



Congressional Budget Office

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Status of the Highway Trust Fund Under MAP-21

Transportation Research Board Annual Meeting

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Overview

- CBO ABCs
 - Nonpartisan Congressional support agency
- The Highway Trust Fund and MAP-21
 - Funding history and general fund transfers in MAP-21
 - CBO estimates that the trust fund can meet obligations through FY 2014
 - Obligated balances plus unobligated contract authority in the Highway and Transit Accounts combined equals 3 to 4 years of dedicated revenues

What CBO Does

- Provides objective, nonpartisan analysis to the Congress in preparing and analyzing the budget and legislative proposals
- Helps Congress develop and stay within a budget plan
 - Baseline and cost estimates
- Helps Congress consider issues related to the budget and to economic policy

What CBO Does Not Do

- Make policy recommendations
 - CBO is strictly nonpartisan; makes no judgments about a legislative proposal’s “merits”
- Write legislation
 - CBO evaluates different proposals or options
- Implement programs, regulations, enforce budget rules—that’s the job of the Executive Branch
- Audit spending or receipts—that’s the responsibility of the Government Accountability Office (GAO)

Highway Trust Fund Basics

■ Highway Account

- Highways, highway safety (NHTSA), and regulation of motor carriers (FMCSA)
- Funded by gas tax, diesel tax, and taxes on certain heavy trucks and truck tires
- Revenues will total about \$33 billion in FY 2013

■ Transit Account

- Finances 80 percent of federal transit programs
- Funded by gas tax
- Revenues will total about \$5 billion in FY 2013

What Did MAP-21 Do?

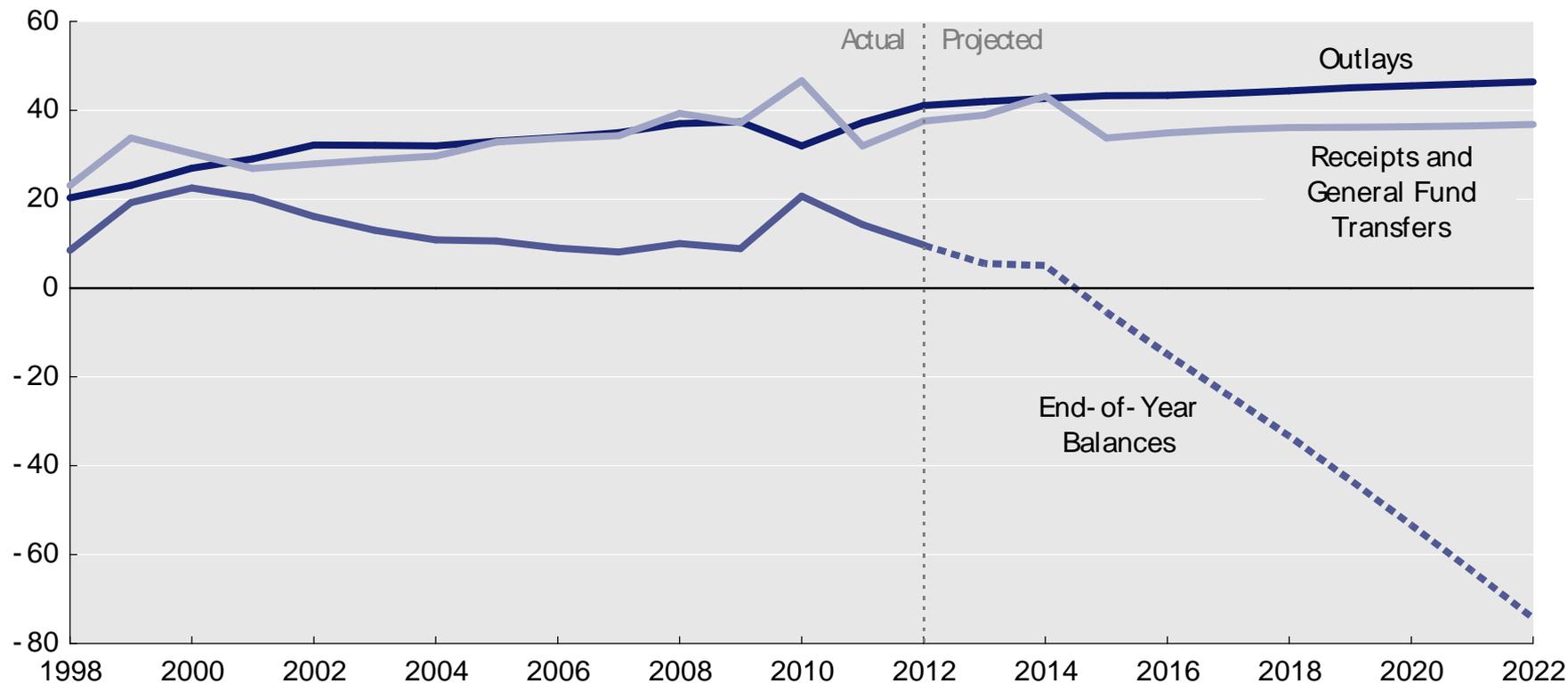
- Reauthorized surface transportation programs
 - Across DOT, increased annual contract authority by less than \$1 billion per year.
- Transferred money to the Highway Trust Fund
 - \$2.4 Billion from Leaking Underground Storage Tank Trust Fund (LUST)
 - \$18.8 Billion from the general fund
- More money for the Transportation Infrastructure Finance and Innovation Act (TIFIA)
- Limited expansion of tolling authority
- Authorized \$500 million for Projects of Regional and National Significance (still needs to be appropriated)
 - Generally less discretionary funding for DOT
 - 92% of funds distributed through apportionment

What Did MAP-21 NOT Do?

- Create any new, ongoing revenue for the Highway Trust Fund from users
- Allow TIFIA applicants to “pay for their own subsidy”
- Expand the Railroad Rehabilitation & Improvement Financing (RRIF) program
- Significantly change formula distribution from the Safe, Accountable, Flexible, Efficient, Transportation Equity Act, a Legacy for Users (SAFETEA-LU; Public Law 109-52) (although it did consolidate a number of programs)

Highway Account Receipts, Outlays, and Balances, 1998 to 2022

(Billions of nominal dollars)



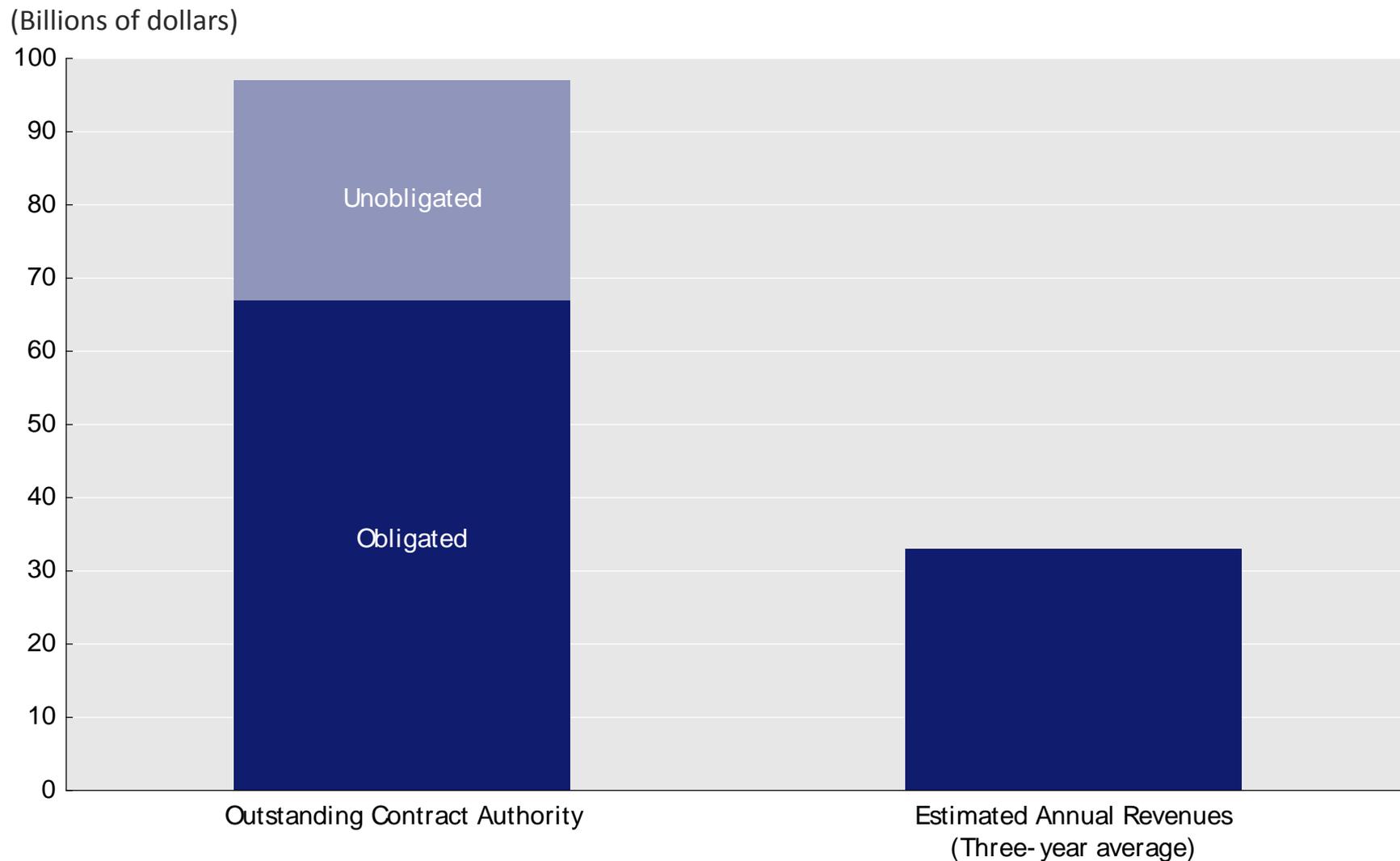
Source: Congressional Budget Office.

Notes: Assumptions are based on CBO's March 2012 baseline projections, updated for MAP-21 enactment, and 2012 Actual results.

CBO's baseline is calculated by increasing the obligation limits set for current year by a measure of projected inflation and by assuming extension of the current tax on fuels and on heavy vehicles.

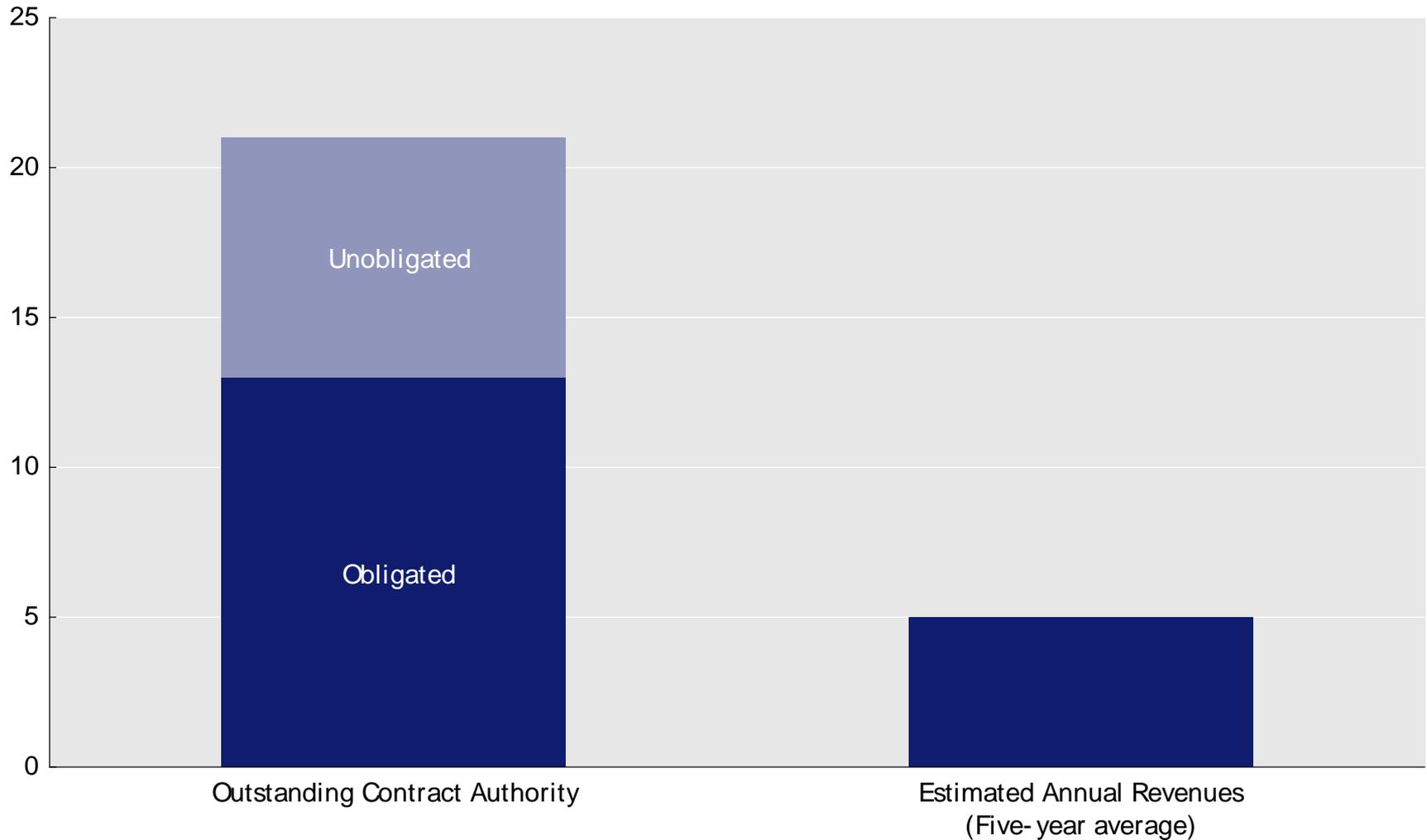
The Highway Trust Fund cannot incur negative balances. Negative balances are illustrative of the cumulative deficit that would be incurred by the Highway Account under CBO's baseline scenario.

Highway Account: End of Fiscal Year 2012



Transit Account: End of Fiscal Year 2012

(Billions of dollars)



Further Information

Cost Estimates for Legislation:

www.cbo.gov/search/ce_sitesearch.cfm

Other CBO Transportation and Infrastructure Publications:

www.cbo.gov/topics/infrastructure-and-transportation