



U.S. Department
of Transportation

**Federal Highway
Administration**

Bulletin

Subject

HIGHWAY FUNDING 1997 - 2000

Date March 3, 2000

Total disbursements for highways are expected to be \$119.9 billion in 2000, an increase of 17.6 percent over 1997, which is the latest year that final numbers are available. Total revenues used for highways or placed in reserves for highways are expected to reach \$125.7 billion in 2000. The difference (\$5.8 billion) will be placed in reserve - \$4.1 billion for the Federal Government and \$1.7 billion for State and local governments.

Total highway-user revenues of \$101.8 billion (motor fuel, motor vehicle taxes and fees, and tolls) are anticipated in 2000 which would fund about 85 percent of all highway disbursements. However, \$12.1 billion of highway-user revenues are destined for general government use, collection expenses, and other non-highway uses, while \$9.0 billion will be used for mass transportation. Consequently, only \$80.6 billion or 79 percent of taxes and fees charged to road users will be applied to the highway programs of Federal, State, and local governments. Since some highway-user revenues will be expended for non-highway purposes, governments at all levels must apply a variety of non-user revenues for highway purposes. Non-user revenue sources include general funds, other specific taxes and fees dedicated to highway purposes, investment income, and bond proceeds.

TEA-21 provided a significant increase in Federal funds for highway and mass transit capital programs.

Capital expenditures are expected to rise to \$58.1 billion in 2000, accounting for over 48 percent of total highway expenditures. This is an increase of \$9.7 billion, or more than 20 percent compared to 1997. State governments will be responsible for approximately 76 percent of the total, with capital expenditures of \$44.1 billion.

Based upon the latest available data, 28 percent of the State government capital expenditures will be for projects on the Interstate system, and 41 percent will be used on other principal arterials. An additional 21 percent will be for projects on other arterial and collectors, while 10 percent will be used for local roads. Of the amount expended by States on all arterials and collectors, 16 percent is expected to be used for new roads and bridges, 31 percent for other capacity improvements, 45 percent for system preservation, and 8 percent for operational and safety-related improvements.

Total funding for highways including receipts, intergovernmental payments, and disbursements for the years 1997 through 2000 are shown in the attached Table HF-10B.

Projected highway expenditures for 2000 are summarized as follows:

| | <u>Billions</u> | <u>Percent</u> |
|-------------------------------|-----------------|----------------|
| Highway Capital Outlay | \$ 58.1 | 48.4 |
| Highway Maintenance/Operation | 30.9 | 25.8 |
| Administration and Research | 9.4 | 7.8 |
| Law Enforcement and Safety | 11.1 | 9.3 |
| Interest | 4.8 | 4.0 |
| Bond Retirements | <u>5.6</u> | <u>4.7</u> |
| Total | \$ 119.9 | 100.0 |

Barna Juhasz
 Director, Office of Highway
 Policy Information

Attachments

FUNDING FOR HIGHWAYS , ALL UNITS OF GOVERNMENT, 1997-2000 1/

(MILLIONS OF DOLLARS)

TABLE HF-10B
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MARCH 2000

| ITEM | 1997 (FINAL) | | | | | | 1998 (PRELIMINARY) | | | | | |
|---|----------------------------|-----------------------------|---------------|-------------------------|-------------------|----------|----------------------------|-----------------------------|---------------|-------------------------|-------------------|---------|
| | FEDERAL GOVERNMENT | | | STATE AGENCIES AND D.C. | LOCAL GOVERNMENTS | TOTAL | FEDERAL GOVERNMENT | | | STATE AGENCIES AND D.C. | LOCAL GOVERNMENTS | TOTAL |
| | HIGHWAY TRUST FUND ACCOUNT | OTHER FUNDS AND ACCOUNTS 2/ | TOTAL FEDERAL | | | | HIGHWAY TRUST FUND ACCOUNT | OTHER FUNDS AND ACCOUNTS 2/ | TOTAL FEDERAL | | | |
| DISPOSITION OF HIGHWAY-USER REVENUE BY COLLECTING AGENCIES | | | | | | | | | | | | |
| Net Collections: 3/ | 20,509 | 11,368 | 31,877 | 55,202 | 2,941 | 90,020 | 23,141 | 4,066 | 27,207 | 58,762 | 3,090 | 89,059 |
| Less: Amount for Nonhighway Purposes 4/ | - | (8,752) | (8,752) | (5,893) | (138) | (14,783) | - | (709) | (709) | (7,817) | (125) | (8,651) |
| Less: Amount for Mass Transportation | (681) | (2,609) | (3,290) | (2,119) | (553) | (5,962) | (790) | (3,350) | (4,140) | (2,478) | (570) | (7,188) |
| Less: Amount for Collection Expenses 5/ | - | - | - | (2,869) | - | (2,869) | - | - | - | (3,076) | - | (3,076) |
| Less: Amount for Territories 6/ | (133) | (7) | (140) | - | - | (140) | (121) | (7) | (128) | - | - | (128) |
| Net Used for Highway Purposes | 19,695 | - | 19,695 | 44,321 | 2,250 | 66,266 | 22,230 | - | 22,230 | 45,391 | 2,395 | 70,016 |
| REVENUES USED FOR HIGHWAYS - BY COLLECTING AGENCIES | | | | | | | | | | | | |
| Highway User Revenues | 19,695 | - | 19,695 | 40,429 | 1,474 | 61,598 | 22,230 | - | 22,230 | 41,294 | 1,565 | 65,089 |
| Motor-Fuel and Vehicle Taxes | - | - | - | 3,892 | 776 | 4,668 | - | - | - | 4,097 | 830 | 4,927 |
| Tolls | - | - | - | - | 2,250 | 66,266 | 22,230 | - | 22,230 | 45,391 | 2,395 | 70,016 |
| Subtotal | 19,695 | - | 19,695 | 44,321 | 2,250 | 66,266 | 22,230 | - | 22,230 | 45,391 | 2,395 | 70,016 |
| Other Taxes and Fees | - | 948 | 948 | 2,916 | 11,255 | 15,119 | - | 1,025 | 1,025 | 2,710 | 11,863 | 15,598 |
| Property Taxes and Assessments | - | 200 | 200 | 2,419 | 2,427 | 5,046 | - | 174 | 174 | 2,674 | 2,726 | 5,574 |
| General Fund Appropriations 3/ and Other Taxes and Fees | - | 1,148 | 1,148 | 5,335 | 18,941 | 25,424 | - | 1,199 | 1,199 | 5,383 | 19,926 | 26,508 |
| Subtotal | - | 1,148 | 1,148 | 5,335 | 18,941 | 25,424 | - | 1,199 | 1,199 | 5,383 | 19,926 | 26,508 |
| Fees | 805 | - | 805 | 2,478 | 3,694 | 6,977 | 1,166 | - | 1,166 | 2,809 | 3,766 | 7,741 |
| Investment Income and Other Receipts | - | - | - | 5,953 | 2,801 | 8,754 | - | - | - | 6,056 | 2,861 | 8,917 |
| Total Current Income | 20,500 | 1,148 | 21,648 | 52,134 | 24,885 | 98,667 | 23,396 | 1,199 | 24,595 | 53,583 | 26,087 | 104,265 |
| Bond Issue Proceeds 7/ | - | - | - | - | - | - | - | - | - | - | - | - |
| Grand Total Receipts | 20,500 | 1,148 | 21,648 | 58,087 | 27,686 | 107,421 | 23,396 | 1,199 | 24,595 | 59,639 | 28,948 | 113,182 |
| Intergovernmental Payments | (18,942) | - | (18,942) | 18,576 | 366 | - | (18,280) | - | (18,280) | 17,628 | 652 | - |
| Federal Highway Trust Fund | - | (935) | (935) | 441 | 494 | - | - | (992) | (992) | 520 | 472 | - |
| Other Federal Funds | - | - | - | (11,329) | 11,329 | - | - | - | - | (10,485) | 10,485 | - |
| State Highway-User Imposts | - | - | - | (1,725) | 1,725 | - | - | - | - | (1,974) | 1,974 | - |
| Other State Funds | - | - | - | 1,363 | (1,363) | - | - | - | - | 1,207 | (1,207) | - |
| Local Governments Funds | (18,942) | (935) | (19,876) | 7,326 | 12,551 | - | (18,280) | (992) | (19,272) | 6,895 | 12,376 | - |
| Subtotal | (18,942) | (935) | (19,876) | 7,326 | 12,551 | - | (18,280) | (992) | (19,272) | 6,895 | 12,376 | - |
| Funds Drawn from or Placed in Reserves 8/ | (455) | (2) | (457) | (3,878) | (1,133) | (5,468) | (3,960) | (8) | (3,968) | (1,029) | (992) | (5,990) |
| Total Funds Available | 1,103 | 212 | 1,315 | 61,534 | 39,104 | 101,953 | 1,156 | 199 | 1,355 | 65,505 | 40,332 | 107,192 |
| DISBURSEMENTS FOR HIGHWAYS - BY EXPENDING AGENCIES | | | | | | | | | | | | |
| Capital Outlay | - | - | - | 33,475 | - | 33,475 | - | - | - | 36,265 | - | 36,265 |
| On State-Administered Highways | - | - | - | 2,246 | 12,384 | 14,630 | - | - | - | 2,269 | 12,829 | 15,098 |
| On Locally Administered Roads | 167 | 88 | 255 | - | - | 255 | 163 | 88 | 251 | - | - | 251 |
| Not Classified by System | 167 | 88 | 255 | 35,721 | 12,384 | 48,360 | 163 | 88 | 251 | 38,534 | 12,829 | 51,614 |
| Subtotal | 167 | 88 | 255 | 35,721 | 12,384 | 48,360 | 163 | 88 | 251 | 38,534 | 12,829 | 51,614 |
| Maintenance and Traffic Services | - | - | - | 11,208 | - | 11,208 | - | - | - | 11,439 | - | 11,439 |
| On State-Administered Highways | - | - | - | 126 | 15,364 | 15,490 | - | - | - | 118 | 15,610 | 15,728 |
| On Locally Administered Roads | 10 | 69 | 79 | - | - | 79 | 10 | 58 | 68 | - | - | 68 |
| Not Classified by System | 10 | 69 | 79 | 11,334 | 15,364 | 26,777 | 10 | 58 | 68 | 11,557 | 15,610 | 27,235 |
| Subtotal | 10 | 69 | 79 | 11,334 | 15,364 | 26,777 | 10 | 58 | 68 | 11,557 | 15,610 | 27,235 |
| Administration and Research | 926 | 55 | 981 | 4,572 | 2,703 | 8,256 | 983 | 53 | 1,036 | 4,731 | 2,752 | 8,519 |
| Highway Law Enforcement and Safety | - | - | - | 4,930 | 4,831 | 9,761 | - | - | - | 5,052 | 5,103 | 10,155 |
| Interest on Debt | - | - | - | 2,488 | 1,678 | 4,166 | - | - | - | 2,745 | 1,727 | 4,472 |
| Total Current Disbursements | 1,103 | 212 | 1,315 | 59,045 | 36,960 | 97,320 | 1,156 | 199 | 1,355 | 62,619 | 38,021 | 101,995 |
| Bond Retirements 7/ | - | - | - | 2,489 | 2,144 | 4,633 | - | - | - | 2,886 | 2,311 | 5,197 |
| Grand Total Disbursements | 1,103 | 212 | 1,315 | 61,534 | 39,104 | 101,953 | 1,156 | 199 | 1,355 | 65,505 | 40,332 | 107,192 |

FUNDING FOR HIGHWAYS , ALL UNITS OF GOVERNMENT, 1997-2000 1/

(MILLIONS OF DOLLARS)

TABLE HF-10B
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MARCH 2000

| ITEM | 1999 (ESTIMATED) | | | | | | 2000 (FORECAST) | | | | | | |
|---|--|-----------------------------|---------------|-------------------------|-------------------|----------|----------------------------|-----------------------------|---------------|-------------------------|-------------------|---------|--|
| | FEDERAL GOVERNMENT | | | STATE AGENCIES AND D.C. | LOCAL GOVERNMENTS | TOTAL | FEDERAL GOVERNMENT | | | STATE AGENCIES AND D.C. | LOCAL GOVERNMENTS | TOTAL | |
| | HIGHWAY TRUST FUND ACCOUNT | OTHER FUNDS AND ACCOUNTS 2/ | TOTAL FEDERAL | | | | HIGHWAY TRUST FUND ACCOUNT | OTHER FUNDS AND ACCOUNTS 2/ | TOTAL FEDERAL | | | | |
| DISPOSITION OF HIGHWAY-USER REVENUE BY COLLECTING AGENCIES | | | | | | | | | | | | | |
| Net Collections: 3/ | 33,821* | 6,982 | 40,803 | 61,210 | 3,216 | 105,228 | 29,653 | 5,356 | 35,009 | 63,484 | 3,348 | 101,840 | |
| Less: Amount for Nonhighway Purposes 4/ | (8,017)** | (1,504) | (9,521) | (7,401) | (115) | (17,037) | - | (1,534) | (1,534) | (7,742) | (105) | (9,380) | |
| Less: Amount for Mass Transportation | (588) | (5,469) | (6,057) | (3,463) | (588) | (10,108) | (882) | (3,812) | (4,694) | (3,653) | (606) | (8,954) | |
| Less: Amount for Collection Expenses 5/ | - | - | - | (3,025) | - | (3,025) | - | - | - | (2,761) | - | (2,761) | |
| Less: Amount for Territories 6/ | (141) | (9) | (150) | - | - | (150) | (146) | (9) | (155) | - | - | (155) | |
| Net Used for Highway Purposes | 25,075 | - | 25,075 | 47,321 | 2,513 | 74,909 | 28,625 | - | 28,625 | 49,328 | 2,638 | 80,591 | |
| REVENUES USED FOR HIGHWAYS - BY COLLECTING AGENCIES | | | | | | | | | | | | | |
| Highway User Revenues | 25,075 | - | 25,075 | 43,096 | 1,626 | 69,797 | 28,625 | - | 28,625 | 44,907 | 1,689 | 75,221 | |
| Motor-Fuel and Vehicle Taxes | - | - | - | 4,225 | 887 | 5,112 | - | - | - | 4,421 | 949 | 5,370 | |
| Tolls | - | - | - | - | - | - | - | - | - | - | - | - | |
| Subtotal | 25,075 | - | 25,075 | 47,321 | 2,513 | 74,909 | 28,625 | - | 28,625 | 49,328 | 2,638 | 80,591 | |
| Other Taxes and Fees | - | - | - | - | 5,412 | 5,412 | - | - | - | - | 5,488 | 5,488 | |
| Property Taxes and Assessments | - | 912 | 912 | 2,910 | 12,504 | 16,326 | - | 898 | 898 | 3,051 | 13,179 | 17,128 | |
| General Fund Appropriations 3/ | - | 176 | 176 | 2,610 | 3,061 | 5,847 | - | 165 | 165 | 2,724 | 3,438 | 6,327 | |
| Other Taxes and Fees | - | 1,088 | 1,088 | 5,520 | 20,977 | 27,585 | - | 1,063 | 1,063 | 5,775 | 22,105 | 28,943 | |
| Subtotal | - | 2 | 2 | 2,721 | 3,839 | 6,562 | - | - | - | 2,789 | 3,914 | 6,703 | |
| Investment Income and Other Receipts | 25,077 | 1,088 | 26,165 | 55,562 | 27,329 | 109,056 | 28,625 | 1,063 | 29,688 | 57,893 | 28,657 | 116,238 | |
| Total Current Income | - | - | - | 6,144 | 2,922 | 9,066 | - | - | - | 6,438 | 2,984 | 9,422 | |
| Bond Issue Proceeds 7/ | 25,077 | 1,088 | 26,165 | 61,706 | 30,251 | 118,122 | 28,625 | 1,063 | 29,688 | 64,331 | 31,641 | 125,660 | |
| Grand Total Receipts | (20,925) | (907) | (20,925) | 20,504 | 421 | - | (22,949) | - | (22,949) | 22,497 | 452 | - | |
| Federal Highway Trust Fund | - | (907) | (907) | 397 | 510 | - | - | (904) | (904) | 386 | 518 | - | |
| Other Federal Funds | - | - | - | (11,089) | 11,089 | - | - | - | - | (11,527) | 11,527 | - | |
| State Highway-User Imposts | - | - | - | (2,101) | 2,101 | - | - | - | - | (2,226) | 2,226 | - | |
| Other State Funds | - | - | - | 1,516 | (1,516) | - | - | - | - | 1,598 | (1,598) | - | |
| Local Governments Funds | (20,925) | (907) | (21,832) | 9,228 | 12,605 | - | (22,949) | (904) | (23,853) | 10,728 | 13,125 | - | |
| Subtotal | (2,671) | - | (2,671) | (1,665) | (287) | (4,623) | (4,070) | - | (4,070) | (1,437) | (269) | (5,775) | |
| Funds Drawn from or Placed in Reserves 8/ | 1,481 | 181 | 1,662 | 69,269 | 42,569 | 113,500 | 1,607 | 159 | 1,766 | 73,622 | 44,497 | 119,885 | |
| Total Funds Available | DISBURSEMENTS FOR HIGHWAYS - BY EXPENDING AGENCIES | | | | | | | | | | | | |
| Capital Outlay | - | - | - | 38,476 | - | 38,476 | - | - | - | 41,432 | - | 41,432 | |
| On State-Administered Highways | - | - | - | 2,326 | 13,120 | 15,446 | - | - | - | 2,688 | 13,623 | 16,311 | |
| On Locally Administered Roads | 240 | 78 | 318 | - | - | 318 | 251 | 71 | 322 | - | - | 322 | |
| Not Classified by System | 240 | 78 | 318 | 40,802 | 13,120 | 54,240 | 251 | 71 | 322 | 44,120 | 13,623 | 58,065 | |
| Subtotal | - | - | - | 12,322 | - | 12,322 | - | - | - | 12,951 | - | 12,951 | |
| On State-Administered Highways | - | - | - | 91 | 16,987 | 17,078 | - | - | - | 99 | 17,810 | 17,909 | |
| On Locally Administered Roads | 13 | 61 | 74 | - | - | 74 | 16 | 59 | 75 | - | - | 75 | |
| Not Classified by System | 13 | 61 | 74 | 12,412 | 16,987 | 29,473 | 16 | 59 | 75 | 13,049 | 17,810 | 30,934 | |
| Subtotal | 1,227 | 43 | 1,270 | 5,143 | 2,802 | 9,215 | 1,340 | 30 | 1,369 | 5,162 | 2,853 | 9,384 | |
| Administration and Research | - | - | - | 5,237 | 5,390 | 10,627 | - | - | - | 5,418 | 5,694 | 11,112 | |
| Highway Law Enforcement and Safety | - | - | - | 2,784 | 1,778 | 4,562 | - | - | - | 2,940 | 1,830 | 4,770 | |
| Interest on Debt | 1,481 | 181 | 1,662 | 66,378 | 40,077 | 108,117 | 1,607 | 159 | 1,766 | 70,689 | 41,810 | 114,265 | |
| Total Current Disbursements | - | - | - | 2,891 | 2,492 | 5,383 | - | - | - | 2,933 | 2,687 | 5,620 | |
| Bond Retirements 7/ | 1,481 | 181 | 1,662 | 69,269 | 42,569 | 113,500 | 1,607 | 159 | 1,766 | 73,622 | 44,497 | 119,885 | |
| Grand Total Disbursements | <p>1/ This table contains a mixture of calendar and fiscal year data.</p> <p>2/ Includes the Mass Transit Account of the Highway Trust Fund. Also includes FHWA activities funded by general funds and all other agencies and funds that make appropriations for highways or that receive highway-user revenues.</p> <p>3/ Represents gross receipts less refunds and loss allowances.</p> <p>4/ Amount in Federal Government column represents net collections less transfers to the Highway and Mass Transit Accounts of the Highway Trust Fund. Due to timing differences between collections and transfers to the Highway Trust Fund, the amount will not correspond exactly to distributions for deficit reduction and for the Leaking Underground Storage Trust (LUST) Fund.</p> <p>5/ Includes only those collection and administrative costs paid from motor-fuel and motor-vehicle tax receipts. Operational costs of toll facilities are reported as traffic services. Federal collection expenses are excluded since they are paid for by the General Fund. Local expenses are excluded, because local motor-fuel and motor-vehicle revenue data are reported net of collection expenses.</p> <p>6/ Amounts shown represent Federal payments to territories, and Federal expenditures in territories for highways and mass transit.</p> <p>7/ Proceeds and redemptions of short-term notes and refunding issues are excluded.</p> <p>8/ Negative numbers indicate that funds were placed in reserves.</p> <p>* Much of the change is due to a provision in the Taxpayer Relief Act of 1997 (TRA), which permitted a delay in payment of certain Highway Trust Fund taxes, which otherwise would have been due in August or September 1998, until October 1998 (Fiscal Year 1999). This "delayed deposit" provision has the effect of understating 1998 and overstating 1999 HTF receipts.</p> <p>** Effective 10/1/98, the Highway Trust Fund ceased earning interest on its invested balance and the Highway Account balance (excluding disbursement accounts) was reduced to \$8.0 billion pursuant to TEA-21 Sec. 9004(a).</p> | | | | | | | | | | | | |