

# Background

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## Federal Transportation Programs Shortchange Motorists: Update of a USDOT Study

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In December 2004, the Bureau of Transportation Statistics at the U.S. Department of Transportation (USDOT) published its first and last report on the cost of the federal subsidies provided to each mode of transportation per passenger per 1,000 miles: cars, buses, airplanes, transit, and passenger railroad. The survey covered the years 1990 to 2002 and demonstrated that motorists received the lowest federal subsidy per 1,000 passenger-miles and that transit and Amtrak received by far the largest federal subsidies.<sup>1</sup>

Indeed, the study found that the federal transportation program actually made a “profit” from motorists because they paid more in user fees and taxes (mostly the 18.3 cent per gallon federal fuel tax/user fee) than they received in subsidies for roads. Approximately 20 percent of fees and taxes paid into the highway trust fund by motorists was diverted to the Transit Account within the Highway Trust Fund to subsidize transit.<sup>2</sup>

According to the USDOT report, the federal subsidies per mode, per passenger, per 1,000 miles for 2002 (the final year of the survey) were as shown in Chart 1.

The federal policy implications of these findings were profound. They revealed that, from the perspective of the federal budget, transit and passenger rail were exceptionally expensive ways to move people from point A to point B and that a road-focused transportation policy would deliver a bigger bang for federal money invested, as measured by passengers served.

### Talking Points

- In 2007, motorists and truckers paid \$39.3 billion in fuel tax revenues and excise taxes into the trust fund but received only about 60 percent of those revenues in the form of federal spending on general-purpose roads.
- In contrast to motorists and commercial airlines, transit users pay no federal taxes or fees and instead benefit by receiving a share of the taxes paid by motorists and funding from general federal tax revenues.
- Fewer than 2 percent of passengers use transit, yet transit receives more than 20 percent of federal transportation subsidies.
- Similarly, passengers served by rail (Amtrak) pay no federal tax or user fee and benefit from a very substantial subsidy provided by the taxpayers.
- The subsidy data reveal that the federal cost of supporting passenger rail and transit systems is excessively high and that investing in roads would be more cost-effective.

This paper, in its entirety, can be found at:  
[www.heritage.org/Research/SmartGrowth/bg2283.cfm](http://www.heritage.org/Research/SmartGrowth/bg2283.cfm)

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## Federal Transportation Subsidies in 2002, by Mode

Per 1,000 Passenger-Miles

Mode	Subsidy
Auto, vans	-\$1.79
Buses	\$4.66
Commercial aviation	\$6.18
General aviation	\$91.42*
Transit	\$159.24
Passenger railroad	\$210.31

\* Data for 2001.

Source: U.S. Department of Transportation, Bureau of Transportation Statistics, "Federal Subsidies to Passenger Transportation," December 2004, Table 3, at [http://www.bts.gov/programs/federal\\_subsidies\\_to\\_passenger\\_transportation/pdf/entire.pdf](http://www.bts.gov/programs/federal_subsidies_to_passenger_transportation/pdf/entire.pdf) (May 28, 2009).

Chart 1 • B 2283  heritage.org

Not surprisingly, the much higher subsidies revealed by the report were an embarrassment to transit and train advocates in Congress, and USDOT was discouraged from further exercises in transparency. Consequently, the 2004 report was the first and last of its kind.

In this paper, The Heritage Foundation has updated and replicated the original 2004 USDOT study by adding new data for 2003 through 2006.

### Measuring Federal Transportation Subsidies

Recently, Secretary of Transportation Ray LaHood announced that his department would partner with the Department of Housing and Urban Development to develop a housing and transportation cost index to "redefine affordability and make it transparent," thereby better illuminating the true costs.<sup>3</sup> Because a large portion of surface transportation costs is borne by the federal and the state governments and funded through a combination of general tax revenues and user fees and taxes, it is essential

that an accurate and transparent transportation cost index incorporate these various subsidies into any analysis of the housing and transportation trade-offs under review.

To facilitate this goal and to assist Secretary LaHood in his pursuit of greater transparency, this paper provides a detailed update of the data collected and presented in the 2004 report. This updated subsidy information is important for developing an effective transportation policy that yields the greatest mobility for the least cost and better reveals the true housing and transportation trade-offs.

With this in mind, The Heritage Foundation has updated and replicated the original 2004 USDOT study by adding new data for 2003 through 2006. The update found that the relationships between the modes and the magnitude of their relative subsidies per 1,000 passenger-miles have not changed significantly since the 2004 study. Based on the Heritage Foundation update, Chart 2 shows the 2006 federal subsidies per mode, per 1,000 passenger-miles. (For the annual data from 1990 through 2006 and details on the data and calculations, see the Appendix.)

As the updated data reveal, transit and passenger rail still require the largest federal subsidies per 1,000 passenger-miles to operate, while motorists still provide the federal government with a "profit" because they pay more in user fees and taxes than they receive in federal spending.

The key to determining the magnitude of the federal subsidy that the passengers of each mode receive from the federal government is to separate the funding that each mode receives from its users

1. U.S. Department of Transportation, Bureau of Transportation Statistics, "Federal Subsidies to Passenger Transportation," December 2004, Table 3, at [http://www.bts.gov/programs/federal\\_subsidies\\_to\\_passenger\\_transportation/pdf/entire.pdf](http://www.bts.gov/programs/federal_subsidies_to_passenger_transportation/pdf/entire.pdf) (May 28, 2009).
2. Other non-transit, mandated diversions have raised that portion to approximately 40 percent in recent years.
3. Ronald D. Utt, "Obama's New Plan to Decide Where Americans Live and How They Travel," Heritage Foundation *Backgrounder* No. 2260, April 14, 2009, at <http://www.heritage.org/Research/SmartGrowth/bg2260.cfm>, and press release, "HUD and DOT Partnership: Sustainable Communities," U.S. Department of Transportation, March 18, 2009, at <http://www.dot.gov/affairs/dot3209.htm> (May 28, 2009).

## Federal Transportation Subsidies in 2006, by Mode

Per 1,000 Passenger-Miles

Mode	Subsidy
Auto, vans	-\$1.01
Buses	\$1.50
Commercial aviation	\$4.23
General aviation	\$66.27
Transit	\$165.61
Passenger railroad	\$237.53

**Note:** For an explanation of the authors' calculations, see the Appendix.

**Sources:** Authors' calculations based on U.S. Department of Transportation, Federal Highway Administration, *Highway Statistics 2000*, Table FA-5, at <http://www.fhwa.dot.gov/ohim/hs00/fa5.htm> (May 28, 2009); U.S. Department of Transportation, Bureau of Transportation Statistics, *National Transportation Statistics 2009*, Table 1-37, at [http://www.bts.gov/publications/national\\_transportation\\_statistics/html/table\\_01\\_37.html](http://www.bts.gov/publications/national_transportation_statistics/html/table_01_37.html) (May 29, 2009); and U.S. Office of Management and Budget, *Historical Tables, Budget of the United States Government, Fiscal Year 2009* (Washington, D.C.: U.S. Government Printing Office, 2008), at <http://www.whitehouse.gov/omb/budget/fy2009/pdf/hist.pdf> (June 1, 2009).

Chart 2 • B 2283  heritage.org

(in the form of user fees) from the funding that it receives from the general taxpayer and from fees paid by users of other modes. For example, the federal highway trust fund relies entirely on fuel tax revenues and excise taxes paid by motorists and truckers. In 2007, these users provided \$39.3 billion to the trust fund, yet they received only about 60 percent of those revenues back in the form of federal spending on general-purpose roads.<sup>4</sup> The remaining 40 percent was diverted to programs such as transit, National Parks, Appalachian development, hiking trails, bicycle paths, historic renovation, ferries, administrative costs, subsidies to metropolitan planning organizations, universities, and various programs for community development.

Likewise, the federal subsidy per 1,000 passenger-miles for intercity buses is relatively low because these buses pay a federal fuel tax related to usage. The same holds true for commercial aviation in which both passengers and the airlines pay up to 17

separate fees, taxes, and charges for an international flight and 10 separate taxes, fees, and charges for a domestic flight. As in the cases of motorists and intercity bus operators, commercial airline passengers are largely “subsidizing” themselves.

In contrast to motorists and commercial airlines, transit users pay no federal taxes or fees and instead benefit by receiving a share of the taxes paid by motorists and funding from general federal tax revenues. In addition, transit's per-passenger subsidy costs are also much higher because fewer than 2 percent of passengers use transit, yet transit receives more than 20 percent of federal subsidies. Similarly, passengers served by rail (Amtrak) pay no federal tax or user fee and benefit from a very substantial subsidy provided by the general taxpayers.

## Implications

In addition to the many policy-related benefits to Secretary LaHood and the USDOT, the updated data and analysis can also help Representative James Oberstar (D-MN), chairman of the House Committee on Transportation and Infrastructure, with his new performance-based approach. The chairman's recent outline on prospective changes in the federal highway and transit program urged “a shift from prescriptive to performance” and proposes four performance categories.<sup>5</sup>

Given that worsening congestion is among the most pressing problems confronting surface transportation policymakers, alleviating congestion will certainly be among Chairman Oberstar's top transportation performance measures.<sup>6</sup> The subsidy data

- Ronald D. Utt, “Congress Undermines America's Infrastructure by Looting the Highway Trust Fund,” Heritage Foundation *WebMemo* No. 2046, September 3, 2008, at <http://www.heritage.org/Research/SmartGrowth/wm2046.cfm>. For purposes of calculating modal subsidies, we assumed that only 20 percent of fuel taxes were diverted, exclusively to transit, and that the other 20 percent went to uses that do not serve general motorists, such as roads on federal lands, earmarks, historic preservation, trails, and bike paths.
- Adam Snider, “Program Changes Focused on Performance Key to Oberstar Plan for Transportation Bill,” Bureau of National Affairs *Daily Report for Executives*, May 8, 2009.

provided in this paper, like those of the previous federal report, reveal that the federal cost of supporting rail and transit passengers is excessively high and that investing in roads would be a more cost-effective solution that would accommodate the needs of most commuters and travelers.

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6. For key elements to include in any transportation plan, see Wendell Cox, Alan E. Pisarski, and Ronald D. Utt, “Rush Hour: How States Can Reduce Congestion Through Performance-Based Transportation Programs,” Heritage Foundation *Backgrounder* No. 1995, January 10, 2007, at <http://www.heritage.org/Research/SmartGrowth/bg1995.cfm>.

## APPENDIX

### DATA SOURCES AND CALCULATIONS

Except for the revisions noted below, the updated estimates of federal subsidies included in this paper use the same data and the same methodology as used in the USDOT publication “Federal Subsidies to Passenger Transportation.”<sup>7</sup>

#### Sources of Financial Data

Highways	1990–2002	“Federal Subsidies to Passenger Transportation”
	2003–2006	Expenditures were allocated to autos, pickups, and vans, using the 2000 FHWA cost-allocation methodology in Table FA-5 of <i>Highway Statistics 2000</i> . <sup>8</sup> This included highways in national parks and national forests and all other expenditures. Revenues were taken from U.S. Office of Management and Budget, “Federal Receipts from 1976.” <sup>9</sup> Subsidies were allocated among school, transit, and intercity buses using the shares for 2002 in “Federal Subsidies to Passenger Transportation.” The shares were based on vehicle registration.
Air	1990–2002	“Federal Subsidies to Passenger Transportation”
	2003–2006	Subsidies were allocated to commercial and general aviation, using the shares for 2002 in “Federal Subsidies to Passenger Transportation.”
Transit	1990–2002	“Federal Subsidies to Passenger Transportation”
	2003–2006	Federal outlays from 1962 <sup>10</sup>
Amtrak	1990–2002	“Federal Subsidies to Passenger Transportation”
	2003–2006	Federal outlays from 1962

#### Passenger-Miles

Except for general aviation, all passenger-mile figures were taken from *National Transportation Statistics*, Table 1-37.<sup>11</sup> The most recent reported general aviation data are for 2001. Subsequent data were estimated using ratio of flight hours compared to 2001.

#### Revisions in This Paper

**Autos, Pickups, and Vans.** In some years, “Federal Subsidies to Passenger Transportation” used vehicle miles, not passenger-miles, in calculating the passenger-miles metric. This overstated any net subsidy (positive or negative). We have substituted the passenger-miles data as reported in *National Transportation Statistics*, Table 1-37.<sup>12</sup>

7. U.S. Department of Transportation, “Federal Subsidies to Passenger Transportation.”

8. U.S. Department of Transportation, Federal Highway Administration, *Highway Statistics 2000*, Table FA-5, at <http://www.fhwa.dot.gov/ohim/hs00/fa5.htm> (May 28, 2009).

9. U.S. Office of Management and Budget, *Historical Tables, Budget of the United States Government, Fiscal Year 2008* (Washington, D.C.: U.S. Government Printing Office, 2007), at <http://www.whitehouse.gov/omb/budget/fy2008/sheets/receipts.xls> (June 1, 2009).

10. See U.S. Office of Management and Budget, at <http://www.gpoaccess.gov/usbudget/fy08/sheets/outlays.xls> (June 1, 2009).

11. U.S. Department of Transportation, Bureau of Transportation Statistics, *National Transportation Statistics 2009*, Table 1-37, at [http://www.bts.gov/publications/national\\_transportation\\_statistics/html/table\\_01\\_37.html](http://www.bts.gov/publications/national_transportation_statistics/html/table_01_37.html) (May 29, 2009).

**Buses.** In calculating the subsidies for buses, “Federal Subsidies to Passenger Transportation” used only intercity bus passenger-miles. Thus, the entire subsidy for school buses, transit buses (the subsidy from use of the roads, which is not included in transit financial data) and intercity buses was charged to intercity buses alone. We have revised the subsidy data based on the total bus passenger-miles (from all three bus types) from NTS Table 1-37.<sup>13</sup>

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12. *Ibid.*

13. *Ibid.*

Additional Subsidy Tables

Net Transportation Subsidies per 1,000 Passenger-Miles

Figures are in Current Dollars

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
<b>All Modes</b>	\$1.08	\$0.55	\$0.95	\$0.87	\$0.37	\$0.12	\$0.50	\$0.43	-\$0.80	-\$1.18	-\$0.71	\$1.05	\$1.72	\$1.15	\$1.81	\$1.43	\$1.69
<b>Highway</b>	-\$0.85	-\$1.38	-\$1.18	-\$1.22	-\$1.79	-\$2.27	-\$2.32	-\$2.02	-\$2.75	-\$2.46	-\$2.13	-\$1.23	-\$1.00	-\$0.88	-\$0.75	-\$1.18	-\$0.93
Autos, Pickups, Vans	-\$0.91	-\$1.47	-\$1.25	-\$1.30	-\$1.86	-\$2.40	-\$2.45	-\$2.13	-\$2.89	-\$2.60	-\$2.26	-\$1.32	-\$1.09	-\$0.95	-\$0.82	-\$1.27	-\$1.01
<b>Buses</b>	\$0.85	\$0.84	\$0.90	\$0.92	\$0.94	\$0.91	\$0.91	\$0.92	\$0.82	\$0.89	\$1.09	\$1.33	\$1.56	\$1.35	\$1.40	\$1.50	\$1.50
<b>Air</b>	\$7.26	\$6.46	\$9.36	\$9.76	\$8.99	\$8.39	\$12.65	\$8.98	\$2.22	-\$2.09	-\$0.84	\$5.88	\$8.50	\$7.40	\$6.37	\$5.80	\$5.85
Commercial Aviation	\$5.42	\$4.22	\$7.01	\$7.08	\$6.66	\$6.14	\$10.38	\$6.97	-\$0.04	-\$4.11	-\$2.78	\$3.08	\$6.18	\$5.37	\$4.62	\$4.19	\$4.23
<b>General Aviation</b>	\$56.08	\$69.09	\$86.57	\$107.78	\$101.33	\$92.50	\$94.92	\$81.28	\$81.98	\$68.09	\$64.93	\$91.45	\$79.06	\$71.11	\$65.46	\$64.85	\$66.27
<b>Transit</b>	\$93.14	\$96.23	\$91.32	\$89.30	\$95.24	\$112.39	\$105.73	\$108.25	\$97.49	\$93.01	\$111.90	\$143.63	\$159.24	\$102.75	\$163.29	\$168.16	\$165.61
<b>Railroad</b>	\$96.09	\$114.30	\$136.10	\$117.76	\$125.15	\$169.16	\$179.60	\$198.22	\$383.86	\$260.60	\$114.41	\$108.29	\$210.31	\$179.76	\$239.16	\$233.22	\$237.53

Sources: See the Appendix.

Table A-1 • B 2283 heritage.org

Net Transportation Subsidies

Figures are in Millions of Current Dollars

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
<b>All Modes</b>	\$4,113	\$2,122	\$3,740	\$3,485	\$1,531	\$499	\$2,132	\$1,900	-\$3,628	-\$5,480	-\$3,392	\$5,205	\$8,621	\$5,852	\$9,522	\$7,584	\$9,107
<b>Highway</b>	-\$2,906	-\$4,775	-\$4,184	-\$4,394	-\$6,558	-\$8,391	-\$8,798	-\$7,866	-\$11,022	-\$10,085	-\$8,909	-\$5,398	-\$4,459	-\$3,949	-\$3,471	-\$5,500	-\$4,366
Autos, Pickups, Vans	-\$3,010	-\$4,877	-\$4,294	-\$4,513	-\$6,586	-\$8,515	-\$8,925	-\$8,000	-\$11,144	-\$10,229	-\$9,086	-\$5,598	-\$4,684	-\$4,143	-\$3,673	-\$5,722	-\$4,589
<b>Buses</b>	\$103	\$102	\$110	\$119	\$128	\$124	\$127	\$133	\$122	\$144	\$176	\$200	\$226	\$194	\$201	\$222	\$222
School Buses	\$61	\$63	\$66	\$72	\$79	\$79	\$82	\$84	\$82	\$93	\$109	\$118	\$131	\$113	\$117	\$129	\$129
Transit Buses	\$41	\$42	\$45	\$48	\$54	\$54	\$55	\$57	\$55	\$63	\$74	\$80	\$89	\$76	\$79	\$88	\$88
Intercity Buses	\$1	-\$3	-\$1	-\$1	-\$5	-\$9	-\$10	-\$8	-\$15	-\$12	-\$7	\$2	\$6	\$5	\$5	\$6	\$6
<b>Air</b>	\$2,605	\$2,262	\$3,420	\$3,633	\$3,578	\$3,478	\$5,648	\$4,159	\$1,056	-\$1,049	-\$446	\$2,953	\$4,235	\$3,858	\$3,662	\$3,475	\$3,551
Commercial Aviation	\$1,876	\$1,426	\$2,486	\$2,566	\$2,585	\$2,479	\$4,510	\$3,143	-\$17	-\$2,009	-\$1,433	\$1,500	\$2,979	\$2,713	\$2,575	\$2,444	\$2,497
<b>General Aviation</b>	\$729	\$836	\$935	\$1,067	\$993	\$999	\$1,139	\$1,016	\$1,074	\$960	\$987	\$1,454	\$1,257	\$1,145	\$1,087	\$1,031	\$1,054
<b>Transit</b>	\$3,832	\$3,917	\$3,675	\$3,517	\$3,770	\$4,474	\$4,375	\$4,583	\$4,302	\$4,265	\$5,334	\$7,048	\$7,695	\$4,922	\$8,013	\$8,354	\$8,637
<b>Railroad</b>	\$582	\$717	\$829	\$730	\$741	\$938	\$907	\$1,024	\$2,036	\$1,389	\$629	\$602	\$1,150	\$1,021	\$1,318	\$1,255	\$1,285

Sources: See the Appendix.

Table A-2 • B 2283 heritage.org

# Passenger-Miles

Figures are in Millions of Miles

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
<b>All Modes</b>	3,821,040	3,847,940	3,956,231	4,025,891	4,111,001	4,149,955	4,278,495	4,408,506	4,530,048	4,655,226	4,769,049	4,954,171	5,004,437	5,078,793	5,252,717	5,320,073	5,374,750
<b>Highway</b>	3,414,967	3,450,779	3,544,335	3,608,178	3,667,296	3,689,914	3,785,415	3,897,889	4,004,254	4,101,582	4,184,556	4,397,136	4,452,435	4,503,952	4,623,641	4,665,422	4,710,653
Autos, Pickups, Vans	3,293,569	3,328,873	3,421,839	3,478,326	3,531,425	3,553,810	3,646,279	3,752,829	3,855,696	3,939,137	4,023,637	4,247,094	4,307,312	4,360,151	4,479,453	4,517,430	4,562,368
<b>Buses</b>	121,398	121,906	122,496	129,852	135,871	136,104	139,136	145,060	148,558	162,445	160,919	150,042	145,124	143,801	144,188	147,992	148,285
<b>Air</b>	358,873	350,185	365,564	372,130	398,199	414,688	446,652	463,112	476,362	502,457	531,329	502,406	498,210	521,258	574,493	599,589	606,533
Commercial Aviation	345,873	338,085	354,764	362,230	388,399	403,888	434,652	450,612	463,262	488,357	516,129	486,506	482,310	505,158	557,893	583,689	590,633
General Aviation	13,000	12,100	10,800	9,900	9,800	10,800	12,000	12,500	13,100	14,100	15,200	15,900	15,900	16,100	16,600	15,900	15,900
<b>Transit</b>	41,143	40,703	40,241	39,384	39,585	39,808	41,378	42,339	44,128	45,857	47,666	49,070	48,324	47,903	49,073	49,680	52,154
<b>Railroad</b>	6,057	6,273	6,091	6,199	5,921	5,545	5,050	5,166	5,304	5,330	5,498	5,559	5,468	5,680	5,511	5,381	5,410

Sources: See the Appendix.

Table A-3 • B 2283  [heritage.org](http://heritage.org)

# Net Transportation Subsidies per Passenger-Mile Compared to the All Modes Average

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
<b>All Modes</b>	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	*	*	*	1.00	1.00	1.00	1.00	1.00	1.00
<b>Highway</b>	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Autos, Pickups, Vans	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
<b>Buses</b>	0.79	1.52	0.95	1.06	2.53	7.58	1.83	2.13	-1.03	-0.75	-1.54	1.27	0.90	1.17	0.77	1.05	0.88
<b>Air</b>	6.74	11.71	9.90	11.28	24.13	69.75	25.38	20.84	-2.77	*	*	5.59	4.93	6.42	3.52	4.07	3.46
Commercial Aviation	5.04	7.65	7.41	8.18	17.87	51.05	20.82	16.18	*	*	*	2.93	3.59	4.66	2.55	2.94	2.50
General Aviation	52.10	125.29	91.58	124.51	272.08	769.28	190.48	188.59	-102.37	-57.84	-91.30	87.04	45.89	61.71	36.11	45.49	39.11
<b>Transit</b>	86.53	174.51	96.60	103.16	255.73	934.69	212.18	251.16	-121.73	-79.01	-157.33	136.71	92.44	89.17	90.08	117.95	97.74
<b>Railroad</b>	89.27	207.27	143.97	136.04	336.04	1,406.84	360.43	459.92	-479.30	-221.38	-160.85	103.07	122.09	155.99	131.94	163.59	140.19

\* Negative values

Sources: See the Appendix.

Table A-4 • B 2283  [heritage.org](http://heritage.org)



## Net Transportation Subsidies per 1,000 Passenger-Miles (Inflation-Adjusted)

Figures are Inflation-Adjusted (Chained 2000 Dollars)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
<b>All Modes</b>	\$1.32	\$0.65	\$1.09	\$0.98	\$0.41	\$0.13	\$0.53	\$0.45	-\$0.83	-\$1.20	-\$0.71	\$1.03	\$1.65	\$1.08	\$1.66	\$1.26	\$1.45
<b>Highway</b>	-\$1.04	-\$1.64	-\$1.37	-\$1.38	-\$1.98	-\$2.47	-\$2.48	-\$2.12	-\$2.85	-\$2.51	-\$2.13	-\$1.20	-\$0.96	-\$0.82	-\$0.69	-\$1.04	-\$0.79
Autos, Pickups, Vans	-\$1.12	-\$1.73	-\$1.45	-\$1.47	-\$2.07	-\$2.60	-\$2.61	-\$2.23	-\$3.00	-\$2.65	-\$2.26	-\$1.29	-\$1.04	-\$0.89	-\$0.75	-\$1.12	-\$0.86
<b>Buses</b>	\$1.04	\$0.99	\$1.04	\$1.04	\$1.04	\$0.99	\$0.97	\$0.96	\$0.85	\$0.91	\$1.09	\$1.30	\$1.49	\$1.27	\$1.28	\$1.33	\$1.28
<b>Air</b>	\$8.90	\$7.65	\$10.83	\$11.05	\$9.96	\$9.11	\$13.47	\$9.41	\$2.30	-\$2.13	-\$0.84	\$5.74	\$8.16	\$6.96	\$5.82	\$5.13	\$5.02
Commercial Aviation	\$6.65	\$4.99	\$8.11	\$8.02	\$7.37	\$6.66	\$11.06	\$7.31	-\$0.04	-\$4.20	-\$2.78	\$3.01	\$5.93	\$5.05	\$4.22	\$3.70	\$3.62
General Aviation	\$68.73	\$81.82	\$100.22	\$121.95	\$112.26	\$100.43	\$101.13	\$85.19	\$84.98	\$69.57	\$64.93	\$89.30	\$75.88	\$66.83	\$59.80	\$57.38	\$56.80
<b>Transit</b>	\$114.15	\$113.96	\$105.72	\$101.04	\$105.52	\$122.02	\$112.66	\$113.45	\$101.05	\$95.03	\$111.90	\$140.27	\$152.84	\$96.56	\$149.17	\$148.77	\$141.94
<b>Railroad</b>	\$117.77	\$135.36	\$157.55	\$133.24	\$138.65	\$183.66	\$191.37	\$207.75	\$397.90	\$266.28	\$114.41	\$105.76	\$201.86	\$168.94	\$218.49	\$206.33	\$203.58

Sources: See the Appendix.

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## Net Transportation Subsidies (Inflation-Adjusted)

Figures are Inflation-Adjusted (Millions of Chained 2000 Dollars)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
<b>All Modes</b>	\$5,041	\$2,513	\$4,329	\$3,943	\$1,696	\$542	\$2,272	\$1,991	-\$3,761	-\$5,599	-\$3,392	\$5,083	\$8,274	\$5,500	\$8,699	\$6,710	\$7,805
<b>Highway</b>	-\$3,562	-\$5,655	-\$4,843	-\$4,972	-\$7,266	-\$9,110	-\$9,374	-\$8,244	-\$11,425	-\$10,305	-\$8,909	-\$5,272	-\$4,280	-\$3,711	-\$3,171	-\$4,866	-\$3,742
Autos, Pickups, Vans	-\$3,689	-\$5,775	-\$4,971	-\$5,106	-\$7,297	-\$9,245	-\$9,510	-\$8,385	-\$11,552	-\$10,452	-\$9,086	-\$5,467	-\$4,496	-\$3,893	-\$3,355	-\$5,062	-\$3,933
<b>Buses</b>	\$126	\$121	\$127	\$135	\$142	\$135	\$135	\$139	\$126	\$147	\$176	\$195	\$217	\$183	\$184	\$197	\$190
School Buses	\$75	\$75	\$76	\$81	\$88	\$86	\$87	\$88	\$85	\$95	\$109	\$115	\$126	\$106	\$107	\$114	\$110
Transit Buses	\$50	\$50	\$52	\$54	\$60	\$59	\$59	\$60	\$57	\$64	\$74	\$78	\$85	\$72	\$72	\$77	\$75
Intercity Buses	\$1	-\$4	-\$1	-\$1	-\$6	-\$10	-\$11	-\$8	-\$16	-\$12	-\$7	\$2	\$6	\$5	\$5	\$5	\$5
<b>Air</b>	\$3,193	\$2,679	\$3,959	\$4,111	\$3,964	\$3,776	\$6,018	\$4,359	\$1,095	-\$1,072	-\$446	\$2,884	\$4,065	\$3,626	\$3,345	\$3,074	\$3,043
Commercial	\$2,299	\$1,689	\$2,878	\$2,903	\$2,864	\$2,691	\$4,805	\$3,294	-\$18	-\$2,053	-\$1,433	\$1,465	\$2,859	\$2,550	\$2,353	\$2,162	\$2,140
Aviation General Aviation	\$893	\$990	\$1,082	\$1,207	\$1,100	\$1,085	\$1,214	\$1,065	\$1,113	\$981	\$987	\$1,420	\$1,206	\$1,076	\$993	\$912	\$903
<b>Transit</b>	\$4,697	\$4,639	\$4,254	\$3,979	\$4,177	\$4,857	\$4,662	\$4,803	\$4,459	\$4,358	\$5,334	\$6,883	\$7,386	\$4,626	\$7,320	\$7,391	\$7,403
<b>Railroad</b>	\$713	\$849	\$960	\$826	\$821	\$1,018	\$966	\$1,073	\$2,110	\$1,419	\$629	\$588	\$1,104	\$960	\$1,204	\$1,110	\$1,101

Note: For an explanation of the authors' calculations, see the Appendix.

Sources: U.S. Department of Transportation, Bureau of Transportation Statistics, "Federal Subsidies to Passenger Transportation," December 2004, Table 3, at [http://www.bts.gov/programs/federal\\_subsidies\\_to\\_passenger\\_transportation/pdf/fetire.pdf](http://www.bts.gov/programs/federal_subsidies_to_passenger_transportation/pdf/fetire.pdf) (May 28, 2009), and authors' calculations based on U.S. Department of Transportation, Federal Highway Administration, Highway Statistics 2000, Table FA-5, at <http://www.fhwa.dot.gov/ohim/hs00/fa5.htm> (May 28, 2009); U.S. Department of Transportation, Bureau of Transportation Statistics, National Transportation Statistics 2009, Table 1-37, at [http://www.bts.gov/publications/national\\_transportation\\_statistics/html/table\\_01\\_37.html](http://www.bts.gov/publications/national_transportation_statistics/html/table_01_37.html) (May 29, 2009); and U.S. Office of Management and Budget, Historical Tables, Budget of the United States Government, Fiscal Year 2009 (Washington, D.C.: U.S. Government Printing Office, 2008), at <http://www.whitehouse.gov/omb/budget/fy2009/pdf/hist.pdf> (June 1, 2009).

Appendix Table 6 • ArticleName [heritage.org](http://heritage.org)