



H.R. 6532 – To amend the Internal Revenue Code of 1986 to restore the Highway Trust Fund balance

FLOOR SITUATION

H.R. 6532 is being considered on the floor under suspension of the rules and will require a two-thirds majority vote for passage. This legislation was introduced by Representative Charles Rangel (D-NY) on July 17, 2008. The bill was referred to the Committee on Ways and Means, but was never considered.

H.R. 6532 is expected to be considered on the floor of the House on July 23, 2008.

SUMMARY

H.R. 6532 amends the Internal Revenue Code of 1986 to transfer \$8.017 billion from the U.S. Treasury General Fund to the Highway Trust Fund.

BACKGROUND

The Highway Trust Fund (HTF) was created by the Highway Revenue Act of 1956 (P.L. 84-627). This fund is used to finance the National System of Interstate and Defense Highways. The Highway Trust Fund is funded by tax revenues from taxes on fuels and truck-related taxes on truck tires, sales of trucks and trailers, and heavy vehicle use.

According to CBO, the HTF will experience a \$1.4 billion budgetary shortfall in fiscal year 2009. Currently, because of dramatically increased gas prices, Americans are purchasing less fuel and therefore are depositing less gas taxes into the HTF. Both CBO and the Administration now project that the HTF is likely to have inadequate resources to meet anticipated obligations in a timely manner at some point in 2009.

COST

The Congressional Budget Office (CBO) has not produced a cost estimate for H.R. 6532 as of July 22, 2008.

STAFF CONTACT

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