

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

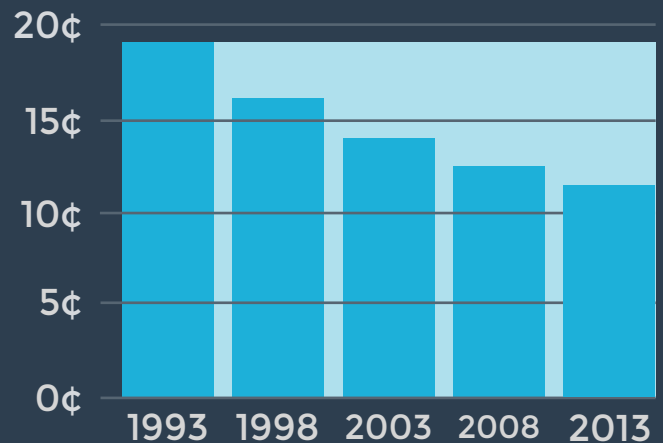
Still set at 18.4 cents per gallon of gasoline, the fuel tax has a drastically lower purchasing power than it did in 1993.

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.

PURCHASING POWER OF GAS TAX (1993 dollars)

Cents per gallon



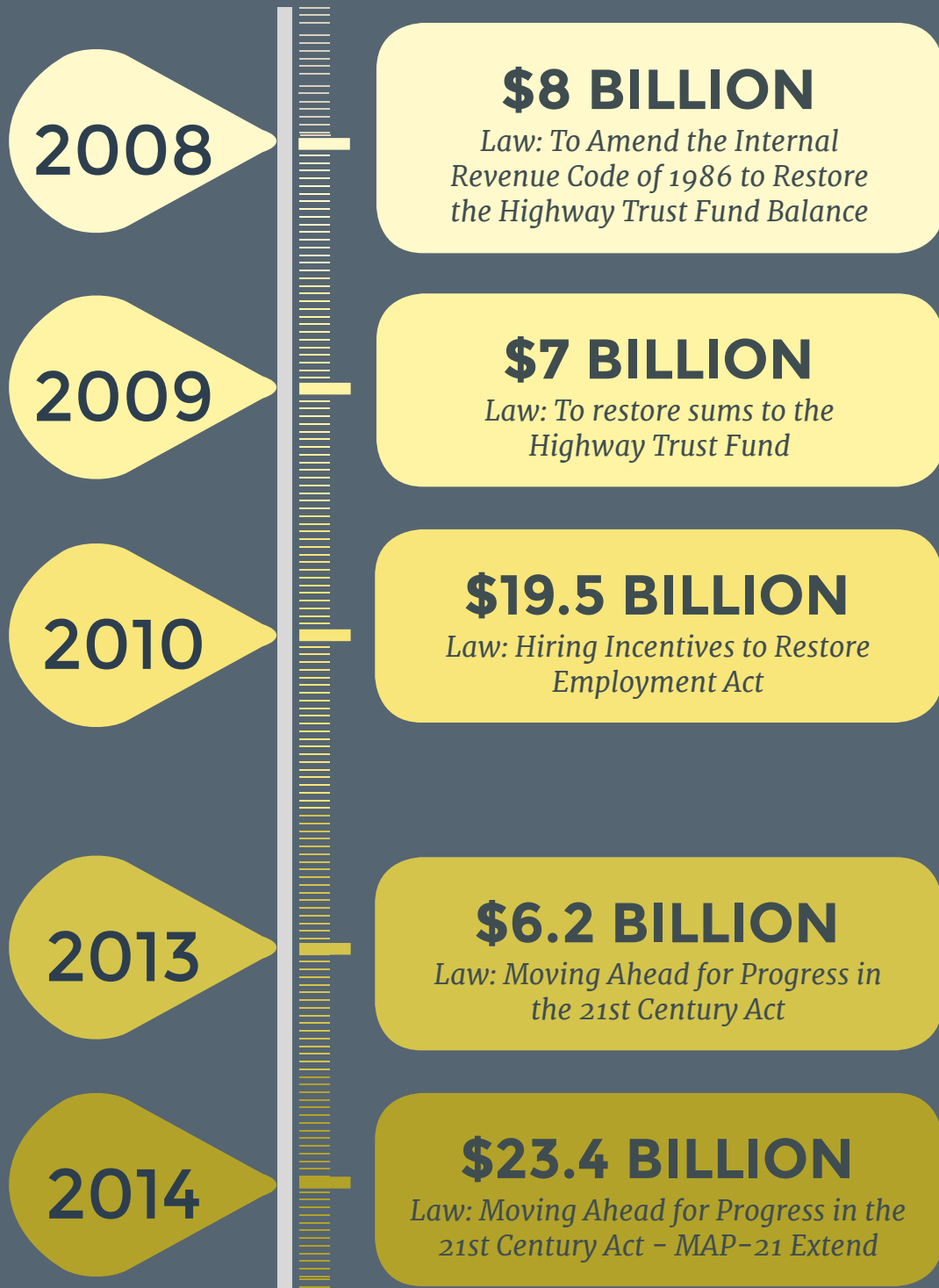
■ Federal gas tax

■ Federal gas tax adjusted for inflation

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



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)

