

# LEGISLATIVE ISSUE BRIEF

March 2018

## STATUS OF THE HIGHWAY TRUST FUND AND MASS TRANSIT ACCOUNT

In June, 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). According to the projection, 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 for solvency. A future long-term surface transportation bill will need about \$20 billion per year on average in new revenues to sustain existing programs *at only baseline current levels*, which will not fully address state-of-good-repair backlogs.

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

	ACTUAL											
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b>Highway Account</b>												
Start-of-Year Balance	9	51	42	32	21	10	a	a	a	a	a	a
Revenues and Interest <sup>b</sup>	36	36	37	37	36	36	35	35	35	35	35	35
Intragovernmental Transfers	52	0	0	0	0	0	0	0	0	0	0	0
Outlays	44	44	44	45	46	46	47	48	49	50	50	51
End-of-Year Balance	51	42	32	21	10	a	a	a	a	a	a	a
<b>Transit Account</b>												
Start-of-Year Balance	3	18	15	11	7	3	a	a	a	a	a	a
Revenues and Interest <sup>b</sup>	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	8	10	10	10	11	11	11	11	12	12	12	12
End-of-Year Balance	18	15	11	7	3	a	a	a	a	a	a	a
<b>Memorandum:</b>												
Cumulative Shortfall <sup>a</sup>												
Highway Account	n.a.	n.a.	n.a.	n.a.	n.a.	-3	-16	-31	-46	-63	-80	-99
Transit Account	n.a.	n.a.	n.a.	n.a.	n.a.	-2	-8	-13	-19	-25	-32	-39

Source: Congressional Budget Office

Notes: For footnotes, find the full chart at <https://www.cbo.gov/about/products/baseline-projections-selected-programs>

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 must address this fundamental issue to ensure future funding for transportation investments that benefit the U.S. economy.

### 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 growing state of good repair backlog for public transportation infrastructure, and invest in new capacity.