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Highlights

Highlights of [GAO-07-545T](#), a testimony before the Subcommittee on Transportation, Housing and Urban Development, and Related Agencies; Committee on Appropriations; House of Representatives

Why GAO Did This Study

A safe, efficient, and convenient transportation system is integral to the health of our economy and quality of life. Our nation's vast transportation system of airways, railways, roads, pipelines, transit, and waterways has served this need, yet it is under considerable strain from (1) increasing congestion, (2) the large costs to maintain and improve it, and (3) the human cost of over 44,000 people killed and over 2.5 million injured each year in transportation-related accidents.

The Department of Transportation implements national transportation policy and administers most federal transportation programs. For fiscal year 2008, the department has requested \$67 billion to carry out these and other activities.

While the department carries out some activities directly, such as employing about 15,000 air traffic controllers to make certain that planes stay a safe distance apart, it does not have direct control over the vast majority of activities that it funds, such as local decisions on the priority and placement of airports, public transit, and roads. In other cases, such as railways and pipelines, the infrastructure is owned and operated by industry.

This statement presents GAO's views on major transportation challenges facing Congress and the department. It is based on GAO products, including recommendations made, and the products of others.

www.gao.gov/cgi-bin/getrpt?GAO-07-545T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Patricia Dalton at (202) 512-2834 or Daltonp@gao.gov.

PERFORMANCE AND ACCOUNTABILITY

Transportation Challenges Facing Congress and the Department of Transportation

What GAO Found

Financing mechanisms for the nation's transportation system are under stress. Our nation's transportation infrastructure is threatened by increasing demand for transportation services, and revenue from traditional funding mechanisms for the nation's highway and aviation systems may be unable to keep pace at current tax rates. In addition, freight traffic is projected to grow substantially, but current planning and financing mechanisms impede public strategies to address needs.

Our nation's **mobility** is threatened because the nation's infrastructure is under great strain. Congestion across modes (e.g., aviation, highways, and rail) is expected to worsen. However, funding by mode and the lack of performance-related goals result in little assurance that funds are being channeled to the most critical mobility concerns and that intermodal approaches can be integrated into the transportation system.

Improvements in **transportation safety** are needed to reduce the number of deaths and injuries from transportation accidents—about 95 percent of which occur on our nation's roads. Increases in congestion across modes as a result of population and economic growth could cause deterioration in transportation safety despite departmental and state efforts to reduce accidents.

The transition from the current **air traffic control system** to a broader and modernized system will be one of the department's most complex undertakings. In previous years, FAA has faced systemic management and acquisition problems that led us to designate its air traffic control modernization program as high risk. While the agency has made significant progress in recent years, a key challenge going forward will be to institutionalize these improvements and to continually improve.

In addition, the department and the transportation sector face persistent **human capital** challenges due to an impending shortage of skilled people to meet changing transportation needs. Furthermore, despite recent improvements in **financial management**, the department received a qualified opinion on its 2006 financial statements. Finally, the department is working to clarify its role in **transportation security and emergency preparedness and response**.



Source: Photodisc and Corbis.