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The FAST Act and the Status of the Highway Trust Fund

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The Fixing America's Surface Transportation (FAST) Act was signed into law on December 4, 2015, as Public Law 114-94.

The FAST Act: Funding

- Authorized surface transportation programs through 2020
- Provided \$281 billion in contract authority
- Authorized \$25 billion subject to further appropriations, mostly for transit and rail programs
- Provided \$275 million to \$300 million per year for the Transportation Infrastructure Finance and Innovation Act (TIFIA)
 - Allows states to transfer core program funds for TIFIA subsidy

The FAST Act: Receipts

- Transferred \$70 billion from the general fund of the Treasury to the Highway Trust Fund, financed mostly by reducing both the surplus account of the Federal Reserve and the dividends paid to large member banks on their capital stock in the Federal Reserve
 - Interest is credited to the balances in the Highway Trust Fund created by the transfer
- Did not create any new revenue sources from transportation users

Trigger Mechanism for More Authority to Spend

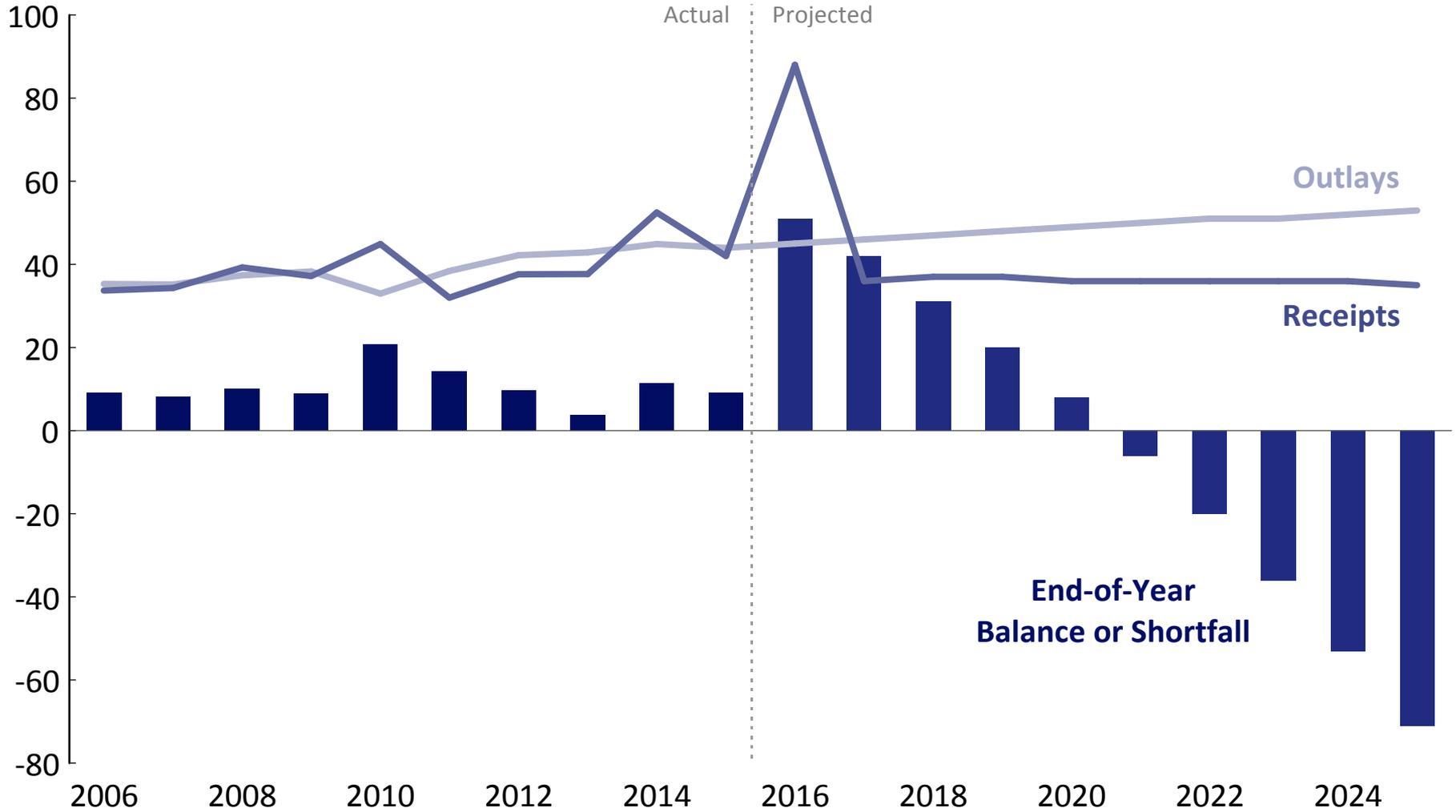
- Under Section 1403, contract authority and obligation limitations from 2017 to 2020 would automatically increase in the next fiscal year if another law provided for the deposit of additional funds into the Highway Trust Fund.

Status of the Highway Trust Fund Under the FAST Act

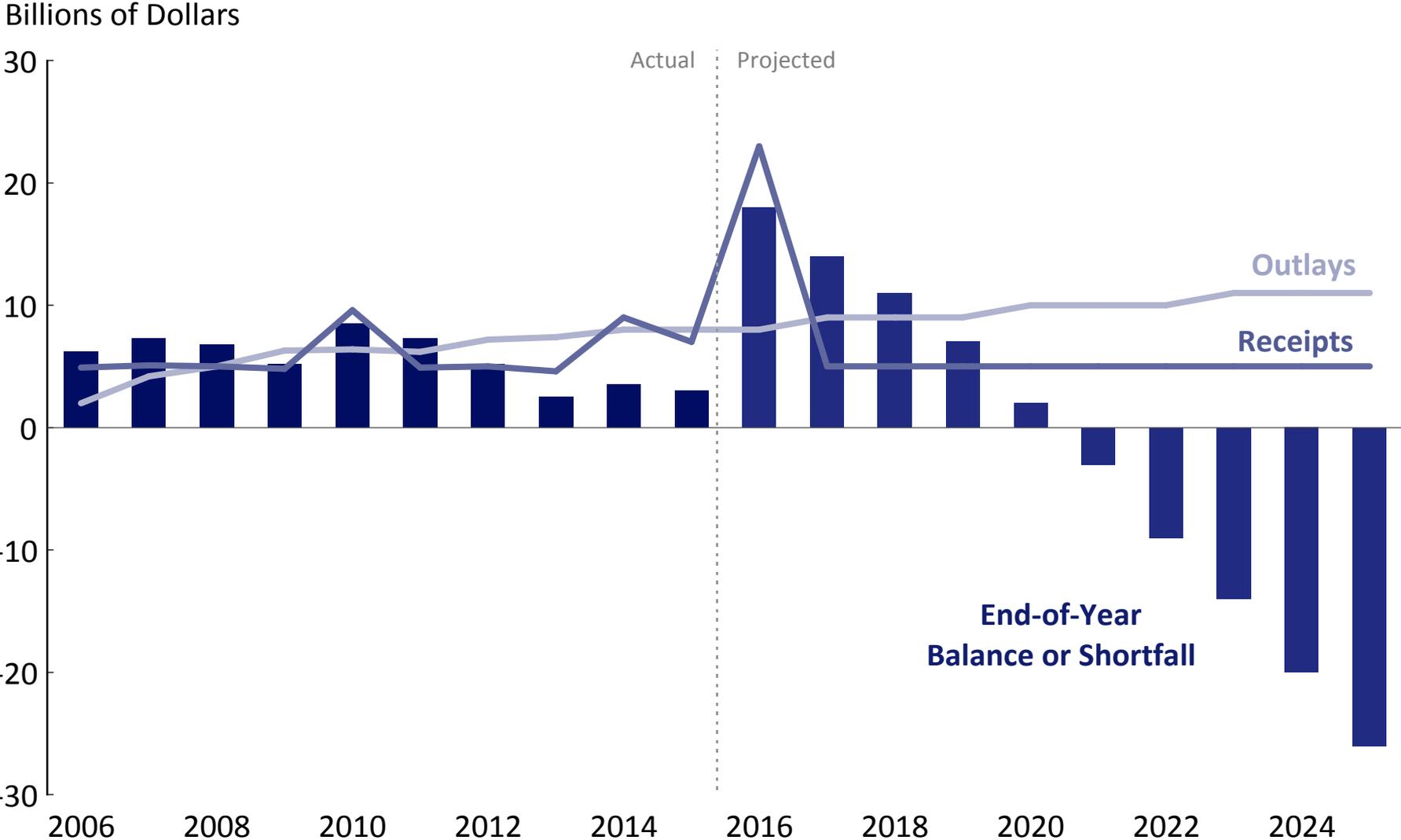
- Spending from the Highway Trust Fund exceeds revenues credited to the fund from taxes on motor fuels, heavy trucks, and tires.
- CBO projects that, under the FAST Act, both the highway and transit accounts of the Highway Trust Fund will be unable to meet all obligations in 2021.

Status of the Highway Account of the Highway Trust Fund

Billions of Dollars



Status of the Transit Account of the Highway Trust Fund



More Information

- The FAST Act was signed into law on December 4, 2015, as Public Law 114-94; see CBO's cost estimate for the conference agreement on H.R. 22, the FAST Act (December 2, 2015), www.cbo.gov/publication/51051.