U.S. Department of Transportation

BUDGET ESTIMATES

FISCAL YEAR 2012

FEDERAL HIGHWAY ADMINISTRATION

SUBMITTED FOR THE USE OF
THE COMMITTEES ON APPROPRIATIONS

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FEDERAL HIGHWAY ADMINISTRATION (FHWA)
FY 2012 BUDGET ESTIMATES
Corrections and Revisions

Please note the following three corrections and revisions to the FY 2012 FHWA Budget Estimates submitted to Congress. The information below identifies the page number of the Budget Estimates document and an explanation of the changes.

1) On Page III-10 of the CJ, the reference to a specific amount should be deleted entirely from this paragraph in the cancellation language. The amount of $8,190,335 of Unallocated High Priority Projects Program Funds in the original cancellation language was not correct since it did not account for a 1% across-the-board rescission in FY 2006. The first paragraph on that page should read as follows,

> "*(Public Law 109-59) to carry out the high priority projects program under section 117 of title 23, United States Code, that are not allocated for projects described in section 1702 of such Act, are hereby permanently cancelled.*"

2) Page III-10 through III-13, Section 121 of the proposed language should be changed as follows:

"Sec. 121. Contingent upon enactment of multi-year surface transportation authorization legislation, the following authorities shall apply for fiscal year 2012:

(a) 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; 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 Account of the Transportation Trust Fund or the Highway Trust Fund (other than the Mass Transit Account) for Federal-aid highway 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 the Federal-aid highway and highway safety construction programs (other than sums authorized to be appropriated for provisions of law described in paragraphs (1) through (11) of subsection (b) and sums authorized to be appropriated for section 133 of title 23, United States Code, equal to the amount referred to in

subsection (b)(12) for such fiscal year), less the aggregate of the amounts not distributed under paragraphs (1) and (2) of this subsection;

(4) distribute the obligation limitation provided for Federal-aid highways, less the aggregate amounts not distributed under paragraphs (1) and (2), for each of the programs that are allocated by the Secretary under title 23, United States Code, as amended by such authorization legislation, (other than to programs to which paragraph (1) applies), by multiplying the ratio determined under paragraph (3) by the amounts authorized to be appropriated for each such program for such fiscal year; ~~and~~

(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 the amount apportioned to the several States for the critical highway infrastructure program by multiplying the amount by the ratio determined under paragraph (3); and

(6) distribute the obligation limitation provided for Federal-aid highways, less the aggregate amounts not distributed under paragraphs (1) and (2) and the amounts distributed under paragraphs (4) and (5), for Federal-aid highway and highway safety construction programs that are apportioned by the Secretary under title 23, United States Code, as amended by such authorization legislation, (other than the amounts apportioned for the flexible investment program in section 133 of title 23, United State Code, that are exempt from limitation under subsection (b)(12)) in the ratio that—

(A) amounts authorized to be appropriated for the programs that are apportioned under such title to each State for such fiscal year; bear to

(B) the total of the amounts authorized to be appropriated for the programs that are apportioned under such title 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 (23 U.S.C. 144 note; 92 Stat. 2714);

(3) under section 9 of the Federal-Aid Highway Act of 1981 (Public Law 97-134; 95 Stat. 1701);

(4) under subsections (b) and (j) of section 131 of the Surface Transportation Assistance Act of 1982 (Public Law 97-424; 96 Stat. 2119);

(5) under subsections (b) and (c) of section 149 of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (Public Law 100-17; 101 Stat. 198);

(6) under sections 1103 through 1108 of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102-240; 105 Stat. 2027);

(7) under section 157 of title 23, United States Code (as in effect on June 8, 1998);

(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 (Public Law 105-178; 112 Stat. 107) 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 (as in effect for fiscal years 2005 through 2011, but only in an amount equal to $639,000,000 for each of those fiscal years);

(11) under section 1603 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (Public Law 109-59; 119 Stat. 1248), 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; and

(12) under section 133 of title 23, United State Code (but, for fiscal years 2012, only in an amount equal to $639,000,000).

(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 an 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 144 (as in effect on the date before the date of enactment of such authorization legislation) and 104 of title 23, United States Code, ~~as amended by such authorization legislation.~~

(d) NO-YEAR AND MULTI-YEAR OBLIGATION LIMITATION.—

(1) TRANSPORTATION RESEARCH PROGRAMS.--The obligation limitation shall apply to transportation research programs carried out under chapter 5 of title 23, United States Code, as amended by such authorization legislation, except that obligation authority made available for such programs under such limitation shall remain available until used for obligation of such funds for transportation research programs 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.

(2) CRITICAL HIGHWAY INFRASTRUCTURE PROGRAM.—Obligation limitation distributed under subsection (a)(5) for the critical highway infrastructure program shall--

(A) remain available for a period of 2 fiscal years; and
(B) 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.

(3) ADMINISTRATIVE EXPENSES FOR THE CRITICAL HIGHWAY INFRASTRUCTURE PROGRAM.--Obligation limitation distributed under subsection (a)(5) for administrative expenses for the critical highway infrastructure program shall—

(A) remain available for a period of 4 fiscal years; and
(B) 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 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 highway 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 purpose described in section 133(c) of title 23, United States Code.

3) All references to the Surface Transportation Revenue Alternatives Office are deleted. The separate tab from pages III-101 through III-110 should be removed.

FHWA FY 2012 BUDGET

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FEDERAL HIGHWAY ADMINISTRATION (FHWA)
FISCAL YEAR 2012 BUDGET

BUDGET SUMMARY OVERVIEW

FHWA's FY 2012 budget requests $70.5 billion ($69.9 billion net of rescission) and represents a new paradigm in funding our nation's highways. This request represents the first year of the Administration's six-year surface transportation reauthorization proposal, which provides $336 billion from FY 2012 to 2017 for highway programs. The proposal reflects a 48 percent increase in funding for road and bridge improvements and construction from the $227 billion authorized in the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). The proposal will simplify the highway program structure and establish a performance-based highway program in the critical areas of safety and state of good repair. In addition, the proposal will fund transportation projects that improve quality of life in both rural and urban areas, provide users with enhanced transportation choices, improve air quality in large metropolitan areas, and encourage innovations that will shorten project delivery and accelerate the deployment of new technologies.

Built on past successes, the new structure is a significant departure from the previous seven years (FY 2005-2011) carried out under SAFETEA-LU and strives to enhance the safety, livability, condition, and efficiency of our nation's highway system. The proposal consolidates over 55 programs, each with their own emphasis and eligibility requirements, and increases the flexibility to invest the funds. The new Federal-aid highway program consists of five core programs, an innovative multi-modal competitive grants program, a new office to study revenue alternatives and a general operating expenses account.

The revamped performance-based **Highway Safety Improvement Program ($2.5 billion)** almost doubles the Federal investment in highway safety programs to reduce fatalities and injuries on public roads in alignment with Department of Transportation's (DOT) Roadway Safety Plan. This program will provide $2.2 billion for infrastructure oriented safety improvement projects, with the flexibility to use up to 25 percent of funds for education, enforcement and emergency medical services investments if needed to address specific safety problems in the State. The program also features funding for rural road safety, as well as a new $293 million Highway Safety Data Improvement Program designed to focus on improved State data collection, use of data to identify problems, and use of analytical tools and processes to identify and prioritize safety treatments. Each State will develop a Strategic Highway Safety Plan that will address how all available funds (Federal, state, and local) will be used to achieve safety performance targets. States will also be required to develop an annual spending program to implement the highway elements in the Strategic Highway Safety Plan.

The new performance-based **National Highway Program ($32.4 billion)** targets investment to maintain a state of good repair on roads critical to national interest while also providing flexibility to the States for making transportation investment decisions on the larger system of Federal-aid eligible highways. The National Highway Program funds investments targeted at reducing traffic congestion and making freight movement more efficient, which supports DOT's economic competitiveness strategic goal and the Administration's National Export Initiative.

The proposal streamlines and consolidates portions of several existing programs including Interstate Maintenance, National Highway System, Highway Bridge, and the Surface Transportation Program into two new subprograms:

- **Highway Infrastructure Performance Program** – A $16.75 billion formula-based program designed to improve the infrastructure condition and performance on an expanded National Highway System. This 220,000-mile network includes the Interstate System, all principal arterials, intermodal connectors, and other roads important to mobility, commerce, national defense, and intermodal connectivity. The enhanced system is an objectively defined network of national interest that will operate as a cohesive highway system to support interstate commerce and economic competitiveness, which will carry 55% of all traffic and 97% of all truck-borne freight.

- **Flexible Investment Program** – A $15.6 billion formula-based program that provides flexibility to the States to invest in infrastructure preservation, congestion mitigation, or performance improvement projects on the 995,000 miles of Federal-aid eligible highways.

The new **Livable Communities Program ($4.1 billion)** establishes place-based planning, policies, and investments to help communities increase transportation choices and access to transportation services. This program will fund transportation projects that improve quality of life in both rural and urban areas, provide users with enhanced transportation choices, and improve air quality in large metropolitan areas. The program consists of three components:

- **Livable Communities Program** – A new $3.4 billion formula-based program to enable recipients to deliver transportation projects for rural and urban areas that benefit quality of life.

- **Investments for Livable Communities Grant Program** - A new $500 million discretionary grant program to support highway investments for livable communities.

- **Livability Capacity Building Grant Program** - Continues the $200 million discretionary grants program to support livability-related capacity building across the country.

The new **Federal Allocation Program ($1.4 billion)** consolidates several existing programs with inherently Federal responsibilities into one program with five components:

- **Federal Lands Transportation Program** – $430 million for projects that improve access within the Federal estate (national forests, national parks, national wildlife refuges, national recreation areas, and other Federal public lands) using a performance management program model on infrastructure owned by the Federal government.

- **Federal Lands Access Program** – $177 million for projects that improve access to the Federal estate on infrastructure owned by States, Counties, and local governments.

- **Tribal Transportation Program** – $600 million for projects that improve access to and within Tribal lands using a performance management program model.

- **Emergency Relief Program** – $100 million for States for the repair and reconstruction of Federal-aid highways and roads on Federal lands following a disaster.

- **Workforce Development** – $50 million for the On-the-Job Training/Support Services program to support State training programs and the Disadvantaged Business Enterprise/Supportive Services program to develop, conduct, and administer training and assistance programs to increase the proficiency of minority businesses to compete, on an equal basis, for contracts and subcontracts.

The **Research, Technology, and Education (RT&E) Program ($641 million)** provides for a comprehensive, nationally-coordinated research, technology, and education program that will advance DOT organizational goals, while accelerating innovation delivery and technology implementation. The proposal restructures existing FHWA research, development and technology activities into three programs:

- **Highway Research & Development Program -** $200 million for research activities associated with safety, infrastructure preservation, environmental mitigation and streamlining, operations, livability, innovative program delivery solutions, and policy.

- **Technology & Innovation Deployment Program -** $144 million program to address testing, evaluating, and accelerating the delivery and deployment of technologies.

- **Training & Education Program -** $40 million to train the current and future transportation workforce; transferring knowledge quickly and effectively.

The RT&E request also includes $257M for several Research and Innovative Technology Administration (RITA) administered programs:

- Intelligent Transportation Systems ($110 million)
- Competitive University Transportation Center Consortia ($72 million)
- Bureau of Transportation Statistics ($35 million)
- Multi-Modal Innovative Research Program ($20 million)
- University Transportation Center Multimodal Competitive Research Grants ($20 million)

In addition to this $641 million RT&E program, the budget request includes funding for the **Intelligent Transportation Systems Wireless Initiative ($100 million)**, which will be managed by RITA and funded out of the Miscellaneous Appropriations account.

Transportation Leadership Awards ($1.3 billion) is a new competitive grant program that will incentivize State departments of transportation, metropolitan planning organizations, tribal governments and other transportation agencies to make the reforms necessary to institutionalize best practices and innovations in transportation policy. The program will reform the way transportation investments and decisions are made and implemented to better realize

performance outcomes and to integrate performance management into the budget and project selection process.

The budget also includes **$20 million to establish a Surface Transportation Revenue Alternatives Office** to analyze the feasibility of implementing a national mileage-based user fee system.

In addition to these programs, the 2012 budget includes a **$27.65 billion** "Up-Front" economic boost to the highway program to jump-start job creation and progress on highway and bridge projects. This funding includes:

- **$25 billion** to fund investment in critical highway infrastructure on the **enhanced National Highway System**

- **$2.2 billion** to fund significant improvements at **land ports of entry (LPOEs) facilities**, which link directly to the transportation infrastructure at border crossing locations

- **$450 million** to fund the growing demand for highway **credit assistance through the Transportation Infrastructure Finance and Innovation Act (TIFIA) program**.

To oversee effectively the program activities described above, FHWA will require **$441 million in General Operating Expense funding** for staff and other support costs. These resources are essential for FHWA to perform critical oversight functions and successfully implement the new programs proposed in the budget.

In addition to the funding for the new programs described above, the Administration's reauthorization and budget proposal will include important provisions that will shorten highway project delivery and establish the framework for a performance-based highway program.

The proposal will accelerate and improve project delivery for Federal-Aid projects. It will include provisions to improve project delivery in the areas of environmental review, permitting, integrating transportation planning and environmental review of transportation projects and efficiencies in contracting. Many of these proposals build on SAFETEA-LU provisions and expand on efforts being implemented under FHWA's Every Day Counts Initiative to use innovative approaches and existing flexibilities to improve project delivery.

The proposal also contains several performance management features. There has been progress in developing performance management in each of the five DOT strategic priorities, but only two areas of the highway program are of sufficient maturity to be implemented nationwide: safety and state of good repair. The intent is to transition from the current situation to a performance based highway program in incremental stages. In the safety area, States have developed Strategic Highway Safety Plans, which guide programming decisions. On the infrastructure side, management systems for pavements and bridges have developed into sophisticated management systems that can be integrated into robust asset management systems with which to program projects to accomplish a state of good repair. While in most cases data systems are in place to advance the first phase of performance management in these two areas, there will be continuous refinement to the data systems and analytical models.

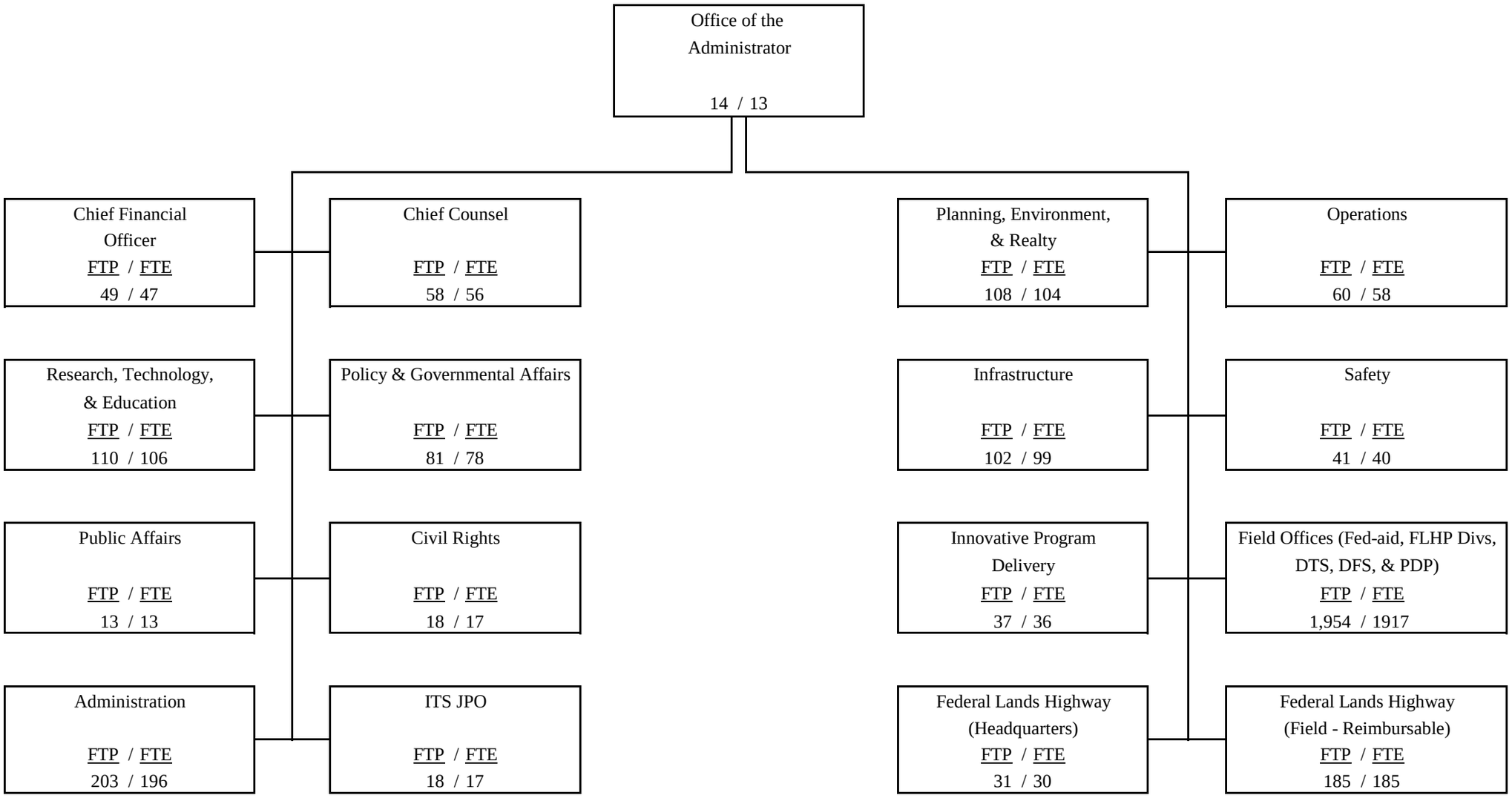
With a focus on performance management, the proposed budget will provide the resources necessary for State, local and other Federal transportation agencies to improve the condition and performance of their highway and roadway system, in ways that protect the environment, provide user access and choices, and take advantage of advances in technology and innovation.

The budget also reflects a proposed change in the budgetary treatment of highway spending. Consistent with the recommendations of the President's National Commission on Fiscal Responsibility and Reform, the Administration proposes to classify all surface transportation spending as mandatory and therefore subject to "PAYGO" provisions. The Budget is consistent with this proposal, and all prior year outlays from obligation limitations and new outlays from contract authority are portrayed as mandatory.

The proposal also recommends expanding the Highway Trust Fund into a new Transportation Trust Fund, which will include the current Highway Account and existing revenues will continue to be dedicated to highway programs. Since the current framework for funding transportation investments is not financially sustainable, the President is committed to working with Congress to ensure that funding for surface transportation does not increase the deficit. The proposed change in budgetary treatment and plans to make the highway and other surface transportation spending subject to PAYGO will help ensure fiscal discipline in the management of the Highway Account and the overall Transportation Trust Fund.

EXHIBIT-I

FEDERAL HIGHWAY ADMINISTRATION ORGANIZATION CHART
FY 2012 AUTHORIZED FTP POSITIONS AND FTE ESTIMATES



FTP - POSITIONS	
Direct funded	2,897
Indirect funded	188
Total	3,085

FTE	
Direct funded	2,827
Indirect funded	188
Total	3,015

FTP & FTE shown by office are estimates only. FHWA has periodic needs that change due to proper management of the organization. Direct funded FTE presented by office reflect a pro-ration of total FTE. Indirect funded FTP & FTE include Federal Lands Highway reimbursable FTE and allocation FTE from OST.

FEDERAL HIGHWAY ADMINISTRATION
Proposed Funding Classification

All surface transportation funding and spending are mandatory, attributed to the Transportation Trust Fund (TTF), and are proposed to be subject to PAYGO. Outlays flowing from contract authority, prior obligations of the Highway Trust Fund, baseline discretionary budget authority and outlays of programs merged into the TFF are now classified as mandatory and subject to PAYGO in all years. Additionally, 2010 enacted and 2011 estimated discretionary budget authority and outlays for programs merged into the TTF are also reclassified as mandatory for comparability purposes.

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EXHIBIT II-1

FY 2012 NEW BUDGET AUTHORITY
FEDERAL HIGHWAY ADMINISTRATION
($000)

ACCOUNT	FY 2010 ACTUAL		FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Federal-aid Highways				
Contract Authority (subject to limitation)	51,011,152	1/	41,107,152	69,675,000
Flex Transfers to/from FTA	- 1,411,244		-----	-----
Exempt contract authority	739,000		739,000	739,000
TIFIA Upward Re-estimate	97,123		32,676	-----
Unobligated Balance Rescission from PL 111-226 & request cancellation	- 2,200,000		-----	- 630,000
Total Federal-aid Highways (TTF)	48,236,031		41,878,829	69,784,000
Miscellaneous Highway Trust Funds (TF)	- 6,800		-----	-----
Miscellaneous Trust Funds (TF)	40,452		40,452	40,452
Right of Way Revolving Fund (TF)	-15,728		-23,225	-8,000
Payment to the Highway Trust Fund (GF)	19,500,000		-----	-----
Miscellaneous Appropriations (GF) (TIFIA Re-Estimate)	55,086		18,603	-----
Miscellaneous Appropriations/Surface Transportation Priorities	291,429	2/	292,829	-----
Miscellaneous Appropriations/Transfer (GF)	-----		-----	100,000
Highway Infrastructure Program (GF)	650,000		650,000	-----
TOTALS	**68,750,471**		**42,857,488**	**69,916,452**

[ ] Non-add

1/ Reflects CA provided by PL 111-147, which included restoration of the SAFETEA-LU $8.7
2/ Includes $1.4 million transfer to FTA.

EXHIBIT II-2

FY 2012 TOTAL BUDGETARY RESOURCES BY APPROPRIATION ACCOUNT
FEDERAL HIGHWAY ADMINISTRATION
Appropriations, Obligation Limitations, and Exempt Obligations
($000)

ACCOUNT	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
[Limitation on administrative expenses - FHWA GOE Only]	[413,533]	[413,533]	[437,172]
Federal-aid Highways (Highway Trust Fund)			
(Liquidation of contract authorization)	(41,846,000)	(43,042,000)	(70,414,000)
(Limitation on obligations)	(39,695,756) 1/	(41,107,000)	(69,675,000)
Subtotal (Limitation on obligations)	(39,695,756)	(41,107,000)	(69,675,000)
Exempt contract authority	739,000	739,000	739,000
Total, Fed-aid Obligation Limitation & Exempt Contract Authority	40,434,756	41,846,000	70,414,000
Miscellaneous Appropriations/Surface Transportation Priorities (GF)	291,429 2/	292,829	-----
Highway Infrastructure Program (GF)	650,000	650,000	-----
Total, Federal Highway Administration			
(Limitation on obligations)	(39,695,756)	(41,107,000)	(69,675,000)
Exempt contract authority	739,000	739,000	739,000
Other programs	941,429	942,829	-----
Total Budgetary Resources, FHWA	**41,376,185**	**42,788,829**	**70,414,000**

[ ] Non-add

1/ Includes $1.4 billion CA transferred to/from FTA.
2/ Includes $1.4 million transfer to FTA.

EXHIBIT II-3

FY 2012 BUDGET REQUEST BY DOT STRATEGIC AND ORGANIZATIONAL GOALS
FEDERAL HIGHWAY ADMINISTRATION
New Contract Authority
($000)

ACCOUNT/Program	Safety	Environmental Sustainability	State of Good Repair	Livable Communities	Economic Competitiveness	Org. Excellence	TOTAL
Federal-aid Highways 1/	$19,694,801	$8,850,241	$27,082,387	$6,803,118	$7,958,094	$25,359	$70,414,000
Safety Program	2,539,000	0	0	0	0	0	2,539,000
National Highway Program	7,369,800	4,857,300	14,627,800	781,600	4,745,500	0	32,382,000
Livable Communities Program	410,000	820,000	0	2,870,000	0	0	4,100,000
Research, Technology, and Education Program 2/	159,353	86,407	160,403	77,817	131,661	25,359	641,000
Federal Allocation Program	407,100	135,700	542,800	135,700	135,700	0	1,357,000
Transportation Leadership Awards	385,200	128,400	513,600	128,400	128,400	0	1,284,000
Surface Transportation Revenue Alternatives	6,000	2,000	8,000	2,000	2,000	0	20,000
Up Front Funding	8,295,000	2,765,000	11,060,000	2,765,000	2,765,000	0	27,650,000
Limitation on Administrative Expenses (LAE) 3/	123,348	55,434	169,784	42,601	49,833	0	441,000
TOTAL:	$19,694,801	$8,850,241	$27,082,387	$6,803,118	$7,958,094	$25,359	$70,414,000
FTE (HTF Federal-aid only) 3/	779	350	1,073	269	315	0	2,786

1/ Program goal dollars were determined using percentages, which will change as the programs are developed further. The amounts by goal shown here provide the best estimate available.

2/ RITA estimates $25.359 million for the Organizational Excellence goal.

3/ LAE funding levels and total FTE by goal were determined by applying a pro-ration of program dollars by goal.

EXHIBIT II-3-a

FY 2012 BUDGET REQUEST BY DOT OUTCOMES
FEDERAL HIGHWAY ADMINISTRATION
New Contract Authority
($000)

DOT Outcome	Program	FY 2012 Request
Safety		$19,694,801
Reduction in transportation-related fatalities and injuries. (Fatalities and Fatality Rate)	**Safety Program**	$2,539,000
	National Highway Program	$7,369,800
	Livable Communities Program	$410,000
	Research, Technology, and Education Program	$159,353
	Federal Allocation Program	$407,100
	Transportation Leadership awards	$385,200
	Surface Transportation Revenue Alternatives	$6,000
	Up Front Funding	$8,295,000
	Limitation on Administrative Expenses	$123,348
Environmental Sustainability		$8,850,241
Increased use of environmentally sustainable practices in the transportation sector. (No. of Projects with sustainable design and/or tools).	**National Highway Program**	$4,857,300
	Livable Communities Program	$820,000
	Research, Technology, and Education Program	$86,407
	Federal Allocation Program	$135,700
	Transportation Leadership awards	$128,400
	Surface Transportation Revenue Alternatives	$2,000
	Up Front Funding	$2,765,000
	Limitation on Administrative Expenses	$55,434
State of Good Repair		$27,082,387
Increased proportion of highways and bridges in good condition. (Pavement and Bridge Condition)	**National Highway Program**	$14,627,800
	Research, Technology, and Education Program	$160,403
	Federal Allocation Program	$542,800
	Transportation Leadership awards	$513,600
	Surface Transportation Revenue Alternatives	$8,000
	Up Front Funding	$11,060,000
	Limitation on Administrative Expenses	$169,784
Livable Communities		$6,803,118
Improved networks that accommodate pedestrians and bicycles. (No. of State & MPO Plans that address)	**National Highway Program**	$781,600
	Livable Communities Program	$2,870,000
	Research, Technology, and Education Program	$77,817
	Federal Allocation Program	$135,700
	Transportation Leadership awards	$128,400
	Surface Transportation Revenue Alternatives	$2,000
	Up Front Funding	$2,765,000
	Limitation on Administrative Expenses	$42,601
Economic Competitiveness		$7,958,094
Maximum economic returns on transportation policies and investments. (Travel Time Reliability)	**National Highway Program**	$4,745,500
	Research, Technology, and Education Program	$131,661
	Federal Allocation Program	$135,700
	Transportation Leadership awards	$128,400
	Surface Transportation Revenue Alternatives	$2,000
	Up Front Funding	$2,765,000
	Limitation on Administrative Expenses	$49,833
Organizational Excellence		$25,359
	Research, Technology, and Education Program	$25,359
TOTAL:		$70,414,000

1/ Except for Research, Technology, and Education; the program outcome dollars were determined using percentages, which may change as the programs are developed further. The amounts by outcome shown here provide the best estimate available.

EXHIBIT II-4

FY 2012 BUDGET AUTHORITY
FEDERAL HIGHWAY ADMINISTRATION
($000)

ACCOUNT	Mandatory/ Discretionary	FY 2010 ACTUAL		FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Federal-aid Highways					
Contract Authority (subject to limitation)	Mand.	51,011,152	1/	41,107,152	69,675,000
Flex Transfers to/from FTA	Mand.	- 1,411,244		-----	-----
Exempt contract authority	Mand.	739,000		739,000	739,000
TIFIA Upward Re-estimate	Mand.	97,123		32,676	-----
Unobligated Balance Rescission from PL 111-226 & request cancellation	Mand./Discr.	-2,200,000		-----	-630,000
Total Federal-aid Highways (TTF)		48,236,031		41,878,829	69,784,000
Miscellaneous Highway Trust Funds (TF)	Discr.	- 6,800		-----	-----
Miscellaneous Trust Funds (TF)	Mand.	40,452		40,452	40,452
Right of Way Revolving Fund (TF)	Mand.	- 15,728		- 23,225	- 8,000
Payment to the Highway Trust Fund (GF)	Mand.	19,500,000		-----	-----
Miscellaneous Appropriations (GF) (TIFIA Re-Estimate)	Mand.	55,086		18,603	-----
Miscellaneous Appropriations/Surface Transp. Priorities (GF)	Discr.	291,429	2/	292,829	-----
Miscellaneous Appropriations/Transfer (GF)	Mand.	-----		-----	100,000
Highway Infrastructure Program (GF)	Discr.	650,000		650,000	-----
TOTALS		**68,750,471**		**42,857,488**	**69,916,452**
[Discretionary]		934,629		942,829	- 630,000
[Mandatory]		67,815,842		41,914,659	70,546,452
PROPRIETARY AND OTHER GOVERNMENTAL RECEIPTS					
Adv. from State Coop, Other Fed. Agencies, and Foreign Gov.	Mand.	37,840		37,840	37,840
Adv. for Highway Research Prog. Misc. Trust	Mand.	52		52	52
TIFIA	Mand.	5,565		15,971	-----
US Funding Advanced From Foreign Gov for Tech Asst	Mand.	1,280		1,280	1,280
Advances from Other Federal Agencies	Mand.	1,279		1,279	1,279
Payment to the Highway Trust Fund	Mand.	19,500,000		-----	-----
TOTAL		**19,546,015**		**56,423**	**40,451**

[ ] Non-add

1/ Reflects CA provided by PL 111-147, which included restoration of the SAFETEA-LU rescission of $8.7 billion.
2/ Includes $1.4 million transfer to FTA.

EXHIBIT II-5

FY 2012 OUTLAYS
FEDERAL HIGHWAY ADMINISTRATION
($000)

ACCOUNTS	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Federal-aid Highways (TTF)	30,778,205	35,429,774	43,552,204
Subject to Obligation Limitation	30,001,311	34,490,212	42,604,025
Exempt	634,541	829,267	887,298
TIFIA Re-estimate	97,123	32,676	-----
Emergency Relief Supplementals	45,231	77,619	60,882
Appalachian Development Highway System (TF)	-1,339	1,911	1,005
Miscellaneous Highway Trust Funds (TF)	41,355	41,669	38,080
Miscellaneous Trust Funds (TF)	73,603	67,117	69,603
Right of Way Revolving Fund (TF)	-15,728	-23,225	-8,000
Emergency Relief Program (GF)	590,293	633,875	414,927
Appalachian Development Highway System (GF)	27,282	43,851	38,174
Miscellaneous Appropriations (GF)	63,758	173,254	239,484
Miscellaneous Appropriations -- TIFIA Re-Estimate (GF	55,086	18,603	-----
Miscellaneous Appropriations (GF) New Mand. BA	-----	-----	20,000
State Infrastructure Banks (GF)	406	-----	-----
Payment to Highway Trust Fund (GF)	19,500,000	-----	-----
Highway Infrastructure Program (GF)	87,814	148,653	414,558
Highway Infrastructure Investment, ARRA 2009 (GF)	11,896,814	5,965,219	4,083,785
TIFIA Financing Account	-----	-----	4,000
TOTALS	**63,097,550**	**42,500,701**	**48,867,820**
[Mandatory]	50,345,936	35,414,651	43,572,925
[Discretionary]	12,751,614	7,086,050	5,294,894

EXHIBIT II-6

SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE
FEDERAL HIGHWAY ADMINISTRATION
Appropriations, Obligation Limitations, and Exempt Obligations

LIMITATION ON ADMINISTRATIVE EXPENSES
($000)

		Baseline Changes									
	FY 2011 CR Annualized	Annualization of 2011 Pay Raises	Annualization of 2011 FTE	2012 Pay Raises	One Less Compensable Day	GSA Rent	WCF Increase/ Decrease	Inflation/ Deflation	FY 2012 Baseline Estimate	Program Increases/ Decreases	FY 2012 Request
PERSONNEL RESOURCES											
Direct FTE	2,345								2,345		2,345
FINANCIAL RESOURCES											
Salaries and Benefits	$290,771	$ --		$ --	($1,118)				$289,653	$1,500	$291,153
Travel	$9,623							$48	$9,671	$507	$10,178
Transportation	$1,728							$9	$1,737		$1,737
GSA Rent	$26,595					$133			$26,728		$26,728
Rent, Communications & Utilities	$5,804							$29	$5,833		$5,833
Printing	$833							$4	$837	$44	$881
Other Services:											
-WCF	$24,153						$7,839		$31,992		$31,992
-Other	$48,378							$242	$48,620	$14,077	$62,697
Supplies	$1,679							$8	$1,687	$88	$1,775
Equipment	$3,969							$20	$3,989	$209	$4,198
Subtotal, FHWA General Operating Expenses	**$413,533**	**$ --**		**$ --**	**($1,118)**	**$133**	**$ 7,839**	**$360**	**$420,747**	**$ 16,425**	**$437,172**
ARC	$3,220							$16	$3,236	$592	$3,828
OIG	$3,809								$3,809	($3,809)	$0
GRAND TOTAL, CONTRACT AU	**$420,562**	**$ --**		**$ --**	**($1,118)**	**$133**	**$ 7,839**	**$376**	**$427,792**	**$ 13,208**	**$441,000**

Note: OIG has requested to be provided resources within their own FY 2012 request.

EXHIBIT II-7

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

	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST	CHANGE
DIRECT:				
Federal-aid Highways (Highway Trust Fund)				
Limitation on administrative expenses	22,484	24,153	31,992	7,839
SUBTOTAL	22,484	24,153	31,992	7,839
REIMBURSABLE:				
Federal-aid Highways (Highway Trust Fund)				
Limitation on administrative expenses	-----	-----	-----	-----
SUBTOTAL	-----	-----	-----	-----
TOTAL	**22,484**	**24,153**	**31,992**	**7,839**

EXHIBIT II-8

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

	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
DIRECT FUND, BY APPROPRIATION			
Federal-aid General Operating Expenses and Direct Construction -- FLH, ARC, TIFIA & Miscellaneous Trust Funds	2,675	2,731	2,796
Direct Construction -- Highway Infrastructure Investment, ARRA 2009	52	60	31
SUBTOTAL, DIRECT FUNDED	2,727 1/	2,791 1/	2,827 1/
REIMBURSEMENT/ ALLOCATIONS/OTHERS			
Reimbursable Authority -- Federal-aid Highways	169	185	185
Reimbursable Authority -- Highway Infrastructure Investment, ARRA 2009	11	-----	-----
Allocation From OST, TIGER grants	-----	3	3
SUBTOTAL, REIMBURSEMENTS/ALLOCATIONS/OTHER	180	188	188
TOTAL FTEs	2,907	2,979	3,015
INFO:			
Allocations to other agencies	-----	-----	-----

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

EXHIBIT II-9

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

	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
DIRECT FUND, BY APPROPRIATION			
Federal-aid General Operating Expenses and Direct Construction -- FLH, ARC, TIFIA & Miscellaneous Trust Funds	2,830	2,830	2,897
Direct Construction -- Highway Infrastructure Investment, ARRA 2009	-----	-----	-----
SUBTOTAL, DIRECT FUNDED	2,830	2,830	2,897
REIMBURSEMENT/ ALLOCATIONS/OTHERS			
Reimbursable Authority -- Federal-aid Highways	169	185	185
Reimbursable Authority -- Highway Infrastructure Investment, ARRA 2009	11	-----	-----
Allocation From OST, TIGER grants	-----	3	3
SUBTOTAL, REIMBURSEMENT/ALLOCATION/OTHERS	180	188	188
TOTAL POSITIONS	3,010	3,018	3,085
INFO:			
Allocations to other agencies	-----	-----	-----

FEDERAL HIGHWAY ADMINISTRATION
HISTORICAL FUNDING LEVELS (2002-2011)
($000)

	FY 2002	FY 2003 2/	FY 2004 3/	FY 2005 4/	FY 2006 5/	FY 2007	FY 2008 6/	FY 2009 7/	FY 2010 9/	FY 2011 10/
Federal-Aid Highways										
Obligation Limitation 1/	$31,799,104	$31,800,000	$33,843,000	$34,422,400	$36,032,344	$39,086,465	$41,216,051	$40,700,000	$41,107,000	$41,107,000
Liquidation of Contract Authority (C.A.)	$30,000,000	$32,000,000	$34,000,000	$35,000,000	$36,032,344	$36,032,344	$41,955,051	$41,439,000	$41,846,000	$41,846,000
Emergency Relief Funds (C.A.)	$100,000	$100,000	$100,000	$100,000	$100,000	$101,737	$100,000	$100,000	$100,000	$100,000
LGOE/LAE - (Non Add within Federal-Aid)	$746,409	$504,126	$462,604	$2,369,500	$3,837,001	$1,251,814	$1,438,236	$399,500	$413,533	$413,533
Admin Expenses - LGOE	310,159	316,126	337,604	346,500	364,638	360,992	377,556	390,000	413,533	413,533
Supplemental Emergency Relief Funds	$242,000			$1,943,000	$3,452,363	$871,022	$1,045,000			
State Infrastructure Banks	-$5,750									
Appalachian Development Highway System (GF)	$200,000	$188,000	$125,000	$80,000	$20,000	$19,800	$15,680	$9,500		
Appalachian Development Highway System (TF)										
Miscellaneous Appropriations	$148,300	$90,600	$4,000		$153	$1,328	$15,148	$167,563	$346,515	$311,432
Highway Infrastructure Programs (GF)									$650,000	$650,000
Highway Infrastructure Investment, Recovery Act (GF)										$27,500,000 **8/**
Miscellaneous Highway Trust Fund	$100,000	$285,000	$50,000	$34,000						

Note: This table reflects actual enacted amounts as appropriated.

1/ Does not reflect $1.291 billion transferred to and from Federal Transit Administration 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, $1,001 million in FY 2008, $985.4 million in FY 2009, and $1,411 billion in FY 2010.

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 $0.589 million, 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 $0.738 million, Misc. Appropriations $0.021 million, and Misc. Hwy. Trust Funds $0.295 million.

4/ Does not reflect the following rescissions in FY 2005: LAE $2.8 million, Appalachian Dev. Hwy. Sys. $0.640 million, Misc. Hwy Trust Funds $0.272 million.

5/ Does not reflect the following rescissions in FY 2006: Federal-aid $360 million, LAE $3.6 million, Appalachian Dev. Hwy. Sys. $0.200 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: $1.162 billion from the $3.15 billion FY 2009 appropriated rescission and $5.3 billion from the $8.7 billion FY 2009 SAFETEA-LU rescission.

8/ Does not reflect $288.4 million transferred to Federal Transit Administration in FY 2009.

9/ Reflects Appropriations for obligation limitation in FY 2010. Extension bill provided through February 28, 2010.

10/ Reflects annualized appropriations from FY 2010. Extension bill provided through March 4, 2011.

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FEDERAL-AID HIGHWAYS
JUSTIFICATION OVERVIEW

The FHWA FY 2012 budget request represents a new paradigm in funding our nation's highways. Built on past successes, the new structure is a significant departure from the previous seven years (FY 2005-2011) carried out under SAFETEA-LU and strives to enhance the safety, livability, condition, and efficiency of our nation's highway system. The new construct consists of five core programs: Safety Program; National Highway Program; Livable Communities Program; Research, Technology and Education Program; and the Federal Allocation Program. Requested funding levels for each program over 6 years are provided on the following page.

The remainder of this Section contains detailed narratives to justify our budget request.

FEDERAL HIGHWAY ADMINISTRATION
FEDERAL-AID HIGHWAYS
FY 2012 - 2017 PRESIDENT's BUDGET TARGETS

Program	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	Total 2012-2017
Administrative Expenses	**441,000,000**	**468,000,000**	**489,000,000**	**511,000,000**	**533,000,000**	**558,000,000**	**3,000,000,000**
National Highway Program	**32,382,000,000**	**35,302,000,000**	**37,618,000,000**	**39,628,000,000**	**41,379,000,000**	**43,219,000,000**	**229,528,000,000**
Highway Infrastructure Performance Program	16,750,000,000	17,100,000,000	17,800,000,000	18,600,000,000	19,500,000,000	20,300,000,000	110,050,000,000
Flexible Investment Program 1/	15,632,000,000	18,202,000,000	19,818,000,000	21,028,000,000	21,879,000,000	22,919,000,000	119,478,000,000
Safety Program	**2,539,000,000**	**2,732,000,000**	**2,851,000,000**	**2,980,000,000**	**3,112,000,000**	**3,250,000,000**	**17,464,000,000**
Highway Safety Improvement Program	2,246,000,000	2,418,000,000	2,523,000,000	2,638,000,000	2,754,000,000	2,877,000,000	15,456,000,000
Highway Safety Data Improvement Program	293,000,000	314,000,000	328,000,000	342,000,000	358,000,000	373,000,000	2,008,000,000
Livable Communities Program	**4,100,000,000**	**4,290,000,000**	**4,477,000,000**	**4,680,000,000**	**4,888,000,000**	**5,104,000,000**	**27,539,000,000**
Livable Communities Formula Grants	3,400,000,000	3,590,000,000	3,777,000,000	3,980,000,000	4,188,000,000	4,404,000,000	23,339,000,000
Investments for Livable Communities Grants	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000	500,000,000	3,000,000,000
Livability Capacity Building Grants	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	1,200,000,000
Research, Technology and Education Program	**641,000,000**	**678,000,000**	**697,000,000**	**718,000,000**	**742,000,000**	**769,000,000**	**4,245,000,000**
Highway Research and Development	200,000,000	214,716,000	223,429,000	233,107,000	243,361,000	254,122,000	1,368,735,000
Technology and Innovation Deployment	144,000,000	161,044,000	167,444,000	175,176,000	182,532,000	190,596,000	1,020,792,000
Training and Education	40,000,000	42,948,000	44,695,000	46,630,000	48,681,000	50,828,000	273,782,000
ITS (RITA)	110,000,000	110,000,000	110,000,000	110,000,000	110,000,000	110,000,000	660,000,000
Competitive UTC Consortia (RITA)	72,000,000	72,000,000	72,000,000	72,000,000	72,000,000	72,000,000	432,000,000
BTS (RITA)	35,000,000	35,292,000	35,432,000	35,087,000	37,426,000	41,454,000	219,691,000
Multimodal Innovative Research Program (RITA)	20,000,000	21,000,000	22,000,000	23,000,000	24,000,000	25,000,000	135,000,000
UTC Multimodal Competitive Research Grants (RITA)	20,000,000	21,000,000	22,000,000	23,000,000	24,000,000	25,000,000	135,000,000
Federal Allocation Program	**1,357,000,000**	**1,474,000,000**	**1,550,000,000**	**1,631,000,000**	**1,713,000,000**	**1,776,000,000**	**9,501,000,000**
Emergency Relief 2/	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	600,000,000
Federal Lands Transportation Program	430,000,000	457,000,000	477,000,000	498,000,000	520,000,000	540,000,000	2,922,000,000
NPS/FWS set-aside (non-add)	*315,000,000*	*340,000,000*	*360,000,000*	*380,000,000*	*380,000,000*	*380,000,000*	*2,155,000,000*
Competitive (non-add)	*115,000,000*	*117,000,000*	*117,000,000*	*118,000,000*	*140,000,000*	*160,000,000*	*767,000,000*
Federal Lands Access Program	177,000,000	209,000,000	218,000,000	228,000,000	238,000,000	249,000,000	1,319,000,000
Tribal Transportation Program	600,000,000	628,000,000	655,000,000	685,000,000	715,000,000	747,000,000	4,030,000,000
On-the-Job Training	25,000,000	40,000,000	50,000,000	60,000,000	70,000,000	70,000,000	315,000,000
Disadvantaged Business Enterprise	25,000,000	40,000,000	50,000,000	60,000,000	70,000,000	70,000,000	315,000,000
Up Front Funding	**27,650,000,000**	**0**	**0**	**0**	**0**	**0**	**27,650,000,000**
Critical Highway Infrastructure Program	25,000,000,000	0	0	0	0	0	25,000,000,000
Admin take-down (non-add)	*20,000,000*	*0*	*0*	*0*	*0*	*0*	*20,000,000*
TIFIA	450,000,000	0	0	0	0	0	450,000,000
Admin take-down (non-add)	*5,000,000*	*0*	*0*	*0*	*0*	*0*	*5,000,000*
Cross-Border Transportation Infrastructure	2,200,000,000	0	0	0	0	0	2,200,000,000
Transportation Leadership Awards	**1,284,000,000**	**2,397,000,000**	**2,400,000,000**	**2,871,000,000**	**3,726,000,000**	**4,474,000,000**	**17,152,000,000**
Admin take-down (non-add)	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*6,000,000*
Surface Transportation Revenue Alternatives	**20,000,000**	**20,000,000**	**130,000,000**	**100,000,000**	**25,000,000**	**5,000,000**	**300,000,000**
Admin take-down (non-add)	*2,000,000*	*3,000,000*	*3,000,000*	*3,000,000*	*2,000,000*	*2,000,000*	*15,000,000*
TOTAL	**70,414,000,000**	**47,361,000,000**	**50,212,000,000**	**53,119,000,000**	**56,118,000,000**	**59,155,000,000**	**336,379,000,000**
CA Subject to Obligation Limitation	**69,675,000,000**	**46,622,000,000**	**49,473,000,000**	**52,380,000,000**	**55,379,000,000**	**58,416,000,000**	**331,945,000,000**
CA Exempt from Obligation Limitation	**739,000,000**	**739,000,000**	**739,000,000**	**739,000,000**	**739,000,000**	**739,000,000**	**4,434,000,000**

1/ Amounts include $639M exempt from Obligation Limitation
2/ Amounts are exempt from Obligation Limitation

EXHIBIT III-1

FEDERAL-AID HIGHWAYS
SUMMARY BY PROGRAM ACTIVITY
Appropriations, Obligation Limitations, and Exempt Obligations
($000)

ACCOUNTS	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST	CHANGE FY 2010-2012
[Limitation on Administrative Expenses/FHWA GOE]	[413,533]	[413,533]	[437,172]	[23,639]
Federal-aid Highways Obligation Limitation	(39,695,756) 1/	(41,107,000)	(69,675,000)	(29,979,244)
Subtotal, Obligation Limitation	(39,695,756)	(41,107,000)	(69,675,000)	(29,979,244)
Exempt Programs	739,000	739,000	739,000	-----
Authority	**40,434,756**	**41,846,000**	**70,414,000**	**29,979,244**
FTEs				
Direct Funded	2,727	2,791	2,827	100
Reimbursements/Allocations/Other	180	188	188	8
Total, FTE	2,907	2,979	3,015	108

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 FHWA administrative infrastructure.

[ ] Non-add

1/ Includes $1.4 billion CA transferred to/from FTA.

EXHIBIT III-1a

FEDERAL-AID HIGHWAYS
SUMMARY ANALYSIS OF CHANGE FROM FY 2011 TO FY 2012
Appropriations, Obligation Limitations, and Exempt Obligations

($000)

Item	Change from FY 2011 to FY 2012	FY 2012 PC&B by Program	FY 2012 FTEs by Program	FY 2012 Contract Expenses	Total
FY 2011 Base		Note: Columns are Non-Add			
Federal-aid Highways					$41,846,000
Adjustment to Base					
Pay Changes - Less One Compensable Day	-$1,118	-$1,118			
GSA Rent	$133			$133	
WCF	$7,839			$7,839	
Non-Pay inflation	$376			$376	
Subtotal, Adjustments to Base	$7,230	-$1,118	0	$8,348	$7,230
New or Expanded Programs					
Federal-aid Highways Grants	$28,547,562			$28,547,562	
Pay Changes - PCS restortation	$1,500			1,500	
Travel - restoration	$507			507	
Printing - restoration	$44			44	
Other Services	$14,077			$14,077	
Supplies - restoration	$88			$88	
Equipment - restoration	$209			$209	
ARC - Cost to Compete	$592			$592	
OIG Budget	-$3,809			-$3,809	
Subtotal, New or Expanded Programs	$28,560,770	$0	0	$28,560,770	$28,560,770
FY 2012 Total Request [Ob. Lim. + Exempt CA]					$70,414,000

EXHIBIT III-2

ANNUAL PERFORMANCE RESULTS AND TARGETS

FEDERAL HIGHWAY ADMINISTRATION

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

DOT Goal: Safety

Reduce the Highway Fatality Rate per 100 million VMT.	2007	2008	2009	2010	2011	2012
Target			1.35	1.30	1.10	1.05
Actual	1.37	1.25	1.13	N/A		
# - Target was established for Safety High Priority Performance Goal in the FY 2011 Budget Submission to Congress.						

DOT Goal: Environmental Sustainability

Percentage of capital improvement projects that include Environmental Management Systems, Context Sensitive Solutions or use a sustainable transportation project evaluation tool to manage the environmental impacts of construction and operations. *(NEW)*	FY 2012
Target	TBD
Actual	
TBD - DOT will report a baseline and targets for this measure prior to the end of FY 2012.	

DOT Goal: State of Good Repair

Increase the percent of travel on the enhanced National Highway System (NHS) roads with pavement performance standards rated good. *(REVISED)*	FY 2012
Target	55
Actual	
Note: This measure is based on the enhanced National Highway System (NHS), which includes 220,000 miles of Interstate Highways and other principal arterials, intermodal connectors and a network of highways important to the U.S. strategic defense policy. The target is a preliminary estimate based on the performance of the current NHS. The actual results for FY 2007-09 and FY 2011-12 targets will be provided once the enhanced NHS is defined in legislation that authorizes the Federal Highway Program.	

Decrease the percent of deck area on all bridges (i.e., roadway surface of a bridge) rated as structurally deficient. *(REVISED)*	2007	2008	2009	2010	2011	2012
Target					9.1*	9.0*
Actual	9.5	9.4	9.3	9.2		
* - Anticipated trends based on 2007 through 2009 historical NBI data.						

DOT Goal: Livable Communities

Increase in the number of States with policies that improve transportation choices for walking and bicycling. *(NEW)*	FY 2010	FY 2011	FY 2012
Target		22	23
Actual	21		
Note: This measure is based on the number of States with laws or policies that require routine consideration of pedestrians and bicyclists in transportation projects.			

DOT Goal: Economic Competitiveness

Increase travel time reliability in freight significant corridors.	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Target				15.0 (r)	15.0	15.0
Actual	15(r)	14.4 (r)	13.8 (r)	13.7		
(r) – Actual results for FY 2007-09 were revised in FY 2010. The measure used for reliability is the Buffer Index, which is expected to decline with reductions in congestion in the designated corridors. Despite a recent downward trend, the actual results may increase in FY 2011 as traffic volume increases. The target is reviewed and adjusted annually based on the latest available information.						

Increase travel time reliability (i.e., Travel Time Index) in urban areas.	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Target				1.17	1.21	1.21
Actual	N/A	1.21	1.19	1.21		
Note: Travel Time Index is a ratio that represents peak period congestion intensity as compared to off-peak conditions. Lower scores indicate improvement. This measure will be revised in FY 2012 and will be based on the enhanced National Highway System (NHS), which includes 220,000 miles of Interstate Highways and other principal arterials, intermodal connectors and a network of highways important to the U.S. strategic defense policy. Current measure represents results from 23 urban areas that provide data for the *FHWA Urban Congestion Report.* The FY 2011-12 targets will be revisited once the enhanced NHS is defined in legislation that authorizes the Federal Highway Program.						

FEDERAL-AID HIGHWAYS

(LIMITATION ON OBLIGATIONS)

(TRANSPORTATION TRUST FUND)

Contingent upon enactment of multi-year surface transportation authorization legislation, funds available for the implementation or execution of programs of Federal-aid highways and highway safety construction programs authorized under titles 23 and 49, United States Code, and the provisions of Public Law 109-59, as amended by such authorization, shall not exceed total obligations of $69,675,000,000 for fiscal year 2012: Provided, That the Secretary may collect and spend fees, as authorized by title 23, United States Code, 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 title 23, United States Code.

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(TRANSPORTATION TRUST FUND)

Contingent upon enactment of multi-year surface transportation authorization language, $70,414,000,000, to be derived from the Highway Account of the Transportation Trust Fund and to remain available until expended, for the payment of obligations incurred in carrying out Federal-aid highways and highway safety construction programs authorized under title 23, United States Code, as amended by such authorization.

(CANCELLATION OF UNOBLIGATED BALANCES)
(TRANSPORTATION TRUST FUND)

Unobligated balances of funds made available for projects authorized by 23 U.S.C. 320 and provided for in section 147 of Public Law 95-599, section 9(c) of Public Law 97-134, section 149 of Public Law 100-17, and sections 1006, 1069, 1103, 1104, 1105, 1106, 1107, 1108, 6005, 6015, and 6023 of Public Law 102-240 are hereby permanently cancelled. In addition, the unobligated balances available on September 30, 2011, under section 1602 of the Transportation Equity Act for the 21st Century (Public Law 105-178) for each project for which less than 10 percent of the amount authorized for such project under such section has been obligated are hereby permanently cancelled. In addition, of the amounts authorized for fiscal years 2005 through 2009 by section 1101(a)(16) of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users

(Public Law 109-59) to carry out the high priority projects program under section 117 of title 23, United States Code, that are not allocated for projects described in section 1702 of such Act, $8,190,335 are hereby permanently cancelled.

Note.--A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

(ADMINISTRATIVE PROVISIONS - FEDERAL HIGHWAY ADMINISTRATION)

Sec. 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. 121. Contingent upon enactment of multi-year surface transportation authorization legislation, the following authorities shall apply for fiscal year 2012:

(a) 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; 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 Account of the Transportation Trust Fund or the Highway Trust Fund (other than the Mass Transit Account) for Federal-aid highway 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 the Federal-aid highway and highway safety construction programs (other than sums authorized to be appropriated for provisions of law described in paragraphs (1) through (11) of subsection (b) and sums authorized to be appropriated for section 133 of title 23, United States Code, equal to the amount referred to in subsection (b)(12) for such fiscal year), less the aggregate of the amounts not distributed under paragraphs (1) and (2) of this subsection;

4) distribute the obligation limitation provided for Federal-aid highways, less the aggregate amounts not distributed under paragraphs (1) and (2), for each of the programs that are allocated by the Secretary under title 23,

United States Code, as amended by such authorization legislation, (other than to programs to which paragraph (1) applies), by multiplying the ratio determined under paragraph (3) by the amounts authorized to be appropriated for each such program for such fiscal year; and

(5) distribute the obligation limitation provided for Federal-aid highways, less the aggregate amounts not distributed under paragraphs (1) and (2) and the amounts distributed under paragraph (4), for Federal-aid highway and highway safety construction programs that are apportioned by the Secretary under title 23, United States Code, as amended by such authorization legislation, (other than the amounts apportioned for the flexible investment program in section 133 of title 23, United State Code, that are exempt from limitation under subsection (b)(12)) in the ratio that—

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

(B) the total of the amounts authorized to be appropriated for the 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 (23 U.S.C. 144 note; 92 Stat. 2714);

(3) under section 9 of the Federal-Aid Highway Act of 1981 (Public Law 97-134; 95 Stat. 1701);

(4) under subsections (b) and (j) of section 131 of the Surface Transportation Assistance Act of 1982 (Public Law 97-424; 96 Stat. 2119);

(5) under subsections (b) and (c) of section 149 of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (Public Law 100-17; 101 Stat. 198);

(6) under sections 1103 through 1108 of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102-240; 105 Stat. 2027);

(7) under section 157 of title 23, United States Code (as in effect on June 8, 1998);

(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 (Public Law 105-178; 112 Stat. 107) 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 (as in effect for fiscal years 2005 through 2011, but only in an amount equal to $639,000,000 for each of those fiscal years);

(11) under section 1603 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (Public Law 109-59; 119 Stat. 1248), 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; and

(12) under section 133 of title 23, United State Code (but, for fiscal years 2012, only in an amount equal to $639,000,000).

(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 an 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 144 (as in effect on the date before the date of enactment of such authorization legislation) and 104 of title 23, United States Code, as amended by such authorization legislation.

(d) NO-YEAR AND MULTI-YEAR OBLIGATION LIMITATION.—

(1) TRANSPORTATION RESEARCH PROGRAMS.--The obligation limitation shall apply to transportation research programs carried out under chapter 5 of title 23, United States Code, as amended by such authorization legislation, except that obligation authority made available for such programs under such limitation shall remain available until used for obligation of such funds for transportation research programs 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.

(2) SURFACE TRANSPORTATION REVENUE ALTERNATIVES OFFICE.--Obligation limitation distributed under subsection (a)(4) for the surface transportation revenue alternatives office shall--

(A) remain available until used for obligation of funds for such office; and

(B) 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.

(3) ADMINISTRATIVE EXPENSES FOR THE CRITICAL HIGHWAY INFRASTRUCTURE PROGRAM.--Obligation limitation distributed under subsection (a)(4) for administrative expenses for the critical highway infrastructure program shall—

(A) remain available for a period of 3 fiscal years; and

(B) 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 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 highway 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)(5).

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

Note.--A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111-242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

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 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
New obligations				
	Obligations by program activity:			
00.10	Surface transportation program	9,606	8,054	.....
00.11	National highway system	8,464	7,605	.....
00.12	Interstate maintenance	5,236	6,227	.....
00.13	Bridge program	5,585	5,321	.....
00.14	Congestion mitigation and air quality improvement	1,246	2,171	.....
00.15	Highway safety improvement programs	1,307	1,331	.....
00.16	Equity programs	1,151	2,007	.....
00.17	Federal lands highways	443	800	.....
00.18	Appalachian development highway system	216	867	.....
00.19	High priority projects	1,563	2,777	.....
00.20	Projects of national and regional significance	293	589	.....
00.21	Research, development, and technology	390	370	.....
00.22	Administration	411	414	441
00.23	Other programs	5,533	6,269	3,424
00.24	National highway program	.....	.....	31,743
00.25	Safety program	.....	.....	2,539
00.26	Livable communities program	.....	.....	4,100
00.27	Research, technology and education program	.....	.....	390
00.28	Federal allocation program	.....	.....	1,257
00.29	Cross-border transportation infrastructure	.....	.....	2,200
00.30	Challenge grants	.....	.....	773
00.31	Surface transportation revenue alternatives	.....	.....	20
00.32	Critical highway infrastructure	.....	.....	25,000
00.91	Programs subject to obligation limitation	41,444	44,802	71,887
02.11	Emergency relief program	104	146	111
02.13	Equity programs	415	735	678
02.14	Demonstration projects	41	69	48
02.91	Programs exempt from obligation limitation	560	950	837
05.00	Total direct program	42,004	45,752	72,724
	Credit program obligations:			
07.01	Direct loan subsidy	167	100	425
07.02	Loan guarantee subsidy	.....	20	20
07.05	Reestimates of direct loan subsidy	97	33	.....
07.09	Administrative expenses	2	2	5
07.91	Direct program activities, subtotal	266	155	450
07.99	Total direct obligations	42,270	45,907	73,174
08.01	Reimbursable program	70	220	220
09.00	Total new obligations	42,340	46,127	73,394

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 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Budgetary resources				
	Unobligated balance:			
10.00	Unobligated balance brought forward, Oct 1	25,819	31,025	28,193
10.11	Unobligated balance transferred from other accounts [69-8350]	5	.....	.....
10.20	Adjustment of unobligated balance brought forward, Oct 1	-772	.....	.....
10.50	Unobligated balance (total)	25,052	31,025	28,193
Budget authority				
	Appropriations, discretionary:			
11.02	Appropriation (trust fund)	41,846	43,042	70,414
11.20	Appropriations transferred to other accounts [69-8350]	-1,052	.....	.....
11.21	Appropriations transferred from other accounts [69-8350]	23	.....	.....
11.37	Appropriations applied to liquidate contract authority	-40,817	-43,042	-70,414
11.60	Appropriations, discretionary (total)	.....	.....	.....
	Appropriations, mandatory:			
12.02	Appropriation (trust fund, indefinite)	97	33	.....
12.60	Appropriations, mandatory (total)	97	33	.....
	Contract authority, discretionary:			
15.21	Unobligated balance of contract authority permanently reduced	.....	.....	-630
	Contract authority, mandatory:			
16.00	Contract authority	51,750	41,846	70,414
16.10	Transfer to other accounts [69-8350]	-1,434	.....	.....
16.11	Transfer from other accounts [69-8350]	23	.....	.....
16.21	Unobligated balance permanently reduced (PL 111-226)	-2,200	.....	.....
16.40	Contract authority, mandatory (total)	48,139	41,846	70,414
	Spending authority from offsetting collections, discretionary:			
17.00	Collected	253	220	220
17.01	Change in uncollected payments, Federal sources	-176	.....	.....
17.50	Spending authority from offsetting collections, discretionary (total)	77	220	220
19.00	Budget authority (total)	48,313	42,066	70,634
19.30	Total budgetary resources available	73,365	73,124	98,827
	Memorandum (non-add) entires:			
19.41	Unexpired unobligated balance, end of year	31,025	26,997	25,433
Change in obligated balance				
	Obligated balance, start of year (net):			
30.00	Unpaid obligations, brought forward, Oct 1 (gross)	52,631	64,706	75,183
30.01	Adjustments to unpaid obligations, brought forward, Oct 1	767	.....	.....
30.10	Uncollected payments, Federal sources, brought forward, Oct 1	-516	-334	-334
30.11	Adjustments to uncollected pymts, Fed sources, brought forward, Oct 1	6	.....	.....
30.20	Obligated balance, start of year (net)	52,888	64,372	74,849
30.30	Obligations incurred, unexpired accounts	42,340	46,127	73,394
30.40	Outlays (gross)	-31,032	-35,352	-40,183
30.50	Change in uncollected payments, Federal sources, unexpired	176	.....	.....
	Obligated balance, end of year (net):			
30.90	Unpaid obligations, end of year (gross)	64,706	75,481	108,394
30.91	Uncollected payments, Federal sources, end of year	-334	-334	-334
31.00	Obligated balance, end of year (net)	64,372	75,174	108,060

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 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Budget authority and outlays, net				
	Discretionary:			
40.00	Budget authrity, gross	77	220	-410
	Outlays, gross:			
40.10	Outlays from new discretionary authority	39	220	220
40.11	Outlays from discretionary balances	149	78	61
40.20	Outlays, gross (total)	188	298	281
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
40.30	Federal sources	-253	-220	-220
40.33	Non-Federal sources	-1	.....	.....
40.40	Offsets against gross budget authority and outlays (total)	-254	-220	-220
	Additional offsets against gross budget authority only:			
40.50	Change in uncollected payments, Federal sources, unexpired	176	.....	.....
40.52	Offsetting collections credited to expired accounts	1	.....	.....
40.60	Additional offsets against budget authority only (total)	177	.....	.....
40.70	Budget authority, net (discretionary)	.....	.....	-630
40.80	Outlays, net (discretionary)	-66	-78	-61
	Mandatory:			
40.90	Budget authority, gross	48,236	41,879	70,414
	Outlays, gross:			
41.00	Outlays from new mandatory authority	8,324	11,332	14,762
41.01	Outlays from mandatory balances	22,520	24,020	28,729
41.10	Outlays, gross (total)	30,844	35,352	40,183
41.60	Budget authority, net (mandatory)	48,236	41,879	70,414
41.70	Outlays, net (mandatory)	30,844	35,352	43,491
41.80	Budget authority, net (total)	48,236	41,879	70,414
41.90	Outlays, net (total)	30,778	35,430	43,552

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
FEDERAL-AID HIGHWAYS

OBJECT CLASSIFICATION
in millions of dollars

Identification code: 69-8083-0-7-401		FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Direct obligations:				
	Personnel compensation:			
11.1	Full-time permanent	266	251	257
11.3	Other than full-time permanent	4	6	6
11.5	Other personnel compensation	4	4	4
11.9	Total personnel compensation	274	261	267
12.1	Civilian personnel benefits	73	70	72
21.0	Travel and transportation of persons	20	20	20
22.0	Transportation of things	1	2	2
23.1	Rental payments to GSA	27	27	27
23.2	Rental payments to others	1	……	……
23.3	Communications, utilities, and misc. charges	4	5	5
24.0	Printing and reproduction	……	2	2
25.1	Advisory and assistance services	56	55	60
25.2	Other services from non-federal sources	282	387	387
25.3	Other goods and services from federal sources	467	408	422
25.7	Operation and maintenance of equipment	50	40	50
25.8	Subsistence and support of persons	1	……	……
26.0	Supplies and materials	4	5	5
31.0	Equipment	4	5	5
33.0	Investments and loans	250	……	……
41.0	Grants, subsidies, and contributions	39,425	43,573	70,516
99.0	Direct obligations	40,939	44,860	71,840
99.0	Reimbursable obligations	70	220	220

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
FEDERAL-AID HIGHWAYS

OBJECT CLASSIFICATION
in millions of dollars

Identification code: 69-8083-0-7-401		FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Allocation account - direct:				
	Personnel compensation:			
11.1	Full-time permanent	70	49	70
11.3	Other than full-time permanent	7	6	7
11.5	Other personnel compensation	4	3	4
11.9	Total personnel compensation	81	58	81
12.1	Civilian personnel benefits	27	15	27
21.0	Travel and transportation of persons	6	5	6
23.1	Rental payments to GSA	4	2	4
23.3	Communications, utilities, and misc. charges	9	1	9
25.1	Advisory and assistance services	4	7	7
25.2	Other services from non-federal sources	589	525	589
25.3	Other goods and services from federal sources	6	5	6
25.4	Operation and maintenance of facilities	4	……	4
26.0	Supplies and materials	10	7	10
31.0	Equipment	6	5	6
32.0	Land and structures	22	16	22
41.0	Grants, subsidies, and contributions	563	401	563
99.0	Allocation account - direct	1,331	1,047	1,334
99.9	Total new obligations	42,340	46,127	73,394

FEDERAL-AID HIGHWAYS

EMPLOYMENT SUMMARY

Identification code: 69-8083-0-7-401		FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
	Direct:			
10.01	Civilian full-time equivalent employment	2,665	2,721	2,786
	Reimbursable:			
20.01	Civilian full-time equivalent employment	169	185	185
	Allocation account:			
30.01	Civilian full-time equivalent employment	……	3	3

Executive Summary
Highway Safety Improvement Program (HSIP)

What Is The Request & What Will We Get For The Funds?
The budget proposes a $2.246 billion Federal-aid infrastructure-focused program to significantly reduce highway fatalities and serious injuries on all public roads and that is directly tied to the Department's safety goal and Roadway Safety Plan principles. The request represents an increase of almost $1 billion annually over the existing SAFETEA-LU program, effectively doubling the funding dedicated to improving the safety of highway infrastructure.

What Is The Program?

- A data-driven, strategic approach to improving highway safety to reduce fatalities and serious injuries.
- Ensures coordination among all highway safety modes, including coordination with National Highway Traffic Safety Administration (NHTSA) and Federal Motor Carrier Safety Administration (FMCSA) safety programs.
- Continues the requirement that each state develop a Strategic Highway Safety Plan. This statewide, coordinated safety plan in each State will provide a comprehensive framework for establishing statewide goals, objectives, and performance targets.
- Increases the eligibility and flexibility of safety focused funding. Ends the transfer of safety funds to non-safety programs unless certain safety performance targets are met.
- Eliminates the railroad-crossing safety set-aside. Projects previously funded under the railroad-crossing program remain fully eligible for HSIP funding.
- Requires States to spend a minimum of 10 percent of their HSIP funds on projects to improve the safety of any public rural road in lieu of the High Risk Rural Roads set-aside.

Why Is This Particular Program Necessary?
The program saves lives. Almost 34,000 people died on the nation's highways in 2009 and action must be taken to address this serious public safety problem. The financial burden of highway crashes is at least $230 billion per year – a sign of the economic magnitude of highway crashes.

How Do You Know The Program Works?
FHWA estimates show that infrastructure-related safety investments provide an overall benefit-cost ratio of 14:1. The number of highway-related fatalities decreased more than 20 percent between 2006 and 2009, and the HSIP and other US DOT safety programs contributed to this success for the American public. It is estimated that more than 5,000 fatalities and 17,000 serious injuries will be prevented as a result of HSIP investments alone under SAFETEA-LU.

Why Do We Want/Need To Fund The Program At The Requested Level?
Safety is the Department's top priority. The funding request effectively doubles funding to address safety needs on the nation's highways. Quite simply, a lower level of funding will result in more highway fatalities and serious injuries on all public roads. A single death on our highways is a tragedy; almost 100 deaths a day is unacceptable when we possess the tools and capabilities to prevent them.

Detailed Justification
Highway Safety Improvement Program

What Do I Need To Know Before Reading This Justification?

- The Highway Safety Improvement Program (HSIP) is an existing program under SAFETEA-LU.
- The program requires strategic safety planning, devotes additional resources to infrastructure-related safety improvements, and supports innovative approaches on all public roads.
- This justification relates to continuing the program at a higher funding level, with features including: 1) a performance-based framework; 2) greater flexibility: 3) making optimal safety infrastructure investment decisions; and 4) coordination with other DOT safety investments. This program is coupled with a Highway Safety Data Improvement Program.

What Is The Request And What Will We Get For The Funds?

FY 2012 – Safety Program ($2.539 billion)
($000)

PROGRAM ACTIVITY	FY 2010 ACTUAL	FY 2012 REQUEST	CHANGE FY 2010-2012
Federal-aid Highways Program			
Safety Program			
FY 2010 Cross walked Programs	1,288,051	-----	- 1,288,051
Highway Safety Improvement Program	-----	2,246,000	2,246,000
Highway Safety Data Improvement Program	-----	293,000	293,000
Total	**1,288,051**	**2,539,000**	**1,250,949**

Note: Includes cross walked programs in SAFETEA-LU for FY 2010.

- **Key actions or anticipated milestones in the budget year**
  - Establishment of a performance-based framework for the HSIP that is coordinated with NHTSA's and FMCSA's safety programs and performance measures and is incorporated into FHWA's overall performance management system.
  - An increase in the number of proven countermeasures States implement from Strategic Highway Safety Plans.
  - Increased flexibility to use HSIP funds to address a broad range of safety issues.

- **Key outputs expected in budget year –** The number of HSIP projects implemented and HSIP obligation rates. Using State's annual reports, obtain more complete data on HSIP projects to conduct a comprehensive evaluation of the overall program.
- **Key outcomes expected in the budget year** – The safety benefits of the HSIP program are long-term and sustainable, which means that their full life saving value continues over multiple years. The previous HSIP investments made under SAFETEA-LU will continue to provide safety benefits long after the funds are expended. The benefits expected in FY 2012 include a reduction in fatalities and serious injuries from safety improvements that were implemented during the last 10 years; just as the projects completed in FY 2012 will continue to generate benefits in the future.

What Is This Program?

The program authorizes a Federal-aid infrastructure-focused funding program to achieve a significant reduction in fatalities and serious injuries on all public roads. It is directly tied to the Department's safety strategic goal and the Roadway Safety Plan. The HSIP includes a data-driven, strategic approach to improving highway safety. As such, the program is coupled with a Highway Safety Data Improvement Program for the States to establish or improve their roadway safety data program. Another major program feature is a statewide, coordinated strategic highway safety plan in each State that provides a comprehensive framework for establishing statewide goals, objectives, and performance targets; and that integrates the four "Es" - engineering, education, enforcement and emergency medical services. The plan is developed by each state through a cooperative process involving local, state, federal, and private sector stakeholders to address the safety needs for all public roads. The States will be guided by the plan and their data systems in using the HSIP and other funds to produce a program of projects and strategies to solve relevant safety challenges.

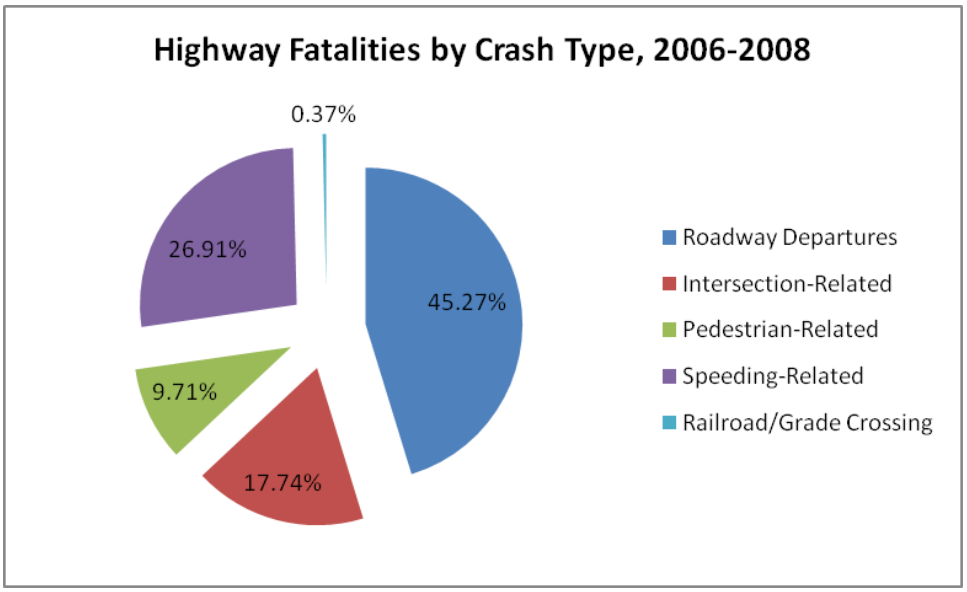
Proposed changes to provisions of the program:

- **Establish a performance-based framework –** Establish a performance-based framework for the HSIP that is coordinated with NHTSA's and FMCSA's safety programs and is incorporated into FHWA's overall performance management system. The features of the framework will include:
    - A coordinated set of roadway safety metrics emphasizing outcome measures
    - A process to establish performance targets for those measures
    - Evaluation of program results
    - Greater flexibility for those states that achieve their performance targets; more focused investments in safety for those States that do not meet their targets
    - Technical assistance that is aimed towards the achievement of state performance targets
- **A Statewide Strategic Highway Safety Plan** – Each state's Strategic Highway Safety Plan (SHSP) will address how all available funds (Federal, state, and local) will be used

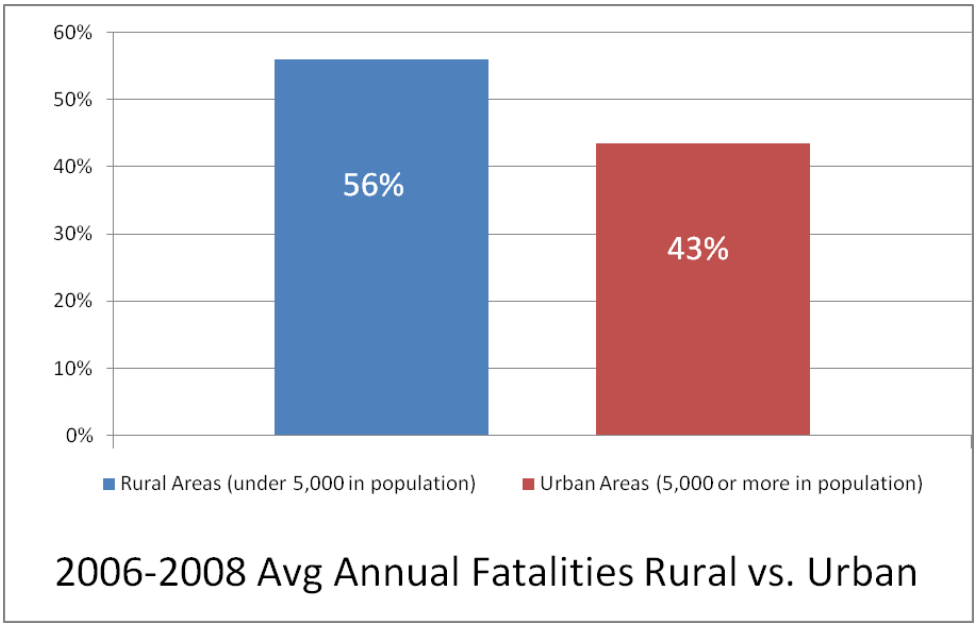
to achieve safety performance targets. The SHSP will inform the NHTSA and FMCSA plans and will be updated every 5 years.

- **A single set of safety performance targets**. To most effectively improve overall highway safety, there should be only one set of safety targets in each State. The budget proposes establishment of a minimum performance level based on the overall goal that is established through the SHSP process. The State's goal will contribute to the achievement of national targets.
- **Targets to be set in collaborative process** –As part of the cooperative SHSP process, performance areas will be identified and appropriate performance metrics and targets will be developed. Performance metrics and progress in achieving performance targets will be tracked on an annual basis.
- **Data and Analysis –** States are required to develop a safety data system or advance their capabilities to maintain a record of safety data on all public roads; identify roadway features that constitute a danger to road users and perform safety problem identification and countermeasure analysis. This requirement is supported by the new Highway Safety Data Improvement Program.
- **HSIP Implementation –** As part of each State highway safety improvement program, the State will collect and analyze safety data to prioritize their safety needs. States would then establish and implement a schedule of highway safety improvement projects, activities or strategies to address the identified safety problems. A State would prepare an annual implementation plan describing how the HSIP activities would make progress toward achieving safety performance targets. The State would also report annually on the extent to which these activities achieve performance targets.
- **Eligibility of HSIP program –** Eligible activities for the use of HSIP funds will be expanded and FHWA will provide information to clarify current eligibilities that some States may not be aware of. For example:
    - Specific emphasis will be placed on the eligibility of systemic safety improvements that are based on not only high crash frequency, but where there are high-risk roadway features that are correlated with particular crash types. Such systematic improvements may include installation of rumble strips, placement of guardrail or upgrading existing signs and pavement markings.
    - Professional development programs, training and activities to increase the knowledge base of safety practitioners will be eligible.
    - States can use HSIP funds for safety program evaluations.
    - Projects that provide infrastructure and equipment to support EMS will become eligible.
    - HSIP funds will be encouraged to be used as part of other system improvement projects to fund roadway safety infrastructure included as part of the larger project. However, HSIP funds are not to supplant funds for capital projects, but to upgrade projects.

- **Increase flexibility for states** – Under SAFETEA-LU, States are eligible to use up to 10 percent of their HSIP funds for non-infrastructure safety projects under 23 U.S.C. that are addressed in their State SHSP (including education, enforcement and emergency medical services). Currently, to take advantage of this flexibility provision, States must certify that they are appropriately addressing their infrastructure safety needs. As part of this new program, the percentage of funds that can be used on other safety projects that are addressed in the SHSP will increase from 10 to 25 percent to allow projects with the highest safety payoffs to be funded. The requirement to certify focuses on the most effective projects to make progress towards achieving safety performance targets.
- **Streamline the delivery of systematic safety projects** - Optimize the delivery of safety projects by improving the processes by which funds can be used for systematic improvements particularly on rural roads. Unlike most Federal-aid projects, most safety projects occur within existing rights-of-way and have very limited environmental impacts. Such process improvements will be particularly beneficial for those projects that are on locally-owned roadways where the local governments may have very limited experience addressing the environmental, process and financial oversight requirements of standard FHWA projects.
- **End transfer of HSIP funds to other (i.e., non-safety) programs** – When safety became a core program in SAFETEA-LU, states were allowed under Section 126 of Chapter 23 U.S.C. (Uniform transferability of Federal-aid highway funds) to transfer up to 50 percent of their funds out of the HSIP to non-safety programs such as Interstate Maintenance, National Highway System, Highway Bridge Repair and Replacement Program, and other federal-aid highway programs. In FY 2009, 13 states took advantage of the transfer provision and a total of $128 million of HSIP funds were transferred to other programs. This provision will end the transfer of safety funds to non-safety programs unless certain performance targets are met. If the safety performance targets are met in the previous year, the State will be granted the flexibility to transfer up to 50 percent of their HSIP funds to other, non-safety programs.
- **Focused obligation authority to improve performance** – HSIP funds should be used for safety projects to achieve the State's safety performance targets. For those States that do not meet their performance targets, a portion of their subsequent obligation authority (in the amount of that year's HSIP apportionment) could only be used for HSIP projects. If a State meets its performance targets in the previous year, it will be granted the flexibility to use its obligation authority for all core programs.
- **Eliminate railroad-crossing program set aside** - Eliminate the annual set aside of HSIP funds for railroad-crossing safety (which was $220 million in SAFETEA-LU). The nation has had tremendous success in significantly reducing rail crossing fatalities, which now represent less than 1 percent of the annual total of road-related fatalities. As such, the portion of HSIP funds (17 percent in FY 10) set aside to address railroad-crossings is no longer warranted. Projects previously funded under the railroad-crossing program will remain fully eligible for HSIP funding, and States will be given the flexibility to fund the projects of greatest need in their area.



- **High risk rural roads program (HRRR) –** Although the nation has a tremendous challenge in improving safety on rural roads, elements of the program authorized in SAFETEA-LU inadvertently made it very difficult for State and local agencies to make full use of these funds. The Department proposes to eliminate these restrictive elements and put such projects under the same criteria as the rest of the HSIP. The High Risk Rural Roads program will be replaced with a more flexible, easier to administer 10 percent set aside dedicated to rural road safety. Since the majority of fatalities occur on rural roads, we believe that resources should be targeted to rural safety projects. States will be required to spend a minimum of 10 percent of their HSIP funds on projects to improve the safety of any public rural road. States are encouraged to expend additional HSIP funds on rural roads as necessary to meet statewide goals.



- **Integrated Roadway Safety Programs** – Consistent with the Department's Roadway Safety Plan, this proposal sets forth a vision to move toward zero fatalities on all public roads by implementing a collaborative national roadway safety strategy working with a broad array of committed stakeholders. Within USDOT, the proposal emphasizes integration, coordination and collaboration among FHWA, FMCSA, NHTSA and RITA. Coordination is encouraged for Safety plans from each of the agencies, cross-modal safety data collection and analysis; to develop a process for a single annual roadway safety report; and continued efforts to provide flexibility and simplification in the administration of safety programs, applications and award processes.

Why is this particular program necessary?

The Department of Transportation has set a vision for reducing the overall number of highway fatalities by undertaking various strategies in the focus areas of safer vehicles, safer driver behavior and safer highway infrastructure. FHWA contributes a large portion towards the achievement of this vision through the close working relationship with other safety modes, state and local governments and other partners. While the National Highway Traffic Safety Administration (NHTSA) and the Federal Motor Carrier Safety Administration (FMCSA) focus their resources on improved vehicle and user safety, FHWA concentrates on ensuring the safety of the infrastructure upon which all vehicles and users operate. The balance of coordinated efforts enables various DOT modes to concentrate on their areas of expertise while working towards a single goal at the federal level. This continued coordination eliminates the potential for duplication of efforts, and encourages greater unity of effort at the federal level. Coupled with a comprehensive focus on shared reliable safety data, the efforts of all modes will ensure that the federal efforts are implemented to their greatest potential. The HSIP is the main instrument for highway infrastructure safety used by FHWA for achieving the goal of reduced fatalities and serious injuries.

There is a backlog of highway safety needs. A gross estimate of highway safety needs based on a sample of State reports, indicates that more than $15 billion is needed just to address the top five percent most hazardous locations. For example, New Jersey identified their top five percent most hazardous roadway locations and indicated they would need approximately $503 million to address these locations. New Jersey was apportioned $110 million in HSIP funds over the SAFETEA-LU period. The Recovery Act also demonstrated the demand for safety project funding. Over 800 safety improvement projects were given priority for these limited funds, totaling $1.3 billion in safety and operational improvements.

Many state and local agencies currently address safety by identifying high crash locations. Louisiana conducted an analysis on intersection safety improvement needs and determined that, at a minimum, their short term (five-year) intersection needs amount to approximately $63 million, which is nearly 50 percent of the state's HSIP apportionment from 2006-2010 of over $122 million. Kentucky conducted a similar analysis on roadway departure safety needs and estimated that $48 million of their $97 million HSIP budget could be dedicated just to roadway departure safety needs.

FHWA is encouraging a systemic approach to safety planning – identifying locations for deployment of lower cost safety measures over many miles of roadway segments. Locations for implementing safety improvements are based on an analysis of what roadways share "dangerous" elements that may be mitigated with the improvement. Systemic improvements address crashes that are widely distributed geographically. For example, Minnesota has 29,000 rural curves (10 percent of their roadway mileage, but 40 percent of the crashes). Half of these curve locations had zero crashes in a five year period, making identification of where spot improvements should occur based on crashes impossible. However, analysis shows that curves with 1,500-foot radius or less have a significantly higher crash rate than higher radius curves. Therefore, a systemic program of low cost signing and marking improvements at only these curves is appropriate. Minnesota's cost to improve the safety of its most dangerous curves would be approximately $22 million. This $22 million would address only the highest potential hazardous curves in only one State. Minnesota would need additional funds for systemic improvements to address other crash types including intersections, pedestrian, bicycle, speeding, other roadway departures, etc.

This program will continue to save lives and prevent serious injuries on the nation's highways. The program contributes to the achievement of the DOT Safety goal and specifically to the DOT outcome to reduce transportation related fatalities and injuries. Almost 34,000 people died on the nation's highways in 2009 and the financial burden of highway crashes is at least $230 billion per year. Action must be taken to address this serious public safety and economic problem.

How do you know the program works?

Since the inception of SAFETEA-LU, there has been a doubling of funds for USDOT safety programs which have been strengthened in many ways. Within FHWA, the HSIP program required strategic highway safety plans which are cross-modal in nature. The number of traffic fatalities in the U.S. decreased more than 20 percent between 2006 and 2009, and the HSIP and other US DOT safety programs contributed to this success for the American public.

The SHSP process has fostered an unprecedented level of partnership among a variety of safety stakeholders. As they identify life saving initiatives the demand for dedicated safety resources grows. Further, with an additional emphasis on safety and roadway design characteristics data from the new Highway Safety Data Improvement Program, States will be able to use existing and future analysis tools for problem identification, trend analysis, safety projects and systemic improvement planning.

Safety infrastructure investments are effective and cost-beneficial. FHWA has identified and promoted proven safety countermeasures that have demonstrated benefits for reducing crashes. For example, the installation of centerline rumble strips on a two-lane roadway can expect a 14 percent reduction in all crashes and a 55 percent reduction in head-on crashes. Cable median barriers on multi-lane divided roadways can reduce injury crashes by 29 percent.

Several methods are available for determining benefit-cost ratio for HSIP. Many assumptions are necessary for such analyses, and therefore the numbers presented are rounded, minimized,

and/or averaged. In the approach presented here, FHWA analyzed a sample of data from 10 states, representing a cross section of size and geographic location. Based on the 10 state sample, 1,250 HSIP projects were analyzed. This figure, which includes $605 million worth of improvements, does not include all implemented projects, only those where detailed cost information was available.

In the three year period before the improvements were put in place, the locations for these 1,250 projects averaged 1.5 fatal crashes and 5 serious injuries. Depending on a variety of factors, safety infrastructure countermeasures reduce crashes by 5 to 30 percent, so a 20 percent reduction is used. Further, a standard factor of 1.1 fatalities per fatal crash (or serious injuries per serious injury crash) is used.

With these assumptions, the $605 million investment eliminates 412 fatalities over three years (1,250 projects x 1.5 fatal crashes per project location x 0.20 reduction factor x 1.1 fatalities per fatal crash = 412) **saving 137 lives annually**. The $605 million investment also eliminates 1,375 serious injuries over three years (1,250 x 5 injury crashes per project location x 0.20 reduction factor x 1.1 injuries per injury crash = 1374) **eliminating 458 serious injuries annually**.

Extrapolating the fatality and serious reduction injuries with $605 million to a fully funded program, a $2.246 billion HSIP would save over 500 lives per year and eliminate 1,700 injuries. Safety infrastructure countermeasures retain their efficacy for approximately 10 years, so the full benefits of a $2.246 billion annual program are 5,000 lives saved and 17,000 injuries prevented. Using the DOT economic values for a statistical life ($6 million), a factor for the comprehensive cost of a serious injury, and a 4 percent discount rate over 10 years, the $2.246 billion HSIP provides an economic benefit of over $31.5 billion, a benefit-cost ratio of 14 to 1.

Why do we want/need to fund the program at the requested level?

Since Safety is the Department's top priority, it's critical that additional resources are provided to achieve a better safety record in the US. A single death on our highways is a tragedy; almost 100 deaths a day is unacceptable when we possess the tools and capability to prevent them. To move toward ending roadway deaths and serious injuries, it's being proposed that the funding for this program be increased by almost $1.0 billion per year.

A $2.246 billion annual HSIP would reduce fatalities by at least 500 per year and serious injuries by at least 1,700 per year and is estimated to save more than 5,200 lives and 17,000 serious injuries over the ten-year lifecycle of the countermeasures. This program is coupled with a program for safety data systems focused on safety roadway infrastructure elements to allow States to best use existing safety analysis tools and to invest the HSIP funds on the most efficient and effective safety improvements. Funding the program at a lower level will result in fewer safety infrastructure investments reducing the states' ability to make the most effective safety investment decisions. Therefore, less funding will result in fewer lives saved and fewer injuries prevented.

Executive Summary
Highway Safety Data Improvement Program

What Is The Request & What Will We Get For The Funds?
The budget requests $293 million to establish the Highway Safety Data Improvement Program (HSDIP) to ensure that States can make the most cost effective infrastructure design decisions with the greatest safety payoff, based on the actual safety aspects of the system. Coordinated with NHTSA, Technology Administration/Bureau of Transportation Statistics (RITA/BTS) and FMCSA, the HSDIP will enhance the capability of States to collect, use, maintain and share their safety data.

What Is The Program?
The HSDIP will provide States with the necessary tools and information to use information about roadway design characteristics, along with crash data, to make better safety investment decisions. The FHWA safety program encourages a more complete and accurate roadway inventory data systems at the state level. With these data systems in place integrated into base maps, advanced analysis tools can be used to improve states' safety programs. The improvement of roadway inventory data systems is the primary focus of this program.

FHWA will ensure that coordination among all highway safety modes support an enhanced capability for States to collect, use, maintain and share their data. Further, FHWA will partner with the other modes to ensure that States receive consistent technical support and to coordinate and align data-related activities to ensure that funds are leveraged towards the highest impacts.

Why Is This Particular Program Necessary?
Currently, state and local highway agencies cannot make consistent prioritized safety decisions. Highway agencies are not able to consistently locate crashes and determine infrastructure related characteristics at crash and non-crash locations. While most States are developing mapping systems, they often are not inclusive of all roads within the State; and do not contain a consistent set of roadway data elements. These limitations present obstacles to States in implementing the most effective infrastructure, enforcement, and behavioral treatments.

How Do You Know The Program Works?
Some State jurisdictions already use a state-of-the-art data collection and mapping process which allows them to uniquely identify the locations of events or roadway characteristics. These jurisdictions are better able to identify problem spots and direct limited resources to correct the identified problems with the most appropriate treatments. DOT, in coordination with the Transportation Research Board (TRB), AASHTO and State partners, has developed several data analysis tools which have shown to be effective in applying the data-driven concept to prioritized planning.

Why Do We Want/Need To Fund The Program At The Requested Level?
This program will give States the necessary resources to collect roadway element data and meet current state-of-practice standards for data quality. These funds will provide States with the necessary data and data analysis capabilities to make evidence-based safety infrastructure investment decisions. Funding the program at a lower level will result in weaker State data systems, reducing the States' ability to make the most effective safety investment decisions.

Detailed Justification
Highway Safety Data Improvement Program

What Do I Need To Know Before Reading This Justification?

- Safety data collection and analysis is an eligible item under the existing SAFETEA-LU Highway Safety Improvement Program (HSIP). However, there has not been a concentrated effort to improve State capabilities in this area.
- This proposed program provides vital support for the collection and maintenance of safety data that is integral to effective analysis and modeling of actual and potential highway crashes.
- This program supports DOT's efforts at improving data collection and analysis, and fills in critical data gaps.
- This program directly supports roadway safety planning, including:
    - a performance-based framework;
    - establishment of standard definition of data collection and use requirements;
    - making optimal safety infrastructure investment decisions;
    - coordination with other DOT safety investments; and
    - an overall increased emphasis on data.
- This program directly supports the Research and Innovative Technology Administration/Bureau of Transportation Statistics (RITA/BTS) efforts to establish a DOT-wide intermodal capability to tie together information in plans, processes, and systems and improve access to transportation safety data in DOT.
- This program directly supports National Highway Traffic Safety Administration (NHTSA) and Federal Motor Carrier Safety Administration (FMCSA) efforts to establish consistent standards for all highway safety data, including performance measures.
- This program will be used to make improvements to the State collection of safety-related roadway data elements, data system improvements, enhancements to data analysis processes, and procurement and application of data analysis tools.
- Use of this funding for other purposes will be contingent on States' meeting specific data guidelines established for data quality and completeness by FHWA and other highway safety agencies.

What Is The Request And What Will We Get For The Funds?

FY 2012 – Safety Programs
($000)

PROGRAM ACTIVITY	FY 2010 ACTUAL	FY 2012 REQUEST	CHANGE FY 2010-2012
Federal-aid Highways Program			
Safety Program			
FY 2010 Cross walked Programs	1,288,051	-----	- 1,288,051
Highway Safety Improvement Program	-----	2,246,000	2,246,000
Highway Safety Data Improvement Program	-----	293,000	293,000
Total	**1,288,051**	**2,539,000**	**1,250,949**

Note: Includes cross walked programs in SAFETEA-LU for FY 2010.

Key actions or anticipated milestones in the budget year

- Use of roadway characteristic data and crash data to determine trends and high-priority areas that need to be addressed through safety infrastructure treatments.
- Development of guidance on performance standards for roadway data collection, quality and analysis.
- Completion of State assessment of gaps and plans from each State to meet data standards.
- Implementation of the process for developing basemaps in each State to record roadway data elements.
- Provision of funding, guidance and support to States to enable them to collect data and meet standards.

Key outputs expected in budget year – DOT will work with States to begin developing and expanding State basemaps that include, at a minimum, a subset (30-35 elements) of the Model Inventory of Roadway Elements (MIRE) identifying the core roadway safety data elements. The goal will be to have these basemaps in place in all States that cover all public roads within three years, and to have a system in place for maintenance of those maps on an ongoing basis. DOT will likely set guidelines that identify the key safety-related roadway data elements that need to be collected, the required coding, and format. The program will require States to perform a data gap analysis, identify their needs and provide a plan for how they will achieve the standards.

Key outcomes expected in the budget year – States will establish a process for using crash data to determine trends and high-priority areas that need to be addressed through safety infrastructure treatments. States will develop a plan for basemaps and to meet data guideline

standards set by DOT. Some States will be able to develop large portions of their basemaps in the first year; however, this process will take longer in other States depending on current capabilities. Performance measures will be in place within the first year; and will begin applying to programs once States have developed their data capability and gap assessments.

Although the primary outcomes from the program will benefit safety efforts, other disciplines will benefit as well. Asset managers can use the basemaps to identify the locations of their physical assets. Emergency Responders can identify the locations of their resources (e.g. personnel and equipment) relative to their service districts. Further, it will allow the development of mutual aid agreements in responding to catastrophic events.

What Is This Program?

The program will provide States with the necessary tools and information to develop and use information about roadway design characteristics, along with crash data, to determine trends and high-priority areas that need to be addressed through safety infrastructure treatments. The FHWA safety program is founded on the concept of an evidence-based approach to safety implementation; and this program enables that foundation.

This concept requires more complete and accurate roadway inventory data systems at the state level. With these data systems in place, advanced analysis processes and tools can be used to drive safety programs to a higher level of achievement. FHWA will coordinate with its Federal safety partners to ensure that all highway safety modes support an enhanced capability for States to collect, use, maintain and share their data.

The core element of the DOT data initiative will be the development and use of State basemaps. These basemaps will reference all public roads to assist in specific identification of the physical location of any incident (e.g. crashes), roadway characteristics (e.g. lanes, shoulders, intersections, interchanges etc.) or asset (e.g. guardrails, traffic signs and signals, rumble stripes etc.). The basemaps may be an extension of existing State mapping systems, and will be inclusive of all public roads within the State.

The HSDIP will contribute to the improvement of the overall effectiveness of the HSIP and other DOT highway safety programs (such as in NHTSA and FMCSA) by increasing the capabilities of states to apply the most appropriate safety investments. The collection of the reliable and complete roadway data, coupled with the collection of similar quality crash, fatality and injury data; will ensure that states can perform the necessary analytical processes to diagnose and treat their safety problems. This analysis will allow states to identify the best countermeasures to meet their specific needs as well as to determine the right mix between infrastructure and non-infrastructure applications. These decisions will allow states to meet their program performance goals while also increasing efficiency in the application of all of their transportation safety funding across all DOT programs. On an ongoing basis, this program will also provide a much-needed resource for states to maintain their data systems within the most current state-of-practice for analytical methodologies and apply the latest research-based knowledge of the actual performance of specific safety countermeasures.

The current activities of the Crash Data Improvement Program will be augmented by a component to focus on roadway data; to assist States voluntarily, on the status of their data activities, as well as a delivery mechanism for technical assistance for ongoing improvement. This assistance can also be used to validate State compliance with data guidelines, in order to consistently apply the HSDIP flexibility allowances to all States based on their maintenance of established standards. FHWA will coordinate with NHTSA, RITA/BTS and FMCSA to set a consistent set of performance measures based on the six established attributes for data quality that NHTSA currently uses as part of the Section 408 program (*Timelines, Accuracy, Completeness, Consistency/Uniformity, Integration and Accessibility*). If the State certifies that it has met all State needs for highway safety data improvement, the State may use their Safety Data program funds for any Highway Safety Improvement Program project.

To achieve the full benefit of this program, $17.5 million will be focused on the analysis and application of the data that is collected through this program. Four specific areas where these national HSDIP deployment funds will be key are: 1) the evaluation and management of performance; 2) the development of coordinated safety plans; 3) improvement in the quality, timeliness and integration of data; and 4) fostering cross modal implementation of safety programs.

All four of these elements are dependent and supportive of the HSDIP and recognize the coordinated nature of safety programs across FHWA, FMCSA, NHTSA and RITA. In terms of performance, an integrated approach is needed to establish performance targets, track results, and assure that appropriate measures are being taken to achieve those targets. This work feeds directly into the requirement for States to develop strategic highway safety plans that optimize the use of all federal safety funds that are received. As part of this deployment element, training, technical assistance and guidance will be provided to the States to help them implement these performance management and safety planning programs. Further, this information will feed into the Department's strategic planning process and assure that the process is based on the most current data from across the nation. The four Operating Administrations have committed to continue a strong, coordinated program to implement this plan.

Proposed elements of the new safety data program

- **State Basemaps** – Create, update or enhance State basemaps that include, at a minimum, a subset (30-35 elements) of the Model Inventory of Roadway Elements (MIRE) identifying the core roadway safety data elements, and to have a system in place for maintenance of those maps on an ongoing basis.
- **Strategic Highway Safety Data Improvement Plan** – States will prepare a Strategic Highway Safety Data Improvement Plan that describes a program of strategies to achieve a data-driven safety program and defines State safety data improvement goals and annual roadway safety data targets. The data improvement plan would define State safety data improvement goals and annual safety data targets to inform how HSDIP funds should be spent over a longer period. The data improvement plan would describe what the State intends to achieve with its HSDIP funds and the projects, strategies and activities it will implement to achieve data improvement goals.

- **There should only be one set of safety data performance targets**. The challenge of improving highway safety is shared between multiple modes that concentrate on the areas of driver behavior, vehicle safety and infrastructure safety. However, all modes have an equal dependency on many of the same data from States. To this end, FHWA, NHTSA, RITA/BTS and FMCSA have established consistent shared performance standards for State data collection in the areas of *Timeliness, Accuracy, Completeness, Consistency/Uniformity, Integration and Accessibility*. By setting data quality targets and providing support to States to achieve these targets, the entire highway safety community will benefit. By stressing minimum performance, we are not discouraging States from reaching further, but we are assuring we see some level of progress in each State.
- **Implementation of multimodal data systems**. Data improvement is one of the greatest opportunities for cross-agency coordination and integration. While resources are included in individual modal budgets for improvement of data programs, resources are necessary to better integrate these agency efforts. One example is the development of a single standardized traffic data collection and analysis model for distribution to the States. The implementation of such a standardized data model could be enhanced by providing capacity building, technical assistance, and training in development, coding, analysis, and performance measures to facilitate standardization, improve quality and timeliness, and other safety data quality parameters, as well as national analytical capabilities.
- **Integrated Roadway Safety Programs** – Consistent with the Department's Roadway Safety Plan, this proposal sets forth a vision to move toward zero fatalities on all public roads by implementing a collaborative national roadway safety strategy working with a broad array of committed stakeholders. Within USDOT, the proposal emphasizes integration, coordination and collaboration among the FHWA, the FMCSA, NHTSA and RITA. Coordination is encouraged for Safety plans from each of the agencies, cross-modal safety data collection and analysis; to develop a process for a single annual roadway safety report; and continued efforts to provide flexibility and simplification in the administration of safety programs, applications and award processes.

Why is this particular program necessary?

Currently, States are not able to make consistent prioritized safety decisions based on all aspects of crash occurrences. States are not able to consistently locate crashes and determine infrastructure related characteristics throughout the roadway system, including crash locations. While most States are developing mapping systems, they often are not inclusive of all roads within the State; and do not contain a consistent set of roadway data elements. Many States cannot accurately locate crashes that are not on State-maintained roadways. These limitations present obstacles to States in implementing the most cost effective and impactful infrastructure, enforcement and behavioral treatments.

Specific to FHWA, there is a distinct lack of collection of information regarding the roadway characteristics for safety programs. The Government Accountability Office (GAO), in several reports, has pointed out shortfalls in the consistency of State highway safety data and the need for the establishment of consistent standards from DOT. GAO has also recognized the value of

evidence-based highway safety planning through the use of high-quality and consistent data collection.

The DOT safety program is founded on the concept of an evidence-based approach towards safety implementation. States are expected to use information about roadway design characteristics, along with crash data, to determine trends and high-priority areas that need to be addressed through safety design treatments. FHWA works very closely with the other highway safety modes within DOT to ensure that data is collected based on a common set of standards. To this end, FHWA, NHTSA, RITA/BTS and FMCSA have established consistent shared performance standards for State data collection in the areas of *Timeliness, Accuracy, Completeness, Consistency/Uniformity, Integration and Accessibility*.

The funding for the HSDIP will ensure that this coordination is strengthened by an enhanced capability for States to collect, use, maintain, and share their data. This enhanced collection of data will ensure that States are capable of making the most cost effective and impactful infrastructure design decisions, based on the actual safety aspects of the system. The collection of better quality data will also allow States to use existing and future analysis tools which provide capabilities for problem identification, trend analysis, evaluation, safety projections and systemic planning. FHWA will partner with the other modes to ensure that States receive consistent technical support in the areas of data education, analysis, standardization and modeling. DOT will coordinate and align data-related activities within all highway safety grant programs to ensure that funds are leveraged towards the highest impacts for safety planning.

How do you know the program works?

Some States already use this data collection and mapping process which allows them to uniquely identify the locations of events or roadway characteristics. These jurisdictions are better able to identify problem spots and high risk features and direct limited resources to correct the identified problems with the most appropriate treatments. DOT, in coordination with TRB, AASHTO and State partners, has developed several data analysis and planning tools which have shown to be effective in applying the evidence-based concept to prioritized planning.

Since the inception of SAFETEA-LU, there has been a doubling of funds for USDOT safety programs which have been strengthened in many ways. Within FHWA, the HSIP required strategic highway safety plans which are cross-modal in nature. The safety program is founded on an evidence-based approach towards safety implementation. States are expected to use crash data, along with information about roadway design characteristics, to determine trends and high-priority areas that need to be addressed through safety design treatments. However, recent reports from the Government Accountability Office have found that FHWA and our State partners could achieve more success in our efforts through consistent planning based on established standards for data collection.

Why do we want/need to fund the program at the requested level?

Given Safety is the Department's #1 priority, it's important that additional resources are provided to achieve a better safety record in the US. A single death on our highways is a

tragedy; almost 100 deaths a day is unacceptable when we possess the tools and capability to prevent them. To move toward ending roadway deaths and serious injuries, to the budget includes $293 million for a safety data improvement program.

This program funding will give States the necessary resources to collect roadway element data and meet DOT standards for data quality. These funds are needed to develop State base maps which will identify roadway data elements and allow States to cross reference crash data to roadway element data. This funding will also allow States to maintain these basemaps; and will also provide support for State and federal analysis of this data. All of these funded activities will provide States with the necessary data and data analysis capabilities to make evidence-based safety infrastructure design decisions. Funding the program at a lower level will result in weaker State data systems, reducing the States' ability to make the most effective safety investment decisions. Therefore, fewer lives saved and fewer injuries prevented.

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Executive Summary
National Highway Program

What is the request and what do we get for our funds?
The $32.382 billion National Highway Program (NHP) will focus significant federal resources on maintaining the National Highway System (NHS) while also providing flexibility to the States for other local priorities. This request streamlines and combines several Federal-aid programs into one focused on preserving and improving infrastructure condition and performance on highways of national importance, includes performance management features that hold States accountable for achievement of targeted improvements, and provides flexibility to the States for making transportation investment decisions.

What is the program?
The NHP includes two sub-programs:

- The Highway Infrastructure Performance Program (HIPP) is a formula-based program that provides funding to maintain and improve the NHS.
- The Flexible Investment Program (FIP) is a formula-based program that provides resources to improve the condition and performance of Federal-aid highways.

Why is this program necessary?
Over the past five years more than 50 percent of states reported an increase in the number of NHS bridges that are eligible for rehabilitation, 34 percent of all NHS travel has seen declines in pavement condition, and the condition of pavement and bridges across the country varies considerably with many states struggling to keep conditions from deteriorating. In addition, over the next 40 years the U.S. population is expected to rise by 43 percent and the Gross Domestic Product is expected to almost triple. To support this growth, we expect the demand for both freight and passenger transportation to increase by about two-and-a-half times by 2050. Maintaining and preserving an efficient transportation system is critical to maintaining the competitiveness of our economy. This program supports the Administration's National Export Initiative and goal of doubling exports over the next five years.

How do you know the program works?
The NHP includes provisions that will ensure that states invest their HIPP funding in highway infrastructure and operations to achieve targeted performance results leading to improved NHS infrastructure condition and performance. The FIP provides flexibility to the States and localities to improve condition and performance on Federal-aid highways. States will also be required to develop risk based asset management plans for managing and evaluating overall system condition and performance of the NHS. Projects on the NHS, regardless of funding category, must be generated from the asset management plan.

Why do we want/need to fund the program at the requested level?
In fiscal year 2012, the NHP will need to be funded at the $32.383 billion level in order to make progress in achieving a state of good repair and improved operations of the NHS and for achieving improved mobility and operation of Federal-aid highways.

Detailed Justification
National Highway Program

What Do I Need To Know Before Reading This Justification?

This is a new request to establish the National Highway Program (NHP), which consists of two sub-programs: (1) the Highway Infrastructure Performance Program (HIPP), which focuses federal resources to maintaining and improving the National Highway System (NHS); and (2) the Flexible Investment Program (FIP), which directs funding to maintain and improve Federal-aid highways and to bridges on any public road in urban and rural areas, while providing flexibility to the States for making transportation decisions.

The HIPP and the FIP streamline and consolidate portions of the following programs:

- Interstate Maintenance Program
- Highway Bridge Program
- National Highway System
- Surface Transportation Program
- Ferry Boat Program
- Appalachian Development Highway System Program
- Puerto Rico Highway Program
- Territorial Highway Program

The National Highway System will be expanded and defined as approximately 220,000 miles of Interstate Highways and other principal arterials, intermodal connectors, and a network of highways important to the United States' strategic defense policy. This network carries 55 percent of all traffic and 97 percent of all truck-borne freight and is critical to maintaining the nation's economic competitiveness. The proposed definition of NHS is more objective than the existing definition in terms of its functionality in supporting and facilitating economic activity and quality of life.

This justification requests that the NHP be funded at $32.382 billion with features including:

- federal funding focused on improving and maintaining the NHS;
- a performance-based framework;
- flexibility to the states for making transportation investment decisions;
- requirements for risk-based asset management plans;
- funding provisions to improve and enhance bridges on any public road, including those not located on Federal-aid highways; and,
- funding for Puerto Rico highways on the same basis as States and funding for Territorial Highways, ferry boats, and routes on the Appalachian Development Highway System.

What Is The Request And What Will We Get For The Funds?

FY 2012 – National Highway Program ($32.382 billion)
($000)

PROGRAM ACTIVITY	FY 2010 ACTUAL	FY 2012 REQUEST	CHANGE FY 2010-2012
Federal-aid Highways Program			
National Highway Program			
FY 2010 Cross walked Programs	31,745,289	-----	- 31,745,289
Highway Infrastructure Performance Program (HIPP)	-----	16,750,000	16,750,000
Flexible Investment Program (FIP)	-----	15,632,000	15,632,000
Total	**31,745,289**	**32,382,000**	**636,711**

Note: Includes cross walked programs in SAFETEA-LU for FY 2010.

Enhancing the National Highway System (NHS)

Throughout the 20th century, the Federal Government has periodically had to define and focus resources on the roads that were critical to national interests and would enhance security, economic growth and quality of life in the country. At each turning point, the decision was to emphasize a limited network of roads – the Federal-aid system (1921), the Interstate System (1956), and the National Highway System (NHS) (1991) – of critical national priority. In the 21st century, we have again reached a turning point that calls for a fresh look at our Nation's mobility needs and how we propose to address those needs, including increasing personal and freight mobility, ensuring economic competitiveness in an international marketplace, and meeting vital defense needs.

The proposed definition of the NHS does not create a new system with new roads. It acknowledges that the principal arterials not included on the existing NHS also have strategic and tactical importance to our Nation's mobility. The inclusion of these roadways results in an approximate 220,000-mile network that includes the Interstate System, all principal arterials, intermodal connectors, and other roads important to strategic defense policy and facilitates the mobility of the vast majority of people and virtually all of the commerce within the Nation, supports national defense, and promotes intermodal connectivity. While the NHS is limited, it would carry 55 percent of all traffic and 97 percent of all truck-borne freight. Likewise, the NHS would comprise only 53 percent of U.S. highway border crossings, but would handle 98 percent of the value of total truck trade with our largest trading partners – Canada and Mexico.

The key elements of an enhanced NHS include:

- **Principal Arterials** (including the Interstate Highway System) serving regional and national needs as the conduits for major traffic flow and freight movement. In urban

areas, all high volume corridors would be included in the NHS, providing access to and around metropolitan areas. In rural areas, the NHS would include four percent of the rural public roadway miles, which carry over 47 percent of all rural vehicle miles traveled, and provide critical access for jobs, health care and commerce.

- **Intermodal Connectors** providing access between major intermodal facilities and the principal arterial system. These roads are often the important "last mile" connecting critical intermodal facilities, such as rail, bus, ports, etc. These can be local roads not otherwise eligible for Federal-aid funding but are of vital importance to the economy nonetheless.

- **Strategic Highway Network Roadways** (STRAHNET) provides defense access, continuity and emergency capabilities for defense purposes. It contains all of the routes designated by the Department of Defense as essential for national defense.

- **Border Crossings on principal arterials**: Land border crossings provide the United States with vital links with our largest trading partners. Maintaining efficient and effective transportation system connections to U.S. ports of entry is essential for global competitiveness and economic growth.

The proposed definition of the NHS is more objective than the existing definition and more comprehensively supports economic activity and quality of life. The proposed definition builds on the existing 160,000 system and is the mobility system that will help ensure the Nation's economic competitiveness today and into the future.

National Freight Transportation Policy

Within the Department's reauthorization proposal, the Secretary would be required to establish a National Freight Transportation Policy; designate a National Freight Transportation System, which would include the designation of multimodal national freight corridors, including portions of the enhanced National Highway System (NHS); and issue a triennial National Freight Transportation Strategic Plan. The Secretary would also be required to use the findings of the National Freight Transportation Plan to guide investment decisions subject to the Secretary's discretion.

Within the National Highway Program, States would be afforded broadened flexibility on the use of HIPP and FIP funds to improve performance of designated national freight corridors. The National Network designated under the Surface Transportation Assistance Act of 1982 would be replaced by the enhanced National Highway System. The National Network conventional combination vehicle standards for operation and reasonable access to services and terminals requirements would be applied to the enhanced NHS.

National Highway Program (NHP)

The NHP includes two formula-based sub-programs, both of which support the Department's state of good repair outcome to increase the proportion of highways and bridges in good physical and operating condition, thus improving the Nation's economic competitiveness and maximizing the economic returns on transportation policy and investments. The proposed roadway facilities selected for the NHS were based on their ability to facilitate the mobility of the vast majority of people and commerce within the Nation, support national defense, and promote intermodal connectivity.

Maintaining the NHS at its FY 2011 projected level of performance is essential to ensuring U.S. economic competiveness in the world market. The NHP will emphasize preservation of the NHS while providing flexibility to the States for making additional investments to enhance NHS condition and operational performance. In 2012, an additional $25 billion in Up-Front funding will further improve the condition and performance of the NHS.

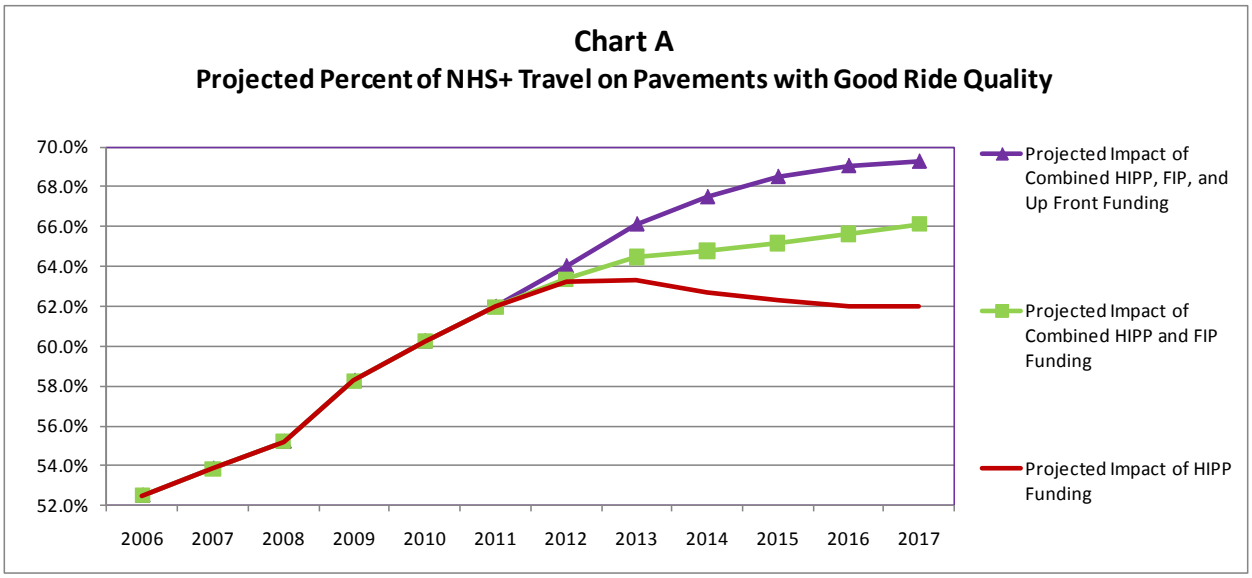
The NHP addresses mobility and access in rural areas. It will enhance access to jobs, educational opportunities, health care, recreation, and other quality of life needs.

The NHP would include a risk-based asset management approach to ensure states have a strategic and systematic process of operating, maintaining, upgrading and expanding physical assets effectively throughout their lifecycle. It focuses on business and engineering practices for resource allocation and utilization, with the objective of better decision making based upon quality information and well defined objectives. The intent of such an approach would be to keep good highways good and better manage system condition and performance.

Since 2006, combined investments by all levels of government have been sufficient to improve the overall condition of the highway system. This result is attributable to several one-time events, including a decrease in the construction materials prices starting in 2006 (which has increased the purchasing power of highway capital investments), a large increase in State and local highway capital funding in 2007 (which has not been repeated), and increased investment under the American Recovery and Reinvestment Act (ARRA). Combined highway capital spending by all levels of government is expected to drop in 2011. The additional funding included in the budget request will allow highway spending growth to resume after 2012.

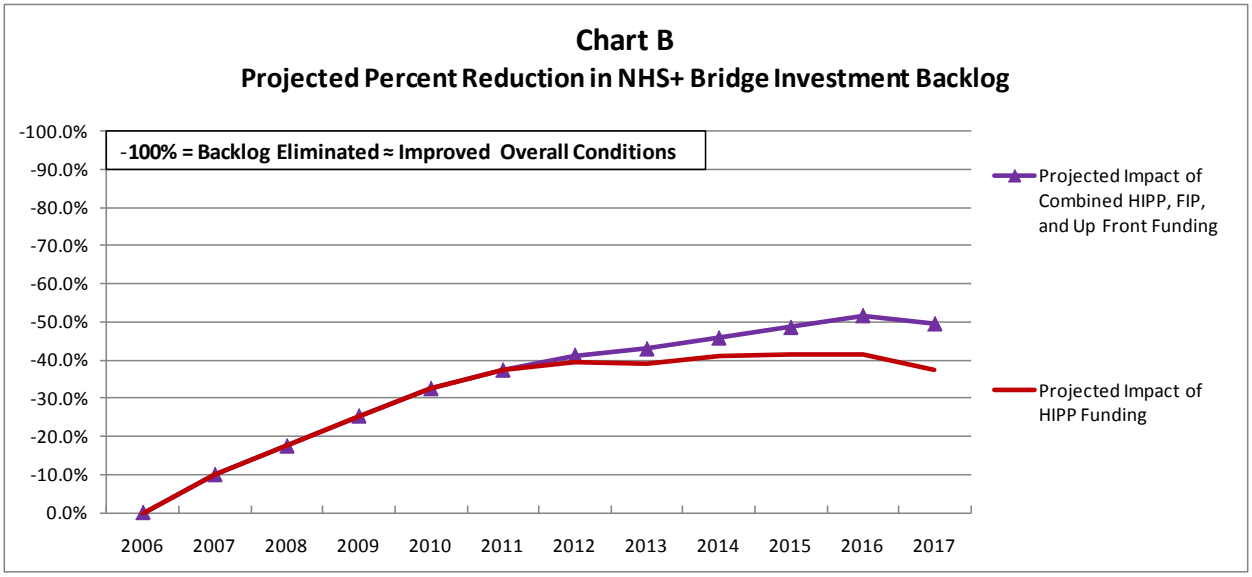
The combined impacts of the increases in nominal dollar spending relative to highway capital investment needs noted above are expected to result in significant improvements to the physical condition of the NHS through 2011. In order to preserve these gains, a tentative target has been established for the proposed HIPP to sustain NHS pavement and bridge conditions at 2011 levels. States would be able to use FIP funds to further improve NHS pavements and bridges, to address pavement and bridge needs off the NHS, or to address operational performance issues.

The NHS pavement target is based on pavements in good condition with "good" ride quality. In 2006, 54.2 percent of NHS VMT occurred on pavements with good ride quality. As shown in Chart A below, this percentage is projected to increase to 62.0 percent by 2011; maintaining this improved level of pavement performance would require Federal obligations of $11.4 billion in 2012. If States were also to direct 18 percent of their FIP funding towards NHS pavements, the combination of HIPP, FIP, and Up-Front funding is projected to bring the share of NHS VMT on pavements with good ride quality to almost 70 percent by 2017.



Note: Impacts shown assume all Highway Infrastructure Performance Program (HIPP) funding and the Up Front funding for critical highway infrastructure is directed to pavement and bridge improvements on the Enhanced NHS. Red line HIPP funding was set so that "Good" percentage in 2017 matches 2011. Green line assumes 18% of Flexible Infrastructure Program (FIP) funding (or an equivalent amount from other sources) is directed to pavements on the enhanced NHS (consistent with historic trends); Purple line adds in the Up Front funding.

The 2008 Conditions and Performance Report had identified a backlog of potential cost-beneficial bridge system rehabilitation investments of $98.9 billion in 2006, of which $60.9 billion was on bridges on the NHS. Reductions in this backlog over time reflect improvements to overall bridge conditions. This economic investment backlog for NHS bridges is projected to be reduced by 37.6 percent by 2011, as shown in Chart B below. Sustaining this improved overall level of bridge performance would require Federal obligations of $5.0 billion in 2012. The combination of HIPP, FIP, and Up-Front funding is projected to be sufficient to reduce the NHS bridge investment backlog by 50 percent by 2017.



Note: Impacts shown assume all Highway Infrastructure Performance Program (HIPP) funding and the Up Front funding for critical highway infrastructure is directed to pavement and bridge improvements on the Enhanced NHS. Red line APP funding set so that the backlog in 2017 matches 2011; Purple line adds in the Up Front funding and a small amount of FIP funding (consistent with historic trends). Reductions in the backlog of potential cost-beneficial bridge investments equate to improvements in overall bridge condition.

Detailed Justification
Highway Infrastructure Performance Program

What is the program?

The Highway Infrastructure Performance Program (HIPP) is a sub-program within the NHP that will be a formula-based program intended to support the National Highway System (NHS). The program is a performance-based program that includes a framework to support the condition and performance needs of highway infrastructure with a specific focus on the NHS pavements and bridges. The HIPP includes key criteria designed to ensure that federal-aid highway funds are invested in infrastructure to achieve national performance goals for condition and performance. Each state would determine its appropriate target for each goal-related measure in consultation with US DOT. States shall report on the performance of the NHS to US DOT annually.

The budget requests **$16.75 billion** for the HIPP in FY 2012. According to the 2008 Conditions and Performance Report analysis methods, the HIPP will need $16.3 billion in FY 2012 (net of take-downs and set-asides) to maintain anticipated FY 2011 pavement ride quality and bridge condition on the NHS, adjusting for inflation. The HIPP will give priority to projects that improve infrastructure condition and maintain the infrastructure in a state of good repair and operations on the NHS ensuring structural integrity and intermodal connectivity on key high-volume transportation networks. As discussed separately, the budget requests **$25 billion** in Up-Front funding for FY 2012 to further improve the condition and performance of the NHS.

Why is the HIPP program necessary?

Preserving the health of pavement and bridges and other infrastructure elements, particularly on the NHS, is critical to the structural integrity, functionality, and cost effectiveness of the Nation's transportation system. In 2006, over $160 billion[1] was invested into public roadways using federal, state and local investments of public tax dollars. A large percentage of this investment was directed to existing pavements and bridges. At a national level, it is very difficult to determine if these investments were made with the intent to meet performance needs to support the system in the future. Up to now, performance requirements for pavements and bridges to support system needs have not been adequately defined and accepted at a national level. There is a need today to define national performance requirements and to ensure that investments made into our nation's network of pavements and bridges are focused on achieving these requirements today and in the future.

The overall condition of pavements and bridges on NHS has been improving. At first glance this improvement is promising, however, in looking at the performance in more detail there is evidence that states are struggling to maintain the system in a state of good repair. Over the past five years over 50 percent of states reported an increase in the number of NHS bridges that are eligible for rehabilitation[2], 34 percent of all NHS travel has seen declines in pavement condition[3], and the condition of pavement and bridges across the country varies considerably with many states struggling to keep conditions from deteriorating. The existing approach to

[1] 2008 "Conditions and Performance Report"
[2] National Bridge Inventory
[3] Highway Performance Monitoring System

allocate funding, to deliver programs and to report condition provides no assurance that investments today will result in improvements in overall condition in the future without a substantial need to increase funding.

The HIPP will ensure that states invest their HIPP funding in highway infrastructure and its operations to achieve targeted performance results with the expectation that anticipated FY 2011 improvements to NHS condition and performance will be maintained.

How do you know the HIPP program works?

HIPP projects are identified for funding by the State in rural areas in consultation with local officials responsible for transportation and by the State in metropolitan areas in cooperation with MPOs. Projects must support performance goals and objectives (and the associated performance measures) identified in the statewide or metropolitan transportation plan for:

- System Preservation-- preserving and optimizing the investment in roads and bridges in accordance with risk-based asset management plans;
- Mobility – congestion reduction or congestion mitigation; reduced travel time; increased travel time reliability;
- Freight – Improve existing long haul freight corridors and links to freight terminals and other intermodal facilities

The HIPP framework includes elements designed to ensure that Federal-aid highway funds are invested in highway infrastructure to achieve national and performance goals.
They include:

- **Performance Requirements** – Develop national goals for NHS pavement and bridge condition and performance and work with the States to set state targets for condition and performance improvement.
- **Management Approach** – Document management practices (data collection/asset inventory, gap analysis, life cycle risk management, etc.) used by States to achieve performance requirements for the NHS.
- **Asset Management Plan** – A requirement for States to develop risk based asset management plans that identify performance gaps and maintenance needs, perform life cycle cost analysis, prioritize needs and develop work and financial plans.
- **Investment Strategy** – A requirement for States to develop a strategy to invest HIPP funding in infrastructure to achieve targeted performance results.
- **Program Monitoring** – A process to assess the delivery of programs supported with HIPP funding to ensure consistency with an approved investment strategy targeted to achieve infrastructure performance results.

Under this proposal, US DOT would determine performance measures. Each State would determine its appropriate target for each measure in consultation with US DOT. States will report on the performance of the NHS to US DOT annually. This report will provide an explanation for the shortfall in reaching any targets, lessons learned from efforts to improve performance, and plans for improving performance based on the lessons learned.

Proposed HIPP Performance Measures (Criteria) for each goal area include:

Preservation – Pavement	Increase the percent of travel on NHS roads with pavement performance standards rated "good."
Preservation – Bridge	Decrease the percent of deck area (the roadway surface of a bridge) on NHS bridges rated structurally deficient.
Mobility/Congestion	Increase travel time reliability on the NHS
Freight	Increase travel time reliability in freight significant corridors.

Incentives:
States that demonstrate that they have met all of the HIPP performance targets for three consecutive years may request approval to use their HIPP apportionments for the purposes described in the FIP for a period of 12 months or until such time as the State does not meet its targets. A State that does not meet HIPP performance target for two consecutive years for each of the national goals shall state the actions it will undertake to meet its targets.

Eligibility:
Funding will be provided to projects on the NHS that demonstrate they collectively contribute to achieving the performance objectives and performance measures identified for the program goals Examples of eligible projects include the following:

- Bridge safety inspection activities (in-service inspections, load ratings, scour analysis, structural monitoring, etc.).
- Asset and congestion management activities
- Rehabilitation and replacement of bridges and tunnels
- System preservation and pavement resurfacing, restoration, rehabilitation and reconstruction
- Operational and safety improvements
- Investments in traffic management/intelligent transportation systems strategies and technology
- Construction of and operational improvements for a Federal-aid highway not on the NHS in limited cases when specific conditions are met including use of cost/benefit analysis.

Funding:
Funds will be apportioned to the States by formula. Once apportioned to the states, HIPP funds can be spent on any eligible project anywhere on the NHS subject to meeting the performance

objectives and performance criteria. Funds would go to the State DOT and projects must be included on the STIP/TIP.

Prior to apportionment, a takedown will be made to fund metropolitan planning activities. In addition, 1% of the total appropriated amount for the HIPP would be set aside for bridge inspection activities (in-service inspections, load ratings, scour analysis, structural monitoring, etc).

Federal Share: The Federal government will provide up to 80% of the total project cost.

Why do we want/need to fund the program at the proposed funding level?

In fiscal year 2009, the existing programs that would be merged to form the HIPP accounted for 49 percent of the overall budget. In FY 2012, the HIPP program will need to be funded at the $16.75 billion level in order to maintain anticipated FY 2011 progress in achieving a state of good repair and improved operations of the NHS highway infrastructure.

Detailed Justification
Flexible Investment Program

What is the program?

The Flexible Investment Program (FIP) is a formula-based sub-program within the NHP that will support currently eligible federal-aid highways. It also provides flexibility to the states for making transportation investment decisions. The FIP sub-allocates funding for bridges that are not located on a Federal-aid highway. FIP funds can be used to improve condition and performance on and off the NHS. FIP funds will be used to improve access and connectivity to jobs in rural areas and reduce congestion and improve quality of life in urban areas.

The FHWA requests **$15.632 billion** for the FIP in 2012. These funds provide flexibility to the states to invest in Federal-aid eligible highways to replace, rehabilitate, and preserve bridges and other highway infrastructure and build or expand needed transportation facilities. Beyond asset preservation and new capacity, other illustrative activities include the removal of bottlenecks, projects and strategies designed to support congestion pricing, including electronic toll collection and travel demand management strategies and programs, collection and dissemination of real-time travel information, deployment and integration of Intelligent Transportation System (ITS) technologies, and greater use of traffic incident management practices in corridors. These funds will help to enhance access to educational opportunities, health care, recreation, and other quality of life needs in rural areas.

Why is the program necessary?

Over the next 40 years the U.S. population is expected to rise by 43 percent (from 307 million to 439 million), and the GDP is expected to almost triple (from $14 trillion to $41 trillion). To support this growth, we expect the demand for both freight and passenger transportation to increase by about two-and-a-half times by 2050. Since 1970, exports as a percentage of GDP have almost doubled, and imports have tripled. The U.S. manufacturing base is increasingly shifting to high-value, high-tech products whose manufacture integrates transportation into a just-in-time supply chain requiring efficient performance and consistent reliability. Further, on March 11, 2010, President Obama issued an Executive Order establishing a National Export Initiative to help meet the Administration's goal of doubling exports over the next five years.

An efficient transportation system is critical to maintaining the competitiveness of our economy. In the past, the highly developed U.S. transportation system played a key role in allowing GDP per capita to grow faster in the U.S. than comparable rates abroad. Additional U.S. transportation infrastructure investment is needed, but it needs to be carefully targeted at places where it will have the greatest economic payoffs and help to achieve our other goals. We need to identify transportation infrastructure investments that are cost-effective, safe, and environmentally sustainable.[4]

The FIP will be a performance-oriented program that provides states and localities flexibility for making investment decisions while focusing on outcomes that lead to a safer, more reliable, highway transportation network.

[4] U.S. DOT Strategic Plan FY 2010 – FY 2015

How do you know the program works?

FIP projects are identified for funding by the State in rural areas in consultation with local officials responsible for transportation and by the State in metropolitan areas in cooperation with the MPO. FIP will fund projects that meet the eligibility and location requirements for the Surface Transportation Program as contained in 23 USC 133 with the exception of non-highway related projects, e.g., rail and transit, which would not be eligible under the FIP.

As a program within the NHP, States will be expected to develop an asset management plan outlining a strategic and systematic process of operating, maintaining, upgrading and expanding physical assets effectively throughout their lifecycle. The plan would focus on business and engineering practices for resource allocation and utilization, with the objective of better decision making based upon quality information and well defined objectives. States would be required to submit an annual performance report but would only be held accountable for making progress towards achieving NHS performance goals and targets.

Eligibility:

- Projects on federal-aid highways that advance established performance goals and objectives, and further, meet the eligibility and location requirements for the Surface Transportation Program as contained in 23 USC 133 with the exception of rail and transit projects, which would not be eligible under the FIP.
- Projects must be identified in the STIP/TIP.
- Bridge safety inspection activities (in-service inspections, load ratings, scour analysis, structural monitoring, etc.).
- Asset and congestion management activities

Funding:

- Funds will be apportioned to the States by formula.
- Prior to apportionment, a takedown will be made to fund State and metropolitan planning activities.
- Set-aside of FIP funds to the States for bridges not on a Federal-aid highway.
- Prior to apportionment, 1% percent of the total appropriated amount for the FIP would be set-aside for bridge inspection activities (in-service inspections, load ratings, scour analysis, structural monitoring, etc.)

Federal Share: The Federal government will provide up to 80% of the total project cost.

Why do we want/need to fund the program at the proposed funding level?

In fiscal year 2009, the existing programs that would be merged to form the FIP accounted for a third of the core highway funds. In fiscal year 2012, the FIP program will need to be funded at the $15.632 billion level in order to make measurable progress in achieving improved conditions and performance of Federal-aid highways.

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Executive Summary
Livability Program

What is the request and what will we get for the funds?
The $4.1 billion Livability Program will use place-based planning, policies, and investments to help communities increase transportation choices and access to transportation services. This new program will help eliminate stovepipes and other barriers that make collaborative decision-making difficult for State Departments of Transportation, Tribal Governments, Local Governments, and Metropolitan Planning Organizations (MPOs). The program will enhance transportation networks and make it easier for people to move safely and efficiently regardless of the travel mode.

What is this program?
The Livability Program will consist of three components:

- Livable Communities Program - A $3.4 billion formula-based grant program to enable recipients to deliver transportation projects for rural and urban areas that benefit quality of life;
- Investments for Livable Communities Grant Program - A $500 million discretionary grant program to support highway and multi-modal investments that enhance livability; and
- Livability Capacity Building Grant Program - A $200 million discretionary grant program to improve the capacity for analyzing and addressing livability needs across the country.

Why is this particular program necessary?
The new Livability Program addresses the critical need to enhance the relationship between transportation and land use while protecting the environment and promoting multi-modal choices in communities, from rural to urban, across the country. Further, the program will address the needs and eligibilities previously authorized in individual programs such as Transportation Enhancement Activities, Transportation and Community and System Preservation, Congestion Mitigation and Air Quality (CMAQ) Improvement, and National Scenic Byways in a more cohesive, seamless, and comprehensive manner.

How do you know the program works?
The Livability Program will support projects that help enhance and revitalize local economies for rural and metropolitan communities alike, reduce highway maintenance costs, improve roadway safety, reduce congestion, increase transportation choices, and ultimately improve quality of life.

Why do we want/need to fund the program at the requested level?
The funding request of $4.1 billion will ensure the program has adequate resources to generate measurable results across a wide spectrum of communities and effectively contribute to the achievement of DOT performance outcomes.

Detailed Justification
Livability Program

What is the request and what will we get for the funds?

FY 2012 – Livability Program ($4.1 billion)
($000)

PROGRAM ACTIVITY	FY 2010 ACTUAL	FY 2012 REQUEST	CHANGE FY 2010-2012
Federal-aid Highways Program			
Livable Communities Program			
FY 2010 Cross walked Programs	2,942,315		- 2,942,315
Livable Communities Formula Grants		3,400,000	3,400,000
Investments for Livable Communities Grants		500,000	500,000
Livability Capacity Building Grants		200,000	200,000
Total	**2,942,315**	**4,100,000**	**1,157,685**

Note: Includes cross walked programs in SAFETEA-LU for FY 2010.

Projects from this program will help improve community transportation choices across all modes. By supporting the development or improvement of multimodal transportation networks, this funding program will help improve air quality, foster affordable transportation and housing, improve roadway safety for all road users, and ultimately improve quality of life. The program will advance the state of practice and help DOT achieve the following performance outcomes:

- **Advance the State of Practice:** The Capacity Grants program will help States, localities, and metropolitan areas engage in more robust regional transportation planning. The goal is to advance the state of the practice on key technical aspects such as transportation-related data collection, modeling, livability surface transportation planning, and performance measurement. These technical activities represent critical needs that traditionally have been underfunded.
- **Achieve DOT Strategic Goals:** The DOT Strategic Plan includes performance outcomes for: 1) increased access to convenient and affordable transportation choices; 2) improved public transit experience; 3) improved networks that accommodate pedestrians and bicyclists; and 4) improved access to transportation for special needs populations and individuals with disabilities. The Livable Communities Program will be critical to facilitating these outcomes, and provide real-time information on the various modes' performance to enable better user decision-making.

What is this program?

The Livability Program is a new funding program that will support the U.S. Department of Transportation's (DOT) Livable Communities strategic goal which aims to foster livable communities through place-based policies and investments that increase transportation choices and access to transportation services. This program will:

- **Maintain project eligibility from successful programs in Title 23 and Title 49**. Activities previously eligible under the Transportation Enhancement Activities Program, Congestion Mitigation and Air Quality Improvement Program, National Scenic Byways Program, Recreational Trails Program, and Safe Routes to School Program will continue to be eligible under the formula-based component of the Livability Program. The eligible activities from these programs represent key livability-related transportation activities, ranging from congestion reduction and traffic flow improvements to environmental mitigation for highway projects. Eligible activities will include but are not limited to the planning, design, and/or development of:
    - Activities for safety and education of pedestrians and bicyclists and to encourage walking and bicycling;
    - Activities that maintain and improve scenic byways;
    - Projects that improve access to jobs and services in rural areas;
    - Projects that improve air quality and reduce emissions, including greenhouse gases;
    - Projects that relieve traffic congestion;
    - Projects that improve the human environment through community preservation, environmental mitigation, control of outdoor advertising, and historic and archeological preservation, planning, and research; and
    - Funding for full-time coordinators to facilitate livability related transportation activities.

- **Continue to require air quality improvements for nonattainment and maintenance areas.** If a State has nonattainment or maintenance areas it will be required to devote 15 percent of its Livability Program formula funds to projects that will improve air quality in these areas. States without nonattainment and maintenance areas will not be constrained by this minimum requirement.

- **Establish performance measures.** A combination of quantitative and qualitative performance measures will be developed and will be consistent with the HUD/DOT/EPA Partnership for Sustainable Communities' six principles of livability.

The Livability Program will consist of three key components; a formula based program and two discretionary grant programs.

Livable Communities Program

This $3.4 billion formula-based program will enable recipients to deliver transportation projects for rural and urban areas that:

- Help States to deliver transportation projects that improve quality of life in rural and urban areas;
- Improve the safety and efficiency of the surface transportation system;
- Reduce the impacts of transportation on the environment, including the reduction of greenhouse gas emissions;
- Reduce the need for costly future transportation infrastructure;
- Ensure efficient access to jobs, education, and essential services; and
- Encourage private sector development patterns and investments that support livability goals.

A State may obligate funds apportioned to carry out the livable communities program for any of the following projects or activities:

- Planning, designing, or construction of boulevards, main streets and scenic byways, including:
    - Redesign of an underused highway, particularly one that is no longer a principal route after construction of a bypass or Interstate System route, into a context sensitive boulevard or main street that supports multiple forms of transportation;
    - New street construction that enhances connectivity, increases the efficiency of network performance, and encourages the use of public transportation, pedestrian walkways, or bicycle infrastructure;
    - Redesign of a street to enhance connectivity, increase the efficiency of network performance, and encourage the use of public transportation, pedestrian walkways, or bicycle infrastructure;
    - Redesign of a highway to support public transportation, including transit-only lanes and priority signalization for transit;
    - Planning or implementation of changes to State or local laws, codes, or ordinances that provide transportation facilities to support infill, transit-oriented or town center development that will support trip-chaining, non-motorized transportation, or more efficient use of the road network;
    - Safety improvements to a State scenic byway, National Scenic Byway, All-American Road, or one of America's Byways; and
    - Historic preservation and other improvements to the streetscape that support livable communities, and the rehabilitation of historic transportation buildings, structures, or facilities for transportation use.

- Providing transportation choices, including:
    - On-road and off-road facilities for pedestrians, bicyclists, and other nonmotorized forms of transportation, including sidewalks, bicycle infrastructure, pedestrian and bicycle signals, traffic calming techniques, lighting and other security-related infrastructure, and transportation projects to achieve compliance with the Americans with Disabilities Act of 1990;
    - The planning, design, and construction of infrastructure-related projects and systems that will provide safe routes for non-drivers, including children, older adults, individuals with disabilities, and individuals with lower incomes to access daily needs;
    - Activities for safety and education of pedestrians and bicyclists and to encourage walking and bicycling, including efforts to encourage walking and bicycling to schools and community centers;
    - Conversion and use of abandoned railroad corridors for trails for pedestrians, bicyclists, or other non-motorized transportation users that enhance the efficiency of the transportation network; and
    - Carpool, vanpool, and car share projects
- Supporting livability through planning, project development, and programmatic mitigation, including archaeological and historic preservation planning and research, and storm water management.
- Improving air quality and reducing congestion by means of transportation projects or programs for an area in a State that is or was designated as a nonattainment area for ozone, carbon monoxide, nitrogen dioxide, or particulate matter under the Clean Air Act.
- Construction, rehabilitation, or replacement of ferry boats and ferry boat terminals.
- Capital costs for transit projects eligible for assistance under chapter 53 of title 49, United States Code, including vehicles and facilities, whether publicly or privately owned, that are used to provide intercity passenger service by bus, and fringe and corridor parking or other transportation project to support transit-oriented development.

Investments for Livable Communities Grant Program

The purpose of the competitive $500 million investments for livable communities grant program is to promote innovative, multi-modal, and multi-jurisdictional highway projects that promise significant environmental and economic benefits to an entire metropolitan area, a region, or the nation.

State department of transportation, tribal government, local government, or metropolitan planning organization may submit applications for challenge grants with a minimum award of $250,000. Eligible costs include:

- Development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, preliminary engineering and design work, and other preconstruction activities;
- Construction, reconstruction, rehabilitation, acquisition of real property (including land related to the project and improvements to land), environmental mitigation, construction contingencies, acquisition of equipment directly related to improving system performance, and operational improvements; and
- Certain financing costs.

The Federal share will not exceed 80 percent.

Livability Capacity Building Grant Program

The budget continues the $200 million livability-related capacity building program requested in the FY 2011 budget to improve capacity for addressing livability needs. State departments of transportation, tribal governments, local governments, or metropolitan planning organizations shall be eligible to apply for a grant under this subsection to:

- Facilitate improved data collection to better incorporate livability into transportation planning through the use of a variety of data collection mechanisms, including household travel surveys, panel surveys, built environment inventories, employment inventories, and travel data collection related to bicyclists and pedestrians, including persons with disabilities;
- Provide staff training to support livability-related transportation capacity building;
- Furnish software and computer upgrades to support modeling and data collection;
- Reorganize an eligible applicant's institution to better reflect the responsibilities and expertise needed to address livability in transportation plans and related activities;
- Assist a transportation authority to develop integrated transportation, land use, housing, and environmental planning efforts or to carry out a comprehensive plan supported by the community; and
- Develop and implement transportation modeling, simulation, and analysis capabilities.

Why is this program necessary?

The Livability Program will advance the state of the practice in terms of transportation-related data collection, modeling, livability surface transportation planning, and performance measurement to ensure high returns to federal investment. The program, which will enable FHWA to achieve the Livable Communities goals in the DOT Strategic Plan, addresses the critical need to enhance the relationship between transportation and land use planning while protecting the environment and promoting multi-modal choices in communities, from rural to urban, across the country. The formula component guarantees that all States have a base level of

funding to complete livability-related transportation projects while the two discretionary components will enable DOT to direct funding to projects that will help achieve national livability goals while improving communities at the same time.

How do you know the program works?

The Livability Program aims to foster livable communities through place-based policies and investments that increase transportation choices and access to transportation services. It will be a new way of doing business and will be successful because:

- Both quantitative and qualitative performance measures will be used to establish baselines and track progress towards livability goals. These performance measures will be linked to DOT performance targets;
- Livability-related projects provide improvements that communities can see and experience firsthand. Such projects enhance and revitalize local economies for rural and metropolitan communities alike, reduce highway maintenance costs, improve roadway safety, reduce congestion, increase transportation choices, and ultimately improve the quality of life;
- It will help ensure that transportation-related air quality issues continue to be addressed and will help reduce greenhouse gas emissions;
- It will eliminate inconsistencies among different fund sources; and
- It will involve state of the practice tools for improved data collection and transportation modeling that will help agencies achieve success.

Why do we want/need to fund the program at the requested level?

The funding request of $4.1 billion will ensure the program has adequate resources to generate measurable results across a wide spectrum of communities and effectively contribute to the achievement of DOT performance outcomes. The formula program represents the approximate funding level of existing programs that would be consolidated into the new program (e.g., CMAQ, Transportation Enhancement Activities, and Safe Routes to School).

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Executive Summary
Research, Technology & Education (RT&E) Program

What Is The Request And What Will We Get For The Funds?
The $641 million request will enable FHWA to address current issues, emerging challenges and provide information for policy decisions. The program will conduct, sponsor, sustain, and guide highway research to develop and deliver innovation. FHWA plays an invaluable leadership role by working with our partners to develop and implement a nationally-coordinated highway research and technology agenda that addresses national needs, meets future demands, and maximizes the strengths of all research entities. This request will provide for a comprehensive, nationally-coordinated research, technology, and education program that will advance DOT organizational goals, as well as accelerate innovation delivery and technology implementation.

What Is The Program?
The program is comprised of the following major program categories and the $206.4 million research portion of the State Planning and Research (SP&R) program:

- Highway Research & Development Program (HRD): $200 million for research activities associated with safety, infrastructure preservation, environmental mitigation and streamlining, operations, livability, innovative program delivery solutions, and policy.
- Technology & Innovation Deployment Program (TIDP): $144 million program to address testing, evaluating, and accelerating the delivery and deployment of technologies.
- Training & Education Program (T&E): $40 million to train the current and future transportation workforce; transferring knowledge quickly and effectively.
- RITA-administered RD&T programs: $257 million for Intelligent Transportation Systems, Competitive University Transportation Center Consortia, Bureau of Transportation Statistics, Multi-Modal Innovative Research Program, and University Transportation Center Multimodal Competitive Research Grants.

Why Is This Particular Program Necessary?
FHWA is in a unique leadership position to identify and address issues that require high-risk, long-term research, and research on emerging issues of national significance. FHWA's leadership role is necessary to build effective partnerships to maximize the investment in the transportation system. The entire innovation lifecycle is covered under the RT&E program umbrella from agenda setting to the deployment of technologies and innovations.

How Do You Know The Program Works?
FHWA's continued commitment to highway research and the implementation of ground-breaking technology delivers a safer, more reliable highway transportation system that is in good repair, supports community goals, and is environmentally sustainable.

Why Do We Want/Need To Fund The Program At The Requested Level?
There is a critical need for bold actions, effective investments, and financing innovations to address current gaps and emerging issues facing our nation's transportation system. At present, innovative materials and technologies are not being adopted at a pace that meets user's needs. With enhanced leadership and adequate financing, FHWA can assure the best solutions are realized and applied, and that existing resources are focused on critical national priorities.

Detailed Justification
Research, Technology & Education (RT&E) Program

What Do I Need To Know Before Reading This Justification?

The budget request enables FHWA to strengthen its national leadership role in conducting, sponsoring, sustaining, and guiding the FHWA RT&E program, and working with partners and stakeholders in the highway community to conduct long-term, high-risk research, and research on emerging issues of national significance.

The budget proposes to restructure the existing research, development, and technology activities into three programs – Highway Research and Development, Technology and Innovation Deployment, and Training and Education – totaling $384 million.

The FHWA budget also includes a number of programs which are administered by the Research and Innovative Technology Administration (RITA). ***Detailed justifications for these programs can be found in RITA's budget submission.***

The budget continues a separate obligation ceiling for Title V programs, including RITA programs, and proposes that both the contract authority and the obligation limitation for these programs remain available until expended.

FY 2012 – Research, Technology, and Education Program
($000)

PROGRAM ACTIVITY	FY 2010 ACTUAL	FY 2012 REQUEST	CHANGE FY 2010-2012
Federal-aid Highways Program			
Research, Technology, and Education Program			
FY 2010 Cross walked Programs	298,608	-----	- 298,608
Highway Research and Development	-----	200,000	200,000
Technology and Innovation Deployment	-----	144,000	144,000
Training and Education	-----	40,000	40,000
ITS Research (ITS)	110,000	110,000	-----
Competitive UTC Consortia	78,900	72,000	- 6,900
Bureau of Transportation Statistics (BTS)	27,000	35,000	8,000
Multimodal Innovative Research Program (RITA)	-----	20,000	20,000
UTC Multimodal Competitive Research Grants	-----	20,000	20,000
State Planning & Research (SP&R) non-add	[182,985]	[206,398]	[23,413]
Total	**514,508**	**641,000**	**126,492**

Note: Includes cross walked programs in SAFETEA-LU for FY 2010.

What Is The Request And What Will We Get For The Funds?

The FHWA RT&E program strives to generate new solutions, provide better decision-making information and tools, and build more effective partnerships that will allow our country to make the best investments in the nation's largest utility—our transportation system. The entire innovation lifecycle is covered under the RT&E program umbrella: from agenda setting to research and development, to technology testing and evaluation, to the deployment and impact evaluation of market-ready technologies and innovations.

FHWA Managed Programs
(Millions of Dollars)

Program Activity	FY 2012 FHWA Request	
	RT&E Program	Formula Programs Takedown
Highway Research & Development	$200.0	
Technology and Innovation Deployment Program	$144.0	
Training & Education	$40.0	
SP&R (Research) non-add		$206.4
Total, FHWA Managed Programs	***$384.0***	***$206.4***

As summarized in the above table, FHWA requests $384 million for the following three RT&E major program categories:

1. Highway Research and Development program (HRD), which includes most areas previously found under the Surface Transportation Research, Development and Deployment program (STRDD), and reinforces the coordination of a national highway research agenda.
2. Technology and Innovation Deployment Program (TIDP), designed specifically to enable FHWA to more aggressively fill the critical need to turn research products into proven technologies or demonstrate practices, identify the market forces that will influence successful technology and innovation deployment, and plan and deliver effective communication to promote rapid adoption of proven, market-ready technologies and innovations to States, local jurisdictions, and industry.
3. Training and Education (T&E) is responsible for training the current and future transportation workforce, transferring knowledge quickly and effectively to and among transportation professionals, and providing training that addresses the full life-cycle of the highway transportation system.

In addition, the State Planning and Research program would continue - now as a two percent take-down from three core programs (National Highway Program, Safety, and Livable Communities), with 25 percent ($206.4 million) of the available funding directed to research purposes.

What Is This Program?

The FHWA's RT&E program role is to provide leadership at conducting highway-related research, development, deployment, and training activities to address current and emerging needs facing our nation's transportation system. The program is responsible for developing and delivering the solutions needed to meet current challenges and foresee future needs, addressing them proactively and effectively. The program is committed to providing superior training and education to transportation professionals. FHWA's leadership role signifies a commitment to working collaboratively with its partners in defining the direction of and developing the FHWA roadmaps needed to achieve results, especially since these partners may at times be the ones implementing the technologies and innovations developed. The three main components of the RT&E program are as follows:

The Highway Research and Development program (HRD)

The HRD program highlights FHWA's leadership in developing a comprehensive, nationally-coordinated FHWA highway research and technology program, engaging and cooperating with other highway research stakeholders. The HRD program performs research activities associated with safety, infrastructure preservation and improvements, environmental mitigation and streamlining, livability considerations, operations, and policy. The research conducted aims to collect information that ultimately provides transportation policymakers tools and products that allows them to make accurate decisions that improve the nation's quality of life. The HRD program includes FHWA's advanced and applied research, and facilitates national and international coordination and collaboration to leverage knowledge and develop solutions to address current and emerging highway transportation needs. The Program is closely coordinated with, but does not duplicate, R&D conducted through the University Transportation Center Program, the Intelligent Transportation System Program, the pooled fund National Cooperative Highway Research Program, and State-based research and technology initiatives. The six major areas under the HRD program are:

- **Safety.** Research focuses on research and development activities aimed at supporting comprehensive and sustainable safety programs. Activities emphasize data-driven analysis of roadway-related safety considerations and specific improvement in four crash areas: roadway departure crashes, intersection fatalities, pedestrian fatalities, and speeding-related fatalities. The program conducts rigorous evaluations to determine what safety improvements can be expected with the introduction of countermeasure designs or operations. All design or operational changes are assessed from a human factor perspective to eliminate or minimize unexpected consequences of change. FHWA works in cooperation with NHTSA and FMCSA to develop tools and technologies to reduce crashes and improve highway and intermodal transportation safety.
- **Infrastructure.** FHWA conducts problem-focused research, development, and communications outreach activities to preserve the existing investment in our Nation's highway infrastructure and to build for the future through the application of advanced technologies that improve infrastructure integrity. Infrastructure-related research focuses on three major areas: pavements, bridges and structures, and asset management. This work includes: a) research and development of technologies and techniques to assure that the Nation's infrastructure is world class from a standpoint of longevity, safety, performance, climate-change mitigation, and sustainability; b) leadership to ensure

effective follow-up and deployment of the improvements developed, particularly those that will speed construction and reduce congestion caused by construction; and c) development of metrics to assess the performance of infrastructure over the longer term.

- **Planning and Environment.** Activities in this program area include carrying out short and long-term livability initiatives to improve project delivery and enhance communities that are impacted by surface transportation projects; developing comprehensive strategies to minimize the impact of transportation investment on the environment; adjust to changing climate conditions, advancing state of the practice for data collection, geographic information systems applications, and travel forecasting; and providing technical assistance and forums, best practices, and training to assist States, Metropolitan Planning Organizations, local public agencies and other partners and stakeholders in planning and delivering surface transportation projects.

- **Operations.** The Operations program conducts research on the application of cutting-edge technologies to move people and goods better, quicker, and safer. The primary focus of Operations activities is on congestion relief solutions. This work will mitigate the impacts of recurring congestion, as well as deal more effectively with non-recurring events that cause congestion, such as traffic incidents, work zones, adverse weather conditions and planned special events. Activities also include conducting applied research to develop the next generation of traffic management systems and models, and researching specific technologies that can improve the performance of its services and support to the Intelligent Vehicle Initiative and the Cooperative Intersection Collision Avoidance Initiative. HRD Operations also pursues a broad range of activities designed to improve freight movement and reduce freight-related congestion throughout the transportation network.

- **Policy.** FHWA RT&E's Policy program conducts analysis on emerging issues in the transportation community, such as climate change, public-private partnerships, highway revenues, performance measurement, reauthorization, and a host of other issues. Policy initiatives include the International Highway Transportation Outreach Program, which provides better knowledge of technology and best practices put in place in other countries that can improve the U.S. surface transportation system. The initiatives also support implementation of these innovations, leveraging resources to enable the U.S. to benefit from investments made by foreign counterparts, and creating business opportunities for the U.S. private sector. The Policy area is responsible for the development of the Infrastructure Investment Needs Report, which promotes the ongoing development of engineering and economic analytical tools and related products to assess the current and future conditions and performance of the Nation's highways and bridges. Policy research is also conducted to support Innovative Program Delivery options in such areas as Public-Private Partnerships and alternative funding mechanisms for highways.

- **Next Generation Research & Technology**. The Next Generation Research & Technology (R&T) program is responsible for leading the development and coordination of the FHWA components of a national highway research agenda to provide policy-makers and the research community information needed to address critical knowledge

gaps, collaboration opportunities, and accelerate innovation and technology deployment to meet future highway transportation needs. The FHWA provides the unique national leadership and support required to accomplish this goal and meet the collective needs and national priorities recognized by highway research and technology stakeholders. FHWA has been working with these stakeholders to establish an on-going framework or process to identify national research needs that should be the focus of FHWA's program; improve coordination among researchers; and identify potential opportunities for synergy among research entities. Initial work on creating the framework for developing a national highway research agenda is underway, and resources are needed to continue this effort to achieve the goal of an enhanced national research agenda, based on a sustained, collaborative process, and reflective of our national needs and priorities. Next Generation R&T also encompasses the Exploratory Advanced Research (EAR) Program, which conducts longer-term, higher-risk research with the potential for dramatic breakthroughs in surface transportation. Key elements of the EAR program are to obtain information from the very large number of basic and advanced research and development activities outside of the highway R&D community for possible exploitation, adaptation and eventual application to the highway industry. Next Generation R&T also supports the operation of the Turner-Fairbank Highway Research Center (TFHRC), a Federally-owned and operated research facility in McLean, Virginia that provides State and local governments, FHWA, and the world highway community with advanced and targeted applied research and development related to new highway technologies. Research conducted at and managed by this facility focuses on providing solutions to complex technical problems through the development of more economical, safe, and environmentally sensitive designs; more efficient, quality controlled constructions practices; and more durable materials.

Technology & Innovation Deployment Program (TIDP)

After innovations and technologies have gone through an initial testing and evaluation process, and they are ready to be put through a more refined, conclusive testing, or they are ready to be deployed, these technologies are advanced into the TIDP program, where final analysis, marketing, communications, and promotional activities are conducted to accelerate its adoption by state DOTs and other government entities or beneficiaries. This aspect of the innovation lifecycle has in the past been insufficiently funded, which has resulted in a number of market-ready technologies that could be highly beneficial to the industry being under-utilized. Thus, FHWA is establishing a separate program area that will aim at advancing deployment-ready technologies resulting from the HRD program, or take market-ready technologies developed by other entities and support their accelerated implementation by State DOTs or other stakeholders.

The newly-created TIDP will greatly accelerate the delivery and deployment of innovation and technology, filling gaps in the innovation lifecycle previously inadequately addressed. The program aims to concentrate on the growing need to significantly accelerate the adoption of proven, high-payoff, innovative practices and technologies that will significantly improve safety, efficiency, reliability and performance of the current highway transportation system. Expanding on the existing Highways for LIFE program, the TIDP will shorten project planning and delivery time, advance longer-lasting highway innovations and technologies to accomplish the fast construction of efficient and safe highways and bridges, improve safety during and after

construction, reduce recurring and non-recurring congestion, improve freight movement and enhance the quality of the highway infrastructure. The TIDP will speed up the adoption of innovative technologies by the surface transportation community, providing creative programs, technical assistance, and resources to state and local transportation agencies to implement market-ready technologies. The TIDP will embrace stakeholder participation, monitoring, evaluation, documentation, and open dissemination of results. It will allow for the modification or upgrade of existing innovations and technologies to ensure widespread adoption and benefit by the highway community.

FHWA TIDP will also work with AASHTO, the States, the Transportation Research Board and others on the implementation of the Strategic Highway Research Program (SHRP 2) results. The purpose of SHRP 2 is to conduct concentrated, results-oriented applied research focusing on solving the top problems in the area of highway safety, reliability, capacity, and renewal. The program has been carried out by the Transportation Research Board (TRB) in consultation with AASHTO, and is now reaching the results implementation phase.

Finally, TIDP will provide a conduit to accelerate technology and innovation delivery through FHWA's recently launched Every Day Counts initiative (EDC). The Every Day Counts Initiative identifies under-utilized market-ready technologies with high pay-offs and accelerates their deployment and acceptance throughout the Nation.

Training and Education program (T&E).
T&E is responsible for training the current and future transportation workforce, transferring knowledge quickly and effectively to and among transportation professionals, and providing education solutions throughout the full innovation lifecycle. The T&E program provides a wide variety of services and products, including:

- The National Highway Institute provides training courses to present the latest technologies and best practices in highway construction.
- The Local Technical Assistance Program supports technology transfer centers in all 50 states, Puerto Rico, and regional centers serving Native American tribal governments.
- Training and Workforce Development Programs:
    - The Dwight David Eisenhower Transportation Fellowship Program provides opportunities for high performing students and faculty to research transportation topics.
    - The Garret A. Morgan Technology and Transportation Education Programs enhance science, technology, engineering, and mathematics at the elementary and secondary school level.
    - The Transportation Education Development Pilot Program develops new curricula and education programs to train individuals at all levels of the transportation workforce.
    - Freight Planning Capacity Building supports enhancements in freight transportation planning.

- The Surface Transportation Congestion Relief Solutions Technical Assistance and Training Program disseminates the results of the surface transportation congestion relief solutions research initiative for the purpose of assisting State transportation departments and local transportation agencies with improving their approaches to surface transportation congestion measurement, analysis, and project programming.
- The Surface Transportation Workforce Development Centers Program will establish five Centers at institutions of higher education. The Centers will work strategically to unify transportation workforce initiatives, identify common workforce interests and challenges, and promote successful workforce development policies and practices.

State Planning & Research program (SP&R)
A separate category from the three components above, the SP&R program has been funded as a two percent take-down of seven major Federal-aid highway program funds. With the reconfiguration of Federal-aid formula programs presented in this budget document, it would be a take-down of three of the new programs: National Highway Program, Safety Program, and Livable Communities Program.

States must allocate a minimum of 25 percent of their SP&R apportionment for research, development, and technology. FHWA's RT&E program is responsible for administering and providing funds to the States for this research portion of the take-down. SP&R activities involve research on new areas of knowledge; adapting findings to practical applications by developing new technologies; and the transfer of these technologies, including the process of dissemination, demonstration, training, and adoption of innovations by users.

The SP&R program is intended to solve problems identified by the states. State Departments of Transportation are encouraged to develop, establish, and implement research programs that anticipate and address transportation concerns before they become critical problems. High priority is given to applied research on state or regional problems, transfer of technology from researcher to user, and research for setting standards and specifications. To promote effective use of available resources, State Departments of Transportation are encouraged to cooperate with other States, the FHWA, and other appropriate agencies to achieve research objectives established at the national level and to develop a technology transfer program to promote and use those results. States are encouraged to pool their funds in cooperative research efforts as a means of addressing national and regional issues and as a means of leveraging funds. This includes contributing to cooperative programs such as the National Cooperative Highway Research Program (NCHRP), the Transportation Research Board (TRB), and transportation pooled fund studies.

For details about RITA-administered RT&E programs, see RITA's budget submission.

Why is this particular program necessary?

The three categories under the RT&E program are necessary to cover all phases in the innovation life cycle. The HRD program includes advanced and applied research, exploring new areas of research, developing and testing new products and services to benefit the transportation system. Once a new product or technology has proven to provide value, after initial testing and evaluation, the TIDP program supports the implementation, delivery and deployment phase, conducting refined testing and evaluation, market research, and assisting with marketing and communication matters for the technology or innovation to be widely used in the community. Another part of the innovation lifecycle is performed by the T&E program, which provides assistance to transportation agencies and users of these market-ready technologies, training and educating the workforce on how to efficiently implement and deploy the innovations. Additionally, states use the SP&R program to conduct research of local or regional interest that may not be covered under the HRD program. The TIDP program can assist with the deployment phase of technologies and innovations developed by state research programs, transportation pooled funds, or other research entities.

For details about RITA-administered RT&E programs, see RITA's budget submission.

How do you know the program works?

FHWA's continued commitment to highway research and the implementation of ground-breaking technology is changing the way roads, bridges, and other facilities are planned, designed, built, and maintained across the country. This commitment ultimately delivers a safer, more reliable transportation system that is both effective and environmentally sustainable. The success of the RT&E program can be illustrated through the following examples of innovations that support DOT strategic goals:

- **Safety**: Installation of new cable median barrier technologies in North Carolina has prevented more than 95 crashes and saved more than 145 lives between 1999 and 2005.
- **State of Good Repair**: Use of Geosynthetic Reinforced Soil (GRS) technology to build bridges in Defiance County, Ohio, produced a cost savings of nearly 25 percent, while shaving 2 weeks off the construction time from a conventional bridge. Innovative bridge design and construction guidelines are helping transportation agencies cut costs by 25 to 50 percent compared to standard bridge construction.
- **Economic Competitiveness**:
    - In Des Moines, Iowa, the use of CORSIM, a corridor simulation software developed out of initial FHWA research, allowed engineers to identify the problem on an existing interchange as a traffic signal problem rather than a roadway capacity. As a result, Iowa saved $14 million in right-of-way purchase costs that would have been necessary to add capacity and instead adjusted the existing traffic signals to accommodate traffic flows.
    - New satellite technology to measure freight traffic and border crossing travel improves travel time across our borders, enhancing economic competitiveness.

- **Livability**: Throughout the country, pedestrians and cyclists are benefiting from innovative intersection concepts that promote livability and encourage of human-powered travel while decreasing safety risks to pedestrians, cyclists, and drivers.
- **Environmental Sustainability**: Through strategic research, policy analysis, partnerships, and outreach, the U.S. DOT Center for Climate Change and Environmental Forecasting develops comprehensive and multimodal approaches to reduce transportation-related emissions.

For details about RITA-administered RT&E programs, see RITA's budget submission.

Why do we want/need to fund the program at the requested level?

There is a critical need for bold actions, effective investments, and financing innovations to address current gaps and emerging issues facing our nation's transportation system.

Recent studies have shown the importance of investing in deployment. Past authorizations have not provided adequate language flexibility or funding for FHWA to perform needed deployment activities for technologies that can support all DOT strategic goals and are ready to be deployed. As the SHRP 2 program nears its implementation phase, FHWA staff must be prepared to properly administer the growing needs of the program, in conjunction with the work being performed by other stakeholders involved.

The T&E program is requesting an increase partly to fund five Surface Transportation Workforce Development centers, which will provide a skilled workforce that can move innovation to application and provide solutions to the Nation's growing transportation needs. Additionally, the program has been flat-funded in past authorizations while costs have been increasing. With many new practitioners entering the highway workforce and new and different knowledge and skill areas, such as livability, focus on system preservation and integrated transportation facilities, the need for training manuals, classes, and promotional materials is evident.

Finally, coordination of a national research agenda is crucial to align USDOT transportation goals with those being pursued by other stakeholders in the transportation research community.

For details about RITA-administered RT&E programs, see RITA's budget submission.

Executive Summary
Federal Allocation Program

What Is The Request And What Will We Get For The Funds?
FHWA requests $1.357 billion for a Federal Allocation Program to provide funding for transportation projects on Federal and Tribal lands, to respond to natural disasters or other emergencies, to train the highway construction workforce, and to assist disadvantaged business enterprise firms compete for highway construction contracts.

What Is The Program?
The Federal Allocation Program consolidates several existing programs with inherently Federal responsibilities into one program with five components:

- Federal Lands Transportation Program – $430 million for projects that improve access within the Federal estate (national forests, national parks, national wildlife refuges, national recreation areas, and other Federal public lands) using a performance management program model on infrastructure owned by the Federal government.
- Federal Lands Access Program – $177 million for projects that improve access to the Federal estate on infrastructure owned by States, Counties, and local governments.
- Tribal Transportation Program – $600 million for projects that improve access to and within Tribal lands using a performance management program model.
- Emergency Relief Program – $100 million for States for the repair and reconstruction of Federal-aid highways and roads on Federal lands following a disaster.
- Workforce Development – $50 million for the On-the-Job Training/Support Services program to support State training programs and the Disadvantaged Business Enterprise/Supportive Services program to develop, conduct, and administer training and assistance programs to increase the proficiency of minority businesses to compete, on an equal basis, for contracts and subcontracts.

Why Is This Particular Program Necessary?
This program supports safe, seamless, and multimodal access to Federal and Tribal lands, assists States to restore damaged highway facilities, and provides opportunities to disadvantaged individuals and small businesses.

How Do You Know The Program Works?
The existing Federal Lands Highway Program has demonstrated that Federal investment has improved conditions of roads and bridges on Federal and Tribal lands. Emergency Relief program funding has been critical in allowing States to restore highway facilities to pre-disaster conditions. Workforce Development requires annual performance-based proposals that include clearly measurable goals and objectives.

Why Do We Want/Need To Fund The Program At The Requested Level?
The requested $1.357 billion provides the level of investment required to respond to an increasing number and scope of natural disasters and to achieve results for these programs of national interest.

Executive Summary
Federal Lands Transportation Program

What Is The Request And What Will We Get For The Funds?
FHWA requests $430 million to implement the Federal Lands Transportation Program (FLTP). The FLTP outcomes include completed construction and engineering projects that will improve multi-modal access, support increasing visitation to recreational areas on public lands, and expand economic development in and around Federal lands while preserving the environment and reducing congestion at our national treasures.

What Is The Program?
The FLTP represents a comprehensive and coordinated approach to funding projects that improve access to and within national forests, national parks, national wildlife refuges, national recreation areas, and other Federal public lands using a performance management program model. These projects improve the federally-owned and maintained transportation infrastructure, enhance the ecosystems, and increase outdoor opportunities while demonstrating program transparency and accountability.

Why Is This Particular Program Necessary?
The Federal Government owns approximately 30 percent of the land in the United States. More than 20 percent of Americans' recreational activities take place on Federal lands. This program - in conjunction with the Federal Lands Access Program - supports safe, seamless, and multimodal access to America's treasures. The FLTP is focused on a comprehensive and coordinated approach to maintaining, rehabilitating, and improving the nationally-significant portions of the Federal public transportation infrastructure, which are used on a daily basis by the American public and international visitors. The program is focused on facilities that generate the greatest return on American's investment: roads that provide the seamless linkages to highly visited recreation areas and destination points within our Federal public lands. The FLTP supports rural, livable communities. Many communities outside national parks, refuges, and forests are close enough to urban areas to facilitate the use of transit, vanpools and/or bicycles to the Federal estate.

How Do You Know The Program Works?
Generally, the condition of roads and bridges in the Federal Lands Highway Program remained about the same when 2005 condition data is compared to 2009 data. Considering the increasing volume of visitors to our Federal public lands coupled with the long-term trend of increasing construction costs, these data indicate the program preserved critical assets in our national treasures effectively. Since 2005, over 3,000 miles of national park, forest and refuge roads were improved and over 200 deficient bridges were restored to a safe condition.

Why Do We Want/Need To Fund The Program At The Requested Level?
The requested $430 million represents a 16 percent increase over the $371 million level of FY 2009, 2010, and 2011 for the equivalent separate programs under the Federal Lands Highway Program. This increase is similar to the average long-term (1983-2010) funding trend and supports a more comprehensive, coordinated, goal-oriented approach to Federal transportation infrastructure management.

Detailed Justification
Federal Lands Transportation Program

What Is The Request And What Will We Get For The Funds?

FY 2012 – Federal Lands Transportation Program
($000)

PROGRAM ACTIVITY	FY 2010 ACTUAL	FY 2012 REQUEST	CHANGE FY 2010-2012
Federal-aid Highways Program			
Federal Allocation Program			
FY 2010 Cross walked Programs	1,285,967	-----	- 1,285,967
Emergency Relief (ER)	-----	100,000	100,000
Federal Lands Transportation Program (FLTP)	-----	430,000	430,000
Federal Lands Access Program (FLAP)	-----	177,000	177,000
Tribal Transportation Program (TTP)	-----	600,000	600,000
On-the-Job Training	-----	25,000	25,000
Disadvantaged Business Enterprise	-----	25,000	25,000
Total	**1,285,967**	**1,357,000**	**71,033**

Note: Includes cross walked programs in SAFETEA-LU for FY 2010.

FHWA requests $430 million to implement the Federal Lands Transportation Program (FLTP). The FLTP outcomes include completed construction and engineering projects that will improve multi-modal access, support increasing visitation to recreational areas on public lands, and expand economic development in and around Federal lands while preserving the environment and reducing congestion at our national treasures.

Program Activity	FY 2011 President's Budget	Programmatic Changes	FY 2012 Request
National Park Service (NPS) Roads	$240,000	($240,000)	$0
Public Lands Highways Discretionary	$102,000	($102,000)	$0
US Fish & Wildlife (FWS) Service Roads	$29,000	($29,000)	$0
Federal Lands Transportation Program:			
Transportation Facilities owned by NPS & FWS	$0	$315,000	$315,000
Transportation Facilities owned by the U.S. Forest Service, the Bureau of Land Management, and the U.S. Army Corps of Engineers	$0	$115,000	$115,000
Total	**$371,000**	**$59,000**	**$430,000**

What Is This Program?

The Federal Lands Transportation Program (FLTP) continues the purpose of the Federal Lands Highway Program, which was established in 1983 to promote a coordinated approach to highway construction on roads owned by Federal Land Management Agencies. The FLTP is the next logical step in that approach, with a focus on a comprehensive system of nationally-significant Federal transportation infrastructure (roads, bridges, trails, and transit systems) using a performance management program approach.

The FY 2010 Baseline for the equivalent separate programs under the Federal Lands Highway Program category is $371 million. The anticipated FY 2011 accomplishments will include the design and construction of Federal transportation infrastructure consistent with the Federal Land Management Agencies' strategic plans and strategic DOT goals. Based on recent data at comparable funding levels, we anticipate improving about 25 structurally deficient and/or functionally obsolete bridges to a safe/good condition and improving about 400 miles of roads within our national parks, forests, refuges, recreation sites, and Federal public lands.

The purpose of the FLTP is to provide access within our national parks, forests, wildlife refuges, Bureau of Land Management lands, US Army Corps of Engineers recreation areas, and other Federal lands. The FLTP focuses on the subset of the Federal transportation infrastructure that is nationally-significant: those roads, bridges, trails, or transit systems which provide access to high-use recreation areas or provide critical access for economic generation to support the local economy.

The structure of the $430 million FLTP is made up of two central components: transportation facilities owned by the existing partners under the Federal Lands Highway Program, the National Parks Service (NPS) and the U.S. Fish & Wildlife Service (FWS) (a total of $315 million), and a new competitive component (up to $115 million) to address the needs of transportation systems owned by three new Federal Land Management Agencies (FLMA) partners who are experiencing increased visitation to recreational destinations on their lands: the U.S. Forest Service (USFS), the Bureau of Land Management (BLM), and the U.S. Army Corps of Engineers (USACE). In this manner, critical funding resources will be targeted to those facilities that provide access to the most popular recreational destination points within the Federal estate and thereby generate the greatest return on investment to land owners, gateway communities, and the American people who are looking for seamless transportation to these popular recreational locations. Put more plainly, the FLTP would focus on facilities that are in the national interest to maintain rather than broadly trying to include every road owned by the Federal Government or every road that provides access to Federal lands.

The FLTP supports livability, particularly in rural America. Many communities outside national parks, refuges, and forests are close enough to urban areas to facilitate the use of transit, vanpools and/or bicycles to access the Federal estate. Greater use of alternative transportation options inside and outside Federal lands helps reduce car emissions, eases congestion at the gate and preserves the environment inside our national treasures for future generations.

The FLTP would reserve a percentage of the funding for comprehensive transportation planning and road and bridge inventory data collection. The set-aside will focus on comprehensive multi-

agency planning efforts and positions the program more effectively to support performance management. The set-aside funding level is empirically-derived using previous planning and data collection spending levels over the previous ten years.

The FLTP would fund transportation planning, research, preventive maintenance, engineering, administrative expenses, rehabilitation, and construction of transportation facilities that provide access to, within, or adjacent to Federal lands. The proposal to fund NPS and FWS transportation facilities directly ($315 million) is attributable to the programs' past performance, their existing backlog of transportation needs, their current standalone programs as part of the Federal Lands Highway Program, and their inherent mission to support visitation to our national wildlife refuge and park treasures. The NPS and FWS effectively leverage resources from the Highway Trust Fund and pool these funds with Interior-appropriated (Title 16) funds and gate receipts for transportation purposes. The NPS and FWS maintain a static network of roads, and continue to plan the use of their resources effectively by instituting safety, pavement, bridge, and congestion management systems. The NPS and FWS would be required to maintain a national road and bridge inventory, and report annually on the state of good repair of the transportation system.

The competitive component (up to $115 million) would be allocated using a discretionary grant process among the transportation systems of the USFS, the BLM, and the USACE. DOT would develop criteria to be used by the respective FLMAs. This program would annually grant entire programs of projects to these agencies rather than a long list of individual projects. Each agency would submit several proposed programs of projects at various funding levels. Each program of projects proposal would be required to demonstrate how it supports the most highly visited recreational areas and their own resource management goals in addition to the Department of Transportation's strategic goals - including performance management goals - such as improving highway safety or keeping their road networks in a state of good repair. This approach would spur competition and strategically channel resources to the programs that yield the greatest return. In this manner, agencies can continue to engage in long-term transportation planning, multi-year project programming, and leverage management systems and other asset management tools to support better decision making. The FLMAs would be required to maintain a national road and bridge inventory and report annually on the state of good repair of the Federal Lands transportation facilities.

Why Is This Particular Program Necessary?

The Federal Government owns approximately 30 percent of the land in the United States (see Exhibit 1). This land is primarily rural in nature, though there are many Federal facilities in urban settings, such as the Golden Gate National Recreation Area in San Francisco, CA and the Federal Mall and Memorial Parks in Washington, DC. This program supports safe, seamless, and multimodal access to and through our national parks, forests, wildlife refuges, Bureau of Land Management lands, and US Army Corps of Engineers recreation areas.

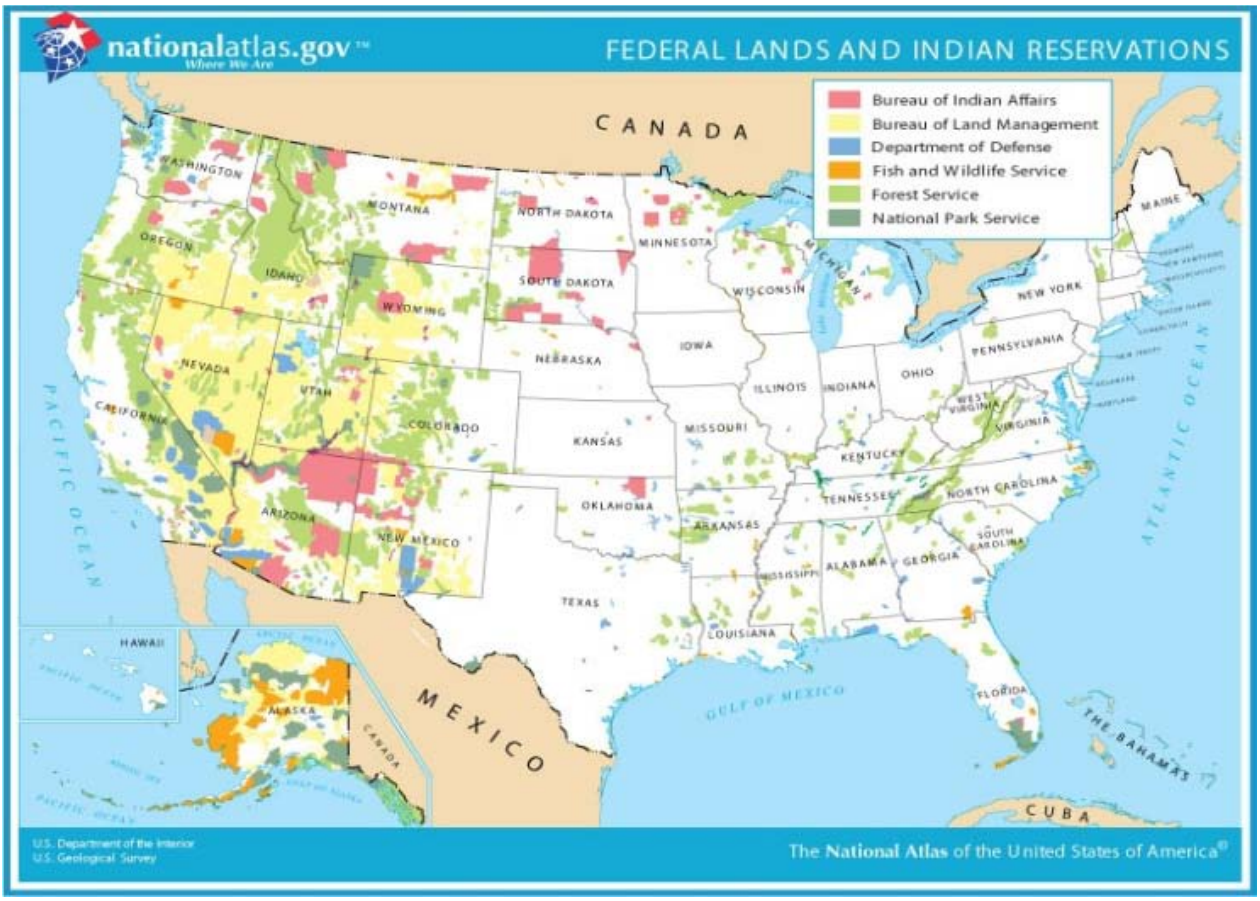

Exhibit 1

The FLTP is focused on a comprehensive and coordinated approach to maintaining, rehabilitating, and improving the nationally-significant portions of the public transportation infrastructure owned by Federal Land Management Agencies, which are used on a daily basis by the American public.

Recent national trends indicate that national forests and parks that were once 60-90 minutes away from urban areas are now within 15-20 minutes away as suburbs continue to expand further from the urban cores. Approximately 89 percent of the US population is located within 50 miles of a US Army Corps of Engineers recreation site. The need for recreation for the growing US population is increasing, especially in light of the administration's push to tackle childhood obesity. Outdoor recreation is playing a bigger role in the nation's health and quality of life. Recreational spending is a significant portion of the $730 billion in travel and tourism dollars that are contributed to the US economy every year. It is one of the fastest growing sectors of our economy—and more than 20 percent of Americans' recreational activities take place on Federal lands.

The FLTP provides access to those Federal lands for a wide variety of recreational activities: hunting, fishing, hiking, camping, RVing, skiing, snowshoeing, swimming, snorkeling, diving, running, biking, bird watching, sightseeing, horseback riding, driving for pleasure, snowmobiling, boating, waterskiing, and countless other outdoor activities. These activities

create thousands of jobs for local communities surrounding Federal lands. Additionally, Federal lands contribute significantly to our economy through energy generation, livestock grazing, and resource extraction, including both renewable (timber) and non-renewable (oil, gas, and other mineral) resources. The FLTP is the primary funding mechanism to keep all of the roads, trails, and other Federal transportation systems that provide this access in a state of good repair.

How Do You Know The Program Works?

Generally, the condition of roads and bridges in the Federal Lands Highway Program remained about the same when 2005 condition data is compared to 2009 data. Considering the increasing volume of visitors to our Federal public lands coupled with the long-term trend of dramatically increasing construction costs, these data indicate the program preserved critical assets in our national treasures effectively. During the period of SAFETEA-LU, over 3,000 miles of national park, forest and refuge roads were improved and over 200 structurally deficient and/or functionally obsolete bridges were restored to a safe condition. Many of these road and bridge improvements included multimodal options on the same facility thereby providing visitors with transportation options, e.g., car, biking, or walking. In summary, the program's transportation investments allow visitors from the United States and numerous countries to experience America's treasures in a safe and seamless manner.

Why Do We Want/Need To Fund The Program At The Requested Level?

The requested $430 million represents a 16 percent increase over the $371 million level of Fiscal Years 2009, 2010, and 2011 for the equivalent separate programs under the Federal Lands Highway Program. This increase reflects the long-term (1983-2010) authorized funding trends and supports a more comprehensive and coordinated, goal-oriented approach to Federal transportation infrastructure management.

We suggest the national priority should focus the limited Federal funding on roads or other transportation facilities that provide critical access to highly-visited Federal recreation areas and economic generators. When coupled with the Tribal Transportation Program and the Federal Lands Access Program, the FLTP would replace the current Federal Lands Highway Program. The FLTP would expand the eligibility of the Federal Lands Highway Program to include publicly-accessible, high-priority roads, trails, and transit systems owned by the National Park Service, the US Fish & Wildlife Service, the US Forest Service, the US Army Corps of Engineers, and the Bureau of Land Management (only roads owned by the first two agencies are included under the current Federal Lands Highway Program).

Executive Summary
Federal Lands Access Program

What Is The Request And What Will We Get For The Funds?
FHWA requests $177 million to implement the Federal Lands Access Program (FLAP). The FLAP outcomes include completed construction and engineering projects that will improve multi-modal access, support increasing visitation to recreational areas on public lands, and expand economic development in and around Federal lands while preserving the environment and reducing congestion at our national treasures.

What Is The Program?
The FLAP represents a comprehensive and coordinated approach to funding projects that improve access to national forests, national parks, national wildlife refuges, national recreation areas, and other Federal public lands. These projects improve the infrastructure, enhance the ecosystems, and increase outdoor opportunities while demonstrating program transparency and accountability.

Why Is This Particular Program Necessary?
The Federal Government owns approximately 30 percent of the land in the United States. More than 20 percent of Americans' recreational activities take place on Federal lands. This program supports safe, seamless, and multimodal access to America's treasures, and provides the linkage to other Federal-aid highways. The FLAP is focused on a comprehensive and coordinated approach to maintaining, rehabilitating, and improving the nationally-significant portions of the public transportation infrastructure, which are used on a daily basis by the American public and international visitors. The FLAP supports rural, livable communities. Many communities outside national parks, refuges, and forests are close enough to urban areas to facilitate the use of transit, vanpools and/or bicycles. This program also provides residents located in gateway communities with opportunities to keep their homes and secure jobs in nearby cities by using a range of transportation options, e.g., vanpools, buses, bike paths.

How Do You Know The Program Works?
Generally, the condition of roads and bridges in the Forest Highway Program remained about the same when 2005 condition data is compared to 2009 data. Considering the increasing volume of visitors to our Federal public lands coupled with the long-term trend of increasing construction costs, these data indicate the program preserved critical assets in our national treasures effectively. Since 2005, nearly 1,000 miles of Forest Highways were improved and 25 deficient bridges were restored to a safe condition.

Why Do We Want/Need To Fund The Program At The Requested Level?
The requested $177 million is a decrease from the $198 million level of FY 2009, 2010, and 2011 for the equivalent Forest Highway program under the Federal Lands Highway Program. The FLAP builds upon the Forest Highways Program model by supporting State and county owned roads accessing federal estates beyond national forests. The funding level is reduced to reflect the realities of ramping up a new program with many new partners, getting new projects to new Federal lands underway while winding down ongoing Forest Highway projects (which would remain eligible for this new Federal Lands Access Program).

Detailed Justification
Federal Lands Access Program

What Is The Request And What Will We Get For The Funds?

FY 2012 – Federal Lands Access Program
($000)

PROGRAM ACTIVITY	FY 2010 ACTUAL	FY 2012 REQUEST	CHANGE FY 2010-2012
Federal-aid Highways Program			
Federal Allocation Program			
FY 2010 Cross walked Programs	1,285,967	-----	- 1,285,967
Emergency Relief (ER)	-----	100,000	100,000
Federal Lands Transportation Program (FLTP)	-----	430,000	430,000
Federal Lands Access Program (FLAP)	-----	177,000	177,000
Tribal Transportation Program (TTP)	-----	600,000	600,000
On-the-Job Training	-----	25,000	25,000
Disadvantaged Business Enterprise	-----	25,000	25,000
Total	**1,285,967**	**1,357,000**	**71,033**

Note: Includes cross walked programs in SAFETEA-LU for FY 2010.

FHWA requests $177 million to implement the Federal Lands Access Program (FLAP). The FLAP outcomes include completed construction and engineering projects that will improve multi-modal access, support increasing visitation to recreational areas on public lands, and expand economic development in and around Federal lands while preserving the environment and reducing congestion at our national treasures.

Program Activity	FY 2011 President's Budget	Programmatic Changes	FY 2012 Request
Forest Highways	$198,000	($198,000)	$0
Federal Lands Access Roads	$0	$177,000	$177,000
Total	**$198,000**	**($21,000)**	**$177,000**

What Is This Program?

The Federal Lands Access Program (FLAP) continues and expands the purpose of the Forest Highway Program under the Federal Lands Highway Program, which was established in 1916 to promote highway construction on roads that provided access to National Forest System lands.

The original intent of the Forest Highway Program was to rehabilitate and construct roads to facilitate timber extraction, but as timber harvesting has reduced over the last few decades the program has shifted focus to recreational access to the National Forest System. The FLAP is the next logical step in that approach, with a focus on a comprehensive system of nationally-significant State, County, and local transportation infrastructure (roads, trails, and transit systems) which provide access to the entire Federal estate, not just lands owned by the Forest Service.

The FY 2010 Baseline for the equivalent Forest Highway program under the Federal Lands Highway Program category is $198 million. The anticipated FY 2011 accomplishments will include the design and construction of transportation infrastructure consistent with the Federal Land Management Agencies' strategic plans and strategic DOT goals. Based on recent data at comparable funding levels, we anticipate improving about 10 structurally deficient and/or functionally obsolete bridges to a safe/good condition and improving about 200 miles of roads within or providing access to our national parks, forests, refuges, recreation sites, military facilities, and other Federal public lands.

The purpose of the FLAP is to provide access to and through the Federal estate. The FLAP focuses on the subset of the roads, bridges, trails, or transit systems which provide access to high-use recreation areas that increase interconnectivity between rural gateway communities adjacent to Federal lands, or which provide critical access for resource extraction, energy generation, renewable resource usage, or animal grazing to support the local economy.

The structure of the $177 million FLAP is a formula distribution by State to the Federal Lands Highway Division offices, following a similar procedure in place for the existing Forest Highway Program. Since all states have Federal lands of some type, each state would benefit from some portion of this funding. The formula criteria will include visitation, number of Federal public road miles and bridges, and the relative amount of Federal public lands within each state. Programming decisions would be determined in each State and encouraged to be made locally in coordination with key stakeholders, e.g., State DOT, County Governments, FHWA, and Federal land management agencies. This funding component would be used to target Federal funding to transportation infrastructure (roads, bridges, trails, or transit systems) that are owned by States, Counties, or local governments which provide critical access to Federal lands with high-use recreation areas, economic generators, and/or provide interconnectivity between gateway communities adjacent to Federal lands. The type of facility (state- or county-owned roads) would be similar to those facilities that the Forest Highway program funded (though that program was limited to only providing access to national forests).

The FLAP supports livability particularly in rural America. Many communities outside national parks, refuges, forests, recreational areas, and military bases are close enough to urban areas to facilitate the use of transit, vanpools and/or bicycles. Greater use of alternative transportation options inside and outside Federal lands helps reduce car emissions, eases congestion at the gate and preserves the environment inside our national treasures for future generations. This program also provides residents located in gateway communities outside public lands with opportunities to keep their homes and secure jobs in nearby cities by using a range of transportation options, e.g., vanpools, buses, bike paths.

The FLAP would reserve a percentage of the funding for comprehensive transportation planning and road and bridge inventory data collection. The set-aside will focus on comprehensive multi-agency planning efforts and positions the program more effectively to support performance management. The set-aside funding level is empirically-derived using previous planning and data collection spending levels over the previous ten years.

The FLAP would fund transportation planning, research, preventive maintenance, engineering, rehabilitation, and construction of transportation facilities owned by States, Counties, or local governments that provide access to, within, or are adjacent to Federal lands. The projects would link highly-used Federal transportation infrastructure inside the boundaries of public lands with the Federal-aid system outside the boundaries of Federal lands. In this manner, critical funding resources will be targeted to those facilities that provide access to the most popular recreational destination points within the Federal estate and thereby generate the greatest return on investment to land owners, gateway communities, and the American people who are looking for seamless transportation to these popular recreational locations. Put more plainly, the FLAP would focus on facilities that are in the national interest to maintain rather than broadly trying to include every road that provides access to Federal lands.

Why Is This Particular Program Necessary?

The Federal Government owns approximately 30 percent of the land in the United States (see Exhibit 1). This land is primarily rural in nature, though there are many Federal facilities in urban settings, such as the Golden Gate National Recreation Area in San Francisco, CA and the Federal Mall and Memorial Parks in Washington, DC. This program, in conjunction with the Federal Lands Transportation Program, supports safe, seamless, and multimodal access to and through our national parks, forests, wildlife refuges, Bureau of Land Management lands, US Army Corps of Engineers recreation areas, military installations, and other Federal lands.

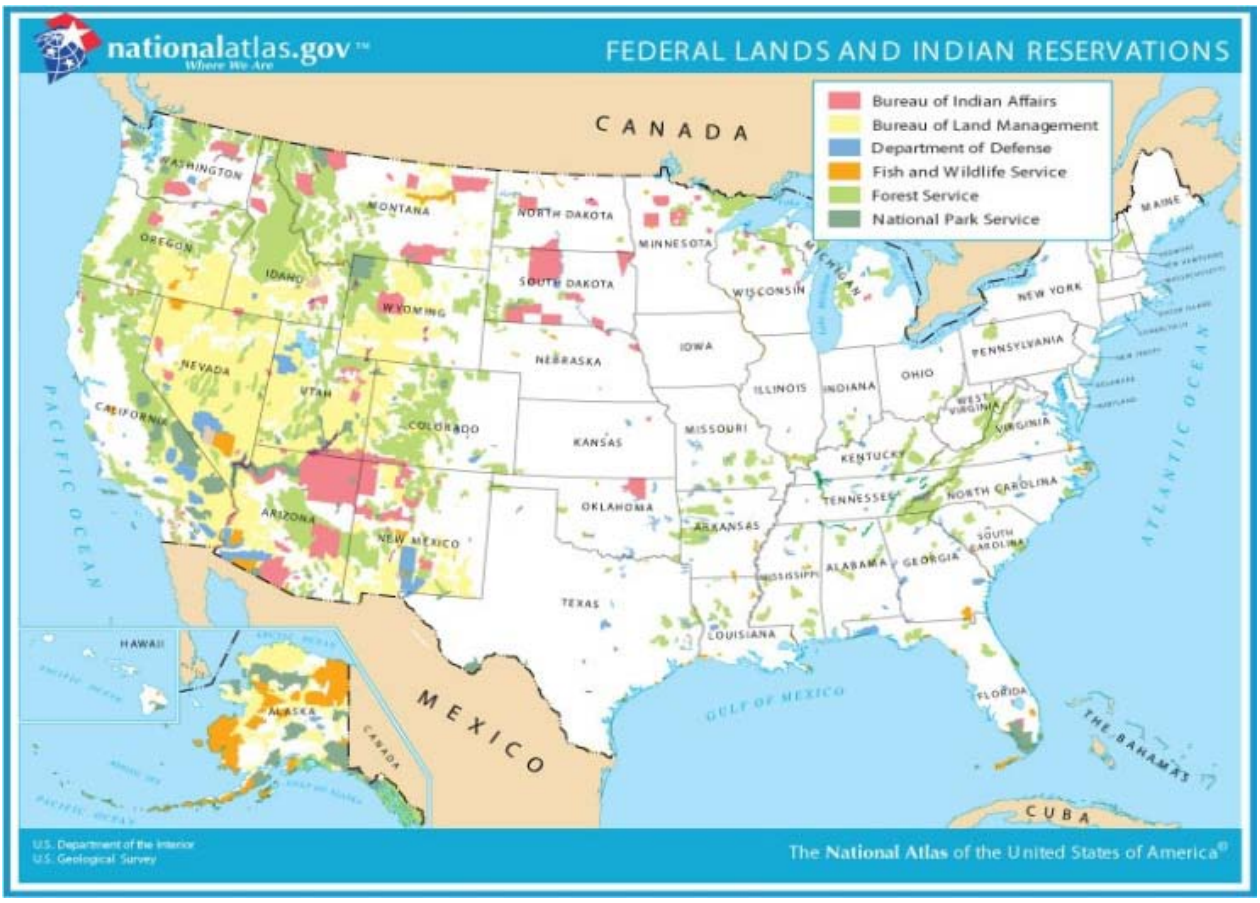

Exhibit 1

The FLAP is focused on a comprehensive and coordinated approach to maintaining, rehabilitating, and improving the nationally-significant portions of the public transportation infrastructure owned by States, Counties, or local governments, which provide access to the Federal estate and are used on a daily basis by the American public.

Recent national trends indicate that national forests and parks that were once 60-90 minutes away from urban areas are now within 15-20 minutes away as suburbs continue to expand further from the urban cores. Approximately 89 percent of the US population is located within 50 miles of a US Army Corps of Engineers recreation site. The need for recreation for the growing US population is increasing, especially in light of the administration's push to tackle childhood obesity. Outdoor recreation is playing a bigger role in the nation's health and quality of life. Recreational spending is a significant portion of the $730 billion in travel and tourism dollars that are contributed to the US economy every year. It is one of the fastest growing sectors of our economy - and more than 20 percent of Americans' recreational activities take place on Federal lands.

The FLAP provides access to those Federal lands for a wide variety of recreational activities: hunting, fishing, hiking, camping, RVing, skiing, snowshoeing, swimming, snorkeling, diving, running, biking, bird watching, sightseeing, horseback riding, driving for pleasure,

snowmobiling, boating, waterskiing, and countless other outdoor activities. These activities create thousands of jobs for local communities surrounding Federal lands. Additionally, Federal lands contribute significantly to our economy through energy generation, livestock grazing, and resource extraction, including both renewable (timber) and non-renewable (oil, gas, and other mineral) resources. The FLAP is the primary funding mechanism to keep key roads, trails, and other transportation systems that provide this access in a state of good repair.

How Do You Know The Program Works?

Generally, the condition of roads and bridges in the Federal Lands Highway Program remained about the same when 2005 condition data is compared to 2009 data. Considering the increasing volume of visitors to our Federal public lands coupled with the long-term trend of dramatically increasing construction costs, these data indicate the program preserved critical assets in our national treasures effectively. During the period of SAFETEA-LU, nearly 1,000 miles of Forest Highways were improved and 25 structurally deficient and/or functionally obsolete bridges were restored to a safe condition. Many of these road and bridge improvements included multimodal options on the same facility thereby providing visitors with transportation options, e.g., car, biking, walking. In summary, the program's transportation investments allow visitors from the United States and numerous countries to experience America's treasures in a safe and seamless manner.

Why Do We Want/Need To Fund The Program At The Requested Level?

The requested $177 million is a decrease from the $198 million level of Fiscal Years 2009, 2010, and 2011 for the equivalent Forest Highway program under the Federal Lands Highway Program. The FLAP builds upon the Forest Highways Program model by supporting State and county owned roads accessing federal estates beyond national forests. The funding level is reduced to reflect the realities of ramping up a new program with many new partners, getting new projects to new Federal lands underway while winding down ongoing Forest Highway projects (which would remain eligible for this new Federal Lands Access Program).

The national priority should focus the limited Federal funding on roads or other transportation facilities that provide critical access to highly-visited Federal recreation areas, economic generators, or gateway communities. When coupled with the Tribal Transportation Program, and the Federal Lands Transportation Program, the FLAP would replace the current Federal Lands Highway Program. The FLAP would expand the eligibility of the Forest Highway Program to include publicly-accessible, high-priority roads, trails, and transit systems owned by the States, Counties, and local governments which provide access to the entire Federal estate, not just National Forest System lands.

Executive Summary
Tribal Transportation Program

What Is The Request And What Will We Get For The Funds?
FHWA requests $600 million to implement the Tribal Transportation Program (TTP). The TTP outcomes include completed construction and engineering projects that provide multi-modal access to basic community services for the 565 federally-recognized sovereign Tribal governments. The results from this program will enhance livable communities and the quality of life of tribal residents by including safer all weather access to schools and healthcare facilities as well as improved opportunities for economic development on Tribal lands.

What Is The Program?
The TTP represents a comprehensive and coordinated approach to funding projects that improve access to and within Tribal lands using a performance management program model. The TTP would fund transportation planning, research, maintenance, engineering, rehabilitation, and construction of transportation facilities that provide access to, are within, or are adjacent to Tribal lands. These projects improve the transportation infrastructure, enhance the ecosystems, and increase the economic development opportunities of Tribal members while demonstrating program transparency and accountability.

Why Is This Particular Program Necessary?
The TTP provides access to basic community services for the 565 federally-recognized sovereign Tribal governments. This program supports livable communities in the mostly rural environments of Indian reservations and will translate to better access to housing, emergency services, schools, stores, places of employment, and medical services. Access to these basic services will enhance the quality of life in Indian country. The TTP will promote access to Tribal lands for commerce and economic growth within Tribal communities. More than eight billion vehicle miles are traveled annually on the Indian Reservation Roads system, even though it is among the most rudimentary of any transportation network in the United States.

How Do You Know The Program Works?
Generally, the condition of roads and bridges in the Indian Reservation Roads Program remained about the same when 2005 condition data is compared to 2009 data. Considering the increasing traffic on Indian lands coupled with the increased inventory and long-term trend of dramatically increasing construction costs, these data indicate the program preserved critical assets in Indian country. Since 2005, over 1,600 miles of Indian Reservation Roads were improved and about 125 deficient bridges were restored to a safe/good condition. The program's transportation investments have enhanced safe and seamless travel to/through Indian country.

Why Do We Want/Need To Fund The Program At The Requested Level?
The requested $600 million represents a 29 percent increase over the $464 million level of Fiscal Years 2009, 2010, and 2011 for the equivalent Indian Reservation Roads Program under the Federal Lands Highway Program. This increase supports a more comprehensive and coordinated, goal-oriented approach to Tribal transportation infrastructure management.

Detailed Justification
Tribal Transportation Program

What Is The Request And What Will We Get For The Funds?

FY 2012 – Tribal Transportation Program
($000)

PROGRAM ACTIVITY	FY 2010 ACTUAL	FY 2012 REQUEST	CHANGE FY 2010-2012
Federal-aid Highways Program			
Federal Allocation Program			
FY 2010 Cross walked Programs	1,285,967	-----	- 1,285,967
Emergency Relief (ER)	-----	100,000	100,000
Federal Lands Transportation Program (FLTP)	-----	430,000	430,000
Federal Lands Access Program (FLAP)	-----	177,000	177,000
Tribal Transportation Program (TTP)	-----	600,000	600,000
On-the-Job Training	-----	25,000	25,000
Disadvantaged Business Enterprise	-----	25,000	25,000
Total	**1,285,967**	**1,357,000**	**71,033**

Note: Includes cross walked programs in SAFETEA-LU for FY 2010.

FHWA requests $600 million to implement the Tribal Transportation Program (TTP). The TTP outcomes include completed construction and engineering projects that provide multi-modal access to basic community services for the 565 federally-recognized sovereign Tribal governments. The results from this program will enhance livable communities and the quality of life of tribal residents by including safer all weather access to schools and healthcare facilities as well as improved opportunities for economic development on Tribal lands.

Program Activity	FY 2011 President's Budget	Programmatic Changes	FY 2012 Request
Indian Reservation Roads	$450,000	($450,000)	$0
Indian Reservation Roads Bridges	$14,000	($14,000)	$0
Tribal Transportation Facilities (Note - 50% of funding or greater for BIA and Tribally owned facilities)	$0	$600,000	$600,000
Total	**$464,000**	**$136,000**	**$600,000**

What Is This Program?

The standalone Tribal Transportation Program (TTP) continues the purpose of the Indian Reservation Roads (IRR) program portion of the Federal Lands Highway Program, which was established in 1983 to promote a coordinated approach to highway construction on roads owned by Federal Land Management Agencies and sovereign Tribal governments. The TTP builds on the IRR approach and focuses on a comprehensive system of nationally-significant Tribal roads using a performance management program approach.

The FY 2010 Baseline for the equivalent IRR program under the Federal Lands Highway Program category is $464 million. The anticipated FY 2011 accomplishments will include the design and construction of tribal transportation infrastructure consistent with strategic long range transportation plans and goals of the Tribes and DOT.

The structure of the $600 million TTP would remain similar to the current IRR program: the funding would be allocated by formula to all 565 Tribes, in accordance with 25 CFR 170 which was developed through a Negotiated Rulemaking process. The IRR inventory has ballooned over the past five years from 60,000 miles to over 120,000 and nearly all of the new mileage is owned by States and Counties. In consideration of the constantly growing IRR inventory, the Administration proposes that tribal distributions, based on the existing formula, be evaluated annually to assess the effects of the growing inventory on tribal shares and the facilities they support. Prior to distributing funds, the authorized funding level will be applied to ownership types in the current IRR inventory, i.e., one data run/category would include public facilities owned by Tribal governments and the Bureau of Indian Affairs and the other data run/category would include eligible facilities owned by States, Counties, and other local governments. Following these two computations/runs, the Department and BIA will assess the percentage of funds that apply to each category. If the percentage of the total authorization is 50% or greater for facilities owned by tribes and BIA, no action will be invoked and the total tribal distributions will occur as they do today. Conversely, if the data reveals that less than 50% of the total funding is being generated from BIA and tribally owned roads, a cap of 50% will be invoked on State and County facilities. The use of a funding cap will ensure that BIA and tribally owned facilities will always account for at least 50% of any authorization under the Tribal Transportation Program thereby mitigating the risk with the growing IRR inventory.

The program would fund transportation planning, research, maintenance, engineering, rehabilitation, and construction of transportation facilities that provide access to, are within, or are adjacent to Tribal lands. The Bureau of Indian Affairs and the Tribes would be required to maintain a national road and bridge inventory, and report annually on the state of good repair of the TTP system.

The TTP supports rural livability in tribal communities. This program will provide better access to housing, emergency services, schools, stores, places of employment, and medical services. Access to these basic services will enhance the quality of life in Indian country.

The TTP would reserve up to a five percent set-aside for national bridge rehabilitation and replacement priority activities. This would replace the existing stand-alone Indian Reservation Roads Bridge Program (IRRBP), and increase the funding level from $14 million to an amount

up to $30 million. This would operate in an identical manner as the current IRRBP; it is a discretionary program which focuses funds on the bridges with the lowest sufficiency rating. Applications are submitted by Tribes each year. The level is empirically-derived based on spending levels over the previous ten years as well as anticipated future needs.

Similar to the past two authorizations under the IRR Program, the TTP would reserve up to a 6 percent set aside for administration of the program. This percentage replaces the numeric set-aside listed in SAFETEA-LU (which historically equated to 6 percent) and would be used for identical activities.

The TTP would reserve up to a three percent set aside for transportation planning and road and bridge inventory data collection. This set-aside currently exists in the IRR program at the two percent level; the three percent level is empirically-derived using spending levels over the previous ten years as well as anticipated future needs. This set-aside is a continuation of the planning activities from the IRR program. This three percent is allocated among the 565 tribes by formula, but those tribes can only spend this funding on planning and data collection activities.

The TTP would reserve up to a two percent set aside for national safety priority activities. This is a new set-aside, and is intended to target funds for safety projects using a national discretionary grant process similar to the bridge process, i.e., applications will be submitted by Tribes each year. In some States, the fatality and crash rates in Indian country are 3-4 times higher when compared to the balance of the same State(s). Therefore, we suggest this situation warrants national attention and dedicated resources to address it.

Why Is This Particular Program Necessary?

The TTP provides access to basic community services for the 565 federally-recognized sovereign Tribal governments. The Administration's support for livable communities in the mostly rural environments of Indian reservations will translate to better access to housing, emergency services, schools, stores, places of employment, and medical services. On some rural reservations, a "complete street" means an all-weather road instead of a native-surface road. The TTP will promote access to Tribal lands for commerce and economic growth within Tribal communities. More than eight billion vehicle miles are traveled annually on the IRR system, even though it is among the most rudimentary of any transportation network in the United States. More than 60 percent of the system is unpaved.

One notable change to the program pertains to the distribution of funds. This program proposes directing a minimum of 50 percent of the authorized amount to BIA and tribally owned roads. In this manner, the program protects a portion of funding for roads within the BIA/tribal subset regardless if additional state and county owned roads are added to the overall IRR inventory. This proposed change still aligns with the results of the 25 CFR rulemaking, i.e., the use of the tribal share formula, while simultaneously preserving the integrity and original intent of the program.

How Do You Know The Program Works?

Generally, the condition of roads and bridges in the IRR program remained about the same when 2005 condition data is compared to 2009 data. Considering the increasing traffic on Indian lands coupled with the long-term trend of dramatically increasing construction costs, we believe there is a good news story to be told.

Why Do We Want/Need To Fund The Program At The Requested Level?

The requested $600 million represents a 29 percent increase over the $464 million level of Fiscal Years 2009, 2010, and 2011 for the equivalent IRR program under the Federal Lands Highway Program. This increase supports a more comprehensive and coordinated, goal-oriented approach to Tribal transportation infrastructure management. This increase reflects the Administration's support for livable communities in the rural environments of Indian country, and will translate to better access to housing, emergency services, schools, stores, places of employment, and medical services.

Executive Summary
Emergency Relief Program

What Is The Request And What Will We Get For The Funds?
The Emergency Relief (ER) program provides funding to States for the repair and reconstruction of Federal-aid highways and roads on Federal lands following a disaster. ER funds are allocated to the States based on their damage assessment of repair costs following a disaster. This request provides continued funding for the ER program at the current annual authorization of $100 million in fiscal year 2012.

What Is The Program?
Congress authorized a special program from the Highway Trust Fund for the repair or reconstruction of Federal-aid highways and roads on Federal lands which have suffered serious damage as a result of (1) natural disasters or (2) catastrophic failures from an external cause. This program supplements the commitment of resources by States, their political subdivisions, or other Federal agencies to help pay for unusually heavy expenses resulting from extraordinary conditions.

Why Is This Particular Program Necessary?
ER program funds are critical to maintaining mobility for the American public. Natural disasters and catastrophes that destroy highways and bridges are unpredictable events and can occur anywhere in the country.

How Do You Know The Program Works?
The ER program provides for repair and restoration of highway facilities to pre-disaster conditions. ER funds are not intended to replace other Federal-aid, State, or local funds for new construction to increase capacity, correct non-disaster related deficiencies, or otherwise improve highway facilities. Program requirements are specifically provided in the statute under 23 USC 125 and the ER regulations at 23 CFR 668. FHWA manages ER projects in accordance with normal Federal-aid project requirements. Contracts for both permanent repair work and emergency repairs must incorporate all applicable federal requirements. ER project oversight is performed in accordance with the FHWA stewardship agreement with the State.

Why Do We Want/Need To Fund The Program At The Requested Level?
The ER program has been funded through a recurring annual authorization of $100 million since 1972. When ER program needs exceed available funding, Congress may provide supplemental appropriations to cover the ER backlog. Over the past 12 years, the costs of nationwide ER events, not including large scale disasters {e.g., Hurricane Katrina} have averaged about $350 million annually. Within the same time frame, including large scale events, the average costs increases to about $750M annually.

Detailed Justification
Emergency Relief Program

What Is The Request And What Will We Get For The Funds?

FY 2012 – Emergency Relief Program
($000)

PROGRAM ACTIVITY	FY 2010 ACTUAL	FY 2012 REQUEST	CHANGE FY 2010-2012
Federal-aid Highways Program			
Federal Allocation Program			
FY 2010 Cross walked Programs	1,285,967	-----	- 1,285,967
Emergency Relief (ER)	-----	100,000	100,000
Federal Lands Transportation Program (FLTP)	-----	430,000	430,000
Federal Lands Access Program (FLAP)	-----	177,000	177,000
Tribal Transportation Program (TTP)	-----	600,000	600,000
On-the-Job Training	-----	25,000	25,000
Disadvantaged Business Enterprise	-----	25,000	25,000
Total	**1,285,967**	**1,357,000**	**71,033**

Note: Includes cross walked programs in SAFETEA-LU for FY 2010.

The Emergency Relief (ER) program provides funding to States for the repair and reconstruction of Federal-aid highways and roads on Federal lands following a disaster. ER funds are allocated to the States based on their damage assessment of repair costs following a disaster. This request provides continued funding for the ER program at the current annual authorization of $100 million in fiscal year 2012.

Program Activity	FY 2011 President's Budget	Programmatic Changes	FY 2012 Request
Emergency Relief Program	$100,000	--	$100,000
Total	**$100,000**	**--**	**$100,000**

What Is The Request And What Will We Get For The Funds?

The purpose of this request is to provide continued funding for the ER program at the current annual authorization of $100 million in fiscal year 2012.

The ER program provides funding to States for the repair and reconstruction of Federal-aid highways and roads on Federal lands following a disaster. ER funds are allocated to the States

based on their damage assessment of repair costs following a disaster. ER funds are not intended to cover all damage repair costs nor interim emergency repair costs to restore the facility. State and local highway agencies must expect additional expenditures, changes in project priorities, and some inconvenience to traffic as a result of emergency conditions. State and local governments are responsible for planning and providing for extraordinary conditions. Economic hardship is not a factor in determining repair eligibility.

What Is The Program?

Congress authorized in Title 23, United States Code, Section 125, a special program from the Highway Trust Fund for the repair or reconstruction of Federal-aid highways and roads on Federal lands which have suffered serious damage as a result of (1) natural disasters or (2) catastrophic failures from an external cause. This program, commonly referred to as the emergency relief or ER program, supplements the commitment of resources by States, their political subdivisions, or other Federal agencies to help pay for unusually heavy expenses resulting from extraordinary conditions.

Examples of natural disasters include floods, hurricanes, earthquakes, tornadoes, tidal waves, severe storms, and landslides. A catastrophic failure is defined as the sudden and complete failure of a major element or segment of the highway system that causes a disastrous impact on transportation services. Additionally, the cause of the catastrophic failure must be determined to be external to the facility. A bridge suddenly collapsing after being struck by a barge is an example of a catastrophic failure from an external cause. Failures due to an inherent flaw in the facility itself do not qualify for ER assistance.

Emergency repair work to restore essential traffic, minimize the extent of damage, or protect the remaining facilities, accomplished in the first 180 days after the occurrence of the disaster, may be reimbursed at 100 percent Federal share. ER funds are available for permanent repairs and for emergency repair work accomplished more than 180 days after an event at the pro rata Federal-aid share that would normally apply to the facility being repaired.

Why Is This Particular Program Necessary?

ER program funds are critical to maintaining mobility for the American public. Natural disasters and catastrophes that destroy highways and bridges are unpredictable events and can occur anywhere in the country. Following the 2005 Gulf Coast Hurricanes, more than $2.8 billion in ER funds were provided to assist States in the repair and recovery of Federal-aid highways damaged by the hurricanes. These funds were instrumental in assisting the Gulf Coast region with needed recovery efforts following the devastating impact from Hurricanes Katrina, Rita, and Wilma.

When a natural disaster or catastrophe strikes, the ER program is available to provide assistance to clear the roadway and get damaged highways open to traffic. Longer term permanent repairs to restore the damaged highway facility are also funded through the ER program.

How Do You Know The Program Works?

The ER program provides for repair and restoration of highway facilities to pre-disaster conditions. ER funds are not intended to replace other Federal-aid, State, or local funds for new construction to increase capacity, correct non-disaster related deficiencies, or otherwise improve highway facilities.

Program requirements are specifically provided in the statute under 23 USC 125 and the ER regulations at 23 CFR 668. FHWA manages ER projects in accordance with normal Federal-aid project requirements. Contracts for both permanent repair work and emergency repairs must incorporate all applicable federal requirements. ER project oversight is performed in accordance with the FHWA stewardship agreement with the State.

Why Do We Want/Need To Fund The Program At The Requested Level?

The ER program has been funded through a recurring annual authorization of $100 million since 1972. When ER program needs exceed available funding, Congress may provide supplemental appropriations to cover the ER backlog.

Over the past 12 years, the costs of nationwide ER events, not including large scale disasters {e.g., Hurricane Katrina} have averaged about $350 million annually. Within the same time frame, including large scale events, the average costs increases to about $750M annually. Over the past 20 years, $12.2 billion has been provided through supplemental appropriations to the ER program, in addition to the annual $100 million authorization.

Executive Summary
Workforce Development Program

What Is The Request And What Will We Get For The Funds?
FHWA requests $50 million to fund the new Workforce Development Program. This funding will enable FHWA to boost the development of our nation's highway construction industry workforce and expand efforts to assist certified DBE firms in becoming competitive when competing for highway and bridge construction contracts.

What Is The Program?
The program is comprised of the two major program categories:

- The **On-the-Job Training/Support Services (OJT/SS)** program was established by regulation to support State training programs by providing services to surface transportation contractors and assistance to construction apprentices and trainees. The funds made available are administered by FHWA and all funds allocated to the State are 100 percent federal share.
- The **Disadvantaged Business Enterprise/Supportive Services (DBE/SS)** program was established by regulation to develop, conduct, and administer training and assistance programs to increase the proficiency of minority businesses to compete, on an equal basis, for contracts and subcontracts.

Why Is This Particular Program Necessary?
The OJT/SS program's targeted populations include women, minorities and disadvantaged individuals who are provided training and apprenticeship opportunities designed to move them into journey-level positions in skilled and semi-skilled crafts. These groups are among those that have, historically, been under-represented in highway construction. Further, many veterans returning to the civilian workforce are in need of training. The goal of the DBE/SS program is to achieve a level playing field in a competitive environment where the affects of discrimination are absent and small businesses have a fair chance to participate in DOT assisted contracts without contending against discriminatory barriers related to race, color, gender, or national origin.

How Do You Know The Program Works?
The OJT/SS and DBE/SS programs require annual performance-based Statements of Work (i.e., proposals) that include clearly measurable goals and objectives. In addition, to be considered for funding in subsequent years, each previously funded State is required to submit a detailed accomplishment report indicating the level of success with respect to achieving the goals and objectives stated in their proposal.

Why Do We Want/Need To Fund The Program At The Requested Level?
Additional funding is needed to make these programs relevant on a national scale, and give States the ability to target funds to emerging programs and/innovations of national interest, we need to significantly increase the funding level. In addition, an increase in funding is likely to result in performance improvement because States will now have the necessary resources to enhance their targeted recruitment of project participants (e.g., trainees and apprentices, DBE firms), heighten and expand their level and breadth of project oversight, and avoid any shortcuts in providing the full-range of necessary services based on the required needs.

Detailed Justification
Workforce Development Program

What Is The Request And What Will We Get For The Funds?

FY 2012 – Workforce Development Program
($000)

PROGRAM ACTIVITY	FY 2010 ACTUAL	FY 2012 REQUEST	CHANGE FY 2010-2012
Federal-aid Highways Program			
Federal Allocation Program			
FY 2010 Cross walked Programs	1,285,967	-----	- 1,285,967
Emergency Relief (ER)	-----	100,000	100,000
Federal Lands Transportation Program (FLTP)	-----	430,000	430,000
Federal Lands Access Program (FLAP)	-----	177,000	177,000
Tribal Transportation Program (TTP)	-----	600,000	600,000
On-the-Job Training	-----	25,000	25,000
Disadvantaged Business Enterprise	-----	25,000	25,000
Total	**1,285,967**	**1,357,000**	**71,033**

Note: Includes cross walked programs in SAFETEA-LU for FY 2010.

FHWA requests $25 million for both the OJT/SS and DBE/SS programs, a significant increase in funding from their current $10 million budget. In the out years, these budgets would increase to $70 million annually after five years. This funding will enable FHWA to boost the development of our nation's highway construction industry workforce and expand efforts to assist certified DBE firms in becoming competitive when competing for highway and bridge construction contracts.

Program Activity	FY 2011 President's Budget	Programmatic Changes	FY 2012 Request
On-the-Job Training/Support Services	$10,000	$15,000	$25,000
Disadvantaged Business Enterprise/Supportive Services	$10,000	$15,000	$25,000
Total	**$20,000**	**$30,000**	**$50,000**

On-the-Job Training/Support Services (OJT/SS)
The current level of funding has not changed over a 30-year period. A significant increase in funding would allow FHWA to be more of a relevant player in the development of our nation's highway construction industry workforce. For the past several years, the need for OJT/SS funds by the States has greatly exceeded available funds. For example, in FY2010 FHWA received more than $22 million in requests for funding, but only $5.5 million was available after take-aways, special set-asides, etc.; current legislation allows "up to $10 million" and so it is often the case that far less than $10 million is actually available. Further, many States reduced the amount of their request for funding in anticipation that once again, too little would be available.

An increase in funding to the recommended level would allow FHWA to fund every State that requested funding for an OJT/SS project. Currently, we must reject many worthwhile proposals and, of the proposals that are funded, most can only be partially funded. The National Summer Transportation Institute (NSTI) is one of the OJT/SS-funded programs that would benefit from an increase in funding. This program provides high school students with an introduction to educational and occupational opportunities in transportation, with a focus on highway construction; many of the NSTI participants go on to work for State Departments of Transportation. The program is conducted over a 2-4 week period during the summer at a college or university-based host site. Currently, due to limited available funds, almost one-third of the States do not have a NSTI host site; many States would like to have several host sites; and a number of States would like to recruit more students with disabilities for the program, but are unable to do so due to the additional costs such recruitment involves.

Disadvantaged Business Enterprise/Supportive Services (DBE/SS)
Additional funding would provide sufficient supportive services to assist many more certified DBE firms in becoming competitive in gaining contracts in highway and bridge construction. For the past several years, the need for DBE/SS funds by the States has greatly exceeded available funds by millions of dollars. For example, in FY 2010 FHWA received more than $13 million in requests for funding for scaled-down DBE/SS projects, but only approximately $9 million was available after takedowns, special set-asides, etc.; current legislation allows "up to $10 million" and so it is often the case that far less than $10 million is actually available. Further, many States reduced the amount of their request for funding in anticipation that once again, too little would be available. Currently, we are able to fund only 31 States through the DBE/SS program. In addition, many States have an interest in developing a Business Opportunity Workforce Development Center (BOWDC). These centers have enabled States to focus more intensely on those services of which DBE firms are in greatest need (e.g., marketing, accounting, business planning support, among many others).

What Is This Program?

On-the-Job Training/Support Services (OJT/SS)
The OJT/SS program was established by regulation (23 CFR 230, Subpart A) under statutory authority at 23 USC 140(b) to support State training programs by providing services to surface transportation contractors and assistance to construction apprentices and trainees. The funds made available each fiscal year are administered by HCR, and all funds are allocated to the State for a 100% federal share, with no State matching required. The OJT/SS program funds are

available to each State Department of Transportation for developing, conducting, and administering surface transportation and technology training, including skill improvement programs, and developing and funding summer transportation institutes. Eligible work includes recruitment, skills training, job placement, transportation to work sites, post-graduation follow-up and job-site mentoring.

Disadvantaged Business Enterprise/Supportive Services (DBE/SS)
The DBE/SS program was established by regulation (23 CFR 230, Subpart B) under statutory authority at 23 USC 140(c) to develop, conduct, and administer training and assistance programs to increase the proficiency of minority businesses to compete, on an equal basis, for contracts and subcontracts. The program has consistently operated as an adjunct to the DBE program. The primary purpose of the DBE/SS program is to provide training, assistance, and services to DBE firms certified in the DBE program so as to increase their activity with the program, and to facilitate the firms' development into viable, self-sufficient organizations capable of competing for, and performing on federally assisted highway projects.

Why Is This Particular Program Necessary?

On-the-Job Training/Support Services (OJT/SS)
The Program's targeted populations include women, minorities and disadvantaged individuals who are provided training and apprenticeship opportunities designed to move them into journey-level positions in skilled and semi-skilled crafts; these groups are among those that have, historically, been under-represented in highway construction. Further, many veterans returning to the civilian workforce are in need of training and other assistance provided by the OJT/SS Program, and are also considered to be among the Program's primary target populations. The NSTI Program supported with OJT/SS funds further strengthens FHWA's efforts to develop the highway construction workforce of the future by introducing individuals to this industry at the more formative stages of their lives. The OJT/SS Program provides FHWA with a leadership-level tool for developing a skilled and technically competent workforce to meet our nation's future needs in highway construction.

Disadvantaged Business Enterprise/Supportive Services (DBE/SS)
The DBE program of the US DOT is a program created by Congress to assist a sector of our small business community. The continued reauthorization of this program has been justified by Congress on clear evidence of discrimination and/or the lingering effects of past discrimination. The goal of the program is to achieve a level playing field in a competitive environment where the affects of discrimination are absent and small businesses have a fair chance to participate in US DOT assisted contracts without contending against discriminatory barriers related to race, color, gender, or national origin that are so prevalent in our industry. The DBE program is not an entitlement program but a program that provides opportunities in a competitive environment where success must be earned. The DBE/SS Program has consistently operated as an adjunct to the DBE Program, providing those very services that are needed to achieve that level playing field.

How Do You Know The Program Works?

The OJT/SS Program requires annual performance-based Statements of Work (i.e., proposals) that include clearly measurable goals and objectives. In addition, to be considered for funding in subsequent years, each previously funded State is required to submit a detailed accomplishment report indicating the level of success with respect to achieving the goals and objectives stated in their proposal.

The DBE/SS Program requires annual performance-based Statements of Work (i.e., proposals) that include clearly measurable goals and objectives. In addition, to be considered for funding in subsequent years, each previously funded State is required to submit a detailed accomplishment report indicating the level of success with respect to achieving the goals and objectives stated in their proposal.

Why Do We Want/Need To Fund The Program At The Requested Level?

An increase from the $10 million that was established about 30 years ago to $70 million dollars for each program is roughly equivalent to what the $10 million would look like today considering inflation, the expanded eligibility, and the increases in the national program size, the number of unemployed, the number of individuals seeking work in the highway and bridge construction areas, the number of veterans returning to the civilian workforce, number of certified DBEs across the country, the number of under-utilized DBE firms seeking contracts in the highway and bridge construction areas and the U.S population. In order to make the OJT/SS funding relevant on a national scale, and give States the ability to target funds to emerging programs and/innovations of national interest, we need to significantly increase the funding level.

In addition, an increase in funding is likely to result in performance improvement because States will now have the necessary resources to enhance their targeted recruitment of OJT/SS participants (e.g., trainees and apprentices), expand their outreach efforts to DBE firms, heighten and expand their level and breadth of project oversight, and avoid any shortcuts in providing the full-range of necessary services based on the required needs assessment element in every Statement of Work. Further, if this program ever became legislatively mandated for all States, an increase in funding would enable FHWA to fund every State at a level sufficient to conduct an effective project.

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Detailed Justification
Transportation Leadership Awards

What Is The Request And What Will We Get For The Funds?

FY 2012 – Transportation Leadership Awards – Budget Request
($000)

PROGRAM ACTIVITY	FY 2010 ACTUAL	FY 2012 REQUEST	CHANGE FY 2010-2012
Federal-aid Highways Program			
Transportation Leadership Awards	-----	1,284,000	1,284,000
Total	**-----**	**1,284,000**	**1,284,000**

FHWA requests $1.3 billion to implement the Transportation Leadership Awards Program. This competitive grant program will assist State departments of transportation (DOT) and tribal governments implement bold, innovative steps that make necessary reforms leading to innovations in transportation policy. It will also fund improvements to capacity in State departments of transportation, metropolitan planning organizations (MPOs), tribal governments and other transportation agencies to support such reform.

What Is This Program?

The Transportation Leadership Awards program is a new competitive grant program designed to incentivize the implementation of innovative strategies and best practices in transportation planning, management, spending, and project delivery. This program is part of the Administration's larger reauthorization proposal and will be a multi-year, multi-modal effort to encourage transportation agencies to think differently about transportation projects.

Awards will go to State DOTs, tribal governments, and metropolitan planning organizations (MPOs) with ambitious yet achievable plans for implementing proven strategies to further the U.S. Department of Transportation strategic goals to strengthen collaboration among different levels of government; allocate funding to projects based on performance and outcomes; and encourage the development of a multimodal transportation system focused on connecting people to opportunities and goods to markets.

Implementation of these strategies will include many varied practices chosen by the applicant based on the challenges in their area and the outcomes they hope to generate, such as passage of a primary seatbelt law, use of lifecycle cost analysis, strong deployment of operating practices that address traffic congestion and implementation of a performance-based funding distribution system. Applicants will have to demonstrate a strong collaboration with MPOs and local governments within their jurisdiction to be successful.

Projects eligible under Title 23 and Chapter 53 of Title 49 and included in the application would receive funding under this program. These projects should demonstrate support and furtherance of the best practices and innovative strategies profiled in the application. Grants will be awarded for between $100 million to $1 billion and will be sized appropriately, based on the amount of Federal transportation funding that the grant recipient receives.

FHWA will encourage States to conduct projects that will reform the way transportation investments and decisions are made to better manage and realize performance outcomes in the areas of safety, state of good repair, livability, environmental sustainability, and transportation system management. Examples of projects that will be encouraged include, but are not limited to, the following:

- Process and data improvements to more effectively manage performance.
- Implementation of programs/technologies such as road safety audits, median barriers, safety edge, and roundabouts to improve safety of roadway.
- Incorporation of livability principles such as Complete Streets into policies, plans, programs and projects.
- Integration of natural and human resource planning, including safety, into transportation planning.
- Use of prefabricated pavement and bridge systems.
- Investment in specific Active Transportation Demand Management (ATDM) strategies such as variable speed limits, hard shoulder running, and adaptive signal control.
- Establishment of State / Regional Traffic Incident Management (TIM) programs.

Additionally, the program will include a three percent set-aside for a separate competition for State DOTs, Tribes, MPOs, cities, counties and transit agencies to build their capacity to take on the sorts of reforms and best practices that would support a strong application in the larger program.

Why Is This Particular Program Necessary?

This program will encourage reforms that are often complex, challenging and difficult to adopt. Therefore, this program will incentivize broad, innovative transportation planning and implementation beyond the status quo while also providing significant benefits to communities across the country.

How Do You Know The Program Works?

This program will encourage strategies and best practices, which have been tested and proven. Awardees will build on lessons learned from the obstacles these practices have overcome in the past and will set up a framework for wider-deployment in the future. Awards will be based on the extent to which proven practices are adopted or the extent to which the applicant can demonstrate that a new strategy will be equally as impactful. As a competitive grant process,

this program will promote the competition necessary to encourage bold, innovative steps in transportation planning, management, spending and project delivery.

Why Do We Want/Need To Fund The Program At The Requested Level?

The request includes $1.3 billion to launch this program in fiscal year 2012. This funding level is necessary to provide awards large enough to incentivize States to take on complex and difficult challenges to reform their transportation programs and improve outcomes.

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Executive Summary
Surface Transportation Revenue Alternatives Office

What Is The Request And What Will We Get For The Funds?
The Federal Highway Administration (FHWA) requests $20 million for FY 2012 to establish a Surface Transportation Revenue Alternatives Office and $300 million over the 6-year reauthorization proposal. The Office will undertake work to provide decision makers with the definitive information needed to determine the next steps on the path to a new approach for securing revenue to support the Nation's surface transportation system.

What Is The Office/Program?
The proposed office will ensure efficient management and coordination of a phased research and demonstration effort. In the first phase, a ***study framework*** defining the desired functionality of preferred alternative revenue generation systems will be developed (the focus will be on mileage-based user fees (MBUFs)). A Policy Decision Group will be established to inform and guide the overall effort. The second phase consists of a ***communications effort*** designed to increase public and stakeholder awareness and understanding regarding the relevant issues. The third phase – ***system design*** – includes development of a Concept of Operations for the preferred MBUF scheme(s); and development of high-level system architectures, interoperability standards and communication protocols, and equipment standards. The fourth phase will focus on ***field trials*** to demonstrate and test the MBUF capabilities of interest. The actual trials will start approximately four years after enactment of the Surface Transportation Reauthorization.

Why Is This Particular Office/Program Necessary?
Recent research studies and field trials have concluded that a new regime for generating broad-based highway user fees will be necessary in the long term, and that fees based on vehicle-miles traveled appear to offer one of the most viable alternatives, affording certain key advantages over the existing fuel tax. However, technical, institutional, and legal issues must be resolved before mileage-based fees can be seriously considered for implementation. Research and field trials are required to demonstrate fee collection technologies and assess public acceptance, administrative costs, and policy issues associated with new ways of charging for highway use.

How Do You Know The Office/Program Works?
A solid knowledge base for the proposed work is already in place. Also, the required technology for MBUF approaches is not only currently available, but is being continuously improved. The proposed work will bridge the gap between theoretical findings and implementation readiness for an array of practicable alternatives to the current approach to revenue generation.

Why Do We Want/Need To Fund The Program At The Requested Level?
Creating a new office dedicated to pursuing this critical line of inquiry, with adequate resources to fund the required research and advisory activities, will meet the near-term national need for developing and testing alternative revenue generation strategies. Funding the program at the requested level in the budget year will enable the office to establish the necessary foundational work to implement the six-year program. Funding the program at a lower level will compromise the ability of the office to carry out the proposed program on an accelerated schedule.

Detailed Justification
Surface Transportation Revenue Alternatives Office

What Do I Need To Know Before Reading This Justification?

The Nation needs a new revenue generation model to fund surface transportation requirements. The current approach is not sustainable. There is an urgent need to implement a new approach.

Work to date indicates great potential for successful implementation of a national Mileage Based User Fee (MBUF). This approach would not only generate revenues commensurate with system investment requirements but also offer the possibility of mitigating the externalities associated with system usage. It also provides the capability of capturing all miles travelled, to include those incurred by non-petroleum powered vehicles.

There are a wide range of options to the current approach, each involving significant trade-offs with respect to administrative cost, public acceptance and functionality. These trade-offs must be resolved before target approaches can be identified for focused evaluation. Also, while a national MBUF system holds great promise, it remains an unproved approach. Therefore, while efforts are pursued to demonstrate its viability, other approaches must also be assessed.

What Is The Request And What Will We Get For The Funds?

FY 2012 – Surface Transportation Revenue Alternatives ($20 million)

($000)

PROGRAM ACTIVITY	FY 2010 ACTUAL	FY 2012 REQUEST	CHANGE FY 2010-2012
Federal-aid Highways Program			
Surface Transportation Revenue Alternatives	-----	20,000	20,000
Total	**-----**	**20,000**	**20,000**

There is a widely-recognized urgency for a viable alternative to the current approach for generating revenue to deliver surface transportation services in this country. Accordingly, the FHWA requests $20 million in 2012 to establish the Surface Transportation Revenue Alternatives Office. This funding will allow for the initiation of preliminary work to undertake a comprehensive program of research and field trials leading to a MBUF scheme ready for national implementation. While the Office will focus primarily on implementation of a national MBUF, other alternatives to the current petroleum-based excise tax regime will also be explored. Activities over a six-year period will result in products that will equip key decision-makers with

the comprehensive information they need to select a National revenue-generation scheme that will better support the Nation's surface transportation requirements.

The work effort contemplated in this proposal assumes an accelerated timeline to completion. In 2012, the inaugural year of the office, activities leading to a study framework will be initiated. This framework will set forth the analysis parameters for the overall study. A host of administrative, public-acceptance, administrative cost, and technological trade-offs will need to be made in the course of developing the study framework.

To assist with this process, and promote long-term acceptance of the revenue-generation scheme ultimately selected for national implementation, a Policy Decision Group (PDG) will be convened to guide the effort. The PDG will include a broad-range of stakeholders and will be led by USDOT officials. The PDG will inform the selection and evaluation of alternative revenue generation schemes for evaluation (particularly MBUF systems) and will provide on-going contributions to all phases of this work. This includes defining the scope of the overall effort; identifying and overseeing specific research needed to resolve technical and institutional issues; defining and overseeing field test(s) to assess technological, administrative, institutional and privacy issues in variety of settings; establishing a communications plan, and making recommendations as to next steps.

To support the PDG deliberations, staff from the Surface Transportation Revenue Alternatives Office will provide an analysis of research completed to date and will provide extensive information on the full range of relevant issues and their policy implications. This work will begin before the PDG is established. In addition, there are several research topics that have already surfaced from previous studies and field tests. Work to address these areas will begin in the budget year.

A communications effort will also be initiated during the budget year. This effort will focus on increasing the public's awareness of the issues driving the need for an alternative approach to revenue collection and the opportunities for addressing those issues. Additionally, this effort will result in better public understanding of the administrative costs and privacy issues associated with possible alternative strategies.

A staff of ten Federal employees is anticipated to oversee and direct the contemplated level of effort. Expertise in technology development, finance, program management, policy development, and operations will be required. It is anticipated that the Surface Transportation Revenue Alternatives Office will draw, on an ad hoc basis, from other offices from throughout the Department to augment its technical base.

First year (FY 2012) products will include:

- A fully staffed Surface Transportation Revenue Alternatives Office
- A Policy Decision Group that includes a broad range of stakeholders
- Coordination protocols and communication vehicles to facilitate interaction with the Office of the Secretary, members of the Policy Decision Group, and other program offices within the Department

- A 10-year Roadmap (plan) leading to implementation of a National MBUF system (or another alternatives) to replace the current approach to revenue generation
- A detailed communications plan and arrangements for contractor support
- Introductory educational materials
- A publically available website as well as an internal site
- Initiation of early research activities and identification of future requirements

What Is This Office/Program?

The proposed Surface Transportation Revenue Alternatives Office will be housed within the existing Office of Innovative Program Delivery. Over the six-year period defined by the surface transportation reauthorizing legislation, the chief aim of the Office will be to produce documented evidence of the feasibility of a nationally-implemented MBUF and recommendations for next steps that would lead to implementation of such a system. However, while a national MBUF system holds great promise, it remains an unproven approach. Therefore, the proposed work, while focusing primarily on an MBUF system, will also evaluate other approaches. It is anticipated that at the conclusion of the subject 6-year program, a preferred MBUF scheme will have been identified, tested, and introduced to the public. It will not likely be ready for immediate deployment. The final years of the program will delineate possible next steps, including future funding recommendations beyond the 6-year program.

Work will be undertaken in four, concurrent phases.

Phase 1: Study Framework

Key Milestones. A study framework will be developed and then refined as required over the life of the program. Within 2 years of enactment a framework that defines the desired functionality of the preferred MBUF system will be in place. The study framework will guide the overall effort and will reflect a robust consideration of the tradeoffs between the implementation challenges associated with a given MBUF approach – primarily administrative costs and privacy issues – and the level of sophistication with regard to the collection of usage data and the ability to address various policy objectives. A PDG – consisting of a broad range of stakeholders – will be established to inform and guide the overall effort.

Background. The potential benefits and implementation issues associated with the key elements of alternative MBUF schemes are well known. Also, the required technology is not only currently available, but is being continuously improved. However, the nexus between policy objectives, administrative costs, user acceptance issues and technology has yet to be defined with any sense of industry consensus. Consequently, a preferred MBUF scheme has not yet been identified. Identifying this scheme is key to the success of the subject effort.

To this end, a PDG will be established within 1 year of enactment. It is intended to facilitate consideration of views from the many public and private stakeholders. This group will be led by the U.S. Department of Transportation. Contributing members will include public agency representatives from the U.S. Departments of the Treasury and Energy, and the Environmental

Protection Agency; State Departments of Transportation, State revenue agencies, metropolitan areas, and toll authorities. Input will also be solicited from highway user groups including the American Association of State Highway and Transportation Officials, the American Automobile Association and the American Trucking Associations, automobile manufacturers, privacy advocates, the Intelligent Transportation Society of America, and various other technology providers. It is important to note that the decision power of the PDG will reside with those representatives drawn from the public sector. While input from special interest groups will be understood and reconciled with policy goals, their objectives will not outweigh the greater National good. The PDG will not be subject to the Federal Advisory Committee Act.

The PDG will inform the selection and evaluation of alternative MBUF system schemes for evaluation and will provide on-going contributions to all phases of this work. This includes defining the scope of the overall effort; identifying and overseeing specific research needed to resolve technical and institutional issues; defining and overseeing field test(s) to assess technological, administrative, institutional and privacy issues in a variety of settings; establishing a communications plan, and making recommendations as to next steps.

The activities of this group are essential to the overall success of this project. For example, while the major impetus for consideration of MBUFs has been establishing a sustainable long-term revenue source for surface transportation programs, there has also been a clear recognition that MBUFs could be used for purposes beyond simple revenue collection. Among the other potential objectives that could be served by MBUFs are: (1) Establishing prices that reflect externalities such as congestion and emissions, or infrastructure wear; (2) accelerating the adoption of intelligent transportation systems, thereby improving system safety, and mobility; and (3) providing an opportunity for the private sector to supply a variety of value-added services of benefit to motorists. Meeting each of these objectives would require different technologies, system architectures, and institutional arrangements. The greater number of objectives served by a given MBUF scheme, the more sophisticated the technology, the greater the cost, and the more challenging the public acceptance issues. The PDG will consider these trade-offs when selecting MBUF schemes for future testing. In addition, the PDG will explore possible strategies for mitigating some of the implementation challenges, such as providing opt-in incentives for system users.

To support the PDG deliberations, staff from the Surface Transportation Revenue Alternatives Office will provide an analysis of research completed to date and will provide extensive information on the full range of relevant issues and their policy implications. This work will begin before the PDG is established. It is anticipated that, through the course of their work, the PDG will identify research gaps. Research activities will be undertaken to fill those gaps. In addition, there are several research topics that have already surfaced from previous studies and field tests. Work to address these areas will begin immediately upon enactment. Examples include:

- Ways to prevent tampering with equipment or otherwise evading paying user fees
- Privacy issues related to implementing technologies

- How miles traveled can be estimated in the event of a system failure

- The timeline for having all vehicles covered by a MBUF and the immediate and transitional implications of operating a duel revenue collection system where fuel taxes are collected from some motorists and MBUFs from others

- The reliability of GPS technology in different operating environments and for such applications as differential charging by lane as in high occupancy toll lane applications

- The capital costs of providing equipment needed to implement a MBUF, and the administrative costs to collect the fees, distinguish revenues among various jurisdictions, and enforce the fees

- Legal and other requirements of revenue collection agencies that may affect how a MBUF may be implemented

Phase 2: Communications

Key Milestones. The second phase consists of a communications effort that will increase the public's awareness of the issues driving the need for an alternative approach to revenue collection and the opportunities for addressing those issues. Additionally, this effort will result in better public understanding of the technologies associated with a MBUF strategy and the associated administrative costs and privacy issues.

Background. The communications effort will commence at the beginning of the subject effort and will continue throughout the life of the program, concurrent with the other activities. The following elements will be included in this phase:

- Develop ***educational resources*** aimed at industry stakeholder groups. This will include a fully searchable website, fact sheets (some tailored to specific regions), knowledge exchange forums, and resource guidance documents.

- Develop ***easy to understand messages*** to explain various concepts associated with the research or trial efforts. For example, while some pilots and studies have provided technological explanations about how privacy can be protected using GPS, it has proven difficult to convince individuals that a device in their vehicle meant to count miles travelled using GPS or another technology is not "tracking" their location or travel behavior.

- Develop a ***communication package*** focused on the general public and including special events and articles in the popular press. The package will focus on all aspects of this effort (the "why," "when," "where," and "how"). We envision contracting with a non-transportation communications firm to help with messaging.

Phase 3: System Design

Key Milestones. Immediately upon completion of the study framework, efforts directed at system design will commence. Phase 3 will begin with development of a Concept of Operations (ConOps) for the MBUF scheme defined in the initial phase. This phase will also include development of high-level system architectures; interoperability standards and communication protocols; and equipment standards. Within three years of starting this effort, a preferred MBUF scheme will have been defined and assessed for feasibility.

Background. Research projects can provide answers to some questions (particularly addressing technical and institutional issues), but others will require structured field trials. Before the trials can begin, however, substantial work related to system design must be undertaken. Significant aspects of this work will be interdependent and much, but not all, will need to be completed before the field tests begin.

First, a ConOps will be developed for each system identified for testing by the PDG. A ConOps describes the "who, what, when, where, why, and how" of a particular system. It also describes the goals of the system from both the user's and the operators' perspective, and lays the foundation for subsequent institutional, operations, and technical planning, and development and implementation decisions.

Further, development of several potential ***high-level system architectures*** that show how various components of a MBUF system would work together, the development of ***interoperability standards*** and ***communication protocols,*** and ***equipment standards*** are critical to encouraging participation in the field trials and facilitating future efficiencies in the deployment of a national MBUF. Early adopters will want some assurance that the technologies and administrative mechanisms they develop will be interoperable with systems subsequently developed by other States or the Federal government. Additionally, the proposed architectures are important in demonstrating how a given system could work with ITS applications such as IntelliDrive. This work will begin after completion of the ConOps as described above.

Phase 4: Field Trials

Key Milestones. The fourth phase will focus on field trials to demonstrate and test the MBUF capabilities of interest. The actual trails will start in the fourth year of the program and will run for 12 months. This last phase includes an extensive evaluation process and preparation of a final report, including recommendations.

Background. Field trials conducted to date have provided some information regarding public acceptance of MBUFs and have demonstrated that current technologies can be used to implement MBUFs. However, many key technological, institutional, and administrative issues remain unresolved. The following list provides several examples:

- Implementation of MBUFs in multistate regions
- Implementation at a scale that would allow administrative costs to be estimated
- Enforcement of an MBUF

- Actual collection of MBUFs using a variety of payment mechanisms including cash payments by those who do not have credit cards or bank accounts

- Operation of a dual fuel tax and MBUF system including rebates or credits for fuel taxes paid by those who pay MBUFs

- Participation by persons who did not volunteer for the trials

- Tests of an open architecture that affords the opportunity for the private sector to provide value added services while at the same time promoting interoperability of systems among the States

The activities included in Phase 4 of this effort include: (1) pre-work to include designing the trials, identifying State and/or local partners; and developing evaluation plans; (2) the actual trials and (3) evaluation, development of recommendations, and the reporting of findings. A key element of this phase will be the collection and interpretation of attitudinal data drawn from the participants before, during, and after the trials.

It is anticipated that the trials, to include evaluations, will take place over a 2-year period. Recent FHWA research indicates that 12-month trials would be optimal for future tests. An additional year will likely be required to accommodate recruitment, equipment installation, training and other activities that must be conducted before the actual testing could begin and the need to analyze data once the testing was completed.

The PDG will be called upon to assist in determining the relative objectives of the field trials. For example, will their purpose be primarily to test the technology or rather to communicate the benefits of a MBUF approach to the public or some combination?

Additionally, the PDG will need to consider the trade-offs in size, scope, and duration of the pilots (against the backdrop of cost). It is notable, that trials to date have focused more on implementation of a MBUF approach on a statewide scale, but less across state lines. Having multistate trials would provide information on (1) how well States can coordinate the administrative/financial functions, including charging out-of-state vehicles and enforcing payment, (2) the reliability of technology over greater distances and terrains, and (3) better overall administrative cost estimates, and (4) user acceptance.

Why Is This Office/Program Necessary?

For most of the past century, motor vehicle fuel taxes have been one of the primary revenue sources used by Federal and state governments to pay for the operation and improvement of our Nation's highways. In recent decades, these revenue sources have been tapped to help fund investments in other surface transportation modes as well. This excise tax has offered many advantages, including its relative ease of collection, the general alignment between fuel consumption and the use of the highway system, and the encouragement of energy efficiency in transportation.

In the past decade, however, many concerns have been raised about the long-term viability of the fuel tax as a primary source of funding for surface transportation programs. As the fuel economy of the Nation's auto and truck fleet improves over time — an important national goal — fuel taxes will yield a steadily decreasing amount of revenue for each vehicle-mile traveled. The increasing adoption of alternate fuel vehicles (especially plug-in hybrids and all-electric vehicles) in the future also presents a challenge, as the fuel sources for these vehicles lie entirely outside of the current system of transportation-related taxation, resulting in no revenue being collected from these vehicles for their use of the highway system.

Against this backdrop of declining fuel tax revenues, the Nation is also facing critical and increasing needs for investing in the rehabilitation and expansion of its surface transportation network in coming decades. As has been documented in the USDOT's biennial *Conditions and Performance* reports to Congress, current revenues are inadequate to sustain and improve the condition and performance of the Nation's highways, bridges, and transit systems into the future. There is thus a pressing need to explore alternative sources of revenue to close this gap between declining revenues and investment requirements, and to develop plans for implementing these alternatives at both the Federal and state level.

Under the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Congress created two commissions (the National Surface Transportation Policy and Revenue Study Commission and the National Surface Transportation Infrastructure Financing Commission) charged with examining future funding options for transportation in the U.S. During this period, a special committee formed by the Transportation Research Board to study the long-term viability of fuel taxes for transportation finance also completed its work. The reports of these three groups (released between 2006 and 2009) all concluded that a new regime for assessing broad-based highway user fees will be necessary in the long term, and that fees based on vehicle-miles traveled appear to offer one of the most viable alternatives, affording certain key advantages over the existing fuel tax. The reports also noted other user-based revenue streams that could potentially be developed to augment or supplement existing sources, including new freight and vehicle fees and new methods for assessing energy-based usage fees on advanced technology vehicles.

The commission reports also recognized that many technical, institutional, and legal issues would have to be resolved before mileage-based fees could be implemented, and that significant research would be required to demonstrate fee collection technologies and assess public acceptance, administrative costs, and other policy issues associated with this new way of charging for highway use. While the actual implementation of alternative revenue systems might be long term, the commissions found that significant ground work would be required in the near term to lay the foundation for a successful transition.

To date, several small- and medium-scale pilot studies on mileage-based user fees have been conducted to evaluate their overall feasibility. At this basic level, these pilots have been successful in demonstrating that such a system is technically viable. However, specific design and implementation issues regarding mileage fees on a national scale have yet to be explored in a pilot setting, including the advantages and disadvantages of alternative technologies and

methods, and it is not clear at this point which should be pursued. The choice of which approach to take is dependent on both a technical evaluation of options and a more definitive determination of the goals of a national MBUF.

Overseeing and directing a research program of this magnitude will be a major undertaking in its own right, and will require a dedicated staff of professionals with expertise in technology development, finance, program management, policy development, and operations. Combining all of these functions into a single operating office will help ensure the efficient management and coordination of this effort. Locating this new unit within the FHWA's Office of Innovative Program Delivery will also dovetail with that office's focus on the deployment of alternative transportation financing strategies, and will ensure that the work of the new office is properly coordinated with other agency and departmental initiatives in this arena.

How Do You Know The Programs Undertaken By This Office Will Work?

As noted above, a solid foundational base for the proposed work is already in place. Several research projects on mileage-based user fees have been conducted recently and several more are currently underway. In addition to these research activities, demonstration projects have been conducted to examine the technical, administrative, and public acceptance issues surrounding MBUFs. The potential benefits and implementation issues associated with the key elements of alternative MBUF schemes are well known. Also, the required technology is not only currently available, but is being continuously improved. The proposed work will bridge the gap between theoretical findings and implementation readiness.

Why Do We Want/Need To Fund The Office At The Requested Level?

As outlined in this proposal, creating a new office dedicated to pursuing this critical line of inquiry, with adequate resources to fund the required research and advisory activities, would meet the near-term National need for developing and testing alternative revenue generation strategies. The requested $20 million will support the Office as it prepares to evaluate a range of alternatives to the current approach for generating revenue to provide surface transportation services. The multi-year program that will be delivered by this office includes a broad program of research, outreach, and field tests. Significant resources in the first year will be applied to a research program implemented on an aggressive time line, securing a communications firm and initiating work on a comprehensive slate of outreach activities.

Funding the program at the requested level in the budget year will enable the office to establish the necessary foundational work to implement the six-year program. Alternatively, a lower level of funding will compromise the ability of the office to carry out the proposed program on an accelerated schedule.

LIMITATION ON ADMINISTRATIVE EXPENSES

(TRANSPORTATION TRUST FUND)
(INCLUDING TRANSFER OF FUNDS)

Not to exceed $437,172,000, 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 $3,828,000 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.

Executive Summary
Limitation on Administrative Expenses (LAE)

What Is The Request And What Will We Get For The Funds?
FHWA requests a $441.0 million Limitation on Administrative Expenses (LAE) consisting of $437.2 million for FHWA Federal-Aid General Operating Expenses (GOE) and $3.8 million for the Appalachian Regional Commission (ARC). The Office of the Inspector General (OIG) requests funding for administrative expenses through a direct appropriation in their budget.

In addition to obligatory payroll & benefits, Working Capital Fund, and Delphi (accounting) System increases; FHWA requests additional resources to help strengthen the workforce, improve data and reporting systems, and implement Financial Management Business Transformation (FMBT) enhancements.

What Is The Program?
This account provides the resources necessary to maintain the Agency's general administrative operations. The LAE funds salaries and benefits, travel, rent, communications, utilities, printing, contractual services, supplies and equipment for most of the Federal-aid Highway Program.

Why Is This Particular Program Necessary?
This program provides the resources necessary to maintain the Agency's extensive administrative and oversight functions. The GOE request will help ensure FHWA is properly resourced to maintain its leadership and oversight role as the Federal highway program begins a new era of complexity, accountability, and transparency.

Why Do We Want/Need To Fund The Program At The Requested Level?
FHWA seeks a modest increase in its GOE funding to ensure it has the necessary resources to provide oversight of the programs proposed in this budget request.

Two-thirds of the proposed increase is driven by compulsory adjustments that FHWA has little or no control over; if not funded, these costs will erode FHWA's GOE base and will reduce the organization's ability to execute its host of responsibilities.

In addition to the above required increases, FHWA requests additional resources to help strengthen our workforce, improve data and reporting systems and implement Financial Management Business Transformation (FMBT) enhancements.

The scope and complexity of FHWA's responsibilities have greatly expanded and evolved over the last 10 years without a commensurable increase in funding for essential management and oversight activities.
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Detailed Justification
Limitation on Administrative Expenses

What Is The Request And What Will We Get For The Funds?

FY 2012 – Limitation on Administrative Expenses
($000)

PROGRAM ACTIVITY	FY 2010 ACTUAL	FY 2012 REQUEST	CHANGE FY 2010-2012
Federal-aid Highways Program			
Limitation on Administrative Expenses			
FHWA General Operating Expenses	413,533	437,172	23,639
Appalachian Regional Commission	3,220	3,828	608
Office of Inspector General	3,809	-----	- 3,809
Total	**420,562**	**441,000**	**20,438**

FHWA requests a $441.0 million Limitation on Administrative Expenses (LAE) consisting of $437.2 million for FHWA General Operating Expenses (GOE) and $3.8 million for the Appalachian Regional Commission (ARC). In accordance with section 104 of title 23, United States Code, funding is appropriated to FHWA and transferred to ARC.

To ensure FHWA has the resources to execute its myriad of responsibilities and is positioned to implement the programmatic changes proposed in this budget request, it seeks a modest increase in its GOE funding. The below table summarized these requested funding increases.

Summary of Requested Funding Changes	
GOE Activity	**Amount ($000)**
Pay and non-pay COLA (FY10 pay raise annualized in FY11, with reduction of one compensable day in FY12)	696
GSA Rent	133
Communications & Utilities	1,248
Working Capital Fund	11,825
Delphi System & Accounting Services	573
Workforce Learning and Development	3,968
Data and reporting systems	3,200
IPv6 Transition	1,000
Financial Management Business Transformation implementation	1,000
Total	**$23,639**

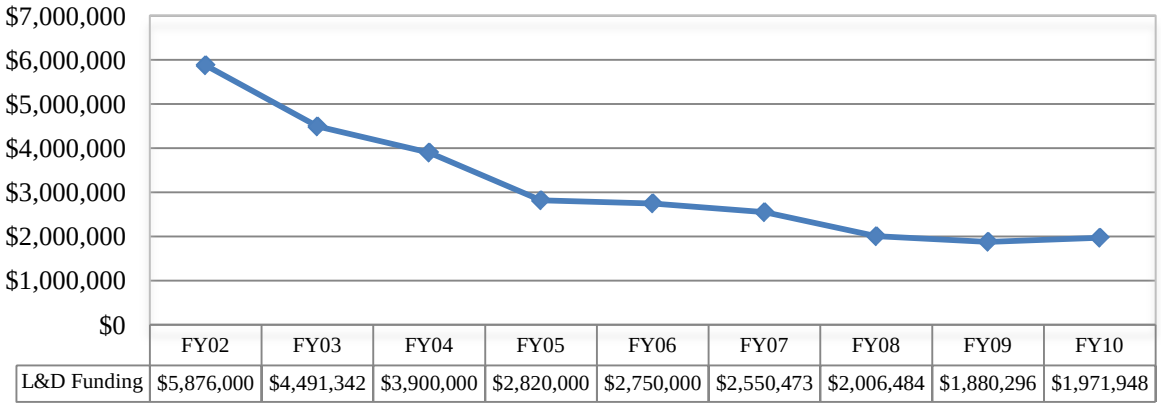
Two thirds of the proposed increase is driven by required increases FHWA has little or no control over. If not funded, these costs will further erode FHWA's GOE base and will reduce the organization's ability to execute its host of responsibilities. The specific required changes are:

- Pay and non-pay COLA ($0.7 million): Funding to annualize the FY 2010 pay raise. The request also reflects one less compensable day in FY 2012.
- GSA Rent ($0.1 million)
- Communications & Utilities (1.2 million) – to accommodate FY 2010 actual costs
- Working Capital Fund ($11.8 million)
- Delphi System & Accounting Services ($0.6 million)

In addition to the above required increases, FHWA requests additional resources to help strengthen our workforce, improve data and reporting systems and implement Financial Management Business Transformation (FMBT) enhancements.

- Learning & Development ($4.0 million): FHWA is currently struggling to sustain its highest levels of program and operational knowledge, as training dollars as a percentage of salaries continue to decrease. Investment in learning and professional development in 2010 is one-third of what it was in 2002 ($6 million versus $2 million, dropping from 2.9 percent to less than 1 percent of total salaries), even at a time when retirements and other staff departures are steadily draining our expertise and we are increasingly turning to mid-career hires to fill key positions. On average, this is less than $850 per FTE.

Funding Trend for Learning & Development



	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10
L&D Funding	$5,876,000	$4,491,342	$3,900,000	$2,820,000	$2,750,000	$2,550,473	$2,006,484	$1,880,296	$1,971,948

% of Salaries Available for Learning and Development								
FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10
2.9%	2.1%	1.7%	1.2%	0.8%	1.0%	0.7%	0.7%	0.7%

With funding for training decreasing significantly over the last eight years, it is increasingly difficult, if not impossible, to fund professional development at levels

commensurate with needs. The lack of training resources inhibits FHWA's ability to build the capacity of its staff to continue to successfully fulfill oversight responsibilities. As evidenced by the recent development of the transportation operations, freight management, and emergency operations programs, as well as the monumental growth of environmental, planning and related activities required by statute, training is essential to support new and complex requirements and to enhance the qualifications and knowledge of a quickly changing workforce resulting from retirements and other separations.

Furthermore, while the current discipline approach provides us with a "baseline" 2-year training cycle, it is unlikely that this level of professional development will enable FHWA to fully keep up with technology, and the need to be innovators and providers of value-added expertise. Additional travel for professional development is also needed to support the workshops/conferences and communities of practice opportunities to equip employees to adequately provide a value-added stewardship role.

GAO report GAO-05-173, recognized the critical nature of training to support project oversight stating that, *"Providing professional training in oversight management could ensure that managers develop the skills necessary for conducting their oversight activities"*. FHWA is seeking to increase its Learning and Development budget to 1.2% of our salaries and benefits budget, which is still well below FHWA training expenditures in FY 2002. This is a small cost considering the many benefits of a well trained workforce.

- Data & Reporting Systems ($3.2 million): As illustrated by the reporting requirements in the Recovery Act, increased transparency and accountability of highway spending will be expected to continue in the next authorization. FHWA must ensure its data collection and reporting systems (such as FMIS and RADS) are capable of meeting these and performance management information needs. FHWA plans to conduct an assessment of these capabilities in FY 2011 and must be prepared to implement new system changes as necessary in FY 2012.

- FMBT Implementation ($1.0 million): Funding for modes' training and system interface costs will not be covered by the Department's FMBT request as part of the Delphi conversion. Expenses will include training costs and cost for new interfaces.

- IPv6 Transition ($1.0 million): FHWA requires the additional FY 2012 funding to ensure completion of an OMB-mandated IPv6 transition. FHWA must upgrade existing business applications and tools to bring them in compliance with IPv6 requirements. Additionally, FHWA will need to replace general network interface equipment such as switches and routers, software infrastructure, and servers; interfaces to automated research equipment; and outdated networked multifunction printer/copiers.

The FY 2012 budget request for ARC is $3.8 million, which is a $0.6 million increase over the FY 2010 enacted level of $3.2 million. This increase is necessary to cover ARC's cost to complete estimate and cost of living increases for salaries, supplies, and travel.

The request does not include resources for the Office of Inspector General (OIG), which will submit a separate budget request for a direct appropriation. Previously, funding was made available to FHWA and transferred to OIG for costs associated with audit and investigations of FHWA projects and programs and the annual audit of FHWA's financial statements.

What Is This Program?

The Limitation on Administrative Expenses funds salaries and benefits, travel, rent, communications, utilities, printing, contractual services, supplies and equipment.

Why Is This Particular Program Necessary?

This account provides the resources necessary to maintain the Agency's administrative operations. Funding will support activities related to the FHWA goals, and meeting other Federal mandates.

How Do You Know The Program Works?

N/A

Why Do We Want/Need To Fund The Program At The Requested Level?

The scope and complexity of FHWA's responsibilities have greatly expanded and evolved over the last 10 years but its funding to carry out essential management and oversight has not kept up. SAFETEA-LU amended Title 23 U.S.C. to include comprehensive Federal approval and oversight requirements. Project design and development has become more complicated as States and partners are increasingly turning to Public-Private-Partnerships (PPPs), innovative contracting and project delivery mechanisms (e.g. design-build), as a means for our partners and others to deliver large complex and higher cost projects. These methods require extensive FHWA involvement on issues ranging from contracting, project development, financing, tolling, construction, maintenance, and operations.

The planning process has become more complicated, with new requirements to discuss and consider, such as environmental mitigation, safety, operations and management, asset management, freight movement, fiscal constraint, land use and multi-modal issues. Finally, the operations and freight program areas, which largely did not exist 10 years ago, are now integral parts of the Federal-aid program and FHWA's role in transportation security and in preparing for and responding to manmade and natural disasters has grown significantly as a result of events such as 9/11 and Hurricane Katrina.

FHWA has proactively adjusted over the last 10 years to changing requirements and these limited GOE resources. We have staffed at a level below ceiling, refocused staff on new oversight responsibilities and de-emphasized lower risk activities, evaluated and implemented resource sharing to gain staff efficiencies, cut back to all but essential travel and training activities, and performed an increasing amount of our work virtually (through teleconferencing, videoconferencing, web-conferencing).

Executive Summary
Up Front Funding

What Is The Request And What Will We Get For The Funds?
The FY 2012 President's Budget includes an "Up-Front" $50 billion economic boost in transportation to rebuild and modernize America's roads, rails, transit, and runways for the long term. The FY 2012 FHWA budget request includes $27.65 billion of this Up-Front funding:

- $25.0 billion for critical highway infrastructure;
- $450 million for the Transportation Infrastructure Finance and Innovation Act (TIFIA) program; and
- $2.2 billion for border crossing infrastructure improvements (transferred to GSA).

What Is The Program?
The requested $25 billion for critical highway infrastructure will improve the conditions and operations of the enhanced National Highway System (NHS). The TIFIA program provides Federal credit assistance to surface transportation projects of national or regional significance. The Cross-Border Infrastructure funding will help support necessary improvements at Land Ports of Entry (LPOE) facilities which link directly to the transportation infrastructure at border crossing locations.

Why Is This Particular Program Necessary?
The additional $25 billion for critical highway infrastructure will significantly help improve the physical condition of the NHS. The TIFIA program leverages Federal dollars in a time of scarce budgetary resources, facilitating private participation in transportation projects and encouraging innovative financing mechanisms that can help advance projects sooner. The Cross-Border Infrastructure funding will improve inspection stations for passengers, cargo and truck safety, and border facilities.

How Do You Know The Program Works?
An additional $25 billion for critical highway infrastructure is projected to bring the share of NHS VMT on pavements with good ride quality to almost 70 percent by 2017. The TIFIA program has accelerated the delivery of critical infrastructure investments, providing almost $2.2 billion in credit assistance in FY 2010. Existing Cross-Border Infrastructure facilities allow the safe and efficient flow of lawful traffic and commerce while at the same time ensuring the security of the nation.

Why Do We Want/Need To Fund The Program At The Requested Level?
The one-time funding for critical highway infrastructure will result in a measurable improvement in the overall condition and performance of the heavily used National Highway System. The TIFIA program funding level will help meet the demand for TIFIA credit support and stimulate infrastructure investment that would be temporarily or permanently delayed without TIFIA financing. The Cross-Border Infrastructure funding will address a number of the largest border crossings that support high-volume transportation and trade.

Detailed Justification
Critical Highway Infrastructure

What Do I Need To Know Before Reading This Justification?

The FY 2012 President's Budget includes an "Up-Front" $50 billion economic boost in transportation to rebuild and modernize America's roads, rails, transit, and runways for the long term. This justification discusses one component of that request.

What Is The Request And What Will We Get For The Funds?

FY 2012 – Up Front Funding
($000)

PROGRAM ACTIVITY	FY 2010 ACTUAL	FY 2012 REQUEST	CHANGE FY 2010-2012
Federal-aid Highways Program			
Up Front Funding			
Critical Highway Infrastructure	-----	25,000,000	25,000,000
TIFIA	122,000	450,000	328,000
Cross-Border Transportation Infrastructure	-----	2,200,000	2,200,000
Total	**122,000**	**27,650,000**	**27,528,000**

The budget requests is a one-time supplement of $25 billion to the National Highway Program (NHP) in FY 2012. These funds will be used in conjunction with the funding provided by the new Highway Infrastructure Performance Program (HIPP), and will focus significant federal resources that will not just maintain, but will improve the condition and operation of the enhanced National Highway System (NHS).

What Is This Program?

The requested $25 billion will improve the conditions and operations of the enhanced NHS. It shares location and project eligibilities with the Highway Infrastructure Performance Program (HIPP).

The Highway Infrastructure Performance Program (HIPP) is a sub-program within the NHP that will be a formula-based program intended to support the National Highway System (NHS). The program is a performance-based program that includes a framework to support the condition and performance needs of highway infrastructure with a specific focus on the NHS pavements and bridges. The HIPP includes key criteria designed to ensure that federal-aid highway funds are invested in infrastructure to achieve national performance goals for condition and performance.

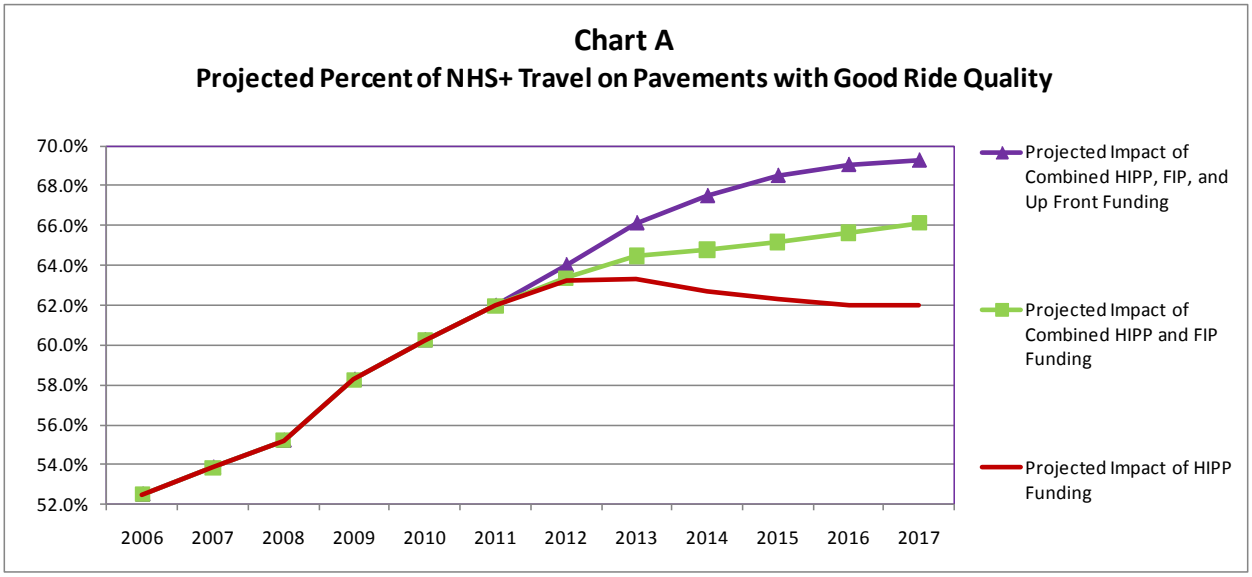
Each state would determine its appropriate target for each goal-related measure in consultation with US DOT. States shall report on the performance of the NHS to US DOT annually.

This Up-Front funding has a 100 percent Federal share.

Why Is This Particular Program Necessary?

Since 2006, combined investments by all levels of government have been sufficient to improve the overall condition of the highway system. This result is attributable to several one-time events, including a decrease in the construction materials prices starting in 2006 (which has increased the purchasing power of highway capital investments), a large increase in State and local highway capital funding in 2007 (which has not been repeated), and increased investment under the American Recovery and Reinvestment Act (ARRA).

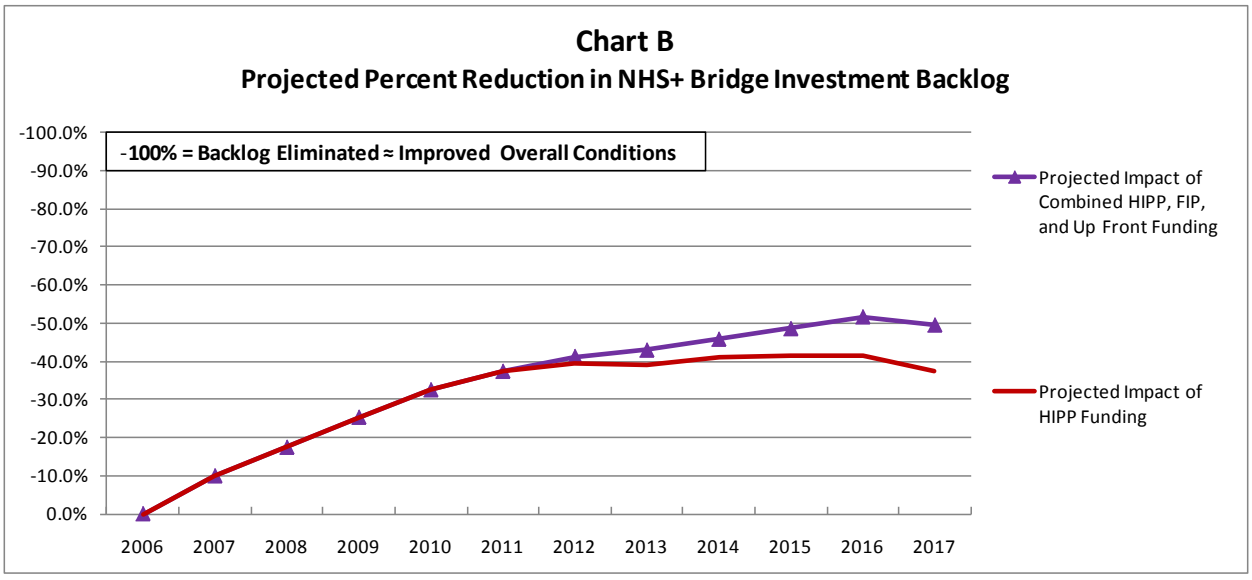
The combined impacts of the increases in nominal dollar spending relative to highway capital investment needs noted above are expected to result in significant improvements to the physical condition of the NHS through 2011. In order to preserve these gains, a tentative target has been established for the proposed HIPP to sustain NHS pavement and bridge conditions at 2011 levels. States would be able to use FIP funds to further improve NHS pavements and bridges, to address pavement and bridge needs off the NHS, or to address operational performance issues.



Note: Impacts shown assume all Highway Infrastructure Performance Program (HIPP) funding and the Up Front funding for critical highway infrastructure is directed to pavement and bridge improvements on the Enhanced NHS. Red line HIPP funding was set so that "Good" percentage in 2017 matches 2011. Green line assumes 18% of Flexible Infrastructure Program (FIP) funding (or an equivalent amount from other sources) is directed to pavements on the enhanced NHS (consistent with historic trends); Purple line adds in the Up Front funding.

The 2008 Conditions and Performance Report had identified a backlog of potential cost-beneficial bridge system rehabilitation investments of $98.9 billion in 2006, of which $60.9 billion was on bridges on the NHS. Reductions in this backlog over time reflect improvements to overall bridge conditions. This economic investment backlog for NHS bridges is projected to be reduced by 37.6 percent by 2011, as shown in Chart B below. Sustaining this improved overall level of bridge performance would require Federal obligations of $5.0 billion in 2012.

The combination of HIPP, FIP, and Up-Front funding is projected to be sufficient to reduce the NHS bridge investment backlog by 50 percent by 2017.



Note: Impacts shown assume all Highway Infrastructure Performance Program (HIPP) funding and the Up Front funding for critical highway infrastructure is directed to pavement and bridge improvements on the Enhanced NHS. Red line HIPP funding set so that the backlog in 2017 matches 2011; Purple line adds in the Up Front funding and a small amount of FIP funding (consistent with historic trends). Reductions in the backlog of potential cost-beneficial bridge investments equate to improvements in overall bridge condition.

How Do You Know The Program Works?

The NHS pavement target is based on pavements in good condition with "good" ride quality. In 2006, 54.2 percent of NHS VMT occurred on pavements with good ride quality. As shown in Chart A above, this percentage is projected to increase to 62.0 percent by 2011; maintaining this improved level of pavement performance would require Federal obligations of $11.4 billion in 2012. If States were also to direct 18 percent of their FIP funding towards NHS pavements, the combination of HIPP and FIP are expected to increase the percent of NHS VMT on pavements with "good" ride quality to 66.0 percent through 2017. The addition of the Up-Front funding is projected to bring the share of NHS VMT on pavements with good ride quality to almost 70 percent by 2017.

Why Do We Want/Need To Fund The Program At The Requested Level?

While the proposed NHS network is limited, it would carry 55 percent of all traffic and 97 percent of all truck-borne freight. Likewise, the NHS network would comprise 53 percent of U.S. highway border crossings, but would handle 98 percent of the value of total truck trade with our largest trading partners – Canada and Mexico. The one-time infusion of $25 billion is equivalent to 150 percent of the annual HIPP funding and will result in a measurable improvement in the overall condition and performance of the National Highway System. For example, the combination of HIPP, FIP, and Up-Front funding is projected to be sufficient to reduce the NHS bridge investment backlog by 50 percent by 2017. Across the Nation, an estimated 695,000 additional jobs will be supported by this additional funding.

Detailed Justification
Transportation Infrastructure Finance and Innovation (TIFIA)

What Do I Need To Know Before Reading This Justification?

The FY 2012 President's Budget includes an "Up-Front" $50 billion economic boost in transportation to rebuild and modernize America's roads, rails, transit, and runways for the long term. This justification discusses one component of that request.

What Is The Request And What Will We Get For The Funds?

FY 2012 – Up Front Funding
($000)

PROGRAM ACTIVITY	FY 2010 ACTUAL	FY 2012 REQUEST	CHANGE FY 2010-2012
Federal-aid Highways Program			
Up Front Funding			
Critical Highway Infrastructure	-----	25,000,000	25,000,000
TIFIA	122,000	450,000	328,000
Cross-Border Transportation Infrastructure	-----	2,200,000	2,200,000
Total	**122,000**	**27,650,000**	**27,528,000**

The FY 2012 budget requests $450 million in TIFIA program funds to cover the subsidy cost of providing credit support to surface transportation projects of regional or national significance. This funding will be leveraged at a ratio of approximately 10 to 1, helping to meet the demand for infrastructure financing options in the United States. TIFIA will help advance projects that could not have moved forward in FY 2012 without Federal financing, accelerating the economic, livability, and mobility benefits of this infrastructure investment.

What Is This Program?

Congress created the Transportation Infrastructure Finance and Innovation Act (TIFIA) credit program as part of its 1998 enactment of the Transportation Equity Act for the 21st Century (TEA-21, P.L. 105-78), as amended by the TEA-21 Restoration Act (Title IX of P.L. 105-206). Codified in Sections 601 through 609 of Title 23, United States Code (23 U.S.C.), the TIFIA program provides Federal credit assistance to surface transportation projects of national or regional significance

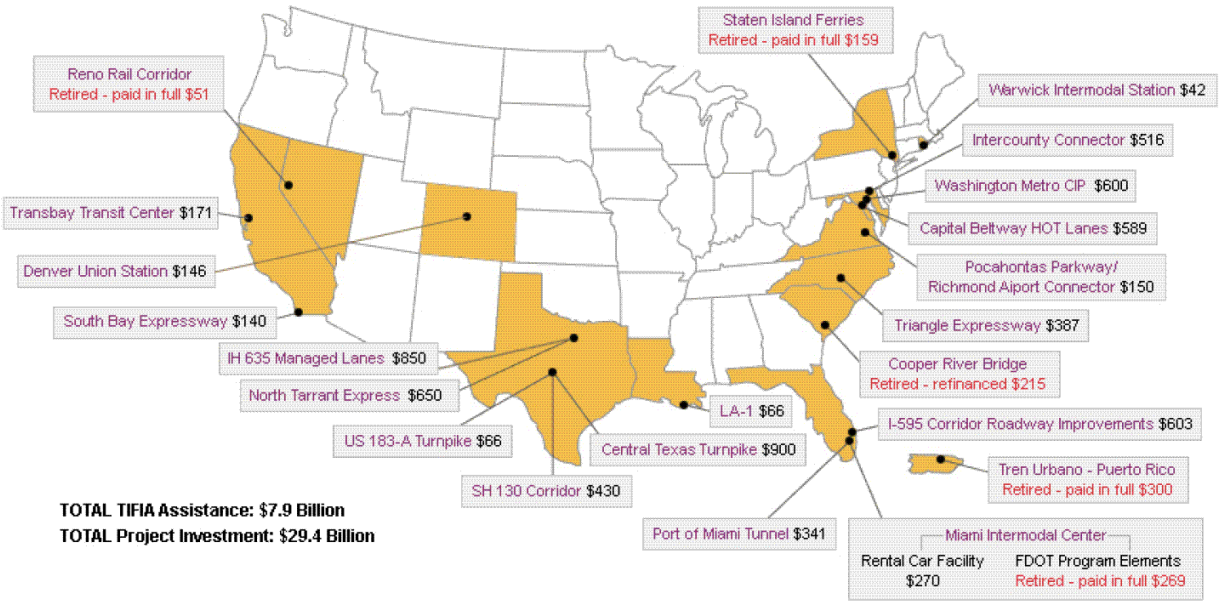
Through TIFIA, the Department provides Federal credit assistance to highway, transit, rail, and intermodal freight projects including seaports. TIFIA may lend up to 33 percent of eligible costs

for large infrastructure projects of $50 million or more ($15 million for Intelligent Transportation System projects). The program offers three types of financial assistance:

- **Secured loans** are direct Federal loans providing long-term financing of capital costs with flexible repayment terms.
- **Loan guarantees** provide full-faith-and-credit guarantees by the Federal Government of a portion of project loans made by institutional investors.
- **Standby lines of credit** represent secondary sources of funding in the form of contingent Federal loans that can supplement project revenues during the first 10 years of project operations.

The TIFIA program is designed to fill market gaps and leverage substantial private co-investment by providing supplemental and subordinate capital to projects. TIFIA credit assistance provides improved access to capital markets, flexible repayment terms, and potentially more favorable interest rates than can be found in private capital markets for similar instruments. TIFIA can help advance qualified, large-scale projects that otherwise might be delayed or deferred because of size, complexity, or uncertainty over the timing of revenues.

Since the inception of the program, 22 projects have received a credit commitment, including four intermodal projects, 14 highway projects, and four transit projects. These projects represent approximately $29.4 billion of infrastructure investment spread across the United States. The commitments total nearly $7.9 billion in Federal assistance with a budgetary cost of approximately $596 million.



Why Is This Particular Program Necessary?

TIFIA leverages Federal dollars in a time of scarce budgetary resources. TIFIA credit support plays an integral role in a project's financial plan by filling budget gaps. A relatively small amount of TIFIA program funds can stimulate large-scale infrastructure investment. TIFIA program funds cover the subsidy cost of providing credit assistance. The subsidy cost is a fraction of the loan amount, and the loan amount is no more than 33 percent of eligible project costs. Thus, each dollar of TIFIA program funds will support a loan of approximately ten dollars and produce infrastructure investment of roughly thirty dollars.

In addition to leveraging Federal dollars, TIFIA facilitates private participation in transportation projects and encourages innovative financing mechanisms that can help advance projects sooner. State and local governments are using innovative financing and Public-Private Partnerships (P3s) to reduce costs, accelerate project delivery, decrease public sector exposure, and supplement public revenue with private capital. In FY 2008 through FY 2010, TIFIA played a critical role in the financing of seven significant transportation infrastructure P3 transactions. TIFIA also supported projects that utilized new revenue streams for transportation, such as value capture.

How Do You Know The Program Works?

The program's fundamental goal is to leverage Federal funds by attracting private and other non-Federal co-investment in critical improvements to the nation's surface transportation system. TIFIA was created because state and local governments that sought to finance large-scale transportation projects with innovative revenue streams often had difficulty obtaining financing at reasonable rates due to the uncertainties associated with these repayment sources. Tolls and other project-based revenues are difficult to predict, particularly for new facilities, because it is hard to estimate how many transportation users will pay fees during the initial ramp-up years after construction. Similarly, innovative revenue sources, such as proceeds from tax increment financing, are difficult to predict. TIFIA credit assistance is often available on more advantageous terms than in the financial market, making it possible to obtain financing for needed projects when it might not otherwise be possible.

Since FY 2008, the program has provided an unprecedented and growing level of credit assistance. In FY 2008, TIFIA closed two direct loans for the SH 130 Project in Texas and the Capital Beltway Hot Lanes Project in Virginia totaling over $1 billion in credit assistance. Program activity in FY 2009 increased to three loan closings – a $516 million loan for the Inter County Connector Project in Maryland, a $386.7 million loan for the Triangle Expressway Project in North Carolina, and a 603.4 million loan for the I-595 Project in Florida. The projects that received a TIFIA loan in FY 2008 and FY 2009 represented over $6 billion in infrastructure investment.

That two-year total was exceeded in FY 2010. TIFIA closed a record five loans for projects totaling almost $7.5 billion in infrastructure investment. The DOT executed a $341 million loan for the Port of Miami Tunnel Project in October, facilitating construction of a dedicated access tunnel between the City of Miami, Florida and the Port. In December, a $650 million TIFIA loan closed for the North Tarrant Express Project, a managed lanes facility in the Dallas-Fort Worth region. The Transbay Transit Center Project, a multimodal transportation facility, received a $171 million TIFIA loan in January. In June, TIFIA closed the second largest loan in

the program's history, an $850 million loan for the IH 635 Project, a second managed lanes facility in the Dallas-Fort Worth area. Finally, a $145.6 million TIFIA loan closed in July to finance the Denver Union Station Project, a multimodal transit hub in Denver, Colorado. In all, TIFIA provided almost $2.2 billion in credit assistance in FY 2010.

These projects represent innovations in funding and financing transportation projects that would not have been possible without TIFIA support. The Capital Beltway Hot Lanes, North Tarrant Express, and IH 635 projects were the first U.S. projects advanced as managed lanes facilities. The I-595 and Port of Miami Tunnel projects were the first U.S. availability payment projects. Transbay Transit Center and Denver Union Station both used tax increment financing, an uncommon funding source for transportation projects, as part the repayment pledge. Private financing was either unavailable or prohibitively expensive for the projects because of their innovative nature. By acting as a patient investor – back loading debt repayment and accepting a junior lien on project revenues – TIFIA facilitated delivery of these critical infrastructure investments.

Why Do We Want/Need To Fund The Program At The Requested Level?

In the past several years, there has been an unprecedented level of interest in TIFIA credit assistance due to the growing need for additional infrastructure investment relative to other existing sources of transportation funding, including fuel tax receipts and municipal borrowing. The demand for TIFIA is further exacerbated by the current state of the capital markets in the economic downturn.

Since FY 2008, the TIFIA program has been oversubscribed. To help manage this demand, the Department shifted from a first come, first served approach to a fixed-date application process. At the beginning of FY 2010, DOT issued a Notice of Funding Availability seeking Letters of Interest (LOIs) from projects interested in applying for TIFIA credit assistance. In response, TIFIA received 39 LOIs from project sponsors seeking approximately $12.5 billion in credit support to finance projects totaling almost $41 billion in infrastructure investment. In contrast, TIFIA's available budgetary resources based on the SAFETEA-LU funding level would support approximately $1 billion in loans, loan guarantees, or lines of credit.

There is a substantial pipeline of projects that would like to have access to TIFIA credit support, from innovative transit programs like the Los Angeles 30/10 Initiative to managed lanes projects in Texas and Georgia to bridge repair and replacement projects in the Midwest. It is estimated that demand for TIFIA credit support in FY 2012 will be similar to the $12.5 billion requested by the projects that submitted Letters of Interest in FY 2010. The requested $450 million in program funds will enable TIFIA to provide almost $4.5 billion in direct loans, loan guarantees, and lines of credit. The FY 2012 funding level will help meet the demand for TIFIA credit support and stimulate infrastructure investment that would be temporarily or permanently delayed without TIFIA financing.

Detailed Justification
Cross-Border Transportation

What Do I Need To Know Before Reading This Justification?

The FY 2012 President's Budget includes an "Up-Front" $50 billion economic boost in transportation to rebuild and modernize America's roads, rails, transit, and runways for the long term. This justification discusses one component of that request.

What Is The Request And What Will We Get For The Funds?

FY 2012 – Up Front Funding
($000)

PROGRAM ACTIVITY	FY 2010 ACTUAL	FY 2012 REQUEST	CHANGE FY 2010-2012
Federal-aid Highways Program			
Up Front Funding			
Critical Highway Infrastructure	-----	25,000,000	25,000,000
TIFIA	122,000	450,000	328,000
Cross-Border Transportation Infrastructure	-----	2,200,000	2,200,000
Total	**122,000**	**27,650,000**	**27,528,000**

The budget requests a $2.2 billion investment in land ports of entry (LPOEs) and associated infrastructure utilized by DOT and Department of Homeland Security (DHS) and maintained by General Services Administration (GSA).. The funding will be transferred to GSA for design, management and inspection, and construction/modernization of the facilities. FMCSA infrastructure needs will be assessed and incorporated into project execution at the LPOE locations.

What Is This Program?

The funding will help support necessary improvements at LPOE facilities which link directly to the transportation infrastructure at border crossing locations (e.g., inspection stations for passengers, cargo and truck safety, and border facilities).

The GSA, through their Public Buildings Service, is responsible for the design and construction of LPOEs as well as the leasing a limited number of land ports of entry. GSA, as part of its custodial responsibility, also manages the LPOE facilities and executes both daily maintenance and repair and capital improvements.

The FHWA works with its state, federal, and international partners to ensure the safe and efficient movement of people and goods across borders. With its counterparts in Mexico and Canada, the FHWA creates joint working groups to cooperate on addressing the challenges of improving mobility and security at overland border crossings. The FHWA also coordinates with states, GSA, and DHS on the scope of requirements of the projects administered by GSA.

Why Is This Particular Program Necessary?

The Nation's LPOEs are responsible for a broad range of security priorities including monitoring trade, assuring the safety of agricultural and farm products, the interdiction of the flow of illegal goods, and processing the entry of citizens, visitors and immigrants. On an average day, in FY2010, nearly 287,000 vehicles, over 111,000 pedestrians, and more than 27,000 trucks pass through the Nation's 167 border crossings. Protecting the 7,525 miles of border with Canada and Mexico are 123 GSA owned and leased facilities that must allow the safe and efficient flow of lawful traffic and commerce while at the same time ensuring the security of the nation.

The majority of the Nation's LPOE facilities currently in operation were designed to accomplish legacy missions from decades ago and require significant refurbishment or replacement to function effectively. Some of these facilities were built more than 70 years ago and cannot fulfill today's increased traffic demands and additional safety requirements, resulting from the 1994 North American Free Trade Agreement (NAFTA), the increasing security requirements after September 11, 2001, and the increasing need for 24-hour operations.

The investment in LPOEs will assist the mission areas of multiple agencies because successful LPOEs operation requires coordination across several agencies: Customs and Border Protection (CBP) is responsible for securing the nation's borders, at and between the official ports of entry, while facilitating the efficient movement of legitimate travel and trade; the GSA maintains and manages the facilities; the FHWA works with the state departments of transportation to oversee the roadways leading to and from the LPOEs accommodating travel and trade; and the FMCSA conducts inspections of truck traffic for safety compliance.

How Do You Know The Program Works?

Existing Cross-Border Infrastructure facilities allow the safe and efficient flow of lawful traffic and commerce while at the same time ensuring security.

Why Do We Want/Need To Fund The Program At The Requested Level?

CBP in coordination with GSA and DOT developed a list of LPOE construction and modernization projects to reflect the most critical needs and was formulated based on available information including Records of Decision, transportation studies of both commercial and passenger traffic flow, existing facility condition, security, and input from State and local partners. Currently there are multiple LPOE locations where the road infrastructure has improved but the border crossing facility, such as available lanes, does not have the capacity to accommodate the traffic flow. Utilizing the full $2.2 billion for LPOE development would address a number of largest border crossings that support high-volume transportation and trade.

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

BACKGROUND

The American Recovery and Reinvestment Act (Recovery Act) was signed into law by President Obama on February 17, 2009. It was 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 was an extraordinary response to a crisis unlike any since the Great Depression, and includes measures to modernize the nation's infrastructure.

FHWA was provided with $27.5 billion in Recovery Act funding to invest in projects to build, rehabilitate, and make safer roads, highways, bridges and ports. A portion of the appropriation was set aside to make sure that urban, suburban, and rural areas alike all received a share of the funding.

States were under an aggressive deadline to obligate all Recovery Act funding by September 30, 2010, and they met that requirement by obligating all apportioned funding by the deadline.

FHWA will continue to implement the Recovery Act in FY 2011 and continues to take steps to ensure effective coordination and support among its offices, divisions, and other federal agencies. As the program moves into its execution phase, FHWA will ensure that all programs are carried out expeditiously and in compliance with all Recovery Act provisions and requirements.

BUDGETARY RESOURCES

No new budget authority is requested for FY 2012.

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		2010 ACTUAL	2011 CR ANNUALIZED	2012 REQUEST
	Obligations by program by activity:			
00.10	Highway Infrastructure Investment Grants	9,188	.....	.....
00.20	Federal Lands	360	.....	.....
00.30	Puerto Rico Highway Program	43	.....	.....
00.40	Territorial Highway Program	5	.....	.....
00.50	Construction of Ferry Boats	50	.....	.....
00.60	Highway Surface Transport. and Tech Training	15	.....	.....
00.70	Disadvantaged Business Enterprise Bonding Assistance	1	.....	.....
00.80	Projects and Activities Oversight	11	13	12
00.91	Total direct program	9,673	13	12
	Credit program obligations:			
07.01	Direct loan subsidy	.....	27	.....
07.09	Administrative expenses	.....	2	.....
07.91	Direct program activities, subtotal	.....	29	.....
07.99	Total direct obligations	9,673	42	12
08.01	Reimbursable program	78	.....	.....
09.00	Total new obligations	9,751	42	12
Budgetary resources				
	Unobligated balance:			
10.00	Unobligated balance brought forward, Oct 1	7,747	25	12
10.10	01 Unobligated balance transferred to other accounts [69-1101]	-155	.....	.....
10.10	02 Unobligated balance transferred to other accounts [69-0504]	-5	.....	.....
10.11	Unobligated balance transferred from other accounts [69-0504]	5	.....	.....
10.21	Recoveries of prior year unpaid obligations	2,167	.....	.....
10.50	Unobligated balance (total)	9,759	25	12
Budget authority				
	Appropriations, discretionary:			
11.20	Transferred to other accounts [69-0504]	-79		
11.21	Appropriations transferred from other accounts [69-0504]	79		
	Spending authority from offsetting collections, discretionary:			
17.00	Collected	51	29	.....
17.01	Change in uncollected payments, Federal sources	-15	.....	.....
17.50	Spending authority from offsetting collections, discretionary (total)	36	29	.....
19.00	Budget authority (total)	36	29	.....
19.30	Total budgetary resources available	9,795	54	12

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		2010 ACTUAL	2011 CR ANNUALIZED	2012 REQUEST
Change in obligated balance				
	Obligated balance, start of year (net):			
30.00	Unpaid obligations, brought forward, Oct 1 (gross)	17,128	12,764	6,812
30.10	Uncollected payments, Federal sources, brought forward, Oct 1	-80	-65	-65
30.20	Obligated balance, start of year (net)	17,048	12,699	6,747
30.30	Obligations incurred, unexpired accounts	9,751	42	12
30.40	Outlays (gross)	-11,948	-5,994	-4,084
30.50	Change in uncollected payments, Federal sources, unexpired	15	.....	.....
30.80	Recoveries of prior year unpaid obligations, unexpired	-2,167	.....	.....
	Obligated balance, end of year (net):			
30.90	Unpaid obligations, end of year (gross)	12,764	6,812	2,740
30.91	Uncollected payments, Federal sources, end of year	-65	-65	-65
31.00	Obligated balance, end of year (net)	12,699	6,747	2,675
Budget authority and outlays, net				
	Discretionary:			
40.00	Budget authority, gross	36	29	.....
	Outlays, gross:			
40.10	Outlays from new discretionary authority	36	29	.....
40.11	Outlays from discretionary balances	11,912	5,965	4,084
40.20	Outlays, gross (total)	11,948	5,994	4,084
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
40.30	Federal sources	-51	-29	.....
40.40	Offsets against gross budget authority and outlays (total)	-51	-29	.....
	Additional offsets against gross budget authority only:			
40.50	Change in uncollected payments, Federal sources, unexpired	15	.....	.....
40.60	Additional offsets against budget authority only (total)	15	.....	.....
40.70	Budget authority, net (discretionary)	.....	.....	.....
40.80	Outlays, net (discretionary)	11,897	5,965	4,084
40.90	Outlays, net (total)	11,897	5,965	4,084

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
HIGHWAY INFRASTRUCTURE INVESTMENT - RECOVERY ACT

OBJECT CLASSIFICATION
in millions of dollars

Identification code: 69-0504-01-401		2010 ACTUAL	2011 CR ANNUALIZED	2012 REQUEST
Direct obligations:				
	Personnel compensation:			
11.1	Full-time permanent	5	5	3
11.3	Other than full-time permanent	2	2	1
11.9	Total personnel compensation	7	7	4
12.1	Civilian personnel benefits	1	1	1
21.0	Travel and transportation of persons	2	2	2
25.1	Advisory and assistance Services	2	5	5
25.2	Other services from non-federal sources	125	.....	.....
25.3	Other goods and services from federal accounts	21	.....	.....
41.0	Grants, subsidies, and contributions	9,278	27	.....
99.0	Direct obligations	9,436	42	12
99.0	Reimbursable obligations	76	.....	.....
Allocation accounts - direct:				
	Personnel compensation:			
11.1	Full-time permanent	2	.....	.....
11.3	Other than full-time permanent	1	.....	.....
11.9	Total personnel compensation	3	.....	.....
12.1	Civilian personnel benefits	1	.....	.....
23.3	Communications, utilities, and misc. charges	1	.....	.....
25.2	Other services from non-federal sources	224	.....	.....
25.4	Operation and maintenance of facilities	1	.....	.....
26.0	Supplies and materials	2	.....	.....
41.0	Grants, subsidies, and contributions	5	.....	.....
99.0	Allocation account, direct	237	.....	.....
99.5	Below reporting threshold	2	.....	.....
99.9	Total - new obligations	9,751	42	12

HIGHWAY INFRASTRUCTURE INVESTMENT - RECOVERY ACT

EMPLOYMENT SUMMARY

Identification code: 69-8083-0-7-401		FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
	Direct:			
10.01	Civilian full-time equivalent employment	52	60	31
	Reimbursable:			
20.01	Civilian full-time equivalent employment	11	.....	.....

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
EMERGENCY RELIEF

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 FY 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. P.L. 110-329 appropriated an additional $850 million in FY 2008 for Emergency Relief program requests.

BUDGETARY RESOURCES

No new budget authority is requested for FY 2012.

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
EMERGENCY RELIEF

PROGRAM AND FINANCING SCHEDULE
In millions of dollars

Identification code: 69-0500-0		FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
New obligations:				
Obligations by program by activity:				
00.01	Direct program activity	529	444	……
09.00	Total new obligations (object class 41.0)	529	444	……
Budgetary resources:				
Unobligated balance:				
10.00	Unobligated balance brought forward, Oct 1	802	444	……
10.21	Recoveries of prior year unpaid obligations	171	……	……
10.50	Unobligated balance (total)	973	444	……
Budget authority:				
Appropriations, discretionary:				
11.60	Appropriation, discretionary (total)	……	……	……
19.30	Total budgetary resources available	973	444	……
Memorandum (non-add) entries:				
19.41	Unexpired unobligated balance, end of year	444	……	……
Change in obligated balances				
Obligated balance, start of year (net):				
30.00	Unpaid obligations, brought forward, Oct 1 (gross)	1,019	787	597
30.20	Obligated balance, start of year (net)	1,019	787	597
30.30	Obligations incurred, unexpired accounts	529	444	……
30.40	Outlays (gross)	-590	-634	-415
30.80	Recoveries of prior year unpaid obligations, unexpired	-171	……	……
Obligated balance, end of year (net):				
30.90	Unpaid obligations, end of year (gross)	787	597	182
31.00	Obligated balance, end of year (net):	787	597	182
Budget authority and outlays, net:				
Discretionary:				
Outlays, gross:				
40.11	Outlays from discretionary balances	590	634	415
40.80	Outlays, net (discretionary)	590	634	415
Mandatory:				
41.70	Outlays, net (mandatory)			
41.80	Budget authority, net (total)	……	……	……
41.90	Outlays, net (total)	590	634	415

EMERGENCY RELIEF

OBJECT CLASSIFICATION
In millions of dollars

Identification code: 69-0500-0		FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Direct Obligations:				
14.10	Direct obligations: Emergency Relief Backlog	529	444	……

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM

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. No new budget authority was appropriated in FY 2010.

BUDGETARY RESOURCES

No new budget authority is requested for FY 2012.

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	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
New obligations:			
Obligations by program by activity:			
00.01 Appalachian Development Highway System	18	58	.....
09.00 Total new obligations (object class 41.0)	18	58	.....
Budgetary resources:			
Unobligated balance:			
10.00 Unobligated balance available, start of year	72	58	.....
10.21 Resources available from recoveries of prior year obligations	4	.....	.....
10.50 Unobligated balance (total)	76	58	.....
Budget authority:			
11.60 Appropriation, discretionary (total)	.....	.....	.....
19.30 Total budgetary resources available	76	58	.....
Memorandum (non-add) entries:			
19.41 Unexpired unobligated balance, end of year	58	.....	.....
Change in obligated balances			
Obligated balance, start of year (net):			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	75	62	76
30.20 Obligated balance, start of year (net)	75	62	76
30.30 Obligations incurred, unexpired accounts	18	58	.....
30.40 Outlays (gross)	-27	-44	-38
30.80 Recoveries of prior year obligations, unexpired	-4	.....	.....
30.90 Obligated balance, end of year (net):			
Unpaid obligations, end of year (gross)	62	76	38
31.00 Obligated balance, end of year (net):	62	76	38
Budget authority and outlays, net:			
Discretionary:			
40.11 Outlays, gross			
Outlays from discretionary balances	27	44	38
40.80 Outlays, net (discretionary)	27	44	38
41.80 Budget authority, net (total)	.....	.....	.....
41.90 Outlays, net (total)	27	44	38

APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM

OBJECT CLASSIFICATION
In millions of dollars

Identification code: 69-0640-0-1-401	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Direct Obligations:			
14.10 Direct obligations: Grants, subsidies, and contributions	18	58	.....

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	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
New obligations:			
Obligations by program by activity:			
00.01 Obligations	3	1	……
09.00 Total new obligations (object class 41.0)	3	1	……
Budgetary resources:			
Unobligated balance:			
10.00 Unobligated balance brought forward, Oct 1	2	1	……
10.50 Unobligated balance (total)	2	1	……
Budget authority:			
Spending authority from offsetting collections, discretionary:			
17.00 Collected	2	……	……
17.50 Spending auth from offsetting collections, disc (total)	2	……	……
19.30 Total budgetary resources available	4	1	……
Memorandum (non-add) entries:			
19.41 Unexpired unobligated balance, end of year	1	……	……
Change in obligated balances			
Obligated balance, start of year (net):			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	4	6	5
30.20 Obligated balance, start of year (net)	4	6	5
30.30 Obligations incurred, unexpired accounts	3	1	……
30.40 Outlays (gross)	-1	-2	-1
30.90 Obligated balance, end of year (net):			
Unpaid obligations, end of year (gross)	6	5	4
31.00 Obligated balance, end of year (net):	6	5	4
Budget authority and outlays, net:			
Discretionary:			
40.00 Budget authority, gross	2	……	……
Outlays, gross			
40.10 Outlays from new discretionary authority	1	……	……
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
40.11 Outlays from discretionary balances	……	2	1
40.20 Outlays, gross (total)	1	2	1
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
40.30 Federal Sources	-2	……	……
40.70 Budget authority, net (discretionary)	……	……	……
40.80 Outlays, net (discretionary)	-1	2	1
Mandatory:			
41.70 Outlays, net (mandatory)	……	……	……
41.80 Budget authority, net (total)	……	……	……
41.90 Outlays, net (total)	-1	2	1

APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM

OBJECT CLASSIFICATION
In millions of dollars

Identification code: 69-8072-0-1-401	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Direct Obligations:			
14.10 Direct obligations: Grants, subsidies, and contributions	……	1	……
Reimbursable obligations:			
24.10 Grants, subsidies, and contributions	3	……	……
29.90 Subtotal, obligations, Reimbursable obligations	3	……	……
99.99 Total new obligations	3	1	……

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DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
MISCELLANEOUS APPROPRIATIONS

BACKGROUND

This account contains miscellaneous appropriations from the General Fund. In FY 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. In FY 2010 $292.8 million was appropriated for surface transportation priorities identified by Congress. Obligations and outlays result in part from prior year appropriations.

BUDGETARY RESOURCES

In FY 2012, $100 million is requested for the Intelligent Transportation Systems (ITS) Wireless Innovation Initiative. Project and activity summaries are contained in the Research and Innovative Technology Administration (RITA) FY 2012 budget submission.

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
MISCELLANEOUS APPROPRIATIONS

PROGRAM AND FINANCING SCHEDULE
In millions of dollars

Identification code: 69-9911-01-401		FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
New obligations:				
	Obligations by program by activity:			
00.02	Surface Transportation Priorities	81	371	78
00.03	Miscellaneous highway projects	9	22	22
00.83	Interest on TIFIA Upward Reestimate	55	19	.....
09.00	Total new obligation (object class 41.0)	145	412	100
Budgetary resources:				
	Unobligated balance:			
10.00	Unobligated balance brought forward, Oct 1	228	437	337
10.10	Unobligated balance transferred to other accounts [69-9911]	-4	.....	.....
10.11	Unobligated balance transferred from other accounts [69-9911]	4	.....	.....
10.21	Recoveries of prior year unpaid obligations	7	.....	.....
10.50	Unobligated balance (total)	235	437	337
Budget authority:				
	Appropriations, discretionary:			
11.00	Appropriation	293	293	.....
11.20	01 Appropriations transferred to other accounts [69-1129]	-1	.....	.....
11.20	02 Appropriations transferred to other accounts [69-9911]	-4	.....	.....
11.21	Appropriations transferred from other accounts [69-9911]	4	.....	.....
11.60	Appropriation (total discretionary)	292	293	.....
	Appropriations, mandatory:			
12.00	Appropriation	55	19	.....
12.60	Appropriations, mandatory (total)	55	19	.....
19.00	Budget authority (total)	347	312	.....
19.30	Total budgetary resources available	582	749	337
	Memorandum (non-add) entries:			
19.41	Unexpired unobligated balance, end of year	437	337	237
Change in obligated balance:				
	Obligated balance, start of year (net):			
30.00	Unpaid obligations, brought forward, Oct 1 (gross)	123	142	362
30.20	Unobligated balance start of year (net)	123	142	362
30.30	Obligations incurred, unexpired accounts	145	412	100
30.40	Outlays (gross)	-119	-192	-219
30.80	Recoveries of prior year obligations, unexpired	-7	.....	.....
	Obligated balance, end of year (net):			
30.90	Unpaid obligations, end of year (gross)	142	362	243
31.00	Obligated balance, end of year (net)	142	362	243
Budget authority and outlays, net:				
	Discretionary:			
40.00	Budget authority, gross	292	293	.....
	Outlays, gross:			
40.10	Outlays from new discretionary authority	5	79	.....
40.11	Outlays from discretionary balances	59	94	219
40.20	Outlays, gross (total)	64	173	219
40.70	Budget authority, net (discretionary)	292	293	.....
40.80	Outlays, net (discretionary)	64	173	219
	Mandatory:			
40.90	Budget authority, gross	55	19	.....
	Outlays, gross:			
41.00	Outlays from new mandatory authority	55	19	.....
41.60	Budget authority, net (mandatory)	55	19	.....
41.70	Outlays, net (mandatory)	55	19	.....
41.80	Budget authority, net (total)	347	312	.....
41.90	Outlays, net (total)	119	192	219

MISCELLANEOUS APPROPRIATIONS
OBJECT CLASSIFICATION
In millions of dollars

Identification code: 69-9911-01-401		FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Direct obligations:				
14.01	Direct obligations: grants, subsidies, and contributions	145	412	100

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
MISCELLANEOUS HIGHWAY TRUST FUNDS

BACKGROUND

This account contains miscellaneous appropriations from the Highway Trust Fund. Obligations and outlays result from prior year appropriations. In FY 2010 no new budget authority was appropriated and there was a rescission of $6.8M.

BUDGETARY RESOURCES

No new budget authority is requested for FY 2012.

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		FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
New obligations:				
Obligations by program by activity:				
00.27	Miscellaneous highway projects	16	32	28
09.00	Total new obligations (object class 41.0)	16	32	28
Budgetary resources:				
Unobligated balance:				
10.00	Unobligated balance available, start of year	124	106	74
10.20	Adjustments to unobligated balance brought forward	2	……	……
10.21	Resources available from recoveries of prior year obligations	3	……	……
10.50	Unobligated balance (total)	129	106	74
Budget authority:				
Appropriations, discretionary:				
11.31	Unobligated balance permanetly reduced	-7	……	……
11.60	Appropriations, discretionary (total)	-7	……	……
19.30	Total budgetary resources available	122	106	74
Memorandum (non-add) entries:				
19.41	Unexpired unobligated balance, end of year	106	74	46
Change in obligated balances				
Obligated balance, start of year				
30.00	Unpaid obligations, brought forward, Oct 1 (gross)	101	73	63
30.20	Obligated balance, start of year (net)	101	73	63
30.30	Obligations incurred, unexpired accounts	16	32	28
30.40	Outlays (gross)	-41	-42	-38
30.80	Recoveries of prior year obligations, unexpired	-3	……	……
30.90	Obligated balance, end of year (net):			
	Unpaid obligations, end of year (gross)	73	63	53
31.00	Obligated balance, end of year (net):	73	63	53
Budget authority and outlays net:				
Discretionary:				
40.00	Budget authority, gross	-7	……	……
40.11	Outlays, gross			
	Outlays from discretionary balances	41	42	38

MISCELLANEOUS HIGHWAY TRUST FUNDS

OBJECT CLASSIFICATION
In millions of dollars

Identification code: 69-9972-0-7-401		FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Direct Obligations:				
14.01	Direct obligations, discretionary	16	32	28

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
MISCELLANEOUS TRUST FUNDS

BACKGROUND

Funds received by this account come completely from entities (governmental and non-governmental) outside of FHWA. 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 $40 million of new authority will be available from non-Federal sources in FY 2012.

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
MISCELLANEOUS TRUST FUNDS

PROGRAM AND FINANCING SCHEDULE
In millions of dollars

Identification code: 69-9971-0-7-999		FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
New obligations:				
	Obligations by program by activity:			
00.01	Cooperative work, forest highways	3	4	4
00.03	Contributions for highway research programs	1	1	1
00.04	Advances from State cooperating agencies	40	54	54
00.05	Advances from foreign governments	1	1	1
10.00	Total new obligations	45	60	60
Budgetary resources:				
	Unobligated balance:			
10.00	Unobligated balance brought forward, Oct 1	42	43	23
10.21	Recoveries of prior year unpaid obligations	6	……	……
10.50	Unobligated balance (total)	48	43	23
Budget authority:				
	Appropriations, mandatory:			
12.02	Appropriation (trust fund)	40	40	40
12.60	Appropriations, mandatory (total)	40	40	40
19.00	Budget authority (total)	40	40	40
1930	Total budgetary resources available	88	83	63
	Memorandum (non-add) entries:			
19.41	Unexpired unobligated balance, end of year	43	23	3
Change in obligated balance:				
	Obligated balance, start of year (net):			
30.00	Unpaid obligations, brought forward, Oct 1 (gross)	73	38	31
30.20	Obligated balance, start of year (net):	73	38	31
30.30	Obligations incurred, unexpired accounts	45	60	60
30.40	Outlays (gross)	-74	-67	-70
30.80	Recoveries of prior year unpaid obligations, unexpired	-6	……	……
	Obligated balance, end of year (net):			
30.90	Unpaid obligations, end of year (gross)	38	31	21
31.00	Obligated balance, end of year (net):	38	31	21
Budget authority and outlays, net:				
	Mandatory:			
40.90	Budget authority, gross	40	40	40
	Outlays (gross)			
41.00	Outlays form new mandatory authority	32	32	32
41.01	Outlays from mandatory balances	42	35	38
41.10	Outlays, gross (total)	74	67	70
41.60	Budget authority, net (mandatory)	40	40	40
41.70	Outlays, net (mandatory	74	67	70
41.80	Budget authority, net (total)	40	40	40
41.90	Outlays, net (total)	74	67	70

MISCELLANEOUS TRUST FUNDS
OBJECT CLASSIFICATION

In millions of dollars

Identification code: 69-9971-0-7-999		FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Direct obligations:				
	Personnel compensation:			
11.11	Personnel Compensation: Full-time permanent	1	1	1
12.52	Other services from non-federal sources	44	59	59
99.99	Total new obligations	45	60	60

MISCELLANEOUS TRUST FUNDS
EMPLOYMENT SUMMARY

Identification code: 69-9971-0-7-999		FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
10.01	Direct civilian full-time equivalent employment	10	10	10

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

BACKGROUND

Federal-aid Highways

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 has provided 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 2010, TIFIA closed a record five loans for projects totaling almost $7.5 billion in infrastructure investment. The DOT executed a $341 million loan for the Port of Miami Tunnel Project in October, facilitating construction of a dedicated access tunnel between the City of Miami, Florida and the Port. In December, a $650 million TIFIA loan closed for the North Tarrant Express Project, a managed lanes facility in the Dallas-Fort Worth region. The Transbay Transit Center Project, a multimodal transportation facility, received a $171 million TIFIA loan in January. In June, TIFIA closed the second largest loan in the program's history, an $850 million loan for the IH 635 Project, a second managed lanes facility in the Dallas-Fort Worth area. Finally, a $145.6 million TIFIA loan closed in July to finance the Denver Union Station Project, a multimodal transit hub in Denver, Colorado. In all, TIFIA provided almost $2.2 billion in credit assistance in FY 2010.

FY 2010 also marked TIFIA's return to a fixed-date solicitation process for projects interested in applying for TIFIA credit support. In response to a Notice of Funding Availability issued in December, TIFIA received 39 Letters of Interest seeking over $12.5 billion in credit assistance. The requests totaled approximately 12 times more assistance than TIFIA's available budgetary resources could support. The Department invited four of the projects to apply for a TIFIA loan.

In FY 2012, TIFIA will provide additional credit support and help meet the demand for flexible financing for major infrastructure projects. DOT will leverage FY 2012 TIFIA program resources to provide almost $4.5 billion in credit assistance and stimulate more than $12 billion in infrastructure investment.

National Infrastructure Investment

The Office of the Secretary of Transportation (OST) received a FY 2010 appropriation of $600 million into its National Infrastructure Investment (NII) general fund appropriation account (69-0143). The NII appropriation authorized the Department of Transportation to pay subsidy and administrative costs, not to exceed $150 million, of projects eligible for Federal credit assistance under Chapter 6 of Title 23 United States Code. The Office of the Secretary of Transportation (OST) has delegated the authority to negotiate and administer TIFIA loans under this program to the Federal Highway Administration (FHWA).

American Recovery and Reinvestment Act of 2009

The Office of the Secretary of Transportation (OST) received an FY 2009 appropriation of $1.5 billion into its Supplemental Discretionary Grants for a National Surface Transportation System as part of the American Recovery and Reinvestment Act of 2009 (ARRA). The ARRA appropriation authorized the Department of Transportation to pay subsidy and administrative costs not to exceed $200 million, of projects eligible for Federal credit assistance under chapter 6 of title 23, United States Code. The Office of the Secretary of Transportation (OST) has delegated the authority to negotiate and administer TIFIA loans under this program to the Federal Highway Administration (FHWA).

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	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Program by Activities:			
07.10 Loan obligations	2,158	1,314	4,259
07.13 Interest paid to Treasury	111	145	221
07.42 Downward reestimate	5	15	……
07.43 Interest on downward reestimate	……	1	……
09.00 Total new obligations	2,274	1,475	4,480
Budgetary resources available for obligation:			
10.00 Unobligated balance brought forward	11	44	54
10.21 Recoveries of prior year unpaid obligations	17	……	……
10.50 Unobligated balance (total)	28	44	54
Financing authority:			
Borrowing authority, mandatory:			
14.00 Borrowing authority	2,024	1,356	4,303
14.40 Borrowing authority, mandatory (total)	2,024	1,356	4,303
Spending authority from offsetting collections, mandatory:			
18.00 Collected	273	227	259
18.01 Change in uncollected payments, Federal sources	111	-64	184
18.25 Spending Authority from offsetting collections applied to repay debt	-118	-34	……
18.50 Spending authority from offsetting collections, mandatory (total)	266	129	443
19.00 Financing authority (total)	2,290	1,485	4,746
19.30 Total budgetary resources available	2,318	1,529	4,800
Memorandum (non-add) entries:			
19.41 Unexpired unobligated balance, end of year	44	54	320
Change in obligated balances			
Obligated balance, start of year (net):			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	2,416	3,992	3,646
30.10 Uncollected payments, Federal Sources broiught forward, Oct 1	-214	-325	-261
30.20 Obligated balance, start of year (net)	2,202	3,667	3,385
30.30 Obligations incurred, unexpired accounts	2,274	1,475	4,480
30.40 Financing disbursements (gross)	-681	-1,821	-2,057
30.50 Change in unclollected payments, Federal sources, unexpired	-111	64	-184
30.80 Recoveries of prior year unpaid obligations, unexpired	-17	……	……
Obligated balance, end of year (net):			
30.90 Unpaid obligations, end of year (gross)	3,992	3,646	6,069
30.91 Uncollected payments, Federal sources, end of year	-325	-261	-445
31.00 Obligated balance, end of year (net)	3,667	3,385	5,624
Financing authority and disbursements, net:			
Mandatory:			
40.90 Financing authority, gross	2,290	1,485	4,746
41.10 Financing disbursements, gross	681	1,821	2,057
Offsets against gross financing authority and Financing disbursements:			
Offsetting collections (collected) from:			
41.20.01 Federal sources: Subsidy from program account	-54	-119	-177
41.20.02 Federal sources: Payment from program account -- upward restimate	-97	-33	…….
41.20.03 Federal sources: Interest on upward reestimate	-55	-19	…….
41.20-10 Federal sources (total)	-206	-171	-177
41.22.01 Interest on uninvested funds	-15	-25	-44
41.22-10 Interest on uninvested funds (total)	-15	-25	-44
41.23.01 Non-Federal Sources-up front fees	-34	……	…….
41.23.02 Non-Federal Sources-Interest only payments	-18	-31	-38
41.23-10 Non-Federal soiurces (total)	-52	-31	-38
41.30 Offsets against gross financing authority and disbursements (total)	-273	-227	-259
Additional offsets against financing authority only (total):			
41.40 Change in uncollected payments, Federal Sources, unexpired	-111	64	-184
41.50 Additional offsets against budget auhtority only (total)	-111	64	-184
41.60 Financing authority, net (mandatory)	1,906	1,322	4,303
41.70 Financing disbursements, net (mandatory)	408	1,594	1,798
41.80 Financing authority, net (total)	1,906	1,322	4,303
41.90 Financing disbursements, net (total)	408	1,594	1,798

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

STATUS OF DIRECT LOANS
In millions of dollars

Identification code: 69-4123-0-3-401	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Portions with respect to appropriations act limitation on obligations:			
11.31 Direct loan obligations exempt from limitation	2,158	1,314	4,259
11.50 Total direct loan obligations	2,158	1,314	4,259
Cumulative balance of direct loans outstanding:			
12.10 Outstanding, start of year	1,880	2,528	4,490
12.31 Disbursement: Direct loan disbursements	565	1,821	2,057
12.51 Repayments: Repayments and Prepayments	……	-4	……
12.61 Adjustments: Capitalized interest	83	145	221
12.90 Outstanding, end of year	2,528	4,490	6,768
62.00 Net financing disbursements	408	1,594	1,798

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	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Budgetary Resources:			
Unobligated balance:			
10.00 Unobligated balance carried forward, Oct 1	.....	……	4
10.50 Unobligated balance (total)	.....	……	4
Financing authority:			
Spending authority from offsetting collections, mandatory:			
18.00 Collected	……	4	8
18.50 Spending autority from offsetting collections, mandatory (total)	……	4	8
19.30 Total budgetary resources available	……	4	12
Memorandum (non-add) entries:			
19.41 Unexpired unobligated balance, end of year	……	4	12
Financing authority and disbursements, net:			
Mandatory:			
40.90 Financing authority, gross	……	4	8
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
41.20 Federal Sources	……	-4	-8
41.20-10 Federal sources (total)	……	-4	-8
41.60 Financing authority, net (mandatory)	……	……	……
41.70 Financing disbursements, net (mandatory)	……	-4	-8
41.80 Financing authority, net (total)	……	……	……
41.90 Financing disbursements, net (total)	……	-4	-8

STATUS OF GUARANTEED LOANS
In millions of dollars

Identification code: 69-4145-0-3-401	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Position with respect to appropriations act limitation on commitments:			
21.31 Guarnteed loan commitments exempt from limitation	……	200	200
21.50 Total guaranteed loan commitments	……	200	200
21.99 Guaranteed amount of guaranteed loan commitments	……	200	200
Cummulative balance of guarantee loans outstanding			
22.10 Outstanding, start of year	……	……	40
22.31 Disbursements of new guaranteed 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	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Program by Activities:			
Obligations by program activity			
07.10 Direct loan obligations	.....	200	200
07.13 Interest Paid to Treasury	.....	1	1
09.00 Total new obligations	.....	201	201
Budgetary resources:			
Financing authority:			
Borrowing authority, mandatory:			
14.00 Borrowing authority	.....	181	181
14.40 Borrowing authority, mandatory (total)	.....	181	181
Spending authority from offsetting collections, mandatory:			
18.00 Collected	.....	4	4
18.01 Change in uncollected payments, Federal sources	.....	16	16
18.50 Spending authority from offsetting collections, mandatory (total)	.....	20	20
19.00 Financing authority (total)	.....	201	201
19.30 Total budgetary resources available	.....	201	201
Change in obligated balance:			
Obligated balance, start of year (net):			
30.00 Unpaid obligations, broiught forward, Oct 1 (gross)	.....	.....	159
30.10 Uncollected payments, Federal soiurces, brought forward, Oct 1			-16
30.20 Obligated balance, start of year (net)	.....	.....	143
30.30 Obligations incurred, unexpired accounts	.....	201	201
30.40 Financing disbursements (gross)	.....	-42	-42
30.50 Change in uncollected payments, Federal sources, unexpired	.....	-16	-16
30.90 Unpaid obligations, end of year (gross)	.....	159	318
30.91 Uncollected payments, Federal sources, end of year		-16	-32
31.00 Obligated balance, end of year (net)	.....	143	286
Financing authority and disbursements, net:			
Mandatory:			
40.90 Financing authority, gross	.....	201	201
Financing disbursements:			
41.10 Financing disbursements, gross	.....	42	42
Offsets against gross financing auhority and disbursements:			
Offsetting collections (collected) from:			
41.20 Federal sources	.....	-4	-4
41.20-10 Federal sources (total)	.....	-4	-4
41.30 Offsets against gross financing authority and disbursements (total)	.....	-5	-5
Additional offsets against financing authority only (total)			
41.40 Change in uncollected payments, Federal sources, unexpired	.....	-16	-16
41.60 Financing authority, net (mandatory)	.....	181	181
41.70 Financing disbursements, net (mandatory)	.....	38	38
41.80 Financing authority, net (total)	.....	181	181
41.90 Financing disbursements, net (mandatory)	.....	38	38

STATUS OF LINE-OF-CREDIT
In millions of dollars

Identification code: 69-4173-0-3-401	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
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	.....	.....	40
12.31 Disbursements: Direct loan disbursements	.....	40	40
12.90 Outstanding, end of year	.....	40	80
62.00 Net financing disbursements	.....	38	38

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: 69-4347-0-3-401	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Program by Activities:			
07.10 Loan obligations	.....	610	.....
07.13 Payment of Interest to Treasury	.....	6	12
09.00 Total new obligations	.....	616	12
Budgetary resources:			
Financing authority:			
Borrowing authority, mandatory:			
14.00 Borrowing authority	.....	589	12
14.40 Borrowing authority, mandatory (total)	.....	589	12
Spending authority from offsetting collections, mandatory:			
18.00 Collected	.....	5	5
18.01 Change in uncollected payments, Federal sources	.....	22	-5
18.50 Spending authority from offsetting collections, mandatory (total)	.....	27	.....
19.00 Financing authority (total)	.....	616	12
19.30 Total budgetary resources available	.....	616	12
Memorandum (non-add) entries:			
19.41 Unexpired unobligated balance, end of year	.....	.....	.....
Change in obligated balances			
Obligated balance, start of year (net):			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	.....	.....	488
30.10 Uncollected payments, Federal Sources broiught forward, Oct 1	.....	.....	-22
30.20 Obligated balance, start of year (net)	.....	.....	466
30.30 Obligations incurred, unexpired accounts	.....	616	12
30.40 Financing disbursements (gross)	.....	-128	-134
30.50 Change in unclollected payments, Federal sources, unexpired	.....	-22	5
Obligated balance, end of year (net):			
30.90 Unpaid obligations, end of year (gross)	.....	488	366
30.91 Uncollected payments, Federal sources, end of year	.....	-22	-17
31.00 Obligated balance, end of year (net)	.....	466	349
Financing authority and disbursements, net:			
Mandatory:			
40.90 Financing authority, gross	.....	616	12
41.10 Financing disbursements, gross	.....	128	134
Offsets against gross financing authority and Financing disbursements:			
Offsetting collections (collected) from:			
41.20 Federal sources	.....	-5	-5
Additional offsets against financing authority only (total):			
41.40 Change in uncollected payments, Federal Sources, unexpired	.....	-22	5
41.60 Financing authority, net (mandatory)	.....	589	12
41.70 Financing disbursements, net (mandatory)	.....	123	129
41.80 Financing authority, net (total)	.....	589	12
41.90 Financing disbursements, net (total)	.....	123	129

STATUS OF DIRECT LOANS
In millions of dollars

Identification code: 69-4347-0-3-401	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Portions with respect to appropriations act limitation on obligations:			
11.31 Direct loan obligations exempt from limitation	.....	610	.....
11.50 Total direct loan obligations	.....	610	.....
Cumulative balance of direct loans outstanding:			
12.10 Outstanding, start of year	.....	.....	128
12.31 Disbursement: Direct loan disbursements	.....	122	122
12.61 Adjustments: Capitalized interest	.....	6	12
12.90 Outstanding, end of year	.....	128	262
62.00 Net financing disbursements	.....	123	129

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: 69-4348-0-3-401	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Program by Activities:			
07.10 Loan obligations	.....	.....	592
07.13 Payment of Interest to Treasury	.....	.....	4
09.00 Total new obligations	.....	.....	596
Budgetary resources:			
Financing authority:			
Borrowing authority, mandatory:			
14.00 Borrowing authority	.....	.....	577
14.40 Borrowing authority, mandatory (total)	.....	.....	577
Spending authority from offsetting collections, mandatory:			
18.00 Collected	.....	.....	4
18.01 Change in uncollected payments, Federal sources	.....	.....	15
18.50 Spending authority from offsetting collections, mandatory (total)	.....	.....	19
19.00 Financing authority (total)	.....	.....	596
19.30 Total budgetary resources available	.....	.....	596
Memorandum (non-add) entries:			
19.41 Unexpired unobligated balance, end of year	.....	.....	.....
Change in obligated balances			
Obligated balance, start of year (net):			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	.....	.....	.....
30.10 Uncollected payments, Federal Sources broiught forward, Oct 1	.....	.....	.....
30.20 Obligated balance, start of year (net)	.....	.....	.....
30.30 Obligations incurred, unexpired accounts	.....	.....	596
30.40 Financing disbursements (gross)	.....	.....	-122
30.50 Change in unclollected payments, Federal sources, unexpired	.....	.....	-15
Obligated balance, end of year (net):			
30.90 Unpaid obligations, end of year (gross)	.....	.....	474
30.91 Uncollected payments, Federal sources, end of year	.....	.....	-15
31.00 Obligated balance, end of year (net)	.....	.....	459
Financing authority and disbursements, net:			
Mandatory:			
40.90 Financing authority, gross	.....	.....	596
41.10 Financing disbursements, gross	.....	.....	122
Offsets against gross financing authority and Financing disbursements:			
Offsetting collections (collected) from:			
41.20 Federal sources	.....	.....	-4
41.20-10 Federal sources (total)			-4
Additional offsets against financing authority only (total):			
41.40 Change in uncollected payments, Federal Sources, unexpired	.....	.....	-15
41.60 Financing authority, net (mandatory)	.....	.....	577
41.70 Financing disbursements, net (mandatory)	.....	.....	118
41.80 Financing authority, net (total)	.....	.....	577
41.90 Financing disbursements, net (total)	.....	.....	118

STATUS OF DIRECT LOANS
In millions of dollars

Identification code: 69-4348-0-3-401	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Portions with respect to appropriations act limitation on obligations:			
11.31 Direct loan obligations exempt from limitation	.....	.....	592
11.50 Total direct loan obligations	.....	.....	592
Cumulative balance of direct loans outstanding:			
12.10 Outstanding, start of year	.....	.....	.....
12.31 Disbursement: Direct loan disbursements	.....	.....	118
12.61 Adjustments: Capitalized interest	.....	.....	4
12.90 Outstanding, end of year	.....	.....	122
62.00 Net financing disbursements	.....	.....	118

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION
TIFIA GENERAL FUND PROGRAM ACCOUNT

PROGRAM AND FINANCING SCHEDULE
In millions of dollars

Identification code: 69-0542-0	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Obligations by program activity:			
Credit program obligations:			
07.01 Direct loan subsidy	.....	.....	19
07.09 Administrative expenses	.....	.....	1
09.00 Total new obligations	.....	.....	20
Budgetary resources:			
Budget authority:			
Spending authority from offsetting collections, discretionary:			
17.00 Collected	.....	.....	20
17.50 Spending authority from offsetting collections, discretionary (total)	.....	.....	20
19.30 Total budgetary resources available	.....	.....	20
Change in obligated balances:			
30.30 Obligations incurred, unexpired accounts	.....	.....	20
30.40 Outlays (gross)	.....	.....	-4
Budget authority and outlays, net:			
Discretionary:			
40.00 Budget authority, gross	.....	.....	20
Outlays gross:			
40.10 Outlays from new discretionary authority	.....	.....	4
Additional offsets against gross budget authority only:			
40.52 Offsettting collections credited to expired acounts	.....	.....	-20
40.60 Additional offsets against budget authority only (total)	.....	.....	-20
40.70 Budget authority, net (discretionary)	.....	.....	.....
40.80 Outlays, net (discretionary)	.....	.....	4
41.80 Budget authority, net (total)	.....	.....	.....
41.90 Outlays, net (total)	.....	.....	4

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

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 to 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

The Orange County, California line of credit expired on December 31, 2009 and closed at the end of 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: 69-0543-0-1-401		FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
	Change in obligated balance:			
	Obligated balance, start of year (net):			
30.00	Unpaid obligations, brought forward, Oct 1 (gross)	1	.....	.....
30.20	Obligated balance, start of year (net):	1	.....	.....
30.81	Recoveries of prior year unpaid obligations, expired	-1	.....	.....
	Obligated balance, end of year (net):			
30.90	Unpaid obligations, end of year (gross)	.....	.....	.....
31.00	Obligated balance, end of year (net):	.....	.....	.....
41.80	Budget authority, net (total)	.....	.....	.....
41.90	Outlays, net (total)	.....	.....	.....

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		FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
	Budgetary resources:			
	Unobligated balance:			
10.21	Recoveries of prior year unpaid obligations	12	.....	.....
10.24	Unobligated balance of borrowing authority withdrawn	-11	.....	.....
10.50	Unobligated balance (total):	1		
	Financing authority:			
	Spending authortiy from offsetting collections, mandatory:			
18.01	Change in uncollected payments, Federal sources	-1	.....	.....
18.50	Spending authority from offsetting collections, mandatory (total)	-1	.....	.....
19.30	Total budgetary resources available	.....	.....	.....
	Change in obligated balance:			
	Obligated balance, start of year (net):			
30.00	Unpaid obligations, brought forward, Oct 1 (gross)	12	.....	.....
30.10	Uncollected payments, Federal sources, brought forward, Oct 1	-1	.....	.....
30.20	Obligated balance, start of year (net)	11	.....	.....
30.50	Change in uncollected payments, Fed sources, unexpired	1	.....	.....
30.80	Recoveries of prior year unpaid obligations, unexpired	-12	.....	.....
	Obligated balance, end of year (net):			
30.90	Unpaid obligations, end of year (gross)	.....	.....	.....
31.00	Obligated balance, end of year (net)	.....	.....	.....
	Financing authority and disbursements, net:			
	Mandatory:			
40.90	Financing authority, gross	-1	.....	.....
	Additional offsets against financing authority only (total):			
41.40	Change in uncollected payments, Fed sources, unexpired	1	.....	.....
41.50	Addditional offsets against budget authority only (total)	1	.....	.....
41.60	Financing authority, net (mandatory)	.....	.....	.....
41.80	Financing authority, net (total)	.....	.....	.....
41.90	Financing disbursements, net (total)	.....	.....	.....

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

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 2010 was $59 million. No further obligations are planned for 2011 or 2012. Repayments are returned to the Highway Trust Fund.

BUDGETARY RESOURCES

No new budgetary resources are requested in FY 2012.

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		FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
	Budgetary resources:			
	Budget authority:			
	Spending Authority from offsetting collections, mandatory:			
18.00	Collected	16	23	8
18.20	Capital transfer of spending authority form offsetting collectio to the general fund	-16	-23	-8
18.50	Spending authority from offsetting collections, mandatory (tot	……	……	……
19.30	Total budgetary resources available	……	……	……
	Change in obligated balances:			
	Obligated balance, start of year (net):			
30.00	Unpaid obligations, brought forward, Oct 1 (gross)	6	6	6
30.20	Obligated balance, start of year (net)	6	6	6
	Obligated balance, end of year (net)			
30.90	Unpaid obligations, end of year (gross)	6	6	6
31.00	Obligated balance, end of yar (net)	6	6	6
	Budget authority and outlays, net:			
	Mandatory:			
40.90	Budget authority, gross	……	……	……
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
41.20	Federal sources	-16	-23	-8
41.20-10	Federal sources (total)	-16	-23	-8
	Mandatory, Authorizing Committee			
41.20-41	Policy program	-16	-23	-8
41.20-71	Baseline program	……	-23	-8
41.60	Budget authority, net (mandatory)	-16	-23	-8
41.70	Outlays, net (mandatory)	-16	-23	-8
41.80	Budget authority, net (total)	-16	-23	-8
41.90	Outlays, net (total)	-16	-23	-8

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
STATE INFRASTRUCTURE BANKS

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.

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 2012.

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		FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
	Budgetary Resources:			
	Unobligated balance:			
10.00	Unobligated balance brought forward, Oct 1	……	1	1
10.21	Recoveries of prior year unpaid obligations	1	……	……
10.50	Unobligated balance (total)	1	1	1
19.30	Total budgetary resouces available	1	1	1
	Memorandum (non-add) entries:			
19.41	Unexpired unobligated balance, end of year	1	1	1
	Change in obligated balance:			
	Obligated balance, start of year (net):			
30.00	Unpaid obligations, brought forward, Oct 1 (gross)	3	2	2
30.20	Obligated balance, start of year (net)	3	2	2
30.80	Recoveries of prior year unpaid obligations, unexpired	-1	……	……
	Obligated balance, end of year (net):			
30.90	Unpaid obligations, end of year (gross)	2	2	2
31.00	Obligated balance, end of year (net)	2	2	2
41.80	Budget authority, net (total)	……	……	……
41.90	Outlays, net (total)	……	……	……

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. Since no obligations or outlays had occurred in this account for several years, the remaining obligated balance of authority was recovered and withdrawn in FY 2010. The account has been permanently closed.

BUDGETARY RECOURCES

No new budgetary resources are requested in FY 2012.

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	FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Budgetary resources :			
Unobligated balance:			
10.21 Recoveries of prior year unpaid obligations	1	.....	.....
10.29 Other balances withdrawn	-1	.....	.....
10.50 Unobligated balance (total)	.....	.....	.....
Budget authority:			
Appropriations, discretionary:			
11.20 Appropriations tranferred to other accounts (69-8019)	-1	.....	.....
11.21 Appropriations transferred from other accounts (69-8019)	1	.....	.....
11.60 Appropriation, discretionary (total)	.....	.....	.....
19.30 Total budgetary resources available	.....	.....	.....
Memorandum (non-add) entries:			
19.41 Unexpired unobligated balances, end of year	.....	.....	.....
Special and non-revolving trust funds:			
19.50 Other balances withdrawn	1	.....	.....
Change in obligated balance:			
Obligated balance, start of year (net):			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	1	.....	.....
30.20 Obligated balance, start of year (net)	1	.....	.....
30.80 Recoveries of prior year unpaid obligations, unexpired	-1	.....	.....
Obligated balance, end of year (net):			
30.90 Unpaid obligations, and of year (gross)	.....	.....	.....
31.00 Obligated balance, end of year (net):	.....	.....	.....

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
HIGHWAY INFRASTRUCTURE

BACKGROUND

In FY 2010, the Federal Highway Administration received a General Fund appropriation of $650 million for Highway Infrastructure. The authority for this appropriation is Division A, Title I of P.L. 111-117 (Consolidated Appropriations Act, 2010), Section 122.

BUDGETARY RESOURCES

No new budget authority is requested for FY 2012.

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
HIGHWAY INFRASTRUCTURE GRANTS

PROGRAM AND FINANCING SCHEDULE
In millions of dollars

Identification code: 69-0548-0		FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
New obligations:				
Obligations by program by activity:				
00.01	Direct program activity	231	859	209
09.00	Total new obligations (object class 41.0)	231	859	209
Budgetary resources:				
Unobligated balance:				
10.00	Unobligated balance brought forward, Oct 1	……	419	210
10.50	Unobligated balance (total)	……	419	210
Budget authority:				
Appropriations, discretionary:				
11.00	Appropriation	650	650	……
11.60	Appropriation, discretionary (total)	650	650	……
19.30	Total budgetary resources available	650	1,069	210
Memorandum (non-add) entries:				
19.41	Unexpired unobligated balance, end of year	419	210	1
Change in obligated balances				
Obligated balance, start of year (net):				
30.00	Unpaid obligations, brought forward, Oct 1 (gross)	……	143	853
30.20	Obligated balance, start of year (net)	……	143	853
30.30	Obligations incurred, unexpired accounts	231	859	209
30.40	Outlays (gross)	-88	-149	-415
Obligated balance, end of year (net):				
30.90	Unpaid obligations, end of year (gross)	143	853	647
31.00	Obligated balance, end of year (net):	143	853	647
Budget authority and outlays, net:				
Discretionary:				
40.00	Budget authority, gross	650	650	……
Outlays, gross (total):				
40.10	Outlays from new discretionary authority	88	59	……
40.11	Outlays from discretionary balances	……	90	415
40.20	Outlays, gross (total)	88	149	415
40.70	Budget authority, net (discretionary)	650	650	……
40.80	Outlays, bet (discretionary)	88	149	415
41.80	Budget authority, net (total)	650	650	……
41.90	Outlays, net (total)	88	149	415

HIGHWAY INFRASTRUCTURE GRANTS

OBJECT CLASSIFICATION
In millions of dollars

Identification code: 69-0548-0		FY 2010 ACTUAL	FY 2011 CR ANNUALIZED	FY 2012 REQUEST
Direct Obligations:				
14.10	Direct obligations: Grants, subsidies, and contributions	231	859	209

EXHIBIT IV-1

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

FEDERAL HIGHWAY ADMINISTRATION	FY 2010 ACTUAL	FY 2012 REQUEST	FY 2012 APPLIED	FY 2012 DEVELOP.
Research, Technology & Education Program				
(A) Surface Transportation Research, Development, and Deployment Program	**183,634**			
A. Highway Research and Development 1/	**183,634**	**200,000**	**176,000**	**24,000**
Safety:	**14,609**	**25,000**	**22,000**	**3,000**
1. Safety	*7,491*			
2. Safety (T)	*7,118*			
Infrastructure:	**71,266**	**75,000**	**66,000**	**9,000**
3. Pavements	*33,069*			
4. Pavements (T)	*1,316*			
5. Structures	*26,340*			
6. Structures (T)	*1,079*			
11. Long-Term Pavement Performance	*8,834*			
12. Long-Term Pavement Performance (T)	*628*			
Planning and Environment (Planning, Environment, and Realty):	**20,921**	**35,000**	**30,800**	**4,200**
7. Planning, Environment, and Realty	*18,684*			
8. Planning, Environment, and Realty (T)	*2,237*			
Operations (Highway Operations):	**8,999**	**25,000**	**22,000**	**3,000**
9. Highway Operations	*6,405*			
10. Highway Operations (T)	*2,594*			
Policy:	**1,215**	**18,000**	**15,840**	**2,160**
13. International Outreach	*1,215*			
Next Generation Research & Technology (Corporate):	**35,418**	**22,000**	**19,360**	**2,640**
14. Exploratory Advanced Research	*12,221*			
15. Exploratory Advanced Research (T)	*869*			
18. Corporate R&T	*20,845*			
19. Corporate R&T (T)	*1,483*			
Modal Research:	**31,206**	**0**	**0**	**0**
16. OST, RITA, FMCSA, NHTSA & PHMSA	*31,206*			
17. OST, RITA, FMCSA, NHTSA & PHMSA (T)				
B. Technology and Innovation Deployment Program (T) 1/	**0**	**144,000**	**0**	**0**
(B) Future Strategic Highway Research Program-SHRP II 1/	**49,095**	**0**	**0**	**0**
1. *Future Strategic Highway Research Program-SHRP II*	*31,912*			
2. *Future Strategic Highway Research Program-SHRP II (T)*	*17,183*			
C. Surface Transportation Revenue Alternatives Office	**0**	**20,000**	**2,000**	**16,000**
Surface Transportation Revenue Alternatives Office		*18,000*		
Surface Transportation Revenue Alternatives Office (T)		*2,000*		
D. Training and Education	**24,965**	**40,000**	**0**	**0**
1. *National Highway Institute (T)*	*8,668*	*14,000*		
2. *Local Technical Assistance Program (T)*	*10,022*	*16,000*		
3. *Eisenhower Transportation Fellowship Program (T)*	*1,129*	*2,750*		
4. *Garrett Morgan Program (T)*	*1,693*	*1,250*		
5. *Transportation Education Development Pilot (T)*	*790*	*2,075*		
6. *Freight Planning Capacity Building (T)*	*1,986*	*900*		
7. *Surface Transportation Congestion Relief Assistance Program (T)*	*677*	*775*		
8. *Surface Transportation Workforce Development Centers (T)*	*0*	*2,250*		
E. Intelligent Transportation System Wireless Innovation Initiative 4/	**0**	**100,000**	**0**	**0**
Wireless Innovation Initiative (T)	*0*	*100,000*	0	0

EXHIBIT IV-1

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

	FEDERAL HIGHWAY ADMINISTRATION	FY 2010 ACTUAL	FY 2012 REQUEST	FY 2012 APPLIED	FY 2012 DEVELOP.
F.	**Intelligent Transportation Systems 4/**	**102,850**	**110,000**	**96,100**	**0**
	ITS Multi-modal Research - Applications:	***34,809***	***66,221***	***66,221***	
1.	*IntelliDrive (SM)*	*0*	*0*		
	IntelliDrive (SM) - V-V and V-I Communications for Safety	*25,428*	*43,341*	*43,341*	
	Real-Time Data Capture & Management	*1,574*	*6,000*	*6,000*	
	Dynamic Mobility Applications	*2,531*	*14,000*	*14,000*	
8.	*Road Weather Research and Development*	*2,301*	*0*		
7.	*Clarus/Road Weather Management (Earmark)*	*1,820*	*0*		
17.	*Environment/AERIS*	*1,155*	*2,880*	*2,880*	
	ITS Multi-modal Research Technology:	***12,325***	***11,175***	***11,175***	
	Human Factors for IntelliDrive (SM)	*3,544*	*4,025*	*4,025*	
	IntelliDdrive (SM) Test Environment	*4,825*	*2,750*	*2,750*	
	Harmonization of International Standards and Architecture	*131*	*700*	*700*	
	IntelliDdrive (SM) Certification	*251*	*3,500*	*3,500*	
	IntelliDrive (SM) Systems Engineering	*3,574*	*200*	*200*	
	ITS Multi-modal Research Policy:	***3,053***	***4,000***	***4,000***	
	IntelliDrive (SM) Policy	*3,053*	*4,000*	*4,000*	
19.	**Mode Specific Research:**	***2,109***	***4,500***	***4,500***	
	FHWA -Active Traffic Management	*695*	*2,000*	*2,000*	
	FTA/FHWA - Multi-Modal Integrated Payment Systems/E Payment	*0*	*2,500*	*2,500*	
18.	*Next Generation E-Payment*	*0*	*0*		
19.	*Mode Specific Research*	*0*	*0*		
	Multi-Modal Mobility	*1,414*	*0*		
	Exploratory Research:	***550***	***2,000***	***2,000***	
	Exploratory Solicitation	*550*	*2,000*	*2,000*	
	Other ITS Research:	***28,022***	*2,704*	*2,704*	
	Next Generation 911	*456*	*0*		
6.	*Mobility Services for All Americans*	*305*	*0*		
4.	*Integrated Corridor Management*	*18,812*	*1,000*	*1,000*	
	Small Business Innovative Research	*1,644*	*1,704*	*1,704*	
9.	*I-95 Corridor Coalition (T)*	*6,805*	*0*		
	Technology Transfer and Evaluation:	***14,702***	***13,900***		
10.	*ITS Architecture and Standards (T)*	*4,178*	*6,000*		
11.	*Professional Capacity Building (PCB) (T)*	*2,798*	*3,000*		
12.	*ITS Program Assessment (T)*	*3,368*	*0*		
13.	*ITS Outreach and Policy (T)*	*990*	*0*		
	Outreach / Stakeholder Development (T)	*0*	*900*		
	Evaluation (T)	*3,368*	*4,000*		
14.	**ITS Program Support:**	***7,280***	***5,500***	***5,500***	
G.	**Competitive University Transportation Center (UTC) Consortia 4/**	**73,772**	**72,000**	**0**	**0**
1.	*University Transportation Research (T)*	*73,772*	*72,000*		
H.	**Multimodal Innovative Research Program 4/**	**0**	**20,000**	**10,000**	**10,000**
	Multimodal Research and Technology	*0*	*20,000*	*10,000*	*10,000*
	Multimodal Research and Technology (T)	*0*			
I.	**UTC Multimodal Competitive Research Grants 4/**	**0**	**20,000**	**10,000**	**10,000**
	UTC Competive Research Grants	*0*	*20,000*	*10,000*	*10,000*
	UTC Competitive Research Grants(T)	*0*			
J.	**State Planning and Research (SPR) 2/**	**182,985**	**206,398**	**156,202**	**21,300**
1.	*State Planning and Research (SPR)*	*157,367*	*177,502*	*156,202*	*21,300*
2.	*State Planning and Research (SPR) (T)*	*25,618*	*28,896*		

EXHIBIT IV-1

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

FEDERAL HIGHWAY ADMINISTRATION	FY 2010 ACTUAL	FY 2012 REQUEST	FY 2012 APPLIED	FY 2012 DEVELOP.
K. Administrative Expenses	**18,740**	**18,932**	**14,327**	**1,954**
1. *Administrative Expenses*	*16,116*	*16,281*	*14,327*	*1,954*
2. *Administrative Expenses (T)*	*2,624*	*2,651*		
Subtotal, Research and Development	453,048	547,883	464,629	83,254
Subtotal, Technology Investment (T)	182,992	403,447		
Subtotal RD&T Programs	**636,040**	**951,330**	464,629	83,254
Add: Bureau of Transportation Statistics	27,000	35,000		
Less: Adjustment of BTS Obligation Authority to Contract Authority				
Less: Adjustment of Contract Authority to Obligation Authority				
Less: Administrative Expenses	-18,740	-18,932		
Less: State Planning and Research (SPR)	-182,985	-206,398		
Less: Future Strategic Highway Research Program-SHRP II	-49,095			
Less: Surface Transportation Revenue Alternatives Office		-20,000		
Less: Intelligent Transportation Systems Wireless Innovation Initiative		-100,000		
Total Title V Programs 3/	**412,220**	**641,000**		

Footnotes:

1/ All Highway Research and Development (HRD) Technology or "T" programs are now funded from the Technology and Innovation Deployment Program (TIDP). The TIDP also includes funding for the Future Strategic Highway Research Program (SHRP 2), which was shown separately in previous budget requests, and Highways for Life-type activities. SAFETEA-LU program categories are in paranthesis [(A) & (B)].

2/ 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.

3/ In the absence of authorizing legislation for the Federal-aid Highway Program in FY 2012, the amounts in the exhibit are only estimates.

4/ Details for this program are contained in the Research and Innovative Technology Administration (RITA) FY 2012 budget.

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EXHIBIT IV-2
FY 2012 RD&T BUDGET REQUEST BY DOT GOAL

Research, Technology, and Education (RT&E) Program
($000)

	Safety	Environmental Sustainability	State of Good Repair/ Infrastructure	Livable Communities	Economic Competitiveness	Organizational Excellence	Total
Safety	20,000			5,000			25,000
Infrastructure	5,000	5,000	50,000	5,000	10,000		75,000
Policy	2,000	3,000	5,500	2,000	5,500		18,000
Planning and Environment	3,000	18,000	4,000	7,000	3,000		35,000
Operations	3,500	3,500		3,000	15,000		25,000
Next Generation R&T	5,500	3,500	5,500	2,000	5,500		22,000
Highway Research and Development Subtotal	**39,000**	**33,000**	**65,000**	**24,000**	**39,000**		**200,000**
Technology and Innovation Deployment Program	26,000	16,000	55,000	16,000	31,000		144,000
Training and Education Program	11,750	5,500	15,250	5,000	2,500		40,000
FHWA RT&E Subtotal	**76,750**	**54,500**	**135,250**	**45,000**	**72,500**		**384,000**
Intelligent Transportation Systems Research (ITS)	52,673	6,622	0	7,204	24,101	19,400	110,000
Competitive University Transportation Center (UTC) Consortia	13,824	13,824	13,824	13,824	13,824	2,880	72,000
UTC Multimodal Competitive Research Grants	3,840	3,840	3,840	3,840	3,840	800	20,000
Multimodal Innovative Research Program (RITA)	3,840	3,840	3,840	3,840	3,840	800	20,000
RT&E Subtotal (R&D)	**150,927**	**82,626**	**156,754**	**73,708**	**118,105**	**23,880**	**606,000**
Non-R&D: Bureau of Transportation Statistics (BTS)	9,825	3,546	5,398	3,633	11,443	1,155	35,000
TOTAL to be Authorized	**163,222**	**88,514**	**165,008**	**79,706**	**134,865**	**25,359**	**641,000**

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FEDERAL HIGHWAY ADMINISTRATION
RESEARCH, TECHNOLOGY, AND EDUCATION (RT&E)

PROGRAM: HIGHWAY RESEARCH AND DEVELOPMENT
AMOUNT REQUESTED FOR 2012: $200,000,000

Projects

Safety

Objectives: Conduct research and development activities to support immediate and emerging safety needs, to achieve greater longer-term safety gains, and to fill knowledge gaps.

Description: To develop safety assessment and decision-making tools, data collection and analysis tools to assist state and local agencies analyze crash and essential data elements to support safety plan initiatives. To evaluate and provide information on roadway safety improvement countermeasures and crash reduction projections. To identify and evaluate innovative designs and roadway and roadside features that improve safety while reducing congestion and construction costs. Research and develop safety assessments and decision-making tools to assist State DOTs, MPOs and local/rural agencies in support of State Strategic Highway Safety Plan initiatives.

Outputs:

- Develop analysis tools and procedures to support better highway, intersection, roadside, pedestrian, and bicyclist safety design.
- Develop and evaluate countermeasures to keep vehicles on the road and to reduce the severity of crashes when motorists depart the lane or road to reduce crash frequency and severity at intersections, to reduce pedestrian and bicycle crashes, and to reduce speed-related crashes.
- Promote appropriate use of new technologies to reduce roadway departure, intersection-related, pedestrian- and bicyclist-involved, and speed-related crashes including outreach, training course development, implementation materials, and demonstrations.

RT&E Partners: NHTSA, FMCSA, the Human Factors Coordinating Council, UTCs, Academia, industry, AASHTO, TRB, NACE, State DOTs, ITS Institute.

FY 2012 Funding: $25,000,000

Infrastructure

Objective: To develop and improve state-of-the-art and state-of-practice knowledge, specifications, tools, technologies and techniques to: enhance the safety, sustainability, longevity, performance and reliability of the Nation's infrastructure (pavements, bridges and tunnels and other structures), and enable sound and effective management of the National Highway System infrastructure so as to maximize the current and future condition of the system.

Description: Conduct research and development activities to develop and improve knowledge, specifications, design methods, guidance, tools, technologies, and other products that will enable:

- Improvement in the safety-related attributes and characteristics of highway infrastructure;
- More durable highway infrastructure constructed in ways that:
    - Minimize the duration and frequency of lane closures for both initial construction and future maintenance and rehabilitation measures; and
    - Minimize life-cycle costs of the infrastructure from both economic and environmental perspectives.
- More effective management of infrastructure assets through the application of accurate performance prediction, comprehensive condition assessment and data-driven decision-making.

This includes both short and long-term research addressing pavements, bridges, tunnels and other structures, including the hydraulic and geotechnical aspects thereof and the constituent materials. Conduct research and development activities in support of innovative approaches and technologies that will significantly improve design methodologies, accelerate and improve the quality of construction, improve the impact on the environment, and result in higher levels of durability and resilience for highway pavements and structures.

Outputs:

- Enhanced safety and mobility
- Enhanced quality and durability of pavements, bridges, tunnels and other highway structures
- Improved design systems, materials selection, and performance prediction technologies to optimize infrastructure performance for new and recycled materials
- Expanded guidance on environmentally sound highway construction practices
- Advanced materials and accelerated construction technologies for new construction and in the repair and rehabilitation of existing highway infrastructure
- Improved tools, technologies and models for infrastructure management, including assessment and monitoring of infrastructure condition
- To provide a publicly available data set documenting the performance of a well-characterized set of pavement test sections and bridges, which represent the majority of the Nation's highways

RT&E Partners: FAA, AASHTO, TRB, state Transportation Agencies, the American Concrete Pavement Association, National Steel Bridge Alliance, Portland Cement Association, the National Asphalt Pavement Association, National Stone Sand and Gravel Association, National Concrete Bridge Council, other industry groups, academia, industry.

FY 2012 Funding: $75,000,000

Planning and Environment

Objectives: To carry out short and long-term livability initiatives to improve project delivery and enhance communities impacted by surface transportation projects, developing comprehensive strategies to minimize the impact of transportation investment on the environment. To provide assistance and information on best practices, tools and training to enhance surface transportation, planning, environment and realty decision-making processes.

Description: Undertake research activities to develop a better understanding of the complex relationship between surface transportation and the environment. Assist states, MPOs and Local Public Agencies in planning and delivering environmentally-sound surface transportation projects.

Outputs:

- Conduct research to develop climate change mitigation, adaptation and livability strategies;
- Develop and/or support accurate models and tools for evaluating transportation measures and developed indicators of economic, social, and environmental performance of transportation systems to facilitate alternative analysis;
- Develop and deploy research to address congestion reduction efforts;
- Develop transportation safety planning strategies for surface transportation systems and improvements;
- Improve planning, operation, and management of surface transportation systems and rights of way;
- Enhance knowledge of strategies to improve transportation in rural areas and small communities;
- Strengthen and advance State/local and tribal capabilities regarding surface transportation and the environment;
- Improve transportation decision-making and coordination across borders;
- Improve state of the practice regarding the impact of transportation on the environment
- Conduct research to promote environmental streamlining/stewardship and sustainability;
- Promote streamlining the project delivery process in the acquisition of realty for Federal-Aid projects

- Disseminate research results and advances in state of the practice through peer exchanges, workshops, conferences, etc;

RD&T Partners: State DOTs, Metropolitan Planning Organizations (MPOs), Local Public Agencies, AASHTO, the Association of Metropolitan Planning Organizations (AMPO) and the National Association of Regional Councils (NARC), TRB, academia, non-governmental organizations.

FY 2012 Funding: $35,000,000

Operations

Objectives: Develop tools that improve congestion management processes at the State and local level, improve freight movement and reduce freight-related congestion throughout the transportation network.

Description: Conduct research and development activities focusing on proactive traffic management and operations, congestion relief solutions, and freight management.

Outputs:

- Develop techniques to measure congestion when it occurs and assess the performance of the highway system.
- Develop techniques to measure the role freight movement plays in congestion, the effects of congestion on interstate commerce, and the effectiveness of strategies for reducing freight operations during congested periods without disrupting the economy.
- Develop techniques and tools to strengthen routine traffic operations and control practices
- Develop techniques and tools to proactively manage the transportation system during disruptions such as traffic incidents, work zones, adverse weather, special events, and emergency situations
- Provide useful, real-time information to travelers.
- Provide guidance materials and tools to decision-makers and senior officials that help them implement regional coordination and collaboration activities
- Explore innovative techniques to better balance transportation supply and demand through congestion pricing.

RD&T Partners: State DOTs, AASHTO, local transportation agencies, first responder community, freight community, academic community

FY 2012 Funding: $25,000,000

Policy

Objective: To provide information to policy- and decision-makers on emerging transportation issues.

Description: Conduct analysis on emerging issues in the transportation community from a policy perspective, such as climate change, public-private partnerships, highway revenues, and performance measurement. Inform the U.S. highway community of technological innovations in foreign countries; promote U.S. highway transportation expertise, goods, and services; and facilitate information and technology exchanges on topics of priority interest to FHWA. Continue the International Technology Scanning Program, which enhances the U.S. highway community's access to innovative technology and practices in other countries that could significantly improve highway and highway transportation services in the United States. Other international activities include developing mutually beneficial technology exchange and information sharing, and facilitating partnering relationships between U.S. States and foreign governments (twinning).

Outputs:

- Infrastructure investment needs report
- Background and option papers regarding a variety of policy issues
- International Scanning Program scans, reports and pilot projects.
- Acquire knowledge on new technology advances and best practices abroad
- Activities promoting US technologies, products and best practices
- Partnerships among US and foreign agencies and experts

RT&E Partners: AASHTO, TRB, International transportation groups, state divisions, foreign ministries and departments responsible for road transportation; other U.S. Federal agencies and departments; United States highway transportation community, including State and local Departments of Transportation, academic institutions, professional organizations and industry associations and their members; and international technical, financial and development agencies.

FY 2012 Funding: $18,000,000

Next Generation Research & Technology

Objectives: To provide leadership, coordination and support in the development of a national highway research agenda, and to foster and promote enhanced coordination of highway research among all stakeholders; to conduct long-term, cross-cutting and exploratory advanced research, and to support the operation of the Turner-Fairbank Highway Research Center, a federally-owned and operated research facility in McLean, Virginia.

Description: The Next Generation Research & Technology (R&T) program is responsible for leading the development and coordination of a national highway research agenda to provide

policy-makers and the research community information needed to address critical knowledge gaps, collaboration opportunities, and accelerate innovation and technology deployment to meet future highway transportation needs. The FHWA provides the unique national leadership and support required to accomplish this goal and meet the collective needs and national priorities recognized by highway research and technology stakeholders. FHWA has been working with these stakeholders to establish an on-going framework or process to identify national research needs, improve coordination among researchers and identify potential opportunities for synergy among research entities. Initial work on creating the framework for developing a national highway research agenda is underway, and resources are needed to continue this effort to achieve the goal of a national research agenda, based on a sustained, collaborative process, and reflective of our national needs and priorities. The program also provides for exploratory advanced research activities, which conduct higher-risk, longer-term research with the potential for dramatic breakthroughs in surface transportation. The program is also responsible for supporting the operation of FHWA's Turner-Fairbank Highway Research Center, a federally-owned and operated research facility that conducts the most advanced research and development related to highways.

Outputs:

- To lead efforts to achieve coordination of a highway research agenda
- To produce exploratory advanced research and development results that could lead to potentially transformational advances in the durability, efficiency, and environmental impact, productivity, and safety aspects of highway and intermodal transportation systems.
- To conduct research that supports in-house priorities, as well as assists select state DOTs, local governments, and other nationally-oriented challenges.

RD&T Partners: AASHTO, State DOT Research Managers, UTCs, TRB, Forum of European Highway Research Labs, the World Conference on Transport Research Society.

FY 2012 Funding: $22,000,000

PROGRAM: TECHNOLOGY AND INNOVATION DEPLOYMENT PROGRAM (TIDP)
AMOUNT REQUESTED FOR FY 2012: $144,000,000

Projects

Technology and Innovation Deployment Program

Objectives: To accelerate the adoption of proven innovative practices and technologies as standard practices to significantly improve safety, system efficiency, infrastructure health, reliability and performance, and livable and sustainable communities. To identify high-payoff, currently under-utilized market-ready technologies, conduct market research to understand critical needs and audience, develop and deliver implementation plans, monitor, document, and openly disseminate results. To complete the development of Strategic Highway Research Program II (SHRP 2) research, test and evaluate and document performance and deploy the high-payoff products

focusing on solving the top problems in the area of highway safety, reliability, capacity, and renewal.

Description: Accelerate the delivery and deployment of innovation and technology to shorten project planning and delivery time, accomplish the fast construction of efficient and safe highways and bridges, improve safety during and after construction, reduce recurring and non-recurring congestion, improve freight movement, and enhance the quality of the highway infrastructure. This program shall include but not be limited to innovative technologies, manufacturing practices, construction practices, equipment, processes, operating arrangements, plan reviews, decision-making tools, designs, financing, contracting methods, performance measures, preservation practices, rehabilitation practices, project delivery practices. This program shall monitor the performance of the innovations, determine effectiveness, document results, and communicate to stakeholders and the public. The program shall include an active program of technology transfer, information dissemination and outreach to stakeholders and the public. For example, FHWA will work with AASHTO, the States, the Transportation Research Board and others on the implementation of the SHRP 2 results. The purpose of SHRP 2 is to conduct concentrated, results-oriented applied research focusing on solving the top problems in the area of highway safety, reliability, capacity, and renewal.

Outputs:

- Significantly accelerate the adoption of market-ready, high payoff innovative practices and technologies as standard practice
- Improved highway performance and safety for U.S. highway users
- Increase understanding of crash-causing driver behavior
- Increase consideration and use of innovative methods for planning, financing and constructing highways and connections to intermodal facilities
- Support proven methods and technologies that reduce disruption of traffic in highway construction zones
- Provide incentive funding to construction projects that implement new proven technologies

RT&E Partners: AASHTO, State DOTs, MPOs, local jurisdictions, TRB, industry, academia.

FY 2012 Funding: $144,000,000

PROGRAM: SURFACE TRANSPORTATION REVENUE ALTERNATIVES OFFICE
AMOUNT REQUESTED FOR FY 2012: $20,000,000

Projects

Surface Transportation Revenue Alternatives Office

Objectives: To analyze a range of revenue-generation alternatives having the potential to replace the petroleum-based system currently used to fund surface transportation requirements.

Description: The Surface Transportation Revenue Alternatives Office will be housed within the FHWA Office of Innovative Program Delivery. The chief aim of the Office will be to assess the feasibility of a national Mileage Based User Fee (MBUF) and recommendations for next steps that would lead to future implementation of such a system. The proposed work, while focusing primarily on an MBUF system, will also evaluate other alternatives to the current petroleum-based excise tax regime will also be explored. It is anticipated that at the conclusion of the subject 6-year program, a preferred MBUF scheme will have been identified, tested, and introduced to the public.

The proposed office will ensure efficient management and coordination of a phased research and demonstration effort. In the first phase, a study framework defining the desired functionality of preferred alternative revenue generation systems will be developed (the focus will be on mileage-based user fees (MBUFs)). A Policy Decision Group will be established to inform and guide the overall effort. The second phase consists of a communications effort designed to increase public and stakeholder awareness and understanding regarding the relevant issues. The third phase – system design – includes development of a Concept of Operations for the preferred MBUF scheme(s); and development of high-level system architectures, interoperability standards and communication protocols, and equipment standards. The fourth phase will focus on field trials to demonstrate and test the MBUF capabilities of interest. The actual trials will start in the fourth year of the program and will run for 12 months.

Outputs:

- Within two years create a study framework that defines the functionality of mileage based user fee systems as well as other potential systems (particularly those suitable for vehicles using fuel not taxable under the Internal Revenue Code of 1986).
- Identify systems for field testing and provide objectives to assess technological, administrative, institutional, privacy, and other issues associated with identified systems.
- Establish a public awareness communications plan.
- Define the system design of alternatives of interest, including consideration of high-level system architectures; interoperability standards and communication protocols; and equipment standards.
- Conduct field trials of mileage-based user fee systems identified for testing within four years of enactment.

RT&E Partners: DOE, Treasury, EPA, other appropriate Federal and State agencies and associations; public toll authorities and others as appropriate.

FY 2012 Funding: $20,000,000

PROGRAM: TRAINING AND EDUCATION (T&E)
AMOUNT REQUESTED FOR FY 2012: $40,000,000

Projects

Training and Education (T&E)

Objectives: To train the current and future transportation workforce, transferring knowledge quickly and effectively to and among transportation professionals; to foster a safe, efficient, and environmentally sound surface transportation system by improving skills and increasing the knowledge of the transportation workforce and decision makers through training, technology transfer, and information exchange activities. To attract qualified students to the field of transportation education and research, and advance transportation workforce development to help upgrade the scope of knowledge of the entire transportation community in the United States.

Description: Provide leadership, training, educational materials and resources for the development and delivery of training, professional development and education programs to improve the quality of our highway system and its intermodal connections. Provide training, resource materials, and educational opportunities to the surface transportation community to develop both core competencies and new skills, enable technology transfer and share best practices.

Outputs:

- Provide training resources to customers, partners, and learners in every State
- Provide information, professional development, training and facilitate technology transfer to local governments and tribal agencies
- Provide scholarships, fellowships, and educational grants.
- Provide courses and workshops for professionals
- Provide grants to educational pipeline organizations for educational materials and innovative practices in the development of a well educated transportation workforce
- Advance state, local, and tribal capabilities regarding the complex relationships in surface transportation
- Establish five regional surface transportation workforce development centers to unify and leverage workforce development interests and resources throughout the highway and education communities.

RD&T Partners: State DOTs, MPOs and local governments, academia, educational institutions, professional organizations, Local and Tribal Technical Assistance Program Centers.

FY 2012 Funding: $40,000,000

PROGRAM: STATE PLANNING & RESEARCH
AMOUNT REQUESTED FOR FY 2012: $206,398,325 (non-add)

Projects - Various

Objectives: To solve transportation problems identified by the States. To encourage cooperation among states to leverage funds and conduct research of relevance to multi-state regions.

Description: States have been required to set aside 2% of the apportionments they receive from seven of the major federal aid allocation programs in SAFETEA-LU for their State Planning and Research Program. With the reconfiguration of federal-aid formula programs presented in this budget document, it would be a take-down of the new Title I programs: National Highway Program, Safety Program, and Livable Communities Program. Of the total take-down amount, at least 25% has to be used for Research purposes. Activities involve research on new areas of knowledge, adapting findings to practical applications by developing new technologies, and the transfer of these technologies. Each state must develop, establish, and implement a research program that ensures effective use of available SP&R funds for research and development activities on a statewide basis, and each state may tailor its RD&T program to meet local needs. High priority is given to applied research on state or regional problems, transfer of technologies from researchers to users, and research for setting standards and specifications. Major research and development subject areas include infrastructure renewal (including pavement, structures, and asset management), safety activities, operations and management, environmental, and policy analysis. States can contribute SP&R research funds to cooperative research programs such as the National Cooperative Highway Research Program and transportation pooled fund studies.

Outputs:

- To conduct research and development activities aimed at obtaining solutions to foresee and solve State transportation problems.
- To adapt findings to practical applications by developing and transferring new technologies
- To contribute to cooperative research programs such as the National Cooperative Highway Research Program, Transportation Research Board, and Transportation Pooled Fund projects.

RD&T Partners: State DOTs, TRB, AASHTO.

FY 2012 Funding: $206,398,325

PROGRAM: INTELLIGENT TRANSPORTATION SYSTEMS (ITS)
AMOUNT REQUESTED FOR FY 2012: $110,000,000

Project and activity summaries are contained in the Research and Innovative Technology Administration (RITA) FY 2012 budget submission.

PROGRAM: COMPETITIVE UNIVERSITY TRANSPORTATION CENTER (UTC) CONSORTIA
AMOUNT REQUESTED FOR FY 2012: $72,000,000

Project and activity summaries are contained in the Research and Innovative Technology Administration (RITA) FY 2012 budget submission.

PROGRAM: UNIVERSITY TRANSPORTATION CENTER (UTC) MULTIMODAL COMPETITIVE RESEARCH GRANTS
AMOUNT REQUESTED FOR FY 2012: $20,000,000

Project and activity summaries are contained in the Research and Innovative Technology Administration (RITA) FY 2012 budget submission.

PROGRAM: MULTI MODAL INNOVATIVE RESEARCH
AMOUNT REQUESTED FOR FY 2012: $20,000,000

Project and activity summaries are contained in the Research and Innovative Technology Administration (RITA) FY 2012 budget submission.

PROGRAM: BUREAU OF TRANSPORTATON STATISTICS (BTS)
AMOUNT REQUESTED FOR FY 2012: $35,000,000

Project and activity summaries are contained in the Research and Innovative Technology Administration (RITA) FY 2012 budget submission.

PROGRAM: INTELLIGENT TRANSPORTATION SYSTEMS: WIRELESS INNOVATION INITIATIVE
AMOUNT REQUESTED FOR FY 2012: $100,000,000

Project and activity summaries are contained in the Research and Innovative Technology Administration (RITA) FY 2012 budget submission.