

Highway Trust Fund Accounts—CBO’s Estimate of the President’s Fiscal Year 2020 Budget

The federal government’s surface transportation programs are financed mostly through the Highway Trust Fund, which has two accounts, one for highways and one for mass transit. The fund records inflows from revenues collected through excise taxes on the sale of motor fuels, trucks and trailers, and truck tires; taxes on the use of certain kinds of vehicles; and interest credited to the fund. It records cash outflows for spending on designated highway and mass transit projects, mostly in the form of grants to state and local governments. Most of the authority to spend is controlled by limitations on obligations contained in appropriation acts.

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Billions of Dollars, by Fiscal Year

May 20, 2019

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Highway Account										
Start-of-Year Balance	24	14	2	a	a	a	a	a	a	a
Revenues and Interest ^b	38	37	37	37	37	37	36	36	37	37
Intragovernmental Transfers	0	0	0	0	0	0	0	0	0	0
Outlays ^c	47	47	47	48	47	48	47	47	47	47
End-of-Year Balance	14	2	a	a	a	a	a	a	a	a
Transit Account										
Start-of-Year Balance	9	5	*	a	a	a	a	a	a	a
Revenues and Interest ^b	5	5	5	5	5	5	5	5	5	5
Intragovernmental Transfers	0	0	0	0	0	0	0	0	0	0
Outlays ^c	10	11	11	11	11	11	11	11	11	11
End-of-Year Balance	5	*	a	a	a	a	a	a	a	a
Memorandum:										
Cumulative Shortfall ^a										
Highway Account	n.a.	n.a.	-9	-21	-33	-45	-57	-68	-80	-92
Transit Account	n.a.	n.a.	-5	-10	-15	-20	-25	-31	-36	-42

Components may not sum to totals because of rounding; n.a. = not applicable; * = between zero and \$500 million.

For estimates in millions of dollars by fiscal year, see page 3.

This table incorporates the effects of the Consolidated Appropriations Act, 2019 (Public Law 116-6), as signed by the President on February 15, 2019.

The President's budget proposes providing \$58 billion in every year from 2020 through 2028 for programs funded by the Highway Trust Fund. That amount consists of \$47 billion for programs funded from the highway account and \$11 billion for programs funded from the transit account. In P.L. 116-6, the Congress provided close to \$57 billion for such programs.

a. Under current law, the Highway Trust Fund cannot incur negative balances. However, following the rules governing baseline projections in the Balanced Budget and Emergency Deficit Control Act of 1985, CBO's baseline for surface transportation spending reflects the assumption that obligations presented to the Highway Trust Fund will be paid in full. The memorandum to this table shows the cumulative shortfall of fund balances, assuming spending amounts consistent with those in CBO's estimate of the President's fiscal year 2020 budget.

b. Some of the taxes that are credited to the Highway Trust Fund are scheduled to expire on September 30, 2022, including the taxes on 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 after fiscal year 2022.

c. Outlays also include amounts transferred from the highway account to the transit account. CBO estimates that those amounts would total \$1 billion annually.

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	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Highway Account										
Start-of-Year Balance	23,542	13,539	2,468	a	a	a	a	a	a	a
Revenues and Interest ^b	37,739	37,309	36,955	36,762	36,650	36,560	36,494	36,468	36,508	36,583
Intragovernmental Transfers	0	0	0	0	0	0	0	0	0	0
Outlays ^c	46,743	47,380	47,485	47,609	47,472	47,501	47,483	47,244	47,126	47,026
End-of-Year Balance	13,539	2,468	a	a	a	a	a	a	a	a
Transit Account										
Start-of-Year Balance	8,693	4,857	300	a	a	a	a	a	a	a
Revenues and Interest ^b	5,429	5,262	5,149	5,094	5,043	4,990	4,944	4,904	4,867	4,831
Intragovernmental Transfers	0	0	0	0	0	0	0	0	0	0
Outlays ^c	10,265	10,819	11,060	11,124	11,166	11,266	11,242	11,294	11,244	11,244
End-of-Year Balance	4,857	300	a	a	a	a	a	a	a	a
Memorandum:										
Cumulative Shortfall ^a										
Highway Account	n.a.	n.a.	-9,062	-20,909	-32,731	-44,673	-56,662	-68,438	-80,057	-91,500
Transit Account	n.a.	n.a.	-4,611	-9,641	-14,763	-20,040	-25,337	-30,727	-36,104	-41,518

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