OUR CURRENT PROBLEM

SO WHAT’S BEEN HAPPENING SINCE 1993?

Costs have continued increasing and Congress has done nothing

THE GAS TAX HAS LOST ALMOST 40 PERCENT OF ITS PURCHASING POWER

Still set at 18.4 cents per gallon of gasoline, the fuel tax has a drastically lower purchasing power than it did in 1993.

WHAT ARE THE IMPLICATIONS?

Since 2008, the federal government has regularly scrambled to provide the Highway Trust Fund with enough money to get by in the short-term without coming up with a long-term solution to fix a perpetually draining fund.

IF CONGRESS HASN’T ACTED TO KEEP THE HIGHWAY TRUST FUND SOLVENT IN THE LONG-TERM, THEN HOW HAVE TAXPAYERS FUNDED NEEDED TRANSPORTATION MAINTENANCE AND IMPROVEMENT?
THE SHORT-TERM SOLUTION:
BORROWING GOVERNMENT MONEY

TIMELINE: A TOTAL OF $64.1 BILLION OF BORROWED MONEY

2008
$8 BILLION
Law: To Amend the Internal Revenue Code of 1986 to Restore the Highway Trust Fund Balance

2009
$7 BILLION
Law: To restore sums to the Highway Trust Fund

2010
$19.5 BILLION
Law: Hiring Incentives to Restore Employment Act

2013
$6.2 BILLION
Law: Moving Ahead for Progress in the 21st Century Act

2014
$23.4 BILLION

The latest short-term funding expires in May 2015
HOW DID WE GET HERE?

WHY HAS THE HIGHWAY TRUST FUND ERODED?

1. Congress didn’t peg the fuel tax to inflation
2. Vehicles are more fuel-efficient
3. Increasing need for road repair
4. Rising construction costs
5. Reduction in annual miles driven
6. An aging system

(Sources: Department of Transportation, FHWA, FTA)