	Transit Account											
Start-of-Year Balance	3	18	14	11	7	3	a	a	a	a	a	a
Revenues and Interest ^b	5	5	5	5	5	5	5	5	5	5	5	5
Intragovernmental Transfers	18	0	0	0	0	0	0	0	0	0	0	0
Outlays ^c	8	10	10	10	10	11	11	11	11	12	12	12
End-of-Year Balance	18	14	11	7	3	a	a	a	a	a	a	a
Memorandum:												
Cumulative Shortfall ^a												
Highway Account	n.a.	n.a.	n.a.	n.a.	n.a.	-6	-20	-35	-51	-67	-85	-103
Transit Account	n.a.	n.a.	n.a.	n.a.	n.a.	-2	-7	-12	-18	-24	-30	-36

Source: Congressional Budget Office

Notes: For footnotes, find the full chart at <https://www.cbo.gov/about/products/budget-economic-data>

APTA has long advocated for an increase in federal fuels user fees or dedicating a new, sustainable revenue mechanism to maintain the long-term solvency of the HTF. Congress has an opportunity to address this fundamental issue for our national transportation network and the American economy in the context of comprehensive tax reform this year.

APTA POSITION

- **Congress should act now to address the long-term solvency of the Highway Trust Fund.**
- **All reasonable options to increase and create a sustainable source of dedicated revenues to the HTF should be considered, including increases to federal fuels user fees.**
- **Significant new revenues will be required to sustain existing federal infrastructure investment programs, address the \$90 billion state of good repair backlog for public transportation infrastructure, and invest in new capacity.**