



# Highway Trust Fund (HTF)

## *Funding Shortfall = Bailout or Opportunity?*

*HTF is another example of the Federal Government not able to run a big program. The familiar set of Washington complications are easy to see: Political favoritism, costly bureaucracy, lack of incentive resulting in cost overruns, and aid not based on need. Could our highways and bridges be better maintained if it were financed, constructed, and managed with state control? I think so...*

### **Federal Aid Breeds Bureaucracy and Lobbying**

The Washington approach swamps government workers in unproductive activities such as report writing and regulatory compliance.

The bureaucracy opens the doors to special interests. The number of Clients lobbying on transportation has grown to over 1,000 (*still growing*) since 2001.

### **Proposal to Fund (*this*) Bailout is a Joke**

The Post Office is struggling to get out of the red ink and the idea that you can fund transportation needs by reducing the Post Office is like paying for the ACA by finding all that fraud and abuse money in Medicare that they have been chasing since the program was enacted in 1965.

*Since 2008, more than \$55 billion has been funneled from taxpayers into the Highway Trust Fund in the form of HTF bailouts.*

### **Loss of Focus**

Gas tax dollars are spent on projects such as streetcars, bicycle facilities, scenic overlook construction, community preservation, and environmental mitigation. (*Maybe well intentioned, but clearly outside of the HTF law*)

### **There are Solutions Being Proposed**

Proposals for structural reforms that turn over the federal highway and transit programs to the states, so they can manage their transportation needs without Washington bureaucrats, do exist. Such reforms are found in the Transportation Empowerment Act:

S. 1702 - <http://beta.congress.gov/bill/113th-congress/senate-bill/1702>

H.R. 3486 - <http://beta.congress.gov/bill/113th-congress/house-bill/3486> .

***Opportunity = Downsize the Federal Role in Transportation***

<http://heritageaction.com/2014/06/another-highway-bailout-and-how-not-to-finance-it/>

<http://www.cato.org/publications/testimony/rethinking-federal-highway-transit-funding>

<http://www.opensecrets.org/lobby/issuenum.php?id=TRA&year=2014>