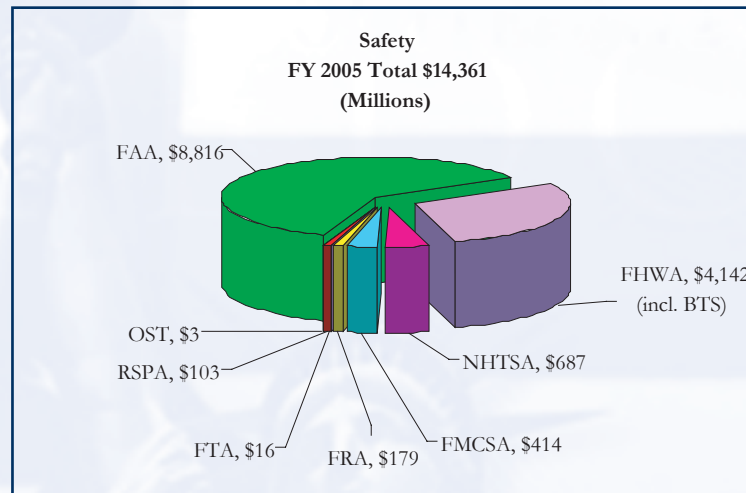


aircraft, certifying new equipment, and ensuring the safety of flight procedures and the competence of airmen and women.

DOT's Safety Performance Budget is distributed as follows:



Mobility

The President's budget request includes \$38.1 billion in FY 2005 to continue improvements in transportation mobility. Mobility is essential to America's economic prosperity and quality of life. In today's global economy, it is more important than ever to have seamless transitions among modes of transportation so that people and cargo can move effectively and efficiently. Over the past 20 years, congestion has increased for all modes of transportation. To address this problem and to enhance infrastructure conditions, the Department is concentrating on smart technology and system improvements. Initiatives supported by the FY 2005 budget request include expanding "intelligent highway system technology" and modernization of the airspace control system. The search for new innovative solutions to our mobility challenges is strongly supported in the FY 2005 budget request, with overall investment in research, development, and technology proposed at \$1.0 billion.

Surface Mobility

- Improve Highway Infrastructure Condition and Relieve Congestion. OMB's PART reviews for the Federal-aid Highway infrastructure program and the Federal Lands Highway program affirm that these programs effectively support States in maintaining the good condition of highway infrastructure and ensuring that there is sufficient capacity and access to transportation to move people and goods.

Consistent with the Administration's SAFETEA proposal, the President's budget requests \$26.3 billion for FHWA to improve highway infrastructure conditions and relieve congestion. Of this amount, \$19.8 billion is requested to improve pavement conditions on the National Highway System (NHS) and thus increase to 93.5 percent in FY 2005 the share of travel on the NHS that meets pavement performance standards for acceptable ride. Another \$6.5 billion will be used to limit the growth in total annual urban-area road travel that occurs in congested conditions to no more than 32.8 percent in FY 2005, 0.2 percent less than unconstrained growth in urban highway congestion. Within the mobility budget request are funds for an infrastructure performance and maintenance initiative, which targets "ready-to-go" highway projects that address traffic bottlenecks and improve infrastructure conditions. Improving the condition of highways and bridges is critical to transportation mobility. The NHS is comprised of the most important

national routes for trade and commerce, including all Interstates and over 68 percent of other principal arterials. While the NHS accounts for only 4.1 percent of total road mileage in the United States, it handles 44.3 percent of total vehicle-miles traveled. Consequently, the condition of the NHS significantly impacts congestion, wear-and-tear on vehicles and fuel consumption.

- Improve Mobility through the Maritime Transportation System. The budget request includes \$7.4 million for MARAD's efforts to improve mobility through the maritime transportation system. Consistent with Secretary Mineta's freight action plan, MARAD is developing an innovative short-sea shipping concept that could move cargo off roads and into marine containers and, ultimately, reduce highway congestion in important urban and intercity surface freight corridors. Short-sea shipping involves inland and coastal waterway movement of freight cargo from port of entry in the United States to final destination, or to intermodal freight nodes for further distribution in the supply chain. Greater use of marine transportation, such as short-sea shipping, offers the potential to reduce passenger and freight congestion for surface transportation. This initiative would be part of an integrated system, making best use of highways, railways, airways, and waterways.
- Restructure Intercity Passenger Rail Service. On July 28, 2003, Secretary Mineta transmitted to Congress the Passenger Rail Investment Reform Act (PRIRA). The purpose of PRIRA is to undertake a restructuring of intercity passenger rail transportation in the United States that will increase management accountability and encourage response to market forces. Consistent with the PRIRA, the Department of Transportation continues to support passenger rail service and Federal-State partnerships to improve Amtrak's future viability, while facilitating vitally needed changes in Amtrak's operating model and capital infrastructure program. Under the Administration's new vision, a centralized authority in Washington will no longer make decisions on where and how passenger rail service is provided. Instead, intercity passenger rail service will transition to a system dictated by its fundamental economics. Since Congress has not yet acted on this legislative proposal, the President's budget proposes \$900 million for Amtrak in FY 2005, but proposes support up to \$1.4 billion in subsequent years if the requested reforms are enacted. The increased amount recognizes, among other things, that the current system requires significant capital improvements.
- Increase Transit Ridership and Improve Access to Transportation Services. OMB's PART review for the Major Capital Investment (New Starts) transit grant program affirms that this program is well managed and effective in meeting the demand for transit in communities nationwide. In communities that have completed New Starts projects, significant regional transit growth has been demonstrated after the beginning of revenue operations. Beginning in 2001, however, FTA now requires all new projects to conduct a rigorous "Before and After Study" to document the impact of the project on ridership and other performance indicators.

Consistent with the Administration's SAFETEA proposal, the Department of Transportation is requesting more than \$6.9 billion for FTA to increase by 2 percent the average yearly increase in transit boardings per transit market; maintain at 50,000 in FY 2005 the number of employment sites made accessible by Job Access and Reverse Commute (JARC) transportation services; increase to 95 percent in FY 2005 the proportion of bus fleets that are compliant with the Americans with Disabilities Act (ADA); and increase to 97 percent in FY 2005 the proportion of key rail stations that are ADA-compliant. Transit formula programs are essential to maintaining and upgrading the condition and performance of the Nation's transit infrastructure so that America's transit systems continue to move millions of people safely and efficiently every day, thereby reducing congestion, facilitating economic development, and connecting people to



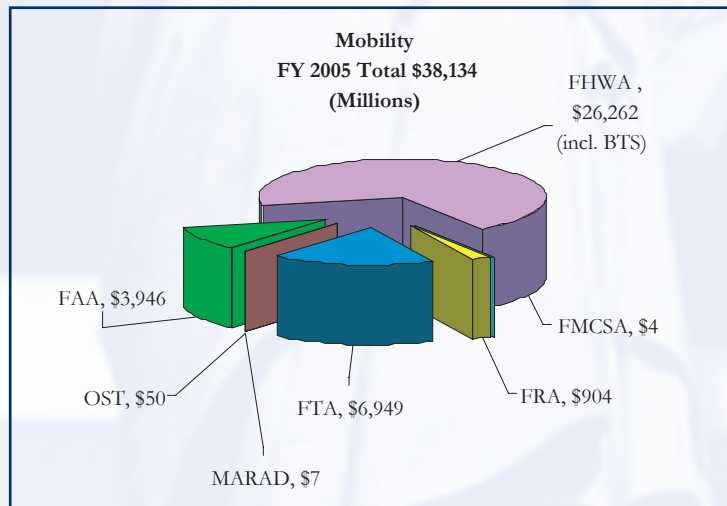
their jobs and communities. Transit ridership has increased every year since 1995, taking riders off city streets, commuting thoroughfares, and freight routes, and curbing the rise in road congestion.

Aviation Mobility

The aviation industry is responsible for moving people and products, and it contributes approximately \$900 billion to our economy. Nearly two million people a day travel on our Nation's airlines and more than one-third of the value of all goods is moved by air. Because travel demand for air service will return to pre-9/11 levels as the national economy rebounds, we cannot afford to reduce our commitment to investing in the Nation's air traffic control system and our airports.

- Improve Access to Transportation Service. To allow Americans living in rural areas to have reasonable access to air travel, the Department of Transportation is requesting \$50 million for the Office of the Secretary to fund payments to air carriers serving rural airports.
- Improve On-Time Flight Arrival Performance. To achieve an on-time arrival rate of 82.2 percent of flights in FY 2005, the President's budget requests \$3.9 billion primarily for FAA Facilities and Equipment and Airport Improvement Grants. This includes funds to replace obsolescent radars and to continue automating terminal control facilities, and \$143.4 million for Free Flight and oceanic automation to improve flight route flexibility. OMB's PART reviews for the Airport Improvement Grants program affirmed that this program is well managed and effective in providing support to airport authorities for moving people and goods. FAA airport grant funding for FY 2005 will emphasize increasing capacity through the construction of additional runways and terminal expansions.

DOT's Mobility Performance Budget is distributed as follows:



Global Connectivity

The U.S. and global transportation systems are inextricably linked to the Nation's economic growth. Transportation is a key economic and productivity enabler, connecting people with work, school, and community services, and connecting American enterprise with domestic and global markets. The U.S. transportation system handles over 4.9 trillion passenger-miles of travel and 3.8 trillion ton-miles of freight every year - generated by more than 281 million people and 7.1 million businesses.

