

The Future of the HIGHWAY TRUST FUND

ATSSA Position

The Highway Trust Fund (HTF) is not on stable financial footing. Federal highway programs, such as the Highway Safety Improvement Program (HSIP) that funds lifesaving roadway safety improvements, will be facing a fiscal cliff at the end of the next authorization bill – creating substantial instability and uncertainty that could impact safety and transportation projects across the country.

▲ The HTF is currently funded primarily through a federal excise tax on gas and diesel fuel – taxes that have not been increased since 1993 or adjusted for inflation.

▲ With the rise in usage of electric and more fuel-efficient vehicles, current federal fuel taxes will continue to be unable to sustain HTF spending on federal highway programs in the future.

▲ Since 2008, more than \$275 billion has been transferred from the General Fund to the HTF. This is simply not sustainable into the future.

▲ The January 2025 Congressional Budget Office (CBO) Baseline¹ highlights the precarious situation facing the HTF after the expiration of the IIJA in FY2026. CBO estimates more than \$140 billion in additional revenue will be needed from FY2027-FY2031 just to maintain current federal highway and transit program funding levels (adjusted for inflation).

¹Congressional Budget Office, January 2025 Baseline - Highway Trust Fund Accounts, <https://bit.ly/CBO-HTF-BaselineJan2025>

Conclusion

ATSSA leads the industry, collaborating with Congress to identify lasting solutions for HTF funding. ATSSA partners with stakeholders to assess the feasibility of shifting from current gas and diesel excise taxes to a usage-based highway payment system.

This system, known as a road usage charge or mileage-based user fee, requires further study and development to inform Congress and the public about its viability for the future of the HTF.

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