

GAO

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TRANSPORTATION
INFRASTRUCTURE

Major Program Revisions
Present Challenges

Statement of Kenneth M. Mead, Director, Transportation Issues
Resources, Community, and Economic Development Division



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Mr. Chairman and Members of the Legislature:

It is a pleasure to be here today to provide a national perspective on how the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 has changed and challenged the nation's approach to transportation. GAO has issued numerous reports and testimonies to the Congress on federal-aid highway and mass transit issues.¹ Furthermore, we have been charged, through ISTEA, with developing additional information on a variety of topics, including methods of apportioning highway funds, and strategies for upgrading federal-aid highways and bridges. We look forward to learning from your experiences in developing state transportation plans, and we hope that our perspectives will assist you in responding to ISTEA's challenges.

In summary, ISTEA reshapes surface transportation policy. Among other things, it provides a 6-year unprecedented funding authorization of \$155 billion. The act restructures the federal-aid highway system network and gives state and local governments more flexibility in determining how funds should be distributed between highway and transit projects. ISTEA also presents an array of challenges.

-- One of ISTEA's key challenges will be to find the budgetary resources to support the act's \$155-billion authorization through fiscal year 1997. For instance, the administration has proposed a spending level from the Highway Trust Fund that is nearly \$2 billion less than the authorization level for fiscal year 1993.² Although the final spending level for fiscal year 1993 has not yet been set, it is likely to be considerably lower than the authorization. Furthermore, although most funds will be distributed directly or indirectly on the basis of previously used allocation formulas, alternative allocation formulas are to be considered for future use. ISTEA directs GAO and the U.S. Department of Transportation to study and report to the Congress on the advantages and disadvantages of various approaches for apportioning funds. These alternative approaches are likely to change the distribution of funds among states and therefore affect how much funding individual states receive.

¹ Our recent reports and testimonies on these issues are listed in appendix I.

² The Highway Trust Fund was established in 1956 as an accounting mechanism to finance the federal-aid highway program; in 1982, the fund was divided into a highway account and a mass transit account.

- ISTEA challenges the transportation community, within existing budgetary constraints, to meet our growing transportation needs and sustain our aging transportation infrastructure. It asks that we not only maintain and improve existing highway and transit facilities but also manage these facilities more effectively so as to increase their capacity and efficiency.
- ISTEA further challenges the transportation community to improve transportation safety. In each of the last 25 years, more than 40,000 people have died in traffic accidents. ISTEA responds to this devastating statistic through a number of provisions. For instance, starting in 1994, for states that do not mandate use of safety belts and motorcycle helmets, the Secretary of Transportation must transfer a portion of the states' federal-aid highway funds to safety programs. For those states that do mandate the use of this equipment, ISTEA encourages maximum compliance through grants that are available for up to 3 years.
- ISTEA's emphasis on planning challenges the transportation community to look at transportation as a complete system for moving people and goods in a manner that is efficient yet consistent with other important national objectives. ISTEA requires that we shift our focus and our resources from individual highway and transit facilities to the transportation system that most effectively meets our multiple objectives. Moving beyond our single-mode perspective and modifying our decision-making process for investing in transportation projects may be difficult. However, we can begin to respond to ISTEA's challenges by developing criteria that will give us a common analytical base, accurate data and sound analytical tools for deciding how best to invest our transportation dollars. Furthermore, transportation planners need to consider transportation investment alternatives in the context of other national objectives. For example, ISTEA will require planners to ensure that their proposals are consistent with objectives set forth in legislation such as the Clean Air Act. In some instances, such legislation may even drive transportation decisions.

The Oregon Transportation Plan and the state's Model Intermodal Transportation Planning Proposal reflect the state of Oregon's commitment to moving beyond business as usual and confronting the changes and challenges of ISTEA. As the policy element of the state's transportation plan notes, this effort will give direction to critical elements, such as the coordination of transportation modes and the relationship of transportation to land use, economic development, the environment, and energy use.

ISTEA RESHAPES SURFACE TRANSPORTATION

On December 18, 1991, President Bush signed into law the \$155 billion Intermodal Surface Transportation Efficiency Act of 1991, better known as ISTEA. This measure, which authorized highway and mass transit programs for the next 6 years, substantially changed surface transportation programs. As finally enacted, ISTEA contains landmark changes, some responsive to GAO's work. Important changes include a 6-year funding authorization of \$155 billion accompanied by a generally uniform match of state and local funds among most programs that is designed to prevent bias in decisions affecting the use of funds.

Second, ISTEA replaced four existing federal-aid highway systems. The act created a National Highway System (NHS) of up to 155,000 miles (plus or minus 15 percent) and a surface transportation program. The NHS includes the approximately 44,000-mile Interstate system and other primary highways. The remaining federal-aid highway systems are consolidated into a single surface transportation program that can be used to fund either transit or highway projects through the use of a block grant. This new multimodal program allocates substantial funds by formula to urbanized areas with populations over 200,000.

Third, ISTEA eliminated much of the long-standing federal control for determining how transportation funds are spent. States and urban areas now have unprecedented flexibility to spend money on roads, mass transit, or other transportation-related programs. At the federal level, the focal point of the intermodal effort will be a new Office of Intermodalism, established within the Office of the Secretary of Transportation. The purpose of this office will be to develop, maintain, and disseminate data on intermodal transportation and coordinate federal research on intermodal transportation.

Fourth, ISTEA required each state to develop a statewide transportation plan for an intermodal system. The act explains that it is in the national interest to encourage and promote the development of transportation systems embracing various modes of transportation that will serve all areas of the state efficiently and effectively. The resulting plans and programs are to provide for the development of transportation facilities (including consideration of pedestrian walkways and bicycle transportation facilities) that will function as an intermodal state transportation system. These plans are to consider long-range outlooks and a transportation improvement program, and are to be coordinated with metropolitan planners. In summary, ISTEA recasts the way we look at surface transportation policy and the management of our highway and transit systems.

ISTEA PRESENTS CHALLENGES

ISTEA declares as U.S. policy the development of a National Intermodal Transportation System that is economically efficient and

environmentally sound, that provides the foundation for the nation to compete in the global economy, and that will move people and goods in an energy efficient manner.

Fulfilling this policy mandate will challenge transportation officials at the federal, state, and local levels. Across the board, the key challenge in an era of budget constraints at all levels of government will be to implement ISTEA's principles, including the act's increased emphasis on preserving existing resources, making use of technological advances, employing multimodal decision-making, and establishing cooperation among a wide range of key players. ISTEA challenges us to turn these concepts into reality.

Funding Challenges Will Persist Throughout the ISTEA Era

Two surface transportation problems--traffic congestion and road and bridge deterioration--pose serious challenges to the nation now and in the decade to come.³ The mobility of Americans is being jeopardized as traffic congestion levels continue to escalate at an alarming rate. Almost 70 percent of daily peak-hour travel on the urban Interstate System in 1989 occurred under congested conditions--an increase of almost 30 percent since 1983. Moreover, our basic surface transportation infrastructure is aging and in need of costly repairs. For instance, the Department of Transportation reported to the Congress in September 1991 that the funding backlog for bridges that are either structurally deficient or functionally obsolete totaled \$91 billion in 1990. Furthermore, the cost of repairing or replacing these bridges could increase to as much as \$131 billion, depending on the number of years required to retire the backlog.

ISTEA responds to these problems by authorizing an unprecedented \$155 billion over 6 years. Annually, the authorization grows from nearly \$23 billion in fiscal year 1992 to about \$26 billion in fiscal years 1993 through 1996, and increases to \$28 billion in fiscal year 1997. During the previous authorization period, the annual authorization averaged about \$17 to 18 billion.

Budget Constraints Could Limit Funding and Create Uncertainty

Although ISTEA set an ambitious authorization level, budget constraints may reduce the actual funds available for state and local governments to spend in any given year. For instance, the administration proposed a spending level from the Highway Trust Fund of \$22 billion for fiscal year 1993, which represents a decrease of almost \$2 billion from the authorized level. While the

³ Transportation Infrastructure: Reshaping the Federal Role Poses Significant Challenge for Policy Makers (GAO/RCED-90-81A, Dec. 28, 1989).

Congress has not yet decided on the final fiscal year 1993 spending level, Senate and House proposals are aligned with the administration's proposal. As appendix II indicates, the administration is proposing that the spending (obligation) level be set for the next 2 years at approximately \$2 billion below the authorization level. One particular problem associated with such downward adjustments in funding is that state and local officials are unable to forecast how much money they will receive annually.

In coping with tight budgets, planners and policymakers will have to develop partnerships with the private sector to expand the financial base available for transportation improvements. When resources are limited, alternatives to augment traditional revenue bases need to be considered. Improvements in assessing user charges can also make revenue collection more efficient and equitable.

Potential Changes to Allocation Formulas Present Uncertainty

Factors used for decades to apportion funds for a number of highway programs no longer reflect either the extent or the usage of the highway system, according to a 1986 GAO report.⁴ Proposals to replace long-standing apportionment factors, however, generated considerable debate during ISTEA's reauthorization process, because changes to formula factors would alter state-by-state funding patterns. Ultimately, the Congress decided that for the duration of ISTEA, a combination of methods would be used to allocate funds. For some traditional program areas, such as Interstate construction and maintenance, existing formula factors would continue to be used. These factors include states' lane mileage, population, and project completion costs. For new highway categories--the NHS and the surface transportation program--funding would be based on the past 5 years' average of what a state had received.

In addition, equity adjustment categories were legislated to achieve equity in funding levels among the states. For example, one such category guarantees each state 90 cents for every dollar that the state is estimated to have contributed to the highway account of the Highway Trust Fund for each year of the act. These adjustment categories should prove particularly beneficial to Oregon, since the state has been receiving considerably less than it has contributed in federal excise taxes, such as taxes on gasoline and diesel fuel. Appendix III compares Oregon's highway apportionments and contributions for fiscal years 1988 through 1991.

ISTEA provides that GAO conduct a study in conjunction with the U.S. Department of Transportation and provide the Congress with

⁴ Highway Funding: Federal Distribution Formulas Should Be Changed (GAO/RCED-86-114, Mar. 31, 1986).

information on the advantages and disadvantages of various approaches for apportioning highway funds. We expect that the information we will be providing to the Congress will stimulate considerable congressional debate over the appropriate distribution formulas, since any formula adjustments could shift state-by-state allocations. Such shifts would heighten states' level of uncertainty over future funding levels.

We expect to begin our study soon and look forward to states' participation in this effort. I would like to take this opportunity to thank Oregon transportation officials for their gracious offer of assistance. We look forward to working with you.

Improvements in Quality and Technological Innovations
Are Needed to Increase Economy and Efficiency

ISTEA's challenge is to sustain and improve the quality of our highways and bridges in the context of an aging surface transportation infrastructure, significant unmet needs, and limited resources. To provide policymakers with an inventory of promising strategies for improving quality, ISTEA tasks GAO with determining how the quality of our nation's highways and bridges can be improved.

Specifically, we have been asked to consider such issues as the feasibility of including guarantee and warranty clauses in contracts, the means of enhancing the maintenance of the federal-aid highway system, and the avenues available for tapping into the potential offered through research and development efforts. I believe that this mandate exemplifies ISTEA's emphasis on improving the management of our surface transportation network.

ISTEA also champions cutting edge technological advances in the transportation field. Research and development initiatives are spurring innovation in new areas, such as magnetic levitation train technology. For example, ISTEA declares that "it is the policy of the United States to promote the construction and commercialization of high-speed ground transportation systems" and authorizes \$725 million for a maglev prototype program. Under the Congress's timetable, the United States will have built a maglev demonstration line by the year 2000. Maglev is seen by many as an important transportation technology of the future, with great promise for addressing both transportation problems and economic development needs.

The act also supports other high-speed rail transportation systems as alternatives to existing transportation systems. For instance, ISTEA authorizes a \$50-million national high-speed ground transportation technology demonstration program. We are currently reviewing the potential for high-speed rail to strengthen the nation's transportation system.

Another technological alternative is the Intelligent Vehicle Highway System (IVHS) program, which consists of a range of advanced technologies and ideas that, in combination, can improve mobility and transportation productivity, enhance safety, and maximize the use of existing transportation resources. IVHS technologies represent a range of configurations, from centralized computer systems for controlling traffic signals to information systems that provide commuters with bulletins about congestion and other travel information to fully automated freeways that could greatly increase highway capacity. In the Portland Metropolitan Area, an IVHS project is intended to provide direction for the design of an areawide traffic management system.

Increasingly, traffic management will require more reliance on established traffic control tools. Designated traffic lanes, access ramps, and parking privileges for high-occupancy vehicles during peak travel hours are examples of tools that have the potential for moving traffic more efficiently.

ISTEA Encourages Safety

For each of the past 25 years, more than 40,000 people have died in traffic crashes in the United States. This alarming statistic could be much worse, but for the use of safety belts. DOT has estimated that safety belts have saved nearly 25,000 lives and prevented about 650,000 moderate to critical injuries since 1983. However, the safety belt battle has not been won: DOT estimates that more than 15,000 lives would be saved annually if all front seat occupants wore safety belts. ISTEA responds to the challenge of getting more people to wear safety belts and motorcycle helmets and supports our previous efforts addressing these issues.⁵ For instance, starting in 1994, for states that do not mandate the use of safety belts and motorcycle helmets, the Secretary of Transportation must transfer a portion of the states' federal-aid highway funds to safety programs. For those states that do mandate the use of this equipment, ISTEA encourages maximum compliance through grants that are available for up to 3 years.

Another safety issue concerns longer combination vehicles (LCV). Our review of this issue disclosed that the safety of LCVs is largely unknown, because existing national and state data bases do not contain adequate data on truck travel and accidents. ISTEA generally restricts the use of LCVs to those states that allowed LCVs before June 1, 1991. Oregon is one of these states. But, we understand that Oregon voters will decide in November whether LCVs should be permitted to continue operating in the state.

⁵ Highway Safety: Motorcycle Helmet Laws Save Lives and Reduce Costs to Society (GAO/RCED-91-170, July 29, 1991). Highway Safety: Interim Report on Safety Belt and Motorcycle Helmet Effectiveness (GAO/RCED-91-158, May 10, 1991).

The ban on expanding the use of LCVs coupled with the ever increasing need to move freight, indicates that increasing attention needs to be directed to possible intermodal alternatives, such as rail-truck combinations for moving goods. We are currently studying the barriers facing the increased movement of freight by rail-truck combinations. Our goal is to identify opportunities for improving intermodal cooperation that could in turn enhance safety, mobility, air quality and pavement preservation objectives.

The Starting Point Is Effective Planning

Central to the emphasis on existing transportation resources are ISTEA's planning requirements for state and local governments. ISTEA requires states to undertake a statewide transportation planning process and develop a long-term transportation plan. A statewide transportation improvement plan is also required, and for metropolitan areas the plan is to be coordinated with metropolitan planning organizations.

Sorting out these requirements, developing workable plans, and most of all, implementing the plans, will not be easy. As appendix IV indicates, several key factors need to be considered in intermodal planning. One challenge will be to develop cooperative working relationships that will allow a variety of government players to function effectively as a team. In addition, established government players will have to learn to function effectively with a wide variety of new players, such as environmental groups that will also have a stake in the decision-making. In many states, the introduction of these new players may alter the traditional balance of power.

Another challenge will be to establish meaningful criteria that will allow officials to plan effectively, particularly in making cross-modal comparisons. We have expressed concern that state and local governments have been unable to develop criteria to help them identify and evaluate the modal trade-offs so crucial to a sound intermodal planning process.⁶ At the same time, the federal government has not provided guidance as to what criteria might be appropriate. We also believe that intermodal planning requires a complete and accurate accounting of transportation facilities and their condition. It further requires good data and analytical tools, such as models to help assess the advantages and disadvantages of various proposed solutions. We note that a Data Requirements Study to evaluate the adequacy of intermodal data collection and analysis is included in your Model Intermodal Transportation Planning Proposal, which points to your attention to this critical element of effective planning and management.

⁶ Transportation Infrastructure: Urban Transportation Planning Can Better Address Modal Trade-Offs (GAO/RCED-92-112, Apr. 2, 1992).

Within the context of transportation planning and management, ISTEA and the Clean Air Act have challenged transportation planners to accelerate the design of transportation systems that meet a full range of objectives, including the protection of our air and the overall health and well being of the community at large. Satisfying these various and sometimes competing demands will require planners to identify trade-offs and analyze a wide range of impacts associated with nearly every major transportation policy decision.

For example, for areas with the worst air pollution, state and metropolitan planners will need to consider a variety of strategies to lower vehicle emissions. We are currently reviewing the impact of transportation control measures on reducing vehicle emissions.

The Americans with Disabilities Act of 1990 requires public transportation providers to make transit systems accessible to all users, including those with disabilities. This is another area in which we have undertaken a review. In this review, we are examining the implementation of special services for the disabled, and we plan to provide the Congress with information on when services will be in place and at what cost.

On a local basis, regional concerns and objectives will play a larger role than ever in overall transportation decision-making. As I noted earlier, ISTEA's emphasis on planning asks us to look at transportation as a complete system. In the search for transportation solutions, ISTEA further asks that land use planning, growth management, and congestion management be taken into account.

We believe that ISTEA is a first step in an evolving national transportation program. For example, today we view intermodalism primarily as a trade-off between highway and transit, but as we move into the 21st century, consideration of intermodal trade-offs and multimodal linkages will likely be expanded to encompass all transportation modes, including marine and air systems. Oregon's intent to contract for a case study on land-sea linkage is an example of forward thinking in a broadened intermodal context.

In closing, I would like to say that, above all, successful implementation of ISTEA depends on the will and persistence of individuals committed to making the act work. For many transportation officials, the ISTEA era will represent a cultural change--highway and transit officials who previously focused on modal problems will now be responsible for creating partnerships for making investment decisions to form a coordinated surface transportation network. Forming these partnerships will be complicated by the need to adapt simultaneously to the changing roles and responsibilities of federal, state, and local

governments. These complex changes present challenges that must be met in an era of budget limitations at all levels of government. The state of Oregon appears to recognize these challenges as it begins to implement the Oregon Transportation Plan.

RECENTLY ISSUED GAO REPORTS AND TESTIMONIES ON
HIGHWAYS, MASS TRANSIT, AND HIGHWAY SAFETY

REPORTS

Highway Contracting: Disadvantaged Business Eligibility Guidance and Oversight Are Ineffective (GAO/RCED-92-148, Sept. 1, 1992).

Surface Transportation: Availability of Intercity Bus Service Continues to Decline (GAO/RECD-92-126, June 22, 1992).

Highway Safety: Safety Belt Use Laws Save Lives and Reduce Costs to Society (GAO/RCED-92-106, May 15, 1992).

Transportation Infrastructure: Urban Transportation Planning Can Better Address Modal Trade-offs (GAO/RCED-92-112, Apr. 2, 1992).

Mass Transit Grants: Risk of Misspent and Ineffectively Used Funds in FTA'S Chicago Region (GAO/RCED-92-53, Mar. 4, 1992).

Truck Safety: The Safety of Longer Combination Vehicles Is Unknown (GAO/RCED-92-66, Mar. 11, 1992).

High-Speed Ground Transport: Acquiring Rights-of-way for Maglev Systems Requires a Flexible Approach (GAO/RCED-92-82, Feb. 10, 1992).

Mass Transit Grants: Noncompliance and Misspent Funds by Two Grantees in UMTA'S New York Region (GAO/RCED-92-38, Jan. 23, 1992).

Transportation Infrastructure: The Nation's Highway Bridges Remain at Risk From Earthquakes (GAO/RCED-92-59, Jan. 23, 1992).

Mass Transit Grants: Improved Management Could Reduce Misuse of Funds in UMTA'S Region IX (GAO/RCED-92-7, Nov. 15, 1991).

Highway Trust Fund: Revenue Sources, Uses, and Spending Controls (GAO/RCED-92-48FS, Oct. 16, 1991).

Transportation Infrastructure: Preserving the Nation's Investment in the Interstate Highway System (GAO/RCED-91-147, Aug. 2, 1991).

Transportation Infrastructure: Highway Program Consolidation (GAO/RCED-91-198, Aug. 16, 1991).

Mass Transit Grants: Development Time Frames for Selected UMTA Projects (GAO/RCED-91-184FS, July 11, 1991).

Bridge Infrastructure: Matching the Resources to the Need (GAO/RCED-91-167, July 22, 1991).

Highway Safety: Motorcycle Helmet Laws Save Lives and Reduce Costs to Society (GAO/RCED-91-170, July 29, 1991).

Mass Transit Grants: Scarce Federal Funds Misused in UMTA's Philadelphia Region (GAO/RCED-91-107, June 13, 1991).

Highway Demonstration Projects: Improved Selection and Funding Controls Are Needed (GAO/RCED-91-146, May 28, 1991).

Highway Safety: Interim Report on Safety Belt and Motorcycle Helmet Effectiveness (GAO/RCED-91-158, May 10, 1991).

Smart Highways: An Assessment of Their Potential to Improve Travel (GAO/PEMD-91-18, May 1, 1991).

Truck Safety: Improvements Needed in FHWA's Motor Carrier Safety Program (GAO/RCED-91-30, Jan. 9, 1991).

Highway Financing: Participating States Benefit Under Toll Facilities Pilot Program (GAO/RCED-91-46, Dec. 17, 1990).

Motor Vehicle Safety: Information on Accidental Fires in Manufacturing Air Bag Propellant (GAO/RCED-90-230, Sept. 28, 1990)

Truck Safety: Need to Better Ensure Correction of Serious Inspection Violations (GAO/RCED-90-202, Sept. 28, 1990).

Scenic Byways: A National Program, If Created, Should Be Small Scale (GAO/RCED-90-241, Sept. 28, 1990).

Motor Vehicle Safety: Information on Recent Controversy Between NHTSA and Consumer Group (GAO/RCED-90-221, Sept. 27, 1990).

Motor Vehicle Safety: NHTSA Should Resume Its Support of State Periodic Inspection Programs (GAO/RCED-90-175, July 5, 1990).

Truck Transport: Little Is Known About Hauling Garbage and Food in the Same Vehicles (GAO/RCED-90-161, June 28, 1990).

Transportation Infrastructure: A Comparison of Federal and State Highway Laws (GAO/RCED-90-157, June 27, 1990).

Loma Prieta Earthquake: Collapse of the Bay Bridge and the Cypress Viaduct (GAO/RCED-90-177, June 19, 1990).

Transportation Infrastructure: States Benefit From Block Grant Flexibility (GAO/RCED-90-126, June 8, 1990).

Truck Safety: States' Progress in Testing and Licensing Commercial Drivers (GAO/RCED-90-78, Mar. 12, 1990).

TESTIMONIES

Mass Transit: Significant Federal Investment Is Not Adequately Protected (GAO/T-RCED-91-68, June 12, 1991).

Transportation Infrastructure: Issues for Congressional Consideration During Reauthorization of Surface Transportation Programs (GAO/T-RCED-91-56, May 14, 1991)

Transportation Infrastructure: Department of Transportation Highway and Mass Transit Program Reauthorization Proposals (GAO/T-RCED-91-26, Apr. 18, 1991).

Mass Transit: Reauthorization Offers Opportunity to Address the Appropriate Federal Role (GAO/T-RCED-91-41, Apr. 24, 1991).

Transportation Infrastructure: Federal Highway Administration FY 1992 Budget Request and Highway Program Reauthorization Proposal (GAO/T-RCED-91-12, Mar. 5, 1991).

Mass Transit: Historical Patterns and Future Outlook (GAO/T-RCED-91-15, Mar. 5, 1991).

Transportation Infrastructure: Flexibility in Federal-aid Funding Essential to Highway Program Restructuring (GAO/T-RCED-91-4, Dec. 10, 1990).

UMTA Project Oversight and Mass Transit Issues (GAO/RCED-T-90-103, Aug. 7, 1990).

UMTA Project Oversight and Mass Transit Issues (GAO/RCED-T-90-102, Aug. 8, 1990)

Operations of and Outlook for the Highway Trust Fund (GAO/RCED-T-90-79, May 9, 1990).

Operations of and Outlook for the Highway Trust Fund (GAO/RCED-T-90-78, May 8, 1990).

Preserving the Interstate System (GAO/RCED-T-90-68, Apr. 25, 1990).

Issues to Be Considered During Deliberations to Reauthorize the Federal-Aid Highway Program (GAO/RCED-T-90-50, Mar. 19, 1990).

HIGHWAY TRUST FUND: BUDGET AUTHORITY AND OBLIGATIONS

Dollars in billions

	<u>Fiscal Years</u>				
	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993^a</u>	<u>1994^a</u>
Budget authority	16.5	15.7	19.7	23.9	24.0
Obligations ^b	15.8	18.1	19.7	22.0	21.8
Ratio	0.96	1.15 ^c	1.00	0.92	0.91

^aAs proposed in the administration's fiscal year 1993 budget.

^bIncludes obligations for programs exempt from obligation ceilings.

^cIn a typical year, obligations are lower than authorized funding, but occasionally the Congress permits obligations to exceed authorizations. This action allows states to obligate authorized funding that was restricted from obligation in past years.

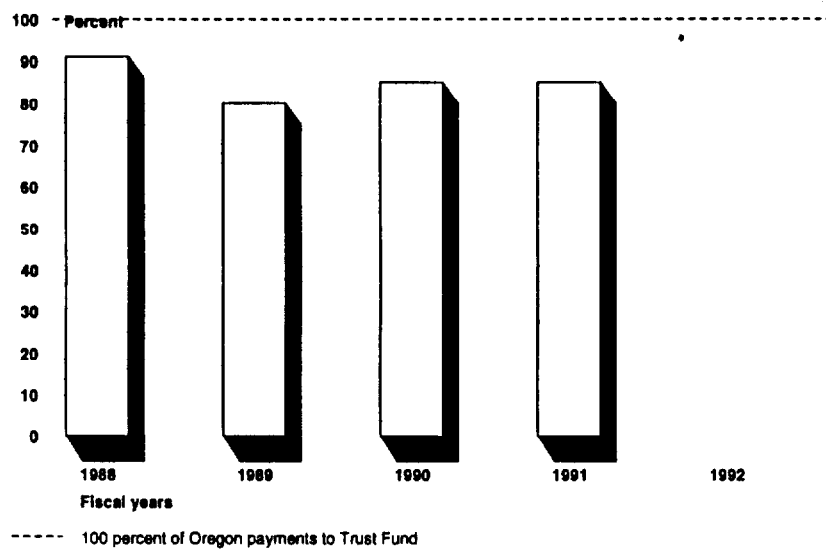
HIGHWAY TRUST FUND: OREGON APPORTIONMENTS AND PAYMENTS

Dollars in millions

	<u>Fiscal years</u>				
	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>
Apportionment	152.2	158.8	142.4	170.7	192.4
Payments	167.3	198.3	166.9	199.6	^a
Ratio	0.91	0.80	0.85	0.85	^a

^aData not yet available.

Figure



KEY PROJECT SELECTION CRITERIA

PROJECT SELECTION CRITERIA					
SAMPLE PROJECTS	Mobility of people and goods	Environmental quality	Safety of system users	Cost-effectiveness of competing projects	Social and economic objectives
Highway					
Transit					
High-occupancy vehicle					
SAMPLE APPROACHES					
New capacity					
Reconstruction					
Demand management					

(342861)