

Feb. 4, 2019

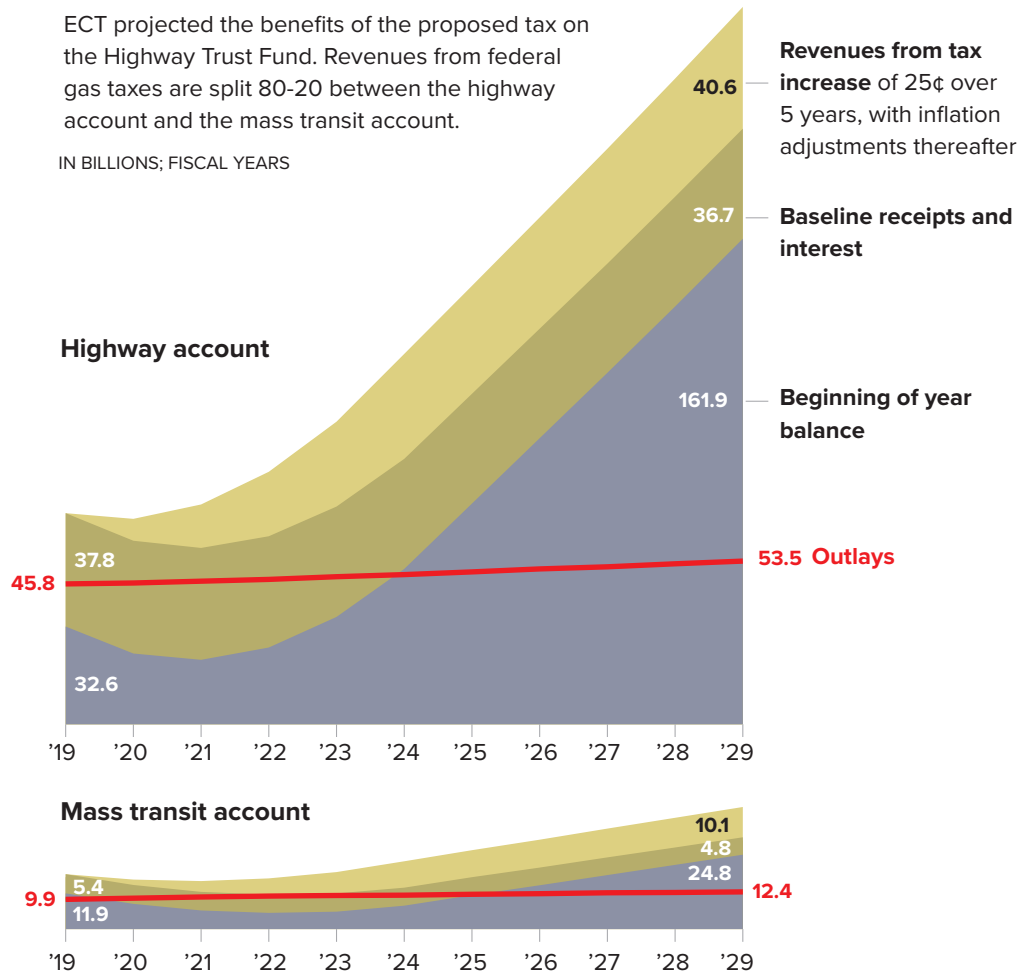
How to Keep the Highway Trust Fund Solvent

The Chamber of Commerce last year proposed raising federal fuel taxes 5 cents per year for five years, and adjusting it for inflation for each subsequent year. Rep. Earl Blumenauer (D-Ore.) is drafting a bill that would do just that, according to Eno Center for Transportation, which calculated the effects of raising gas taxes. The Chamber/Blumenauer proposal would boost the Highway Trust Fund's beginning balance to \$186.7 billion by 2029. A minimum tax increase of 13.5 cents will be necessary to keep HTF's highway account and mass transit account solvent, according to ECT's analysis.

Chamber/Blumenauer

ECT projected the benefits of the proposed tax on the Highway Trust Fund. Revenues from federal gas taxes are split 80-20 between the highway account and the mass transit account.

IN BILLIONS; FISCAL YEARS

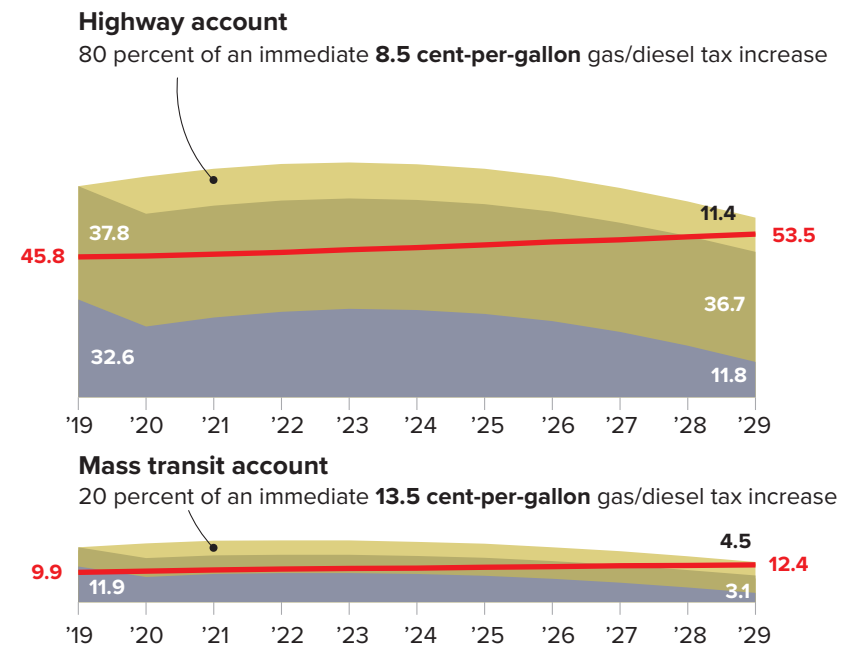


Sources: GAO, Eno Center for Transportation

Minimum tax increase needed

Assuming no changes in demand or in the 80-20 split between highway and transit accounts, ECT figured out the least tax it would take to keep each account solvent through 2029.

IN BILLIONS; FISCAL YEARS



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