

## FEDERAL HIGHWAY ADMINISTRATION

**Overview:** The mission of the Federal Highway Administration (FHWA) is to enhance the quality and performance of our Nation's highway system and its intermodal connectors through innovation, leadership and public service. Highways are the critical link in our Nation's transportation system, as virtually every trip we take and every good consumed passes over a road at some point. Our challenge is to preserve and improve the 160,000-mile National Highway System, which includes the Interstate System and other roads of importance for national defense and mobility, while also improving highway safety, minimizing traffic congestion, and protecting the environment on these and other key facilities. Through surface transportation programs, innovative financing mechanisms, and increased use of innovative pavement and highway operational technology, FHWA will increase the efficiency by which people and goods move throughout the Nation, and improve the efficiency of highway and road connections to other transportation modes. The FY 2006 budget request of \$34.7 billion in obligation limitation will allow the FHWA to address these challenges.

### FEDERAL HIGHWAY ADMINISTRATION BUDGET

(Dollars In Millions)

	2004 <u>Actual</u>	2005 <sup>1/</sup> <u>Proposal</u>	2006 <u>Request</u>
Federal-Aid Highways Obligation Limitation	33,950	34,419	34,700
Flex Funding Transfer to FTA	-1,022	-1,000	-1,000
Transfer to NHTSA	0	-156	0
Subtotal: Federal-aid Highways Obligation Limitation	32,928	33,263	33,700
Exempt Mandatory Federal-Aid Highways	798	739	739
Emergency Relief Supplemental Limitation on Admin. Expenses [non-add]	0 [334]	1,937 [341]	0 [368]
Other <sup>2/</sup>	177	116	0
<b>TOTAL</b>	<b>33,903</b>	<b>36,055</b>	<b>34,439</b>

1/ FY 2005 proposal reflects SAFETEA policy funding levels for FY 2004 - 2009 included in the FY 2006 President's Budget.

2/ Includes Miscellaneous Appropriations, Miscellaneous Highway Trust Funds, and Appalachian Development Highway System.



## FY 2006 Budget

The FY 2006 budget request of \$34.4 billion supports the Administration's blueprint for the future, as described in the Safe, Accountable, Flexible, and Efficient Transportation Equity Act (SAFETEA). This funding level will support the Secretary's goals and continue efforts to improve highway safety dramatically, slow the growth of traffic congestion, and promote good stewardship of the environment. FHWA will also strengthen its stewardship of Federal surface transportation funds by improving oversight and increasing accountability to ensure every dollar spent achieves maximum benefits for Americans.

**Federal-aid Highway Program:** The Federal-aid Highway Program (FAHP) provides Federal financial assistance to the States to construct and improve the National Highway System, urban and rural roads, and bridges. The FY 2006 budget request includes an obligation limitation of \$34.7 billion for the FAHP. This amount is more than doubled by additional resources from State and local governments that utilize the funds for highway investment. The FY 2006 budget request reflects a proposal to transfer \$1.0 billion of the FAHP obligation limitation to the Federal Transit Administration for flex funding, similar to FY 2005. In total, investments in highway improvements support the achievement of safety, mobility, environmental stewardship, and security goals. FHWA will continue its efforts to increase oversight and accountability, including large-project management and oversight, to ensure the protection of the large Federal investment, while maintaining the prerogatives of the States in the delivery of highway transportation projects to the public. The Federal-aid Highway Program includes the following:

- ❖ **Federal Lands Highway Program:** The Federal Lands Highway Program (FLHP) improves access to and within national forests, national parks, Indian reservations, and other public lands. The \$959 million requested for the FLHP in FY 2006 will support the President's initiatives to enhance the protection of America's national parks and protect these national treasures for present and future generations. This will include enhancement of ecosystems, improvement of outdoor opportunities, improved infrastructure, and greater accountability. The FLHP will also continue to develop and implement two new funding categories - Recreational Roads and Safety - as proposed in SAFETEA.

- ❖ **Research and Intelligent Transportation System (ITS):** To support the FAHP and FLHP, FHWA conducts and manages a comprehensive research, development, and technology program. For FY 2006, \$425.6 million is requested for Research and ITS. FHWA will continue to work on identifying ways to reduce the number of injuries and fatalities on our Nation's roadways by demonstrating the application of innovative technologies in highway safety, deploying and evaluating safety technologies and innovations at the State and local levels, and assuring the deployment of best practices in training, management, design, and planning.
- ❖ **Credit Program:** Under the Transportation Infrastructure Finance and Innovation Act (TIFIA) program, the FHWA, on behalf of the Department of Transportation, will use FY 2006 funding of \$130 million to help stimulate private capital investment in transportation infrastructure. Approved applicants receive credit assistance in the form of direct loans, loan guarantees, and lines of credit for up to one-third of the cost of large infrastructure construction projects of national or regional significance.





❖ **Limitation on Administrative Expenses:** A Limitation on Administrative Expense (LAE) of \$368 million is requested for FY 2006 for the necessary salaries and benefits of 2,430 FTE and on-going administrative expenses in support of the above Federal programs. This LAE includes increased funding of \$10 million to support the President's Management Agenda activities.

**Emergency Relief Program:** The Emergency Relief (ER) program provides funding for the repair or reconstruction of Federal-aid highways and roads on Federal lands that have suffered serious damage as a result of natural disasters or catastrophic failures from an external cause. Section 125 of title 23, of the United States Code, authorizes \$100 million annually. DOT proposes the ER funding be increased to \$250 million in FY 2006.

