

Projections of Highway Trust Fund Accounts – CBO's March 2015 Baseline

(Billions of dollars, by fiscal year)

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|--|------|------|------|------|------|------|------|------|------|------|------|------|
| Highway Account | | | | | | | | | | | | |
| Start-of-Year Balance | 4 | 11 | 2 | a | a | a | a | a | a | a | a | a |
| Revenues and Interest ^b | 34 | 34 | 35 | 35 | 35 | 35 | 35 | 35 | 35 | 35 | 34 | 34 |
| Intragovernmental Transfers ^c | 18 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Outlays ^d | 45 | 44 | 45 | 45 | 46 | 46 | 47 | 48 | 48 | 49 | 50 | 50 |
| End-of-Year Balance | 11 | 2 | a | a | a | a | a | a | a | a | a | a |
| Transit Account | | | | | | | | | | | | |
| Start-of-Year Balance | 2 | 3 | 1 | a | a | a | a | a | a | a | a | a |
| Revenues and Interest ^b | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 4 |
| Intragovernmental Transfers ^c | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Outlays ^d | 8 | 8 | 8 | 8 | 8 | 9 | 9 | 9 | 10 | 10 | 9 | 10 |
| End-of-Year Balance | 3 | 1 | a | a | a | a | a | a | a | a | a | a |
| Memorandum: | | | | | | | | | | | | |
| Cumulative Shortfall ^a | | | | | | | | | | | | |
| Highway Account | n.a. | n.a. | -8 | -19 | -29 | -41 | -52 | -65 | -79 | -93 | -108 | -125 |
| Transit Account | n.a. | n.a. | -3 | -6 | -9 | -13 | -17 | -22 | -27 | -32 | -37 | -43 |

Notes: Details may not add to totals because of rounding.

n.a. = not applicable.

a. Beginning in fiscal year 2015, CBO projects, revenues credited to the highway and transit accounts of the Highway Trust Fund will be insufficient to meet the fund's obligations. Under current law, the trust fund cannot incur negative balances, nor is it permitted to borrow to cover unmet obligations presented to the fund. Under the Balanced Budget and Emergency Deficit Control Act of 1985, however, CBO's baseline for highway and transit spending must incorporate the assumption that obligations incurred by the Highway Trust Fund will be paid in full. As a result, the cumulative shortfalls shown here are estimated on the basis of spending that would occur if obligations from the fund each year were equal to the obligation limitations enacted for 2015, adjusted for projected inflation. To meet obligations as they come due, the Department of Transportation estimates, the highway account must maintain a cash balance of at least \$4 billion and the transit account must maintain a balance of at least \$1 billion.

b. Some of the taxes that are credited to the Highway Trust Fund are scheduled to expire on September 30, 2016, among them, the taxes on certain heavy vehicles and tires and all but 4.3 cents of the federal tax on motor fuels. However, under the rules governing baseline projections, these estimates reflect the assumption that all of the expiring taxes credited to the fund will continue to be collected.

c. Sections 40201 and 40251 of the Moving Ahead for Progress in the 21st Century Act (Public Law 112-140) and section 2002 of the Highway and Transportation Funding Act of 2014 (Public Law 113-159) required certain intragovernmental transfers in 2014, mostly from the general fund of the Treasury, to the Highway Trust Fund. CBO's baseline does not reflect an assumption that additional transfers from the general fund would occur.

d. Outlays include amounts transferred between the highway and transit accounts. CBO estimates that those amounts would total about \$1 billion annually.