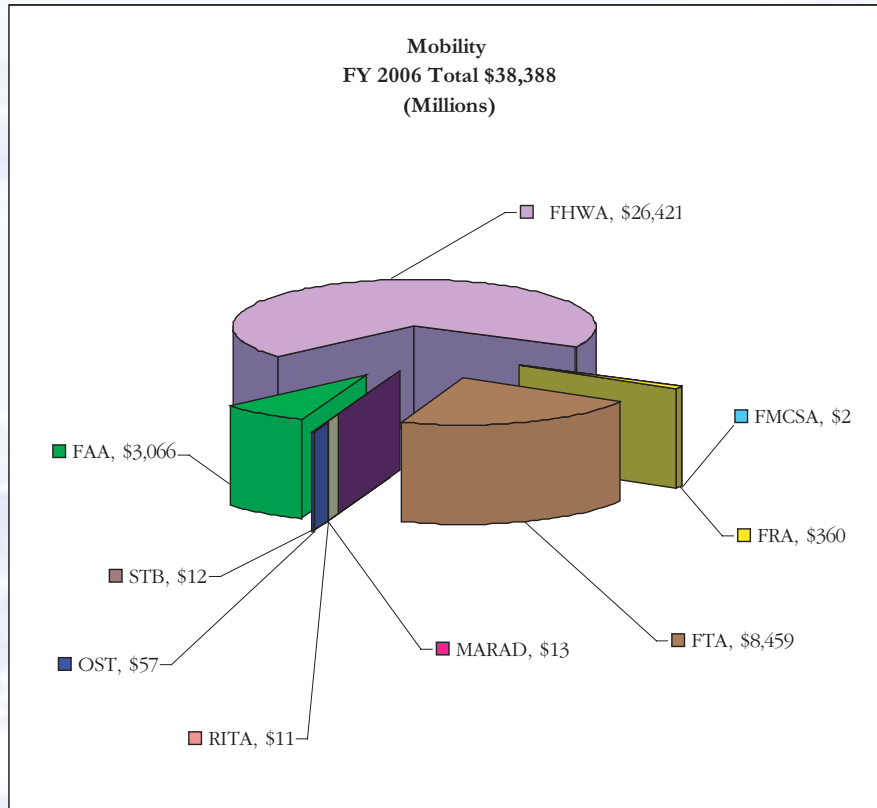


DOT's Mobility Performance Budget is distributed as follows:



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.

An intermodal domestic and international approach is central to DOT's role in promoting global connectivity. For the freight industry, efficient connections between transportation modes, and efficient transport within each mode, are essential to the competitive position of U.S. products in global markets. Increasing foreign trade requires transportation system capacity around our ports and borders. The U.S. freight system currently carries about 15 billion tons of cargo each year that has a value of \$9.1 trillion, and forecasts suggest a doubling in tonnage of general cargo and international trade movements, and a tripling of freight by value by 2020.

Our strategies to address transportation in the global economy have two synergistic thrusts: (1) opening international transportation markets; and (2) the improvement of essential, intermodal transportation linkages. Both are needed to achieve the outcomes that will yield better global connectivity and a more competitive, cost-effective transportation marketplace. The FY 2006 budget request includes \$274 million to meet this challenge.

Reduced barriers to trade in transportation goods and services, and enhanced international competitiveness of U.S. transport providers and manufacturers

- ❖ Increase International Aviation Service. The 2006 budget requests \$5.9 million for the Office

of the Secretary to increase opportunities for air transportation consumers traveling in international markets by expanding open skies and open transborder aviation agreements. The domestic airline industry continues to undergo major changes, and international deregulation, which poses even more complex and controversial issues, is barely underway. Common to all of the aviation issues currently facing DOT is the need for in-depth and intensive analysis of airline practices, mergers, and international alliances. As the United States moves towards a multilateral approach to air service agreements, the Department of Transportation is seeking an understanding of the long-term trends in the airline industry's operating and competitive structures in order to formulate and execute effective negotiating strategies that will ensure pro-competitive liberalization.

- ❖ Preserve and Expand International Cargo Carrying Opportunities for U.S.-Flag Vessels. The budget request includes \$1.8 million for maritime programs that preserve and enhance market opportunities for U.S.-flag vessels. The budget request will allow MARAD to continue to ensure that Federal agencies and other shippers comply with cargo preference laws designed to assure appropriate use of U.S.-flag ships in the carriage of certain cargoes to foreign locations. MARAD also continues its efforts to reduce and eliminate international trade barriers that impede the competitiveness of U.S. shipping companies in the international market.

Efficient movement of cargo throughout the domestic and international supply chain

- ❖ Increase Freight Travel Efficiency. Consistent with Secretary Mineta's Freight Action Plan, the budget request includes \$209 million in FY 2006 for FHWA, RITA, FMCSA and the Office of the Secretary to improve global connectivity in freight, reduce travel time in major freight corridors, and reduce border-crossing delays. FHWA programs include the border and corridor programs, which work together to reduce bottlenecks in and around seaports and land borders with Canada and Mexico, and parts of the ITS program implementing intelligent transportation systems for improved freight technology, efficiency, and security. This request also includes funds being requested by FHWA and RITA to improve the quality and availability of freight data, freight professional capacity-building efforts, and freight technology development and evaluation.
- ❖ Maintain a High Level of Seaway System Availability. The FY 2006 budget requests \$16.3 million for the Saint Lawrence Seaway Development Corporation (SLSDC) to maintain 99 percent system and lock availability in the U.S. portion of the St. Lawrence Seaway during the navigation season. The request includes an appropriation request of \$8.0 million from the Harbor Maintenance Trust Fund, plus \$8.3 million through the proposed re-establishment of U.S. Seaway commercial tolls. A legislative proposal to re-establish U.S. Seaway commercial tolls as a self-funding mechanism for the SLSDC will be transmitted during this Congress.

Harmonized and standardized regulatory and facilitation requirements

- ❖ Increase the Standardization and Harmonization of Transportation Standards and Practices. The Department of Transportation is requesting \$38.4 million in FY 2006 for FAA, NHTSA, and the Office of the Secretary to increase the number of bilateral and multilateral agreements that standardize transportation practices and harmonize standards. FAA will expand its training and technical assistance programs that help civil aviation authorities around the world meet international safety standards. FAA continues to work with its international partners and the International Civil Aviation Organization to harmonize global technological standards, such as

the use of global satellite navigation systems. NHTSA will also continue its efforts within the United Nations Working Party 29 to develop international standards for vehicle safety and Working Party 1 to share best practices for traffic safety.

Achieve the most competitive, cost-effective, and efficient environment for passenger travel

- ❖ Improve the efficiency and cost-effectiveness of passenger travel. The budget includes \$6.3 million for the Office of the Secretary and FTA to promote the opening of transportation markets to competition through multilateral or regional agreements in FY 2006.

Expanded opportunities for all businesses, especially women-owned and disadvantaged businesses

- ❖ Increase Opportunities for Small Disadvantaged (SDB) and Women-Owned Businesses (WOB). The budget request includes \$5.2 million for outreach and technical assistance to small businesses in general, including disadvantaged and women-owned businesses. These resources will promote the goals of awarding 5.1 percent of the total dollar value of DOT direct contracts to women-owned businesses in FY 2006, and 14.5 percent of the total dollar value of DOT direct contracts to small disadvantaged businesses in FY 2006. DOT's SDB and WOB percentage goals are set in cooperation with the Small Business Administration. WOBs do not have a special set-aside authority allowing them to compete in a restricted market for Federal procurements. Therefore, WOBs must successfully compete with other small businesses for small business set-aside procurements or with all businesses for full and open procurements. To assist WOBs to successfully compete, DOT and the Office of Small and Disadvantaged Business Utilization (OSDBU) conduct outreach, training and offer financial assistance.

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