

# FHWA FY 2010 BUDGET

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**FEDERAL HIGHWAY ADMINISTRATION  
FISCAL YEAR 2010 BUDGET**

**BUDGET SUMMARY OVERVIEW**

**Federal-Aid Highways**

The Administration is developing a comprehensive approach for surface transportation reauthorization. Consequently, the Budget contains no policy recommendations for programs subject to reauthorization including Federal Aid Highways. Instead, the Budget displays baseline funding levels for all surface programs.

To reflect the growing imbalance between projected Highway Trust Fund (HTF) revenues and baseline spending in the most transparent manner, the Budget shows only the HTF funding that can be supported while maintaining positive annual cash balances in the trust fund. The remaining spending compared to the baseline for the program is shown as discretionary budget authority from the General Fund. Specifically, for 2010 the Budget includes \$5 billion in new contract authority and obligation limitation in the existing Federal-aid Highways account and \$36.1 billion in a new Federal-Aid Highways General Fund share account. Again, this presentation does not represent the Administration's recommended funding levels or a budgeting approach for the upcoming reauthorization. Rather, it is intended to accurately depict the condition of the HTF and recognize that, under current law, maintaining baseline spending would require support from the General Fund.

**American Recovery and Reinvestment Act of 2009**

The American Recovery and Reinvestment Act (Recovery Act) was signed into law by President Obama on February 17th, 2009. The intent of the Recovery Act is to jumpstart the economy, create or save millions of jobs, and make significant investments in challenges facing the nation so the country can thrive in the 21st century. The Recovery Act is an extraordinary response to a major economic crisis, and includes measures to modernize the nation's infrastructure.

Transportation is a great enabler of economic growth and the lifeblood of commerce. It moves people to jobs and goods to the marketplace. Without strong transportation arteries, economies stagnate. DOT will use the transportation funding in the Recovery Act to deliver jobs and help to restore the nation's economy. DOT will emphasize sustainable investment and focus its policies on the people, businesses and communities who use the transportation systems.

With the \$27.5 billion provided in Recovery Act funds for highway infrastructure improvement, Federal, State and local transportation organizations will invest in projects to build, rehabilitate, and make safer roads, highways, bridges and ports. A portion of the appropriation is set aside to make sure that urban, suburban, and rural areas alike all get a share of the funding. Since local leaders – mayors and governors – know their communities best, most of the money is left to states' discretion. To make sure that funds go out quickly to give the economy the jolt it needs, each State has 120 days to assign half of their funds to specific projects. And if States do not meet this deadline, those funds are made available to other States who are able to put the funds to productive use.

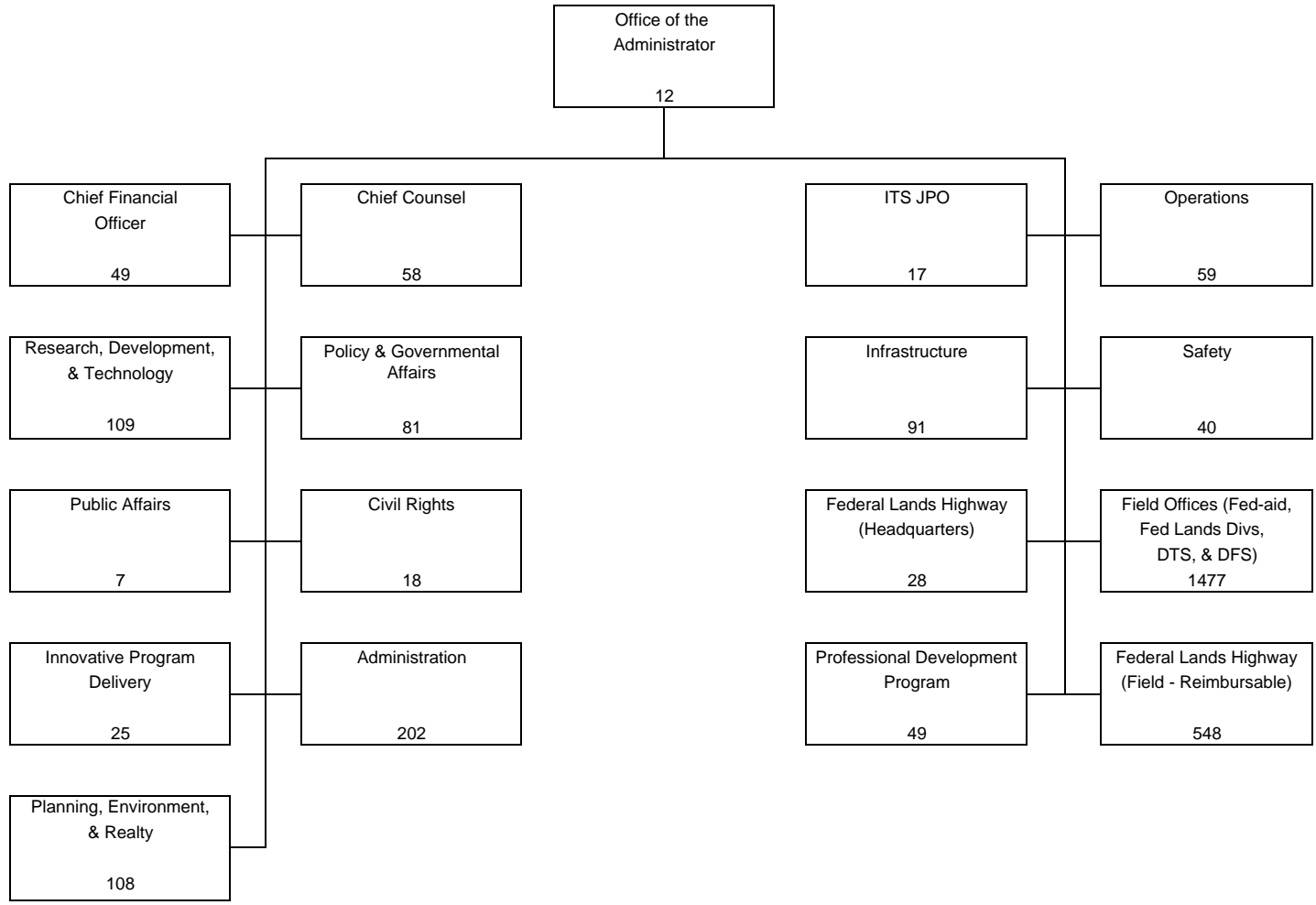
Highway infrastructure investments will not only be given to state-based projects. The Recovery Act also calls for investments in federal lands and capital expenditure projects such as park roads and parkways and ferry boat construction. The distribution of this funding is detailed below:

- Indian Reservation Roads – \$310 Million
- Park Roads and Parkways – \$170 Million
- Forest Highway Program – \$60 Million
- Refuge Roads – \$10 Million
- Puerto Rico Highway Program – \$105 Million
- Territorial Highway Program – \$45 Million
- Construction of Ferry Boats and Ferry Terminal Facilities – \$60 Million
- Highway Surface Transportation and Technology Training – \$20 Million
- Disadvantaged Business Enterprises Bonding Assistance – \$20 Million
- Funds Oversight – \$40 Million

FHWA will continue to implement the Recovery Act in FY 2010 and has taken steps to ensure effective coordination and support among federal agencies. FHWA has also prepared relevant partners and stakeholders to implement the provisions of the Recovery Act as expeditiously as possible.

EXHIBIT-I

FEDERAL HIGHWAY ADMINISTRATION  
 ORGANIZATION CHART with AUTHORIZED FTP  
 POSITIONS FY 2010



GOE Total	2,430
Federal Lands (Reimb)	<u>548</u>
Total	2,978

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EXHIBIT II-1

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY  
 FEDERAL HIGHWAY ADMINISTRATION  
 Appropriations, Obligation Limitations, and Exempt Programs  
 (\$000)

ACCOUNT	FY 2008 ACTUAL	FY 2009 ENACTED OMNIBUS	FY 2009 ENACTED TOTAL	FY 2010 REQUEST
[Limitation on administrative expenses]	[377,556]	[390,000]	[390,000]	[415,396]
Federal-aid Highways (Highway Trust Fund)				
(Liquidation of contract authorization)	(41,955,051)	(41,439,000)	(41,439,000)	(33,000,000)
(Limitation on obligations)	(39,585,075)	(40,700,000)	(40,700,000)	(5,000,000)
(Additional bridge limitation)	(1,000,000)	----	----	----
(Revenue Aligned Budget Authority - RABA)	(630,976) 1/	----	----	----
(Flex transfers to/from FTA)	-(1,008,249)	----	----	----
(Unobligated balance transfer from FTA)	[6,358]	----	----	----
Subtotal (Limitation on obligations)	<u>(40,207,802)</u>	<u>(40,700,000)</u>	<u>(40,700,000)</u>	<u>(5,000,000)</u>
Exempt contract authority	<u>739,000</u>	<u>739,000</u>	<u>739,000</u>	<u>739,000</u>
Subtotal, Obligation Limitation & Exempt Contract Authority	40,946,802	41,439,000	41,439,000	5,739,000
Federal-aid Highways (General Fund)	----	----	----	36,107,000
Total Fed-aid	40,946,802	41,439,000	41,439,000	41,846,000
TIFIA re-estimate in Fed-aid (TF)	10,810	1,265	1,265	----
Rescission of new contract authority	-486,163	-26,770	-26,770	----
Rescission of unobligated balances of contract authority	-3,697,246	-3,168,388	-3,168,388	----
SAFETEA-LU rescission of unobligated balances of contract authority	----	-8,708,000 2/	-8,708,000 2/	----
Miscellaneous Highway Trust Funds (HTF) - Rescission of unobligated balances	-734	----	----	----
Highway Related Safety Grants - Rescission of unobligated balances (HTF)	-11	----	----	----
Emergency Relief Program - Supplementals (GF)	1,045,000	----	----	----
Appalachian Development Highway System (GF)	15,680	9,500	9,500	----
Miscellaneous Appropriations/Delta region program (GF)	14,014	----	----	----
Miscellaneous Appropriations/TIFIA Re-estimate (GF)	1,134	537	537	----
Miscellaneous Appropriations/Denali access system program (GF)	----	5,700	5,700	----
Miscellaneous Appropriations/Surface transportation priorities (GF)	----	161,327	161,327	----
Misc. Approps rescission of unobligated balances (GF)	-4,020	----	----	----
Highway Infrastructure Investment, ARRA 2009	----	----	27,500,000	----
Total, Federal Highway Administration				
(Limitation on obligations)	(40,207,802)	(40,700,000)	(40,700,000)	(5,000,000)
Exempt contract authority	739,000	739,000	739,000	739,000
Other programs	1,086,638	178,329	27,678,329	36,107,000
Rescission of new contract authority	-486,163	-26,770	-26,770	----
Rescission of unobligated balances of contract/budget authority	<u>-3,702,011</u>	<u>-11,876,388</u>	<u>-11,876,388</u>	----
<b>Total Budgetary Resources, FHWA</b>	<b><u>37,845,266</u></b>	<b><u>29,714,171</u></b>	<b><u>57,214,171</u></b> 3/	<b><u>41,846,000</u></b>
Discretionary	37,106,266	28,975,171	56,475,171	41,107,000
Mandatory	739,000	739,000	739,000	739,000

[ ] Non-add

1/ FY 2008 RABA calculation was \$631 million in the President's Budget. Revised at mid-session to \$703 million in contract authority.

2/ SAFETEA-LU Technical Corrections bill (P.L. 110-244) amended the FY 2009 authorized rescission.

3/ This amount includes funding of \$27.5 billion as provided under the American Recovery and Reinvestment Act of 2009.

EXHIBIT II-2

FY 2010 BUDGET REQUEST BY APPROPRIATION ACCOUNT  
 FEDERAL HIGHWAY ADMINISTRATION  
 Appropriations, Obligation Limitations, and Exempt Programs  
 (\$000)

ACCOUNT	FY 2008 ACTUAL	FY 2009 ENACTED OMNIBUS	FY 2009 ENACTED TOTAL	FY 2010 REQUEST
[Limitation on administrative expenses]	[377,556]	[390,000]	[390,000]	[415,396]
Federal-aid Highways (Highway Trust Fund)				
(Liquidation of contract authorization)	(41,955,051)	(41,439,000)	(41,439,000)	(33,000,000)
(Limitation on obligations)	(39,585,075)	(40,700,000)	(40,700,000)	(5,000,000)
(Additional bridge limitation)	(1,000,000)	----	----	----
(Revenue Aligned Budget Authority - RABA)	(630,976) 1/	----	----	----
(Flex transfers to/from FTA)	-(1,008,249)	----	----	----
(Unobligated balance transfer from FTA)	[6,358]	----	----	----
Subtotal (Limitation on obligations)	<u>(40,207,802)</u>	<u>(40,700,000)</u>	<u>(40,700,000)</u>	<u>(5,000,000)</u>
Exempt contract authority	739,000	739,000	739,000	739,000
Subtotal, Obligation Limitation & Exempt Contract Authority	<u>40,946,802</u>	<u>41,439,000</u>	<u>41,439,000</u>	<u>5,739,000</u>
Federal-aid Highways (General Fund)	----	----	----	<u>36,107,000</u>
Total Fed-aid	40,946,802	41,439,000	41,439,000	41,846,000
TIFIA re-estimate in Fed-aid (TF)	10,810	1,265	1,265	----
Rescission of new contract authority	-486,163	-26,770	-26,770	----
Rescission of unobligated balances of contract authority	-3,697,246	-3,168,388	-3,168,388	----
SAFETEA-LU rescission of unobligated balances of contract authority	----	-8,708,000 2/	-8,708,000 2/	----
Miscellaneous Highway Trust Funds (HTF) - Rescission of Unobligated Balances	-734	----	----	----
Highway Related Safety Grants rescission of unobligated balances (HTF)	-11	----	----	----
Emergency Relief Program - Supplementals (GF)	1,045,000	----	----	----
Appalachian Development Highway System (GF)	15,680	9,500	9,500	----
Miscellaneous Appropriations/Delta region program (GF)	14,014	----	----	----
Miscellaneous Appropriations/TIFIA Re-estimate (GF)	1,134	537	537	----
Miscellaneous Appropriations/Denali access system program (GF)	----	5,700	5,700	----
Miscellaneous Appropriations/Surface transportation priorities (GF)	----	161,327	161,327	----
Misc. Approps rescission of unobligated balances (GF)	-4,020	----	----	----
Highway Infrastructure Investment, ARRA 2009	----	----	27,500,000	----
Total, Federal Highway Administration				
(Limitation on obligations)	(40,207,802)	(40,700,000)	(40,700,000)	(5,000,000)
Exempt contract authority	739,000	739,000	739,000	739,000
Other programs	1,086,638	178,329	27,678,329	36,107,000
Rescission of new contract authority	-486,163	-26,770	-26,770	----
Rescission of unobligated balances of contract/budget authority	<u>-3,702,011</u>	<u>-11,876,388</u>	<u>-11,876,388</u>	<u>----</u>
<b>Total Budgetary Resources, FHWA</b>	<u><b>37,845,266</b></u>	<u><b>29,714,171</b></u>	<u><b>57,214,171</b></u> 3/	<u><b>41,846,000</b></u>
Discretionary	37,106,266	28,975,171	56,475,171	41,107,000
Mandatory	739,000	739,000	739,000	739,000

[ ] Non-add

1/ FY 2008 RABA calculation was \$631 million in the President's Budget. Revised at mid-session to \$703 million in contract authority.

2/ SAFETEA-LU Technical Corrections bill (P.L. 110-244) amended the FY 2009 authorized rescission.

3/ This amount includes funding of \$27.5 billion as provided under the American Recovery and Reinvestment Act of 2009.



**EXHIBIT II-4**

**FY 2010 BUDGET REQUEST RECAP BY ACCOUNT  
FEDERAL HIGHWAY ADMINISTRATION**

**Budget Authority  
(\$000)**

<u>ACCOUNT</u>	<u>Mandatory/ Discretionary</u>	<u>FY 2008 ACTUAL</u>	<u>FY 2009 ENACTED OMNIBUS</u>	<u>FY 2009 ENACTED TOTAL</u>	<u>FY 2010 REQUEST</u>
<b>Federal-aid Highways</b>					
Contract Authority (subject to limitation)	Mand.	41,703,952	42,447,476	42,447,476	5,000,000
Revenue Aligned Budget Authority (RABA)	Mand.	703,467 1/	-----	-----	-----
Flex Transfers to/from FTA	Mand.	-(1,008,249)	-----	-----	-----
Unobligated balance transfer from FTA	Mand.	[6,358]	-----	-----	-----
Exempt contract authority	Mand.	739,000	739,000	739,000	739,000
TIFIA Upward Reestimate	Mand.	10,810	1,265	1,265	-----
Rescission of new contract authority	Mand.	- 486,163	-26,770	-26,770	-----
Rescission of unobligated balances of contract authority	Mand.	- 3,697,246	-3,168,388	-3,168,388	-----
SAFETEA-LU rescission of unobligated balances of contract authority	Mand.	-----	- 8,708,000 2/	- 8,708,000 2/	-----
Subtotal Federal-aid Highways (HTF)		37,965,571	31,284,584	31,284,584	5,739,000
Budget Authority (GF)	Discr.	-----	-----	-----	36,107,000
Total Federal-aid Highways (HTF+GF)		37,965,571	31,284,584	31,284,584	41,846,000
<b>Miscellaneous Highway Trust Funds - Unobligated balance rescission (HTF)</b>					
Miscellaneous Highway Trust Funds - Unobligated balance rescission (HTF)	Discr.	- 734	-----	-----	-----
<b>Miscellaneous Trust Funds (TF)</b>					
Miscellaneous Trust Funds (TF)	Mand.	26,890	36,823	36,823	36,823
<b>Payment to the Highway Trust Fund (GF)</b>					
Payment to the Highway Trust Fund (GF)	Mand.	8,017,000	-----	-----	-----
Emergency Relief Program - P.L. 110-28 (GF)	Discr.	1,045,000	-----	-----	-----
Appalachian Development Highway Systems (GF)	Discr.	15,680	9,500	9,500	-----
Miscellaneous Appropriations (GF) (Delta Region Program)	Discr.	14,014	-----	-----	-----
Miscellaneous Appropriations (GF) (TIFIA Re-Estimate)	Mand.	1,134	537	537	-----
Miscellaneous Appropriations/Denali access system program (GF)	Discr.	-----	5,700	5,700	-----
Miscellaneous Appropriations/Surface transportation priorities (GF)	Discr.	-----	161,327	161,327	-----
Miscellaneous Appropriations (GF) - Unobligated balance rescission	Discr.	- 4,020	-----	-----	-----
Highway Infrastructure Investment, ARRA 2009 (GF)	Discr.	-----	-----	27,500,000	-----
<b>TOTALS</b>		<b><u>47,080,536</u></b>	<b><u>31,498,470</u></b>	<b><u>58,998,470</u></b> 3/	<b><u>41,882,823</u></b>
[Discretionary]		1,069,940	176,527	27,676,527	36,107,000
[Mandatory]		46,010,595	31,321,943	31,321,943	5,775,823
<b>PROPRIETARY AND OTHER GOVERNMENTAL RECEIPTS</b>					
Adv. from State Cooperating, Other Fed. Agencies, and Foreign Gov.	Mand.	20,338	27,823	27,823	27,823
Contributions for Highway Research Programs	Mand.	4,000	5,000	5,000	5,000
Fed-aid Highways (CMIA Interest)	Mand.	2,628	-----	-----	-----
Adv. for Hwy Research Prog. Misc. Trust	Mand.	1,491	2,000	2,000	2,000
TIFIA	Mand.	-----	72,899	72,899	-----
TIFIA	Mand.	-----	164,342	164,342	-----
Miscellaneous Trust Funds	Mand.	786	1,000	1,000	1,000
Advances from Other Federal Agencies	Mand.	276	1,000	1,000	1,000
Payment to the Highway Trust Fund	Discr.	8,017,000	-----	-----	-----
<b>TOTAL</b>		<b>8,046,519</b>	<b>274,064</b>	<b>274,064</b>	<b>36,823</b>

[ ] Non-add

1/ FY 2008 RABA calculation was \$631 million in the President's Budget. Revised at mid-session to \$703 million in contract authority.

2/ SAFETEA-LU Technical Corrections bill (P.L. 110-244) amended the FY 2009 authorized rescission.

3/ This amount includes funding of \$27.5 billion as provided under the American Recovery and Reinvestment Act of 2009.

**EXHIBIT II-5**

**FY 2009 BUDGET REQUEST RECAP BY ACCOUNT  
FEDERAL HIGHWAY ADMINISTRATION**

**Outlays  
(\$000)**

<u>ACCOUNTS</u>	<u>FY 2008 ACTUAL</u>	<u>FY 2009 ENACTED OMNIBUS</u>	<u>FY 2009 ENACTED TOTAL</u>	<u>FY 2010 REQUEST</u>
Federal-aid Highways (HTF)	35,715,420	38,224,869	38,224,869	30,601,837
Subject to Obligation Limitation	34,677,936	37,274,820	37,274,820	29,709,523
Exempt	765,433	790,960	790,960	837,478
TIFIA Reestimate	10,810	1,265	1,265	-----
Emergency Relief Supplementals	261,241	157,823	157,823	54,836
 Federal-aid Highways Budget Authority (GF)	 -----	 -----	 -----	 9,748,890
Appalachian Development Highway System (HTF)	854	4,884	4,884	1,799
Miscellaneous Highway Trust Funds (HTF)	142,031	84,074	84,074	73,151
Highway Related Safety Grants (HTF)	-----	192	192	138
Right-of-Way Revolving Fund (HTF)	- 9,827	-----	-----	-----
Miscellaneous Trust Funds (TF)	60,933	91,516	91,516	92,650
Emergency Relief Program (GF)	1,092,321	1,047,880	1,047,880	954,261
Appalachian Development Highway System (GF)	60,754	54,766	54,766	38,072
Miscellaneous Appropriations (GF)	88,483	106,396	106,396	111,336
Miscellaneous Appropriations -- TIFIA Re-Estimate (GF)	1,134	537	537	-----
State Infrastructure Banks (GF)	33	923	923	687
Payment to Highway Trust Fund (GF)	8,017,000	-----	-----	-----
Highway Infrastructure Investment, ARRA 2009 (GF)	-----	-----	5,500,000	11,825,000
<b>TOTALS</b>	<b><u>45,169,137</u></b>	<b><u>39,616,037</u></b>	<b><u>45,116,037</u></b> 1/	<b><u>53,447,821</u></b> 1/
[Mandatory]	8,845,483	884,279	884,279	930,128
[Discretionary]	36,323,654	38,731,758	44,231,758	52,517,693

1/ This amount includes outlays from funding of \$27.5 billion as provided under the American Recovery and Reinvestment Act of 2009.

**EXHIBIT II-6**

**SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE  
FEDERAL HIGHWAY ADMINISTRATION  
Appropriations, Obligation Limitations, and Exempt Obligations  
(\$000)**

**LIMITATION ON ADMINISTRATIVE EXPENSES**

	Baseline Changes											
	2009 Enacted	2009 PC&B By Program	2009 # FTE Per Program	2009 Contracts Expenses	Annualization of 2009 Pay Raise	2010 Pay Raise	GSA Rent	WCF Increase/ Decrease	Inflation/ Deflation	FY 2010 Adjusted Base	Program Increases/ Decreases	FY 2010 Request
			Note Non-Add									
<b>PERSONNEL RESOURCES (FTE)</b>												
Direct FTE	2,292		[2,292]							2,292		2,292
<b>FINANCIAL RESOURCES</b>												
Salaries and Benefits	\$270,208	[\$270,208]			\$3,229	\$4,053			\$811	\$278,301	\$7,929	\$286,230
Travel	\$9,582								\$48	\$9,630	\$900	\$10,530
Transportation	\$1,719			[\$1,719]					\$9	\$1,728		\$1,728
GSA Rent	\$29,006			[\$29,006]			\$3,994			\$33,000		\$33,000
Rent, Communications & Utilities	\$4,533			[\$4,533]					\$23	\$4,556		\$4,556
Printing	\$2,067			[2,067]					\$10	\$2,077		\$2,077
Other Services:												
-WCF	\$15,716			[15,716]				\$811		\$16,527		\$16,527
-Other	\$49,746			[49,746]					\$249	\$49,995	\$2,723	\$52,718
Supplies	\$3,403								\$17	\$3,420		\$3,420
Equipment	\$4,020								\$20	\$4,040	\$570	\$4,610
<b>Total, Limitation of Administrative Expenses</b>	<b>\$390,000</b>				<b>\$3,229</b>	<b>\$4,053</b>	<b>\$3,994</b>	<b>\$811</b>	<b>\$1,187</b>	<b>\$403,274</b>	<b>\$ 12,122</b>	<b>\$415,396</b>
ARC	\$3,000				\$36	\$56				\$3,092		\$3,092
OIG	\$3,824									\$3,824		\$3,824
<b>GRAND TOTAL, CONTRACT AUTHC</b>	<b>\$396,824</b>				<b>\$3,265</b>	<b>\$4,109</b>	<b>\$3,994</b>	<b>\$811</b>	<b>\$1,187</b>	<b>\$410,190</b>	<b>\$ 12,122</b>	<b>\$422,312</b>

**EXHIBIT II-6A**

**WORKING CAPITAL FUND  
FEDERAL HIGHWAY ADMINISTRATION  
Appropriations, Obligation Limitations, Exempt and Reimbursable Obligations  
(\$000)**

	<u>FY 2009 ENACTED</u>	<u>FY 2010 REQUEST</u>	<u>CHANGE</u>
<b>DIRECT:</b>			
Federal-aid Highways (Highway Trust Fund)			
Limitation on administrative expenses	15,716	16,527	811
	<hr/>	<hr/>	<hr/>
<b>SUBTOTAL</b>	15,716	16,527	811
<b>REIMBURSABLE:</b>			
Federal-aid Highways (Highway Trust Fund)			
Limitation on administrative expenses	-----	-----	-----
	<hr/>	<hr/>	<hr/>
<b>SUBTOTAL</b>	-----	-----	-----
<b>TOTAL</b>	<b>15,716</b>	<b>16,527</b>	<b>811</b>

**EXHIBIT II-7**

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
PERSONNEL RESOURCE--SUMMARY  
TOTAL FULL-TIME EQUIVALENTS**

	<b><u>FY 2008</u></b>	<b><u>FY 2009</u></b>	<b><u>FY 2009</u></b>	<b><u>FY 2010</u></b>
	<b><u>ACTUAL</u></b>	<b><u>ENACTED</u></b>	<b><u>ENACTED</u></b>	<b><u>REQUEST</u></b>
<b><u>DIRECT FUND, BY APPROPRIATION</u></b>				
Limitation, General Operating Expenses	2,292	2,292	2,292	2,292
Highway Infrastructure Investment, ARRA 2009	-----	0	10	40
<b>SUBTOTAL, DIRECT FUNDED</b>	<u>2,292</u>	<u>2,292</u>	<u>2,302</u> 1/	<u>2,332</u> 1/
<b><u>REIMBURSEMENT/ ALLOCATIONS/OTHERS</u></b>				
Direct Construction (FLH '000') Reimbursements	287	287	287	287
Federal-aid Highways (FLH '000') from Reimbursable Authority	210	210	210	210
Misc. Trust Fund	15	15	15	15
<b>SUBTOTAL, REIMBURSEMENTS/ALLOCATIONS/OTHER</b>	<u>512</u>	<u>512</u>	<u>512</u>	<u>512</u>
<b>TOTAL FTEs</b>	<u><u>2,804</u></u>	<u><u>2,804</u></u>	<u><u>2,814</u></u>	<u><u>2,844</u></u>

1/ This includes FTE from funding within the \$27.5 billion as provided under the American Recovery and Reinvestment Act of 2009.

EXHIBIT II-8

DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
RESOURCE SUMMARY - STAFFING  
TOTAL FULL-TIME PERMANENT POSITIONS

	<u>FY 2008 ACTUAL</u>	<u>FY 2009 ENACTED</u>	<u>FY 2010 REQUEST</u>
<b><u>DIRECT FUND, BY APPROPRIATION</u></b>			
Limitation, General Operating Expenses	2,430	2,430	2,430
Highway Infrastructure Investment, ARRA 2009	-----	-----	-----
<b>SUBTOTAL, DIRECT FUNDED</b>	<u>2,430</u>	<u>2,430</u>	<u>2,430</u>
<b><u>REIMBURSEMENT/ ALLOCATIONS/OTHERS</u></b>			
Direct Construction (FLH '000') Reimbursements	548	548	548
Federal-aid Highways (FLH '000') from Reimbursable Authority	-----	-----	-----
Misc. Trust Fund	-----	-----	-----
Allocations From Other Agencies, Subtotals	-----	-----	-----
<b>SUBTOTAL, REIMBURSEMENT/ALLOCATION/OTHERS</b>	<u>548</u>	<u>548</u>	<u>548</u>
<b>TOTAL POSITIONS</b>	<u><u>2,978</u></u>	<u><u>2,978</u></u>	<u><u>2,978</u></u>

**FEDERAL HIGHWAY ADMINISTRATION  
HISTORICAL FUNDING LEVELS (2000-2009)  
(\$ in Thousands)**

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>2/</u>	<u>FY 2004</u>	<u>3/</u>	<u>FY 2005</u>	<u>4/</u>	<u>FY 2006</u>	<u>5/</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>6/</u>	<u>FY 2009</u>	<u>7/</u>
<b>Federal-Aid Highways</b>																
<b>Obligation Limitation 1/</b>	\$27,520,032	\$29,596,176	\$31,799,104	\$31,800,000		\$33,843,000		\$34,422,400		\$36,032,344		\$39,086,465	\$40,214,071		\$40,700,000	
<b>Liquidation of Contract Authority (C.A.)</b>	\$26,000,000	\$28,000,000	\$30,000,000	\$32,000,000		\$34,000,000		\$35,000,000		\$36,032,344		\$36,032,344	\$41,955,051		\$41,439,000	
<b>Emergency Relief Funds (C.A.)</b>	\$100,000	\$100,000	\$100,000	\$100,000		\$100,000		\$100,000		\$100,000		\$101,737	\$100,000		\$100,000	
<b>Supplemental Emergency Relief Funds</b>	\$0	\$718,416	\$242,000	\$0		\$0		\$1,943,000		\$3,452,363		\$871,022	\$1,045,000		\$0	
<b>State Infrastructure Banks</b>	\$0	\$0	-\$5,750	\$0		\$0		\$0		\$0		\$0	\$0		\$0	
<b>Appalachian Development Highway System (GF)</b>	\$0	\$0	\$200,000	\$188,000		\$125,000		\$80,000		\$20,000		\$19,800	\$15,680		\$9,500	
<b>Appalachian Development Highway System (TF)</b>	\$0	\$254,402	\$0	\$0		\$0		\$0		\$0		\$0	\$0		\$0	
<b><u>LGOE/LAE - (Non Add within Federal-Aid)</u></b>	<u>\$304,355</u>	<u>\$294,470</u>	<u>\$310,159</u>	<u>\$316,126</u>		<u>\$337,604</u>		<u>\$346,500</u>		<u>\$364,638</u>		<u>\$360,992</u>	<u>\$377,556</u>		<u>\$390,000</u>	
Admin Expenses - LGOE	304,355	294,470	310,159	316,126		337,604		346,500		364,638		360,992	377,556		390,000	
Admin Expenses - Motor Carrier Safety	0	0	0	0		0		0		0		0	0		0	
GOE Contract Programs	0	0	0	0		0		0		0		0	0		0	
<b>Motor Carrier Safety Grants</b>																
<b>Obligation Limitation</b>	\$0	\$0	\$0	\$0		\$0		\$0		\$0		\$0	\$0		\$0	
<b>Liquidation of Contract Authorization</b>	\$0	\$0	\$0	\$0		\$0		\$0		\$0		\$0	\$0		\$0	
<b>Miscellaneous Appropriations</b>	\$0	\$604,667	\$148,300	\$90,600		\$4,000		\$0		\$153		\$1,328	\$15,148		\$167,563	
<b>Miscellaneous Highway Trust Fund</b>	\$1,500	\$1,182,493	\$100,000	\$285,000		\$50,000		\$34,000		\$0		\$0	\$0		\$0	

Note: This table reflects actual enacted amounts as appropriated.

1/ Does not reflect \$1.647 billion transferred to and from Federal Transit Administration in FY 2000, \$1.291 billion in FY 2001, \$1.175 billion in FY 2002, \$1.067 billion in FY 2003, \$1.022 billion in FY 2004, \$1.005 billion in FY 2005, \$1.383 billion in FY 2006, \$975 million in FY 2007, and \$1,001 million in 2008.

2/ Does not reflect the following rescissions in FY 2003: Federal-aid \$206.700 million, LAE \$ 2.055 million, Appalachian Dev. Hwy. Sys. \$1.222 million Misc. Appropriations \$.589 thousand, and Misc. Hwy. Trust Funds \$1.853 million.

3/ Does not reflect the following rescissions in FY 2004: Federal-aid \$207 million, LAE \$3,989 million, ADHS \$738 thousand, Misc. Appropriations \$21 thousand, and Misc. Hwy. Trust Funds \$295 thousand.

4/ Does not reflect the following rescissions in FY 2005: LAE \$2.8 million, Appalachian Dev. Hwy. Sys. \$.640 million, Misc. Hwy Trust Funds \$.272 million

5/ Does not reflect the following rescissions in FY 2006: Federal-aid \$360 million, LAE \$3.6 million, Appalachian Dev. Hwy. Sys. \$.200 million

6/ Does not reflect the following rescissions of new authority in FY 2008: Federal-aid \$486.2 million, LAE \$43.4 million

7/ Does not reflect the following rescissions of new authority in FY 2009: LAE \$26.8 million

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**EXHIBIT III-1**

**FEDERAL-AID HIGHWAYS  
Appropriations, Obligation Limitations, and Exempt Obligations  
(\$000)**

<u>ACCOUNTS</u>	<u>FY 2008 ACTUAL</u>	<u>FY 2009 ENACTED</u>	<u>FY 2010 REQUEST</u>	<u>CHANGE FY 2009-2010</u>
[Limitation on administrative expenses]	[377,556]	[390,000]	[415,396]	[+25,396]
Federal-aid Highways Obligation Limitation	(39,585,075)	(40,700,000)	(5,000,000)	-35,700,000
(Additional bridge limitation)	(1,000,000)	-----	-----	-----
(Revenue Aligned Budget Authority - RABA)	(630,976) 1/	----- 1/	-----	-----
(Flex transfers to/from FTA)	-(1,008,249)	-----	-----	-----
(Unobligated balance transfer from FTA)	[6,358]	-----	-----	-----
Subtotal, Obligation Limitation	<u>(40,207,802)</u>	<u>(40,700,000)</u>	<u>(5,000,000)</u>	<u>-(35,700,000)</u>
Exempt Programs	739,000	739,000	739,000	-----
Subtotal, Obligation Limitation & Exempt Contract Authority	<u>40,946,802</u>	<u>41,439,000</u>	<u>5,739,000</u>	<u>-35,700,000</u>
Federal-aid Highways (General Fund)	-----	-----	36,107,000	36,107,000
TIFIA re-estimate (TF)	10,810	1,265	-----	-1,265
Rescission of new contract authority	-486,163	-26,770	-----	26,770
Rescission of unobligated balances of contract authority	-3,697,246	-3,168,388	-----	3,168,388
SAFETEA-LU rescission of unobligated balances of contract authority	-----	[-8,708,000] 2/	-----	N/A
<b>TOTALS</b>	<b><u>36,774,203</u></b>	<b><u>38,245,107</u></b>	<b><u>41,846,000</u></b>	<b><u>3,600,893</u></b>
 <b><u>FTEs</u></b>				
Limitation on Administrative Expenses	2,292	2,292	2,292	-----
Federal Aid Reimbursable	512	512	512	-----

**Program and Performance Statement**

**This account provides necessary resources to the Federal-aid Highways program. These funds aid in the development, operations, and management of an intermodal transportation system that is economically efficient. It also provides the necessary resources to support and maintain the agency's administrative infrastructure.**

[ ] Non-add

1/ FY 2008 RABA calculation was \$631 million in the President's Budget. Revised at mid-session to \$703 million in contract authority. FY 2009 RABA was not distributed per Section 110(a)(2) of Title 23 USC.

2/ SAFETEA-LU Technical Corrections bill (P.L. 110-244) amended the FY 2009 authorized rescission.

**EXHIBIT III-2**

**FEDERAL-AID HIGHWAYS**  
**Summary Analysis of Change From FY 2009 to FY 2010**  
**Appropriations, Obligation Limitations, and Exempt Obligations**

(\$000)

<b>Item</b>	<b>Change from FY 2009 to FY 2010</b>	<b>FY 2010 PC&amp;B by Program</b>	<b>FY 2010 FTEs by Program</b>	<b>FY 2010 Contract Expenses</b>	<b>Total</b>
<b>FY 2009 Base</b>		<b>Note: Columns are Non-Add</b>			
<b>Federal-aid Highways</b>					<b>\$41,439,000</b>
<i>Adjustment to Base</i>					
<b>Federal-aid Hwys</b>					
<i>New or Expanded Programs</i>					
<b>Federal-aid Hwys</b>	<b>\$407,000</b>			<b>407,000</b>	
<b>Total Adjustment to Base</b>					<b>407,000</b>
<b>FY 2010 Request [Ob. Lim. + Exempt + BA]</b>					<b>\$41,846,000</b>

### EXHIBIT III-3

#### FHWA ANNUAL PERFORMANCE RESULTS AND TARGETS

The Federal Highway Administration (FHWA) integrates performance results into its budget requests to demonstrate alignment with the Department of Transportation (DOT) Strategic Plan. The FHWA tracks the following DOT level performance measures to demonstrate program results:

**Strategic Goal: Safety**

<b>Passenger vehicle occupant highway fatalities per 100 million VMT.</b> <i>Shared measure with NHTSA</i>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	1.15	1.12	1.10	1.06	1.02	0.99
<b>Actual</b>	1.15	1.11 (r)	1.05	1.03		

(r) Revised

<b>Non-occupant highway fatalities per 100 million VMT.</b> <i>Shared measure with NHTSA</i>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	0.16 (r)	0.16	0.15	0.19	0.19	0.19
<b>Actual</b>	0.20	0.19	0.18	0.19		

(r) Revised

<b>Motorcycle rider highway fatalities per 100,000 motorcycle registrations.</b> <i>Shared measure with NHTSA.</i>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	N/T	75	76	76	76(r)	78
<b>Actual</b>	73.5	72.3	71.8	71.3		

(r) Revised

<b>Large truck and bus fatalities per 100 million VMT.</b> <i>Shared measure with FMCSA</i>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	N/T	0.179	0.175	0.171	0.167	0.164
<b>Actual</b>	0.184	0.177(r)	0.168*	0.168#		

(r) Revised; \* Estimated; # Projection (Provided by FMCSA)

**Strategic Goal: Reduced Congestion**

<b>Percent of total annual urban-area travel time occurring in congested conditions</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>			28.0 (r)	27.6 (r)	27.4 (r)	27.1 (r)
<b>Actual</b>	28.6 (r)	28.4 (r)	27.8	27.3 #		

(r) Revised; # Projection (provided by BTS)

<b>Percent of U.S. population with access to 511 travel telephone service.</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	40	50	65	65	65 (r)	65 (r)
<b>Actual</b>	28	41	48	48		

(r) Revised

<b>Percent of top 40 metropolitan areas with full service patrols.</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	N/T	100	100	100
<b>Actual</b>	70	77		

<b>Percent of top 40 metropolitan areas with quick clearance policies.</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	N/T	100	100	100
<b>Actual</b>	80	88		

<b>Percent of top 40 metropolitan areas with quick clearance laws.</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	N/T	100	100	100
<b>Actual</b>	75	85		

<b>Percent of travel on the National Highway System (NHS) meeting pavement performance standards for good ride.</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	53	54	56	56	57	58
<b>Actual</b>	52	54	57	56		

<b>Percent of deck area on NHS bridges rated deficient, adjusted for average daily traffic.</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	25.3	24.2	23.1	22.0	20.9	19.8
<b>Actual</b>	29.9	29.2	29.7	29.5		

<b>Number of States enacting Public/Private Partnership (PPP) laws where PPP authority is lacking, cumulative.</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>Target</b>	N/T	2	5	Measure was discontinued in FY 2009.
<b>Actual</b>	N/R	2	3	

**Strategic Goal: Global Connectivity**

<b>Number of freight corridors with an annual decrease in the average buffer index rating greater than the national average.</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	5	5	13 (r)	TBD	TBD
<b>Actual</b>	3	5	21		

(r) Revised

<b>Number of NHS Border Crossings with an increase in unexpected delay (Inbound).</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	5	5	TBD	TBD
<b>Actual</b>	1	0		

<b>Number of technology/information agreements that promote the U.S. highway transportation industry.</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>Target</b>	1	3	Measure was discontinued in FY 2009.
<b>Actual</b>	4	4	

**Strategic Goal: Environmental Stewardship**

<b>Number of exemplary ecosystem initiatives.</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>Target</b>	17	24	50
<b>Actual</b>	23	43	50

<b>Number of exemplary human environment initiatives.</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	5	10	15	15
<b>Actual</b>	8	11		

<b>Number of areas in conformity lapse.</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	6.0	6.0	6.0	6.0	6.0	6.0
<b>Actual</b>	5.8 (r)	1.3	0.0	0.0		

(r) Revised

<b>Median time in months required for all Federal-aid Highway projects to have a completed Environmental Impact Statement (EIS). – Supplemental to DOT-wide Measure.</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	45	40	36	60 (r)	54 (r)	48 (r)
<b>Actual</b>	61(r)	60 (r)	69 (r)	63		

(r) Revised



**Strategic Goal: Organizational Excellence**

<b>Percent of major Federally funded transportation infrastructure projects with less than 2% annual growth in the project completion milestone as reported in the finance plan.</b> <i>Shared measure with FTA. Actual results do not reflect results for FTA projects.</i>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	N/T	N/T	N/T	90	90	90
<b>Actual</b>	83	86	85	86		

<b>Percent of finance plan cost estimates for major Federally funded transportation infrastructure projects with less than 2% annual growth</b> <i>Shared measure with FTA. Actual results do not reflect results for FTA projects.</i>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	N/T	N/T	N/T	90	90	90
<b>Actual</b>	83	86	85	79		

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FEDERAL-AID HIGHWAYS

[(RESCISSION)]

[(HIGHWAY TRUST FUND)]

[Of the unobligated balances of funds apportioned to each State under chapter 1 of title 23, United States Code, \$3,150,000,000 are permanently rescinded: *Provided*, That such rescission shall not apply to the funds distributed in accordance with sections 130(f) and 104(b)(5) of title 23, United States Code; sections 133(d)(1) and 163 of such title, as in effect on the day before the date of enactment of Public Law 109-59; and the first sentence of section 133(d)(3)(A) of such title: *Provided further*, That notwithstanding section 1132 of Public Law 110-140, in administering the rescission required under this heading, the Secretary of Transportation shall allow each State to determine the amount of the required rescission to be drawn from the programs to which the rescission applies.]

*Unless other legislation is enacted that authorizes a change that results in a positive cash balance in the Highway Trust Fund, projected through the end of fiscal year 2010, an appropriation is provided as follows:*

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

None of the funds in this Act shall be available for the implementation or execution of programs, the obligations for which are in excess of [\$40,700,000,000]\$5,000,000,000 for Federal-aid highways and highway safety construction programs for fiscal year [2009]2010: *Provided*, That within the [\$40,700,000,000]\$5,000,000,000 obligation limitation on Federal-aid highways and highway safety construction programs, not more than \$429,800,000 shall be available for the implementation or execution of programs for transportation research (chapter 5 of title 23, United States Code; sections 111, 5505, and 5506 of title 49, United States Code; and title 5 of Public Law 109-59) for fiscal year [2009]2010: *Provided further*, That this limitation on transportation research programs shall not apply to any authority previously made available for obligation: *Provided further*, That the Secretary may, as authorized by section 605(b) of title 23, United States Code, collect and spend fees to cover the costs of services of expert firms, including counsel, in the field of municipal and project finance to assist in the underwriting and servicing of Federal credit instruments and all or a portion of the costs to the Federal Government of servicing such credit instruments: *Provided further*, That such fees are available until expended to pay for such costs: *Provided further*, That such amounts are in addition to administrative expenses that are also available for such purpose, and are not subject to any obligation limitation or the limitation on administrative expenses under section 608 of title 23, United States Code.

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For carrying out the provisions of title 23, United States Code, that are attributable to Federal-aid highways, not otherwise provided, including reimbursement for sums expended pursuant to the provisions of 23 U.S.C. 308, [\$41,439,000,000] \$33,000,000,000 or so much thereof as may be available in and derived from the Highway Trust Fund (other than the Mass Transit Account), to remain available until expended. (*Department of Transportation Appropriations Act, 2009.*)

**Justification for Federal-aid Highways**  
(in thousands of dollars)

<b>Federal-aid Highways (Ob. Lim. and Exempt Contract Authority and Budget Authority)</b>	<b>FY 2010 Budget:</b>	<b>\$41,846,000</b>
	<b>FY 2009 Enacted:</b>	<b>\$41,439,000</b>
<b>Overview:</b>		
<p>The Federal Highway Administration (FHWA) is charged with the broad responsibility of ensuring that America’s roads and highways continue to be the safest and most technologically up-to-date. Although State, local, and tribal governments own most of the Nation’s highways, the Federal-aid Highway Program (FAHP) provides Federal financial resources and technical assistance to State and local governments for constructing, preserving, and improving the National Highway System, a 163,000-mile network that carries 40 percent of the Nation’s highway traffic. The program also provides resources for one million additional miles of urban and rural roads that are not on the System, but that are eligible for Federal-aid.</p>		
<b>FY 2009 Base:</b>		
<p>The 2009 Base reflects the FY 2009 enacted level for the Federal-aid highway program, totaling \$41.4 billion in budgetary resources. This level includes an obligation limitation of \$40.7 billion for FAHP programs and \$739 million in exempt contract authority (\$639 million for Equity Bonus and \$100 million for Emergency Relief).</p> <p>In FY 2009, the FHWA will continue to implement the provisions of SAFETEA-LU and enhance efforts to increase oversight and accountability 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.</p>		
<b>Anticipated FY 2009 Accomplishments:</b>		
<p>FY 2009 funding will enable the FHWA to implement the programs authorized in SAFETEA-LU while working toward accomplishing the strategic goals and objectives of the Department and the Agency. The following summarizes anticipated accomplishments to achieve the Agency’s performance goals (please refer to Section 4 – Performance Budget section of the request – for additional performance information and anticipated accomplishments).</p> <p><u>Safety</u></p> <p>The FHWA will continue to deliver technical assistance, training, and public awareness programs to advance priorities in the delivery of national safety programs. FY 2009 funding, including approximately \$1 billion for the Highway Safety Improvement Program, will be used for a full range of highway safety related program efforts including: the implementation</p>		

of new SAFETEA-LU provisions; redesign and construction of roadways and intersections to eliminate hazards; installation of safety improvement countermeasures, such as guardrails and rumble strips; and collecting crash and other safety-related data. Funds will also be used to assist state and metropolitan areas in developing plans and policies to improve safety and to educate decision makers within the transportation planning process on the importance of safety.

### Reduced Congestion

In 2009, the FHWA plans to fund transportation-related improvements that address traffic congestion in critical areas. Over \$20 billion in funding apportioned to the States through the Surface Transportation, National Highway System, Interstate Maintenance, and Bridge Programs will contribute to improving mobility and infrastructure. States will increase the capacity of the highway system, remove bottlenecks, accelerate the deployment of Intelligent Transportation System (ITS) technologies, develop the next generation of system operational capabilities, support the creation of needed institutional arrangements, and increase the use of effective operational strategies and techniques. Funding will also support long-term research in operations and ITS and will be used to fund public education, technical assistance, and training to partner agencies and transportation system users.

The FHWA will continue to fund transportation-related improvements in States to maintain and improve the National Highway System (NHS), including the Interstate System and non-NHS, and replace, rehabilitate, and preserve bridges and other infrastructure. Funds will also be used to build needed transportation facilities, support long-term research, and provide public education, technical assistance, and training to partner agencies and transportation system users. In addition, the FHWA will be able to fund the clean up, repair, restoration and/or reconstruction of highway facilities damaged during natural and man-made disasters.

Also in FY 2009, Transportation Infrastructure Finance and Innovation (TIFIA) credit assistance will continue to support projects that otherwise might have difficulty in obtaining financing in existing capital markets.

### Global Connectivity

The FHWA will fund the development and dissemination of the analytic capability and professional capacity needed by Federal, State, international and private sector partners to understand freight movement, support U.S. foreign policy priorities and initiatives including expanded opportunities and access for U.S. transportation industry, and support the FHWA's efforts to coordinate highway transportation infrastructure and operations with planned changes at U.S. land borders. This includes data analysis tools, network performance metrics, improved freight modeling capability, professional capacity building, continuation of grants for both multi-state corridor and border efforts, linkages between investment decisions and impacts on land ports of entry, linkages between freight transportation and our national and regional economies, and improved bi-national planning. States and Metropolitan Planning Organizations (MPOs) will also use these resources to improve freight movement into and through major trade transport gateways and hubs, improve the

transportation infrastructure that connects these gateways to the Nation's mainline transportation networks, and relieve congestion related to high levels of truck traffic.

### Environmental Stewardship

In 2009, the FHWA will fund transportation improvement projects in States to help reduce mobile source emissions and adverse environmental effects. Funding, including \$1.8 billion for the Congestion Mitigation and Air Quality (CMAQ) Improvement program, will be used for research, technical assistance, and public education initiatives to improve air quality.

The FHWA and States will protect and enhance the Nation's wetlands and aquatic resources, helping the FHWA to achieve its goal of conservation of natural habitats and ecosystems, protect wildlife populations while enhancing safety and reduce impacts on land and water resources. The number of Exemplary Ecosystem Initiatives undertaken will be the primary measure demonstrating accomplishment in environmental stewardship. Funds will also be used for research, technical assistance, and public education initiatives to support further implementation of exemplary ecosystem and habitat conservation initiatives.

The FHWA will implement environmental streamlining activities that encourage State and Federal resource agencies to:

- establish and meet timelines for all projects with an Environmental Impact Statement or Environmental Assessment,
- use the Executive Order 13274 to resolve obstacles to environmental review early and develop new streamlined procedures,
- promote widespread implementation of environmental stewardship during project development through Context Sensitive Solutions (CSS),
- and promote processes that integrate environment and transportation decision making in more States.

### Security, Response, and Preparedness

The FHWA will work with State departments of transportation to implement essential security enhancement activities in the areas of critical infrastructure vulnerability assessments and countermeasure deployment; emergency operations, preparedness and response; freight and border security operations; and national defense mobility using the Strategic Highway Network.

The FHWA will continue to address State and local needs in recovering from natural and man-made disasters, to provide technical assistance and guidance to Federal-aid Highway Program fund recipients on strategies designed to protect critical transportation infrastructure from attack as well as in responding to emergencies of all types.

### Organizational Excellence

The FHWA will contribute to the DOT Organizational Excellence strategic objective, including activities to achieve strategic management of human capital, financial performance

goals, budget and performance integration goals, and electronic government (E-Gov) goals. The FY 2009 enacted level will fund a Limitation on Administrative Expenses of \$390.0 million to assist with accomplishment of the FHWA's Organizational Excellence performance goals.

**FY 2010 Budget:**

The Administration is developing a comprehensive approach for surface transportation reauthorization. Consequently, the Budget contains no policy recommendations for programs subject to reauthorization including Federal-aid Highways. Instead, the Budget displays baseline funding levels for all surface programs.

To reflect the growing imbalance between projected Highway Trust Fund (HTF) revenues and baseline spending in the most transparent manner, the Budget shows only the HTF funding that can be supported while maintaining positive annual cash balances in the trust fund. The remaining spending compared to the baseline for the program is shown as discretionary budget authority from the General Fund. Specifically, for 2010 the Budget includes \$5 billion in new contract authority and obligation limitation in the existing Federal-aid Highways account and \$36.1 billion in a new Federal-aid Highways General Fund share account. Again, this presentation does not represent the Administration's recommended funding levels or a budgeting approach for the upcoming reauthorization. Rather, it is intended to accurately depict the condition of the HTF and recognize that, under current law, maintaining baseline spending would require support from the General Fund.

The Department of Transportation is also participating in the Great Lakes Restoration Initiative, which is requested in the EPA budget. In 2010 we anticipate performing the following activities which would be funded by EPA (\$2.5 million estimated):

FHWA is also participating in the Great Lakes Restoration Initiative, which is requested in the Environmental Protection Agency's (EPA) budget. The goal of the Great Lakes Program is to restore and maintain the chemical, physical and biological integrity of the Great Lakes Basin Ecosystem. In 2010 we anticipate performing the following activities which would be funded by EPA.

FHWA will issue grants to regional, state, local, academic, and non-governmental organizations to implement a scientifically-based, ecosystem approach to habitat, invasive species (terrestrial and aquatic), and water quality in concert with transportation and infrastructure. On-the-ground ecosystem examples could include field plantings and contiguous habitat next to bridges; stormwater and runoff management; fish passage at culverts; and green solutions within built environments and habitats. Cross-cutting integration across focus area areas will blend multiple outcomes for urban and rural watersheds and communities within the Great Lakes basin.



**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
FEDERAL-AID HIGHWAYS**

**PROGRAM AND FINANCING SCHEDULE  
in millions of dollars**

Identification code: 69-8083-0-7-401	FY 2008 Actual	FY 2009 Estimate	FY2010 Request
<b>Obligations by Program Activity</b>			
Direct program:			
Programs subject to obligation limitation:			
00.01 Direct loan subsidy [TIFIA]	154	186	100
00.02 Guarantee loan subsidy [TIFIA]	----	20	20
00.09 Administrative expenses [TIFIA]	2	2	2
00.10 Surface transportation program	8,247	8,009	----
00.11 National highway system	7,471	7,605	----
00.12 Interstate maintenance	4,823	6,227	----
00.13 Bridge program	5,125	5,321	----
00.14 Congestion mitigation and air quality improvement	1,154	2,171	----
00.15 Highway Safety Improvement Programs	1,187	1,331	----
00.16 Equity Programs	2,047	2,598	----
00.17 Federal lands highways	875	985	----
00.18 Appalachian development highway system	325	447	----
00.19 High Priority Projects	1,845	2,542	----
00.20 Projects of national and regional significance	127	339	----
00.21 Research, development, and technology	396	396	----
00.22 Administration [Federal-aid highways]	375	390	----
00.23 Other programs	3,513	3,110	1,471
00.24 Reauthorization Initiatives and Other Programs	----	----	4,878
00.91 Programs subject to obligation limitation	37,666	41,679	6,471
Programs exempt from obligation limitation:			
02.11 Emergency relief program	114	163	116
02.13 Equity Programs	545	753	685
02.14 Demonstration projects	30	----	----
02.15 Direct loan program upward reestimate [TIFIA]	11	1	----
02.91 Programs exempt from obligation limitation	700	917	801
06.00 Total direct program	38,366	42,596	7,272
09.01 Reimbursable program	35	200	200
10.00 Total obligations	38,401	42,796	7,472
Financing:			
<b>Budgetary resources available for obligation</b>			
21.40 Unobligated balance carried forward, start of year	35,724	35,440	24,128
22.00 New budget authority (gross)	38,111	31,484	43,811
22.22 Unobligated balance transferred from other accounts [69-8350]	6	----	----
23.90 Total budgetary resource available for obligation	73,841	66,924	67,939
23.95 Total new obligations	-38,401	-42,796	-7,472
24.40 Unobligated balance carried forward, end of year.	35,440	24,128	60,467

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
FEDERAL-AID HIGHWAYS**

**PROGRAM AND FINANCING SCHEDULE  
in millions of dollars**

Identification code: 69-8083-0-7-401	FY 2008 Actual	FY 2009 Estimate	FY2010 Request
<b>New budget authority (gross) detail:</b>			
Discretionary:			
40.26    Appropriation (trust fund) [20-8102-0-401-N-0500-01]	41,955	41,439	33,000
40.49    Portion applied to liquidate contract authority	-41,521	-40,782	-32,632
41.00    Transferred to other account (69-8350)	-449	-657	-368
42.00    Transferred from other account (69-8350)	15	-----	-----
43.00    Appropriation (total discretionary)	-----	-----	-----
Spending authority from offsetting collections			
58.00    Offsetting collections, (cash)	80	200	200
58.10    Change in uncollected cust payments from Federal Sources (unexpired)	65	-----	-----
58.90    Spending authority from offsetting collections	145	200	200
Mandatory:			
60.26    Appropriation (trust fund, indefinite) [20-8102-0-401-N-0500-01]	11	1	-----
66.10    Contract authority	43,146	43,043	43,611
66.10    Contract authority from PL 111-8	-----	143	-----
66.35    Contract authority permanently reduced	-----	-27	-----
66.36    Unobligated balances permanently reduced	-4,183	-8,708	-----
66.61    Transfer to other accounts [69-8350]	-1,023	-3,168	-----
66.62    Transfer from other accounts [69-8350]	15	-----	-----
66.90    Contract authority (total mandatory)	37,955	31,283	43,611
70.00    Total new budget authority (gross)	38,111	31,484	43,811
<b>Change in obligated balances</b>			
72.40    Obligated balance, start of year	45,993	48,534	52,905
73.10    Total new obligations	38,401	42,796	7,472
73.20    Total outlays (gross)	-35,975	-38,425	-30,802
74.00    Chg in Uncollected cust orders fm Fed Sources (unexpired)	-65	-----	-----
74.40    Obligated balance, end of year	48,354	52,905	29,575
<b>Outlays (gross), detail (unexpired and expired)</b>			
86.90    Outlays from new discretionary authority	10,517	11,189	1,550
86.93    Outlays from discretionary balances	24,502	26,444	28,415
86.97    Outlays from new mandatory authority	210	201	200
86.98    Outlays from mandatory balances	566	591	637
87.00    Total outlays (gross)	35,795	38,425	30,802
<b>Offsets:</b>			
<i>Against gross budget authority and outlays</i>			
Offsetting collections (cash) from:			
88.00    Offsetting collections (cash) from: Federal sources	-78	-200	-200
88.40    Offsetting collections (cash) from: non-Federal sources	-2	-----	-----
88.90    Total, Offsetting collections (cash)	-80	-200	-200
<i>Against gross budget authority only</i>			
88.95    Change in uncollected customer payments from Federal sources (unexpired)	-65	-----	-----
<b>Net budget authority and outlays</b>			
89.00    Budget authority	37,966	31,284	43,611
90.00    Outlays	35,715	38,225	30,602

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
FEDERAL-AID HIGHWAYS**

**OBJECT CLASSIFICATION  
in millions of dollars**

Identification code: 69-8083-0-7-401	2008 Actual	2009 Estimate	2010 Estimate
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	31	33	33
11.3 Other than full-time permanent	1	1	1
11.5 Other personnel compensation	1	1	1
11.9 Total personnel compensation	33	35	35
12.1 Civilian personnel benefits	5	5	5
21.0 Travel and transportation of persons	9	9	10
24.0 Printing and reproduction	1	1	1
25.1 Advisory and Assistance Services	31	33	33
25.2 Other services	450	472	472
25.3 Other purchases of goods and services from Government accounts	492	517	517
26.0 Operation and maintenance of facilities	2	2	3
31.0 Supplies and materials	1	1	1
32.0 Land and structures	168	168	168
41.0 Grants, subsidies, and contributions	35,913	40,077	4,705
99.0 Direct Obligations	37,105	41,320	5,950
99.0 Reimbursable obligations	35	200	200

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
FEDERAL-AID HIGHWAYS**

**OBJECT CLASSIFICATION  
in millions of dollars**

Identification code: 69-8083-0-7-401	2008 Actual	2009 Estimate	2010 Estimate
Allocation accounts - direct:			
Personnel compensation:			
31.11 Full-time permanent	43	45	49
31.13 Other than full-time permanent	5	5	6
11.15 Other personnel compensation	2	2	3
31.19 Total personnel compensation	50	52	58
31.21 Civilian personnel benefits	13	14	15
32.10 Travel and transportation of persons	4	4	4
32.20 Transportation of things	1	1	1
32.31 Rental payments to GSA	2	3	3
32.33 Communications, utilities, and misc. charges	5	3	1
32.51 Advisory and assistance services	11	7	7
32.52 Other services	387	390	400
32.53 Other purchases of goods and services from Government accounts	7	9	10
32.60 Supplies and materials	6	7	7
33.10 Equipment	5	5	5
33.20 Land and structures	15	16	16
34.10 Grants, subsidies, and contributions	380	375	380
39.90 Subtotal, obligations from allocation accounts	886	886	907

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
FEDERAL-AID HIGHWAYS**

**OBJECT CLASSIFICATION  
in millions of dollars**

Identification code: 69-8083-0-7-401	2008 Actual	2009 Estimate	2010 Estimate
Limitation account - Direct Obligations:			
Personnel compensation:			
11.1 Full-time permanent	202	203	210
11.3 Other than full-time permanent	3	3	3
11.5 Other personnel compensation	2	2	3
11.9 Total personnel compensation	207	208	216
12.1 Civilian personnel benefits	58	60	65
21.0 Travel and transportation of persons	9	10	11
22.0 Transportation of things	1	1	2
23.1 Rental payments to GSA	25	29	32
23.3 Communications, utilities, and misc. charges	5	5	4
24.0 Printing and reproduction	1	2	2
25.1 Advisory and assistance services	13	14	14
25.2 Other services	2	2	3
25.3 Purchases of goods and services from government accounts	21	23	25
25.4 Operation and maintenance of facilities	1	1	----
25.7 Operation and maintenance of equipment	25	27	33
26.0 Supplies and materials	2	3	3
31.0 Equipment	5	5	5
99.0 Limitation account - direct obligations	375	390	415

**FEDERAL-AID HIGHWAYS**

**EMPLOYMENT SUMMARY**

Identification code: 69-8083-0-7-401	FY 2008 Actual	FY 2009 Estimate	FY 2010 Estimate
Direct:			
10.01 Civilian full-time equivalent employment	287	287	287
Reimbursable:			
20.0 Civilian full-time equivalent employment	210	210	210
Limitation Account - direct:			
60.0 Civilian full-time equivalent employment	2,292	2,292	2,292

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## Federal-Aid-Highways, General Fund Share

*Unless other legislation is enacted that authorizes a change that results in a positive cash balance in the Highway Trust Fund, projected through the end of fiscal year 2010, an appropriation is provided as follows: For necessary expenses for Federal-aid highways and highway safety construction programs, as authorized by title 23, United States Code, \$36,107,000,000, which shall be derived from the General Fund, to remain available until expended.*

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
FEDERAL-AID HIGHWAYS, GENERAL FUND SHARE**

**PROGRAM AND FINANCING SCHEDULE  
in millions of dollars**

Identification code: 69-0539-0-1-401	FY 2008 Actual	FY 2009 Estimate	FY2010 Request
<b>Obligations by Program Activity</b>			
0.01 Fed-aid Highway Grants	----	----	36,107
10.00 Total obligations (Object Class 41.0)	----	----	36,107
Financing:			
<b>Budgetary resources available for obligation</b>			
22.00 New budget authority (gross)	----	----	36,107
23.95 Total new obligations	----	----	-36,107
24.40 Unobligated balance carried forward, end of year.	----	----	----
<b>New budget authority (gross) detail:</b>			
Discretionary:			
40.00 Appropriation	----	----	36,107
73.10 Total new obligations	----	----	36,107
73.20 Total outlays (gross)	----	----	-9,749
74.40 Obligated balance, end of year	----	----	26,358
<b>Outlays (gross), detail (unexpired and expired)</b>			
86.90 Outlays from new discretionary authority	----	----	9,749
<b>Net budget authority and outlays</b>			
89.00 Budget authority	----	----	36,107
90.00 Outlays	----	----	9,749



## LIMITATION ON ADMINISTRATIVE EXPENSES

### (INCLUDING TRANSFER OF FUNDS)

Not to exceed [~~\$390,000,000~~]*\$415,396,000*, together with advances and reimbursements received by the Federal Highway Administration, shall be paid in accordance with law from appropriations made available by this Act to the Federal Highway Administration for necessary expenses for administration and operation. In addition, not to exceed \$3,524,000 shall be paid from appropriations made available by this Act and transferred to the Department of Transportation's Office of Inspector General for costs associated with audits and investigations of projects and programs of the Federal Highway Administration, and not to exceed \$300,000 shall be paid from appropriations made available by this Act and provided to that office through reimbursement to conduct the annual audits of financial statements in accordance with section 3521 of title 31, United States Code. In addition, not to exceed \$3,124,000 shall be paid from appropriations made available by this Act and transferred to the Appalachian Regional Commission in accordance with section 104 of title 23, United States Code. (*Department of Transportation Appropriations Act, 2009.*)

## **Justification for Limitation on Administrative Expenses** (in thousands of dollars)

### **Operating Expenses (Ob. Lim.)**

<b>FY 2010 Request:</b>	<b>\$415,396</b>
<b>FY 2009 Enacted:</b>	<b>\$390,000</b>

### **Overview:**

This account provides for resources to maintain the agency's administrative operations. Funding will support activities related to the FHWA goals, and implementing the FY 2010 authorization, and meeting other Federal mandates.

### **FY 2009 Base:**

The Limitation on Administrative Expenses funds salaries and benefits, travel, rent, communications, utilities, printing, contractual services, supplies and equipment. As shown in Exhibit II-6, the FY 2009 enacted level totals \$390.0 million. This level includes \$270.2 million for the salaries and benefits for 2,292 full time equivalents (FTE). The FY 2009 base level also includes \$29.0 million for rent, \$15.7 million for the Working Capital/IT Franchise Fund, \$9.6 million for travel, and \$64.1 million for other activities critical to maintaining the agency's administrative operations.

### **Anticipated FY 2009 Accomplishments:**

#### **Human Resources**

The FY 2009 plan reflects our continuing commitment to assisting the Department in achieving its Organizational Excellence objectives. We plan to actively participate in planning and decisions that may lead to future reviews of functional areas that are identified as offering the greatest potential for cross-modal efficiency and attention. The FHWA anticipates progress in meeting the following objectives:

- FHWA's 5-Year Human Capital Plan will be revised to implement a new model for achieving a multidisciplinary workforce with competencies to provide program stewardship, address transportation system challenges, and provide national transportation leadership. The Agency has strengthened succession planning through the development of a workforce implementation plan focusing on strengthening the pipeline into leadership positions. FHWA is continuing to assess needed skill changes of FHWA employees through workforce assessments, and is making continued progress in closing gaps in mission critical occupations (e.g., financial management and information technology). A significant number of FHWA leaders are retiring. In fact, for the period January 1, 2008 through December 31, 2008, FHWA made twenty-one selections in the Senior Executive Service. This number represents 40 percent of the total FHWA SES-Career allocation. Aggressive recruitment, hiring and development programs have been implemented to provide for continuity in the workforce. In FY 2009, FHWA continues to sustain the increase in the employment level that was achieved in FY 2008. Approximately 200 new employees have been hired.

- The national emphasis on America's roads and bridges has catapulted the FHWA into the national spotlight. To ensure that FHWA positively represents the US Government and the Department of Transportation, the FHWA has established a new coordinated agency-wide recruitment and outreach program. The recruitment website has been revitalized and our student programs are a key focus on educating today's youth on the importance and value of transportation in America. In fact, the FHWA, which manages the Department of Transportation's Summer Transportation Program for Diverse Groups, received approximately 700 student applications for approximately 125 student assignments throughout the DOT.
- Due to the American Reinvestment and Recovery Act (ARRA) emphasis on improving America's infrastructure, the FHWA program and workload has almost doubled. To meet this demand in an expeditious manner, the FHWA has developed flexible and transparent staffing plans emphasizing the use of a variety of hiring flexibilities. The agency received Office of Personnel Management approval for dual compensation waivers and direct-hire authority to meet immediate short-term needs created by ARRA.
- For longer-term needs related to the ARRA and succession planning, the Agency has expedited the filling of up to 40 positions. The Professional Development Program has hired and developed entry-level individuals in mission-critical disciplines (e.g., financial management and engineer) for long term succession planning. On average, 40 percent of FHWA's hires are at the GS-12 through GS-14 levels. These mid-career hires are critical to the Agency's succession planning, and oftentimes require the use of special recruitment initiatives and incentives to attract diverse candidates with the needed multidisciplinary skills. The FHWA has consistently demonstrated its ability to attract, hire, and maintain the maximum number of employees for which the Agency has the salary funds to support.
- An in-depth data analysis of key workforce trends and recommendations to address concerns was developed and presented to the FHWA Leadership Team in various forums, with a focus on increasing the diversity of occupations and enhancing the acculturation of new employees into the FHWA workforce. Senior Agency leaders have expressed their commitment in addressing critical diversity issues, including increasing the diversity in the FHWA pipeline, particularly women, Hispanics, and persons with disabilities.
- The FHWA will continue to implement its Diversity Action Plan, including the development of a Diversity Website for FHWA employees and creating an organizational climate that enables a multidisciplinary workforce to achieve the strategic goals of the Agency. Within the agency, the Offices of Human Resources, Civil Rights, and Chief Counsel have developed a unified approach in addressing employee issues and complaints and providing technical support to the agency's leadership as they work through various processes.
- The Agency's Learning and Development Program is being realigned to focus on key corporate, leadership, and professional competencies in the workforce to ensure continued improvements in stewardship, program oversight, and financial management. A new learning and development framework and brand, the FHWA Learning Highway, has been established to provide the all employees with a redefined and focused learning and development program. A new web page has been developed and promotes a

cohesive image of all aspects of the FHWA Learning and Development program. Individual development plans are incorporated into the learning and development process and lay the groundwork for development in the corporate and leadership competencies. Learning opportunities are offered in a variety of mediums, including web and video conferencing, on-line courses and instructor led courses. Using a blended approach to learning enables the FHWA to respond more quickly to the learning needs of our employees. The establishment and refinement of the Developmental Clearinghouse, providing “virtual” rotational assignments will be promoted throughout the Agency. This program provides a larger number of FHWA employees to participate in developmental assignments, while reducing the use of scarce learning and development funds.

- The Agency has created and begun to implement the Discipline Support System to foster the focused development of core disciplines and insure employees have the competencies to effectively administer the FHWA program. The Discipline Support System defines seven elements that each discipline must address to improve communication, education, and collaboration within the discipline. Employees providing technical assistance have readily available guidance to enhance their ability to perform the core functions of the agency. To maximize the extremely limited resources for learning and development, the FHWA has consolidated and refocused funding to develop and deliver professional development seminars for approximately half of the employees at the GS-11 to GS-13 grade levels. These seminars are focused on the development competencies so employees can excel in providing program stewardship and technical guidance. The agency is using in-house discipline experts and Agency leaders as instructors and mentors.
- Leadership competencies and supervisory skills continue to be emphasized, with a comprehensive program developed for supervisors at all stages in their career, from those in their first year of supervisory responsibilities to those who need refresher training. FHWA has implemented a new 360-degree assessment for supervisors, managers, and executives in the Headquarters offices to provide feedback and areas for developmental growth.
- Improving performance management skills continues to be a high priority initiative. The FHWA and OPM employee survey results have indicated a strong need to provide training for supervisors and employees. Performance management training, for both supervisors and employees, was provided on how to improve metrics in performance standards, how to hold employees accountable for achieving organizational goals, and how to deal with performance problems. The FHWA ensured that awards were used to recognize achievements that advanced the Agency’s goals and objectives. Awards funding and administration is transparent and directly linked to specific performance objectives.
- FHWA is participating in Department-wide accountability reviews. The FHWA Automated Staffing Office, which provides automated and consolidated staffing services to all DOT agencies except the Federal Aviation Administration and Office of the Inspector General, will be evaluated by OPM for adherence to the OPM Delegated Examining Unit regulations and requirements. Results, recommendations, and required actions will be reviewed prior to the end of the year and implemented in 2010.

- FHWA is implementing the Office of Personnel Management (OPM) initiative to improve the federal hiring process by integrating and re-engineering five of its key components: (1) Workforce Planning; (2) Recruitment; (3) Hiring Process; (4) Security/Suitability; and (5) Orientation. This year, the Agency will be establishing baselines in these five areas. In addition, the New Employee Survey was initiated to gain insight into new employees' overall satisfaction with the hiring and orientation processes. This survey will be administered on a quarterly basis. Targets for improvement in each of the five areas will have also been established.
- The E2E initiative is designed to transform the competitive hiring process for applicants outside the Federal government by making the process more efficient and effective for all involved including hiring officials, applicants, and human resources professionals.

Homeland Security Presidential Directive-12 (HSPD-12) requires that all Federal employees have at a minimum a basic background investigation on file, and many employees need to have their clearances updated. This significantly increases the costs to the program.

### **Information Technology**

The FHWA anticipates progress in meeting the following objectives, by continuing to:

- Implement the best practices identified during the Agency's Information Technology (IT) field study, support innovative solutions, and responsible stewardship initiatives through contributions and participation, and continue to support the Department in its Lines of Business and Smartbuy initiatives and its IT efforts such as infrastructure consolidation, use of enterprise licenses, and lowering IT-related costs.
- Serve as the co-Chair of the Department's CIO Council that helps leverage technology and works on crosscutting IT initiatives within DOT. The council meets regularly throughout the year. FHWA will also continue the consolidation of IT infrastructure in FHWA field offices.
- Focus on developing and implementing the segment architecture and on evaluating performance within each segment to identify gaps and determine where new investments may be needed. The Agency's Investment Review Board (IRB) will continue to strengthen its governance processes. The IRB developed risk-based ranking criteria for IT systems and ranked all of the Agency's systems based on that criteria. After consultation with the Agency's Leadership Team, the IRB will prioritize all systems. The IRB will also continue to ensure that enterprise-wide solutions are considered to achieve better return-on-investment at least quarterly as part of the capital planning process, to ensure the Agency is progressing toward its target architecture.
- Upgrade its compliance with the Federal Information Security Management Act (FISMA). We will further implement new measures and complete actions as required by the Office of the Secretary, such as identifying security measures for equipment and systems and implementation actions to eliminate security vulnerabilities identified by the Office of Inspector General.

Enhance its IT systems to monitor and report on FHWA American Reinvestment and Recovery Act of 2009 (ARRA) projects and costs to ensure we are meeting the Act's requirements for accountability and transparency.

### **Financial Performance**

By the end of 2009, the FHWA will have completed four full years under the Financial Integrity Review and Evaluation (FIRE) Program. Training will continue to be provided to the Federal-aid Division Office Administrators and Financial Managers regarding the objectives of the oversight program and techniques for achieving them. As this review and oversight program continues with the Federal-aid program, we will incorporate best practices from both Federal-aid and Federal Lands Highway organizations into an expanded agency-wide program. It will include reviews of financial processes, financial transactions, and funds management activities, along with external audit coordination, and evaluations of the key internal administrative processes.

A "National Lessons Learned Program" will be developed and cost estimating training will be continued. In addition, staff plans to complete the risk roll-up report on the second round of agency-wide risk management initiative; and develop guidance for improving program management practices in the agency. Both of these activities are follow-up actions from the previous Administration's initiatives.

### **FY 2010 Budget:**

Consistent with the presentation for the overall Federal-aid highway program, the budget contains no policy recommendations for programs subject to reauthorization, including FHWA's administrative expenses. Pending the Administration's development of a comprehensive approach for surface transportation reauthorization, the budget displays baseline funding levels for all highway programs.

The budget reflects \$415.4 million for the Limitation on Administrative Expenses (LAE). In addition, the budget provides \$3.1 million in contract authority for administrative expenses of the Appalachian Regional Commission (ARC) and \$3.8 million in contract authority for audits conducted by the DOT Office of Inspector General.

The FY 2010 budget reflects increases to the FY 2009 base for cost of living adjustments (COLA), rent costs, Working Capital Fund costs, travel costs and inflation in other activities critical to maintaining the agency's administrative operations. The adjusted base totals \$403.3 million, which is an increase of \$13.3 million. An additional \$12.1 million is identified in the budget to support Federal and contractor labor costs beyond inflation.

The FHWA budget reflects support of a current services level of 2,292 FTE in FY 2010.

## **Human Resources**

FHWA will continue to focus on implementing aggressive recruitment and developmental programs to ensure the Agency pipeline has a sufficient number of diverse and multidisciplinary employees to meet the anticipated attrition in leadership positions, and that employees have the corporate, leadership and professional competencies to promote our strategic goals in national leadership, program delivery, and system performance.

Under the ARRA, there will be a continued interest in the FHWA and its mission. The Agency's workforce must be able to quickly adjust to change to achieve current and future Agency goals. The corporate recruitment and outreach program will provide oversight and direction in defining and implementing targeted recruitment strategies for its mission critical occupations. Enhancing education and recruitment will be increasingly more important, reaching students as early as high school to promote careers in transportation. Student employment and education will serve as a pipeline into the Professional Development Program, the primary entry-level program for the Agency. The Professional Development Program will provide entry-level employees with the necessary competencies, knowledge, and understanding of the Federal program to support a strong succession plan. Hiring of mid-career employees (GS-12 through GS-14) will continue to play a critical role in supporting the Agency's long term succession plan, while enhancing the availability of employees with diverse backgrounds and skills (.4 million). Recruitment and retention incentives and initiatives are needed to attract and retain the high caliber of applicants needed to meet the Agency's mission.

The commitment of Senior Agency leaders in addressing critical diversity issues, including increasing the diversity in the FHWA pipeline, particularly women, Hispanics, and persons with disabilities, will continue. Representation of underrepresented groups at the GS-13 through GS-15 levels and attrition by targeted groups, including women and employees with disability will be addressed. A toolkit for managers listing resources and available hiring authorities available for hiring persons with targeted disabilities will be available, and the diversity website will be fully functioning with regular leadership input. The resolution of grievances and processes, such as reasonable accommodation, will continue to be communicated and promoted.

The Discipline Support System will be completed for 16 core disciplines (e.g., safety, structures, finance) and will provide employees with greater knowledge and guidance to effectively administer the FHWA program. Eight disciplines will hold seminars to promote communication, increase competencies and skills, and provide an opportunity for networking within each discipline. These seminars will focus on the professional competencies needed by field specialists to excel in their disciplines, using in-house discipline experts and Agency leaders as instructors and mentors. Current policies, regulations and guidance for each Discipline will be available and updated on the Agency's Discipline Reference Library Website.

The Agency's Learning and Development Program will fully implement the FHWA Learning Highway, focusing learning opportunities on corporate, leadership, and professional competencies in the workforce to ensure continued improvements in stewardship, program oversight, and financial management. Learning opportunities are offered in a variety of mediums, including web and video conferencing, on-line courses and instructor led courses. Using a blended approach to learning enables the FHWA to respond more quickly to the learning needs of our employees. The establishment and refinement of the Developmental Clearinghouse, providing virtual rotational assignments will be promoted throughout the Agency. This program

provides are larger number of FHWA employees to participate in developmental assignments, while reducing the use of scarce learning and development funds.

A New Employee program will be implemented, providing new FHWA employees with a greater understanding and knowledge of the Federal Highway program. This program will provide new employees with knowledge of the underlying regulations, program responsibilities, and oversight functions needed to successfully fulfill the Agency's mission. It will also provide a greater opportunity for mid-career hires to inculcate into the Agency and achieve more immediate success.

Leadership competencies and supervisory skills will continue to be emphasized. A comprehensive program for supervisors at all stages in their career, from those in their first year of supervisory responsibilities to those who need refresher training, will be implemented. The FHWA has fully implemented the 360-degree assessment for supervisors, managers, and executives throughout the Agency to provide feedback and areas for developmental growth in the leadership competencies.

Under ARRA, transparency of operations will continue to be increased and risk management will be an important element in the Agency's efforts. Risk considerations will be considered in the development of key human capital and succession planning. Supervisors and managers will be responsible for ensuring employees are being held accountable to their performance objectives, and objectives are directly linked to the appropriate unit plan or strategic initiative.

The awards and recognition program will be closely evaluated to ensure the allocated funds are distributed based on success in meeting performance goals and objectives that advance the Agency's mission. Performance objectives are linked to the DOT's strategic plan and are aligned down to the individual performance level. The Agency has requested GOE funds for its employee recognition and awards budget to support the strengthening of the performance culture in the FHWA.

The FHWA will implement any finding and recommendations from the Office of Personnel Management review of the DOT Automated Staffing Office.

Using the baselines established in 2009, the Agency will implement the Office of Personnel Management (OPM) initiative to improve the federal hiring process by integrating and re-engineering five of its key components: (1) Workforce Planning; (2) Recruitment; (3) Hiring Process; (4) Security/Suitability; and (5) Orientation. This year, the Agency will be establishing baselines in these five areas.

### **Information Technology**

FHWA will continue to co-chair the Department's CIO Council that helps leverage technology and works on crosscutting IT initiatives within DOT.

FHWA will continue to refine and use Enterprise Architecture (EA) to guide IT investments in support of the Department and the FHWA's strategic goals. Some of the areas that we will continue to focus on will include streamlining business processes, ensuring business and information technology alignment, increasing information/knowledge sharing, and expanding reuse. In addition, the FHWA will continue to ensure the integration of EA and capital planning.



FHWA will continue to improve and refine management of the FHWA IT portfolio. To enhance IT security, we will continue to implement the provisions of Homeland Security Presidential Directive - 12 (HSPD-12). We will also continue the consolidation of IT infrastructure in FHWA field offices

FHWA will support innovative solutions, and responsible stewardship initiatives through its contributions and participation that support the Department in its Lines of Business and Smartbuy initiatives and its IT efforts such as infrastructure consolidation, use of enterprise licenses, and lowering IT-related costs.

The FHWA Exhibit 300 is posted at the following web site:  
<http://www.dot.gov/exhibit300>.

### **Financial Performance**

The FHWA will continue implementation of the FIRE program and ongoing efforts to improve financial stewardship and oversight.

The FHWA will deliver a National Lessons Learned Program to field offices for major project stewardship and oversight. Also, training on cost estimation for major projects has been developed and will be provided to select States. The training presents fundamental concepts to be used for major project cost estimate validations that will assist in ensuring that major project cost estimates are accurate and complete throughout the project development process. The FHWA will continue to support project management training for Major Project oversight managers and employees actively involved in the projects. The training will help ensure that the project management plans required for major projects are consistent with Agency guidance.

The FHWA will continue to implement the next iteration of an agency-wide risk management initiative. A training course on risk management practices has been developed and will be provided to FHWA employees and its state and local partners. The FHWA will continue to develop strategies for improving program management practices in the agency.

**Explanation of Funding Changes for  
Limitation on Administrative Expenses  
(in thousands of dollars)**

<b>Overview:</b>	
This account provides for the necessary resources to support Limitation on Administrative Expenses (LAE) activities and maintain the agency's administrative infrastructure. Funding will support activities related to the goals of the President's Management Agenda, implementing the requirements of the SAFETEA-LU legislation, and meeting other Federal mandates.	
<hr/>	
<b>LAE, FY 2009</b>	<b>\$390,000</b>
Adjustments to Base:	
<u>Salaries and Benefits</u> The requested increase is needed to fund the COLA, Locality Pay, and other pay increases.	<b>\$8,093</b>
<u>Travel&amp; Transportation</u> To support inspector travel in the field.	<b>\$57</b>
<u>GSA Rent and Utilities</u> The requested increase for GSA rent is due to increased rent costs for FHWA field office facilities.	<b>\$4,027</b>
<u>Working Capital Fund</u> The requested increase for the Working Capital Fund is assigned by the Department due to an increase in the services provided.	<b>\$811</b>
<u>Other Activities</u> The requested increase for other services contracts accommodates inflation and is necessary to support departmental and government-wide initiatives and activities central to carrying out the agency's mission.	<b>\$12,381</b>
<b>Total Adjustments to Base:</b>	<b>\$18,068</b>
<hr/>	
<b>LAE, FY 2010 President's Budget</b>	<b>\$415,396</b>

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
Highway Infrastructure Investment, Recovery Act**

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## **BACKGROUND**

The American Recovery and Reinvestment Act (Recovery Act) was signed into law by President Obama on February 17th, 2009. It is an unprecedented effort to jumpstart the economy, create or save millions of jobs, and put a down payment on addressing long-neglected challenges so the country can thrive in the 21st century. The Recovery Act is an extraordinary response to a crisis unlike any since the Great Depression, and includes measures to modernize the nation's infrastructure.

Transportation is a great enabler of economic growth and the lifeblood of commerce. It moves people to jobs and goods to the marketplace. Without strong transportation arteries, economies stagnate. DOT will use the transportation funding in the Recovery Act to deliver jobs and restore the nation's economy. DOT will emphasize sustainable investment and focus its policies on the people, businesses and communities who use the transportation systems.

With the \$27.5 billion provided in Recovery Act funds for Highway Infrastructure Investment, FHWA will invest in projects to build, rehabilitate, and make safer roads, highways, bridges and ports. A portion of the appropriation is set aside to make sure that urban, suburban, and rural areas alike all get a share of the funding. Since local leaders – mayors and governors – know their communities best, much of the money is left to states' discretion. And if states do not use it, they lose it. To make sure that funds go out quickly to give the economy the jolt it needs, states have 120 days to assign half of their funds to specific projects.

Highway infrastructure investments will not only be given to state-based projects. The Recovery Act also calls for investments in federal lands and capital expenditure projects such as park roads and parkways and ferry boat construction. The distribution of this funding is detailed below:

- Indian Reservation Roads – \$310 Million
- Park Roads and Parkways – \$170 Million
- Forest Highway Program – \$60 Million
- Refuge Roads – \$10 Million
- Puerto Rico Highway Program – \$105 Million
- Territorial Highway Program – \$45 Million
- Construction of Ferry Boats and Ferry Terminal Facilities – \$60 Million
- Highway Surface Transportation and Technology Training – \$20 Million
- Disadvantaged Business Enterprises Bonding Assistance – \$20 Million
- Funds Oversight – \$40 Million

FHWA will continue to implement the Recovery Act in FY 2010 and has taken steps to ensure effective coordination and support among federal agencies as well as prepared its partners and stakeholders to implement the provisions of the Recovery Act as expeditiously as possible.

### **BUDGETARY RESOURCES**

No new budget authority is requested for FY 2010.

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
HIGHWAY INFRASTRUCTURE INVESTMENT, RECOVERY ACT**

PROGRAM AND FINANCING SCHEDULE

In millions of dollars

Identification code: 69-0504-01-401	2008 Actual	2009 Estimate	2010 Estimate
Obligations by program by activity:			
00.01 Highway Infrastructure Investment Grants	.....	19,995	6,665
00.02 Federal Lands	.....	412	138
00.03 Puerto Rico Highway Program	.....	79	26
00.04 Territorial Highway Program	.....	34	11
00.05 Construction of Ferry Boats	.....	45	15
00.06 Highway Surface Transport. and Tech Training	.....	15	5
00.07 Disadvantaged Business Enterprise Bonding Assistance	.....	15	5
00.08 Projects and Activities Oversight	.....	6	14
10.00 Total new obligations	.....	20,601	6,879
Budgetary resources available for obligation			
21.40 Unobligated balance available, start of year.....	.....	.....	6,899
22.00 New budget authority (gross).....	.....	27,500	.....
23.90 Total budgetary resources available for obligations.....	.....	27,500	.....
23.95 Total new obligations.....	.....	-20,601	-6,879
24.40 Unobligated balance available, end of year.....	.....	6,899	20
New budget authority (gross), Detail:			
Discretionary:			
40.00 Appropriation	.....	27,500	.....
Change in obligated balances			
72.40 Obligated balance, start of year.....	.....	.....	15,101
73.10 New obligations.....	.....	20,601	6,879
73.20 Total outlays (gross).....	.....	-5,500	-11,825
74.40 Obligated balance, end of year.....	.....	15,101	10,155
Outlays (gross), detail			
86.90 Outlays from new discretionary authority.....	.....	5,500	.....
86.93 Outlays from discretionary balances.....	.....	.....	11,825
87.00 Total outlays (gross)	.....	5,500	11,825
Net budget authority and outlays:			
89.00 Budget authority.....	.....	27,500	.....
90.00 Outlays.....	.....	5,500	11,825

**MISCELLANEOUS APPROPRIATIONS**

OBJECT CLASSIFICATION

In millions of dollars

Identification code: 69-0504-01-401	2008 Actual	2009 Estimate	2010 Estimate
Direct obligations:			
11.1 Full-time permanent	.....	1	4
12.1 Civilian personnel benefits	.....	.....	1
21.0 Travel and transportation of persons	.....	1	2
25.2 Other services	.....	2	2
25.7 Operation and maintenance of equipment	.....	2	5
41.0 Grants, subsidies, and contributions	.....	20,595	6,865
99.99 Total, new obligations	.....	20,601	6,879

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**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
EMERGENCY RELIEF**

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**BACKGROUND**

The Emergency Relief program receives \$100 million annually in mandatory funds from the Highway Trust Fund in the Federal-aid highways account. SAFETEA-LU authorized the program to receive additional General Fund discretionary funding as needed. These discretionary funds were provided through this account starting in FY 2006. In FY 2006, \$3.5 billion in supplemental appropriations were provided for this program (P.L. 109-148 and 109-234). In FY 2007, \$871 million was appropriated for this program (P.L. 110-28). In 2008, \$195 million was appropriated in P.L. 110-161 for the repair and reconstruction of the Interstate 35W bridge located in Minneapolis, MN, that collapsed on August 1, 2007, as authorized under Public Law 110-56. An additional \$850 million was appropriated in 2008 in P.L. 110-329 for Emergency Relief program requests.

**BUDGETARY RESOURCES**

No new budget authority is requested for FY 2010.

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
EMERGENCY RELIEF**

PROGRAM AND FINANCING SCHEDULE

In millions of dollars

Identification code: 69-0500-0	2008 Actual	2009 Estimate	2010 Estimate
Obligations by program by activity:			
00.01 Emergency relief program	939	1,567	.....
10.00 Total new obligation (object class 41.0).....	939	1,567	.....
Budgetary resources available for obligation			
21.40 Unobligated balance available, start of year.....	1,330	1,372	.....
22.00 New budget authority (gross).....	871	195	.....
22.10 Recoveries of prior year obligations.....	-110	.....	.....
23.90 Total budgetary resources available for obligations.....	2,311	1,567	.....
23.95 Total new obligations.....	-939	-1,567	.....
24.40 Unobligated balance available, end of year.....	1,372	.....	.....
New budget authority (gross), Detail:			
Discretionary:			
40.00 Appropriation.....	871	195	.....
Change in obligated balances			
72.40 Obligated balance, start of year.....	1,274	1,262	1,717
73.10 New obligations.....	939	1,567	.....
73.20 Total outlays (gross).....	-841	-1,112	-979
73.45 Recoveries of prior year obligations.....	-110	.....	.....
74.40 Obligated balance, end of year.....	1,262	1,717	738
Outlays (gross), detail			
86.90 Outlays from new discretionary authority.....	235	53	.....
86.93 Outlays from discretionary balances.....	606	1,059	979
87.00 Total outlays (gross).....	841	1,112	979
Net budget authority and outlays:			
89.00 Budget authority.....	871	195	.....
90.00 Outlays.....	841	1,112	979

**EMERGENCY RELIEF**

OBJECT CLASSIFICATION

In millions of dollars

Identification code: 69-0500-0	2008 Actual	2009 Estimate	2010 Estimate
Direct obligations:			
14.10 Direct obligations: Grants, subsidies, and contributions.	939	1,567	.....



## APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM

[For necessary expenses for West Virginia corridor H of the Appalachian Development Highway System as authorized under section 1069(y) of Public Law 102-240, as amended, \$9,500,000, to remain available until expended.] (*Department of Transportation Appropriations Act, 2009.*)

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM**

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**BACKGROUND**

The Federal Highway Administration received an appropriation of \$19.8 million from the General Fund for the Appalachian Development Highway System in FY 2006. In FY 2007, 2008, and 2009 this program received appropriations of \$19.8 million, \$15.7 million, and \$9.5 million, respectively. Obligations and outlays for the Highway Trust Fund account result in part from prior year appropriations.

**BUDGETARY RESOURCES**

No new budget authority is requested for FY 2010.

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM**

**PROGRAM AND FINANCING SCHEDULE**

In millions of dollars

Identification code: 69-0640-0-1-401	2008 Actual	2009 Estimate	2010 Estimate
Obligations by program by activity:			
00.06 Appalachian Hwy. Dev. Sys. 2005.....	33	.....	.....
10.00 Total obligations (object class 25.2).....	33	.....	.....
Budgetary resources available for obligation			
21.40 Unobligated balance available, start of year	107	96	106
22.00 New budget authority (gross).....	16	10	.....
22.10 Resources available from recoveries of prior year obligations.....	6	.....	.....
23.90 Total budgetary resources available for obligation.....	129	106	106
23.95 New obligations.....	-33	.....	.....
24.40 Unobligated balance available, end of year .....	96	106	106
New budget authority (gross), detail			
Discretionary			
40.00 Appropriation.....	16	10	.....
Change in obligated balance			
72.40 Obligated balance, start of year.....	151	117	62
73.10 New obligations.....	33	.....	.....
73.20 Total outlays (gross).....	-61	-55	-38
73.45 Recoveries of prior year obligations.....	-6	.....	.....
74.40 Obligated balance, end of year.....	117	62	24
Outlays (gross), detail			
86.90 Outlays from new discretionary authority.....	4	3	.....
86.93 Outlays from discretionary balances.....	57	52	38
87.00 Total outlays (gross).....	61	55	38
Net budget authority and outlays			
89.00 Budget authority.....	16	10	.....
90.00 Outlays.....	61	55	38

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM**

PROGRAM AND FINANCING SCHEDULE

In millions of dollars

Identification code: 69-8072-0-1-401	2008 Actual	2009 Estimate	2010 Estimate
Obligations by program by activity:			
00.02 Sec. 378 of P.L. 106-346.....	1	2	.....
10.00 Total obligations .....	1	2	.....
Budgetary resources available for obligation			
21.40 Unobligated balance available, start of year.....	2	2	2
23.95 New obligations.....	<u>        </u>	<u>        </u>	<u>        </u>
24.40 Unobligated balance available, end of year.....	2	2	2
Change in obligated balances			
72.40 Obligated balance, start of year.....	6	5	.....
73.10 New obligations.....	.....	.....	.....
73.20 Total outlays (gross).....	<u>-1</u>	<u>-5</u>	<u>-2</u>
74.40 Obligated balance, end of year.....	5	.....	-2
Outlays (gross), detail			
86.93 Outlays from discretionary balances.....	1	5	2
Net Budget authority and outlays:			
89.00 Budget authority.....	.....	.....	.....
90.00 Outlays.....	1	5	2

**APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM**

OBJECT CLASSIFICATION

In millions of dollars

Identification code: 69-8072-0-1-401	2008 Actual	2009 Estimate	2010 Estimate
Direct obligations:			
12.52 Other Services .....	.....	.....	.....

MISCELLANEOUS APPROPRIATIONS

[DENALI ACCESS SYSTEM PROGRAM]

[For necessary expenses for the Denali Access System Program as authorized under section 1960 of Public Law 109-59, \$5,700,000, to remain available until expended.]  
(*Department of Transportation Appropriations Act, 2009.*)

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
MISCELLANEOUS APPROPRIATIONS**

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**BACKGROUND**

This account contains miscellaneous appropriations from the General Fund. In FY 2008 \$14 million was provided for the Delta Regional Transportation Development Program, which is being reported under this account. Also in FY 2008, \$4 million was rescinded from unobligated balances. In 2009, \$5.7 million was appropriated for the Denali Access system Program and \$161.3 million was appropriated for surface transportation priorities identified by Congress. Obligations and outlays result in part from prior year appropriations.

**BUDGETARY RESOURCES**

No new budget authority is requested for FY 2010.

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
MISCELLANEOUS APPROPRIATIONS**

PROGRAM AND FINANCING SCHEDULE

In millions of dollars

Identification code: 69-9911-01-401	2008 Actual	2009 Estimate	2010 Estimate
Obligations by program by activity:			
00.01 Interest on TIFIA Upward Reestimate.....	1	1	.....
00.02 Denali Access System Program.....	.....	6	.....
00.03 Surface Transportation Priorities.....	.....	161	.....
00.83 Miscellaneous highway projects.....	49	28	28
10.00 Total new obligation (object class 41.0).....	50	196	28
Budgetary resources available for obligation			
21.40 Unobligated balance available, start of year.....	130	121	93
22.00 New budget authority (gross).....	11	168	.....
22.10 Resources available from recoveries of prior year obligations.....	25	.....	.....
22.22 Resources available from recoveries of prior year resources.....	5	.....	.....
23.90 Total budgetary resources available for obligations.....	171	289	93
23.95 Total new obligations.....	-50	-196	-28
24.40 Unobligated balance available, end of year.....	121	93	65
New budget authority (gross), Detail: Discretionary:			
40.00 Appropriation	14	167	.....
40.36 Unobligated balance permanently reduced.....	-4	.....	.....
43.00 Appropriation (total discretionary)	10	167	.....
New budget authority (gross), Detail Mandatory:			
60.00 Appropriations (trust fund)	1	1	.....
70.00 Total new budget authority (gross).....	11	168	.....
Change in obligated balances			
72.40 Obligated balance, start of year.....	174	109	197
73.10 New obligations.....	50	196	28
73.20 Total outlays (gross).....	-90	-108	-111
73.45 Recoveries of prior year obligations.....	-25	.....	.....
74.40 Obligated balance, end of year.....	109	197	114
Outlays (gross), detail			
86.90 Outlays from new discretionary authority.....	3	45	.....
86.93 Outlays from discretionary balances.....	86	62	111
86.97 Outlays from new mandatory authority.....	1	1	.....
87.00 Total outlays (gross)	90	108	111
Net budget authority and outlays:			
89.00 Budget authority.....	11	168	.....
90.00 Outlays.....	90	108	111

**MISCELLANEOUS APPROPRIATIONS**

OBJECT CLASSIFICATION

In millions of dollars

Identification code: 69-9911-01-401	2008 Actual	2009 Estimate	2010 Estimate
Direct obligations:			
14.10 Direct obligations:Grants,subsidies, and contribution	50	196	29

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**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
MISCELLANEOUS HIGHWAY TRUST FUNDS**

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**BACKGROUND**

This account contains miscellaneous appropriations from the Highway Trust Fund. Obligations and outlays result from prior year appropriations. In FY 2008, \$0.734 million was rescinded from unobligated balances in this account.

**BUDGETARY RESOURCES**

No new budget authority is requested for FY 2010.

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
MISCELLANEOUS HIGHWAY TRUST FUNDS**

PROGRAM AND FINANCING SCHEDULE

In millions of dollars

Identification code: 69-9972-0-7-401	2008 Actual	2009 Estimate	2010 Estimate
Obligations by program by activity:			
00.27 Miscellaneous highway projects	26	64	45
10.00 Total new obligation (object class 41.0).....	26	64	45
Budgetary resources available for obligation			
21.40 Unobligated balance available, start of year.....	165	147	83
22.00 New budget authority (gross).....	-1	.....	.....
22.10 Resources available from recoveries of prior year obligations	-1 10	.....	.....
23.90 Total budgetary resources available for obligations.....	173	147	83
23.95 Total new obligations.....	-26	-64	-45
24.40 Unobligated balance available, end of year.....	147	83	38
New budget authority (gross), Detail: Discretionary:			
40.36 Unobligated balance permanently reduced.....	-1	.....	.....
Change in obligated balances			
72.40 Obligated balance, start of year.....	275	150	130
72.45 Adjustments to obligated balance, start of year.....	1	.....	.....
73.10 New obligations.....	26	64	45
73.20 Total outlays (gross).....	-142	-84	-73
73.45 Recoveries of prior year obligations.....	-10	.....	.....
74.40 Obligated balance, end of year.....	150	130	102
Outlays (gross), detail			
86.93 Outlays from discretionary balances.....	142	84	73
Net budget authority and outlays:			
89.00 Budget authority.....	-1	.....	.....
90.00 Outlays.....	142	84	73

**MISCELLANEOUS HIGHWAY TRUST FUNDS**

OBJECT CLASSIFICATION

In millions of dollars

Identification code: 69-9972-0-7-401	2008 Actual	2009 Estimate	2010 Estimate
Direct obligations:			
14.10 Direct obligations: Grants, subsidies, and contribution	26	64	45

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
MISCELLANEOUS TRUST FUNDS**

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**BACKGROUND**

Funds received by this account come completely from non-Federal sources. FHWA holds these funds in trust until they outlay. The following programs are included in this fund:

1. Cooperative work, forest highway (Proprietary Receipts) – Contributions are received from States and countries in connection with cooperative engineering, survey, maintenance, and construction projects for forest highways.
2. Technical assistance, U.S. dollars advance from foreign governments (Proprietary Receipts) – The Federal Highway Administration renders technical assistance and acts as agent for the purchase of equipment and materials for carrying out highway programs in foreign countries.
3. Contributions for highway research programs (Governmental Receipts) – Contributions are received from various sources in support of the FHWA Research, Development, and Technology Program. The funds are used primarily in support of pooled-funds projects.
4. Advances from State cooperating agencies (Proprietary Receipts) – Funds are contributed by the State highway departments or local subdivisions for construction and/or maintenance of roads and bridges. The work is performed under the supervision of the Federal Highway Administration.
5. International highway transportation outreach (Proprietary Receipts) – Funds collected to inform the domestic highway community of technological innovations, promote highway transportation expertise internationally, and increase transfers of transportation technology to foreign countries.

**BUDGETARY RESOURCES**

The budget estimates that \$37 million of new authority will be available from non-Federal sources in FY 2010.

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
MISCELLANEOUS TRUST FUNDS  
PROGRAM AND FINANCING SCHEDULE**

In millions of dollars

Identification code: 69-9971-0-7-999	2008 Actual	2009 Estimate	2010 Estimate
Obligations by program by activity:			
00.01 Cooperative work, forest highways.....	13	16	16
00.03 Contributions for highway research.....	1	1	1
00.04 Advances from State cooperating Agencies.....	30	38	38
00.05 Advances from other Federal Agencies.....	1	1	1
10.00 Total obligations .....	45	56	56
Budgetary resources available for obligation			
21.40 Unobligated balance available, start of year.....	64	42	23
21.45 Adjustments to unobligated balance carried, forward, start of year	-4	.....	.....
22.00 New budget authority (gross).....	27	37	37
22.10 Resources available from recoveries of prior year obligations.....	.....	.....	.....
23.90 Total budgetary resources available for obligations.....	87	79	60
23.95 Total new obligations.....	-45	-56	-56
24.40 Unobligated balance available, end of year.....	42	23	4
New budget authority (gross), Detail:			
Mandatory:			
60.26 Appropriations (trust fund) [69-9971-0-999-N-0500-01]	27	37	37
Change in obligated balances			
72.40 Obligated balance, start of year.....	135	119	83
73.10 New obligations.....	45	56	56
73.20 Total outlays (gross).....	-61	-92	-93
73.45 Recoveries of prior year obligations	.....	.....	.....
74.40 Obligated balance, end of year.....	119	83	46
Outlays (gross), detail			
86.97 Outlays from new mandatory authority.....	10	30	30
86.98 Outlays from mandatory balances.....	51	62	63
87.00 Total outlays (gross)	61	92	93
Net budget authority and outlays:			
89.00 Budget authority.....	27	37	37
90.00 Outlays.....	61	92	93

**MISCELLANEOUS TRUST FUNDS**

**OBJECT CLASSIFICATION**

In millions of dollars

Identification code: 69-9971-0-7-999	2008 Actual	2009 Estimate	2010 Estimate
Direct obligations:			
Personnel compensation:			
11.11 Personnel Compensation: Full-time permanent....	2	2	2
12.52 Other Services .....	43	54	54
99.99 Total new obligations.....	45	56	56

**MISCELLANEOUS TRUST FUNDS**

**EMPLOYMENT SUMMARY**

Identification code: 69-9971-0-7-999	2008 Actual	2009 Estimate	2010 Estimate
Direct:			
10.01 Civilian full-time equivalent employment.....	15	15	15

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION ACT  
FINANCING ACCOUNTS**

**BACKGROUND**

As required by the Federal Credit Reform Act of 1990, these non-budgetary accounts record all cash flow to and from the Government resulting from credit assistance obligated in 1992 and later years (including modifications of credit assistance resulting from obligations in any year). The amounts in these accounts are a means of financing and are not included in the budget totals. The TIFIA Credit Program utilizes three separate financing accounts, one for each credit instrument offered by the program: direct loan, loan guarantee, and contingent line of credit.

SAFETEA-LU provides contract authority for the TIFIA Program to assist in the funding of nationally or regionally significant transportation projects. The subsidy costs and administrative expenses associated with this program are included in the Federal-aid Highway schedules.

In FY 2008 the USDOT closed two loans, totaling more than \$1 billion in credit assistance. In December 2007, the USDOT executed a \$589 million TIFIA loan for Virginia's Capital Beltway HOT Lanes, which will utilize congestion pricing to ensure reliable traffic flow on one of the nation's most congested highways. The \$430 million TIFIA loan for SH 130, Segments 5 and 6, executed in March 2008, will help complete a 90-mile toll road that serves as an alternate route between Austin and San Antonio, Texas. These two projects, both public-private partnerships (P3s), represent \$3.3 billion of infrastructure investment. Replicating development models common in Europe, Australia and South America, these P3s comprise a growing segment of the US market.

The current fiscal year has seen a significant amount of TIFIA activity. On December 19, 2008, the USDOT executed a \$516 million loan for the \$2.5 billion Intercounty Connector, a limited access toll highway linking Prince George's and Montgomery counties. On March 2, 2009 the US DOT executed a \$607 million loan with ACS Infrastructure Development (ACSID) to help finance the I-595 Express Lanes, advanced by the Florida Department of Transportation (FDOT) as a P3. The USDOT is in the process of evaluating three more projects for execution in FY 2009, totaling \$1.2 billion in credit assistance for projects representing \$4.9 billion in infrastructure investment.

Given the number of strong applications and promising indications of interest in applying for TIFIA assistance, USDOT plans to use its statutory authority to charge fees for credit assistance in order to help offset the subsidy cost of direct loans and loan guarantees. Successful projects will still enjoy the benefits of TIFIA assistance and, by lowering the credit subsidy cost for individual projects, TIFIA will be able to maximize the portfolio of quality transportation projects that it can support.

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION  
FINANCING ACCOUNT - DIRECT LOAN**

**PROGRAM AND FINANCING SCHEDULE**  
In millions of dollars

Identification code: 69-4123-0-3-401	2008 Actual	2009 Estimate	2010 Estimate
Program by Activities:			
00.01 Loan obligations	1,019	1,581	631
00.02 Interest paid to Treasury	68	86	113
01.00 Direct program by Activities - Subtotal	1,087	1,667	744
08.02 Downward Reestimate	.....	164	.....
08.04 Interest on Downward Re-estimate	.....	74	.....
08.91 Direct Program by Activities-Subtotal (1 level)	.....	238	.....
10.00 Total new obligations	1,087	1,905	744
Budgetary resources available for obligation:			
21.40 Unobligated balance brought forward	.....	.....	.....
22.00 New financing authority (gross)	1,087	1,905	744
22.10 Resources available from recoveries of prior year Obligations	.....	.....	.....
22.60 Portion applied to repay debt	.....	.....	.....
22.70 Balance of authority to be withdrawn	.....	.....	.....
23.90 Total budgetary resources available for obligation	1,087	1,905	744
23.95 Total new obligations	(1,087)	(1,905)	(744)
24.40 Unobligated balance carried forward, end of year	.....	.....	.....
New financing authority (gross), detail:			
Appropriations			
Mandatory:			
67.10 Authority to borrow (indefinite)	902	1,738	664
Mandatory			
69.00 Offsetting collections (cash)	155	137	80
69.10 Change in uncollected customer payments from Federal Sources (unexpired)	36	32	.....
69.47 Portion applied to repay debt	(6)	(2)	.....
69.90 Spending authority from offsetting collections	185	167	80
70.00 Total new financing authority (gross)	1,087	1,905	744
Change in obligated balances			
72.40 Obligated balance, start of year	1,672	1,576	1,996
73.10 Total new obligations	1,087	1,905	744
73.20 Total financing disbursements (gross)	(1,147)	(1,453)	(1,259)
73.45 Recoveries of prior year obligations	0	.....	.....
74.00 Change in uncollected customer payments from Federal sources, (unexpired)	(36)	(32)	.....
Unpaid obligations, end of year:			
74.40 Obligated balance, end of year	1,576	1,996	1,481
Outlays (gross) detail:			
87.00 Total financing disbursements (gross)	1,147	1,453	1,259
Offsets against gross financing authority and Financing disbursements:			
Offsetting collections (cash) from:			
88.00.01 Federal sources: Subsidy from program account	(119)	(135)	(80)
88.00.02 Federal sources: Payment from program account -- upward reestimate	(12)	(2)	.....
88.25 01 Interest on uninvested funds	(24)	.....	.....
88.90 Total offsetting collections (cash)	(155)	(137)	(80)
Against gross financing authority only			
88.95 Change in receivables from program account	(36)	(32)	.....
Net financing authority and financing disbursements:			
89.00 Financing authority	896	1,736	664
90.00 Financing disbursements	992	1,316	1,179

**STATUS OF DIRECT LOANS**  
In millions of dollars

Identification code: 69-4123-0-3-401	2008 Actual	2009 Estimate	2010 Estimate
Portions with respect to appropriations act limitation on obligations:			
11.31 Direct loan obligations exempt from limitation	1,019	1,581	631
11.50 Total direct loan obligations	1,019	1,581	631
Cumulative balance of direct loans outstanding:			
12.10 Outstanding, start of year	377	1,488	2,941
12.31 Disbursement: Direct loan disbursements	1,043	1,453	1,259
12.51 Repayments: Repayments and Prepayments	.....	.....	.....
12.61 Adjustments: Capitalized interest	68	.....	.....
12.90 Outstanding, end of year	1,488	2,941	4,200
62.00 Net financing disbursements	992	1,316	1,179

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION  
FINANCING ACCOUNT - LOAN GUARANTEE**

**PROGRAM AND FINANCING SCHEDULE**

In millions of dollars

Identification code: 69-4145-0-3-401	2008 Actual	2009 Estimate	2010 Estimate
Program by Activities:			
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	.....	.....	20
22.00 New financing authority (gross)	.....	20	20
23.90 Total budgetary resources available for obligation	.....	20	40
24.40 Unobligated balance carried forward, end of year:	.....	20	40
New financing authority (gross), detail:			
Mandatory			
69.00 Offsetting collections (cash)	.....	4	8
69.10 Change in uncollected customer payments from Federal Sources (unexpired)	.....	16	12
69.90 Spending authority from offsetting collections (total mandatory)	.....	20	20
72.40 Obligated balance, start of year	.....	.....	(16)
74.00 Change in uncollected customer payments from Federal Sources (unexpired)	.....	(16)	(12)
74.40 Obligated balance, end of year	.....	(16)	(28)
Offsets			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from:			
Federal sources: loan guarantee subsidy	.....	(4)	(8)
Against gross financing authority only:			
88.95 Change in receivables from program accounts	.....	(16)	(12)
Net financing authority and financing disbursements			
89.00 Financing Authority	.....	.....	.....
90.00 Financing disbursements	.....	(4)	(8)

**STATUS OF GUARANTEED LOANS**

In millions of dollars

Identification code: 69-4145-0-3-401	2008 Actual	2009 Estimate	2010 Estimate
Position with respect to appropriations act limitation on commitments:			
21.31 Guaranteed loan commitments exempt from limitation	.....	200	200
21.42 Uncommitted loan guarantee limitation	.....	.....	.....
21.50 Total guaranteed loan commitments	.....	200	200
21.99 Guaranteed amount of guaranteed loan commitments	.....	200	200
Cumulative balance of guarantee loans outstanding			
22.10 Outstanding, start of year	.....	.....	40
22.31 Disbursements of new guarantee loans	.....	40	80
22.51 Repayments and Prepayments	.....	.....	.....
22.90 Outstanding, end of year	.....	40	120
Memorandum			
22.99 Guaranteed amount of guaranteed loans outstanding, end of year	.....	40	120
62.00 Net financing disbursements	.....	(4)	(8)

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION  
FINANCING ACCOUNT - LINE-OF-CREDIT**

PROGRAM AND FINANCING SCHEDULE

In millions of dollars

Identification code: 69-4173-0-3-401	2008 Actual	2009 Estimate	2010 Estimate
Program by Activities:			
Obligations by program activity			
00.01 Lines of credit	.....	200	200
00.02 Interest Paid to Treasury	.....	.....	1
10.00 Total new obligations	.....	200	201
Budgetary resources available for obligation:			
22.00 New financing authority (gross)	.....	200	201
22.10 Resources available from recoveries of prior year obligations	.....	.....	.....
22.70 Balance of authority to borrow withdrawn	.....	.....	.....
23.90 Total budgetary resources available for obligation	.....	200	201
23.95 Total new obligations	.....	(200)	(201)
New financing authority (gross), detail:			
Mandatory:			
67.10 Authority to borrow	.....	180	180
Mandatory:			
69.00 Offsetting collections (cash)	.....	20	20
69.10 Change in uncollected customer payments from Federal sources (unexpired)	.....	.....	.....
69.90 Spending authority from offsetting collections (total mandatory)	0	20	20
70.00 Total new financing authority (gross)	0	200	200
Change in obligated balances			
72.40 Obligated balance, start of year	.....	.....	180
73.10 Total new obligations	.....	200	201
73.20 Total financing disbursements (gross)	.....	(20)	(41)
73.45 Recoveries of prior year obligations	.....	.....	.....
74.00 Change in uncollected customer payments from Federal sources (unexpired)	.....	.....	.....
74.40 Obligated balance, end of year	.....	180	340
87.00 Total financing disbursements (gross)	.....	20	41
Offsets			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from Federal sources	.....	20	20
Against gross financing authority only			
88.95 Change in receivables from program account	.....	.....	.....
Net financing authority and financing disbursements:			
89.00 Financing authority	.....	180	180
90.00 Financing disbursements	.....	.....	21

STATUS OF LINE-OF-CREDIT

In millions of dollars

Identification code: 69-4173-0-3-401	2008 Actual	2009 Estimate	2010 Estimate
Portions with respect to appropriations act limitation on obligations			
11.31 Limitation on direct loans	.....	200	200
11.50 Total direct loan obligations	.....	200	200
Cumulative balance of direct loans outstanding:			
12.10 Outstanding, start of year	.....	.....	20
12.31 Disbursements: Direct loan disbursements	.....	20	40
12.90 Outstanding, end of year	.....	20	60
62.00 Net financing disbursements	.....	20	42



**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
ORANGE COUNTY (CA) TOLL ROAD DEMONSTRATION PROJECT**

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**BACKGROUND**

San Joaquin Hills Project

The Congress appropriated \$9.6 million in FY 1993 to extend a \$120 million line-of-credit to the Transportation Corridor Agency's (TCA) San Joaquin Hills public toll road. The loan agreement stipulates that no more than \$12 million may be disbursed in any year of operation and draws may be taken only through December 31, 2007. Because of the time and amount limitations on draws, \$12 million of the line-of-credit expires each year if not drawn.

As required by the Federal Credit Reform Act of 1990, program and financing accounts have been established to record activity related to direct loan obligations for the Orange County toll roads. The original subsidy obligation of \$9.6 million in the program account and the loan obligation of \$120 million in the financing account for the San Joaquin Hills Project were recorded when the loan agreement was executed. As loan amounts expire, they are de-obligated in both the program and financing accounts. To date, the San Joaquin Hills Project has not drawn down its line-of-credit.

Foothills/Eastern Transportation Corridor

The Congress appropriated \$8 million in FY 1995 to extend a \$120 million line-of-credit to the Transportation Corridor Agency's (TCA) Foothills-Eastern Transportation Corridor public toll road. The loan agreement stipulates that no more than \$12 million may be disbursed in any year of operation and draws may be taken only through December 31, 2009. Because of the time and amount limitation on draws, \$12 million of the line-of-credit expires each year if not drawn.

As required by the Federal Credit Reform Act of 1990, program and financing accounts have been established to record activity related to direct loan obligations for the Orange County toll roads. The original subsidy obligation of \$8 million in the program account and the loan obligation of \$120 million in the financing account for the Foothills/Eastern Transportation Corridor were recorded when the loan agreement was executed. As loan amounts expire, they are de-obligated in both the program and financing accounts. To date, the Foothills/Eastern Transportation Corridor has not drawn down on its line-of-credit.

**BUDGETARY RESOURCES**

No new appropriations are requested for FY 2010.

**DEPARTMENT OF TRANSPORTATION  
 FEDERAL HIGHWAY ADMINISTRATION  
 ORANGE COUNTY (CA) TOLL ROAD DEMONSTRATION PROJECT  
 DIRECT LOAN PROGRAM ACCOUNT**

PROGRAM AND FINANCING SCHEDULE

In millions of dollars

Identification code:	2008	2009	2010
69-0543-0-1-401	Actual	Estimate	Estimate
Change in unpaid obligations			
72.40 Unpaid Obligations, start of year	3	2	1
73.45 Uncollected customer payments from prg. acct.	-1	-1	-----
74.40 Obligated balance, end of year	3	1	1
89.00 Financing authority	-----	-----	-----
90.00 Financing disbursements	-----	-----	-----

**DEPARTMENT OF TRANSPORTATION  
 FEDERAL HIGHWAY ADMINISTRATION  
 ORANGE COUNTY (CA) TOLL ROAD DEMONSTRATION PROJECT  
 DIRECT LOAN FINANCING ACCOUNT**

PROGRAM AND FINANCING SCHEDULE

In millions of dollars

Identification code: 69-4264-0-3-401	2008 Actual	2009 Estimate	2010 Estimate
Budgetary resources available for obligation			
22.10 Resources available from recoveries of prior year obligations	24	12	-----
22.70 Balance of authority to borrow withdrawn	<u>-22</u>	<u>-11</u>	<u>-----</u>
23.90 Total budgetary resources available for obligations	2	1	-----
Change in obligated balance			
72.40 Obligated Balance, start of year	45	21	9
73.45 Recoveries of prior year obligations	<u>-24</u>	<u>-12</u>	<u>-----</u>
74.40 Obligated balance, end of year	21	9	9
89.00 Financing authority	-----	-----	-----
90.00 Financing disbursements	-----	-----	-----

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**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
RIGHT-OF-WAY REVOLVING FUND**

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**BACKGROUND**

The Federal-Aid Highway Act of 1968 authorized the establishment of a Right-of Way fund. This fund is used to make cash advances to States for the purchase of right-of-way parcels in advance of highway construction to reduce the impact of land price inflation on construction costs.

This program was terminated by TEA-21 but will continue to be shown for reporting purposes, while loan balances remain outstanding. The purchase of right-of-way is an eligible expense of the Federal-aid program and therefore a separate program is unnecessary. Funds shall remain available to the State for use on the projects for which the funds were advanced for a period of 20 years from the date on which the funds were advanced. The cumulative balance of loans outstanding at the end of FY 2006 was \$67 million. No further obligations are estimated in FY 2008, 2009, or 2010.

Section 1915 of SAFETEA-LU (P.L.109-059) authorized loan forgiveness on California project Q-DPM-0013 (001) in the amount of \$11 million. The California loan forgiveness was executed in FY 2006 and is reflected in the associated Right-of-Way program, financing and liquidating accounts. Repayments are returned to the Highway Trust Fund.

**BUDGETARY RESOURCES**

No new budgetary resources are requested in FY 2010.

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
RIGHT-OF-WAY (ROW) REVOLVING FUND  
LIQUIDATING ACCOUNT - DIRECT LOAN**

PROGRAM AND FINANCING SCHEDULE

In millions of dollars

Identification code: 69-8402-0-8-401	2008 Actual	2009 Estimate	2010 Estimate
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	15	.....	.....
21.45 Adjustments to unobligated balance carried forward, start of year	-7	.....	.....
22.00 New financing authority (gross)	10	.....	.....
22.10 Resources available from recoveries of prior year obligations		.....	.....
22.40 Portion returned to trust fund from liquidating account	-18	.....	.....
23.90 Total budgetary resources available for obligation	.....	.....	.....
23.98 Unobligated balance expiring or withdrawn	.....		
24.40 Unobligated balance carried forward, end of year	8	.....	.....
24.41 Special and trust fund receipts returned to Schedule N	.....	.....	.....
New Budget Authority (gross), detail			
Mandatory:			
69.00 Offsetting collections (cash)	10	.....	.....
Change in obligated balances:			
72.40 Obligated balance, start of year	6	6	6
73.20 Total financing disbursements (gross)	.....	.....	.....
73.45 Recoveries of prior year obligations	.....	.....	.....
74.40 Obligated balance, end of year	6	6	6
87.00 Total financing disbursements (gross)	.....	.....	.....
Offsets			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from Federal sources	-10	.....	.....
Net financing authority and financing disbursements:			
89.00 Financing authority	.....	.....	.....
90.00 Financing disbursements	-10	.....	.....
Cumulative balance of direct loans outstanding:			
12.10 Outstanding, start of year	97	87	87
12.51 Repayments: Repayments and prepayments	-10	.....	.....
12.64 Write-offs for default: Loan forgiveness (P.L. 109-59)	.....	.....	.....
12.90 Outstanding, end of year	87	87	87

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
STATE INFRASTRUCTURE BANKS**

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**BACKGROUND**

In FY 1997, FHWA received an appropriation of \$150 million from the General Fund for the State Infrastructure Banks (SIBs) program. This schedule shows the obligation and outlay of that funding. In FY 1999 and 2002, \$6.5 million and \$5.75 million of the funds provided for the SIBs program were rescinded, respectively.

SIBs have provided critical funds for more than 351 projects. States have entered into agreements with a dollar value of over \$4.5 billion as of September 30, 2003. All of the funds have been provided to the States to capitalize the infrastructure banks. Because the funding was provided as grants, and not loans, FHWA will not receive reimbursements of amounts expended for the SIBs program.

**BUDGETARY RESOURCES**

No new budgetary resources are requested in FY 2010.

**DEPARTMENT OF TRANSPORTATION  
 FEDERAL HIGHWAY ADMINISTRATION  
 STATE INFRASTRUCTURE BANKS  
 DIRECT LOAN FINANCING ACCOUNT**

PROGRAM AND FINANCING SCHEDULE

In millions of dollars

Identification code: 69-0549-0-1-401	2008 Actual	2009 Estimate	2010 Estimate
Change in obligated balance			
72.40 Obligated Balance, start of year	3	3	2
73.20 Total Outlays (gross)	.....	-1	0
74.40 Obligated balance, end of year	3	2	2
Outlays (gross), detail:			
86.93 Outlays from discretionary balances	.....	1	.....
89.00 Financing authority	.....	.....	.....
90.00 Financing disbursements	.....	1	.....



**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
HIGHWAY RELATED SAFETY GRANTS**

---

**BACKGROUND**

In FY 1997, this account was transferred from the Federal Highway Administration to the National Highway Traffic Safety Administration. No obligations or outlays are anticipated in this account during FY 2009 or 2010.

**BUDGETARY REOURCES**

No new budgetary resources are requested in FY 2010.

**DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION  
HIGHWAY RELATED SAFETY GRANTS**

**PROGRAM AND FINANCING SCHEDULE**

In millions of dollars

Identification code: 69-8019-0-1-401	2008 Actual	2009 Estimate	2010 Estimate
Change in obligated balances:			
72.40 Obligated balance, start of year.....	1	1	1
74.40 Obligated balance, end of year.....	1	1	1
89.00 Budget authority.....	.....	.....	.....
90.00 Outlays.....	.....	.....	.....

ADMINISTRATIVE PROVISIONS—FEDERAL HIGHWAY ADMINISTRATION

[(INCLUDING RESCISSIONS)]

[SEC. 120. (a) For fiscal year 2009, the Secretary of Transportation shall—

(1) not distribute from the obligation limitation for Federal-aid highways amounts authorized for administrative expenses and programs by section 104(a) of title 23, United States Code; programs funded from the administrative takedown authorized by section 104(a)(1) of title 23, United States Code (as in effect on the date before the date of enactment of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users); the highway use tax evasion program; and the Bureau of Transportation Statistics;

(2) not distribute an amount from the obligation limitation for Federal-aid highways that is equal to the unobligated balance of amounts made available from the Highway Trust Fund (other than the Mass Transit Account) for Federal-aid highways and highway safety programs for previous fiscal years the funds for which are allocated by the Secretary;

(3) determine the ratio that—

(A) the obligation limitation for Federal-aid highways, less the aggregate of amounts not distributed under paragraphs (1) and (2), bears to

(B) the total of the sums authorized to be appropriated for Federal-aid highways and highway safety construction programs (other than sums authorized to be appropriated for provisions of law described in paragraphs (1) through (9) of subsection (b) and sums authorized to be appropriated for section 105 of title 23, United States Code, equal to the amount referred to in subsection (b)(10) for such fiscal year), less the aggregate of the amounts not distributed under paragraphs (1) and (2) of this subsection;

(4)(A) distribute the obligation limitation for Federal-aid highways, less the aggregate amounts not distributed under paragraphs (1) and (2), for sections 1301, 1302, and 1934 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users; sections 117 (but individually for each project numbered 1 through 3676 listed in the table contained in section 1702 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users) and section 144(g) of title 23, United States Code; and section 14501 of title 40, United States Code, so that the amount of obligation authority available for each of such sections is equal to the amount determined by multiplying the ratio determined under paragraph (3) by the sums authorized to be appropriated for that section for the fiscal year; and (B) distribute \$2,000,000,000 for section 105 of title 23, United States Code;

(5) distribute the obligation limitation provided for Federal-aid highways, less the aggregate amounts not distributed under paragraphs (1) and (2) and amounts distributed under paragraph (4), for each of the programs that are allocated by the Secretary under the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users and title 23, United States Code (other than to programs to which paragraphs (1) and (4) apply), by multiplying the ratio determined under paragraph (3) by the amounts authorized to be appropriated for each such program for such fiscal year; and

(6) distribute the obligation limitation provided for Federal-aid highways,

less the aggregate amounts not distributed under paragraphs (1) and (2) and amounts distributed under paragraphs (4) and (5), for Federal-aid highways and highway safety construction programs (other than the amounts apportioned for the equity bonus program, but only to the extent that the amounts apportioned for the equity bonus program for the fiscal year are greater than \$2,639,000,000, and the Appalachian development highway system program) that are apportioned by the Secretary under the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users and title 23, United States Code, in the ratio that—

(A) amounts authorized to be appropriated for such programs that are apportioned to each State for such fiscal year, bear to

(B) the total of the amounts authorized to be appropriated for such programs that are apportioned to all States for such fiscal year.

(b) **EXCEPTIONS FROM OBLIGATION LIMITATION.**—The obligation limitation for Federal-aid highways shall not apply to obligations: (1) under section 125 of title 23, United States Code; (2) under section 147 of the Surface Transportation Assistance Act of 1978; (3) under section 9 of the Federal-Aid Highway Act of 1981; (4) under subsections (b) and (j) of section 131 of the Surface Transportation Assistance Act of 1982; (5) under subsections (b) and (c) of section 149 of the Surface Transportation and Uniform Relocation Assistance Act of 1987; (6) under sections 1103 through 1108 of the Intermodal Surface Transportation Efficiency Act of 1991; (7) under section 157 of title 23, United States Code, as in effect on the day before the date of the enactment of the Transportation Equity Act for the 21st Century; (8) under section 105 of title 23, United States Code, as in effect for fiscal years 1998 through 2004, but only in an amount equal to \$639,000,000 for each of those fiscal years; (9) for Federal-aid highway programs for which obligation authority was made available under the Transportation Equity Act for the 21st Century or subsequent public laws for multiple years or to remain available until used, but only to the extent that the obligation authority has not lapsed or been used; (10) under section 105 of title 23, United States Code, but only in an amount equal to \$639,000,000 for each of fiscal years 2005 through 2009; and (11) under section 1603 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, to the extent that funds obligated in accordance with that section were not subject to a limitation on obligations at the time at which the funds were initially made available for obligation.

(c) **REDISTRIBUTION OF UNUSED OBLIGATION AUTHORITY.**—Notwithstanding subsection (a), the Secretary shall, after August 1 of such fiscal year, revise a distribution of the obligation limitation made available under subsection (a) if the amount distributed cannot be obligated during that fiscal year and redistribute sufficient amounts to those States able to obligate amounts in addition to those previously distributed during that fiscal year, giving priority to those States having large unobligated balances of funds apportioned under sections 104 and 144 of title 23, United States Code.

(d) **APPLICABILITY OF OBLIGATION LIMITATIONS TO TRANSPORTATION RESEARCH PROGRAMS.**—The obligation limitation shall apply to transportation research programs carried out under chapter 5 of title 23, United States Code, and title V (research title) of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, except that obligation authority made available for such programs

under such limitation shall remain available for a period of 3 fiscal years and shall be in addition to the amount of any limitation imposed on obligations for Federal-aid highway and highway safety construction programs for future fiscal years.

(e) REDISTRIBUTION OF CERTAIN AUTHORIZED FUNDS.—

(1) IN GENERAL.—Not later than 30 days after the date of the distribution of obligation limitation under subsection (a), the Secretary shall distribute to the States any funds that—

(A) are authorized to be appropriated for such fiscal year for Federal-aid highways programs; and

(B) the Secretary determines will not be allocated to the States, and will not be available for obligation, in such fiscal year due to the imposition of any obligation limitation for such fiscal year.

(2) RATIO.—Funds shall be distributed under paragraph (1) in the same ratio as the distribution of obligation authority under subsection (a)(6).

(3) AVAILABILITY.—Funds distributed under paragraph (1) shall be available for any purposes described in section 133(b) of title 23, United States Code.

(f) SPECIAL LIMITATION CHARACTERISTICS.—Obligation limitation distributed for a fiscal year under subsection (a)(4) for the provision specified in subsection (a)(4) shall—

(1) remain available until used for obligation of funds for that provision; and

(2) be in addition to the amount of any limitation imposed on obligations for Federal-aid highway and highway safety construction programs for future fiscal years.

(g) HIGH PRIORITY PROJECT FLEXIBILITY.—

(1) IN GENERAL.—Subject to paragraph (2), obligation authority distributed for such fiscal year under subsection (a)(4) for each project numbered 1 through 3676 listed in the table contained in section 1702 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users may be obligated for any other project in such section in the same State.

(2) RESTORATION.—Obligation authority used as described in paragraph (1) shall be restored to the original purpose on the date on which obligation authority is distributed under this section for the next fiscal year following obligation under paragraph (1).

(h) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this section shall be construed to limit the distribution of obligation authority under subsection (a)(4)(A) for each of the individual projects numbered greater than 3676 listed in the table contained in section 1702 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users.]

SEC. [121]120. Notwithstanding 31 U.S.C. 3302, funds received by the Bureau of Transportation Statistics from the sale of data products, for necessary expenses incurred pursuant to 49 U.S.C. 111 may be credited to the Federal-aid highways account for the purpose of reimbursing the Bureau for such expenses: *Provided*, That such funds shall be subject to the obligation limitation for Federal-aid highways and highway safety construction.

[SEC. 122. In addition to amounts provided in this or any other Act for fiscal year 2009, \$143,031,303, to be derived from the Highway Trust Fund (other than the Mass Transit Account), shall be available for the Transportation, Community, and System Preservation Program under section 1117 of the Safe, Accountable, Flexible, Efficient Transportation

Equity Act: A Legacy for Users (Pub. L. 109-59; 119 Stat. 1144, 1177-1179): *Provided*, That all funds made available under this section shall be subject to any limitation on obligations for Federal-aid highways and highway safety construction programs set forth in this Act or any other Act: *Provided further*, That such funds shall be administered in accordance with section 1117(g)(2) of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users.]

[SEC. 123. Of the amounts made available under section 104(a) of title 23, United States Code, \$33,401,492 are permanently rescinded. ]

[SEC. 124. Of the unobligated balances of funds made available in fiscal year 2005 and prior fiscal years for the implementation or execution of programs for transportation research, training and education, and technology deployment including intelligent transportation systems, \$11,756,527 are permanently rescinded. ]

[SEC. 125. There is hereby appropriated to the Secretary of Transportation \$161,326,625 for surface transportation priorities: *Provided*, That the amount provided by this section shall be made available for the programs, projects and activities identified under this section in the explanatory statement accompanying this Act: *Provided further*, That funds provided by this section, at the request of a State, shall be transferred by the Secretary to another Federal agency: *Provided further*, That the Federal share payable on account of any program, project, or activity carried out with funds set aside by this section shall be 100 percent: *Provided further*, That the sums set aside by this section shall remain available until expended: *Provided further*, That none of the funds set aside by this section shall be subject to any limitation on obligations for Federal-aid highways and highway safety construction programs set forth in this Act or any other Act. ]

[SEC. 126. Not less than 15 days prior to waiving, under his or her statutory authority, any Buy America requirement for Federal-aid highway projects, the Secretary of Transportation shall make an informal public notice and comment opportunity on the intent to issue such waiver and the reasons therefore: *Provided*, That the Secretary shall provide an annual report to the Appropriations Committees of the Congress on any waivers granted under the Buy America requirements. ]

[SEC. 127. Notwithstanding any other provision of law, funds made available in Public Law 110-161 for "Bridge over Broadway, Missoula to Rattlesnake National Recreation Area, MT" shall be available for a new pedestrian and bicycle-friendly at-grade crossing of East Broadway Street in Missoula, Montana.]

[SEC. 128. (a) IN GENERAL.—Except as provided in subsection (b), none of the funds made available, limited, or otherwise affected by this Act shall be used to approve or otherwise authorize the imposition of any toll on any segment of highway located on the Federal-aid system in the State of Texas that—

(1) as of the date of enactment of this Act, is not tolled;

(2) is constructed with Federal assistance provided under title 23, United States Code; and

(3) is in actual operation as of the date of enactment of this Act.

(b) EXCEPTIONS.—

(1) NUMBER OF TOLL LANES.—Subsection (a) shall not apply to any segment of highway on the Federal-aid system described in that subsection that, as of the date on which a toll is imposed on the segment, will have the same number of non-toll lanes as were in existence prior to that date.

(2) HIGH-OCCUPANCY VEHICLE LANES.—A high-occupancy vehicle lane that is converted to a toll lane shall not be subject to this section, and shall not be considered to be a non-toll lane for purposes of determining whether a highway will have fewer non-toll lanes than prior to the date of imposition of the toll, if—

(A) high-occupancy vehicles occupied by the number of passengers specified by the entity operating the toll lane may use the toll lane without paying a toll, unless otherwise specified by the appropriate county, town, municipal or other local government entity, or public toll road or transit authority; or

(B) each high-occupancy vehicle lane that was converted to a toll lane was constructed as a temporary lane to be replaced by a toll lane under a plan approved by the appropriate county, town, municipal or other local government entity, or public toll road or transit authority.]

[SEC. 129. (a) In the explanatory statement referenced in section 129 of division K of Public Law 110-161 (121 Stat. 2388), the item relating to "Route 116 and Bay Road Intersection and Road Improvements, Amherst, MA" in the table of projects for such section 129 is deemed to be amended by inserting ", including Bike, Pedestrian, or Other Off Road Paths" after "Improvements".

(b) In the explanatory statement referenced in section 129 of division K of Public Law 110-161 (121 Stat. 2388), the item relating to "Highway 77 Rail Grade Separation, Marion, AR", in the table of projects for such section 129 is deemed to be amended by striking "Highway 77 Rail Grade Separation, Marion, AR" and inserting "BNSF main line overpass within the Marion, Arkansas, planning jurisdiction".

(c) In the explanatory statement referenced in section 186 of division K of Public Law 110-161 (121 Stat. 2406), in the table of projects under the heading "Federal Highway Administration—Federal-Aid Highways (Limitation on Obligations)—Federal Lands" in division K of such explanatory statement, the item relating to "U.S. Forest Highway 4, Winston County, Alabama" is deemed to be amended by striking "Highway 4" and inserting "Highway 9".

(d) In the explanatory statement referenced in section 186 of division K of Public Law 110-161 (121 Stat. 2406), the item relating to "Street Improvements in Burnham, IL" in the table of projects under the heading "Transportation, Community and System Preservation Program" is deemed to be amended by striking "Street Improvements in Burnham, IL" and inserting "Repair of Side Streets and Relocation of Water Mains resulting from rerouting of traffic and reconstruction of 159th Street in Harvey, IL".

(e) In the explanatory statement referenced in section 186 of division K of Public Law 110-161 (121 Stat. 2406), the item relating to "Street Improvements in Thornton, IL" in the table of projects under the heading "Transportation, Community and System Preservation Program" is deemed to be amended by striking "Street Improvements in Thornton, IL" and inserting "Engineering, Right-of-Way, and Construction of Joe Orr Road Extension and Main Street Project in Lynwood, IL".

(f) Funds made available from the amount appropriated under the heading "Federal Highway Administration—Highway Demonstration Projects" of title I of the Department of Transportation and Related Agencies Appropriations Act, 1992 (Public Law 102-143) for the Miller Highway from 59th Street to 72nd Street, west side of Manhattan, New York, and from the amount appropriated under the heading "Federal Highway Administration—Highway Projects" of title I of the Department of Transportation and

Related Agencies Appropriations Act, 1993 (Public Law 102-388) for design improvements on Miller Highway, New York City, New York, shall be made available for the project specified in item 4599 of section 1702 of SAFETEA-LU (Public Law 109-59), as amended by the SAFETEA-LU Technical Corrections Act of 2008 (Public Law 110-244).]

[SEC. 130. Notwithstanding any other provision of law, any unexpended amounts available for obligation for item number 48 under section 1106(b) of Public Law 102-240 (105 Stat. 2046) for the Southern State Parkway Improvement project shall be available for obligation and expenditure on the I-90 connector, Rensselaer County, New York, including reimbursement for expenses incurred on such connector prior to the date of enactment of this section.]

[SEC. 131. (a) The table contained in section 1702 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (119 Stat. 1256) is amended by striking the project description for item number 189 and inserting the following: "Planning, design, engineering, environmental analysis, acquisition of rights-of-way, and construction for the Long Valley Bypass".

(b) The table contained in section 1702 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (119 Stat. 1256) is amended by striking the project description for item number 3546 and inserting the following: "Port of Coos Bay to acquire and repair the Coos Bay Line". ] (*Department of Transportation Appropriations Act, 2009.*)



**FEDERAL HIGHWAY ADMINISTRATION  
FISCAL YEAR 2010 PERFORMANCE BUDGET**

**NARRATIVE JUSTIFICATION** <sup>1/</sup>

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1/ The Budget contains no policy recommendations for programs subject to reauthorization, including highway programs, and instead present baseline placeholder amounts for 2010 for all surface transportation programs. The performance targets included in the justification reflect baseline funding, and do not represent Administration recommended performance outcomes.

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## SAFETY

**DOT Performance Goal:** Reduction in transportation-related deaths and injuries.

Transportation safety is the Department's highest priority. The Department's 2008 1.0 fatality goal, which was originally set in 1998, would reduce the number of transportation deaths to approximately 33,500 by 2008. (The number was changed to an equivalent rate in 2002). The original goal was based on overly optimistic behavioral assumptions—a 90 percent seat belt usage rate and alcohol-related fatalities falling to 11,000 annually. This was a very daunting challenge. In response to this challenge, the SAFETEA-LU \$5.6 Billion Highway Safety Improvement Program (HSIP) implementation and the State Strategic Highway Safety Plans have significantly increased the level of highway safety initiatives in the States. These programs, along with the continued, improved implementation of existing efforts such as alcohol and safety belts programs, did not achieve 1.0 goal by 2008. However, data shows that safety performance nationwide, is tracking to achieve a reduction in fatalities going forward, and the goal is to continue in the new authorization.

The preliminary 2008 fatality rate (1.36 in 2007) per 100 million vehicle miles of travel (VMT) equate to 37,313 lives lost from motor vehicle crashes. This is unacceptable as even a single fatality is one too many. This commitment is reflected in the reduced rate of 1.04 for passenger vehicle occupant highway fatalities per 100 VMT in 2007, compared to 1.11 in 2006. This is the fifth year in a row that passenger fatalities have decreased. Current figures indicate that the national seat belt use rate for 2008 was 83 percent, and there are over 12,998 alcohol-related highway fatalities annually in 2007 with a blood alcohol content (BAC) of .08 or higher, a decrease of 3.7 percent. Additionally, an unprecedented, unpredictable, and sustained spike in motorcycle rider fatalities began when the original goals were set—from a historic low of 2,116 in 1997 to 5,154 in 2007 (a 244 percent increase).

The funding requests for the National Highway Traffic Safety Administration (NHTSA), the Federal Highway Administration (FHWA), and the Federal Motor Carrier Safety Administration (FMCSA) contribute to the DOT Safety strategic objective and its new target, as stated in the *DOT 2006-2011 Strategic Plan*, which is to reduce highway fatalities to 1.0 per 100 million vehicle-miles of travel (VMT) by 2011. The DOT overall fatality rate target for 2010 is 1.34 fatalities per 100 million VMT.

In the FY 2008 budget, the Department included four fatality sub-measures— passenger vehicle occupants, motorcycle riders, large trucks and buses, and non-occupants (pedestrians, bicyclists, etc.)—which represent the breadth of all highway users. The purpose of this approach is to closely look at the fatality rates of the different segments of highway users, devote greater energy and resources, and develop new strategies to combat sub-measure trends that are impeding progress to the overall 1.0 goal. NHTSA, FHWA, and FMCSA programs directly support these sub-metrics. Included later in this chapter is a discussion of FHWA-specific initiatives towards each measure. The FHWA will continue to maintain agency-specific intermediate outcome measures, many of which serve as a subset to the Department's accountability measures.

**DOT Accountability Measures in Support of 1.0 Fatality Rate**

**Reduce the rate of passenger vehicle occupant highway fatalities per 100 million passenger vehicle miles of travel (VMT).**

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	N/A	N/A	1.15	1.12	1.05	1.03	1.02	0.99
<b>Actual</b>	1.21	1.17	1.15	1.11	1.04	1.03	+	

+ Data to be released by NHTSA 12/09.

**Reduce the expected rate of increase in motorcycle rider highway fatalities per 100,000 motorcycle registrations.**

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	N/A	N/A	N/A	75	76	76	76	78
<b>Actual</b>	69.16	69.83	73.48	71.94	72.42	72.20	+	

+ Data to be released by NHTSA 12/09.

**Reduce the rate of large truck and bus fatalities per 100 million VMT.**

	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	N/A	0.179	0.175	0.171	0.167	
<b>Actual</b>	0.184	0.176	0.170	0.168	+	

+ Data to be released by FMCSA 12/09.

**Reduce the rate of non-occupant highway fatalities per 100 million VMT.**

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	N/A	N/A	0.16	0.16	0.15	0.19	0.19	0.19
<b>Actual</b>	0.19	0.19	0.20	0.19	0.18	0.19*	+	

\* Preliminary Estimate; + Data to be released by NHTSA 12/08.

## **Performance Issue (DOT-wide)**

Motor vehicle crashes are the leading cause of death and disability for Americans age two through 34. Traffic crashes cost our economy approximately \$230.6 billion (in 2000 dollars) or 2.3 percent of the U.S. Gross Domestic Product. This figure includes \$81 billion in lost productivity, \$33 billion in medical expenses, and \$59 billion in property damage. Furthermore, this translates to an annual average of \$820 for every person living in the United States. The average cost for a critically injured survivor of a motor vehicle crash is estimated at \$1.1 million over a lifetime. DOT seeks to attenuate this major public health problem and avoid the pain, suffering, and economic loss to our Nation by preventing highway crashes and alleviating the effects when crashes do occur.

Based on early estimates of fatality data, the downward trend of fatalities and the fatality rate was continued in 2008. The NHTSA is projecting that there were 37,313 individuals killed in traffic crashes in 2008. This represents a 9.1 percent decrease from the 41,059 killed in 2007 and would be the third largest year-to-year decrease in fatalities since 1966. Initial vehicle miles traveled estimates from FHWA for 2008 report 2,922 billion miles of travel for a drop of 3.6 percent compared to 2007. Based on the estimated fatalities and VMT, the estimated fatality rate for 2008 is 1.28. This represents almost a 6 percent decrease from the 2007 fatality rate of 1.36.

Most significantly, fatalities of occupants of passenger vehicles—cars, SUVs, vans and pickup trucks—continued a steady decline to, 401 in 2007, the lowest annual total since 1992. However, the successes in the 5.3 percent reduction in passenger vehicle occupant fatalities (32,119 in 2006), and the 4.5 percent reduction among non-occupant (pedestrians, cyclists, etc.) fatalities to 5,504 in 2007, were minimized by the continuing rise in the number of motorcycle fatalities for the tenth year. Motorcycles continue to be of particular concern, playing a large role in offsetting other fatality decreases with a 6.6 percent increase in motorcycle fatalities with 5,154 fatalities compared to the 2006 total of 4,837, an increase of 317 motorcycle fatalities and the highest number since 1975. The number of pedestrian fatalities decreased from 4,795 in 2006 to 4,654 in 2007, a 3 percent decrease, whereas the number of pedal-cyclists killed decreased by 1.7 percent from 772 in 2006 to 698 in 2007. Fatalities among large-truck occupants showed a decrease of three fatalities to 802 in 2007, a 0.4 percent decrease from 805 fatalities in 2006. A positive trend in alcohol-related fatalities, which previously showed a flat trend between 2005 and 2006 now shows a decrease of 3.8 percent, for fatalities involving a blood alcohol content of .08+ with 2006 at 13,491 and 2007 at 12,998 for blood alcohol content fatalities.

Fatalities often receive more public attention than injuries from traffic crashes. However, the societal toll in hospitalization, medical costs, lost productivity, and pain and suffering are a significant burden on individuals and on our society. In 2007, injuries declined to just under 2.5 million people being injured in motor vehicle crashes compared to nearly 2.6 million in 2006. Though the data shows that the number of people injured declined between 2006 and 2007, bus occupant injuries had a significant increase at 23.4 percent, motorcycle rider injuries increased by 15.37 percent.

Passenger cars reflected a 6.5 percent decrease in injuries (2006 at 1,474,536 and 2007 at 1,379,181, a decrease of 95,355 fatalities) along with the Other/Unknown vehicle category showing a decrease of 29 percent (2006 at 10,843 and 7,703 for 2007).

***Reduce the rate of passenger vehicle occupant highway fatalities per 100 million passenger vehicle miles of travel (VMT).***

The passenger vehicle occupant fatality rate has declined sharply since 1995 when the rate was 1.44. In 2007 (the latest rate data available), the passenger vehicle occupant fatality rate declined to 1.04. In 2007, the number of passenger vehicle occupant fatalities (includes passenger cars and light trucks) decreased to 28,933 from 30,646 in 2006, a reduction of 6.1 percent. The drop in passenger car occupant fatalities was for the fifth year in a row. The FY 2010 target for passenger vehicles is 1.02. The 2010 passenger vehicle occupant fatality rate is projected at 1.04. If DOT can maintain the same level of progress in behavioral programs and roadway infrastructure improvements as it has achieved in the past and the VMT remains essentially unchanged through 2010, a 1.02 per 100 million passenger VMT fatality rate in 2010 will potentially save additional 550-584 lives compared to the projected 1.04 rate.

***Reduce the rate of motorcycle rider highway fatalities per 100,000 motorcycle registrations.***

Motorcycle rider fatalities have increased each year since reaching a historic low of 2,116 fatalities in 1997. In 2007, motorcycle rider fatalities increased for the tenth year in a row to 5,145 from 4,837 in 2006. This is a 6.6 percent increase in just one year and accounts for 12.6 percent of the 41,059 total fatalities in motor vehicle crashes in 2007.

Data from 2007 (latest data available) show that motorcycle rider fatalities increased for every age group; however, the largest increase was in the "50 and over" age group, followed by the "40-49" and the "30-39" age groups. Significant increases again occurred among older riders (40+) who are primarily riding large engine (1,001 cc and above) motorcycles. Increases also continued to occur among younger riders (younger than 30) riding medium engine (500-1,000 cc) motorcycles. In addition, speed continued to be a major contributing factor in motorcycle crashes especially among the younger riders. In 2007, the number of motorcycle riders killed in alcohol-related crashes with a BAC level of .08 or higher increased by 28 percent.

As of November 2007, 20 States, the District of Columbia, and Puerto Rico require helmet use for all motorcycle operators and passengers. In another 27 States, only those under a certain age, usually 18, are required to wear helmets. Three States do not have laws requiring helmet use.

According to the Motorcycle Industry Council (MIC), data indicates that in 2007, 846,000 new-on-highway motorcycle units were sold, marking the 13th consecutive year of growth for the U.S. motorcycle market. As a result, State operator training programs continue to have difficulty meeting the increased demand for their services.

Like other road users who are urged to protect themselves from injury or death by wearing seat belts, driving unimpaired, and observing traffic rules, many motorcycle

deaths could be prevented if motorcyclists would take responsibility for ensuring they have done everything possible to make the ride safe by taking operator training, wearing protective gear including helmets, and riding sober. About two-thirds (63 percent) of the fatally injured motorcyclists were not wearing helmets in States with universal helmet laws compared to 14 percent in States with universal helmet laws.

For FY 2008, the Department re-baselined this measure to reflect a change of focus from fatalities per 100 million VMT to fatalities per 100,000 registrations. VMT is usually considered the best measure for exposure since it measures actual miles traveled. However, given that both fatalities and registrations climbed significantly over this period, the lack of change in VMT does not seem credible. Fatality data is collected through the Fatality And Reporting System (FARS). This data represents a complete census of all fatal crashes in the U.S. registration data collected by the States, and it is provided to the FHWA, which is responsible for the collection and publication of all exposure data (registration, VMT, licensed drivers). The VMT data collected by the Federal Highway Administration are from estimates gathered by individual States. However, State reporting of motorcycle VMT to the FHWA was optional before 2007. Even in States that report motorcycle VMT, it is often only measured as a standard proportion of total VMT rather than being collected directly through surveys or roadside counters. The FHWA estimates VMT for States that do not report based on data from states that do report. The accuracy of these counts is thus somewhat speculative. Additionally, motorcycle ridership (i.e. State registration) is itself dependent on high oil prices and successful marketing.

DOT has set its motorcycle rider fatality rate for FY 2009 at 77 per 100,000 motorcycle registrations. If fatalities and registrations continue to grow indefinitely at their recent pace, the projected rate in FY 2009 is 78. Maintaining a motorcycle fatality rate of 77 fatalities per 100,000 registrations in 2009 would prevent an additional 77 fatalities compared to those anticipated by current trends.

A key FHWA effort to decrease motorcycle fatalities was the establishment of a Motorcycle Advisory Council (MAC) in 2006. The MAC has made several recommendations that the FHWA will consider for implementation, including: developing a brochure urging government agencies to consider motorcyclists' concerns during road design, construction and maintenance activities; encouraging State DOTs to create websites for motorcyclists to report roadway hazards; examining the skid resistance of intersection markings; continuing initiatives to improve retro-reflectivity of signs and roadway markings; reducing hazards associated with milled surfaces, parallel paving lane joints, drop offs at shoulders and bridge surfaces, parallel grids on bridges, steel plates, potholes and other uneven roadway surfaces; conducting a review of barrier designs used internationally and identifying those that are most forgiving when impacted by motorcyclists; considering signage targeted to warn motorcyclists of especially hazardous conditions; and examining the use of various sealants on road surfaces.

In FY 2008, data collection will begin on the NHTSA-sponsored pilot *Motorcycle Crash Causes and Outcomes Study*. The pilot study will acquire the necessary data to allow determination of an effective method for performing the full-scale study that will determine the main factors contributing to crash causation in motorcycles. This study is a precursor to, and closely coordinated with, the larger FHWA study on *Motorcycle Crash*

*Causes and Outcomes.* This research will allow specification of factors related to crash occurrence and calculation of the relative risk of crash involvement based on factors like age, gender, impairment, motorcycle type, riding experience, and speed. The NHTSA pilot study will collect a small sample of crashes in order to refine the data collection process, procedure and variables to be collected in the larger study. It is anticipated that the study will occur over a four-year period.

***Reduce the rate of large truck and bus fatalities per 100 million vehicle miles of travel.***

Fatalities among large-truck occupants decreased from 805 in 2007 to 802 in 2007, a .4 percent decrease in fatalities. In FY 2008, DOT changed the large-truck metric to include fatalities involving both occupants and non-occupants in crashes involving a truck with a gross vehicle weight rating of 10,000 pounds or more and/or a motor coach. The new measurement uses total VMT, rather than truck VMT. Total VMT captures the traffic volumes of all vehicles, which is important given that approximately three-fourths of fatal large truck crashes in recent years have involved a passenger vehicle. The FY 2009 target for large-truck and bus fatalities is 0.167. The estimate for potential lives saved if DOT reaches its FY 2009 large truck and bus goal is 541 lives, with some overlap for passenger vehicles.

The FHWA has no programs that are specifically focused on reducing large truck and bus fatalities. Rather, FHWA program activities are focused on improving highway safety for all users. The success of these program activities should positively impact large-truck and bus safety.

***Reduce the rate of non-occupant highway fatalities per 100 million VMT.***

According to 2007 data, the number of non-occupants of all types (pedestrians, pedalcyclists and occupants of motor vehicles not in transport and of non-motor vehicle transport devices) killed in motor vehicle crashes decreased by 1 percent, from 5,752 fatalities in 2006 to 5,504 in 2007. The number of pedestrian fatalities decreased from 4,795 in 2006 to 4,654 in 2007, a 3 percent decrease, whereas the number of cyclist fatalities decreased by 10.6 percent from 772 in 2006 to 698 in 2007. The DOT FY 2009 target for non-occupant fatalities is 0.19. The non-occupant fatality rate uses overall VMT data to calculate the rate since pedestrian, cyclist, and other non-occupant miles traveled are not available – meaning the numerator is much smaller in comparison to the denominator and changes in the rate are minuscule.

The FHWA has been working with the pedestrian safety focus states and cities (providing technical assistance and training) and encouraging them to develop pedestrian specific action plans to reduce pedestrian deaths by the end of FY 2008. By focusing on the states (Arizona, California, District of Columbia, Florida, Georgia, Hawaii, Illinois, Nevada, New Jersey, New Mexico, New York, North Carolina, Pennsylvania, Texas) with pedestrian fatalities above 150 or a fatality rate above 2.5 and cities (Los Angeles, Phoenix, Chicago, New York City) with the highest pedestrian fatalities, the FHWA hopes to have the greatest impact on those numbers. To date, New York City, New Jersey, Arizona, Phoenix, Chicago, Washington DC, Florida, California, New Mexico, Hawaii, New York, Nevada, North Carolina and Georgia have developed or are developing pedestrian specific plans, while others have at least incorporated pedestrians



into their Strategic Highway Safety Plans (SHSPs). Many have modified dangerous roadways/intersections or made policy changes that will have an impact on pedestrian safety as result of the technical assistance that has been provided.

The FHWA promotes the use of different infrastructure countermeasures to improve pedestrian safety. For example, the Safety Office developed *the Pedestrian Safety Guide and Countermeasure Selection System*, which is an “expert system” intended to provide practitioners with the latest information available for improving the safety and mobility of those who walk. The online tool allows users to input basic roadway and crash information about a specific location and then provides the user with a list of possible engineering, education, or enforcement treatments to improve pedestrian safety and/or mobility. In FY 2008, the FHWA released the *Pedestrian Safety Guide for Communities*, a user-friendly packet of information for communities to help educate them about pedestrian and bicycle safety matters and help them solve their safety issues, working within the guidelines/framework provided by documents such as the Manual on Uniform Traffic Control Devices (MUTCD), the American Association of State Highway and Transportation Officials (AASHTO) *Guide for the Planning Design and Operation of Pedestrian Facilities*, and other current design manuals and best practices guides that may be applicable.

The FHWA will also complete a Congressionally mandated report on pedestrian safety that will build on the current level of knowledge of pedestrian safety countermeasures. This report will identify the most effective advanced technologies and Intelligent Transportation System (ITS) countermeasures related to automated pedestrian detection and warning systems, road design, and vehicle structural design that could potentially mitigate the crash forces on pedestrians in the event of a crash.

The FHWA will continue to promote the application of Pedestrian Safety Audits, which consists of guidelines and a checklist. Road Safety Audits (RSA) are independent reviews of a roadway section or proposed project design by a multi-disciplinary team to identify potential safety problems or solutions. Pedestrian guidelines and a checklist were incorporated into the existing RSA software. The pedestrian component was field tested and evaluated in several pedestrian Focus States and/or Cities.

For FY 2009 and FY2010, the Offices of Safety and Safety Research will develop a long-term strategic plan for reducing pedestrian injuries, fatalities and crashes. The proposed project will create a comprehensive strategic plan for the FHWA’s pedestrian safety program area projecting 15 years ahead that will provide the framework for the ‘big picture’ in pedestrian safety. The plan will ensure that the entire program and each project undertaken are aimed at reaching the goal of reducing pedestrian fatalities and injuries. As part of the project, users of pedestrian and bike-related products that FHWA has previously developed will be contacted to determine what level of use these products reached and if they ultimately were effective in helping to improve pedestrian safety and accessibility. FHWA is interested in seeing how these products are being used and how they could be improved, and in determining what other types of products might be useful to develop in the future.

**FHWA funding for this performance goal:**

This request allows the FHWA to conduct critically needed research and continue delivering technical assistance, training, and public awareness programs to advance priorities in the delivery of national safety programs. Funds from this request will be used for a full range of highway safety-related program efforts, including: the implementation of provisions in *Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users* (SAFETEA-LU); redesign and construction of roadways and intersections to eliminate hazards; installation of safety improvement countermeasures, such as guardrails and rumble strips; and collection of crash and other safety-related data. Funds will also be used to assist State and metropolitan areas in developing plans and policies to improve safety and to educate decision-makers within the transportation planning process on the importance of safety.

SAFETEA-LU significantly increased funding dedicated towards Safety goal-related programs by establishing two new safety programs - the Highway Safety Improvement Program (HSIP) and Safe Routes to School (SRTS) Program. This increase in resources will strengthen the ability of the FHWA to provide the technical assistance, training, and delivery of national safety programs requested by the States to affect the overall fatality rate, thereby improving Agency operations and saving lives. As required by SAFETEA-LU, all States had developed a statewide Strategic Highway Safety Plans (SHSP) by the end of FY 2007. The FHWA will continue to provide technical assistance and support to the States. These additional resources will allow the FHWA to maintain a high level of consistency in support of the States' SHSP implementation activities and efforts to advance safety. Further, the FHWA will be able to provide direct technical assistance to local transportation agencies so they can assist local officials to make better decisions related to safety on their systems. There are more than 30,000 local road owners in the United States, and these resources will allow a more aggressive approach to be directly aligned with safety improvement on the local system.

Following further FHWA review and refinement of SHSP, ongoing efforts are being made to significantly reduce highway fatalities and serious injuries by giving explicit consideration of safety in all phases of the project development process. More aggressive deployment of cost-effective countermeasures such as the 9 proven countermeasures - to Road Safety Audits, Rumble Strips, Median Barriers, Safety Edge, Roundabouts, Left and Right Turn Lanes at Stop-Controlled Intersections, Yellow Change Intervals, Median and Pedestrian Refuge Areas in Urban and Suburban Areas, and Walkways - will contribute in reducing the fatality sub-measures. The implementation of a new generation of safety analysis tools, including the Highway Safety Manual, should lead to better investment decisions for safety. Significant improvements to state and local data systems will further contribute in making better investment decisions for safety.

**Performance Issue (FHWA Priority Areas)**

The FHWA safety program continues to concentrate efforts to reduce the number of fatalities in four types of crashes: roadway departures, crashes at intersections, collisions involving pedestrians, and speeding-related crashes. Approximately 59 percent of the fatalities occurred in roadway departure crashes in 2007. These crashes involve a single vehicle running-off-road or a head-on or sideswipe collision with another vehicle.

Roadway departures, including run off-the-road and head-on crashes, accounted for 21,147 fatalities in 2007, a 3.3 percent decrease from 2006. Safer highway and intersection designs and smarter operations will remove roadside hazards and help keep vehicles on the roadway. In addition, 8,657 fatalities occurred in intersection crashes in 2007, a decrease of 2.2 percent from 2006. The FHWA will continue to promote the use of comprehensive intersection design and operational tools and enforcement strategies and will assist States in improving intersection safety problems at specific locations. Pedestrian deaths decreased 2.9 percent from 4,795 in 2006 to 4,654 in 2007. The FHWA will continue to target crash causes in major urban areas and select rural locations and facilitate community-based programs that fully and safely accommodate pedestrians.

FHWA safety-related programs and funding continue to yield benefits for communities across the U.S., including improvements in system conditions and operations. Construction programs improve the safety of roadway designs and operations, improve the condition of bridges, and remove roadway hazards. As illustrated in Figure 1, the FHWA actively pursues improved highway safety through a comprehensive, multi-faceted approach, which recognizes the role of Engineering, Education, Enforcement, and Emergency medical services (the 4 Es) in delivering effective programs and projects.

As part of its comprehensive safety program, FHWA staff worked closely with State highway engineers and law enforcement officials to identify appropriate engineering safety countermeasures for high-risk locations and new roads. Examples include promoting greater use of roadway improvements such as upgraded guardrails, cable median barriers and rumble strips, retroreflective signage, improved markings, and removal of roadside hazards.

The FHWA pursues improved intersection safety through a multidisciplinary approach that includes working with industry partners to develop solutions and strategies including: engineering and technology improvements, intersection safety audits, red-light enforcement cameras, training for local safety professionals, and increased public awareness. The ITS program continues efforts to develop technology-based systems that could significantly reduce intersection crashes. A major component is the recent construction of an intersection safety test facility at the FHWA Turner Fairbank Highway Research Center and the development of a Cooperative Intersection Collision Avoidance System (CICAS) to help drivers avoid crashes at intersections. The CICAS is one of the Department's priority ITS programs, and it seeks to assist drivers in making safe turns at signalized and unsignalized intersections and avoiding traffic control (stop sign and traffic signal) violations.

To counter the serious issue of pedestrian fatalities, the FHWA continues to actively pursue improved safety through a comprehensive approach. This includes collaborating with State and local officials, concerned citizens, local business leaders, schools and youth organizations and incorporates targeting crash causes in major urban areas and select rural locations.

To lessen the occurrence of speeding-related fatalities, the FHWA is working cooperatively with NHTSA and FMCSA on an integrated and balanced four Es approach to manage speed and crash risk.

Another key strategy to improve safety and operations of our Nation's highways is effective use of appropriate traffic control devices. The MUTCD contains national standards for all traffic control devices including traffic signs, pavement markings, signals, and any other devices used to regulate, warn, or guide traffic. The MUTCD applies to all streets, highways, or bicycle trails open to public travel. The MUTCD plays a critical role in the safety and mobility of all road users and therefore maintaining and updating the MUTCD is a mission-critical activity for the FHWA.

### **Anticipated FY 2009 Accomplishments**

The FHWA is implementing a focused approach to improving highway safety. Specific topic areas of importance within targeted focus States are designated for attention, including fatality-producing crashes that involve roadway departure, intersections, pedestrians, and speeding and assistance will be provided to reduce fatalities in these areas. Assistance to States in the implementation of SHSPs continues. During FY 2009, the FHWA will continue to strategically focus upon States with higher fatality rates to implement proven measures to enhance safety and assist State and local governments to implement safety programs. These actions will help the FHWA meet the following objectives:

- An increase in the number of States that implement planned countermeasures from roadway departure safety plans, intersection safety improvement plans, pedestrian safety plans, and speed management safety plans to reduce the number of fatal crashes.
- Improvement in the quality of safety data in all States and in the quality of the HSIP.
- Increase the level of technical assistance and training to implement new programs.
- Improve the overall HSIP by rewriting the 23 CFR 924 regulations to reflect state-of-the-art safety practices via the regulatory process.
- Use of outreach and marketing materials to facilitate new State and local program implementation.
- Conclusion of a significant rulemaking process that should lead to a new edition of the MUTCD.

Progress in these areas should contribute to a downward trend in the national fatality rate, which translates into an increase in lives saved.

Federal Lands Highway (FLH), in partnership with the National Park Service, using the Park Roads and Parkways Program, will continue development of a Safety Management System (SMS) by using crash information assembled in a new Safety Summary Report. The system will provide valuable crash safety and fatality data that will enable the FHWA and its partners to develop targeted strategies to address problem areas.

The Forest Highway Program is unique in that project delivery decisions are addressed through a tri-party agreement between the FHWA, the U.S. Forest Service and the State departments of transportation. Individual arrangements in 42 states make the collection of safety data challenging, since many of the Forest Highways are owned by multiple

jurisdictions. FLH anticipates completion of a unique SMS for the Forest Highway Program through the combined use of available data and road safety audits.

A Safety Management System (SMS) plan has been developed and agreed to by both FLH and the Bureau of Indian Affairs (BIA). A steering committee of both Federal agency officials and tribal members has been established to implement the plan. Outreach to the tribes will continue in order to encourage their participation in sharing safety data to support the SMS. FLH will continue to emphasize the importance of road safety audits in this system by leading audits for various Tribal lands.

## **FY 2010 Performance Budget**

### Federal-aid Highway Program

Safety funding consists of two basic types of FHWA funding sources: funds dedicated to safety purposes such as the Highway Safety Improvement Program (HSIP) and Safe Routes to School (SRTS) program, and funds utilized by States to support safety infrastructure and operational improvements as part of Federal-Aid programs such as National Highway System (NHS) and Surface Transportation Program (STP). The Federal Aid Highway Program (FAHP) funds are used by States to improve the safety of roadway designs and operations, improve the condition of bridges, and remove roadway hazards.

The FHWA will continue to assist States with the implementation of SHSP and safety planning where data show a need to reduce injury and fatality rates. The HSIP will continue to provide States with flexibility to use safety funds for projects on all public roads and publicly owned pedestrian and bicycle paths and to focus efforts on implementation of a State SHSP. States are required to collect data, analyze highway safety problems and produce a list of projects to be funded based upon the analysis. Data analyses will identify specific countermeasures, which can include installing traffic control devices at high crash locations, establishing roadway departure warning devices including rumble strips, and improving highway signage, pavement marking, and signalization.

Rural two-lane two-way road fatality rates are over three times higher than on the Interstate. To address these higher rural road fatalities, highway safety program funds will provide a foundation for safety improvements in areas where the greatest need exists. The High Risk Rural Road section of the HSIP sets aside \$90 million for FY 2009 to address safety considerations and develop countermeasures to reduce these higher rural road fatalities.

The FHWA will also continue to concentrate its efforts in reducing the severity of crashes through roadway infrastructure and operational improvements. Planned activities include funding safety improvements to the national highway infrastructure including roadsides and intersections, and promoting better geometric design, utilizing more durable pavement markings, installing more visible roadside signs and increasing skid-resistant roadway surfaces to enhance safety. The continued use of Road Safety Audits assists communities with safety improvements in the construction of new roadways and reconstruction of existing roadways.

In FY 2008, funds were used to: (1) provide program delivery, national policy leadership, technical assistance, and technology deployment assistance to State DOTs; (2) complete the Safety Analyst software tools and associated reports; (3) coordinate efforts with Safety Analyst software tools to support the Highway Safety Manual; and (4) improve the quality, timeliness and comprehensiveness of the crash and roadway data used by the States to make safety funding decisions. This initiative is expected to have reached significant milestones by December 2010.

All States had completed and approved SHSPs by October 2007. In FY 2010, funds will be used to offer national policy leadership and technical assistance to states in support of SHSP implementation and evaluation. FHWA is working with Federal, State, and local partners to develop an SHSP Implementation Process Model (IPM). The final version of the model will be released in 2010. The FHWA and other DOT agencies will be using the IPM to assist States with advancing SHSP implementation. The expected outcome is coordinated statewide safety programs that bring safety partners together to make data-driven decisions and leverage limited resources for the greatest potential in reducing statewide fatalities.

Funds will be used to (1) ensure all State DOTs have a full-time SRTS Coordinator, and (2) to improve the safety of children walking and biking to school.

Funds will be used to: (1) develop proposed rulemaking for pavement, marking, and retroreflectivity, as well as continue outreach related to the Sign Retroreflectivity Final Rule that went into effect January 2008; (2) develop capability to assist State DOTs in sharing best practice information and (3) update the Highway Design Handbook for Older Drivers and Pedestrians with new research and practices. This update will not be released until after the publication of the 2009 MUTCD. The expected outcome is the reduction of older driver and pedestrian fatalities and injuries.

Funds will be used to: (1) employ the 4E countermeasures to more effectively manage speed and reduce speeding-related fatalities and injuries. The expected outcome is the reduction in speeding-related fatalities and injuries, including the completion of several technical guidance products.

Funds will be used to: (1) develop products and policies to promote the wide-scale implementation of roundabouts. The expected outcome is an increase in the number of States and local agencies constructing modern roundabouts. A brochure titled *Roundabouts: A Safer Choice*, was completed and distributed in 2008. Roundabout safety standard presentations were completed in early 2009. Other roundabout products – technical summaries on roundabouts and mini-roundabouts, a DVD for decision makers, a roundabouts Issue Brief, and others, will be completed in 2009.

The FHWA will focus on getting all States to adopt the National Manual on Uniform Traffic Control Devices. 23 CFR mandates all States to adopt the National MUTCD within two years of the effective date of the new MUTCD. The FHWA will continue to provide technical assistance to all public agencies to promote appropriate use of traffic control devices as well as will lead efforts to develop new and innovative traffic control devices to improve safety and efficiency of our nation's highways.

## Federal Lands Highway

Federal Lands Highway (FLH) will continue to advance its safety initiatives through development and implementation of safety management systems. For programs that are enhancing or developing data systems, FLH will execute safety strategies based on the safety data and deploy strategies to strengthen our approach for planning, designing, and constructing roads and bridges. This will be a major advancement, especially for the Park Roads and Parkways Program, because much more crash data is available now than ever before. Generally, the goal is to continue movement from the tool development stage to the development and deployment of corrective actions based on the safety data. The outcomes should be a safer visitor experience at parks, refuges and forests and safer travel for tribal members who use Indian Reservation Roads facilities daily.

## Research and ITS

Five critical areas will continue to be addressed in FY 2009: roadway departure crashes, intersection fatalities, pedestrian fatalities, speeding-related fatalities, and advancement of a strategic approach to improving highway safety.

To address roadway departure crashes, research funds will support activities to enhance understanding of roadway departure crash causation, develop analysis tools and procedures to support better roadside safety design, refine and implement the Interactive Highway Safety Design Model (IHSDM), and develop and evaluate countermeasures to prevent and mitigate the consequences of roadway departure crashes. Outreach activities, including training courses, implementation materials, and demonstration and evaluation of technologies, will be critical components of this program.

To reduce intersection fatalities, research funds will support evaluation of innovative infrastructure and operational configurations at both signalized and non-signalized intersections, assess the safety and operational impacts of access management techniques on surface street networks, improve signal design settings to reduce red-light running at signalized intersections, and enhance tools for safety analysis of freeway interchanges. Road safety audit training and promotion of intersection safety analysis tools will be critical components of this program area. ITS technologies such as ITS-based intersection crash avoidance systems will be developed and tested. In cooperation with the automobile industry, work will also continue to develop integrated vehicle-based safety systems and to pursue vehicle-to-vehicle and vehicle-to-roadside communications.

To address the problem of pedestrian fatalities, FHWA research will include evaluation of the impacts of traffic calming designs on pedestrian and bicyclist safety and development of expert systems to evaluate pedestrian and bicycle improvement opportunities. The FHWA will continue to work in cooperation with the NHTSA on developing and evaluating comprehensive countermeasures and appropriate tools and technologies to improve pedestrian safety; integrating pedestrian issues in the planning, design, operations, and maintenance of roadway facilities; and implementing key recommendations from our partners and customers.

To address speeding-related fatalities, the FHWA will place emphasis on a speed management program that involves: evaluating variable speed limit applications; speed

reducing treatments on main roads through rural communities; and implementation of rational speed limits, coupled with strict enforcement, including automated enforcement.

Towards establishment of a strategic approach to improving highway safety, the FHWA will enhance the functions of the Digital Highway Measurement System to collect roadway data; deploy and enhance the Safety Analyst software; evaluate the effectiveness of various safety improvements; and operate and maintain the fifth generation of the Highway Safety Information System. Research funds will also be used to develop, demonstrate, and implement techniques for States to collect better safety data; to use the information appropriately to support Strategic Highway Safety Plans; and to evaluate the success of safety programs. This will ensure that resources are allocated to provide maximum returns in reducing the severity and frequency of crashes.

In addition, the FHWA will conduct safety research projects that contribute to multiple objectives, including advancing visibility technologies and better defining the visual requirements of road users, and working on human-centered systems to incorporate human factors considerations into all aspects of highway design. Furthermore, the FHWA will conduct exploratory advanced research to identify, develop, and evaluate innovative methods and technologies to improve highway safety.

The FHWA Exploratory Advanced Research program will solicit safety research proposals to enhance understanding of the importance of the visibility of the roadway; develop innovative technologies to detect the presence of pedestrians or other vulnerable road users; create the parameters for a long-term ground traffic control system; and enhance understanding of the relationship between the vehicle (all types) and the roadway.

Responsible Officials:

Mr. Joe Toole, Associate Administrator for Safety

Mr. John Baxter, Associate Administrator Office of Federal Lands Highway

Mr. Michael Trentacoste, Associate Administrator for Research, Development and Technology



## REDUCED CONGESTION

**DOT Performance Goal:** Reduction in urban congestion.

This funding request contributes to the DOT Reduced Congestion strategic objective and the performance outcome goal of achieving a reduction in urban congestion.

**Percent of total annual urban-area road travel time that occurs under congested conditions.**

FY	2005	2006	2007	2008	2009	2010
Target	N/A	N/A	28.0 (r)	27.6 (r)	27.4 (r)	27.1 (r)
Actual	28.6(r)	28.4(r)	27.8	27.3#		

(r) Revised; # Projection

### **Funding for this performance goal:**

This request allows the FHWA to fund transportation-related improvements that address traffic congestion in urban areas. Funding will be used to implement the following strategies to reduce the causes of recurring and non-recurring congestion:

- Ensuring that congestion pricing links the consumption of transportation or a commercial entity's needs (i.e., reliability) with the level of service provided by applying a direct charge to the individual or company;
- Strategically adding capacity;
- Using the physical capacity currently available more productively by operating the system at peak condition and performance; and
- Providing travel alternatives by encouraging system users to adopt travel demand management strategies such as telecommuting.

### **Performance Issue**

Traffic congestion on the Nation's highways increased over the past 20 years as population, number of drivers and vehicles, and travel increase and at a much faster rate than system capacity. According to the Texas Transportation Institute, drivers experience 4.2 billion hours of delay and waste 2.9 billion gallons of fuel annually due to traffic congestion. The economic impact of congestion, including wasted fuel and time, was estimated to be over \$78 billion in 2005. Nearly 49 percent of the cost was experienced in the 10 metropolitan areas with the most congestion.

As noted in Figure 1, the percentage of congested travel was 27.8 percent in 2007, a decrease of 0.6 percentage points from 2006. Overall, recent results suggest that the

overall rate of growth in traffic congestion nationwide is decreasing. In addition, traffic congestion nationwide appears to be slowing based on the analyses of real-time traffic data that the FHWA collects from travel information websites and transportation management centers in selected cities. Data collected from transportation management centers in 23 cities during FY 2007-2008 showed an overall reduction in congestion.

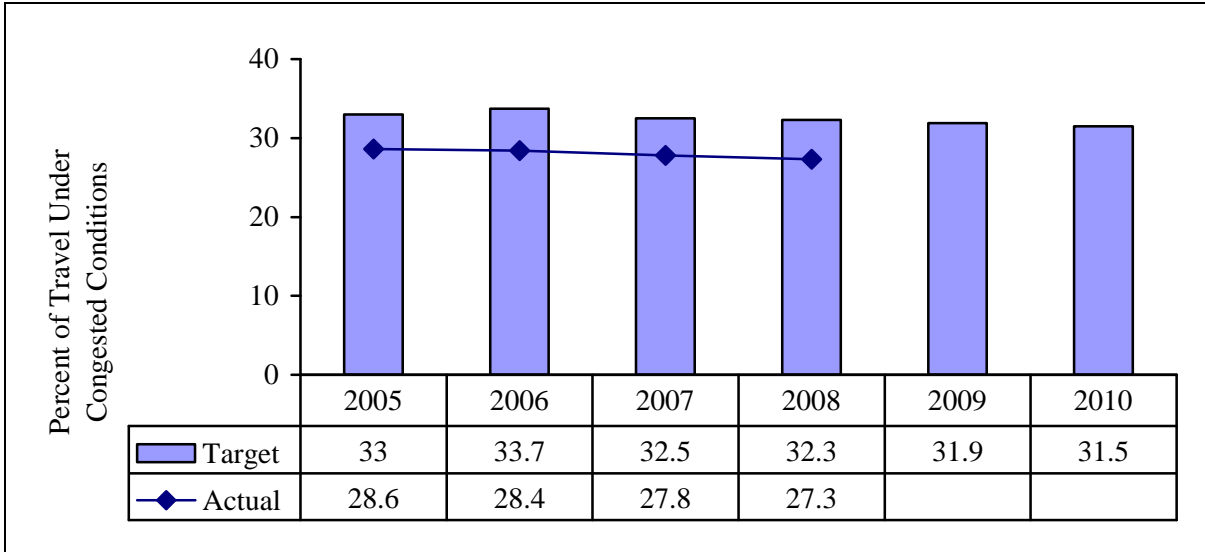


Figure 1. Percent of Travel under Congested Conditions, FY 2005 - 2010.

FHWA will pursue several broad strategies that are aimed at reducing causes of recurring congestion in urban areas. A key element will be supporting the six Urban Partner cities in successfully implementing their agreements to congestion reduction strategies. These strategies include comprehensive and innovative congestion pricing applications combined with strong transit, travel demand management, and operation and management strategies and technologies. While the Urban Partner cities provide an opportunity to showcase real-world applications of congestion pricing opportunities, a robust program of research, development, and technology transfer will be advanced to: 1) pursue the widespread implementation of pricing applications to include High Occupancy Toll (HOT) lanes and parking pricing; other travel demand management practices; 2) institutionalize comprehensive bottleneck reduction programs in every State Department of Transportation (DOT); 3) improve the management of freeway and arterial systems particularly through improved traffic signal timing and Active Traffic Management; 4) improve the management of non-recurring events such as traffic incidents and work zones; 5).enhance decision-making through the use of more robust traffic analysis tools, the integration of system management and operations considerations into the Planning process; and 6) establish partnerships that include all of the key agencies in a region.

FHWA will continue developing the next generation of system operations capabilities that improve real-time information collection and dissemination to enable State and local transportation agencies to better quantify system performance, and place better information in the hands of transportation decision-makers. In addition, funds will be used to improve the performance of the existing transportation system and increase physical capacity. The capacity and performance of the physical infrastructure can be

increased in specific locations or corridors by building new facilities, adding lanes to existing facilities, or removing bottlenecks.

### **Anticipated FY 2009 Accomplishments**

Congestion reduction should be achieved in urban areas characterized by higher levels of investment in added system capacity and removing bottlenecks; more emphasis on effective congestion partnerships that facilitate inter-agency coordination and collaboration; and a commitment to pursuing the application of tolling and pricing strategies, the collection and dissemination of real-time information, and other effective operational practices.

By focusing efforts on these areas, the FHWA anticipates progress in meeting the following objectives:

- Advance tolling and pricing strategies by assisting practitioners in States and Metropolitan areas that are most apt to implement tolling and pricing projects; and increase the overall understanding of such strategies in the broad transportation community as well as among elected officials and other key decision-makers. In addition, the FHWA will work to improve the technical capabilities required to analyze and evaluate tolling and pricing programs within the context of ongoing Statewide and regional transportation planning program options.
- Implement a major program to encourage the implementation of HOT lanes either by conversion of existing High Occupancy Vehicle (HOV) lanes to HOT lanes or building new lanes. FHWA assists selected States in exploring opportunities for HOT lanes deployment, developing screening criteria, building the necessary constituency base, and providing technical assistance.
- Implement a comprehensive national strategy to reduce traffic bottlenecks through providing, to transportation agencies, information and technical assistance in identifying operational and low-cost construction options that may be implemented in the near-term to mitigate or eliminate bottleneck traffic congestion and adopting comprehensive bottleneck reducing programs.
- Integration of operations and management considerations into the planning process through the provision of technical assistance in bringing a new outcome-based perspective to the Congestion Management Process and the Long-Range Transportation Plan and Transportation Improvement Program in metropolitan areas. In addition, promote and advance close collaboration between planning and operations at the statewide level working with AASHTO and State DOTs.
- Increase the number of State and local transportation agencies using transportation operations performance measures to monitor and report performance, determine appropriate operational treatments, and support the consideration of investment in potential improvements by decision-makers.
- Improve the operation of arterial transportation systems by providing guidance, training and outreach to improve signal-timing practices, identify staffing needs and strategies to facilitate regional collaboration. Continue to advance

technologies, such as *Adaptive Control Software-Lite (ACS-Lite)*, to enhance performance monitoring and traffic signal timing.

- Promote the use of real-time data to better quantify system performance and place better information in the hands of officials making transportation investment and resource allocation choices.
- Provide technical assistance to the Federal Land Management Agencies (FLMA) to develop long-range transportation plans for FLMA regions or units that effectively integrate alternative transportation systems, intelligent transportation systems and the use of management systems into decision-making.
- Provide technical assistance to the FLMAs, including the National Park Service, U.S. Fish and Wildlife Service, and the U.S. Forest Service, in the development of congestion management strategies for the Federal Lands Highway Program. (FLHP). Provide technical assistance to the Bureau of Indian Affairs to develop criteria for determining when congestion management strategies are required.

## **FY 2010 Performance Budget**

### Federal-aid Highway Program

Highway funds apportioned to the States will continue to be used to increase roadway throughput by adding system capacity, either as new roadways or transit routes, adding traffic lanes, adding additional buses in specific locations where congestion is recurring, or removing bottlenecks. States and local governments will also use these funds to improve traffic flow through more effective systems management and operations, including variable pricing programs.

FHWA will use identified funding to reduce congestion by continuing to implement alternative transportation solutions on all Federal lands. FLHP funds will be used to support capacity expansion, including the use of buses in national parks, national forests, fish and wildlife refuges, and Indian Reservations, as well as operational improvement approaches.

### Research and ITS

The FHWA Exploratory Advanced Research program will seek to identify, develop and assess promising innovations that could provide significant operational and technological improvements with the potential to dramatically reduce traffic congestion. Effectively addressing traffic congestion will hinge on the ability of the FHWA and State and local transportation agencies to transform traditional transportation organizations into modern agencies using advanced technologies to improve management and operations. Intelligent Transportation System (ITS) technologies have been researched, deployed, and tested during the past decade to improve the operation of the highway system and mitigate congestion.

Specifically, the FHWA will use FY 2010 R&D and ITS funding to:

- Promote the findings gathered from the Urban Partnership experience by fully engaging field staff in promoting broad-based (e.g., full facility-based pricing) and individual lane-based (e.g., converting HOV to HOT lanes) congestion pricing or

variable toll practices, facilitating the creation or expansion of express bus services, and encouraging a variety of non-facility travel demand strategies such as telecommuting and flex scheduling programs.

- Promote specific strategies to improve freeway and arterial management practices. For example, the FHWA will continue its efforts to increase the number of jurisdictions with effective traffic signal timing practices through aggressive outreach and technical assistance. In addition, FHWA will introduce the Active Traffic Management concept and will assist States in its adoption.
- Continue to promote and provide technical assistance on improved decision-making practices in transportation planning through the development of new and improving existing modeling approaches that address both recurring and non-recurring congestion. Promote the development of innovative technical transfer techniques to support the dissemination of these modeling approaches to the State DOTs and Metropolitan Planning Organizations (MPOs).
- Continue to support and promote the development and adoption of performance-based outcomes. Institutionalize the use of well-defined and measurable operations objectives and supporting performance measures by continued promotion and facilitation of their integration into the Congestion Management Process.
- Continue to work with States to deploy operational and planning countermeasures to address identified bottlenecks and chokepoints through the implementation of operational and low-cost construction strategies, and continue to promote the adoption of comprehensive bottleneck reduction programs.

Responsible Officials:

Mr. Jeff Lindley, Associate Administrator for Operations

Mr. John Baxter, Associate Administrator Office of Federal Lands Highway

Mr. Michael Trentacoste, Associate Administrator for Research, Development and Technology

**DOT Performance Goal:** Increased use of integrated Intelligent Transportation System (ITS) networks and new incident management approaches.

This funding request contributes to the DOT Reduced Congestion strategic objective and the performance outcome goal to increase use of integrated ITS networks and new incident management approaches.

**Percent of U.S. Population with access to 511 travel telephone service.**

<b>FY</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	30%	35%	40%	50%	65%	65%	70% *	75%
<b>Actual</b>	17%	25%	28%	41%	48%	48%		

\* Revised from previous target of 85%.

**Percent of top 40 metropolitan areas with full service patrols, quick clearance policies, and quick clearance laws.**

**Full Service Patrols**

<b>FY</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	N/T	100%	100%	100%
<b>Actual</b>	70%	77%		

**Quick Clearance Policies**

<b>FY</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	N/T	90%	90%	100%
<b>Actual</b>	80%	88%		

**Quick Clearance Laws**

<b>FY</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	N/T	90%	90%	100%
<b>Actual</b>	75%	85%		

**Funding for this performance goal:**

This request will allow the FHWA to fund efforts aimed at minimizing the impact of events that occasion non-recurring congestion, including traffic incidents, work zones, planned special events, and weather. Activities will proceed along two paths:

- Providing travelers with the information they require to make better decisions about the routes to take, the times to travel, and mode to use; and

- Mitigating the negative mobility impacts associated with traffic incidents, work zones, planned special events, and weather.

First, the requested funds will allow the FHWA to pursue the next generation of ITS-based system operations capabilities that improve the collection of real-time information and its dissemination to the traveling public and operating agencies. In addition, the requested funds will support technological improvements aimed at developing and implementing integrated approaches to corridor management where travelers will receive, in real-time, information on the status of alternate modes in a given corridor.

Second, transportation-related improvements will be targeted to address expanding the application of effective incident, work zone, and road weather management approaches. Funds will be used to advance incident management approaches that more rapidly clear incidents from the roadway, and encourage the planning for, establishing, and managing of work zones in ways that consider the broader safety and mobility impacts of work zones across all stages of a project. A high-priority emphasis area is to increase the deployment of full-service (incident-oriented) patrols, and Quick Clearance policies and laws. Funds will provide for the introduction and collection of new incident-based performance metrics (e.g., time taken to clear lanes, time to clear the incident completely, and reduction of associated secondary crashes) at the local jurisdiction levels and expanding ITS-based solutions to improve traffic incident management. In addition, funds will provide for ITS-based solutions to alleviate the impacts of all type of adverse weather (snow, ice, rain, fog, etc.) on the transportation system.

### **Performance Issue**

Congestion that does not follow a routine pattern accounts for half of all congestion. The four main causes of non-recurring congestion are: traffic incidents (ranging from disabled vehicles to major crashes), work zones, weather, and special events. Non-recurring events dramatically reduce the available capacity and reliability of the entire transportation system. Travelers and freight carriers are especially sensitive to the unanticipated disruptions, due to tightly scheduled personal activities and freight distribution systems.

Traffic incidents cause approximately 25 percent of traffic congestion. For every minute that an incident blocks a lane, it increases congestion an additional 4 minutes after the incident is cleared. Better incident management practices can have a profound effect on the system by improving traffic safety and reducing non-recurring congestion. Good traffic incident management practices led by quick clearance actions can reduce delay by 170 million hours annually. However, there remain many obstacles to the effective and uniform application of Quick Clearance policies and Move It laws and the establishment of Full Function Service Patrols to aid in traffic incident responses. Traffic incident management is neither solely a public safety function nor solely a traffic management function. It requires cooperation between multiple public agencies – particularly transportation entities, law enforcement professionals, fire and rescue professionals and EMS – to reach full efficacy in clearing traffic incidents and containing the amount of resulting traffic congestion. Promoting effective partnerships for quick clearance strategies are critical to the effective management of traffic incidents.

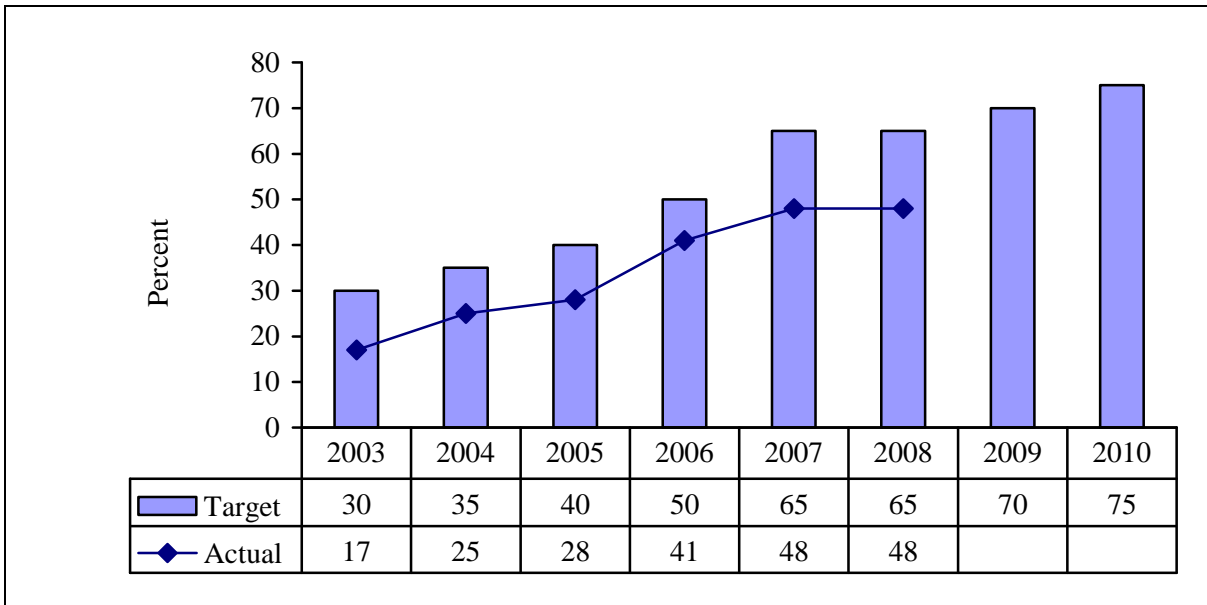
Work zones on freeways account for nearly one-quarter of non-recurring delay. The new Work Zone Safety and Mobility Rule is intended to tackle this issue, while at the same time promoting work zone safety. The Rule advocates stronger consideration and management of work zone safety *and* mobility impacts. It focuses on State and local agency-level work zone policies to institutionalize work zone processes and procedures that consider work zone impacts throughout the project delivery process. Compliance with the updated rule was required by October 12, 2007. The rule provides considerable opportunity to improve the management and implementation of work zones to reduce associated congestion impacts.

Weather-related incidents constitute 15 percent of the time loss attributed to congestion and is second only to incidents as a cause of non-recurrent congestion (e.g., rain and snow can lead to a 30% reduction in highway capacity). Improving the accuracy and timeliness of road weather information made available to road users and operators, and building the road weather observational database that supports the development of such information is critical to helping to resolve this component of the congestion problem.

While traffic incidents, work zones, and weather-related delays may be productively addressed through individual programs, efforts aimed at providing real-time information about the resulting delays and better managing the associated traffic patterns, also provides opportunities to significantly reduce congestion. Real-time travel information is decision-quality information about traffic incidents, the weather, construction activities, traffic congestion, transit and special events allows travelers to choose the most efficient mode and route to their final destination. Such information may be provided through dynamic message signs, 511 services, in-vehicle devices, and web sites.

The FHWA continues to support and track the deployment of 511, a national travel information telephone service that provides drivers with easier access to local travel conditions information. As illustrated in Figure 2, the 511 Telephone service was accessible to about 48 percent of the Nation's population in October 2008.





**Figure 2. Percent of Population with Access to 511 Telephone Traveler Information Services, FY 2002-FY 2010.**

Complementing this information is the management of integrated corridors. Unused corridor capacity often exists on parallel routes, on the non-peak direction on freeways and arterials, within single-occupant vehicles, and in transit vehicles. As traffic congestion increases due to non-recurrent congestion events, shifts in travel demand to unused capacity can be accomplished by delivering real time travel data. ITS technologies can efficiently and proactively manage the movement of people and goods in major transportation corridors in large cities.

FHWA will pursue broad strategies that are aimed at increasing the use of integrated ITS networks, providing real-time traveler information, effective approaches to incident and construction (work) zone management as well as road weather management technologies. A high priority will be placed on integrated corridor management, reducing incident delay, and better managing work zones associated with construction and maintenance projects.

**Anticipated FY 2009 Accomplishments**

Congestion reduction should be achieved in corridors and areas where there are more extensive deployment and integration of ITS technologies, and greater use of work zone, incident management practices, and other effective operational practices. By focusing efforts on these areas, the FHWA anticipates progress in meeting the following objectives:

- Developing effective strategies and technical tools to move additional people and goods through congested corridors in major metropolitan areas that consist of freeway, arterial, and transit facilities, particularly by advancing the Joint Program Office ITS Integrated Corridor Management (ICM) Initiative. Completion of the Analysis, Modeling and Simulation of three ICM pioneer site

corridors. Selection of up to three sites to proceed to the ICM Demonstration phase.

- Increasing the number of the Top 40 Metropolitan areas with full function service patrols, quick clearance policies, and Move It laws by promoting such laws, policies and practices and adequately equipping them to provide technical assistance. As a capstone to the FHWA and National Traffic Incident Management Coalition (NTIMC) efforts, a National Unified Goal for Traffic Incident Management was adopted on November 21, 2007. This Goal provides a framework for establishing TIM programs around the country using 18 strategies covering the three main objectives of the goal, namely Responder Safety, Safe and Quick Clearance, and Prompt, Reliable Interoperable Communications. In November 2008, member organizations of the NTIMC conducted an inventory of what has been accomplished. This inventory serves as a roadmap for the development of national tools, policies and procedures to aid local and State jurisdictions in the implementation of the NUG.
- Continuing efforts to ensure the necessary collaboration and coordination between the transportation, public safety, and private sector communities as required for effective traffic incident management.
- Conducting research to identify issues associated with secondary crashes at traffic incidents and best practices or lessons learned.
- Developing a TIM Practitioner Training Workshop, with an additional Planned Special Events – Emergency Transportation Operations module.
- Championing the implementation of integrated communication between traffic management centers and other transportation assets and emergency call-taking/dispatch centers and other appropriate public safety responder agencies. In particular, partner with the ITS Joint Program Office (JPO) to work with States involved in Traffic Management Center (TMC)/Computer-Aided Dispatch (CAD) Integration Field Operational Test to apply lessons learned and software modules developed to other States using same or similar TMC systems.
- Providing focused technical assistance to State DOTs to improve work zone management. This includes five regional workshops on work zone traffic analysis modeling to promote better understanding and management of work zone impacts.
- Continuing to provide guidance and technical support to States implementing the requirements of the updated Work Zone Rule particularly through peer exchange opportunities.
- Championing the deployment of 511 Services and use of travel times on Dynamic Message Signs (DMS) through executive-level outreach and promotion aimed at key, high-impact locations.
- Advancing the Real Time System Management Information Program. This program will lead to the nationwide availability of quality real-time information on delays associated with congestion, incidents, work zones, and weather events.

- Disseminating road weather observations from over 34,700 sensors in 29 States, 3 Canadian provinces, and 3 local agencies, and using these observations to demonstrate the importance of regional weather observation networks (such as *Clarus*).
- Continuing research on utilizing vehicle-based probe data to develop improved safety and mobility applications. Such research includes the development of a prototype vehicle data translator leading to a new generation of road-specific weather and pavement observations.
- Developing guidance on the most effective ways to integrate weather information into Traffic Management Centers, and developing weather-sensitive traffic estimation and prediction models.

## **FY 2010 Performance Budget**

### Federal-aid Highway Program

Highway funds apportioned to the States will continue to be used to improve traffic flow through more effective systems management and operations, including providing better information to travelers to allow them to choose departure times, travel modes, and routes that may mitigate congestion problems; implementing and maintaining incident management service patrols and promoting quick clearance policies and ‘Move It’ laws; and developing and implementing improved strategies for work zone implementation and road weather management.

### Research and ITS

Effectively addressing traffic congestion will hinge on the ability of the FHWA and State and local transportation agencies to transform traditional transportation organizations into agencies that can use advanced technologies to improve management and operations. ITS technologies have been researched, deployed, and tested during the past decade to improve the operation of the highway system and mitigate congestion.

The FHWA will use FY 2010 R&D and ITS funding to:

- Continue work in partnership with the JPO on the ITS-ICM Initiative to develop and test the associated tools and strategies. This activity will include promoting the results of Analysis, Modeling and Simulation from selected Pioneer test sites, and the demonstration in up to three Pioneer test sites of their full ICM proposed capabilities.
- Expand road weather management capabilities through such efforts as developing methods to obtain road weather observations from vehicles and defining, testing and evaluating weather-responsive traffic management strategies that enable traffic managers to achieve more reliable operations through advisory, control and treatment actions.
- Continue to increase number of jurisdictions with Quick Clearance policies and full function service patrols through outreach and technical assistance to provide targeted attention and information to key decision-makers. FHWA will promote

and collect data on TIM program and operational performance metrics and to support a nationwide Knowledge Management System and peer-to-peer exchanges that will enable local jurisdictions to improve their TIM programs and performance. FHWA will promote the implementation of the National Unified Goal nationwide, with a focus on the top 40 metropolitan areas and their States.

- Continue efforts to ensure the necessary collaboration and coordination between the transportation, public safety, and private sector communities as required for effective traffic incident management. FHWA will support the dissemination of information and statistics that demonstrate the vital role Service Patrols play in Traffic Incident Management. In addition, funding will be used to build capacity (e.g., provide training and information) at the local levels for Traffic Incident Management professionals. The willingness of private sector funding to sponsor service patrols is increasing, and FHWA will continue to encourage local and State DOTs to take advantage of these sponsorship agreements.
- Increase the number of jurisdictions having integrated communication systems that include traffic management centers, other transportation assets and public safety responder agencies.
- Continue to provide guidance and technical support to States implementing the requirements of the updated Work Zone Rule particularly through focused workshops and peer exchange opportunities.
- Continue to champion the deployment of 511 Services and use of travel times on Dynamic Message Signs (DMS) through executive-level outreach and promotion aimed at key, high-impact locations.
- Provide technical assistance to jurisdictions implementing Real-Time System Management Information Programs.

Responsible Officials:

Mr. Jeffrey A. Lindley, Associate Administrator for Operations

Mr. King Gee, Associate Administrator for Infrastructure

Mr. John Baxter, Associate Administrator Office of Federal Lands Highway

Mr. Michael Trentacoste, Associate Administrator for Research, Development and Technology

**DOT Performance Goal:** Increased transportation capacity.

This funding request contributes to the DOT Reduced Congestion strategic objective by enhancing the ability of State and local transportation officials to apply innovative financing, revenue generation and procurement strategies in the delivery of their transportation programs.

**Funding for this performance goal:**

In FY 2009, FHWA established the Office of Innovative Program Delivery to assist State and local governments in considering, and where appropriate, implementing tools such as public-private partnerships (P3s), tolling, congestion pricing, and non-traditional project financing practices. This request will allow the FHWA to put in place a comprehensive suite of activities focused on: (1) increasing awareness; (2) developing analytical tools and transferring them to the practitioner community; (3) enhancing professional capacity; (4) researching new innovations and better understanding existing opportunities; (5) providing technical assistance; and (6) offering credit assistance through the Transportation Infrastructure Finance and Innovation Act (TIFIA) credit reform program and other mechanisms, to help worthy projects move forward.

**Performance Issue**

All States face the dual challenges of increased requirements for system expansion, preservation and efficient operations. However, revenue drawn from traditional sources is currently insufficient. The FHWA and DOT has an important role to play in facilitating and accelerating the use of innovative strategies to increase highway productivity. Key approaches include debt financing strategies such state infrastructure banks; tolling and congestion pricing to both generate revenue and manage congestion; and P3s that leverage private capital and expertise.

**Anticipated FY 2009 Accomplishments**

- Development and delivery of introductory courses focused on innovative program delivery (IPD). These courses will provide the foundation for a newly established IPD Academy that will offer a range of training opportunities.
- Roll out of a P3 Concession Evaluation Model. This tool is the first in a suite of IPD analytical tools that will help decision-makers determine when innovative strategies are best applied.
- Provide support for projects intended to alleviate congestion, especially those involving innovations, through the provision of TIFIA credit assistance.
- Establish and implement a robust awareness and technical assistance program that will help State and local governments realize the potential of innovative procurement, revenue generation, and project finance practices.
- Conduct an international scan to identify best practices in congestion pricing.
- Implement the results of the FY 2008 international scan on P3s.

## **FY 2010 Performance Budget**

### Federal-aid Highway Program

The FHWA will provide technical assistance to parties involved in applying innovative transportation delivery strategies such as P3s and congestion pricing from both a programmatic and project level. The program will engage State representatives, State DOTs, private sector interests, and private financial community representatives to explain and demonstrate how innovative tools and methods have worked successfully to build and operate roads and highways faster, more economically and more efficiently.

The FHWA will share information with State government and private industry and financial representatives about the advantages of using these tools by developing and disseminating technical materials. Program staff will develop and transfer analytical tools that will be of value to those interested in evaluating innovative options. Staff will also be presenting best practices and highlighting successful examples through the country at meetings and conferences during the year as well as on the office's official website.

The FHWA will support State efforts to enact enabling P3 and tolling and pricing legislation; work with States and others to overcome institutional resistance; and identify and utilize Federal program authorities to encourage the formation of P3s, the application of tolling and pricing, and the use of innovative project financing options. TIFIA credit assistance will continue to support projects that otherwise might have difficulty in obtaining financing in existing capital markets.

#### Responsible Official:

Ms. Regina McElroy, Director of the Office of Innovative Program Delivery.

**DOT Performance Goal:** Longer lasting, high performance highway infrastructure.

This request contributes to the DOT Reduced Congestion strategic objective and the performance outcome goal of achieving a longer lasting, high performance highway infrastructure.

(r) Revised

**Percentage of travel on the National Highway System (NHS) meeting pavement performance standards for good ride (less than or equal to 95 inches per mile International Roughness Index).**

	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Target</b>	N/A	N/A	N/A	53	54	56	56	57	58
<b>Actual</b>	49(r)	50(r)	52(r)	52	54	57	56		

**Percent of deck area on NHS bridges rated deficient.**

	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Target</b>	28.6	27.5	26.4	25.3	24.2	23.1	22.0	20.9	19.8
<b>Actual</b>	29.9	29.8	29.8	29.9	29.2	29.7	29.5		

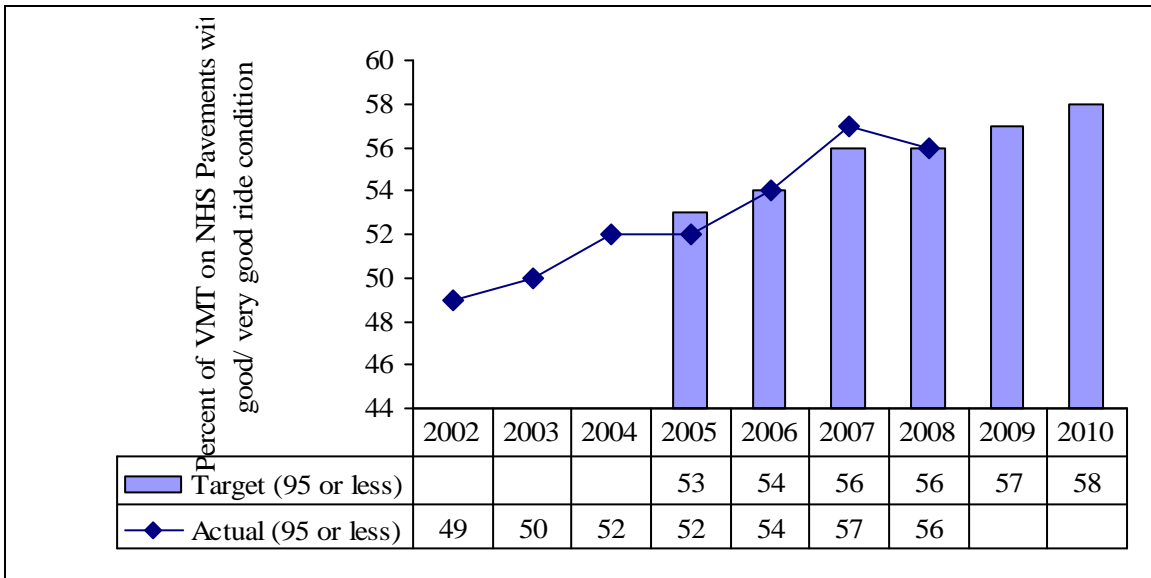
**Funding for this performance goal:**

This request will allow the FHWA to continue to fund transportation-related improvements in the States to maintain and improve the performance of the National Highway System (NHS), including the Interstate system and non-NHS. Funds will be used to replace, rehabilitate, and preserve bridges and other infrastructure; build needed transportation facilities, support long-term research, and provide public education, development, and deployment; technical assistance, and training to partner agencies and transportation system users. FHWA will promote the use of asset management principles to manage and allocate resources to improve system performance, and accelerate the adoption of innovation and new technology in highway construction. This request will also enable the FHWA to fund the clean up, repair, restoration and reconstruction of highway facilities damaged during natural and man made disasters.

**Performance Issue**

The condition of the NHS affects wear and tear on vehicles, the comfort of travelers, and fuel consumption. Consequently, maintaining a healthy network of pavements and bridges is critical to the structural integrity, cost effectiveness and performance of the transportation system. In addition, excessive highway construction must be avoided

because it is costly and undermines system performance. It is critical to keep the NHS pavement network in good condition to avoid costly construction operations. Efforts need to continue to maintain the current condition level of the NHS pavement network. As illustrated in Figure 3, 56 percent of vehicle travel on pavement mileage exhibited good ride quality in 2008. Good ride quality is defined as an International Roughness Index (IRI) of 95 inches/mile or less. At the same time, these efforts need to be conducted with a goal to improve the condition of the NHS pavement network to ensure the long-term health of the pavement network.



**Figure 3. Pavement Condition on the NHS, FY 2002-FY 2010.**

An additional goal is to decrease the percent of deck area on deficient NHS bridges to 19.8 percent in 2010. The nationwide percentage of deck area on deficient bridges on the NHS dropped from 32.6 percent in 1998 to 29.5 percent in 2008. The results vary on the NHS by average daily traffic (ADT), with a higher percentage of deck area on deficient bridges on roads with ADT levels above 50,000. The ADT is an average 24-hour traffic volume at a given location for a period less than one year.

### **Anticipated FY 2009 Accomplishments**

By focusing efforts on these areas, the FHWA anticipates progress in meeting the following objectives:

- Funds are being used to help ensure each State and Federal Land Management Agency (FLMA) uses management systems information to measure system performance and support integrated decisions in programming projects. Activities planned include: Sponsor the 7<sup>th</sup> National Conference on Transportation Asset Management and conducting regional conferences to bring asset management principles to states. Support and advance the application of comprehensive pavement management and remaining service life methods by State agencies as a tool to assess the needs of their network to determine the adequacy of their



resource allocation, and share best practices through process reviews, case studies and other methods.

- Support the enhancement of the National Bridge Inspection Program to assure safety of highway bridges and structures. A program audit by the DOT Office of Inspector General (OIG) in FY 2008 resulted in recommended improvements to the Highway Bridge Program and the National Bridge Inspection Program. An action plan was developed to address the OIG recommendations.
- Provide guidance for developing design criteria to be adopted by AASHTO in the design and retrofit of bridges in coastal regions. Complete an evaluation of bridges, over rivers and tidal waterways, vulnerable to scour is complete. Assist States with the development and implementation of plans of action to address scour critical bridges. Support the installation of countermeasures on scour critical bridges to prevent bridge failures.
- Promote the use of high-performance materials, such as Ultra-high Performance Concrete, High Performance Steel, and Fiber-Reinforce Polymers as standard materials of bridge construction.
- Advance the implementation of Load Resistance Factor Design (LRFD) in foundation designs. Support AASHTO in fully implementing the LRFD Bridge Design and Construction Specifications. In coordination with AASHTO, promote the use of Load and Resistance Factor Rating in the load rating of new and existing bridges.
- Monitor and review State materials and construction quality assurance programs to identify areas to deploy quality system tools and practices for improved material control and construction management. Conduct quality assurance performance reviews in selected target states. Co-host with states agencies and industry the delivery of workshops on specification development and develop further training on quality assurance and specification development/validation.
- Conduct programs with the asphalt and concrete mobile laboratories in select states to advance new technologies and performance related specifications that will improve quality assurance. Continue to promote Accelerated Construction Technology (ACT) through regional workshops and projects with an expected outcome to increase the number of states using advanced quality assurance programs.
- Continue workshops and data reviews in opportunity states that have been identified as key states where gains in pavement smoothness or rideability will most likely affect the national trends. Initiate technologies for faster construction (e.g., precast and prestressed concrete) and less energy intensive (e.g., warm asphalt) pavements, and technology to facilitate increased recycling of pavement materials. Develop guidelines and evaluation tools that allow states to evaluate pavement performance alternatives and to improve decision making in pavement type selection to meet specific performance requirements. In support of these efforts, the FHWA will revisit existing policies related to pavement surface characteristics to identify any changes necessary to better reflect the current

standard of practice to monitor surface characteristics and existing pavement technologies that can be utilized to improve pavement surface characteristics.

- Continue to work with our partners and stakeholders to accelerate the adoption of innovative practices to improve safety and customer satisfaction and to reduce the congestion caused by highway construction. The Vanguard Technologies (i.e., Road Safety Audits, Prefabricated Bridge Elements and Systems and Making Work Zones Work Better) will be promoted and transferred using marketing science to develop the most effective strategies to accelerate their adoption as standard practice. In addition, FHWA will maintain an active program of information dissemination and stakeholder participation that features innovative practices and opportunities to learn more. FHWA will continue to provide technical support and assistance to States willing to use performance contracting on Highways for LIFE projects to achieve the performance goals in safety, quality, congestion reduction and customer satisfaction. Additional technology transfer activities include conducting workshops and showcases to provide peer-to-peer, case studies, and hands-on opportunities for practitioners in the public sector and industry to learn about the benefits of the innovations demonstrated on the projects. The FHWA will also implement a Technology Partnership Program to work with developers of innovative technologies to accelerate the development of working prototypes. The expected outcome of these activities is the acceleration and adoption of new and innovative technologies and practices to improve safety, quality, customer satisfaction and reduction in construction caused by congestion.
- FLH continues to work on approximately 140 active construction projects underway and over 530 projects in the design phase. With enactment of the American Recovery and Reinvestment Act (ARRA), the FLHP is directly responsible for delivering \$550 million across its four core programs: Indian Reservation Roads, Park Roads and Parkways, Forest Highways and Refuge Roads.

## **FY 2010 Performance Budget**

### Federal aid Highway Program

Highway funds apportioned to the States will continue to be used to support the majority of projects and activities that contribute to achieving the reduced congestion goal and this particular outcome.

Interstate Maintenance (IM) funds will be used for resurfacing, restoring, rehabilitating, and reconstructing most routes on the Interstate System. In addition, IM funds will provide for the upkeep and improvement of the 46,000 mile Interstate System, which is designated as a separate identity within the NHS.

The National Highway System (NHS) funds will be used for improvements to rural and urban roads that are part of the NHS, including the Interstate System, and designated connections to major intermodal terminals.

The Surface Transportation Program (STP) funds will be used on a variety of surface transportation infrastructure projects, transit and carpool activities, bicycle and pedestrian

projects, intelligent transportation systems, and management systems, on any Federal-aid highway. Using set aside STP funds, the FHWA will implement a new Planning Capacity Building Initiative to support enhancements in transportation planning through research, program development, information collection and dissemination, and technical assistance. Transportation, Community, and System Preservation Program (TCSP) set-aside funds will be used to facilitate the planning, development, and implementation of strategies by States, MPOs, federally recognized tribes, and local governments, in order to integrate transportation community, and system preservation plans and practices.

Bridge Program funds will be used by States to improve the condition of bridges, including historic bridges, through replacement, rehabilitation, and systematic preventative maintenance. In addition, funds will be used to promote the advancement of bridge technologies and enhance the quality of the highway bridge program delivery.

Highway Bridge Program funds will be used by States to improve the condition of bridges, including historic bridges, through replacement, rehabilitation, and systematic preventative maintenance. In addition, funds will be used to inspect and load rate all highway bridges on public roads using advanced practices, tools, and technologies.

The Emergency Relief (ER) Program funds will be used for the repair or reconstruction of Federal-aid highways and federally owned roads if they suffer serious damage because of natural disasters or catastrophic failures from an external cause. The ER program funds are critical to maintaining mobility for the American public, since natural disasters and catastrophes that destroy highways and bridges can occur anywhere in the country. Following the unfortunate collapse of the I-35W Bridge in Minneapolis, MN, DOT released more than \$173 million in ER program funds for clean-up and recovery work, including clearing debris and re-routing traffic, as well as for design work on a new bridge. This amount is in addition to the \$5M in ER program funds immediately provided to the Minnesota DOT after the bridge collapse. In P.L. 110-161 for FY 2008, Congress authorized additional expenditures of up to \$195 million for the repair and reconstruction of the bridge.

Funding for the FLHP will be used for road and bridge improvements on Federal and Indian lands. Park Roads and Parkways funds will be used to reduce the backlog of maintenance needs for roads and bridges in the national parks. The specific projects that will be funded for all our partners are based on the program of projects that our partners initiate through the transportation planning process. The trend data based on the past few years, coupled with the number of active design projects underway currently, indicates that we can anticipate improving over 1000 miles of roads and about 40 bridges. The improvement of these roads and bridges enables the American public to access these national treasures across the country.

Focus will continue to emphasize and encourage Federal Land Management Agencies (FLMA) that we support to perform as well as report their findings during their bridge inspections in the appropriate format and in accordance with National Bridge Inventory Standards.

## Research and ITS

There is a continuing need to develop and implement comprehensive system preservation technologies for roads and bridges. To meet this need, an enhanced RD&T program will be continued for the preservation of roads and bridges. Improving pavement condition as a means of improving physical condition and performance of the NHS, including the Interstate System, remains a primary objective of the FHWA. This needs to be accomplished through an extensive program that includes active outreach programs and use of innovative technology, as well as continued effort by States to effectively maintain and rehabilitate the NHS in a timely manner. Improvement in pavement condition on federally owned roads will also be supported. Further, the FHWA will focus resources and grant funding for improving and preserving bridge conditions on the NHS and non-NHS routes. More widespread use of the latest highway materials and design technologies, new specifications and best practices for constructing and preserving pavements, as well as asset management tools and system preservation techniques, are expected to help maintain and improve the Nation's transportation infrastructure.

To optimize performance in the pavement design area, components will be developed that contribute to the further development of a truly mechanistic (i.e., performance predictive) design/analysis procedure and continued use and adoption of the recently developed AASHTO design procedure. Technologies will also be sought and employed to enhance highway user satisfaction by reducing delays, enhancing pavement smoothness, and optimizing surface texture for safety and noise. Initiatives in FY 2010 relate to research, development and deployment to support a fully integrated suite of tools for pavement management (including design, materials selection, construction specifications, including quality control/assurance, and preservation).

Additionally, pavements funds will be used in development of automated testing for construction and material quality assurance State process reviews, implementation of the new pavement design guide technology, investigation into innovative, and potentially better performing materials, development of pavement surface characteristic measuring equipment and technologies for faster construction (e.g., precast and prestressed concrete) and less energy intensive (e.g., warm asphalt) pavements, and technology to facilitate increased recycling.

The highway bridge and structure Research and ITS activities will focus on improved development and testing of a variety of innovative technology for non-destructive evaluation and methodologies for bridge management. The use of advanced materials such as fiber-reinforced polymer, high-performance steel and concrete, corrosion resistant reinforcing bars and corrosion resistant pre-stressing tendons will be emphasized. A systems approach to designing and building more reliable, durable bridges will also be emphasized. A wide variety of activities to assure bridge safety, reliability, and security will continue, with a particular emphasis on developing techniques to control structural corrosion and prevent other damage.

Asset management activities will focus on systematic management approaches to ameliorate the long-term cost effectiveness of highway investments. Programs include developing innovative methods for measuring and analyzing highway performance, sponsoring programs that enhance preservation of pavements and structures, encourage

the further development and use of performance related specifications, increase efforts to calculate remaining service life of pavements and structures, evaluate and implement new and/or innovative techniques/traffic control devices in work zones, and research leading to the use of modern economic tools for evaluating highway investments.

The FHWA will use resources to research, develop, and promote the deployment of new technologies, Asset Management Principles, materials, and analysis tools that will improve pavement and bridge performance and system cost-effectiveness. The FHWA will continue to provide technical assistance and training to State officials and other partners in order to encourage the deployment of technologies, including innovative construction techniques and preservation practices that improve pavement and bridge condition. Through the sharing of best practices and the provision of training, the FHWA will encourage State partners to use innovative bridge materials that are more durable and resistant to traffic loads and corrosive attack, resulting in less maintenance and fewer traffic restrictions. Adoption of these technologies should lead to overall improvements in pavement and bridge condition ratings.

Initiatives will focus on modeling the performance of bridges (i.e., remaining service life), enhancing construction quality through improved program management, stewardship, and oversight. Fundamental research on actual costs of maintaining and operating transportation facilities, including the integration of advanced pavement modeling into a new version of the Highway Economic Requirements System-State (HERS-ST) model, developing training in data integration techniques, encouraging improvement of management systems to monitor system performance and undertaking engineering and economic analysis as an integral part of the decision making process. The overall goal is to improve the remaining service life of the network through effective system preservation for the safe and efficient movement of people and goods on our highway transportation system.

Conduct the Exploratory Advanced Research program to explore longer-term, higher risk research with potentially dramatic breakthroughs for the next generation of highway infrastructure, addressing such issues as quality performance data, improved materials and systems, improved fabrication and construction practices, and new decision-making tools and models.

Responsible Officials:

Mr. King Gee, Associate Administrator for Infrastructure

Mr. John Baxter, Associate Administrator Office of Federal Lands Highway

Mr. Michael Trentacoste, Associate Administrator for Research, Development and Technology

Mr. Jeff Lindley, Associate Administrator for Operations

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## GLOBAL CONNECTIVITY

**DOT Performance Goal:** Safer, more efficient and cost effective movement of passengers and cargo throughout international and domestic transportation systems, including U.S. Ports of entry, modal and intermodal supply chains.

This funding request contributes to the DOT Global Connectivity strategic objective and the performance outcome goal to achieve safer, more efficient and cost effective movement of passengers and cargo.

**Number of freight corridors with an annual decrease in the average buffer index rating greater than the national average.**

<b>FY</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	N/T	5	13 (r)	TBD	TBD
<b>Actual</b>	3	5	21		

**INBOUND - Number of U.S. border crossings with increase in reliability.**

<b>FY</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	5	5	5	5
<b>Actual</b>	1	0		

**OUTBOUND - Number of U.S. border crossings with increase in reliability.**

<b>FY</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	5	5	5	5
<b>Actual</b>	4	2		

**Funding for this performance goal:**

This request will allow the FHWA to fund the development and dissemination of the analytic capability and professional capacity needed by Federal, State, international and private sector partners to understand, plan for, and accommodate freight and passenger movement, support U.S. foreign policy priorities and initiatives including expanded opportunities and access for U.S. transportation industry, and support the FHWA's efforts to coordinate highway transportation infrastructure and operations with planned changes at U.S. land borders. This includes data analysis tools, network performance metrics, improved freight modeling capability, professional capacity building, continuation of grants for both multi-State corridor and border efforts, linkages between investment decisions and impacts on land ports of entry, linkages between freight transportation and our national and regional economies, and improved bi-national planning. States and MPOs will also use these resources to improve freight and passenger movement into and through major trade transport gateways and hubs, improve the transportation infrastructure that connects these gateways to the Nation's mainline transportation networks, and relieve congestion related to high levels of truck traffic.

**Performance Issue**

The U.S. transportation system is an integral component of our national economy, enabling the movement of \$2 trillion in goods every year. In 2003, our Nation's transportation system carried almost 500 million people between the U.S. and Canada and the U.S. and Mexico. International trade currently accounts for about 25 percent of the U.S. Gross Domestic Product and this figure is anticipated to grow to 35 percent in the next 20 years. As the economy continues to expand its connection to global trade, the ability to move goods into and out of the U.S., through the transportation system, only increases in importance. Significant volumes of freight move through key corridors and border crossings of our transportation network. Free flowing corridors and land border crossings are vital to our nation's economy and defense. Yet this vital component is showing increasing signs of strain. Current congestion levels on our transportation system are beginning to adversely affect the movement of goods.

The border regions with Canada and Mexico are of particular interest to the economy of the United States. Taking into consideration combined imports and exports, Canada and Mexico are our top two trading partners. In 2001, the surface modes carried \$547.3 billion in trade between the U.S., Canada, and Mexico. These volumes immediately affect our border communities as well as the Nation as a whole. In addition to the freight movement, almost one million people each day move through our land borders for a variety of reasons that range from recreation and tourism, to access to health care, to employment and visiting family and friends.

Travel time and the variability of travel time on sections of the transportation network with significant volumes of freight are key indicators of how efficiently the U.S. is able to move its goods. The FHWA began measuring travel speeds along significant freight corridors in FY 2005. Data collection expanded to 25 freight corridors in FY 2008. The buffer index, a measure of travel time reliability, represents the extra time freight carriers should add to their average travel time in order to ensure on-time arrival, at least 95



percent of the time, for an end-to-end trip along the corridor. The extra time is added to account for any unexpected delay. The buffer index, which is expressed as a percentage, decreases as trip reliability improves. As travel speed measurements used to calculate an average travel speed along any given corridor become more consistent and reliable, the number of corridors with a declining annual buffer index rating should increase.

In FY 2008, the annual average travel speed in 25 corridors remained constant at 54.4 mph, when compared to the previous year; and no corridor had a decline in average annual speed greater than 1 mph. The national average annual buffer index was 24.5%. The annual average buffer index for 20 of the 25 corridors stayed the same or decline, while five corridors had an increase in annual average buffer index. The FY 2008 target, which was to reduce the buffer index in at least 50 percent of the corridors monitored, was met. To improve system performance and reliability, we will continue to work with partner agencies to encourage implementation of operational strategies and to execute the freight projects related infrastructure provisions of SAFETEA-LU.

Another key indicator of the transportation system performance is the crossing time for commercial motor vehicles, inbound and outbound, at U.S. at ports-of-entry with Mexico and Canada. In FY 2008, FHWA continued to measure truck travel times at five U.S.-Canada border crossings. Data collection and analysis expanded to 10 additional crossing regions along the U.S.-Canada border and efforts were initiated to measure crossing times in four U.S.-Mexico border regions. The annual average crossing time and annual average buffer index was reported for the five U.S.-Canada border crossings. Crossing times inbound and outbound are based on data collected from commercial trucks moving within two miles of the border crossing area. Inbound average crossing times decreased in three of the five border regions and average outbound crossing times decreased at three of the five crossings. Inbound crossing time reliability declined at all five border crossings area. Outbound crossing time reliability improved at two of the five crossing areas.

### **Anticipated FY 2009 Accomplishments**

The FHWA will continue to work with transportation investment decision makers to ensure they have the needed information, analytic capability and professional capacity to advance transportation projects that improve freight mobility. The FHWA will:

- Engage State and MPO stakeholders in the development freight professional capacity building through the Freight Professional Development (FPD) Program to ensure that this program is responsive to identified needs in the transportation community. Advance the usage of the freight data and freight performance measures in local decision-making. We will continue to work with States and MPOs in developing methods for acquiring and integrating local and national data in support of local project analysis.
- Advance improved commercial motor vehicle size and weight enforcement opportunities that improve freight throughput. This will include the usage of weigh-in-motion (WIM) technology, virtual weigh stations and electronic permitting of oversize and overweight permits.

- Actively promote the adoption of the Electronic Freight Management's information transfer protocols into select supply chains.
- Continue the work of improving our forecasting ability, which is critical to long term planning at the national, State and local level, by advancing our capacity to identify and analyze emerging trends. Increase the efficiency of freight movement by working with State and local partners to identify, evaluate, and improve the condition and performance of intermodal connectors. Actively assist States and MPOs to build public or private coalitions, both regional and local, that help integrate freight into transportation planning decision-making.
- Encourage the use of implementing technologies by States and MPOs to promote efficient movement of people and goods flows through international land ports-of-entry. Develop and advance institutional protocols to improve integration of transportation concerns in the movement of goods and people at international land ports-of-entry. Continue border technology exchange, collaboration and resource sharing mechanisms among border agencies. Continue to support bi-national planning in border regions with Canada through the Transportation Border Working Group and Mexico through the Joint Working Committee.

## **FY 2010 Performance Budget**

### Federal-aid Highway Program

The FHWA will continue to collaborate with State and local government agencies and the private sector to ensure more effective planning, improved data collection, modeling and analysis, and infrastructure and operational improvements. The FHWA will continue to refine the Frame Analysis Framework (FAF) and the FPD, continue to implement the products of the FMIP effort, and continue to create opportunities for joint planning with a variety of State, local and other Federal agencies.

Coordinated planning and collaboration with the General Services Administration (GSA), the Department of Homeland Security (DHS), State DOTs, and Canada, and Mexico will be continued so that better and more informed decisions for land ports of entry can be made. To carry out these efforts, the FHWA, GSA and DHS will sponsor joint conferences and training opportunities.

Border Planning, Operations, and Technology program funds, as well as research funds, will be used to improve bi-national transportation planning for the U.S. borders with Mexico and Canada. The FHWA will work to foster communications and coordination among GSA, the Transportation Security Administration (TSA), U.S. Customs and Border Protection and Border States by continuing the Joint Working Committee with Mexico and the Transportation Border Working Group with Canada. Participating in various interagency task forces such as the Border Station Partnership Council, the Border Governors, the U.S./Mexico Bridges and Borders Committee, and the Customs Border Infrastructure Modeling Working Group will help to improve communications.

The FHWA will also encourage States and MPOs at or near international land borders to use funds for highway and multi-modal planning or environmental studies; cross-border port of entry and safety inspection improvements, including operational enhancements as

well as technology applications, transfer and information exchange activities, and right-of-way acquisition, design, and construction projects.

#### Research and ITS

Research and ITS funds will be used to help reduce barriers to trade in the transportation of goods and services and allow more efficient movement of cargo throughout the international borders. Methods of improvement include GPS applications, use of Geographic Information System (GIS) applications, sensor and communications technologies, ITS technologies for freight tracking and monitoring, promotion of the Border Information Flow Architecture on both borders, and systems management and operations.

The FHWA Surface Transportation Environment and Planning Cooperative Research Program (STEP) will advance transportation environment and planning research to improve knowledge and understanding of crosscutting, complex transportation topics including: bi-national border planning initiatives with Canada and Mexico; improving the state of the practice of GIS and travel modeling; freight planning, safety planning, national systems and address other emerging critical issues.

Conduct the FHWA Advanced Research program to explore longer-term, higher risk research with potentially dramatic breakthroughs for the next generation of intermodal and freight transportation, addressing such issues as improved intermodal connections, innovations to create real-time traffic control and ensure productive global supply-chain freight logistics, and improved GIS applications.

#### Responsible Officials:

Ms. Gloria Shepherd, Associate Administrator for Planning, Environment, and Realty

Ms. James Cheatham, Acting Associate Administrator for Policy and Governmental Affairs.

Mr. Jeff Lindley, Associate Administrator for Operations

**DOT Performance Goal:** Enhanced competitiveness of U.S. transport providers and manufacturers in the global marketplace.

This funding request contributes to the DOT Global Connectivity strategic objective and the performance outcome goal to enhance the competitiveness of U.S. transport providers and manufacturers in the global marketplace.

**Funding for this performance goal:**

This request will allow the FHWA to fund the development and dissemination of the analytic capability and professional capacity needed by Federal, State, international, and private sector partners to support Departmental and U.S. foreign policy priorities and initiatives including expanded opportunities and access for U.S. transportation industry. This funding will also be used to support international adaptation of U.S. standards and specifications, thereby providing more opportunities for the U.S. private sector.

**Performance Issue**

Increasingly, the DOT and the FHWA provide direct support for U.S. Foreign policy priorities and initiatives, especially expanded opportunities and access for U.S. transportation industry. Currently, the Agency is providing technical assistance to countries such as Iraq, Kuwait, China, Israel, and Russia, thereby expanding opportunities for the U.S. private sector.

Through the International Scanning Program (in cooperation with AASHTO and NCHRP) and international partnerships, new technologies and best practices that were developed elsewhere are more quickly adopted in the U.S., thus enhancing the competitiveness of U.S. transport providers and manufacturers. As an example, findings from the April 2004 Prefabricated Bridge Elements and Systems Scan led to developments used in rapid responses to hurricane damage in both Florida and the Gulf Coast.

Requests for technical assistance from government agencies and private organizations in other countries continue to increase. The Agency provides technical assistance and information exchange in response and frequently gains from these exchanges; collaborating with a variety of firms and trade associations to access markets has led to millions of dollars in sales of U.S. technology.

**Anticipated FY 2009 Accomplishments**

By focusing efforts on these areas, the FHWA anticipates progress in meeting the following objectives:

- Continue the International Scanning program. The Scans planned for FY 2009 include: Reducing Congestion, Enhancing Environment and Funding Transportation using Road Pricing; Innovative Pedestrian and Bicyclist Infrastructure Improvements and Policies; Assuring Acceptable Bridge Safety and Performance through Advance Load Rating; and Linking Performance and Accountability to National and State/Metropolitan Budget and Revenue Increases.

- Finalize memorandums of understanding (MOUs) with strategically and economically important countries and continue implementation of cooperative activities pursuant to existing MOUs. These arrangements should produce opportunities for U.S. highway transportation stakeholders. For example, FHWA is facilitating an agreement between the State of Georgia and Israel, and is working with the Department of Commerce on activities to promote U.S. business opportunities, in addition to technology exchange in priority areas.

Safety and congestion topics will also be incorporated into technology and information exchange activities as well as initiatives undertaken to pursuant to existing MOUs, where appropriate given partners' expertise and/or technical assistance needs.

## **FY 2010 Performance Budget**

### Federal-aid Highway Program

Funds will be used to continue the International Technology Scanning Program, a cooperative program with AASHTO and NCHRP that accesses and evaluates innovative foreign technologies and practices that could significantly benefit U.S. Highway transportation systems. This approach allows advanced technology to be adapted and put into practice much more efficiently without spending scarce research funds to recreate advances already developed by other countries. In FY 2010, scans will be programmed for: Flexible Geometric Design; Freight Corridors; Mitigating causes of Motorcycle Fatalities; and Outdoor Advertising Controls.

Benefits of these programs and those noted below include: better knowledge of technology and best practices that can improve the U.S. surface transportation system and an increased rate of implementation for these innovations; improved communications among U.S. transportation entities and with their international counterparts; leveraging of resources; business opportunities created for the U.S. private sector; and harmonization of standards and specifications promoted worldwide.

The FHWA will work with existing partners to expand the number of technology exchange centers (i.e., with Korea and Iraq) and engage in technical and information exchange activities, as well as priority technical training, in selected countries such as Iraq and possibly Afghanistan. FHWA will develop and implement action plans for the highest priority programs of primary importance to the Department, including between other topics safety and innovative financing.

Funds will be used to facilitate critical communication between U.S. Agencies and international counterparts, both bilaterally and through international forums. FHWA works with its partners to develop, implement, and guide the Agency's international programs. Customers and partners include the other U.S. Federal agencies and departments; the United States highway transportation community, including State and local Departments of Transportation, academic institutions, professional organizations and industry associations and their members; international highway transportation organizations and foreign counterpart agencies, and international technical, financial and development agencies.

Funds will be used to increase efforts on projects that will bring more immediate benefits to the United States, aiding private sector efforts in other countries, adoption of U.S.-

endorsed standards, developing targeted bilateral agreements versus multilateral agreements, and best practices that may benefit State DOTs and transportation companies operating in the United States. FHWA will work with other federal entities in supporting strategic foreign policy goals, such as those in the Middle East, opening opportunities for the U.S. private sector as well. The FHWA intends to coordinate and State partners, establish partnerships between U.S. States and their foreign counterparts.

The FHWA will continue to facilitate technical exchanges and relationships leading to the use of international technologies and best practices. The FHWA expects to open opportunities for the private sector through its various programs, exchange information and technology with our counterparts abroad, and share the best and most current technologies and best practices with the U.S. transportation community by facilitating twinning relationships that benefit U.S., State, and international partners.

Responsible Officials:

Mr. Jim Cheatham, Acting Associate Administrator for Policy and Governmental Affairs.

Mr. Jeff Lindley, Associate Administrator for Operations

Ms. Gloria Shepherd, Associate Administrator for Planning, Environment, and Realty

## ENVIRONMENTAL STEWARDSHIP

**DOT Performance Goal:** Reduction in pollution and other adverse environmental effects, including greenhouse gases, from transportation and transportation facilities.

This funding request contributes to the DOT Environmental Stewardship strategic objective and the performance outcome goal to reduce pollution and other adverse environmental effects, including greenhouse gases, from transportation and transportation facilities.

### **Number of exemplary human environment initiatives.**

	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Target</b>	5	10	15	15
<b>Actual</b>	8	11		

### **Funding for this performance goal:**

This request will allow the FHWA to fund transportation improvement projects in states to help reduce mobile source emissions and adverse environmental effects including greenhouse gas emissions. Funds will also be used for research, technical assistance, and public education initiatives to improve air quality and reduce greenhouse gas emissions.

The number of Exemplary Ecosystem Initiatives (EEIs) undertaken was replaced in 2008 with Exemplary Human Environment Initiatives (EHEIs) as the primary measure demonstrating accomplishment in environmental and social stewardship. Examples of EEIs will continue to be solicited and recognized. This request will also allow FHWA and the States to continue to protect and enhance the Nation's wetlands and aquatic resources and help the FHWA achieve its goal of conservation of natural habitats and ecosystems.

### **Performance Issue**

Although EEIs are no longer a stewardship performance measure, eight were designated in FY 2008. Two of the designated EEIs were also EHEIs. The FHWA determined, however, that more effort in the area of human environment would be helpful in promoting environmental stewardship, and has adopted the new measure as a way to improve performance in this area. An EHEI is a transportation project or program that either creates or improves conditions for human activities. The six categories of eligible activities are: 1) encouraging non-motorized transportation; 2) enhancing the environment for human activities; 3) process improvements; 4) educational and training programs; 5) product development; and 6) others meeting the eligibility criteria. Eleven EHEIs were selected in FY 2008, and the target in both FY 2009 and FY 2010 is 15.

Transportation accounts for about 30 percent of total greenhouse gas emissions and is the fastest growing end-use sector of U.S. greenhouse gas emissions. Transportation-related greenhouse gases include carbon dioxide, nitrous oxide, and the indirect greenhouse gases carbon monoxide, non-methane volatile organic compounds, and nitrogen oxides. Carbon dioxide is the most commonly emitted greenhouse gas, accounting for 95 percent of U.S. transportation emissions in 2006. Over the past 20 years, contributions of emissions from on road mobile sources to all emissions have been rapidly declining. For example, on road mobile source emissions decreased 68, 36, 57, and 59 percent, respectively, for volatile organic compounds, nitrogen oxides, particulate matter, and carbon monoxide between 1980 and 2003. Though solid progress has been made to reduce airborne threats, more needs to be done to improve air quality. Areas exceeding or maintaining the NAAQS are required to meet transportation conformity requirements in the Clean Air Act. During the past eight years, the percent of nonattainment and maintenance metropolitan areas that met their emissions goals has increased and the number of metropolitan areas meeting their emissions goals is expected to increase. Currently all air quality and maintenance areas comply with the Clean Air Act conformity requirements. A number of changes to the conformity process will be implemented in FY 2010-2011 to address new requirements of new air quality standards of fine particulate (PM<sub>2.5</sub>) and ozone. The U.S. Environmental Protection Agency (EPA) is expected to release a new emissions model that will be required for emissions analysis. In the implementation of the changes, the FHWA and EPA will conduct numerous workshops, trainings, and other outreach activities to raise awareness of and to prepare State DOTs, Air Quality agencies, and MPOs to meet the requirements. In addition, new rulemaking and guidance documents will be issued by both agencies to ensure that the new conformity requirements and the implementation of the new model will be transitioned smoothly. FHWA will work with State and local agencies to coordinate the process well in advance of conformity determinations. Because of the advanced preparations, FHWA is expecting most nonattainment and maintenance areas will be able to meet the *Clean Air Act* goals thus enabling projects to proceed.

As transportation both contributes to, and is affected by, climate change, research has focused both on mitigation of transportation's contributions to greenhouse gas emissions and adaptation to potential impacts on infrastructure. However, additional research is needed to: 1) evaluate how land use, transportation infrastructure, and policy changes affect travel activity and greenhouse gas emissions; 2) understand how to incorporate sustainability in transportation planning, project development, construction and maintenance to address many challenges, including greenhouse gas emissions; 3) determine how new energy and greenhouse gas performance goals impact fundamental transportation system performance and inform the development of measures for slowing VMT growth and reducing emissions; and, 4) conduct assessments and determine data gaps of transportation infrastructure most vulnerable to the effects of climate change.

### **Anticipated FY 2009 Accomplishments**

By focusing efforts on these areas, the FHWA anticipates progress in meeting the following objectives:

- Complete the Wildlife Vehicle Collision Study and submit the report to Congress. Work has begun on a design manual and training course.



- Publish and promote a comprehensive report titled, *Roadside Revegetation: An Integrated Approach to Establishing Native Plants*. The report is intended for field level practitioners and designed to help fill current information and technology gaps, share strategies and techniques, facilitate collaborative processes through interagency and interdisciplinary coordination and help readers through the process of successfully establishing native plant communities on roadsides.
- In partnership with EPA, develop a Green Streets action plan. The FHWA is also working with HUD and EPA to develop a Complete Streets Action Plan.
- The FHWA is advocating to State DOTs and MPOs that Transportation Demand Management (TDM) strategies need to be considered in the development of land use plans to provide TDM supportive land use design, and in long-range transportation plans and Congestion Management Plans.
- Engage staff-level DOT personnel in understanding and implementing context sensitive/livability approaches. The strategy will help strengthen the opportunities to use CSS as a delivery mechanism for achieving livability outcomes. Federal policy directed toward livability should enable communities to integrate transportation and land use planning, foster multimodal transportation systems and effective multimodal connections, provide more transportation options to improve access to housing, jobs, businesses, services and social activities, increase public participation and enhance coordination of transportation and housing and healthy communities and reduce emissions.
- Develop a strategy to address adaptation issues, including a framework to conduct assessments and determine data gaps of transportation infrastructure most vulnerable to the effects of climate change. Guidelines will be developed concerning consideration of climate change impacts and adaptation in project development and environmental review. FHWA will also evaluate the benefits of ecosystems in the service of minimizing the effects from climate change on infrastructure.
- Continue research initiated under Phase I of the *Impacts of Climate Variability and Change on Transportation Systems and Infrastructure* study. Phase II will explore in greater depth information about impacts at the local level and will develop tools and guides for transportation planners. This work will include a *risk assessment tool* to allow decision makers to understand vulnerability to climate change and develop a process to implement transportation facility improvements in a systematic manner.
- Demonstrate the value of sequestering or capturing carbon from the highway right-of-way (ROW) through modified maintenance and management practices and through changes to the type of vegetation planted. The effort was initiated to help State DOTs reduce emissions and maintenance costs, generate revenue by selling carbon offsets on an appropriate market, and foster ancillary environmental services benefits, such as reduced erosion, better retention of storm water in soil, enhanced ability to hold snow, and improved wildlife habitat.

- Address the impact of the regulatory changes and to ensure that State and local agencies are aware of the new requirements well in advance to meet clean air goals. FHWA will continue to work with EPA and Federal Transit Administration (FTA) in the rulemaking process to address the new air quality standards.
- Continue to work with our State and local partners to implement the new provisions under the Congestion Mitigation and Air Quality (CMAQ) program and evaluate funded projects. The FHWA will continue to assess a sample of CMAQ projects for their impacts on system performance. The evaluation is being conducted in cooperation with FTA and EPA in 2 phases. A final report will include data where practicable on the emissions, congestion benefits of projects and their relative cost-effectiveness.
- Continue outreach for the *Eco-logical* publication, seek to advance 15 pilot projects that implement *Eco-logical* approaches, develop training for new assessment tools, and implement the results of the NAS report through development of a rapid ecosystem assessment methodology.
- Continue research on activities that help reduce greenhouse gas emissions from transportation infrastructure construction such as research on warm mix asphalt that allows production of asphalt mix at lower temperatures, thereby reducing fuel use and emissions.
- FHWA is also expanding efforts to increase the use of recycled asphalt and concrete pavements, roofing shingles and other potential reuse materials in the construction of highways, which reduces the cost of emissions related to the need to extract mineral resources, the production of highway materials and the transportation of materials.

## **FY 2010 Performance Budget**

### Federal-aid Highway Program

Since its inception in 1992, the CMAQ program has funded more than \$1 Billion annually in transportation projects, targeting improvements in air quality. More recently, annual investment levels have exceeded \$1.5 Billion. In 2010, the program will continue to help States with nonattainment and maintenance areas to implement specific initiatives for reducing transportation-related emissions. More cost-effective measures focusing on diesel emissions from freight are anticipated stemming from the new SAFETEA-LU provisions.

A major evaluation and assessment effort is being undertaken in two phases. Phase 1 was completed in FY 2008 and Phase 2 will conclude in FY 2009 to gauge the air quality impact of CMAQ projects. The assessment program also includes the development of a CMAQ database to track and help ensure the effective implementation of the program. NHS and STP funds will be used to support projects that reduce the social and environmental impact of system infrastructure improvements. FAHP funds apportioned to States and metropolitan areas will be used for planning activities, including the development of transportation plans that meet necessary conformity requirements.

The States will use FAHP funds apportioned for the NHS, STP, and Bridge programs to support various programs, including wetland and natural habitat mitigation, to reduce the environmental impacts to the larger watershed areas of transportation projects.

In FY 2010, the FHWA will continue to encourage States to use STP and NHS funds for projects to control invasive species and encourage adoption of native plants on projects, for pollution abatement and environmental restoration projects, and brown field site remediation efforts. These actions will contribute to minimizing the environmental impacts of federally assisted transportation projects. Continued and new training and coordination activities will help implement the principles embodied in *Eco-logical* and development and implementation of the rapid ecosystem impact methodology for the National Environmental Policy Act (NEPA) will improve efforts to streamline environmental and natural resource coordination and compliance measures.

FHWA anticipates an increase in performance measures that depict the quality of life as experienced by a traveler on the highway systems, street systems, sidewalk networks, bicycle and recreational trails. These livability performance measures would lead to a reduction of travel time, increased completed street grid networks, increased connected sidewalks and increased opportunities for bicycle or pedestrian activities.

FHWA will continue working with its program partners, resource and regulatory agencies to promote collaboration and a broader landscape approach to program management and project delivery. This includes the development and use of tools such as Wildlife Action Plans and Wildlife Habitat Linkages. FLH will continue to revegetate roadsides with native plants and conduct a national scan tour for documenting best practices and promote them through publications and training courses.

FLH will conduct a national scan tour to document best management practices for dust management practices, and address the environmental issues associated with road dust and the tools used to control dust and stabilize road surfaces.

### Research and ITS

FHWA will continue to undertake research on particulates, air toxics, the health effects of transportation emissions, energy and global climate change, CMAQ effectiveness, and evaluation of emissions models. Support for air quality and climate research will advance understanding of the relationship of surface transportation to the emerging areas of fine particulate emissions, toxic air emissions, and regional haze. The results will help the transportation community develop mitigation tools and technologies to reduce fine particulate emissions. The FHWA will pursue air quality research to develop analytical techniques and cost-effective mitigation strategies to reduce transportation-related emissions, disseminate such information through State and local networks, and permit development of viable transportation programs. This research is critical so that the transportation community can assist the Secretary and Congress in assessing transportation's contribution to air quality improvement.

Based on stakeholder input, the FHWA will use Surface Transportation Environment and Planning Cooperative Research Program (STEP) funds as seed money to advance transportation environment and planning research on long-term, systems issues. The research agenda is focusing on major, multi-year research initiatives to improve

knowledge and understanding of cross-cutting, complex transportation-environment topics, including: land use; ecology and natural systems; planning and performance measures; human health; environmental and socioeconomic relations; advanced technologies; and emerging critical issues.

The FHWA Exploratory Advanced Research program will explore longer-term, higher risk research with potentially dramatic breakthroughs for the next generation of transportation planning and environmental stewardship, addressing such issues as improve the data collected, systemize the data for easier use, and reduce the cost of the data collection for both the 20+ year planning activity and the 5 year programming: improve both the environmental data collected and reduce the cost of environmental data collection; develop an early prediction system that would indicate the potential for a reversal in the trend of increasing traffic based on technological change.

Funds will be used for research regarding land use, land cover, and surface data to determine the individual contributions of the various impervious surfaces to the overall storm water runoff issue. Research is also anticipated to address environmentally sustainable uses of the highway right of way, such as carbon sequestration and improved wildlife habitat through enhanced vegetation management techniques. Research will also be funded to evaluate Low Impact Development (LID) techniques for treating stormwater runoff. This research will help enable States to meet Clean Water Act National Pollutant Discharge Elimination Standards, Total Maximum Daily Load, and Section 404 requirements for highway projects.

Funds will also be used to research and support the development of wetland protection and enhancement, practical techniques of habitat restoration, and ecosystem analyses and characterization. Specific initiatives for which funding will be needed are: 1) Continued outreach and training in concepts from *Eco-Logical: An Ecosystem Approach to Developing Infrastructure Projects* (a collaborative initiative which is supported by FHWA and seven other Federal agencies); 2) Implementation, monitoring and reporting results for the pilot projects selected to test the benefits and identify any obstacles to using the concepts and methods in *Eco-logical*, and linking planning and environment; 3) Improved Endangered Species Act Section 7 procedures, including the web-based Biological Assessment tool which has completed 3 pilot projects and is scheduled for national rollout in June, 2009 and will need additional funding support for upgrades and actions to increase compatibility with other agency tools such as USFWS Information Planning and Consultation system (IPaC); 4) Enhanced outreach for research results implementation, and 5) Continued storm water research.

Responsible Officials:

Ms. Gloria Shepherd, Associate Administrator for Planning, Environment, and Realty

Mr. King Gee, Associate Administrator for Infrastructure

Mr. John Baxter, Associate Administrator for Federal Lands Highway

**DOT Performance Goal:** Streamlined environmental review of transportation infrastructure projects.

This funding request contributes to the DOT Environmental Stewardship and Streamlining strategic objective and the performance outcome goal to streamline environmental review of transportation infrastructure projects.

**Median time in months required for all Federal-aid Highway projects to have a completed EIS or EA.** (For DOT funded infrastructure projects (FHWA results only))

	2003	2004	2005	2006	2007	2008	2009	2010
<b>EIS Target</b>	51	48	45	40	36	60 (r)	54 (r)	48 (r)
<b>EIS Actual</b>	66	55	61(r)	60 (r)	69 r)	63		

(r) Revised

**Funding for this performance goal:**

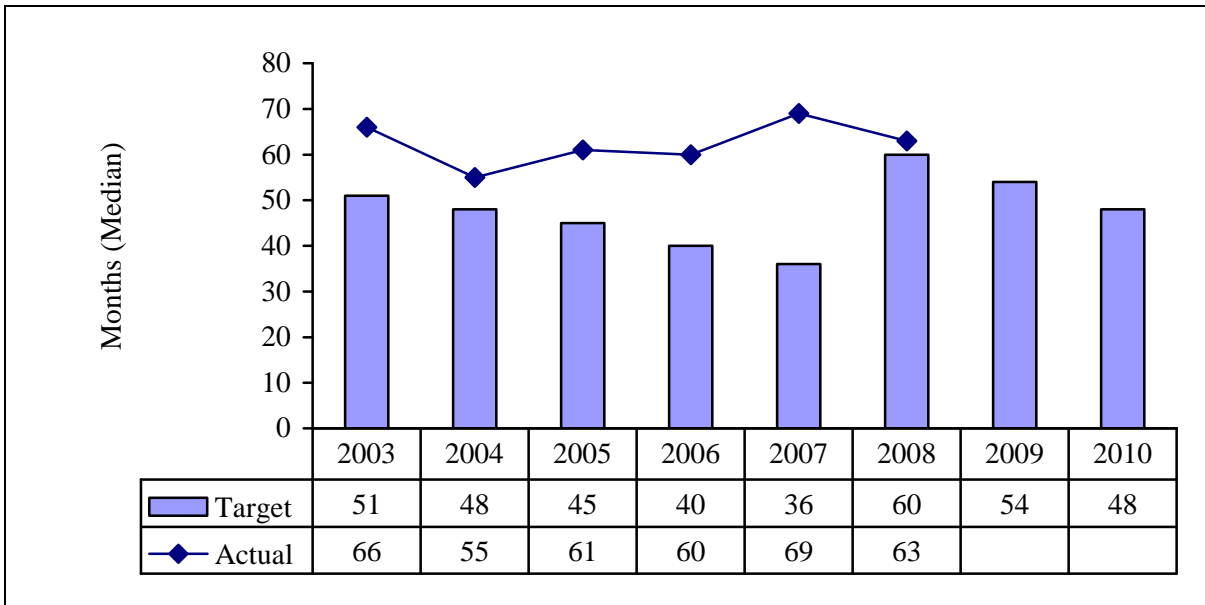
This request will enable the FHWA to implement environmental streamlining activities that encourage States and resource agencies to: 1) establish and meet timelines for all projects with an EIS and 2) use the Executive Order 13274 to resolve obstacles to environmental review early and develop new streamlined procedures, promote widespread implementation of environmental stewardship during project development through Context Sensitive Solutions (CSS), and promote processes that integrate environment and transportation decision making in more States. In addition, it serves as a surrogate for measuring implementation of the SAFETEA-LU environmental process provisions.

**Performance Issue**

Project delays impede needed transportation system improvements. Streamlining of environmental reviews and documentation is essential to mitigating time delays and implementing highway projects on a more timely and cost effective basis. To date, progress has been slow because of the magnitude of the issues and the pipeline effect of complex projects with an EIS and EA initiated many years ago. States are responding to reductions in staffing and budgets at resource agencies by increasing the use of funding agreements for liaisons and data to support streamlining. Progress can be masked by the process delays created from responding to emerging issues, such as air toxics, climate change and changes in wetland banking and delineation rules.

As illustrated in Figure 4, the median time to complete the environmental review process for all Federal-aid projects in FY 2003 was 66 months, or five and a half years. Due in part to efforts to include additional longstanding projects in the inventory, the median time increased to 69 months in FY 2007. The median time to complete the environmental review process decreased to 63.5 months in FY 2008.

Because of the recent trends, the FHWA and DOT revised the targets from FY 2008 to FY 2010 to a more realistic level during 2008. The new target in FY 2009 is to decrease the median completion times for all EISs to 54 months. Working with State DOTs, the FHWA will strive to establish schedules for completion of all EISs and advance them on schedule. In the longer-term, these targets will be maintained and efforts will be made to remove projects with no action from the list of projects with an active EIS.



**Figure 4. Median EIS Processing times, FY 2003 - 2010.**

### Anticipated FY 2009 Accomplishments

By focusing efforts on these areas, the FHWA anticipates progress in meeting the following objectives:

- Encourage States and resource agencies to establish and meet timelines for all projects with an EIS, and will help resolve obstacles in the environmental review process at early stages for designated Executive Order 13274 priority projects and Section 6002 Projects. FHWA will continue to promote the use of collaboration and conflict resolution techniques to address issues and concerns early and work to prevent project delays. Efforts will be made to strengthen the planning and environmental linkages that can lead to a seamless decision-making process, minimize the duplication of effort, promote environmental stewardship, and reduce delays in project implementation;
- Prepare a report regarding the use and effectiveness of the Section 6002 Environmental Review Process. Many SAFETEA-LU environmental process

provisions include tracking and reporting measures that will aid states in their continuous improvement efforts.

- The path towards community and financial support for transportation improvements is based on widespread awareness and practice of CSS principles. Many public involvement tools and methods need to be updated in response to changes in innovative financing, visualization, environmental management systems and commitment tracking systems, as well as process changes to planning and project development.
- FLH will continue to identify and implement environmental streamlining activities. This includes working with our FLMA partners to better link planning activities with the requirements of NEPA. Action plans in development will be implemented and the duration of EIS documents will be tracked. FLH will emphasize sound project management principles to improve and streamline the entire project delivery process. In addition, FLH will continue to promote certification of its project managers through the Project Management Institute.
- Place substantial emphasis on identifying and developing time-sensitive and cost-effective techniques to redesign, integrate, and balance environmental and transportation decision-making so that the environmental review process is completed in less time. In addition, the FHWA will continue to work with other Federal agencies and State transportation departments to advance administrative measures to streamline environmental reviews. These will involve national policy initiatives with the U.S. Army Corps of Engineers, the U.S. Fish and Wildlife Service, the Forest Service, the EPA, the National Marine Fisheries Service and the Advisory Council on Historic Preservation. It will also involve providing support for State and regional measures that provide new models for environmental review efficiency.
- Encourage State DOT leadership to reinforce the CSS policy and put it in context of emerging initiatives such as livability and sustainability, facilitate saturation training in CSS, and promote visibility for State CSS projects. The FHWA continues to lead national partners in providing CSS resources to support states, building training and education capacity, raising awareness by expanding the CSS website to have more clearinghouse functions, and facilitating a CSS national dialog to promote peer exchange. Additional assessment and performance tools will be generated to support projects with more livability features: energy efficiency, reduction in green house gas, noise reduction, and the project's ability to improve access for drivers and non-drivers, to safe and convenient transportation alternatives. This will be in addition to the continued effort to preserve and/or improve scenic, aesthetic, historic and environmental resources via collaborative decision-making processes.

## **FY 2010 Performance Budget**

### Federal-aid Highway Program

Environmental process changes were made in response to SAFETEA-LU. The Planning and Project Development Process is starting to reflect the implementation of new guidance, rulemaking, and delegation pilot efforts. Assessment and tracking methods are being implemented to identify trends in environmental stewardship and streamlining. Good practices to promote and opportunities for problem solving will emerge. AASHTO was awarded a three-year contract to continue the Center for Environmental Excellence, which will increase its role as a clearinghouse for practitioners.

Significant interagency collaborating and co-funded initiatives continue to be needed to implement integrated planning and linking planning and NEPA State and regional efforts. Collaboration and coordination of resource agency research initiatives with transportation priorities will be accomplished through Executive Order 13274, Federally funded Liaisons, and the STEP outreach effort. Interdisciplinary teams of partners will be called on to form policy and program options that advance the Transportation Secretary's Livability Initiative.

FHWA will continue to measure progress toward increasing the number of CSS case studies via the CSS Clearinghouse. These case studies will identify the analysis tools and process improvements that emphasize livability through aspects related to: creation of new transportation choices for travelers; mitigation of noise and light pollution; waste reduction through reuse and recycling of materials; and sustainable stormwater management systems.

Advances in geospatial and decision support technology and the training of project development practitioners in tiered and scalable reviews continue to be needed to address the ever-growing complexity of major project development. Improved scoping, impact analysis and creative mitigation approaches are dependent on good proactive responses to changes in best available science.

The FHWA Surface Transportation Environment and Planning Cooperative Research Program (STEP) will fund research to advance transportation environment and planning research to improve knowledge and understanding of crosscutting, complex transportation-environment topics including: environmental stewardship, environmental streamlining and context sensitive solutions. This research will be used to develop and implement new tools, strategies and initiatives to enhance the transportation and environmental decision-making process.

#### Responsible Officials:

Ms. Gloria Shepherd, Associate Administrator for Planning, Environment, and Realty

Mr. King Gee, Associate Administrator for Infrastructure

Mr. John Baxter, Associate Administrator for Federal Lands Highway



## **SECURITY, PREPAREDNESS AND RESPONSE**

### **DOT Performance Goals:**

- Rapid, effective decision-making in emergencies affecting the viability of the transportation sector.
- Expert transportation sector intelligence.
- Preparedness for response to emergencies affecting the transportation sector.
- Effective response to emergencies affecting the transportation sector.

This funding request enables the FHWA and DOT to balance the need to protect critical transportation infrastructure with the safety, mobility and economic needs of the nation, respond to emergency need following disasters of all types, and providing for rapid recovery of transportation in all modes from intentional harm and natural disasters.

### **Funding for this performance goal:**

This request will allow the FHWA to enable State departments of transportation to implement critical security enhancement activities in the areas of critical infrastructure vulnerability assessments and countermeasure deployment; emergency operations, preparedness and response; freight and border security operations; and national defense mobility using the Strategic Highway Network.

This request will allow DOT to continue to address State and local needs in recovering from natural and man-made disasters, to provide technical assistance and guidance to FAHP fund recipients on strategies designed to protect critical transportation infrastructure from attack as well as in responding to emergencies of all types.

### **Performance Issue**

The highway system is not only critical to the Nation's economic vitality and quality of life, but it also plays a key role in every emergency event. The transportation system must function efficiently in order to evacuate threatened populations including special needs and transit-dependent populations and pets, allow first responders to get to the scene, and facilitate the movement of supplies into and out of the area. Access to critical infrastructure during and after an incident must be safeguarded and mobility must be restored in the days and months after an event.

### **Anticipated FY 2009 Accomplishments**

By focusing efforts on these areas, the FHWA anticipates progress in meeting the following objectives:

- Provide training and technical assistance to State and local transportation agencies to enable them to enhance the security of the nation's highway infrastructure and to prepare for and respond to all hazard disasters and emergencies.

- Provide risk assessment and countermeasure training to State bridge engineers. The results of the pooled fund studies into blast induced loadings on bridge structures and countermeasure development work will be disseminated through this FHWA-led training effort. The FHWA will continue its collaborative effort with AASHTO to incorporate cost effective security strategies into current and future bridge design guidance and standards.
- Release the results from FHWA/TSA/AASHTO sponsored regional infrastructure security and emergency management workshops to provide effective practices, concepts, and ideas for use by State and local agencies in enhancing transportation security and emergency management capabilities.
- Deliver training products, to State departments of transportation on Component Level Risk Assessment, National Incident Management System for Frontline Transportation Workers, and Organizing a State DOT for Security and Emergency Management.
- Produce State DOT requested training products on an Exercise and Evaluation Program for State DOTs and on the Principles of Evacuation Planning.
- Continue to work with TSA in the development of security policy and work to involve the many public and private sector partners in this effort through the Stakeholder Panels organized under the auspices of the National Infrastructure Protection Plan and the Transportation Sector Security Plan and its accompanying Highway and Motor Carrier Annex.
- In collaboration with the DHS and AASHTO, lead and promote bridge and tunnel security technology through workshops and conferences.
- Offer the services of the FHWA Engineering Assessment Team to highway infrastructure owners to assess the risk to and vulnerability of critical bridges and tunnels and to offer mitigation strategies.

## **FY 2010 Performance Budget**

### Federal-aid Highways Program

Federal-aid funds allocated to States will be used to support the projects and initiatives identified in State and local security plans, such as increased bridge surveillance, retrofit of existing facilities, or the enhancement of new facilities to meet current and future security needs. State departments of transportation will use a portion of their FAHP funds to support the pooled fund Security and Emergency Operations Professional Capacity Building Program to meeting their needs for training and technical assistance in these areas. Working closely with TSA, the FHWA will encourage States and local communities to use available funds to identify their critical transportation infrastructure, perform risk assessments of those facilities, and implement cost effective countermeasures to reduce risk of catastrophic loss. The FHWA will encourage State and local governments to consider security program options and strategies identified during the regional workshops conducted in FY 2007. The FHWA will continue to provide

technical assistance and training in areas ranging from risk assessment and countermeasure implementation to emergency preparedness and operations.

Funds will be used to support follow-up activities directed by Congress and the Secretary in improving nationwide evacuation planning and capacity building. The FHWA will: 1) Continue developing a variety of tools to aid emergency management, public safety, transportation and other governmental officials in their attempts to improve evacuation plans and building capacities; 2) Complete the evacuation primer series and conduct Regional workshops on how to build an effective evacuation plan; and 3) Inaugurate an Emergency Transportation Operations Knowledge Management Center that will distill key information—including relevant findings, lessons learned and best practices—to be used by officials from multiple disciplines who are engaged in emergency transportation operations. Expected outcome is to increase the preparedness for emergencies affecting the transportation sector.

#### Research and ITS

The FHWA, together with the National Capital Planning Commission (NCPC), the Department of State, the General Services Administration, the Department of Homeland Security, and others have formed a Perimeter Security Testing Working Group to design and test aesthetically enhanced streetscape that function as barrier elements for use at federal properties federal properties nationally and abroad. The FHWA contributes through the use of models and simulations initially developed for roadside hardware safety analysis. Funding is requested to engineer (including limited crash testing to verify their effectiveness) alternative barrier treatments that meet the Urban Design and Security Plan adopted by the NCPC in October of 2002. The parties have a common interest in ensuring that barrier elements that secure the perimeter of federal buildings are tested for reliability against vehicular attack and are designed to be complementary to the surrounding environment.

Proposed FHWA activities in support of national security also include: 1) Develop and Deliver Security Training (TRB/AASHTO Survey found training to be a primary need identified by State DOTs); 2) Identify and promote best practices and new technology in highway security; and 3) Partner with ASSHTO Special Committee on Transportation Security in delivery of Seminars and Workshops in Highway Security

Conduct Exploratory Advanced Research program to identify, develop and assess promising innovations that could provide significant improvements to national security and response our surface transportation systems.

#### Responsible Officials:

Mr. Dan Ferezan, Program Manager for Transportation Security

Mr. Jeff Lindley, Associate Administrator for Operations

Mr. King Gee, Associate Administrator for Infrastructure

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## ORGANIZATIONAL EXCELLENCE

**DOT Performance Goal:** Advance the Department's ability to lead and manage for results through effective leadership, a high-performing workforce, responsible stewardship, and innovative solutions. Achieve strategic management of human capital, integrated systems, resource management, improved financial performance, and budget and performance integration goals.

This funding request contributes to the DOT Organizational Excellence strategic objective and the FHWA Strategic Plan objectives under Corporate Capacity.

### **Human Resources**

#### **Anticipated FY 2009 Accomplishments**

The FY 2009 plan reflects our continuing commitment to assisting the Department in achieving its Organizational Excellence objectives. We plan to actively participate in planning and decisions that may lead to future reviews of functional areas that are identified as offering the greatest potential for cross-modal efficiency and attention. The FHWA anticipates progress in meeting the following objectives:

- FHWA's 5-Year Human Capital Plan will be revised to implement a new model for achieving a multidisciplinary workforce with competencies to provide program stewardship, address transportation system challenges, and provide national transportation leadership. The Agency has strengthened succession planning through the development of a workforce implementation plan focusing on strengthening the pipeline into leadership positions. FHWA is continuing to assess needed skill changes of FHWA employees through workforce assessments, and is making continued progress in closing gaps in mission critical occupations (e.g., financial management and information technology). A significant number of FHWA leaders are retiring. In fact, for the period January 1, 2008 through December 31, 2008, FHWA made twenty-one selections in the Senior Executive Service. This number represents 40 percent of the total FHWA SES-Career allocation. Aggressive recruitment, hiring and development programs have been implemented to provide for continuity in the workforce. In FY 2009, FHWA continues to sustain the increase in the employment level that was achieved in FY 2008. Approximately 200 new employees have been hired.
- The national emphasis on America's roads and bridges has catapulted the FHWA into the national spotlight. To ensure that FHWA positively represents the US Government and the Department of Transportation, the FHWA has established a new coordinated agency-wide recruitment and outreach program. The recruitment website has been revitalized and our student programs are a key focus on educating today's youth on the importance and value of transportation in America. In fact, the FHWA, which manages the Department of Transportation's Summer Transportation Program for Diverse Groups, received approximately 700 student applications for approximately 125 student assignments throughout the DOT.

- Due to the American Reinvestment and Recovery Act (ARRA) emphasis on improving America's infrastructure, the FHWA program and workload has almost doubled. To meet this demand in an expeditious manner, the FHWA has developed flexible and transparent staffing plans emphasizing the use of a variety of hiring flexibilities. The agency received Office of Personnel Management approval for dual compensation waivers and direct-hire authority to meet immediate short-term needs created by ARRA.
- For longer-term needs related to the ARRA and succession planning, the Agency has expedited the filling of up to 40 positions. The Professional Development Program has hired and developed entry-level individuals in mission-critical disciplines (e.g., financial management and engineer) for long term succession planning. On average, 40 percent of FHWA's hires are at the GS-12 through GS-14 levels. These mid-career hires are critical to the Agency's succession planning, and oftentimes require the use of special recruitment initiatives and incentives to attract diverse candidates with the needed multidisciplinary skills. The FHWA has consistently demonstrated its ability to attract, hire, and maintain the maximum number of employees for which the Agency has the salary funds to support.
- An in-depth data analysis of key workforce trends and recommendations to address concerns was developed and presented to the FHWA Leadership Team in various forums, with a focus on increasing the diversity of occupations and enhancing the acculturation of new employees into the FHWA workforce. Senior Agency leaders have expressed their commitment in addressing critical diversity issues, including increasing the diversity in the FHWA pipeline, particularly women, Hispanics, and persons with disabilities.
- The FHWA will continue to implement its Diversity Action Plan, including the development of a Diversity Website for FHWA employees and creating an organizational climate that enables a multidisciplinary workforce to achieve the strategic goals of the Agency. Within the agency, the Offices of Human Resources, Civil Rights, and Chief Counsel have developed a unified approach in addressing employee issues and complaints and providing technical support to the agency's leadership as they work through various processes.
- The Agency's Learning and Development Program is being realigned to focus on key corporate, leadership, and professional competencies in the workforce to ensure continued improvements in stewardship, program oversight, and financial management. A new learning and development framework and brand, the FHWA Learning Highway, has been established to provide the all employees with a redefined and focused learning and development program. A new web page has been developed and promotes a cohesive image of all aspects of the FHWA Learning and Development program. Individual development plans are incorporated into the learning and development process and lay the groundwork for development in the corporate and leadership competencies. Learning opportunities are offered in a variety of mediums, including web and video conferencing, on-line courses and instructor led courses. Using a blended

approach to learning enables the FHWA to respond more quickly to the learning needs of our employees. The establishment and refinement of the Developmental Clearinghouse, providing “virtual” rotational assignments will be promoted throughout the Agency. This program provides a larger number of FHWA employees to participate in developmental assignments, while reducing the use of scarce learning and development funds.

- The Agency has created and begun to implement the Discipline Support System to foster the focused development of core disciplines and insure employees have the competencies to effectively administer the FHWA program. The Discipline Support System defines seven elements that each discipline must address to improve communication, education, and collaboration within the discipline. Employees providing technical assistance have readily available guidance to enhance their ability to perform the core functions of the agency. To maximize the extremely limited resources for learning and development, the FHWA has consolidated and refocused funding to develop and deliver professional development seminars for approximately half of the employees at the GS-11 to GS-13 grade levels. These seminars are focused on the development competencies so employees can excel in providing program stewardship and technical guidance. The agency is using in-house discipline experts and Agency leaders as instructors and mentors.
- Leadership competencies and supervisory skills continue to be emphasized, with a comprehensive program developed for supervisors at all stages in their career, from those in their first year of supervisory responsibilities to those who need refresher training. FHWA has implemented a new 360-degree assessment for supervisors, managers, and executives in the Headquarters offices to provide feedback and areas for developmental growth.
- Improving performance management skills continues to be a high priority initiative. The FHWA and OPM employee survey results have indicated a strong need to provide training for supervisors and employees. Performance management training, for both supervisors and employees, was provided on how to improve metrics in performance standards, how to hold employees accountable for achieving organizational goals, and how to deal with performance problems. The FHWA ensured that awards were used to recognize achievements that advanced the Agency’s goals and objectives. Awards funding and administration is transparent and directly linked to specific performance objectives.
- FHWA is participating in Department-wide accountability reviews. The FHWA Automated Staffing Office, which provides automated and consolidated staffing services to all DOT agencies except the Federal Aviation Administration and Office of the Inspector General, will be evaluated by OPM for adherence to the OPM Delegated Examining Unit regulations and requirements. Results, recommendations, and required actions will be reviewed prior to the end of the year and implemented in 2010.
- FHWA is implementing the Office of Personnel Management (OPM) initiative to improve the federal hiring process by integrating and re-engineering five of its

key components: (1) Workforce Planning; (2) Recruitment; (3) Hiring Process; (4) Security/Suitability; and (5) Orientation. This year, the Agency will be establishing baselines in these five areas. In addition, the New Employee Survey was initiated to gain insight into new employees' overall satisfaction with the hiring and orientation processes. This survey will be administered on a quarterly basis. Targets for improvement in each of the five areas will have also been established.

- The E2E initiative is designed to transform the competitive hiring process for applicants outside the Federal government by making the process more efficient and effective for all involved including hiring officials, applicants, and human resources professionals.
- Homeland Security Presidential Directive-12 (HSPD-12) requires that all Federal employees have at a minimum a basic background investigation on file, and many employees need to have their clearances updated. This significantly increases the costs to the program.

### **FY 2010 Performance Budget**

FHWA will continue to focus on implementing aggressive recruitment and developmental programs to ensure the Agency pipeline has a sufficient number of diverse and multidisciplinary employees to meet the anticipated attrition in leadership positions, and that employees have the corporate, leadership and professional competencies to promote our strategic goals in national leadership, program delivery, and system performance.

Under the ARRA, there will be a continued interest in the FHWA and its mission. The Agency's workforce must be able to quickly adjust to change to achieve current and future Agency goals. The corporate recruitment and outreach program will provide oversight and direction in defining and implementing targeted recruitment strategies for its mission critical occupations. Enhancing education and recruitment will be increasingly more important, reaching students as early as high school to promote careers in transportation. Student employment and education will serve as a pipeline into the Professional Development Program, the primary entry-level program for the Agency. The Professional Development Program will provide entry-level employees with the necessary competencies, knowledge, and understanding of the Federal program to support a strong succession plan. Hiring of mid-career employees (GS-12 through GS14) will continue to play a critical role in supporting the Agency's long term succession plan, while enhancing the availability of employees with diverse backgrounds and skills (.4 million). Recruitment and retention incentives and initiatives are needed to attract and retain the high caliber of applicants needed to meet the Agency's mission.

The commitment of Senior Agency leaders in addressing critical diversity issues, including increasing the diversity in the FHWA pipeline, particularly women, Hispanics, and persons with disabilities, will continue. Representation of underrepresented groups at the GS-13 through GS-15 levels and attrition by targeted groups, including women and employees with disability will be addressed. A toolkit for managers listing resources and available hiring authorities available for hiring persons with targeted disabilities will be available, and the diversity website will be fully functioning with regular leadership



input. The resolution of grievances and processes, such as reasonable accommodation, will continue to be communicated and promoted.

The Discipline Support System will be completed for 16 core disciplines (e.g., safety, structures, finance) and will provide employees with greater knowledge and guidance to effectively administer the FHWA program. Eight disciplines will hold seminars to promote communication, increase competencies and skills, and provide an opportunity for networking within each discipline. These seminars will focus on the professional competencies needed by field specialists to excel in their disciplines, using in-house discipline experts and Agency leaders as instructors and mentors. Current policies, regulations and guidance for each Discipline will be available and updated on the Agency's Discipline Reference Library Website.

The Agency's Learning and Development Program will fully implement the FHWA Learning Highway, focusing learning opportunities on corporate, leadership, and professional competencies in the workforce to ensure continued improvements in stewardship, program oversight, and financial management. Learning opportunities are offered in a variety of mediums, including web and video conferencing, on-line courses and instructor led courses. Using a blended approach to learning enables the FHWA to respond more quickly to the learning needs of our employees. The establishment and refinement of the Developmental Clearinghouse, providing virtual rotational assignments will be promoted throughout the Agency. This program provides a larger number of FHWA employees to participate in developmental assignments, while reducing the use of scarce learning and development funds.

A New Employee program will be implemented, providing new FHWA employees with a greater understanding and knowledge of the Federal Highway program. This program will provide new employees with knowledge of the underlying regulations, program responsibilities, and oversight functions needed to successfully fulfill the Agency's mission. It will also provide a greater opportunity for mid-career hires to inculcate into the Agency and achieve more immediate success.

Leadership competencies and supervisory skills will continue to be emphasized. A comprehensive program for supervisors at all stages in their career, from those in their first year of supervisory responsibilities to those who need refresher training, will be implemented. The FHWA has fully implemented the 360-degree assessment for supervisors, managers, and executives throughout the Agency to provide feedback and areas for developmental growth in the leadership competencies.

Under ARRA, transparency of operations will continue to be increased and risk management will be an important element in the Agency's efforts. Risk considerations will be considered in the development of key human capital and succession planning. Supervisors and managers will be responsible for ensuring employees are being held accountable to their performance objectives, and objectives are directly linked to the appropriate unit plan or strategic initiative.

The awards and recognition program will be closely evaluated to ensure the allocated funds are distributed based on success in meeting performance goals and objectives that advance the Agency's mission. Performance objectives are linked to the DOT's strategic plan and are aligned down to the individual performance level. The Agency has

requested GOE funds for its employee recognition and awards budget to support the strengthening of the performance culture in the FHWA.

The FHWA will implement any finding and recommendations from the Office of Personnel Management review of the DOT Automated Staffing Office.

Using the baselines established in 2009, the Agency will implement the Office of Personnel Management (OPM) initiative to improve the federal hiring process by integrating and re-engineering five of its key components: (1) Workforce Planning; (2) Recruitment; (3) Hiring Process; (4) Security/Suitability; and (5) Orientation. This year, the Agency will be establishing baselines in these five areas.

## Information Technology

### **Anticipated FY 2009 Accomplishments**

The FHWA anticipates progress in meeting the following objectives, by continuing to:

- Implement the best practices identified during the Agency's Information Technology (IT) field study, support innovative solutions, and responsible stewardship initiatives through contributions and participation, and continue to support the Department in its Lines of Business and Smartbuy initiatives and its IT efforts such as infrastructure consolidation, use of enterprise licenses, and lowering IT-related costs.
- Serve as the co-Chair of the Department's CIO Council that helps leverage technology and works on crosscutting IT initiatives within DOT. The council meets regularly throughout the year. FHWA will also continue the consolidation of IT infrastructure in FHWA field offices.
- Focus on developing and implementing the segment architecture and on evaluating performance within each segment to identify gaps and determine where new investments may be needed. The Agency's Investment Review Board (IRB) will continue to strengthen its governance processes. The IRB developed risk-based ranking criteria for IT systems and ranked all of the Agency's systems based on that criteria. After consultation with the Agency's Leadership Team, the IRB will prioritize all systems. The IRB will also continue to ensure that enterprise-wide solutions are considered to achieve better return-on-investment at least quarterly as part of the capital planning process, to ensure the Agency is progressing toward its target architecture.
- Upgrade its compliance with the Federal Information Security Management Act (FISMA). We will further implement new measures and complete actions as required by the Office of the Secretary, such as identifying security measures for equipment and systems and implementation actions to eliminate security vulnerabilities identified by the Office of Inspector General.
- Enhance its IT systems to monitor and report on FHWA American Reinvestment and Recovery Act of 2009 (ARRA) projects and costs to ensure we are meeting the Act's requirements for accountability and transparency.

### **FY 2010 Performance Budget**

FHWA will continue to co-chair the Department's CIO Council that helps leverage technology and works on crosscutting IT initiatives within DOT.

FHWA will continue to refine and use Enterprise Architecture (EA) to guide IT investments in support of the Department and the FHWA's strategic goals. Some of the areas that we will continue to focus on will include streamlining business processes, ensuring business and information technology alignment, increasing

information/knowledge sharing, and expanding reuse. In addition, the FHWA will continue to ensure the integration of EA and capital planning.

FHWA will continue to improve and refine management of the FHWA IT portfolio. To enhance IT security, we will continue to implement the provisions of Homeland Security Presidential Directive - 12 (HSPD-12). We will also continue the consolidation of IT infrastructure in FHWA field offices

FHWA will support innovative solutions, and responsible stewardship initiatives through its contributions and participation that support the Department in its Lines of Business and Smartbuy initiatives and its IT efforts such as infrastructure consolidation, use of enterprise licenses, and lowering IT-related costs.

## Financial Performance

### Performance measures

**Percent of major Federally funded transportation infrastructure projects with less than 2 percent annual growth in the project completion milestone as reported in the finance plan (target is 90 percent in 2011).**

	2004	2005	2006	2007	2008	2009	2010
<b>Target</b>	N/T	N/T	N/T	N/T	90%	90%	90%
<b>Actual</b>	50%	83%	86%	85%	86%		

**Percent of finance plan cost estimates for major Federally funded transportation infrastructure projects with less than 2 percent annual growth (target is 90 percent in 2011).**

	2004	2005	2006	2007	2008	2009	2010
<b>Target</b>	N/T	N/T	N/T	N/T	90%	90%	90%
<b>Actual</b>	75%	83%	86%	85%	79%		

The resources included in the budget submission will enable the FHWA to improve major project oversight and program stewardship, improve program delivery through the development of program guidance, technical assistance, tools and training.

### Performance Issue

Stewardship and oversight of Federal funds administered by FHWA represents a significant performance goal for FHWA. Incremental improvements to our Financial Integrity Review and Evaluation program over the past four years have enabled FHWA to expand our oversight to States and Federal Lands Highways resource agencies, and to ensure that internal management controls are implemented, sustained, and evaluated agency-wide.

FHWA demonstrated the high quality of its financial management in FY 2008 by achieving an unqualified audit opinion with no identified material weaknesses. In addition, FHWA has greatly expanded its oversight of State financial management systems through periodic reviews and by consulting on States implementation of new financial systems.

Program oversight and program stewardship are critical and ongoing strategic objectives for the FHWA. In this regard, the FHWA must continue to focus its resources on activities that ensure that every Federal dollar is well spent and that program operations and processes are efficient and streamlined. Monitoring the cost, schedule, and performance of Federal-aid transportation infrastructure projects, especially major projects (those costing over \$500 million) are critical to identify problems and initiate action to mitigate risks.

In 2000, the FHWA began monitoring project cost and schedules on major projects by reviewing and approving project Finance Plans and annual updates. SAFETEA-LU lowered the monetary threshold for classification as a Major Project from \$1 billion to \$500 million and Project Management Plans were made mandatory for all major projects. The impact of the lowered monetary threshold immediately increased the number of Major Projects from 21 to 37. At the end of FY 2008, the FHWA was monitoring more than 60 active major projects. In addition, more than 150 potential Major Projects were in the planning or environmental review stages.

### **Anticipated FY 2009 Accomplishments**

By the end of 2009, the FHWA will have completed three full years under the Financial Integrity Review and Evaluation (FIRE) Program. Training will continue to be provided to the Federal-aid Division Offices, Federal Lands Highways, and headquarters program offices regarding the objectives of the oversight program and techniques for achieving them. . FIRE will include agency-wide reviews of financial processes, financial transactions, and funds management activities, along with external audit coordination, and evaluations of the key internal administrative and control processes. Lessons learned on major projects will be developed and cost estimating training will continue.

### **FY 2010 Performance Budget**

The FHWA will continue efforts to improve financial stewardship and oversight. The FHWA will deliver lessons learned on previous major projects to assist field offices in improving major project stewardship and oversight. In addition, training on cost estimation for major projects has been developed and will be provided to States. The training presents fundamental concepts to be used for major project cost estimate validations that will assist in ensuring that major project cost estimates are accurate and complete throughout the project development process. The FHWA will continue to support project management training for Major Project oversight managers and employees actively involved in major projects. The training will help ensure that the project management plans required for major projects are consistent with Agency guidance and assist field office personnel to improve the management of major projects in their respective States.

#### Responsible Officials:

Ms. Elissa Konove, Chief Financial Officer

Ms. Patricia Proseri, Associate Administrator for Administration

Ms. Regina McElroy, Director of the Office of Innovative Program Delivery

**Federal Highway Administration**  
**Research, Development, Technology, & Education, and ITS Overview**  
**Budget for FY 2010**

**RESEARCH, DEVELOPMENT, TECHNOLOGY, & EDUCATION (RDT&E)**

The Administration is developing a comprehensive approach for surface transportation reauthorization, which includes RDT&E. Consequently, the Budget contains no policy recommendations for programs subject to reauthorization, including Federal-aid highways. Instead, the Budget displays baseline funding levels for all surface programs.

Future authorizations for RDT&E with the Federal-aid highway program may include activities associated with deployment of safety initiatives, a restructured infrastructure program, and a variety of activities associated with environmental improvement and streamlining, security improvements, and outreach and dissemination.

## EXHIBIT V-1

RESEARCH, DEVELOPMENT & TECHNOLOGY  
DEPARTMENT OF TRANSPORTATION  
Budget Authority  
(in thousands of dollars)

FEDERAL HIGHWAY ADMINISTRATION	FY 2008 <u>Actual</u>	FY 2009 <u>Enacted</u>	FY 2010 <u>Pres. Bud.</u>
<b>A. Surface Transportation Research, Development, and Deployment Program</b>	<b>169,186</b>	<b>183,830</b>	<b>N/A</b>
1. Safety	7,178	7,178	
2. Safety (T)	6,379	12,060	
3. Pavements	27,516	30,816	
4. Pavements (T)	1,314	2,484	
5. Structures	16,108	13,167	
6. Structures (T)	888	1,679	
7. Planning, Environment, and Realty	17,129	17,129	
8. Planning, Environment, and Realty (T)	2,171	4,104	
9. Highway Operations	3,769	5,414	
10. Highway Operations (T)	4,090	4,386	
11. Long-Term Pavement Performance	8,088	8,088	
12. Long-Term Pavement Performance (T)	609	1,151	
13. International Outreach	2,227	1,117	
14. Exploratory Advanced Research	11,095	11,188	
15. Exploratory Advanced Research (T)	835	1,592	
16. OST, RITA, FMCSA, NHTSA & PHMSA	31,055	33,129	
17. OST, RITA, FMCSA, NHTSA & PHMSA (T)	2,074	0	
18. Corporate R&T	23,023	25,516	
19. Corporate R&T (T)	3,638	3,632	
<b>B. Future Strategic Highway Research Program-SHRP II</b>	<b>47,706</b>	<b>49,148</b>	<b>N/A</b>
1. Future Strategic Highway Research Program-SHRP II	45,321	45,321	
2. Future Strategic Highway Research Program-SHRP II (T)	2,385	3,827	
<b>C. Training and Education</b>	<b>24,644</b>	<b>24,991</b>	<b>N/A</b>
1. National Highway Institute (T)	8,557	8,677	
2. Local Technical Assistance Program (T)	9,893	10,032	
3. Eisenhower Transportation Fellowship Program (T)	1,961	1,989	
4. Garret Morgan Program (T)	1,114	1,130	
5. Transportation Education Development Pilot (T)	1,671	1,695	
6. Freight Planning Capacity Building (T)	780	791	
7. Surface Transportation Relief Assistance Program (T)	668	677	
<b>D. Intelligent Transportation Systems</b>	<b>101,530</b>	<b>102,960</b>	<b>N/A</b>
1. IntelliDrive (SM)	22,800	23,500	
2. Integrated Vehicle Based Safety Systems	5,800	3,200	
3. Cooperative Intersection Collision Avoidance Systems	7,925	0	
4. Integrated Corridor Management	6,650	8,400	
5. Emergency Management and Operations	3,000	1,866	
6. Mobility Services for All Americans	4,775	4,100	
7. Clarus	2,950	3,610	
8. Road Weather Research and Development	5,377	5,870	
9. I-95 Corridor Coalition (T)	8,612	13,334	
10. ITS Architecture and Standards (T)	4,423	7,100	
11. Professional Capacity Building (PCB) (T)	4,732	7,500	
12. ITS Program Assessment (T)	5,351	8,964	
13. ITS Outreach and Policy (T)	3,985	4,000	
14. ITS Program Support	8,530	6,896	
15. Rural Communications Corridor Study	6,620	4,620	
<b>E. University Transportation Research</b>	<b>70,517</b>	<b>73,850</b>	<b>N/A</b>
1. University Transportation Research (T)	70,517	73,850	
<b>F. Other</b>	<b>166,504</b>	<b>170,401</b>	<b>N/A</b>
1. State Planning and Research (SPR) 1/	143,193	146,545	
2. State Planning and Research (SPR) 1/ (T)	23,311	23,856	
<b>G. Administrative Expenses</b>	<b>17,960</b>	<b>18,373</b>	<b>N/A</b>
1. Administrative Expenses	15,446	15,801	
2. Administrative Expenses (T)	2,514	2,573	
<b>Subtotal, Research and Development</b>	<b>425,575</b>	<b>422,471</b>	
<b>Subtotal, Technology Investment (T)</b>	<b>172,472</b>	<b>201,083</b>	
<b>Subtotal RD&amp;T Programs</b>	<b>598,047</b>	<b>623,554</b>	<b>N/A</b>
<b>Add: Bureau of Transportation Statistics</b>	<b>27,000</b>	<b>27,000</b>	
<b>Less: Administrative Expenses</b>	<b>-17,960</b>	<b>-18,373</b>	
<b>Less: State Planning and Research (SPR)</b>	<b>-166,504</b>	<b>-170,401</b>	
<b>Less: Future Strategic Highway Research Program-SHRP II</b>	<b>-47,706</b>	<b>-49,148</b>	
<b>Total Title V Programs</b>	<b>392,877</b>	<b>412,632</b>	<b>N/A</b>

## Footnotes:

1/ Title 23 USC 505(b) requires State DOT's to expend no less than 25 percent of their annual SPR funds on RD&T activities.

Total SPR funding represents 2 percent of apportioned programs e.g. Interstate Maintenance, National Highway System, Surface Transportation, etc. and other allocations to the States.