FHWA FY 2014 BUDGET

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FEDERAL HIGHWAY ADMINISTRATION (FHWA)
FISCAL YEAR 2014 BUDGET

BUDGET SUMMARY OVERVIEW

On July 6, 2012, President Obama signed into law the Moving Ahead for Progress in the 21st Century Act (MAP-21). This Act represents a milestone for the United States economy and transportation network; it provides stable funding, and, more importantly, it transforms the policy and programmatic framework guiding the growth and development of the country's vital transportation system.

MAP-21 has helped create jobs, strengthened our transportation system, and grown our economy. It has provided State and local communities with a two-year horizon of funding to build the roads, bridges, tunnels, and transit our economy needs to stay competitive. That means contractors and construction companies are able to plan for big projects and make the kind of employment decisions that put Americans back on the job. The FHWA fiscal year (FY) 2014 budget requests **$41 billion** to improve the condition and performance of the Nation's highway and bridge infrastructure as authorized in MAP-21.

As we continue to implement MAP-21's critical provisions that create jobs and improve our infrastructure, the President is seeking to build upon this momentum. The FY 2014 President's Budget requests $50 billion to jump start economic investment and help to re-build America. These resources will be targeted towards projects that will create American jobs here at home, while improving our transportation infrastructure for the next generation. Funds will be for airport, highway, transit, and rail programs. The President is proposing an Immediate Transportation Investments program that would direct $40 billion toward reducing the backlog of deferred maintenance on highways, bridges, transit systems, and airports nationwide and put U.S. workers on the job, along with $10 billion for innovative transportation investments. As part of this proposal, FHWA requests $27 billion, which includes $25 billion for critical highway infrastructure and $2 billion for cross-border transportation Land Ports of Entry (LPOE).

The FY 2014 budget request reflects the program structure and performance-based investment approach laid out by MAP-21, which simplifies the structure of the transportation grant programs and provides funding flexibility to States. In addition, each program requires that performance-based goals are monitored and achieved, which will lead to more efficient investment of Federal funds by focusing on national transportation priorities, increasing the accountability and transparency of the Federal highway programs, and improving transportation investment decision-making.

The FY 2014 budget request will provide needed funding to maintain and improve the safety, condition, and performance of our national highway system, and ensure that FHWA provides effective stewardship and oversight of highway programs and funding. The following is a summary of the programs included in the FY 2014 budget request.

Safety remains our number one priority. The **Highway Safety Improvement Program ($2.4 billion)** aims to significantly reduce traffic fatalities and serious injuries on all public roads. This

program emphasizes a data-driven, strategic approach to improving highway safety that focuses on performance. The foundation of this approach is a safety data system, which will identify key safety problems, establish their relative severity, and then adopt strategic and performance-based goals to maximize safety. Each State will develop and regularly update a State Strategic Highway Safety Plan that lays out strategies to address these key safety problems.

Safety performance will be monitored via State-specific safety targets for the number of fatalities and serious injuries and the number of such events per vehicle mile of travel. Additionally, States will monitor safety performance in regards to older drivers and high risk rural roads.

The **National Highway Performance Program ($21.9 billion)** targets investment to preserve, modernize, and ultimately save lives on the expanded National Highway System (NHS). This network is composed of 220,000 miles of rural and urban roads serving major population centers, international border crossings, intermodal transportation facilities, and major transportation centers. It includes the Interstate System, all principal arterials, intermodal connectors, and other roads important to mobility, commerce, national defense, and intermodal connectivity. Through a performance-based approach, this program will maintain, or improve the condition and performance of the NHS, construct new facilities on the NHS, and ensure that investments of Federal-aid funds are directed to support progress toward the achievement of specified performance targets.

The performance basis of this program will be defined by individual State asset management plans. These plans will aim to improve, or preserve asset condition and system performance and will contain the following information: a listing of the NHS pavement and bridge assets in the State and their condition; asset management objectives and measures; performance gap identification; lifecycle cost and risk management analysis; a financial plan; and investment strategies. The asset management plans will be reviewed and updated periodically to ensure that minimum performance standards are met.

The **Surface Transportation Program ($10.1 billion)** provides flexible funding States and localities may use for projects to preserve or improve conditions and performance on any Federal-aid highway, bridge and safety projects on any public road, facilities for non-motorized transportation, transit capital projects, and public bus terminals and facilities. The flexible nature of this program ensures that the States are able to direct funding to areas of greatest need.

The Surface Transportation Program provides funding for a wide range of eligible projects. Eligible projects range from traditional activities such as construction and rehabilitation of highways and bridges to innovative projects such as electric and natural gas vehicle charging infrastructure and electronic toll collection facilities. Project flexibility provides States with the opportunity to improve and maintain their critical infrastructure while also fostering transportation innovation.

The **Congestion Mitigation and Air Quality Improvement Program ($2.3 billion)** provides a flexible funding source to State and local governments for transportation projects and programs to help meet the requirements of the Clean Air Act. Funding is available to reduce congestion and improve air quality for areas that do not meet the National Ambient Air Quality Standards

for ozone, carbon monoxide, or particulate matter (nonattainment areas) as well as former nonattainment areas that are now in compliance (maintenance areas).

This program will incorporate performance measures that will assess traffic congestion and on-road motor vehicle emissions. Each Metropolitan Planning Organization with a transportation management area of more than one million in population representing a nonattainment, or maintenance area will develop and update biennially a performance plan to achieve air quality and congestion reduction targets.

Funding for **Metropolitan Transportation Planning ($314 million)** provides resources for the improvement of metropolitan and statewide transportation planning processes. A performance-based approach to transportation decision-making will be utilized to support national goals and critical outcomes for the region of the metropolitan planning organization. The planning process will provide consideration for projects that increase safety, support economic vitality, increase accessibility, mobility, and connectivity, protect and enhance the environment, emphasize the preservation of existing infrastructure, and increase security of the transportation system.

Funding for **Transportation Alternatives ($820 million)** provides resources to expand transportation choices and enhance the transportation experience. Eligible projects include pedestrian and bicycle infrastructure and safety programs, scenic and historic highway programs, landscaping and scenic beautification, historic preservation, and environmental mitigation.

The **Federal Lands and Tribal Transportation Programs ($1 billion)** provide funding for access to and within Federal and Tribal lands. Through this program these lands will be treated with uniform policies similar to the policies that apply to Federal-aid highways and other public transportation facilities.

- **Federal Lands Transportation Program**: $300 million for projects that improve access within the Federal estate, such as national forests and national recreation areas, on infrastructure owned by the Federal government.

- **Federal Lands Access Program**: $250 million for projects that improve access to the Federal estate on infrastructure owned by States and local governments.

- **Tribal Transportation Program**: $450 million for projects that improve access to and within Tribal Lands.

The **Transportation Infrastructure Finance and Innovation Act Program (TIFIA) ($1.0 billion)** leverages Federal dollars in a time of scarce budgetary resources, facilitating private participation in transportation projects and encouraging innovative financing mechanisms that help advance projects sooner than otherwise possible. Through TIFIA, Federal credit assistance is provided for highway, transit, rail, and intermodal freight projects. A $1 billion TIFIA investment will support about $10 billion in actual lending capacity.

The **Research, Technology, and Education Program ($400 million)** is a flexible, nationally-coordinated research and technology program that addresses fundamental, long-term highway research needs, significant research gaps, emerging issues with national implications, and

research related to policy and planning. All research activities will include components of performance measurement and evaluation, will be outcome-based, and will be consistent with the research and technology development strategic plan.

- **Highway Research and Development Program**: $115 million for research activities associated with highway safety, infrastructure integrity, planning and environment, highway operations, exploratory advanced research, and the Turner-Fairbank Research Center.

- **Technology and Innovation Deployment Program**: $62.5 million to accelerate implementation and delivery of new innovations and technologies that result from highway research and development to benefit all aspects of highway transportation. At least $12 million of these funds must be used to accelerate the deployment and implementation of pavement technology.

- **Training and Education**: $24 million to train the current and future transportation workforce, transferring knowledge quickly and effectively.

These FHWA administered programs will apply innovative technologies to construct and maintain the nation's roads, bridges, and tunnels, which keeps the highway system in a state of good repair. In addition, these programs will generate economic growth by helping deliver transportation projects more quickly and encouraging innovation.

The Research, Technology, and Education Program request also includes $198.5 million for several programs administered by the Office of the Assistant Secretary for Research and Technology:

- Intelligent Transportation Systems ($100 million)

- University Transportation Centers ($72.5 million)

- Bureau of Transportation Statistics ($26 million)

Other Programs ($357 million) is comprised of three components of MAP-21:

- **Emergency Relief**: $100 million to assist Federal, State, tribal, and local governments with the expense of repairing serious damage to Federal-aid, tribal, and Federal Lands highways resulting from natural disasters, or catastrophic failures.

- **Territorial and Puerto Rico Highway Program**: $190 million to fund highway programs in United States territories and Puerto Rico.

- **Construction of Ferry Boats and Ferry Terminal Facilities**: $67 million to construct ferry boats and ferry boat terminal facilities which will improve connectivity between NHS segments, provide travel mode options, and reduce congestion.

The total Administrative Expenses request of **$466.1 million** includes funding for FHWA and Appalachian Regional Commission (ARC) General Operating Expenses (GOE), as well as other

expenses and programs (including On-the-Job Training, Disadvantaged Business Enterprise, Highway Use Tax Evasion Projects, and other safety-related programs).

To effectively oversee the program activities described above, FHWA will require **$429.9 million for GOE funding** for staff and other support services, and an additional **$3.2 million for ARC** administrative expenses. These resources are essential for FHWA and ARC to perform critical oversight functions and successfully implement the programs proposed in the budget.

Reflected within this request are administrative cost savings identified for travel and transportation (30 percent reduction), printing (45 percent reduction), advisory service contracts (25 percent reduction), and supplies and promotional items (10 percent reduction) costs compared to FY 2010 levels. The Section III narrative for Administrative Expenses identifies these savings in detail.

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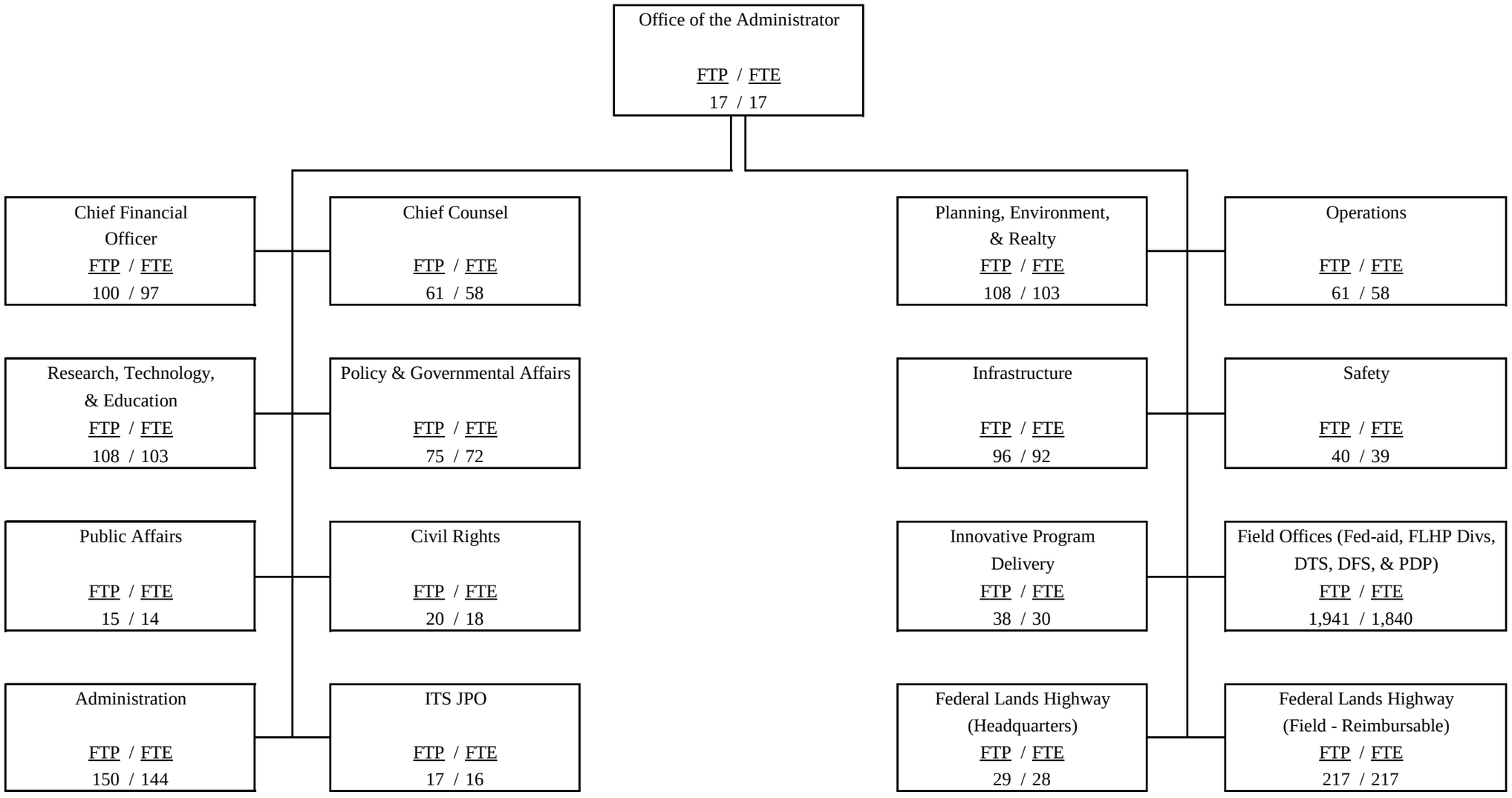
EXHIBIT I-A

FEDERAL HIGHWAY ADMINISTRATION ORGANIZATION CHART
FY 2013 AUTHORIZED FTP POSITIONS AND FTE ESTIMATES



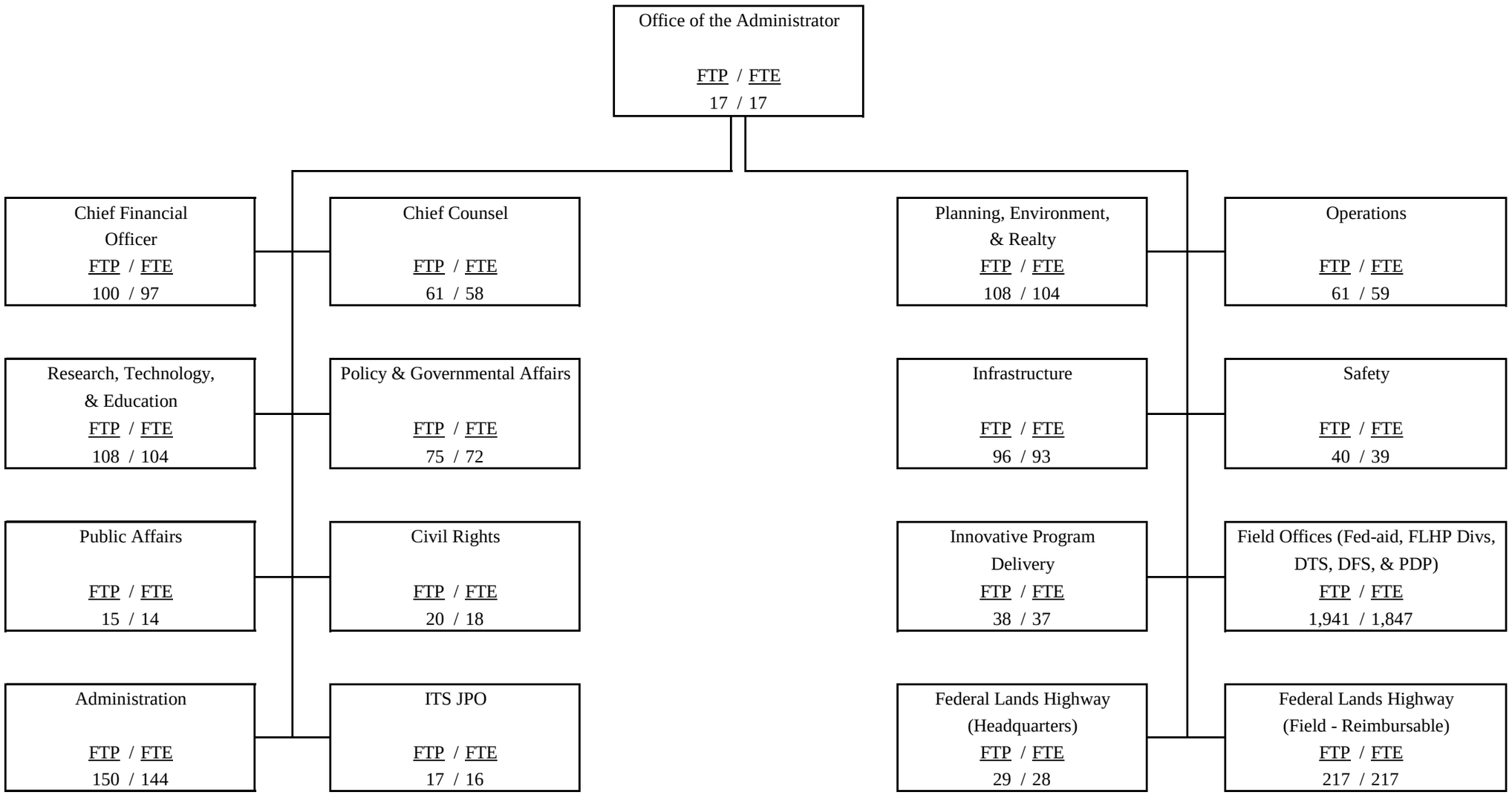
FTP - POSITIONS	
Direct funded	2,876
Indirect funded	220
Total	3,096

FTE	
Direct funded	2,729
Indirect funded	220
Total	2,949

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.

EXHIBIT I-B

FEDERAL HIGHWAY ADMINISTRATION ORGANIZATION CHART
FY 2014 AUTHORIZED FTP POSITIONS AND FTE ESTIMATES



FTP - POSITIONS	
Direct funded	2,876
Indirect funded	220
Total	3,096

FTE	
Direct funded	2,747
Indirect funded	220
Total	2,967

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.

EXHIBIT II-1

FY 2014 COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY
FEDERAL HIGHWAY ADMINISTRATION
($000)

ACCOUNT	FY 2012 ACTUAL		FY 2013 CR ANNUALIZED		FY 2014 REQUEST	
Administrative Expenses (FHWA GOE, CA subject to limitation)	[412,000]		[412,000]		[429,855]	
Federal-aid Highways						
Contract Authority (subject to limitation)	39,446,818	1/	39,699,000		40,256,000	
Flex Transfers to/from FTA	- 1,528,502	2/	- 1,300,000	2/	- 1,300,000	2/
Exempt Contract Authority	739,000		739,000		739,000	
Subtotal for Federal-aid Highways	38,657,316		39,138,000		39,695,000	
TIFIA Upward (Subsidy) Re-estimate	7,382		-----		-----	
Total Federal-aid Highways	38,664,698		39,138,000		39,695,000	
Miscellaneous Trust Funds (TF)	24,426		24,426		24,426	
Right of Way Revolving Fund (TF)	-13,904		- 19,363		-----	
Miscellaneous Appropriations (GF) (TIFIA Interest Re-estimate)	4,655		63,000		-----	
Emergency Relief (GF)	1,662,000		2,022,000		-----	
Immediate Transportation Investments (GF)	-----		-----		27,000,000	
Payment to the Highway Trust Fund (GF)	-----		6,200,000		15,152,000	
TOTALS	**40,341,875**		**47,428,063**		**81,871,426**	

[ ] Non-add

1/ Per the Transportation Extension Act of 2011, Part II (P.L. 112-30) as amended.
2/ Reflects flex fund transfers to/from FTA.

EXHIBIT II-2
FY 2014 TOTAL BUDGETARY RESOURCES BY APPROPRIATION ACCOUNT
FEDERAL HIGHWAY ADMINISTRATION
Appropriations, Obligation Limitations, and Exempt Obligations
($000)

ACCOUNT NAME	FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
[Limitation on administrative expenses (FHWA Admin only - GOE] 1/	[412,000]	[412,000]	[429,855]
Federal-aid Highways			
(Liquidation of contract authorization)	(39,882,583)	(39,882,583)	(40,995,000)
(Limitation on obligations)	(37,615,081) 2/	(37,843,583) 2/	(38,956,000) 2/
Exempt contract authority	739,000	739,000	739,000
Total, Fed-aid Obligation Limitation & Exempt Contract Authority	38,354,081	38,582,583	39,695,000
Immediate Transportation Investments (GF)	-----	-----	27,000,000
Emergency Relief (GF)	1,662,000	2,022,000	-----
Total, Federal Highway Administration			
(Limitation on obligations)	(37,615,081)	(37,843,583)	(38,956,000)
Exempt contract authority	739,000	739,000	739,000
Disaster relief funds (GF)	1,662,000	2,022,000	-----
	-----	-----	27,000,000
Total Budgetary Resources, FHWA	**40,016,081**	**40,604,583**	**66,695,000**

1/ Reflects limitation for FHWA general operating expenses (GOE) only, not including amounts appropriated for the Appalachian Regional Commission in FY 2012, FY 2013 ($3,220 million both years), and FY 2014 ($3,248). Does not include appropriation for Office of Inspector General (OIG). Does not include authorization for other programs funded under MAP-21 Administrative Expenses.

2/ Reflects net flex funding transfers to FTA of $1.5 billion, $1.3 billion, and $1.3 billion for FY 2012, FY 2013, and FY 2014, respectively.

EXHIBIT II-3

FY 2014 BUDGET REQUEST BY DOT STRATEGIC AND ORGANIZATIONAL GOALS
FEDERAL HIGHWAY ADMINISTRATION
Contract Authority
($000)

ACCOUNT/Program	Safety	Environmental Sustainability	State of Good Repair	Livable Communities	Economic Competitiveness	Org. Excellence	TOTAL
Federal-aid Highways [1/]	$ 8,154,405	$ 4,560,554	$ 19,044,754	$ 3,523,185	$ 5,712,102	$ -----	$40,995,000
Highway Safety Improvement Program	2,410,516	-----	-----	-----	-----	-----	2,410,516
National Highway Performance Program	3,290,354	1,754,856	12,064,629	1,535,499	3,290,354	-----	21,935,692
Surface Transportation Program	1,513,460	807,178	5,549,351	706,281	1,513,459	-----	10,089,729
Congestion Mitigation & Air Quality Improvement Program	178,229	1,113,930	-----	668,358	267,343	-----	2,227,860
Metropolitan Transportation Planning	25,144	157,152	-----	94,291	37,716	-----	314,303
Transportation Alternatives	65,592	409,950	-----	245,970	98,388	-----	819,900
Federal Lands & Tribal Transportation Programs	300,000	100,000	400,000	100,000	100,000	-----	1,000,000
TIFIA Program	150,000	80,000	550,000	70,000	150,000	-----	1,000,000
Research, Technology, and Education Program	80,000	60,000	80,000	40,000	140,000	-----	400,000
Other Programs	53,550	28,560	196,350	24,990	53,550	-----	357,000
Administrative Expenses [2/]	87,560	48,928	204,424	37,796	61,292	-----	440,000 [3/]
TOTAL:	$ 8,154,405	$ 4,560,554	$ 19,044,754	$ 3,523,185	$ 5,712,102	$ -----	$40,995,000
FTE (HTF Federal-aid only)	543	303	1,267	234	380	-----	2,727

1/ Program goal dollars were determined using percentages provided by DOT HQ program officials. The amounts by goal shown here provide the best estimate available.

2/ Administrative Expenses funding levels and total FTE by goal were determined by applying a pro-ration of program dollars by goal. This amount includes funding for FHWA General Operating Expenses, Appalacian Regional Commission, On-the-Job Training, Disadvantaged Business Enterprises, Highway Use Tax Evasion, and Other Programs from Administrative

3/ This Administrative Expenses amount reflects the authorized MAP-21 funding level of $440,000,000. The FY 2014 Budget requests $26,103,000 in excess unobligated balances of contract authority for funding General Operating Expenses (GOE). Including this request, total GOE admin expenses are $429,855,000 and total Administrative Expenses are $466,103,000.

EXHIBIT II-3-a

FY 2014 BUDGET REQUEST BY DOT OUTCOMES
FEDERAL HIGHWAY ADMINISTRATION
Contract Authority
($000)

DOT Outcome	Program	FY 2014 Request
Safety		$ 8,154,405
Reduction in transportation-related fatalities and injuries. (Fatalities and Fatality Rate)		
	Highway Safety Improvement Program	$ 2,289,990
	National Highway Performance Program	$ 2,632,283
	Surface Transportation Program	$ 1,210,768
	Congestion Mitigation & Air Quality Improvement Program	$ 66,836
	Metropolitan Transportation Planning	$ 9,429
	Transportation Alternatives	$ 24,597
	Federal Lands & Tribal Transportation Programs	$ 225,000
	TIFIA Program	$ 120,000
	Research, Technology, and Education Program	$ 68,000
	Other Programs	$ 42,840
	Administrative Expenses	$ 72,600
Improved safety experience for all road users.		
	Highway Safety Improvement Program	$ 120,526
	National Highway Performance Program	$ 658,071
	Surface Transportation Program	$ 302,692
	Congestion Mitigation & Air Quality Improvement Program	$ 111,393
	Metropolitan Transportation Planning	$ 15,715
	Transportation Alternatives	$ 40,995
	Federal Lands & Tribal Transportation Programs	$ 75,000
	TIFIA Program	$ 30,000
	Research, Technology, and Education Program	$ 12,000
	Other Programs	$ 10,710
	Administrative Expenses	$ 14,960
Environmental Sustainability		$ 4,560,554
Reduced carbon/emissions and improved energy efficiency and reduced dependence on oil.		
	Highway Safety Improvement Program	$ -----
	National Highway Performance Program	$ 658,071
	Surface Transportation Program	$ 302,692
	Congestion Mitigation & Air Quality Improvement Program	$ 668,358
	Metropolitan Transportation Planning	$ 94,291
	Transportation Alternatives	$ 245,970
	Federal Lands & Tribal Transportation Programs	$ 50,000
	TIFIA Program	$ 30,000
	Research, Technology, and Education Program	$ 30,000
	Other Programs	$ 10,710
	Administrative Expenses	$ 22,660

EXHIBIT II-3-a

FY 2014 BUDGET REQUEST BY DOT OUTCOMES
FEDERAL HIGHWAY ADMINISTRATION
Contract Authority
($000)

DOT Outcome	Program	FY 2014 Request
Increased use of environmentally sustainable practices in the transportation sector. (No. of Projects with sustainable design and/or tools)		
	Highway Safety Improvement Program	$ -----
	National Highway Performance Program	$ 1,096,785
	Surface Transportation Program	$ 504,486
	Congestion Mitigation & Air Quality Improvement Program	$ 445,572
	Metropolitan Transportation Planning	$ 62,861
	Transportation Alternatives	$ 163,980
	Federal Lands & Tribal Transportation Programs	$ 50,000
	TIFIA Program	$ 50,000
	Research, Technology, and Education Program	$ 30,000
	Other Programs	$ 17,850
	Administrative Expenses	$ 26,268
State of Good Repair		$ 19,044,754
Increased percentage of highways in good condition. (Pavement Condition)		
	Highway Safety Improvement Program	$ -----
	National Highway Performance Program	$ 8,774,275
	Surface Transportation Program	$ 4,035,892
	Congestion Mitigation & Air Quality Improvement Program	$ -----
	Metropolitan Transportation Planning	$ -----
	Transportation Alternatives	$ -----
	Federal Lands & Tribal Transportation Programs	$ 200,000
	TIFIA Program	$ 400,000
	Research, Technology, and Education Program	$ 50,000
	Other Programs	$ 142,800
	Administrative Expenses	$ 147,620
Increased percentage of bridges in good and fair condition. (Bridge Condition)		
	Highway Safety Improvement Program	$ -----
	National Highway Performance Program	$ 3,290,354
	Surface Transportation Program	$ 1,513,459
	Congestion Mitigation & Air Quality Improvement Program	$ -----
	Metropolitan Transportation Planning	$ -----
	Transportation Alternatives	$ -----
	Federal Lands & Tribal Transportation Programs	$ 200,000
	TIFIA Program	$ 150,000
	Research, Technology, and Education Program	$ 30,000
	Other Programs	$ 53,550
	Administrative Expenses	$ 56,804

EXHIBIT II-3-a

FY 2014 BUDGET REQUEST BY DOT OUTCOMES
FEDERAL HIGHWAY ADMINISTRATION
Contract Authority
($000)

DOT Outcome	Program	FY 2014 Request
Livable Communities		$3,523,185
Improved networks that accommodate pedestrians and bicycles. (No. of State & MPO Plans that address)		
	Highway Safety Improvement Program	$ -----
	National Highway Performance Program	$ 877,428
	Surface Transportation Program	$ 403,589
	Congestion Mitigation & Air Quality Improvement Program	$ 445,572
	Metropolitan Transportation Planning	$ 62,861
	Transportation Alternatives	$ 163,980
	Federal Lands & Tribal Transportation Programs	$ 75,000
	TIFIA Program	$ 40,000
	Research, Technology, and Education Program	$ 20,000
	Other Programs	$ 14,280
	Administrative Expenses	$ 22,792
Improved access to transportation for people with disabilities and older adults.		
	Highway Safety Improvement Program	$ -----
	National Highway Performance Program	$ 658,071
	Surface Transportation Program	$ 302,692
	Congestion Mitigation & Air Quality Improvement Program	$ 222,786
	Metropolitan Transportation Planning	$ 31,430
	Transportation Alternatives	$ 81,990
	Federal Lands & Tribal Transportation Programs	$ 25,000
	TIFIA Program	$ 30,000
	Research, Technology, and Education Program	$ 20,000
	Other Programs	$ 10,710
	Administrative Expenses	$ 15,004
Economic Competitiveness		$ 5,712,102
Maximum economic returns on transportation policies and investments. (Travel Time Reliability)		
	Highway Safety Improvement Program	$ -----
	National Highway Performance Program	$ 3,290,354
	Surface Transportation Program	$ 1,513,459
	Congestion Mitigation & Air Quality Improvement Program	$ 267,343
	Metropolitan Transportation Planning	$ 37,716
	Transportation Alternatives	$ 98,388
	Federal Lands & Tribal Transportation Programs	$ 100,000
	TIFIA Program	$ 150,000
	Research, Technology, and Education Program	$ 140,000
	Other Programs	$ 53,550
	Administrative Expenses	$ 61,292
Organizational Excellence		$ -----
TOTAL:		$ 40,995,000

1/ The program outcome dollars were determined using percentages, which may change as the programs are aligned better with MAP-21. The amounts by outcome shown here provide the best estimate available.

EXHIBIT II-4
FY 2014 BUDGET AUTHORITY
FEDERAL HIGHWAY ADMINISTRATION
($000)

ACCOUNT NAME	M / D	FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Federal-aid Highways				
Contract Authority (subject to limitation)	Mand.	39,446,818	39,699,000	40,256,000
Flex Transfers to/from FTA	Mand.	- 1,528,502	- 1,300,000	- 1,300,000
Exempt contract authority	Mand.	739,000	739,000	739,000
[Unobligated Balances of Contract Authority for Admin. Expenses] 1/	Mand.	-----	-----	[26,103]
Subtotal for Federal-aid Highways (TF)		38,657,316	39,138,000	39,695,000
TIFIA Upward Subsidy Re-estimate (TF)	Mand.	7,382	-----	-----
Total Federal-aid Highways		38,664,698	39,138,000	39,695,000
Miscellaneous Trust Funds (TF)	Mand.	24,426	24,426	24,426
Right of Way Revolving Fund (TF)	Mand.	-13,904	-19,363	-----
Miscellaneous Appropriations (GF)	Mand.	4,655	63,000 2/	-----
Emergency Relief (GF)	Discr.	1,662,000	2,022,000	-----
Immediate Transportation Investments (GF)	Mand.	-----	-----	27,000,000
Payment to the Highway Trust Fund (GF)	Mand.	-----	6,200,000	15,152,000
TOTALS		**40,341,875**	**47,428,063**	**81,871,426**
[Discretionary]		1,662,000	2,022,000	-----
[Mandatory]		38,679,875	45,406,063	81,871,426
PROPRIETARY AND OTHER GOVERNMENTAL RECEIPTS				
Adv. from State Coop, Other Fed. Agencies, and Foreign Gov.	Mand.	17,073	17,073	17,073
Cooperative work, forest highways	Mand.	5,000	5,000	5,000
Transportation Infrastructure Finance & Innovation Program	Mand.	71,311	-----	-----
Adv for Hwy Research Prog, Misc Trust	Mand.	219	219	219
Deposits for Coop. Work, International Highway Trans Outreach	Mand.	1,741	1,741	1,741
US Funding Advanced From Foreign Gov for Tech Asst	Mand.	388	388	388
Transportation Infrastructure Fin. & Innovation Program In	Mand.	27,824	134,996 2/	-----
Payment from the General Fund, Hwy Trust Fund (Rail)	Mand.	-----	-----	2,552,000
Payment from the General Fund, Hwy Trust Fund (Mass transit)	Mand.	-----	-----	2,200,000
Payment from the General Fund, Hwy Trust Fund (Highways)	Mand.	-----	6,200,000	10,400,000
Trans. from Leaking Underground Storage Tank (LUST) TF to the HTF	Mand.	2,400,000	-----	-----
Advances from Other Federal Agencies	Mand.	5	5	5
TOTAL		**2,523,561**	**6,359,422**	**15,176,426**

[ ] Non-add

1/ Unobligated balances of apportioned funding from prior years to be used for FHWA General Operating Expenses (GOE).
2/ In FY 2013, MAP-21 added subsidy re-estimates for TIFIA to the Miscellaneous Appropriations account. In FY 2012, only the interest re-estimate applied.

EXHIBIT II-5

FY 2014 OUTLAYS
FEDERAL HIGHWAY ADMINISTRATION
($000)

ACCOUNTS	FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Federal-aid Highways (TF)	40,017,890	40,606,932	41,030,808
Subject to Obligation Limitation	39,300,406	39,935,722	40,352,397
Exempt	595,239	595,707	616,324
TIFIA Re-estimate	7,382	-----	-----
Emergency Relief Supplementals	114,863	75,504	62,087
Appalachian Development Highway System (TF)	782	892	622
Miscellaneous Highway Trust Funds (TF)	11,429	34,699	36,316
Miscellaneous Trust Funds (TF)	36,567	50,360	51,779
Right of Way Revolving Fund (TF)	-13,904	-19,363	-----
Emergency Relief Program (GF)	1,026,359	874,033	1,048,181
Appalachian Development Highway System (GF)	15,603	27,042	30,067
Miscellaneous Appropriations (GF)	87,776	83,947	69,414
Miscellaneous Appropriations -- TIFIA Re-Estimate (GF)	4,655	63,000 1/	-----
Immediate Transportation Investments (GF) (Mandatory)	-----	-----	2,430,000
Payment to Highway Trust Fund (GF)	-----	6,200,000	15,152,000
Highway Infrastructure Program (GF)	186,130	135,267	79,875
Highway Infrastructure Investment, ARRA 2009 (GF)	3,027,975	1,285,437	277,041
TIFIA Program Accounts (GF)	-31,036	9,000	16,000
TOTALS	**44,370,226**	**49,351,246**	**60,222,103**
[Mandatory]	629,939	6,889,704	15,820,103
[Discretionary]	43,740,287	42,461,542	44,402,000

Note: Totals may not add due to rounding.

1/ In FY 2013, MAP-21 added subsidy re-estimates for TIFIA to the Miscellaneous Appropriations account. In FY 2012, only the interest re-estimate applied.

EXHIBIT II-6
SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE
FEDERAL HIGHWAY ADMINISTRATION
Appropriations, Obligation Limitations, and Exempt Obligations

ADMINISTRATIVE EXPENSES
($000)

		Baseline Changes									
	FY 2012 Actual	Annualization of 2013 Pay Raises	Annualization of 2013 FTE	2014 Pay Raises	FY 2013 Additional Compensable Day	GSA Rent	WCF Increase/ Decrease	Inflation/ Deflation	FY 2014 Baseline Estimate	Program Increases/ Decreases	FY 2014 Request
PERSONNEL RESOURCES (FTE)											
Direct FTE	2,345								2,345		2,345
FINANCIAL RESOURCES											
Salaries and Benefits	$300,950			$ 2,263	$ 1,150				$304,363		$304,363
Travel	$10,178							$49	$10,227	($923)	$9,304
Transportation	$1,737							$9	$1,746		$1,746
GSA Rent	$26,728					$2,021			$28,749		$28,749
Rent, Communications & Utilities	$5,833							$29	$5,862		$5,862
Printing	$881							$4	$885	($63)	$822
Other Services:											
-WCF	$24,213						$2,756		$26,969		$26,969
-Other	$35,507							$187	$35,694	$10,400	$46,094
Supplies	$1,775							$9	$1,784	($57)	$1,727
Equipment	$4,198							$21	$4,219		$4,219
Subtotal, General Operating Expenses (GOE)	**$412,000**	**$ --**	**$ --**	**$ 2,263**	**$ 1,150**	**$2,021**	**$2,756**	**$ 308**	**$420,498**	**$ 9,357**	**$429,855**
ARC	$3,220	$ --	$ --	$ 24	$ --	$ --	$ --	$4	$3,248	$ --	$3,248
Subtotal, Limitation on Administrative Expenses (LAE)	**$415,220**	**$ --**	**$ --**	**$ 2,287**	**$ 1,150**	**$2,021**	**$2,756**	**$ 312**	**$423,746**	**$ 9,357**	**$433,103**
OJT Support Services	$ --								$ --	$ 10,000	$10,000
Disadvantaged Bus. Enterprises	$ --								$ --	$ 10,000	$10,000
Highway Use Tax Evasion	$ --								$ --	$ 10,000	$10,000
Miscellaneous Set-asides	$ --								$ --	$ 3,000	$3,000
GRAND TOTAL, Obligation Limitation	**$415,220**	**$ --**	**$ --**	**$ 2,287**	**$ 1,150**	**$2,021**	**$2,756**	**$ 312**	**$423,746**	**$ 42,357**	**$466,103**

EXHIBIT II-7

WORKING CAPITAL FUND
FEDERAL HIGHWAY ADMINISTRATION
($000)

	FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST	FY13 to FY14 CHANGE
DIRECT:				
Federal-aid Highways (Transportation Trust Fund)				
Limitation on administrative expenses	24,213	25,206	26,969	1,763
Federal Lands Highways (Direct Constrution)	1,401	1,450	1,400	-50
SUBTOTAL	25,614	26,656	28,369	1,713
REIMBURSABLE:				
Federal-aid Highways (Transportation Trust Fund)				
Limitation on administrative expenses	-----	-----	-----	-----
SUBTOTAL	-----	-----	-----	-----
TOTAL	**25,614**	**26,656**	**28,369**	**1,713**

EXHIBIT II-8
FEDERAL HIGHWAY ADMINISTRATION
PERSONNEL RESOURCE -- SUMMARY
TOTAL FULL-TIME EQUIVALENTS

	FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
DIRECT FUND, BY APPROPRIATION			
Federal-aid Highways -- General Operating Expenses and Direct Construction -- FLH, ARC, & TIFIA	2,638	2,709	2,727
Miscellaneous Trust Funds	20	20	20
Direct Construction -- Highway Infrastructure Investment, ARRA 2009	20	-----	-----
SUBTOTAL, DIRECT FUNDED	2,678	2,729	2,747
REIMBURSEMENT/ ALLOCATIONS/OTHERS			
Reimbursable Authority -- Federal-aid Highways	217	217	217
Allocation From OST, TIGER grants	3	3	3
SUBTOTAL, REIMBURSEMENTS/ALLOCATIONS/OTHER	220	220	220
TOTAL FTEs	2,898	2,949	2,967

EXHIBIT II-9
FEDERAL HIGHWAY ADMINISTRATION
RESOURCE SUMMARY - STAFFING
FULL-TIME PERMANENT POSITIONS

	FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
DIRECT FUND, BY APPROPRIATION			
Federal-aid Highways -- General Operating Expenses and Direct Construction -- FLH, ARC, & TIFIA	2,820	2,856	2,856
Miscellaneous Trust Funds	20	20	20
SUBTOTAL, DIRECT FUNDED	2,840	2,876	2,876
REIMBURSEMENT/ ALLOCATIONS/OTHERS			
Reimbursable Authority -- Federal-aid Highways	217	217	217
Allocation From OST, TIGER grants	3	3	3
SUBTOTAL, REIMBURSEMENT/ALLOCATION/OTHERS	220	220	220
TOTAL POSITIONS	3,060	3,096	3,096

FEDERAL HIGHWAY ADMINISTRATION
HISTORICAL FUNDING LEVELS (2004-2013)
($000)

	FY 2004 [2/]	FY 2005 [3/]	FY 2006 [4/]	FY 2007	FY 2008 [5/]	FY 2009 [6/]	FY 2010 [8/]	FY 2011 [9/]	FY 2012 [10/]	FY 2013 [11/]
Federal-Aid Highways										
Obligation Limitation 1/	$33,843,000	$34,422,400	$36,032,344	$39,086,465	$41,216,051	$40,700,000	$41,107,000	$41,107,000	$39,143,583	$39,143,583
Liquidation of Contract Authority (C.A.)	$34,000,000	$35,000,000	$36,032,344	$36,032,344	$41,955,051	$41,439,000	$41,846,000	$41,846,000	$39,882,583	$39,882,583
Emergency Relief Funds (C.A.)	$100,000	$100,000	$100,000	$101,737	$100,000	$100,000	$100,000	$100,000	$100,000	$100,000
LGOE/LAE - (Non Add within Federal-Aid)	$462,604	$2,369,500	$3,837,001	$1,251,814	$9,455,236	$7,399,500	$15,113,533	$413,533	$412,000	$446,000
Admin Expenses - LGOE	337,604	346,500	364,638	360,992	377,556	390,000	413,533	413,533	412,000	412,000
Authorized Programs - Not Admin Expenses - LGOE										34,000
Payment to the Highway Trust Fund					$8,017,000	$7,000,000	$14,700,000			$6,200,000
Supplemental Emergency Relief Funds (GF)		$1,943,000	$3,452,363	$871,022	$1,045,000				$1,662,000	$2,022,000
Appalachian Development Highway System (GF)	$125,000	$80,000	$20,000	$19,800	$15,680	$9,500				
Appalachian Development Highway System (TF)										
Miscellaneous Appropriations	$4,000		$153	$1,328	$15,148	$167,563	$346,515	$18,603	$4,655	$63,000
Highway Infrastructure Programs (GF)							$650,000			
Highway Infrastructure Investment, Recovery Act (GF)						$27,500,000 [7/]				
Miscellaneous Highway Trust Fund	$50,000	$34,000								

Note: This table reflects actual enacted amounts as appropriated.
1/ Does not reflect transfers to and from Federal Transit Administration of $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, $1.411 billion in FY 2010, $1.211 billion in FY 2011, and $1.529 billion in FY 2012.
2/ 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.
3/ 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.
4/ Does not reflect the following rescissions in FY 2006: Federal-aid $360 million, LAE $3.6 million, Appalachian Dev. Hwy. Sys. $0.200 million.
5/ Does not reflect the following rescissions of new authority in FY 2008: Federal-aid $486.2 million, LAE $43.4 million. Payments to the HTF are cash transfers which do not provide additional resources to FHWA.
6/ 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. Payments to the HTF are cash transfers which do not provide additional resources to FHWA.
7/ Does not reflect $288.4 million transferred to Federal Transit Administration in FY 2009.
8/ Reflects Appropriations for obligation limitation in FY 2010. Extension bill provided through February 28, 2010. Payments to the HTF are cash transfers which do not provide additional resources to FHWA.
9/ Reflects annualized appropriations from FY 2010. Extension bill provided beyond FY 2011 through March 31, 2012.
10/ Reflects enacted appropriations for FY 2012 and P.L. 112-141 authorized levels.
11/ Reflects annualized CR levels for FY 2013. Also relfects MAP-21 level for CA. Payments to the HTF are cash transfers which do not provide additional resources to FHWA.

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FEDERAL HIGHWAY ADMINISTRATION
FEDERAL-AID HIGHWAYS
FY 2013 - FY 2014 MAP-21 FUNDING IN FY 2014 REQUEST - CONTRACT AUTHORITY

Program	FY 2013	FY 2014	Total 2013-2014
Authorized for Section 1101(a)(1) MAP-21 Programs [1/]	**37,476,819,674**	**37,798,000,000**	**75,274,819,674**
Highway Safety Improvement Program	2,391,741,737	2,411,948,715	4,803,690,452
National Highway Performance Program	21,720,333,240	21,903,989,613	43,624,322,853
Surface Transportation Program	9,990,671,336	10,075,147,501	20,065,818,837
Congestion Mitigation & Air Quality Improvement Program	2,253,828,296	2,272,894,788	4,526,723,084
Metropolitan Transportation Planning	311,485,065	314,119,383	625,604,448
Transportation Alternatives Program	808,760,000	819,900,000	1,628,660,000
Federal Lands and Tribal Transportation Programs	**1,000,000,000**	**1,000,000,000**	**2,000,000,000**
Federal Lands Transportation Program	300,000,000	300,000,000	600,000,000
Federal Lands Access Program	250,000,000	250,000,000	500,000,000
Tribal Transportation Program	450,000,000	450,000,000	900,000,000
TIFIA Program	**750,000,000**	**1,000,000,000**	**1,750,000,000**
Research, Technology, and Education Program	**400,000,000**	**400,000,000**	**800,000,000**
Highway Research and Development Program	115,000,000	115,000,000	230,000,000
Technology and Innovation Deployment Program	62,500,000	62,500,000	125,000,000
Training and Education	24,000,000	24,000,000	48,000,000
Intelligent Transportation Systems Program	100,000,000	100,000,000	200,000,000
University Transportation Centers	72,500,000	72,500,000	145,000,000
Bureau of Transportation Statistics	26,000,000	26,000,000	52,000,000
Other Programs	**357,000,000**	**357,000,000**	**714,000,000**
Emergency Relief (Exempt)	100,000,000	100,000,000	200,000,000
Territorial and Puerto Rico Highway Program	190,000,000	190,000,000	380,000,000
Construction of Ferry Boats and Ferry Terminal Facilities	67,000,000	67,000,000	134,000,000
Administrative Expenses	**454,180,326**	**440,000,000**	**894,180,326**
FHWA General Operating Expenses (GOE)	416,960,326	403,752,000 [2/]	820,712,326
Appalachian Regional Commission	3,220,000	3,248,000	6,468,000
On-the-Job Training	10,000,000	10,000,000	20,000,000
Disadvantaged Business Enterprise	10,000,000	10,000,000	20,000,000
Highway Use Tax Evasion Projects	10,000,000	10,000,000	20,000,000
Other Programs from Administrative Expenses	3,000,000	3,000,000	6,000,000
Air Qual. & Congest. Mitigation Measure Outcomes Assess. Study	1,000,000	0	1,000,000
TOTAL	**40,438,000,000**	**40,995,000,000**	**81,433,000,000**
CA Subject to Obligation Limitation	**39,699,000,000**	**40,256,000,000**	**79,955,000,000**
CA Exempt from Obligation Limitation [3/]	**739,000,000**	**739,000,000**	**1,478,000,000**

1/ Based on actual FY 2013 apportionments and estimated FY 2014 apportionments.

2/ FY 2014 Budget requests using $26,103,000 of excess unobligated balances of contract authority for funding General Operating Expenses (GOE). Total GOE admin expenses is $429,855,000 and total Administrative Expenses is $466,103,000.

3/ Amounts exempt from Obligation Limitation include $100,000,000 for Emergency Relief and $639,000,000 of the National Highway Performance Program apportionments. Amounts are prior to any sequestration.

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FEDERAL-AID HIGHWAYS

LIMITATION ON ADMINISTRATIVE EXPENSES

(TRANSPORTATION TRUST FUND)
(INCLUDING TRANSFER OF FUNDS)

Not to exceed $429,855,000, 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 $3,248,000 shall be paid from appropriations made available by this Act and transferred to the Appalachian Regional Commission in accordance with 23 U.S.C. 104.

Note.--A full-year 2013 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2013 (P.L. 112-175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

(LIMITATION ON OBLIGATIONS)

(TRANSPORTATION TRUST FUND)

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 112–141 shall not exceed total obligations of $40,256,000,000 for fiscal year 2014: 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 23 U.S.C. 608.

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(TRANSPORTATION TRUST FUND)

For the payment of obligations incurred in carrying out Federal-aid highways and highway safety construction programs authorized under title 23, United States Code, $40,995,000,000 derived from the Highway account of the Transportation Trust Fund (other than the Mass Transit Account), to remain available until expended.

Note.—A full-year 2013 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. 112-175). The amounts included for 2013 reflect the annualized level provided by the continuing resolution.

(ADMINISTRATIVE PROVISIONS - FEDERAL HIGHWAY ADMINISTRATION)

Sec. 120. *(a) For fiscal year 2014, the Secretary of Transportation shall--*

(1) not distribute from the obligation limitation for Federal-aid highways--

(A) amounts authorized for administrative expenses and programs by section 104(a) of title 23, United States Code; and

(B) amounts authorized for 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--

(A) made available from the Highway Trust Fund (other than the Mass Transit Account) for Federal-aid highway and highway safety construction programs for previous fiscal years the funds for which are allocated by the Secretary (or apportioned by the Secretary under sections 202 or 204 of title 23, United States Code); and

(B) for which obligation limitation was provided in a previous fiscal year;

(3) determine the proportion that--

(A) the obligation limitation for Federal-aid highways, less the aggregate of amounts not distributed under paragraphs (1) and (2) of this subsection; 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 119 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 for Federal-aid highways, less the aggregate amounts not distributed under paragraphs (1) and (2), for each of the programs (other than programs to which paragraph (1) applies) that are allocated by the Secretary under the Moving Ahead for Progress in the 21st Century Act and title 23, United States Code, or apportioned by the Secretary under sections 202 or 204 of that title, by multiplying--

(A) the proportion determined under paragraph (3); by

(B) the amounts authorized to be appropriated for each such program for such fiscal year; and

(5) distribute the obligation limitation 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 (other than the amounts apportioned for the national highway performance program in section 119 of title 23, United States Code, that are exempt from the limitation under subsection (b)(12) and the amounts apportioned under sections 202 and 204 of that title) in the proportion that--

(A) amounts authorized to be appropriated for the programs that are apportioned under title 23, United States Code, to each State for such fiscal year; bears to

(B) the total of the amounts authorized to be appropriated for the programs that are apportioned under title 23, United States Code, to all States for such fiscal year.

(b) EXCEPTIONS FROM OBLIGATION LIMITATION- The obligation limitation for Federal-aid highways shall not apply to obligations under or for--

(1) section 125 of title 23, United States Code;

(2) section 147 of the Surface Transportation Assistance Act of 1978 (23 U.S.C. 144 note; 92 Stat. 2714);

(3) section 9 of the Federal-Aid Highway Act of 1981 (95 Stat. 1701);

(4) subsections (b) and (j) of section 131 of the Surface Transportation Assistance Act of 1982 (96 Stat. 2119);

(5) subsections (b) and (c) of section 149 of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (101 Stat. 198);

(6) sections 1103 through 1108 of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2027);

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

(8) 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) Federal-aid highway programs for which obligation authority was made available under the Transportation Equity Act for the 21st Century (112 Stat. 107) or subsequent Acts for multiple years or to remain available until expended, but only to the extent that the obligation authority has not lapsed or been used;

(10) section 105 of title 23, United States Code (but, for each of fiscal years 2005 through 2012, only in an amount equal to $639,000,000 for each of those fiscal years);

(11) section 1603 of SAFETEA-LU (23 U.S.C. 118 note; 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) section 119 of title 23, United States Code (but, for each of fiscal years 2013 through 2014, only in an amount equal to $639,000,000 for each of those fiscal years).

(d) Redistribution of Unused Obligation Authority- Notwithstanding subsection (a), the Secretary shall, after August 1 of such fiscal year--

(1) revise a distribution of the obligation limitation made available under subsection (a) if an amount distributed cannot be obligated during that fiscal year; and

(2) 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 day before the date of enactment of the Moving Ahead for Progress in the 21st Century Act) and 104 of title 23, United States Code.

(e) Applicability of Obligation Limitations to Transportation Research Programs-

(1) IN GENERAL- Except as provided in paragraph (2), the obligation limitation for Federal-aid highways shall apply to contract authority for transportation research programs carried out under--

(A) chapter 5 of title 23, United States Code; and

(B) division E of the Moving Ahead for Progress in the 21st Century Act.

(2) EXCEPTION- Obligation authority made available under paragraph (1) 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.

(f) 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 (excluding funds authorized for the program under section 202 of title 23, United States Code) 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 (or will not be apportioned to the States under section 204 of title 23, United States Code), and will not be available for obligation, for such fiscal year because of the imposition of any obligation limitation for such fiscal year.

(2) RATIO- Funds shall be distributed under paragraph (1) in the same proportion as the distribution of obligation authority under subsection (a)(5).
(3) AVAILABILITY- Funds distributed to each State under paragraph (1) shall be available for any purpose described in section 133(c) of title 23, United States Code.

Sec. 121. 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. 11]*chapter 63 of title 49, United States Code*, 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 programs.

Sec. 122. Not less than 15 days prior to waiving, under his statutory authority, any Buy America requirement for Federal-aid highway projects, the Secretary of Transportation shall make an informal public notice and comment opportunity on the intent to issue such waiver and the reasons therefor: *Provided*, That the Secretary shall provide an annual report to the House and Senate Committees on Appropriations on any waivers granted under the Buy America requirements.

Sec. 123. From the unobligated balances of funds apportioned among the States prior to October 1, 2012, under sections 104(b) and 144 of title 23, United States Code (as in effect on the day before the date of enactment of Public Law 112-141), the amount of $26,103,000 shall be made available in fiscal year 2014 for the administrative expenses of the Federal Highway Administration: Provided further, That this provision shall not apply to funds distributed in accordance with section 104(b)(5) of title 23, United States Code (as in effect on the day before the date of enactment of Public Law 112-141); section 133(d)(1) of such title (as in effect on the day before the date of enactment of Public Law 109-59); and the first sentence of section 133(d)(3)(A) of such title (as in effect on the day before the date of enactment of Public Law 112-141): Provided further, That such amount shall be derived on a proportional basis from the unobligated balances of apportioned funds to which this provision applies: Provided further, That the amount made available by this provision in fiscal year 2014 for the administrative expenses of the Federal Highway Administration shall be in addition to the amount made available in fiscal year 2014 for such purposes under section 104(a) of title 23, United States Code: Provided further, That the amount made available by this provision in fiscal year 2014 for the administrative expenses of the Federal Highway Administration shall have the same period of availability and characteristics of the contract authority made available under section 104(a) of title 23, United States Code.

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EXHIBIT III-1
FEDERAL-AID HIGHWAYS
Summary by Program Activity
Appropriations, Obligation Limitations, and Exempt Obligations
($000)

	FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST	CHANGE FY 2013-2014
Federal-aid Highways				
[Limitation on Administrative Expenses/FHWA GOE only]	[412,000]	[412,000]	[429,855]	[17,855]
Obligation Limitation	(37,615,081) 1/	(37,843,583) 2/	(38,956,000) 2/	1,112,417
Exempt Programs	739,000	739,000	739,000	-----
Total, Obligation Limitation & Authority	**$38,354,081**	**$38,582,583**	**$39,695,000**	**$1,112,417**
FTEs				
Direct Funded	2,678	2,729	2,747	18
Reimbursements/Allocations/Other	220	220	220	-----
Total, FTE	**2,898**	**2,949**	**2,967**	**18**

Program and Performance Statement

This account provides necessary resources to the Federal-aid Highway 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/ Reflects flex fund transfers to/from FTA of $1.529 billion.

2/ Reflects flex fund transfers to/from FTA of $1.3 billion for FY 2013 and FY 2014. This is the first time that transfers have been reflected in the current and budget years.

Note: FY14 increased of 10 FTE represents 8 FTE annualized for TIFIA and 10 FTE annualized for SHRP2. Both programs are funded by MAP-21 and are not funded by GOE.

EXHIBIT III-1a

FEDERAL-AID HIGHWAYS
SUMMARY ANALYSIS OF CHANGE FROM FY 2012 TO FY 2014
Appropriations, Obligation Limitations, and Exempt Obligations
($000)

Item	Change from FY 2012 to FY 2014 ($000)	Change from FY 2012 to FY 2014 FTE
FY 2012 Base (Obligation Limitation + Exempt CA)	**$39,882,583**	**2,694**
Federal-aid Highways		
Adjustments to Base		
FY 2014 President's Raise (1.0%)	$2,287	
Additional Compensable Day	$1,150	
GSA Rent	$2,021	
WCF	$2,756	
Inflation	$312	
Subtotal, Adjustments to Base	**$8,526**	**0**
Program Reductions		
Travel	-$923	
Printing	-$63	
Supplies	-$57	
Subtotal, Adjustments to Base	**-$1,043**	
New or Expanded Programs		
Federal-aid Highway Program	$1,094,534	
Other Services - Restore IT Support Services	$6,500	
Other Services - Training Increase	$1,500	
Other Services - FMIS Modernization	$1,900	
Other Services - Data & Reporting Systems Integration	$500	
2 Year Increase of Base FTE (direct) - TIFIA		15
2 Year Increase of Base FTE (direct) - SHRP2		18
Subtotal, New or Expanded Programs	**$1,104,934**	**33**
FY 2014 Total Request [Ob. Lim. + Exempt CA]	**$40,995,000**	**2,727**

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.

Safety Outcomes and Performance Measures

Safety Outcome: Reduction in transportation related fatalities
Performance Measures and Targets:

Roadway Safety

Reduce the Highway Fatality Rate per 100 million VMT.	2010	2011	2012	2013	2014
Target	1.30	1.10	1.05	1.03	1.02
Actual	1.11	1.09*			
* - preliminary estimate					

State of Good Repair Outcomes and Performance Measures

State of Good Repair Outcome: Increased percentage of highways in good condition
Performance Measures and Targets:

Increase the percent of travel on the enhanced National Highway System (NHS) roads with pavement performance standards rated good.	2010	2011	2012	2013	2014
Target	54.0	55.8	56.0 (r)	57.0 (r)	58.4 (r)
Actual	55.0 (r)	54.3	56.2*		
(r) – revised; * - preliminary estimate					

State of Good Repair Outcome: Increased percentage of bridges in good and fair condition

Performance Measures and Targets:

Decrease the percent of deck area (i.e., roadway surface of a bridge) on enhanced NHS bridges rated as structurally deficient.	2010	2011	2012	2013	2014
Target		7.9	7.8	7.7	7.6
Actual	8.5	7.9	7.4		

Livable Communities Outcomes and Performance Measures

Livable Communities Outcome: Improved networks that accommodate pedestrians and bicycles

Performance Measures and Targets:

Increase in the number of States with policies that improve transportation choices for walking and bicycling.	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Target		22	26 (r)	27 (r)	28 (r)
Actual	21	24	26		

Increase in the number of States that have developed an Americans with Disabilities Act (ADA) transition plan that is current and includes the public rights-of-way.	FY 2011	FY 2012	FY 2013	FY 2014
Target	9	12	15	18
Actual	13	15		

Economic Competitiveness Outcomes and Performance Measures

Economic Competitiveness Outcome: Maximum economic returns on transportation policies and investments

Performance Measures and Targets:

Increase travel time reliability in freight significant corridors.	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Target	15.0	15.0	15.0	14.8	14.7(r)
Actual	13.7	13.8	13.9		
(r) – FY 2014 target was revised.					

Note: Travel Time Reliability in key freight corridors is derived from measured commercial vehicle average speeds for 25 interstates carrying significant freight volumes annually. The Buffer Index (BI), expressed as a percentage, represents the extra time, or time cushion, that would have to be added to the average travel time to ensure on-time arrival 95 percent of the time.

Increase travel time reliability (i.e., Travel Time Index) in urban areas.	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Target	1.17	1.21	1.21	1.21	1.20
Actual	1.21	1.21	1.20		

Note: The Travel Time Index (TTI) is the ratio of the average peak period travel time compared to a free-flow travel time, which is reported for 19 urban areas in the U.S. A ratio above 1.0 is an indication that traffic congestion exists; the higher the number, the more extensive the congestion.

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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 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Obligations by program activity:				
	Obligations by program activity:			
00.10	Surface transportation program	9,300	9,605	9,686
00.11	National highway system	8,335	538	538
00.12	Interstate maintenance	5,390	416	416
00.13	Bridge program	4,885	1,061	1,061
00.14	National highway performance program	……	17,423	17,600
00.15	Congestion mitigation and air quality improvement program	1,048	2,121	2,139
00.16	Highway safety improvement programs	1,436	2,294	2,315
00.17	Metroploitan transportation planning	……	300	301
00.18	Transportation alternatives	……	777	787
00.19	Equity programs	1,426	1,444	1,444
00.21	Federal lands highways	454	……	……
00.22	Federal lands and Tribal programs	……	960	960
00.23	Appalachian development highway system	66	66	66
00.24	High priority projects	790	670	549
00.25	Projects of national and regional significance	101	101	101
00.26	Research, development, and technology	242	……	……
00.27	Research, technology and education program	……	384	384
00.28	Administration - LAE	402	415	433
00.29	Administration - Other	……	34	33
00.30	Construction of ferry boats and ferry terminal facilities	……	64	64
00.31	Territorial and Puerto Rico highway programs	……	182	182
00.32	Other programs	3,621	464	644
00.91	Programs subject to obligation limitation	37,496	39,319	39,703
02.11	Exempt programs	490	583	626
05.00	Total direct program	37,986	39,902	40,329
	Credit program obligations:			
07.01	Direct loan subsidy	47	746	995
07.02	Loan guarantee subsidy	……	10	……
07.05	Reestimates of direct loan subsidy	7	……	……
07.09	Administrative expenses	2	4	5
07.91	Direct program activities, subtotal	56	760	1,000
07.99	Total direct obligations	38,042	40,662	41,329
08.01	Reimbursable program	125	320	320
09.00	Total new obligations	38,167	40,982	41,649

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 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Budgetary resources:				
	Unobligated balance:			
10.00	Unobligated balance brought forward, Oct 1	29,328	30,018	28,494
10.13	Unobligated balance transferred from other accounts [69-8350]	6	……	……
10.20	Adjustment of unobligated balance brought forward, Oct 1	-6	……	……
10.50	Unobligated balance (total)	29,328	30,018	28,494
	Budget authority:			
	Appropriations, discretionary:			
11.01	Appropriation (trust fund)	39,883	40,438	40,995
11.20	Appropriations transferred to other accounts [69-8350]	-1,103	-1,386	-1,367
11.21	Appropriations transferred from other accounts [69-8350]	20	……	……
11.37	Appropriations applied to liquidate contract authority	-38,800	-39,052	-39,628
11.60	Appropriations, discretionary (total)	……	……	……
	Appropriations, mandatory:			
12.01	Appropriation (trust fund, indefinite)	7	……	……
12.60	Appropriations, mandatory (total)	7	……	……
	Contract authority, discretionary:			
15.40	Contract authority, discretionary (total)	……	……	……
	Contract authority, mandatory:			
16.00	Contract authority	40,186	40,438	40,995
16.10	Transfer to other accounts [69-8350]	-1,543	-1,300	-1,300
16.11	Transfer from other accounts [69-8350]	15	……	……
16.40	Contract authority, mandatory (total)	38,658	39,138	39,695
	Spending authority from offsetting collections, discretionary:			
17.00	Collected	102	320	320
17.01	Change in uncollected payments, Federal sources	90	……	……
17.50	Spending authority from offsetting collections, discretionary (total)	192	320	320
19.00	Budget authority (total)	38,857	39,458	40,015
19.30	Total budgetary resources available	68,185	69,476	68,509
	Memorandum (non-add) entires:			
19.41	Unexpired unobligated balance, end of year	30,018	28,494	26,860
Change in obligated balance				
	Unpaid obligations:			
30.00	Unpaid obligations, brought forward, Oct 1	69,414	67,461	67,516
30.10	Obligations incurred, unexpired accounts	38,167	40,982	41,649
30.20	Outlays (gross)	-40,120	-40,927	-41,351
30.50	Unpaid obligations, end of year	67,461	67,516	67,814
	Uncollected payments:			
30.60	Uncollected payments, Federal sources, brought forward, Oct 1	-431	-521	-521
30.70	Change in uncollected payments, Federal sources, unexpired	-90	……	……
30.90	Uncollected payments, federal sources, end of year	-521	-521	-521
	Memorandum (non-add) entries			
31.00	Obligated balance, start of year	68,983	66,940	66,995
32.00	Obligated balance, end of year	66,940	66,995	67,293

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 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Budget authority and outlays, net				
	Discretionary:			
40.00	Budget authority, gross	192	320	320
	Outlays, gross:			
40.10	Outlays from new discretionary authority	10,670	10,538	10,838
40.11	Outlays from discretionary balances	28,848	29,793	29,897
40.20	Outlays, gross (total)	39,518	40,331	40,735
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
40.30	Federal sources	-101	-320	-320
40.33	Non-Federal sources	-1	……	……
40.40	Offsets against gross budget authority and outlays	-102	-320	-320
	Additional offsets against gross budget authority only:			
40.50	Change in uncollected payments, Federal sources, unexpired	-90	……	……
40.70	Budget authority, net (discretionary)	……	……	……
40.80	Outlays, net (discretionary)	39,416	40,011	40,415
	Mandatory:			
40.90	Budget authority, gross	38,665	39,138	39,695
	Outlays, gross:			
41.00	Outlays from new mandatory authority	215	200	200
41.01	Outlays from mandatory balances	387	396	416
41.10	Outlays, gross (total)	602	596	616
41.60	Budget authority, net (mandatory)	38,665	39,138	39,695
41.70	Outlays, net (mandatory)	602	596	616
41.80	Budget authority, net (total)	38,665	39,138	39,695
41.90	Outlays, net (total)	40,018	40,607	41,031

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DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
FEDERAL-AID HIGHWAYS

OBJECT CLASSIFICATION
in millions of dollars

Identification code: 69-8083-0-7-401		FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Direct obligations:				
	Personnel compensation:			
11.1	Full-time permanent	250	293	298
11.3	Other than full-time permanent	3	6	6
11.5	Other personnel compensation	4	4	4
11.9	Total personnel compensation	257	303	308
12.1	Civilian personnel benefits	76	86	87
21.0	Travel and transportation of persons	18	15	15
22.0	Transportation of things	1	1	1
23.1	Rental payments to GSA	27	27	27
23.2	Rental payments to others	1	……	……
23.3	Communications, utilities, and misc. charges	2	3	3
24.0	Printing and reproduction	2	1	1
25.1	Advisory and assistance services	44	43	43
25.2	Other services from non-federal sources	278	353	363
25.3	Other goods and services from federal sources	140	425	435
25.4	Operation and maintenance of facilities	……	4	4
25.7	Operation and maintenance of equipment	44	34	34
26.0	Supplies and materials	3	4	4
31.0	Equipment	2	6	6
32.0	Land and structures	1	8	8
33.0	Investments and loans	54	……	……
41.0	Grants, subsidies, and contributions	36,148	38,405	39,046
99.0	Direct obligations	37,098	39,718	40,385
99.0	Reimbursable obligations	125	320	320

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
FEDERAL-AID HIGHWAYS

OBJECT CLASSIFICATION
in millions of dollars

Identification code: 69-8083-0-7-401		FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Allocation account - direct:				
	Personnel compensation:			
11.1	Full-time permanent	12	12	12
11.5	Other personnel compensation	51	51	51
11.9	Total personnel compensation	63	63	63
12.1	Civilian personnel benefits	16	16	16
21.0	Travel and transportation of persons	3	3	3
23.1	Rental payments to GSA	7	7	7
25.1	Advisory and assistance services	26	26	26
25.2	Other services from non-federal sources	186	186	186
25.3	Other goods and services from federal sources	43	43	43
25.4	Operation and maintenance of facilities	9	9	9
25.5	Research and development contracts	1	1	1
25.7	Operation and maintenance of equipment	2	2	2
26.0	Supplies and materials	5	5	5
31.0	Equipment	2	2	2
32.0	Land and structures	23	23	23
41.0	Grants, subsidies, and contributions	557	558	558
99.0	Allocation account obligations - direct	943	944	944
99.5	Below reporting threshold	1	……	……
99.9	Total new obligations	38,167	40,982	41,649

FEDERAL-AID HIGHWAYS

EMPLOYMENT SUMMARY

Identification code: 69-8083-0-7-401		FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
	Direct:			
10.01	Civilian full-time equivalent employment	2,638	2,709	2,727
	Reimbursable:			
20.01	Civilian full-time equivalent employment	217	217	217
	Allocation account:			
30.01	Civilian full-time equivalent employment	3	3	3

Executive Summary
Highway Safety Improvement Program (HSIP)

What Is The Request & What Will We Get For The Funds?
The budget proposes a $2.4 billion Federal-aid infrastructure safety program to significantly reduce traffic fatalities and serious injuries on all public roads, including non-State-owned public roads and roads on tribal land, directly tied to the Department's safety goal and Roadway Safety Plan principles. The request represents a slight increase over the MAP-21 FY 2013 safety program and is consistent with MAP-21 FY 2014 funding levels. Improving roadway safety is a top priority of the Department, and is one of DOT's Agency Priority Goals. FHWA, through National leadership and innovation, focuses on improving the safety of roadway infrastructure on all public roads.

What Is The Program?
- A data-and performance-driven, strategic approach to improving traffic safety to reduce fatalities and serious injuries.
- Strengthens 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 utilize 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.
- Provides flexibility for the effective use of safety-focused funding.

Why Is This Particular Program Necessary?
The program saves lives. Final 2011 data indicate that 32,367 people died on the nation's highways and DOT must continue to take action 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 about 26 percent between 2005 and 2011. The 26 percent decrease in highway fatalities coincides with the establishment of the HSIP as a core Federal-Aid program and its integration with other safety programs across the Department. An extrapolation of the data indicates that the full benefits of a $2.4 billion annual program are 5,400 lives saved and 18,000 serious injuries prevented.

Why Do We Want/Need To Fund The Program At The Requested Level?
Safety is important to all citizens, which is why it is the Department's top priority, as emphasized in the Roadway Safety Plan and the DOT 2011 Policy Statement on Safety. This funding request addresses safety needs on the nation's highways. The data-driven, integrated, and performance based approach in MAP-21 is instrumental in reducing traffic fatalities and serious injuries. Capitalizing on this approach, which has significantly contributed to a 26 percent reduction in highway fatalities over 6 years, is well worth pursuing and increasing. A single death on our highways is a tragedy; almost 100 deaths a day is unacceptable when we possess the tools and capabilities to help prevent them.

Detailed Justification
Highway Safety Improvement Program

What Do I Need To Know Before Reading This Justification?

- The primary features of the SAFETEA-LU HSIP were retained in MAP-21. The program has been in existence with relatively small changes since 2005.
- The program requires strategic safety planning, devotes additional resources to safety improvements, and supports innovative approaches on all public roads.
- This justification relates to continuing the program, 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.

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

FY 2014 – Highway Safety Improvement Program ($2.4 billion)
($000)

PROGRAM ACTIVITY	FY 2013 MAP-21	FY 2014 REQUEST	Difference From FY 2013 MAP-21
Federal-aid Highways			
Highway Safety Improvement Program			
Highway Safety Improvement Program	2,391,742	2,411,949	20,207
Total	**2,391,742**	**2,411,949**	**20,207**

- **Key actions or anticipated milestones in the budget year**
  - Establishment of safety performance measures for the following: number of fatalities and serious injuries and rate of fatalities and serious injuries per vehicle miles travelled. These measures are coordinated with the NHTSA and FMCSA safety programs and performance measures and incorporated into FHWA's overall performance management system.
  - Improved targeting and an increase in the number of proven countermeasures States implement from Strategic Highway Safety Plans (SHSP).
  - Flexibility to use HSIP funds to address strategies identified in the State SHSP.
  - Establishment of the periodicity requirement for the update of the State SHSP.
- **Key outputs expected in budget year –** The number of HSIP projects implemented and HSIP obligation rates. HSIP obligation rates are an indicator of the amount of funds States are spending on safety strategies, activities and projects and therefore represent a quantifiable surrogate for the amount of safety improvements implemented each year. Using States' annual reports, FHWA will obtain more complete data on HSIP projects to conduct a comprehensive evaluation of the overall program.

- **Key outcomes expected in the budget year** – A program of projects and strategies to address safety challenges and achieve reductions in fatalities and serious injuries. The safety benefits of HSIP projects are long-term and sustainable, which means that their full life-saving value continues over multiple years. Previous HSIP investments continue to provide safety benefits long after the funds are expended. The benefits expected in FY 2014 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 2014 will continue to generate benefits in the future.

What Is This Program?

The HSIP authorizes a Federal-aid safety-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 and encourages 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 "E's" - engineering, education, enforcement, and emergency medical services. The plan is developed by each State through a cooperative process involving local (including county transportation officials), State (including representatives of nonmotorized users), Federal, Tribal, 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.

Program Features:

- **A performance-based framework –**A performance-based framework for the HSIP is coordinated with NHTSA's and FMCSA's safety programs and is incorporated into FHWA's overall transportation performance management framework. The features of the framework include:
    - A coordinated set of performance measures for number of fatalities and serious injuries and rate of fatalities and serious injuries per vehicle miles travelled.
    - A requirement for States to establish performance targets for those measures.
    - Performance management based evaluation of program results.
    - More focused investments in safety for those States that do not meet or make significant progress towards meeting 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) is a statewide coordinated plan developed in cooperation with a broad range of multidisciplinary stakeholders. The comprehensive, data-driven, State SHSP defines State safety goals and identifies performance targets. MAP-21 included a clear linkage between behavioral (NHTSA-funded) State safety programs and the SHSP. The SHSP will inform the NHTSA and FMCSA plans and will be updated regularly.

- **Data and Analysis –** States are required to develop and maintain a safety data system or advance their capabilities to collect, maintain, and share a record of safety data on all public roads; create or enhance a highway basemap of all public roads; develop analytical processes for safety data elements; acquire and implement roadway safety analysis tools; identify roadway features that constitute a danger to road users and perform safety problem identification and countermeasure analysis.

- **HSIP Implementation –** As part of each State highway safety improvement program, the State collects and analyzes safety data to prioritize their safety needs. States then establish and implement a schedule of highway safety improvement projects, activities or strategies to address the identified safety problems. The State reports annually on the extent to which these activities lead to achieving performance targets.
- **Flexibility of HSIP–** Eligible activities for the use of HSIP funds are broad and FHWA provides information to clarify 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 systemic 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.
    - Linkage between behavioral (NHTSA-funded) State safety programs and the SHSP.
- **HSIP Evaluation -** Each State prepares a report on their highway safety improvement program that describes the projects implemented under the program, assesses the effectiveness of those projects and describes the extent to which the funded improvements contribute to reducing the number and rate of fatalities and serious injuries on all public roads in the State. The results feed the next iteration of the SHSP.
- **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 or make significant progress towards meeting their performance targets over a two-year period, a portion of their subsequent obligation authority (in the amount of that year's HSIP apportionment) may only be used for HSIP projects.
- **Maintain railroad-crossing program set aside -** The annual set-aside of HSIP funds for railroad-crossing safety, $220 million since 2005, is maintained. 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 (20.5 percent in FY 2011, 9.0% proposed in FY 2014) set aside to address railroad-crossings can be reduced. Projects funded under the railroad-crossing program are eligible for HSIP funding should railroad-crossing fatalities or serious injuries rise in a State and the State decide that they should purse a strategy to decrease them.

- **High-risk rural roads (HRRR)** –The nation has a tremendous challenge in improving safety on rural roads. MAP-21 requires a Report to Congress on the best practices for implementing cost-effective roadway safety infrastructure improvements on high-risk rural roads. Based on the information in this Report, the Department will develop a best practices manual to support Federal, State, and local efforts to reduce fatalities and serious bodily injury crashes on high-risk rural roads through the use of cost-effective roadway safety infrastructure improvements. In addition, if the fatality rate on rural roads in a State increases over the most recent 2- year period for which data are available, that State will be required to obligate an amount equal to at least 200 percent of the amount of funds the State received for FY 2009 for high-risk rural roads under subsection (f) of 23 USC 148 in the following year.

Why is this particular program necessary?

The Department of Transportation (DOT) has set a vision for significantly reducing the overall number of highway fatalities and serious injuries 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, Tribal, and local governments, and other partners. While NHTSA and FMCSA focus their resources on improved vehicle and user safety, FHWA concentrates on ensuring the safety of the highway infrastructure upon which vehicles and users operate. This balance of coordinated efforts enables the DOT modes to concentrate on their areas of expertise while working towards a single goal. This coordination encourages and enables greater unity of effort. 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 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 indicates that more than $15 billion is needed just to address the top 5 percent most hazardous locations. For example, New Jersey identified their top 5 percent most hazardous roadway locations and indicated they would need approximately $702 million to address these locations. New Jersey was apportioned $173 million in HSIP funds over the SAFETEA-LU period.

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 (5-year) intersection needs amount to approximately $63 million, which is more than 50 percent of the State's HSIP apportionment from 2006-2010 of approximately $122 million.

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 elements that are common to particular crash types. For example, Minnesota has 29,000 rural curves, which represent 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. However, analysis shows that curves with a 1,500-foot radius or less have a significantly higher crash rate than wider radius curves. A

systemic approach seeks to prevent crashes from happening by implementing low-cost signing and marking improvements at 1,500-foot radius or less curves. 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.

This program will continue to save lives and prevent serious injuries on the nation's highways. The program supports the DOT 2011 Policy Statement on Safety and the DOT Roadway Safety Plan and contributes to the achievement of the DOT Safety goal; specifically to the DOT outcome to reduce transportation related fatalities and injuries. Final 2011 data indicate that 32,367 people died on the nation's highways 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?

MAP-21 doubled the funds for FHWA safety programs, provided a concentrated effort to maintain a data-driven decision making process to target available resources on the most pressing concerns, and improved collaboration and integration on multiple fronts – engineering, education, enforcement, and emergency medical services – to reduce highway fatalities and serious injuries. Within FHWA, the HSIP program requires strategic highway safety plans which are cross-modal in nature. Since the creation of the HSIP in 2005, traffic fatalities in the U.S. decreased about 26 percent through 2011. The HSIP and other coordinated/integrated 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 life-saving initiatives are identified the demand for dedicated safety resources grows. Furthermore, with an additional emphasis on safety and roadway design characteristics data, States will be able to more effectively 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 identifies and promotes proven safety countermeasures that have a demonstrated ability to reduce crashes. FHWA supports the Crash Modification Clearinghouse (http://www.cmfclearinghouse.org), a Web-based database of crash modification factors along with supporting documentation to help transportation engineers identify the most appropriate countermeasure for their safety needs. For example, the installation of centerline rumble strips on a 2-lane roadway can lead to 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 1,374 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 = 1375) **eliminating 458 serious injuries annually**.

Extrapolating the fatality and serious injuries reduction with $605 million to a fully funded program, a $2.4 billion HSIP could save over 540 lives per year and eliminate 1,800 serious injuries. In the aggregate, safety infrastructure countermeasures need to be replaced, on average, every 10 years, so the full benefits of a $2.41 billion annual program are 5,400 lives saved and 18,000 serious injuries prevented. Using the DOT economic value 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 $2.41 billion HSIP provides an economic benefit of over $33.9 billion, a benefit-cost ratio of 14 to 1.

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

The MAP-21 $2.4 billion HSIP funding level could reduce fatalities by at least 540 per year and serious injuries by at least 1,800 per year and is estimated to save more than 5,400 lives and 18,000 serious injuries over the 10-year lifecycle of the countermeasures. Funding the program at a lower level would reduce the States' ability to make the most effective safety investment decisions and result in fewer safety investments. Therefore, less funding will result in fewer lives saved and fewer serious injuries prevented.

Since Safety is the Department's top priority, it is critical that additional resources are provided to achieve a better safety record on U.S. highways. A single death on our highways is a tragedy; almost 100 deaths a day is unacceptable when we possess the tools and capability to help prevent them. This program will significantly reduce roadway deaths and serious injuries.

The data-driven decision making approach provided through the States' SHSPs, the integration of modal efforts across safer cars, safer behaviors and safer roadways, and the addition of common performance metrics for reducing fatalities and serious injuries provide a strong foundation to leverage additional funds to further reduce highway fatalities and serious injuries. This data-driven, coordinated approach coupled with the funding in SAFETEA-LU has played a significant role in achieving a 26 percent reduction in highway fatalities and serious injuries in 2011 when compared to 2005, the year that the HSIP was enacted.

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Executive Summary
National Highway Performance Program

What is the request and what do we get for our funds?
The $21.9 billion National Highway Performance Program (NHPP) will focus significant federal resources to support the condition and performance of the National Highway System (NHS); to support the construction of new facilities on the NHS; and to ensure that investments of Federal-aid funds in highway construction support progress toward the achievement of performance targets for the NHS. The NHPP includes performance management features. It holds States accountable for achieving performance targets and provides flexibility to States for making transportation investment decisions.

What is the program?
The NHPP is a formula-based program that provides funding to maintain and improve the NHS.

Why is this program necessary?
With the population and economic growth expected over the next 40 years, freight and passenger transportation demand are projected to increase by 250 percent by 2050. Maintaining and preserving an efficient transportation system in this environment is critical to maintaining the competitiveness of our economy.

The condition of our Nation's roads and bridges has improved in recent years. However, in 2009 only 54 percent of NHS vehicle miles travelled occurred on pavements with good ride quality. The condition of pavement and bridges across the country varies considerably as many States struggle to maintain current conditions.

How do you know the program works?
The NHPP has provisions to ensure that States invest their NHPP funds in NHS infrastructure and operations to achieve targeted results leading to improved NHS condition and performance. States will be required to develop risk based asset management plans to manage and evaluate NHS condition and performance.

Why do we want/need to fund the program at the requested level?
In FY 2014, the NHPP will need to be funded at the $21.9 billion MAP-21 level in order to continue progress in achieving a state of good repair and improved operations on the NHS.

Detailed Justification
National Highway Performance Program

What Do I Need To Know Before Reading This Justification?

This is a request to fund the National Highway Performance Program (NHPP). It is a formula-based program that provides funding to maintain and improve the NHS. It streamlines and consolidates portions of several former SAFETEA-LU programs. This justification requests that the NHPP be funded at the MAP-21 level of $21.9 billion.

Key features of the program include:

- focus on improving and maintaining the NHS;
- a performance-based framework;
- increased flexibility to the States for making transportation investment decisions; and
- requirements for risk-based asset management plans.

The National Highway System (NHS)

The Federal Government has periodically defined and focused resources on the roads that were critical to national interests and that enhanced mobility, security, economic growth and quality of life. Each time, the decision was made to emphasize a limited network of roads of critical national priority – the Federal-aid system (1921), the Interstate System (1956), and the National Highway System (1991).

MAP-21 redefined the NHS as a network composed of the Interstate System, all principal arterials, intermodal connectors, and roads important to national defense. The redefined NHS now totals approximately 220,000 mile. The NHS provides mobility to the vast majority of the Nation's population and almost all of its commerce. It supports national defense and promotes intermodal connectivity. While NHS mileage accounts for a small portion of the nation's public road mileage, it carries 55 percent of all vehicular traffic and 97 percent of truck-borne freight. While it comprises 53 percent of U.S. highway border crossings, it handles 98 percent of the value of total truck trade with Canada and Mexico.

The key elements of NHS include:

- **Principal Arterials** (including the Interstate System) serving regional and national needs as conduits for major traffic flow and freight movement. In urban areas, all high volume corridors are included in the NHS. In rural areas, the NHS carries over 47 percent of all vehicle miles traveled and provides 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.
- **Strategic Highway Network Roadways** (STRAHNET) providing 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** providing 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.

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

FY 2014 – National Highway Performance Program ($21.9 billion)
($000)

PROGRAM ACTIVITY	FY 2013 MAP-21	FY 2014 REQUEST	Difference From FY 2013 MAP-21
Federal-aid Highways			
National Highway Performance Program			
National Highway Performance Program	21,720,333	21,903,990	183,657
Total	**21,720,333**	**21,903,990**	**183,657**

National Highway Performance Program (NHPP)

The NHPP is a formula-based program that supports the Department's state of good repair outcome to increase the proportion of highways and bridges in good physical and operating condition, thus improving competitiveness and maximizing the economic returns on transportation policy and investments.

Maintaining and improving the NHS is essential to ensuring U.S. economic competiveness in world trade. The NHPP emphasizes preservation of the NHS while giving States flexibility to make additional investments to enhance NHS condition and operational performance and to build new capacity. The NHPP addresses mobility and access in rural areas.

The NHPP requires a risk-based asset management approach to ensure that States have a strategic and systematic process for operating, maintaining, and improving physical assets. It focuses on engineering and economic analysis using quality information to identify a structured sequence of maintenance, repair, rehabilitation, and replacement actions that will achieve a desired state of good repair over the lifecycle of the assets at minimum possible cost. The intent of this approach is to better manage system condition and performance.

Eligibility:
NHPP projects must be on an eligible facility and support progress toward achievement of national performance goals for improving infrastructure condition, safety, mobility, or freight movement on the NHS, and be consistent with Metropolitan and Statewide planning requirements. Eligible activities include:

- Construction, reconstruction, resurfacing, restoration, rehabilitation, preservation, or operational improvements of NHS segments.
- Construction, replacement (including replacement with fill material), rehabilitation, preservation, and protection (including scour countermeasures, seismic retrofits, impact protection measures, security countermeasures, and protection against extreme events) of NHS bridges and tunnels.
- Bridge and tunnel inspection and evaluation on the NHS and inspection and evaluation of other NHS highway infrastructure assets.
- Training of bridge and tunnel inspectors.

- Construction, rehabilitation, or replacement of existing ferry boats and facilities, including approaches that connect road segments of the NHS.
- Construction, reconstruction, resurfacing, restoration, rehabilitation, and preservation of, and operational improvements for, a Federal-aid highway not on the NHS, and construction of a transit project eligible for assistance under chapter 53 of title 49, if the project is in the same corridor and in proximity to a fully access-controlled NHS route, if the improvement is more cost-effective (as determined by a benefit-cost analysis) than an NHS improvement, and will reduce delays or produce travel time savings on the NHS route and improve regional traffic flow.
- Bicycle transportation and pedestrian walkways.
- Highway safety improvements on the NHS.
- Capital and operating costs for traffic and traveler information, monitoring, management, and control facilities and programs.
- Development and implementation of a State Asset Management Plan for the NHS including data collection, maintenance and integration, software costs, and equipment costs.
- Infrastructure-based ITS capital improvements.
- Environmental restoration and pollution abatement.
- Control of noxious weeds and establishment of native species.
- Environmental mitigation related to NHPP projects.
- Construction of publicly owned intracity or intercity bus terminals servicing the NHS.

Funding:
The NHPP is funded by contract authority from the Highway Account of the Highway Trust Fund. Funds are subject to the overall Federal-aid obligation limitation. Funds are apportioned by formula. State DOTs can spend NHPP funds on eligible projects on the NHS subject to meeting the performance targets. Projects must be included on the State Transportation Improvement Program (STIP) / Transportation Improvement Program (TIP).

The following amounts are set aside from each State's NHPP apportionment:

- A proportionate share of funds for the State's Transportation Alternatives (TA) program.
- 2 percent for State Planning and Research (SP&R).

Federal Share:
The Federal government generally provides 90 percent of the total project cost of projects on the Interstate system that do not add single occupant vehicle capacity. Otherwise, the federal share is generally 80 percent of the total project cost of projects on the NHS.

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

In FY 2014, the NHPP program will need to be funded at the $21.9 billion MAP-21 level in order to maintain progress in achieving a state of good repair and improved operations of the NHS.

Executive Summary
Surface Transportation Program

What is the request and what will we get for the funds?
The $10.1 billion provided by MAP-21 for the Surface Transportation Program (STP) provides flexible funding that may be used by States and localities for projects to preserve and improve the condition and performance on any federal-aid highway, bridges on any public road, and transit capital projects, including intercity bus terminals.

What is this program?
The STP is a formula-based program that provides support to States and localities to invest in federal-aid highways.

Why is this particular program necessary?
An efficient transportation system is critical to maintaining the competitiveness of our economy. 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 transportation infrastructure investment is needed. This program will give transportation agencies the ability to target funding to state and local priorities.

How do you know the program works?
States will identify projects for STP funding in consultation with local transportation officials in rural areas and in cooperation with the Metropolitan Planning Organization (MPO) in metropolitan areas.

Detailed Justification
Surface Transportation Program

What Do I Need To Know before Reading this Justification?

STP funds are generally limited to projects on federal-aid highways that include those public roads that are not functionally classified as rural minor collectors or local roads. Federal-aid highways are roads on the National Highway System, including the Interstate system, other arterial roads, urban collectors and major rural collectors. It accounts for approximately one million of the Nation's four million miles of public roads.

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

FY 2014 – Surface Transportation Program ($10.1 billion)
($000)

PROGRAM ACTIVITY	FY 2013 MAP-21	FY 2014 REQUEST	Difference From FY 2013 MAP-21
Federal-aid Highways			
Surface Transportation Program			
Surface Transportation Program	9,990,671	10,075,148	84,477
Total	**9,990,671**	**10,075,148**	**84,477**

Surface Transportation Program (STP)

We request $10.1 billion as authorized by MAP-21 for STP, which will provide flexible funding that may be used by States and localities for projects to preserve and improve the condition and performance on any federal-aid highway, bridges on any public road, and transit capital projects, including intercity bus terminals.

STP funds can be used to improve highway infrastructure condition and performance on and off the NHS. STP funds will improve access and connectivity to jobs and services in rural areas and reduce congestion and improve quality of life in urban areas. These funds give States the flexibility to make decisions on transportation investments.

The STP provides funds to the States to invest in federal-aid eligible highways to replace, rehabilitate, and preserve roads, bridges, and other highway infrastructure and to expand or build new transportation facilities. The STP provides a set-aside funding for bridges on public roads that are not located on a federal-aid highway. Other illustrative activities include the following: the removal of bottlenecks; projects and strategies to support congestion pricing, 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.

What is this program?

STP funds are generally limited to projects on federal-aid highways that include public roads that are not functionally classified as rural minor collectors or local roads. Despite its focus on the higher classification roadways, 23 U.S.C. amended by MAP-21 contains several exceptions that include:

- Set-aside funding for bridges on public roads that are not located on a federal-aid highway.
- States may use up to 15 percent of funds suballocated for areas with a population of less than 5,000 on rural minor collectors.
- Funds may be used for Appalachian local access roads designated under 40 U.S.C. 14501.

Eligibility:

- Construction, reconstruction, rehabilitation, resurfacing, restoration, preservation, or operational improvements for highways, including designated routes of the Appalachian Development Highway System (ADHS) and local access roads under 40 U.S.C. 14501.
- Replacement, rehabilitation, preservation, protection, and anti-icing/deicing for bridges and tunnels on any public road, including construction or reconstruction necessary to accommodate other modes.
- Construction of new bridges and tunnels on a federal-aid highway.
- Inspection and evaluation of bridges, tunnels and other highway assets as well as training for bridge and tunnel inspectors.
- Capital costs for transit projects eligible for assistance under chapter 53 of title 49, including vehicles and facilities used to provide intercity passenger bus service.
- Carpool projects, fringe and corridor parking facilities and programs, including electric and natural gas vehicle charging infrastructure, bicycle transportation and pedestrian walkways, and ADA sidewalk modification.
- Highway and transit safety infrastructure improvements and programs, installation of safety barriers and nets on bridges, hazard eliminations, mitigation of hazards caused by wildlife, and railway-highway grade crossings.
- Highway and transit research, development, technology transfer.
- Capital and operating costs for traffic monitoring, management, and control facilities and programs, including advanced truck stop electrification.
- Surface transportation planning.
- Projects that also have similar eligibility under the Transportation Alternatives Program.
- Transportation control measures.
- Development and establishment of management systems.
- Environmental mitigation efforts.
- Intersections with high accident rates or levels of congestion.
- ITS capital improvements.
- Environmental restoration and pollution abatement.
- Control of noxious weeds and establishment of native species.
- Congestion pricing projects and strategies, including electric toll collection and travel demand management strategies and programs.

- Recreational trails projects.
- Construction of ferry boats and terminals.
- Border infrastructure projects.
- Truck parking facilities.
- Development and implementation of State asset management plan for the NHS, and similar activities related to the development and implementation of a performance-based management program for other public roads.
- Surface transportation infrastructure modifications within port terminal boundaries, only if necessary to facilitate direct intermodal interchange, transfer, and access into and out of the port.
- Construction and operational improvements for a minor collector in the same corridor and in proximity to an NHS route if the improvement is more cost-effective (as determined by a benefit-cost analysis) than an NHS improvement and will enhance NHS level of service and regional traffic flow.

Funding:
The STP is funded by contract authority from the Highway Account of the Highway Trust Fund. Funds are subject to the overall federal-aid obligation limitation.

The following amounts are set aside from each State's STP apportionment:

- A proportionate share of funds for the State's Transportation Alternatives (TA) program.
- 2 percent for State Planning and Research (SPR).
- 15 percent of the State's FY 2009 Highway Bridge Program apportionment for off-system bridges. This set aside may not be taken from the suballocations described below.

The STP includes a suballocation of 50 percent of a State's annual apportionment, after the TA and SPR set-asides, to be obligated in the following areas in proportion to their relative shares of a State's population--

- *Urbanized areas with population greater than 200,000* – This portion is divided among those areas based on their relative share of population, unless the Secretary approves a joint request from the State and relevant MPO(s) to use other factors.
- *Areas with population greater than 5,000 but less than 200,000.*
- *Areas with population less than 5,000*

The remaining 50 percent may be used in any area of the State.

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

Why do we want/need to fund the program at the proposed funding level?
In FY 2014, the STP program will need to be funded at the MAP-21 level of $10.1 billion to make progress in achieving improved conditions and performance of federal-aid highways.

Executive Summary
Congestion Mitigation & Air Quality Improvement Program

What is the request and what will we get for the funds?
The MAP-21 level of $2.3 billion for the Congestion Mitigation and Air Quality Improvement (CMAQ) program will help States, local governments, and private-sector sponsors reduce highway congestion and harmful emissions, and also assist many areas in reaching attainment of the National Ambient Air Quality Standards (NAAQS) - a strong environmental priority.

What is this program?
The CMAQ program provides a flexible funding source for State and local governments to fund transportation projects and programs that help meet the requirements of the Clean Air Act and its amendments, and that help reduce regional congestion on transportation networks. CMAQ investments support transportation projects that reduce the mobile source emissions for which an area has been designated nonattainment or maintenance of the NAAQS by the Environmental Protection Agency (EPA). MAP-21 also places considerable emphasis on projects that reduce highway congestion, which in many metropolitan areas impedes economic development.

Why is this particular program necessary?
The CMAQ program is the only element of the Federal-aid Highway Program that specifically targets attainment of the NAAQS in areas with these air quality challenges. Through its statutory focus on transportation efforts that reduce harmful emissions, the program enhances livability throughout the nation, by contributing to attainment and maintenance of these standards that act as a public health benchmark for many of the more densely populated areas of the country.

How do you know the program works?
Projects supported with CMAQ funds are required to demonstrate an emissions reduction projection. In addition, States provide an annual report on all CMAQ investments that covers the fiscal year's obligations of program funds and provides an indicator of the program's impact on air quality, congestion, multimodal choice, and its contribution to a region's quality of life.

Why do we want/need to fund the program at the requested level?
Funding the program at the requested level of $2.3 billion will provide consistency and continuity for States and metropolitan governments that have planned and programmed the types of projects that contribute to the environmental and livable communities goals put forth by the Department.

Detailed Justification
Congestion Mitigation and Air Quality Improvement Program

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

FY 2014 – Congestion Mitigation and Air Quality Improvement Program ($2.3 billion)
($000)

PROGRAM ACTIVITY	FY 2013 MAP-21	FY 2014 REQUEST	Difference From FY 2013 MAP-21
Federal-aid Highways			
Congestion Mitigation & Air Quality Improvement Program			
Congestion Mitigation & Air Quality Improvement Program	2,253,828	2,272,895	19,067
Total	**2,253,828**	**2,272,895**	**19,067**

Projects resulting from this program will help States and communities reach attainment of the National Ambient Air Quality Standards (NAAQS) through reductions in harmful pollutants generated by transportation sources, and through traffic and congestion relief efforts that contribute to the efficiency of the transportation network.

What is this program?

The Congestion Mitigation and Air Quality Improvement Program (CMAQ) provides broad flexibility in project selection for States and communities that need to reduce emissions from their transportation sources. The program's statutory focus on congestion- and emissions-reducing efforts is unique in the Federal-aid Highway Program as it seeks to employ tailored transportation investments to combat formidable air quality challenges around the country. Reductions in both harmful emissions and traffic congestion are goals of the Department's initiative supporting livable communities. Some of the eligible project categories available to States and local governments include:

- Traffic management centers
- Traffic relief efforts, e.g. HOV/HOT lanes
- Alternative fuel vehicles and infrastructure
- Intermodal freight projects
- Diesel retrofit projects
- Transit capital investments
- Transit operating costs
- Travel demand management strategies
- Bicycle and pedestrian programs
- Vehicle inspection and maintenance programs

Projects supported with CMAQ funds authorized by MAP-21 must demonstrate the three primary requirements that have been a part of the program since its inception under the ISTEA of 1991.

An eligible project must:

- Reduce emissions.
- Be located in or benefit an EPA-designated nonattainment or maintenance area.
- Be identified as a transportation project.

While most States must use program funds in these nonattainment or maintenance areas, States with small populations in these designated areas, or with none of these areas at all, have additional flexibility to use CMAQ funds anywhere in the State for any project eligible under the STP or CMAQ program.

Why is this program necessary?

No other program is provided in the Federal-aid Highway Program, or through other initiatives in the Department, that establishes a statutory link to funding projects that reduce harmful emissions and contribute to the attainment of the NAAQS. CMAQ is less traditional than other FHWA capital programs, and serves a crossover function between transportation capital investments and environmental stewardship. The program continues to provide incremental benefits through enhanced regional and local air quality, and through contributions to congestion relief. Both these areas—air pollution and highway congestion—are considered to be worsening externalities that affect quality of life in many metropolitan areas of the country.

How do you know the program works?

States provide annual reports on their CMAQ investments. These reports are collected through an automated system that carries project and program information from the local sponsor to the State Department of Transportation, and finally to the FHWA for review. The reports contain both quantitative and anecdotal information on CMAQ obligations over the course of each fiscal year. Through the reporting mechanism, the FHWA is able to track the types of projects funded, assess any emerging trends in the program, and gauge the emissions reductions that are being generated by CMAQ project implementation. Since its inception, $29 billion in CMAQ funds have supported 28,000 projects with air quality benefits. In 2009 alone, 2,207 projects were funded through the CMAQ Program that reduced emissions of particulate matter, carbon monoxide, nitrogen dioxide, and/or volatile organic compounds.

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

Funding CMAQ at the MAP-21 level will help ensure continuity with State and local programming and provide adequate resources to maintain the air quality progress that many areas have already registered in striving toward attainment of the NAAQS.

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Executive Summary
Metropolitan Transportation Planning

What is the request and what will we get for the funds?
We request the MAP-21 level of $314.1 million for FY 2014 to provide metropolitan transportation planning. The funds are used by Metropolitan Planning Organizations (MPOs) for multimodal transportation planning and programming in metropolitan areas. Metropolitan planning activities include: the collection and analysis of data on demographics, trends, and system performance; travel demand and system performance forecasting; identification and prioritization of transportation system improvement needs; and coordination of the planning process and decision-making with the public, elected officials, and stakeholder groups.

What is this program?
Census designated urbanized areas over 50,000 in population are required to designate a Metropolitan Planning Organization (MPO) to conduct a continuing, cooperative, and comprehensive transportation planning process as a condition to receiving federal funds for transportation projects.

Why is this particular program necessary?
Metropolitan areas are comprised of multiple governmental agencies and jurisdictions, each of which have an interest in and have needs for transportation investment. Through a coordinated, regional approach to planning, an MPO engages the local jurisdictions as well as the State DOT and transit operators in a regional process that identifies the needs and investment priorities for the region. The result is a long range (20-year) transportation plan and a shorter term (4-year) program of transportation projects for implementation. Also, a performance-based approach has been added to the metropolitan and statewide transportation planning processes by MAP-21, whereby the MPOs are required to establish system performance goals and outcomes as part of the metropolitan transportation planning process, and direct their investments toward meeting those system performance outcomes.

How do you know the program works?
FHWA and FTA jointly conduct certification reviews of the metropolitan transportation planning processes in Transportation Management Areas (TMAs) once every four years. TMAs are urbanized areas over 200,000 in population. These certification reviews ensure MPO compliance with the planning provisions in Federal law. The new performance based planning and programming provisions in MAP-21 require that the MPOs set specific targets associated with transportation system performance and direct their investments in the metropolitan transportation plan and the TIP toward meeting those targets. Monitoring actual system performance over time against the system performance targets established in the metropolitan transportation plan will be an indicator of the degree of success of the planning process.

Why do we want/need to fund the program at the requested level?
The funding request will ensure the program has adequate resources to conduct the metropolitan planning process and appropriately direct investments toward improving transportation system outcomes while engaging the public, elected officials, and other stakeholders in the process.

Detailed Justification
Metropolitan Transportation Planning

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

We request the MAP-21 level of $314.1 million for FY 2014 to provide metropolitan transportation planning. The funds are used by Metropolitan Planning Organizations (MPOs) for multimodal transportation planning and programming in metropolitan areas. Metropolitan planning activities include the collection and analysis of data on demographics, trends, and system performance; travel demand forecasting; identification and prioritization of transportation system improvement needs; and coordination of the planning process and decision making with the public, elected officials, and stakeholder groups.

FY 2014 – Metropolitan Transportation Planning ($314.1 million)
($000)

PROGRAM ACTIVITY	FY 2013 MAP-21	FY 2014 REQUEST	Difference From FY 2013 MAP-21
Federal-aid Highways			
Metropolitan Transportation Planning			
Metropolitan Transportation Planning Program	311,485	314,119	2,634
Total	**311,485**	**314,119**	**2,634**

What is this program?

MAP-21 requires census designated urbanized areas over 50,000 in population to designate an MPO to conduct a continuing, cooperative, and comprehensive transportation planning process as a condition to receiving federal funds for transportation projects.

Why is this program necessary?

Metropolitan areas are comprised of multiple governmental agencies and jurisdictions, each of which have an interest in and have needs for transportation investment. Through a coordinated, regional approach to planning, a Metropolitan Planning Organization engages the local jurisdictions as well as the State DOT and transit operators in a regional process that identifies the needs and investment priorities for the region. The result is a long range (20-year) transportation plan and a shorter term (4-year) program of transportation projects for implementation. Also, a performance based approach has been added to the Metropolitan and Statewide transportation planning processes in MAP-21, whereby the MPOs are required to establish system performance goals and outcomes as part of the metropolitan transportation planning process, and direct their investments toward meeting those system performance outcomes.

How do you know the program works?

FHWA and FTA jointly conduct certification reviews of the metropolitan transportation planning processes in Transportation Management Areas (TMAs) once every four years. TMAs are urbanized areas over 200,000 in population. These certification reviews ensure MPO compliance with the planning provisions in Federal law.

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

The funding request at the MAP-21 level of $314.1 million will ensure the program has adequate resources to conduct the metropolitan planning process and appropriately direct investments toward improving transportation system outcomes while engaging the public, elected officials, and other stakeholders in the process. Currently there are 384 MPOs. There were 36 new urbanized areas as a result of the 2010 Census, and as a result, the total number of MPOs could potentially expand to as many 420 over the next year. These funds allow for each of the MPOs to carry out a coordinated transportation planning process and develop long range transportation plans and transportation improvement programs that make effective use of limited transportation funding. These prioritized plans and programs account for transportation system performance needs, future population and employment, future land use, economic development, public involvement, multimodal considerations and connectivity (including bicycle, pedestrian, highway, and transit), freight movement, environmental mitigation, transportation systems operation, safety, and congestion.

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Executive Summary
Transportation Alternatives Program

What is the request and what will we get for the funds?
We request the MAP-21 level of $819.9 million for the Transportation Alternatives Program (TAP) to support safe, multimodal transportation networks.

What is this program?
The Transportation Alternatives Program (TAP) supports the U.S. Department of Transportation's (DOT) Livable Communities strategic goal which aims to foster livable communities through policies and infrastructure investments that provide transportation choices and access to transportation services. The program provides funds to the States to create safe, accessible, and environmentally-sensitive communities through projects that provide access to jobs, services, housing, and recreation, and enhance and preserve the human and natural environment. Eligible projects include construction, planning, and design of on-road and off-road facilities for nonmotorized transportation, including sidewalks and bicycle infrastructure; preservation and rehabilitation of historic transportation buildings, bridges, and streets; vegetation management practices; environmental mitigation activities to address highway runoff and wildlife mortality; recreational trails; and safe routes to school walking and bicycling infrastructure, pedestrian and bicyclist safety education for children, and safe routes to school program management.

Why is this particular program necessary?
The Transportation Alternatives program will help States, local governments, and communities pursue transportation improvements that meet their priorities for safety, access, mobility, recreation, development, or economic objectives.

How do you know the program works?
The Transportation Alternatives Program is consistent with previously eligible programs and maintains a number of project eligibilities that have been popular with communities across the country. TAP projects will provide for the construction, planning, and design of infrastructure projects that improve safety, accessible nonmotorized transportation infrastructure, access to recreational infrastructure, preservation of historic transportation infrastructure, and mitigation of environmental concerns related to transportation.

Why do we want/need to fund the program at the requested level?
The funding of $819.9 million provided by MAP-21 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.

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, reduce congestion, foster affordable transportation, improve roadway safety for all road users, enhance access to recreation, and improve quality of life.

Detailed Justification
Transportation Alternatives Program

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

FY 2014 – Transportation Alternatives Program ($819.9 million)
($000)

PROGRAM ACTIVITY	FY 2013 MAP-21	FY 2014 REQUEST	Difference From FY 2013 MAP-21
Federal-aid Highways			
Transportation Alternatives Program			
Transportation Alternatives Program	808,760	819,900	11,140
Total	**808,760**	**819,900**	**11,140**

What is this program?

The Transportation Alternatives Program supports the U.S. Department of Transportation's (DOT) Livable Communities strategic goal which aims to foster livable communities through policies and investments that increase transportation choices and access to transportation services. This program maintains most project eligibilities from successful previous programs in Title 23. Several key activities, previously eligible as Transportation Enhancement activities, will continue to be eligible under the formula-based component of the Transportation Alternatives program. States may also continue their Recreational Trails Program and implement Safe Routes to School projects. The eligible activities from these programs range from providing bicycle and pedestrian facilities to environmental mitigation for highway projects. Examples of eligible activities include but are not limited to:

- Construction, planning, and design of on-road and off-road trail facilities for pedestrians, bicyclists, and other non-motorized forms of transportation, including projects to achieve compliance with the Americans with Disabilities Act.
- Construction, planning, and design of infrastructure-related projects and systems that will provide safe routes for non-drivers.
- Conversion and use of abandoned railroad corridors for trails.
- Construction of turnouts, overlooks, and viewing areas.
- Inventory, control, or removal of outdoor advertising.
- Historic preservation and rehabilitation of historic transportation facilities.
- Vegetation management practices in transportation rights-of-way to improve roadway safety, prevent against invasive species, and provide erosion control.
- Archaeological activities relating to impacts from implementation of transportation projects eligible under this title.
- Any environmental mitigation activity, including pollution prevention, abatement and mitigation to address storm water management, control, and water pollution prevention or

abatement related to highway construction or due to highway runoff; or reduce vehicle-caused wildlife mortality; or to restore and maintain connectivity among terrestrial or aquatic habitats.

- Continuing the Recreational Trails Program, but as a sub-apportionment of Transportation Alternatives (the Recreational Trails Program remains unchanged).
- Continuing eligibility for Safe Routes to School projects.
- Planning, designing, or constructing boulevards and other roadways largely in the right-of-way of former Interstate System routes or other divided highways.

Why is this program necessary?

The Transportation Alternatives Program will help States, local governments, and communities pursue transportation improvements that meet their priorities for safety, access, mobility, recreation, development, or economic objectives.

How do you know the program works?

The Transportation Alternatives Program is consistent with previously eligible programs and maintains a number of project eligibilities that have been popular with communities across the country, including many Transportation Enhancement activities, Safe Routes to School, and the Recreational Trails Program.

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

The funding provided by MAP-21 of $819.9 million will ensure that 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.

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Executive Summary
Federal Lands & Tribal Transportation Programs

What Is The Request And What Will We Get For The Funds?
FHWA requests $1.0 billion for the Federal Lands and Tribal Transportation Programs (FLTTP) to provide funding for transportation projects on Federal and Tribal lands for construction and engineering projects that will provide multi-modal access to basic community services – including safer all-weather access to schools and healthcare facilities – for 565 federally-recognized sovereign Tribal governments, improve multimodal access to recreational areas on public lands/national treasures, and expand economic development in and around Federal and Tribal lands while preserving the environment and reducing congestion.

What Is The Program?
The Federal Lands and Tribal Transportation Programs consolidate and reorganize five pre-MAP-21 era programs with inherently Federal responsibilities into three programs:

- **Federal Lands Transportation Program** – $300 million for projects that improve public access on high-priority roads, trails, and transit systems 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** – $250 million for projects that improve access to the Federal estate on infrastructure owned by States, counties, and local governments.
- **Tribal Transportation Program** – $450 million for projects that improve access to and within Tribal lands.

Why Is This Particular Program Necessary?
This program is authorized by MAP-21 and supports safe, seamless, and multimodal access to Federal and Tribal lands. In the absence of this program, it is highly likely, based on historical experiences, that the roads and bridges providing vital access to our Federal treasures and critical Indian community services (such as medical and education) would fall into severe disrepair, jeopardizing the public's and tribal members' ability to access these areas.

How Do You Know The Program Works?
The pre-MAP-21 era Federal Lands Highway Program (FLHP) demonstrated that Federal investment improved the condition of roads and bridges on Federal and Tribal lands. During 2011 under the FLHP, over 4,000 lane miles of Federal and Tribal roads were improved and 110 bridges were constructed or improved.

Why Do We Want/Need To Fund The Program At The Requested Level?
The requested $1.0 billion is authorized by MAP-21 and provides a level of investment required to achieve results for these programs of national interest. The investment supports over 25,000 miles of paved and unpaved roads used by over 900 million visitors annually in addition to 140,000 miles of roads used in large part by residents of 565 federally recognized tribes.

Detailed Justification
Federal Lands Transportation Program

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

FY 2014 – Federal Lands Transportation Program ($300.0 million)
($000)

PROGRAM ACTIVITY	FY 2013 MAP-21	FY 2014 REQUEST	Difference From FY 2013 MAP-21
Federal-aid Highways			
Federal Lands and Tribal Transportation Programs			
Federal Lands Transportation Program (FLTP)	300,000	300,000	-----
Federal Lands Access Program (Access Program)	250,000	250,000	-----
Tribal Transportation Program (TTP)	450,000	450,000	-----
Total	**1,000,000**	**1,000,000**	-----

FHWA requests $300 million to implement the Federal Lands Transportation Program (FLTP). The FLTP outcomes include completed construction and engineering projects that will improve multimodal 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 2013 Authorization	Programmatic Changes	FY 2014 Request
Federal Lands Transportation Program:			
Transportation roads and bridges owned by the National Park Service	$240,000	$0	$240,000
Transportation roads and bridges owned by the U.S. Fish & Wildlife Service	$30,000	$0	$30,000
Transportation roads and bridges owned by the U.S. Forest Service, Bureau of Land Management, and the U.S. Army Corps of Engineers	$30,000	$0	$30,000
Total	**$300,000**	**$0**	**$300,000**

What Is This Program?

The FLTP continues the purpose of the Federal Lands Highway Program (FLHP), 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 anticipated FY 2014 accomplishments will include the design and construction of Federal transportation infrastructure consistent with the Federal Land Management Agencies' strategic plans and DOT strategic goals. Based on recent data at comparable funding levels, we estimate improving approximately 15 structurally deficient and/or functionally obsolete bridges to a safe/good condition and improving about 480 lane 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, recreation areas, Bureau of Land Management lands, and other Federal public 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 $300 million FLTP is made up of two central components: $240 million for transportation roads and bridges owned by the National Park Service (NPS), $30 million for transportation roads and bridges owned by the U.S. Fish & Wildlife Service (FWS), and $30 million to begin the process of addressing the needs of transportation systems owned by three 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 roads and bridges 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, communities adjacent to Federal lands, and the American people who are looking for seamless transportation to these popular recreational locations. Put more plainly, the FLTP will focus on roads and bridges 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. Moreover, as cities and suburban areas continue to grow, Federal lands that were at one time 70+ miles away from the nearest city are now within a 15 minute commute. 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 within and outside of Federal lands helps to reduce car emissions, ease congestion at the gate, and preserve the environment of our national treasures for future generations.

The FLTP will reserve a percentage of the funding (up to 5 percent) 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 FLTP will fund transportation planning, research, preventive maintenance, engineering, administrative expenses, rehabilitation, and construction of roads and bridges that provide access to, within, or adjacent to Federal lands. The proposal to fund NPS and FWS roads and bridges directly ($270 million) is attributable to the programs' past performance, their existing backlog

of transportation needs, their prior standalone programs as part of the FLHP, and their inherent mission to support visitation to our national wildlife refuge and park treasures. 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 will be required to maintain a national road and bridge inventory, and report annually on the state of good repair of the transportation system.

The remaining $30 million will be allocated using a competitive, performance-based process among the transportation systems of the USFS, the BLM, and the USACE. DOT will develop criteria to be used by the respective FLMAs. This program will annually distribute program amounts to these agencies rather than a long list of individual projects. Each agency will submit multiple proposed investment plans at various funding levels. Each proposed investment plan will be required to demonstrate how it supports the most highly visited recreational areas, economic generators and their own resource management goals in addition to the Department of Transportation's strategic goals of improving highway safety and keeping Federal road and bridge networks in a state of good repair. This approach will 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 will be required to maintain a national road and bridge inventory and report annually on the state of good repair of the Federal Lands roads and bridges.

Why Is This Particular Program Necessary?

The Federal Government owns approximately 30 percent of the land in the United States (see Exhibit 1 that follows). This land is primarily rural in nature, though there are many Federal roads and bridges 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.

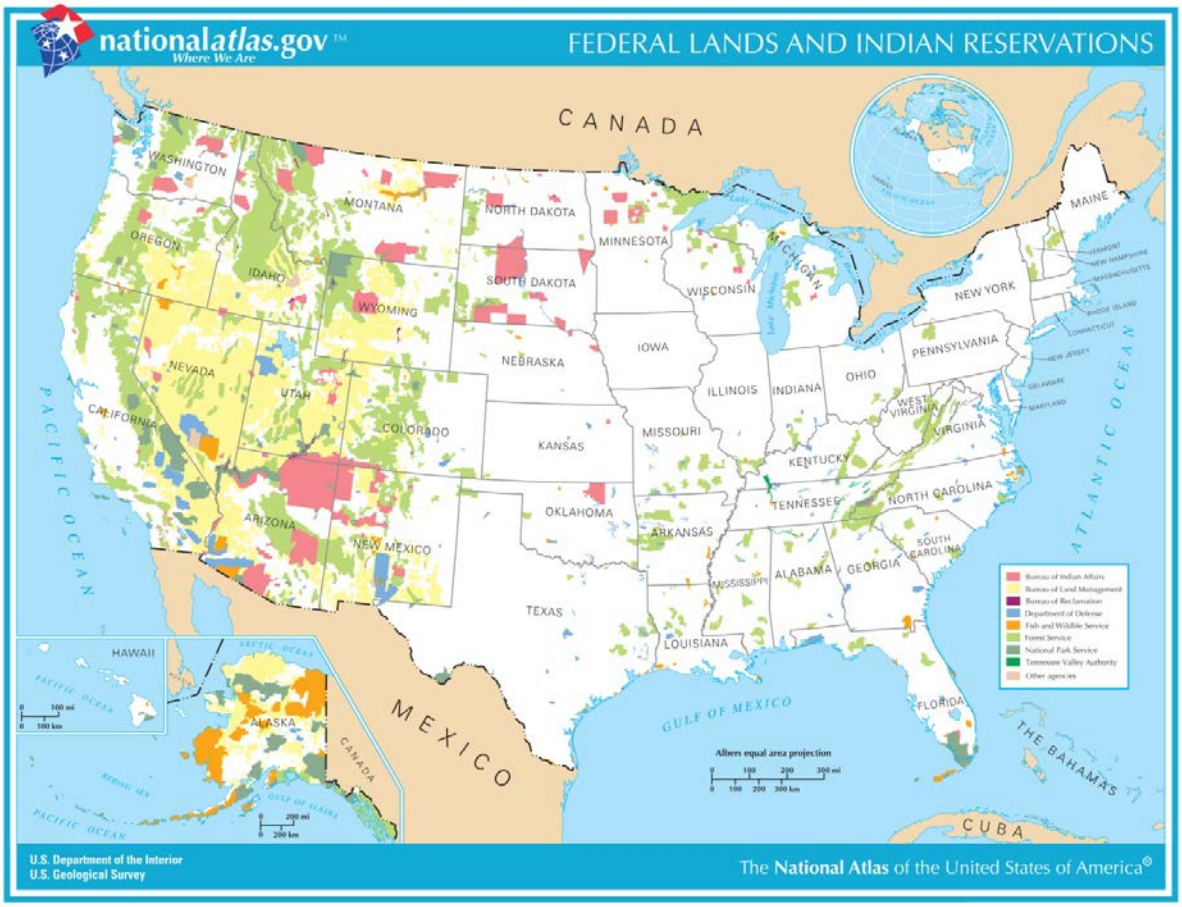

Exhibit 1

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 FLMAs, 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 15-20 minutes away as suburbs continue to expand further from the urban cores. Approximately 90 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 hundreds of billions 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 attractive opportunities for big and small businesses alike. It 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 and as well as supporting jobs for major equipment and supply manufacturers. 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 FLHP remained about the same over the life of SAFETEA-LU (2005-2011). Considering the increasing volume of visitors to our Federal public lands (2% increase on National Park Service lands and more than a 35% increase on US Fish & Wildlife Service lands over that timeframe), this indicates the program preserved critical assets in our national treasures effectively. During 2011, over 1,300 lane miles of park roads and refuge roads were improved and 37 bridges were constructed or improved. The 1,300 mile figure included many pavement preservation-type projects thus the higher metric. Many of these road and bridge improvements included multimodal options on the same road or bridge 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 $300 million represents an amount equal to the authorized funding level for FY 2013. This amount reflects the recent (2009-2012) authorized funding trends and supports a more comprehensive and coordinated, performance-oriented approach to Federal transportation infrastructure management.

We have determined that the national priority should focus the limited Federal funding on roads, bridges, etc. that provides 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 replaces the pre-MAP-21 era programs. The FLTP expands the eligibility of the FLHP to include publicly accessible, high-priority roads, trails, and transit systems beyond that owned by the National Park Service and the US Fish & Wildlife Service, to the US Forest Service, the US Army Corps of Engineers, and the Bureau of Land Management).

Detailed Justification
Federal Lands Access Program

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

FY 2014 – Federal Lands Access Program ($250.0 million)
($000)

PROGRAM ACTIVITY	FY 2013 MAP-21	FY 2014 REQUEST	Difference From FY 2013 MAP-21
Federal-aid Highways			
Federal Lands and Tribal Transportation Programs			
Federal Lands Transportation Program (FLTP)	300,000	300,000	-----
Federal Lands Access Program (Access Program)	250,000	250,000	-----
Tribal Transportation Program (TTP)	450,000	450,000	-----
Total	**1,000,000**	**1,000,000**	-----

FHWA requests $250 million to implement the Federal Lands Access Program (Access Program). The Access Program 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 This Program?

The Access Program continues and expands the purpose of the pre-MAP-21 era Forest Highway Program (part of the SAFETEA-LU 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 Access Program is the next logical step in that approach, with a focus on a comprehensive system of nationally significant State, county, tribal, and local transportation infrastructure (roads, bridges, trails, and transit systems) which provide access to the entire Federal estate, i.e., not just lands owned by the Forest Service.

The FY 2014 request for the Access Program is $250 million. The anticipated FY 2014 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 estimate improving about 12 structurally deficient and/or functionally obsolete bridges to a safe/good condition and improving approximately 400 lane miles of roads within or providing access to our national parks, forests, refuges, recreation sites, military facilities, and other Federal lands.

The purpose of the Access Program is to provide access to and through the Federal estate. The Access Program focuses on the subset of the roads, bridges, trails, or transit systems which provide access to high-use Federal recreation areas that increase interconnectivity between rural 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 $250 million Access Program is a formula distribution by State. The program is subject to a Federal Share Payable match requirement. Since all states have Federal lands of some type, each state would benefit from some portion of this funding. The formula criteria includes visitation to Federal lands, Federal public road miles, number of Federal bridges, and the amount of Federal public lands within each state. Further, 80% of the funds are directed towards the 12 states with at least 1.5% of total Federal lands: Alaska, Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming. Programming decisions will be made locally by a Program Decisions Committee comprised of representatives of the State DOTs, FHWA, and from county or local governments. These decisions will be made in coordination with Federal land management agencies. This funding component will be used to target Federal funding to transportation infrastructure (roads, bridges, trails, or transit systems) that are owned by States, counties, tribes, or local governments which provide critical access to Federal lands with high-use Federal recreation areas or high-use Federal economic generators. The type of road or bridge (state- or county-owned) is similar to those roads and bridges that the Forest Highway Program funded (though that program was limited to only providing access to national forests).

The Access Program 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 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, and bike paths.

The Access Program will reserve a percentage of the funding (up to five percent) 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 Access Program will fund transportation planning, research, preventive maintenance, engineering, rehabilitation, and construction of roads and bridges owned by States, counties, or local governments that provide access to, within, or are adjacent to Federal lands. The projects will link highly used Federal transportation infrastructure inside the boundaries of Federal lands with the Federal-aid system outside the boundaries. In this manner, critical funding resources will be targeted to those roads and bridges that provide access to the most highly used recreational destination points and economic generators within the Federal estate and thereby produce the greatest return on investment to land owners, communities adjacent to Federal lands, and the American people who are looking for seamless transportation to these popular

recreational locations. Put more plainly, the Access Program will focus on roads and bridges 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 that follows). This land is primarily rural in nature, though there are many Federal roads and bridges 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.

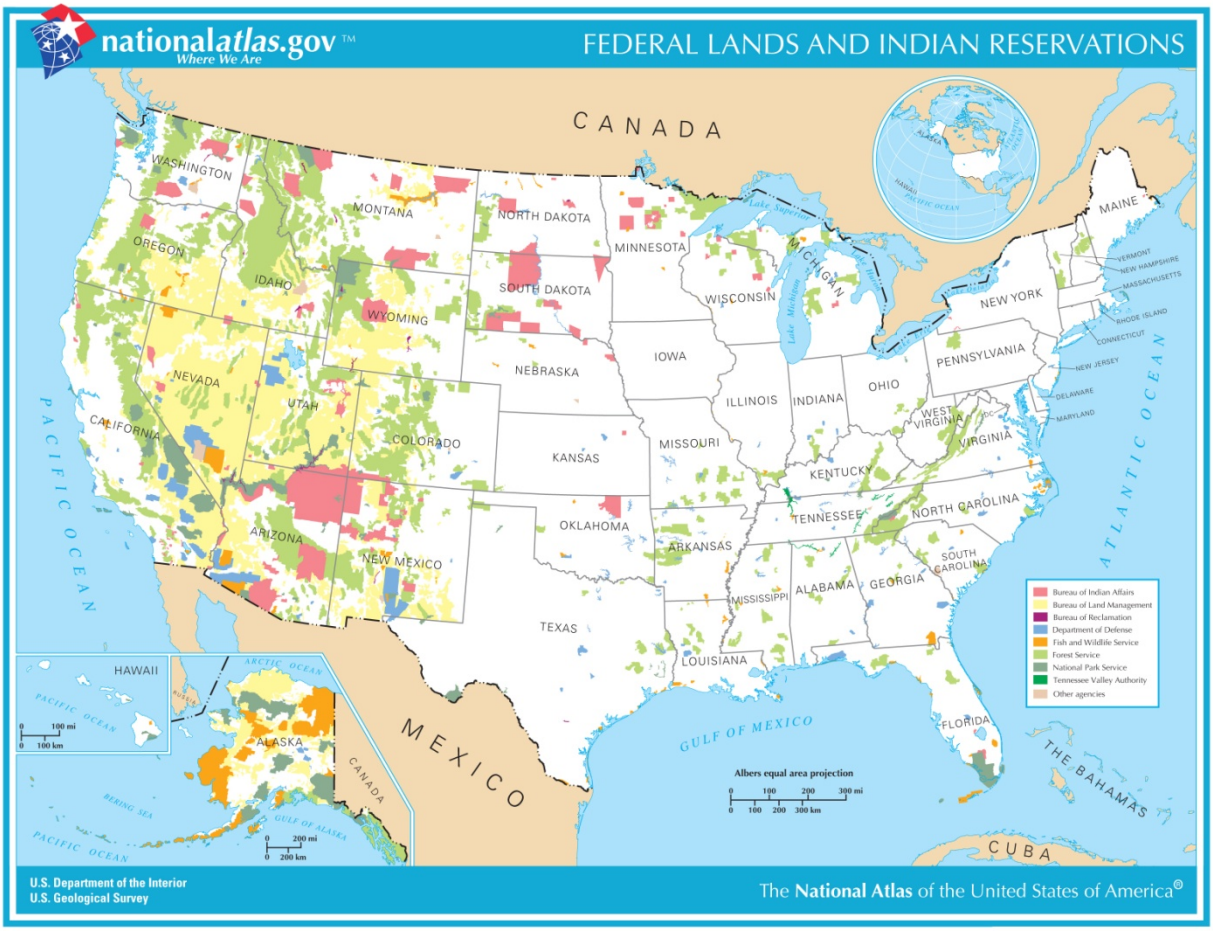

Exhibit 1

The Access Program 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, tribes, or local governments, which provide key access to the Federal estate and are used on a daily basis by the American public.

How Do You Know The Program Works?

Generally, the condition of roads and bridges in the pre-MAP-21 era remained about the same over the life of SAFETEA-LU (2005-2011). 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 2011, nearly 300 lane miles of Forest Highways and 3 bridges were constructed or improved. Many of these road and bridge improvements included multimodal options on the same road or bridge thereby providing visitors with transportation options (e.g., motoring, 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 $250 million represents an amount equal to the MAP-21 authorized funding level for FY 2013. This amount supports a more comprehensive and coordinated, performance-oriented approach to transportation infrastructure management on roads and bridges providing access to the Federal estate.

The national priority should focus the limited Federal funding on roads or bridges that provide critical access to highly-visited Federal recreation areas, and Federal economic generators. When coupled with the Tribal Transportation Program and the Federal Lands Transportation Program, the Access Program would replace the pre-MAP-21 era FLHP. The Access Program expands the eligibility of the former Forest Highway Program to include publicly accessible, high-priority roads, bridges, trails, and transit systems owned by the states, counties, and local governments which provide access to the *entire* Federal estate.

Detailed Justification
Tribal Transportation Program

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

FY 2014 – Tribal Transportation Program ($450.0 million)
($000)

PROGRAM ACTIVITY	FY 2013 MAP-21	FY 2014 REQUEST	Difference From FY 2013 MAP-21
Federal-aid Highways			
Federal Lands and Tribal Transportation Programs			
Federal Lands Transportation Program (FLTP)	300,000	300,000	-----
Federal Lands Access Program (Access Program)	250,000	250,000	-----
Tribal Transportation Program (TTP)	450,000	450,000	-----
Total	**1,000,000**	**1,000,000**	-----

FHWA requests $450 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 This Program?

The standalone Tribal Transportation Program (TTP) continues the purpose of the pre-MAP-21 era Indian Reservation Roads (IRR) program (a component of the SAFETEA-LU Federal Lands Highway Program), which was established in 1983 to promote a coordinated approach to highway construction on roads owned by the Bureau of Indian Affairs and sovereign Tribal governments.

The FY 2014 request for the TTP is $450 million. The anticipated FY 2014 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. Based on recent data at comparable funding levels, we estimate improving about 23 structurally deficient and/or functionally obsolete bridges of over 900 eligible bridges to a safe/good condition and improving about 720 miles of 140,000 miles of eligible roads accessing Tribal lands.

The structure of the $450 million TTP remains similar to the prior IRR program: the funding would be allocated by formula to all 565 Tribes. MAP-21 established an apportioned formula in place of the IRR formula, which was developed through a Negotiated Rulemaking process. The MAP-21 formula is phased in over a period of four years; during FY 2014, the Tribal distributions will be based on 60 percent of the Tribes' FY 2011 distributions and 40 percent based on the new apportioned formula.

The program would fund transportation planning, research, maintenance, engineering, rehabilitation, and construction of roads and bridges 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 on Tribal lands.

The TTP reserves up to a two percent set-aside for national bridge rehabilitation and replacement priority activities. The set-aside replaces the pre-MAP-21 era stand-alone SAFETEA-LU Indian Reservation Roads Bridge Program (IRRBP) and will be administered similarly, i.e., it is a regulatory-defined grant program which prioritizes funds on the bridges with the lowest sufficiency rating. Applications are submitted by Tribes each year.

Similar to the past two authorizations under the IRR Program, the TTP reserves up to a six percent set aside for administration of the program. Funding from this set-aside helps to provide funding for the seven Tribal Technical Assistance Program Centers which provide technical assistance and training to Tribes, oversight and maintenance of the IRR Inventory, funding for the Coordinated Technology Improvement Program, funding for the IRR Program Coordinating Committee, and funding for the BIA, BIA-DOT, and FHWA staff responsible for carrying out the Stewardship and Oversight and inherent Federal functions/responsibilities of the program. These functions include fund distribution, technical assistance, environmental documentation review and approval, project construction inspection, and the travel by the federal employees to carry out these activities.

The TTP reserves up to two percent for transportation planning and road and bridge inventory and data collection. This set-aside is a continuation of the planning activities from the prior IRR program. This funding is allocated among the 565 Tribes by formula, but those tribes can only spend this funding on planning and data collection activities.

The TTP reserves up to two percent for national safety priority activities. This set-aside targets funding for safety projects using a national grant process similar to the IRR bridge process, i.e., applications are submitted by Tribes each year. In some States, the fatality and crash rates on Tribal lands are three to four 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 and safer 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 TTP system, even though it is among the most rudimentary of any transportation network in the United States with more than 60 percent of the system unpaved.

How Do You Know The Program Works?

Generally, the condition of roads and bridges in the IRR Program remained about the same over the prior highway authorization (2005-2011). 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. During 2011, over 2,100 lane miles of Indian reservation roads were improved and 62 bridges were constructed or improved. Many of these road improvement miles were attributable to pavement preservation-type projects and unpaved road improvements.

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

The requested $450 million represents an amount equal to the MAP-21 authorized funding level for FY 2013. This amount reflects the recent (2009-2012) authorized funding trends and supports a more comprehensive and coordinated, goal-oriented approach to Tribal transportation infrastructure management.

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Executive Summary
Transportation Infrastructure Finance Innovation Act (TIFIA) Program

What Is The Request And What Will We Get For The Funds?
The FY 2014 FHWA budget request includes $1.0 billion for the Transportation Infrastructure Finance and Innovation Act (TIFIA) Program.

What Is The Program?
The TIFIA Program provides Federal credit assistance to surface transportation projects of national or regional significance.

Why Is This Particular Program Necessary?
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 help advance projects sooner. This program offers flexible repayment terms and attracts private capital to facilitate transportation projects that would otherwise go unfunded.

How Do You Know The Program Works?
The success of the TIFIA Program is evident in three main areas: the strong demand for TIFIA credit support; the active number of projects applying for TIFIA assistance; and the performance of projects financed with TIFIA credit assistance. The Program has accelerated the delivery of critical infrastructure investment, providing almost $10.5 billion in credit assistance to 31 projects.

Why Do We Want/Need To Fund The Program At The Requested Level?
The TIFIA Program funding level is provided in MAP-21 and will help meet the overwhelming demand for TIFIA credit support. By offering flexible repayment terms and attracting private capital, the TIFIA program will stimulate infrastructure investment that would be temporarily or permanently delayed without TIFIA financing. Funding at the requested level will also provide administrative resources to meet TIFIA program staffing needs.

Detailed Justification
Transportation Infrastructure Finance and Innovation (TIFIA) Program

What Do I Need To Know Before Reading This Justification?

The FY 2014 FHWA budget request includes $1.0 billion for the Transportation Infrastructure Finance and Innovation Act (TIFIA) Program based on the funding level authorized under Moving Ahead for Progress in the Twenty-First Century (MAP-21).

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

FY 2014 – TIFIA Program ($1.0 billion)
($000)

PROGRAM ACTIVITY	FY 2013 MAP-21	FY 2014 REQUEST	Difference From FY 2013 MAP-21
Federal-aid Highways			
TIFIA Program (loan program subsidies)	750,000	1,000,000	250,000
Total	**750,000**	**1,000,000**	**250,000**

The FY 2014 budget requests $1.0 billion in TIFIA Program funds to cover the subsidy and administrative costs of providing credit support to surface transportation projects. The Department's CFO oversees the TIIFA program and the TIFIA Joint Program Office on behalf of the Secretary, including the evaluation of individual projects, and provides overall policy direction and program decisions for the TIFIA program. This funding will help to meet the demand for infrastructure financing options in the United States. TIFIA support will advance projects that could not have moved forward in FY 2014 without Federal financing, thereby accelerating the economic, safety, environmental, and mobility benefits these projects will provide. What's more, TIFIA funding will leverage Federal dollars, so that a relatively small Federal commitment will stimulate a large amount of State, local, and private 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. MAP-21 increased authorized funding for the TIFIA Program by approximately eight fold to help meet the demand for TIFIA credit assistance.

Through the TIFIA Program, the Department provides Federal credit assistance to highway, transit, rail, and intermodal freight projects including seaports. TIFIA may lend up to 49[1] percent of eligible costs for large infrastructure projects of $50 million or more ($25 million for rural projects and $15 million for Intelligent Transportation System projects). The Program offers three types of financial assistance:

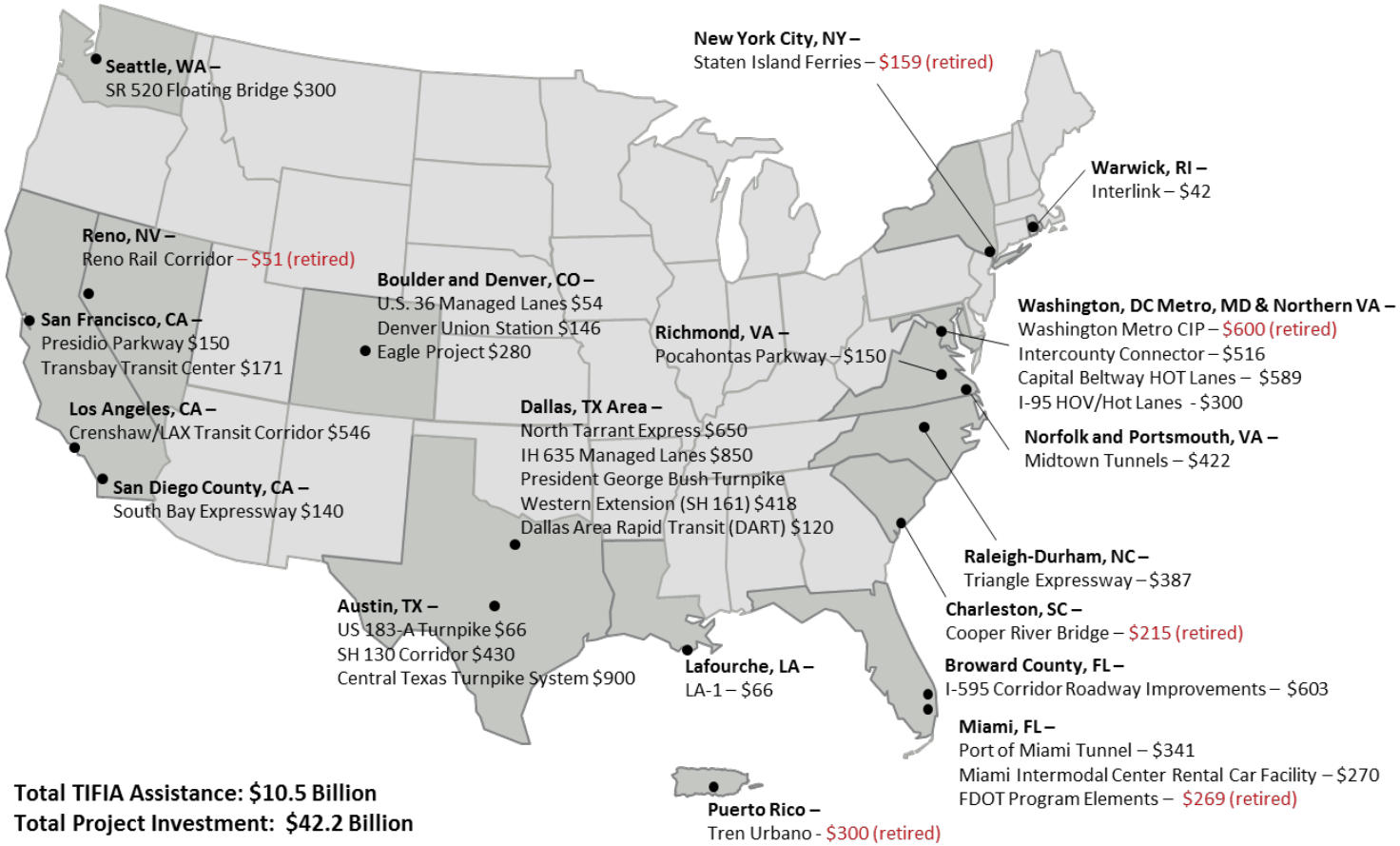
- **Secured loans** are direct Federal loans providing long-term financing of capital costs with flexible repayment terms.
- **Loan guarantees** provide full-faith-and-credit guarantees by the Federal Government of a portion of project loans made by institutional investors.
- **Standby lines of credit** 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, 31 projects have received a credit commitment, including 4 intermodal projects, 20 highway projects, and 7 transit projects. These projects represent approximately $42.2 billion in infrastructure investment spread across the United States. The commitments total nearly $10.5 billion in Federal assistance with a budgetary cost of approximately $714 million. The map that follows indicates the locations of TIFIA investment across the United States.

[1] MAP-21 increased the level of TIFIA participation from 33 percent of eligible costs to up to 49 percent of eligible costs.

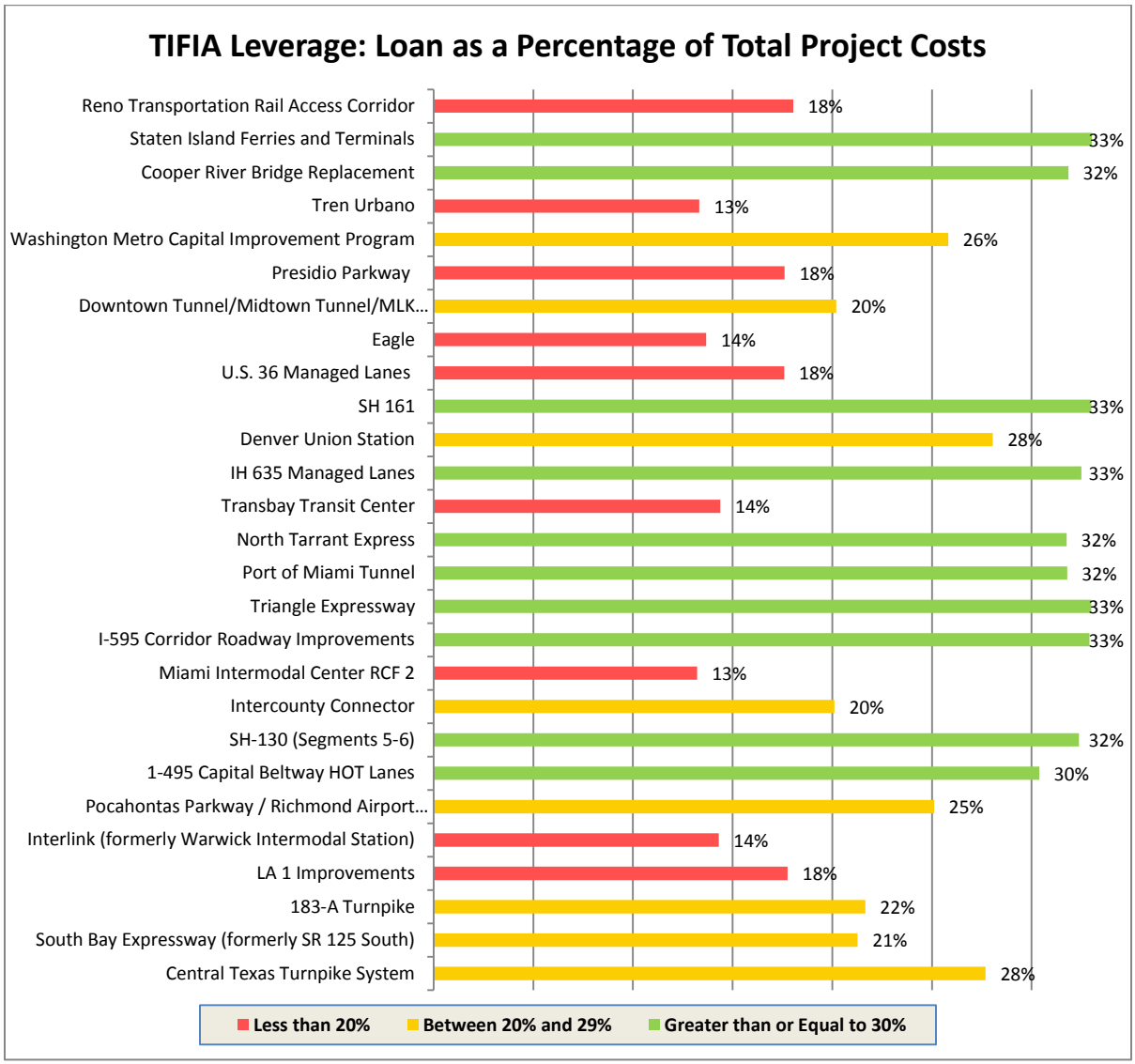
Locations of TIFIA Investment ($ in millions)



Total TIFIA Assistance: $10.5 Billion
Total Project Investment: $42.2 Billion

Why Is This Particular Program Necessary?

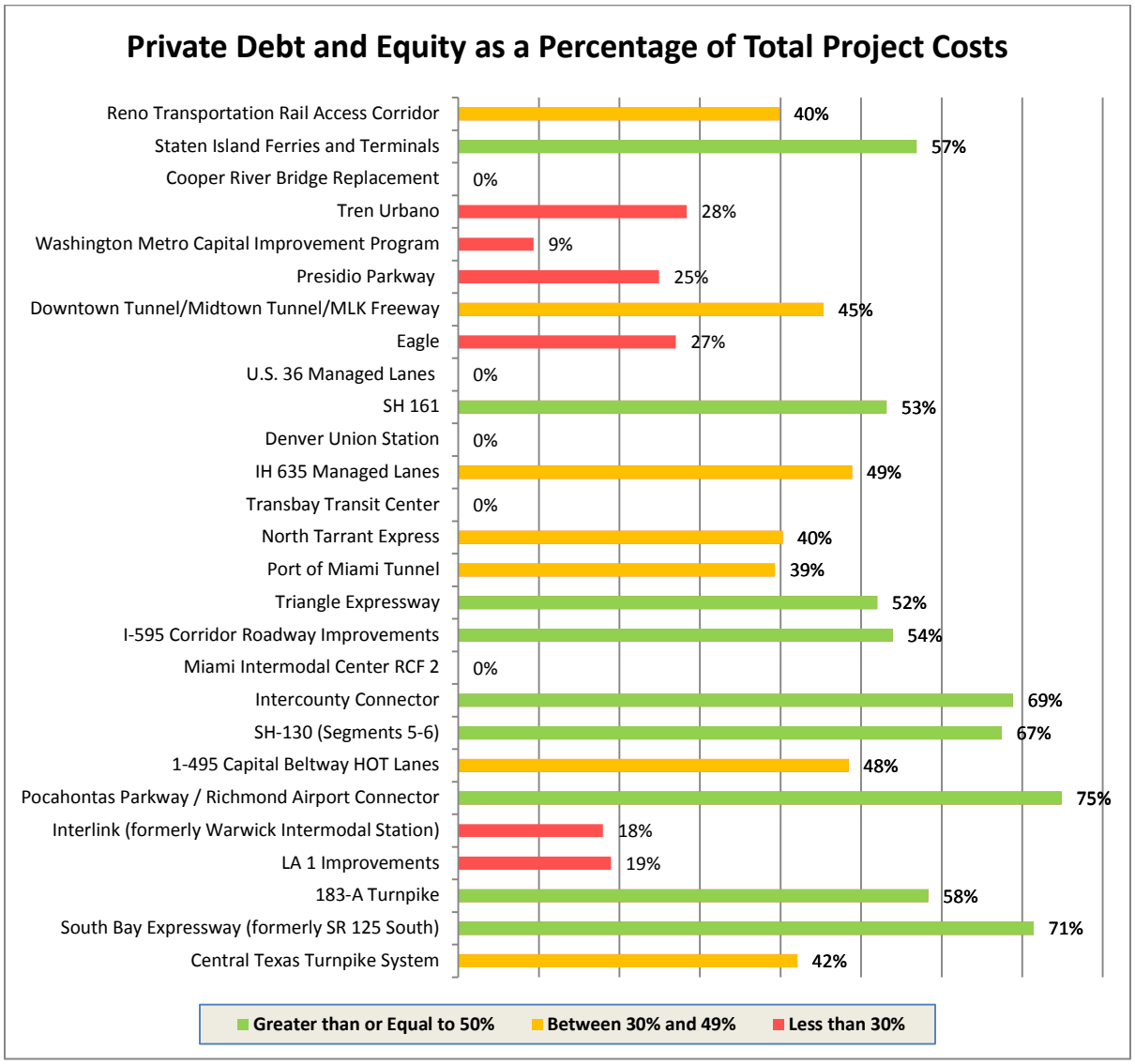
Through the TIFIA Program, a relatively small amount of Federal budget authority can stimulate large-scale infrastructure investment, thereby creating and maintaining jobs across America. The TIFIA Program leverages Federal funds by attracting private and other non-Federal co-investment in critical improvements to the nation's surface transportation system, often playing an integral role in a project's financial plan. TIFIA Program funds cover the Federal government's estimated cost of providing credit assistance, or the subsidy cost. The subsidy cost reflects estimated losses on a present value basis, and is a fraction of the face value of the loan, calculated on a loan-by-loan basis. The maximum portion of eligible project costs a TIFIA loan can fund is 49 percent. Thus, each dollar of TIFIA Program funds could support a loan of approximately 10 dollars and result in an infrastructure investment of more than 20 dollars.



TIFIA credit assistance can often provide more advantageous terms than are available in the financial market, making it possible to obtain financing for needed projects when it might not otherwise have happened. TIFIA was created because State and local governments often had

difficulty financing large-scale transportation projects with innovative revenue streams at reasonable rates due to the uncertainties associated with these non-traditional 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 can help attract private debt and equity participation in transportation projects. Eleven projects financed with TIFIA were advanced as public private partnerships and the private equity committed to those projects exceeds $2.7 billion. On the debt side, TIFIA has been combined with other debt sources including Private Activity Bonds (PABs), bank debt, and GARVEE Bonds, that total over $10 billion in financing for surface transportation.



TIFIA credit assistance can also facilitate the introduction of new revenue streams for transportation projects. 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. These projects could not have moved forward with only private financing and pay-as-you-go funding because of their innovative nature. By acting as a patient investor – with the flexibility to backload debt repayment and accept a junior lien on project revenues – TIFIA facilitated delivery of these critical infrastructure investments.

How Do You Know The Program Works?

The success of the TIFIA Program is evident in three main areas: the strong demand for TIFIA credit support; the active pipeline of projects applying for TIFIA assistance; and the performance of projects financed with TIFIA credit assistance.

Demand for TIFIA

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 funding level authorized under MAP-21 will help DOT meet this demand.

Since FY 2010, the TIFIA Program has been oversubscribed (more demand than funds available), with far more project sponsors seeking TIFIA credit assistance than TIFIA's current budget authority can provide. In each of the last three years, the Program has been oversubscribed by a ratio of more than ten to one.

TIFIA Demand from FY 2010 through FY 2012

	2010	2011	2012
Number of Letters of Interest	39	34	26
Credit Support Available*	$1 billion	$1 billion	$1 billion
Credit Support Requested	$12.5 billion	$14 billion	$13 billion
Total Investment	$41 billion	$48 billion	$38.5 billion

*Based on enacted levels.

After the enactment of MAP-21, the Department published a Notice of Funding Availability in the Federal Register inviting project sponsors to submit letters of interest (LOIs) for TIFIA assistance on a rolling basis. As of March 22, 2013, we have received 29 requests for approximately $13 billion in credit assistance to finance over 41 billion in total projects.

Pipeline of Projects

In FY 2012, three TIFIA loans were closed. In December 2011, TIFIA executed a credit agreement for the Eagle Project. The $280 million loan was made to the Denver Regional Transportation District (RTD) to finance a portion of the transit agency's costs associated with the East and Gold Line projects. The Eagle project is a two-pronged effort. The Gold Line will serve the suburbs of Arvada and Wheat Ridge. The East Line will run from Denver's historic Union Station nearly 23 miles east to Denver International Airport and will connect to existing light rail and bus service. Both lines are under construction and roughly 4,700 construction-related jobs are expected to be generated by the work. The project is part of RTD's ambitious and far-reaching FasTracks effort that offers better transportation choices in one of the most densely populated regions of the country. The TIFIA loan will promote a solid foundation for the region's economic growth, while helping to create thousands of good jobs in Colorado.

In April 2012, TIFIA closed a loan for the Downtown Tunnel/Midtown Tunnel/Martin Luther King Freeway Project. This $2.1 billion public-private partnership between Virginia DOT and a consortium comprised of Skanska and Macquarie will reduce congestion between Norfolk and Portsmouth by constructing a second Midtown Tunnel that will run parallel to the existing one, rehabilitating the existing Midtown and two Downtown tunnels, and extending of the Martin Luther King Freeway. The $422 million TIFIA loan helped keep toll rates down by lowering financing costs of the project.

A loan agreement was executed in June for the Presidio Parkway Project. The Presidio Parkway Project will convert Doyle Drive into a parkway that compliments the natural environment of the Presidio in San Francisco. The new parkway will serve as a primary north-south link for commuters who work in San Francisco and will be essential to economic growth. The route will allow local businesses to attract and retain talent from a wider area, improving the region's competitiveness. The existing Doyle Drive, built in 1936, is now at the end of its useful life with an outdated design and seismic structure. In 2010, Doyle Drive was rated the worst for structural sufficiency of all California roads. In addition to the seismic and safety upgrades, the Presidio Parkway will have the unique design features of a true parkway, including a wider landscaped median, safer city streets, and better access for pedestrians. Phase II of the project is being developed as a public private partnership and will include private debt, equity, and a $150 million TIFIA loan. TIFIA credit assistance was split into two loans. One is a short-term loan to be repaid at the end of construction; the second is a long-term loan with repayment over the life of the project. This financing structure allows the overall interest costs to be reduced and brings the repayments within available funding sources.

In September 2012, the Department executed a loan agreement for the Crenshaw Light Rail Project. The $546 million TIFIA loan will help finance the $1.7 billion project that will construct an 8.5 mile light rail line to improve mobility and travel reliability within the system. The line will connect existing rail service on the Metro Green Line with the Metro Exposition Line, which recently opened for service, making it easier for low-income residents, seniors and other riders to reach downtown Los Angeles, the Westside, South Bay and the cities of Inglewood, Hawthorne and El Segundo. The project also includes a new transit vehicle maintenance and storage facility.

In the first three months of FY 2013, TIFIA has closed three loans. First in October, a TIFIA loan of $300 million for the SR 520 Floating Bridge was closed. This $2.7 billion project will promote state of good repair in the Seattle area by replacing a deteriorating crossing and extending HOV lanes to the east. Next in November, the Department executed a loan agreement for the I-95 HOT Lanes Project. This $923 million project received a $300 million TIFIA loan to expand, extend, and convert HOV/HOT lanes between Fairfax County and Stafford County in Northern Virginia. The new HOT lanes will extend for 29 miles to relieve congestion on a heavily traveled corridor, and traffic and revenue projections indicate a strong demand for the additional lanes. Finally in December, a TIFIA loan for the DART Orange Line Project was closed. This $119.9 million TIFIA loan will help finance the $397 million Orange Line Phase III expansion. The loan will be used to fund construction of a key 5.17-mile segment of DART's 14.5-mile light rail Orange Line. Once completed, the expanded line will improve east-west connections between DFW and the DART system by connecting to the Green Line that runs through downtown Dallas as well as to other transit services, including commuter rail. The subsidy cost of both the I-95 HOT Lanes Project and the DART Orange Line Project were funded with TIGER III monies.

In addition to these three projects, the Department expects to reach financial close on as many as nine additional projects in FY 2013. These projects are requesting almost $2 billion in credit assistance to finance over $11 billion in infrastructure investment.

Loan Performance

The TIFIA Program has provided 33 loans and one loan guarantee for 31 projects since 1999. Many projects financed with TIFIA credit support were constructed ahead of schedule and/or at a lower cost than otherwise would have been possible. Since the TIFIA Program finances major infrastructure projects with long construction timeframes, many of the TIFIA Program approved projects have not opened to traffic. Of the projects that have been completed, six have repaid or retired the TIFIA credit support in full. Another seven projects are open for use, generating revenue as expected, and have begun to repay the TIFIA loan. Five have opened to traffic but are not yet required to begin repaying their loans due to TIFIA's flexible payment terms.

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

The requested $1.0 billion in funding will enable the TIFIA Program to provide almost $10 billion in direct loans, loan guarantees, and lines of credit.

The FY 2014 funding level provided by MAP-21 will help meet the demand for TIFIA credit support and stimulate infrastructure investment that would be temporarily or permanently delayed without TIFIA financing. The budget request will provide credit assistance for a substantial pipeline of projects. In total, it is estimated that demand for TIFIA credit support in FY 2014 will be similar to the $12 to $14 billion requested by the submitted Letters of Interest in prior years, and increased funding for the program to $1.0 billion will allow DOT to provide TIFIA credit support to a greater number of projects which will accelerate important infrastructure investment.

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

What Is The Request And What Will We Get For The Funds?
Our 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 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 and 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 Research, Technology and Education Program is comprised of the research portion of the State Planning and Research (SP&R) program and the following:

- Highway Research & Development Program (HRD): $115.0 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): $62.5 million to address testing, evaluating, and accelerating the delivery and deployment of technologies.
- Training & Education Program (T&E): $24.0 million to train the current and future transportation workforce, transferring knowledge quickly for effective deployment and implementation.
- Office of the Assistant Secretary for Research and Technology-administered RD&T programs: $198.5 million for Intelligent Transportation Systems, University Transportation Centers, and Bureau of Transportation Statistics.

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. 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 funding provided by MAP-21 enables FHWA to strengthen its national leadership role in conducting, sponsoring, sustaining, and guiding the 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 FHWA budget proposes to restructure existing FHWA research, development, and technology activities into three programs, as authorized by MAP-21. The three programs are: Highway Research and Development, Technology and Innovation Deployment, and Training and Education – totaling $201.5 million.

The FHWA budget also includes a number of programs which are administered by the Office of the Assistant Secretary for Research and Technology. ***Detailed justifications for these programs can be found in budget submission for the Office of the Secretary of Transportation (OST) - Office of the Assistant Secretary for Research and Technology.***

FY 2014 – Research, Technology, and Education Program ($400 million)
($000)

PROGRAM ACTIVITY	FY 2013 MAP-21	FY 2014 REQUEST	Difference From FY 2013 MAP-21
Federal-aid Highways			
Research, Technology, and Education Program			
Highway Research and Development Program	115,000	115,000	-----
Technology and Innovation Deployment Program	62,500	62,500	-----
Training and Education	24,000	24,000	-----
Intelligent Transportation Systems Program [1/]	100,000	100,000	-----
University Transportation Centers [1/]	72,500	72,500	-----
Bureau of Transportation Statistics [1/]	26,000	26,000	-----
State Planning & Research (SP&R research portion) non-add	[184,693]	[186,285]	[1,592]
Total	**400,000**	**400,000**	-----

1/ Administered by the Office of the Assistant Secretary for Research and Technology.

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

The 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 2014 FHWA Request	
	RT&E Program	Formula Programs Takedown
Highway Research & Development	$115.0	
Technology and Innovation Deployment Program	$62.5	
Training & Education	$24.0	
SP&R (Research) non-add		$184.4
Total, FHWA Managed Programs	***$201.5***	***$184.4***

As summarized in the above table, FHWA requests $201.5 million for the following three RT&E major program categories:

- **Highway Research and Development program (HRD)**, which includes most areas previously found under the Surface Transportation Research, Development and Deployment program (STRDD).
- **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.
- **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 four core programs (National Highway Performance Program, Surface Transportation Program, Congestion Mitigation & Air Quality Program, Highway Safety Improvement Program) with at least 25 percent ($184.4 million) of the available funding directed to research purposes.

What Is This Program?

The RT&E program role is to provide leadership in 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. It is committed to providing superior training and education to transportation professionals. The FHWA 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:

Highway Research and Development Program (HRD)
HRD highlights FHWA's leadership in developing a comprehensive, nationally-coordinated FHWA highway research and technology program, engaging and cooperating with other highway research stakeholders. HRD 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 our 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 and development activities support comprehensive and sustainable safety programs. Activities emphasize data-driven analysis of roadway-related safety considerations and specific improvement in four crash areas: roadway departure, intersection, pedestrian, and speeding. 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) development of metrics to assess the performance of infrastructure over the longer term; b) research and development of technologies and techniques to assure that our Nation's infrastructure is world class from a standpoint of longevity, safety, performance, climate-change mitigation, and sustainability; and c) leadership to ensure effective follow-up and deployment of the improvements developed, particularly those that will speed construction and reduce congestion caused by construction.

- **Planning and Environment -** Activities in this program area include carrying out short and long-term livability and sustainability 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; developing capabilities to 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 -** FHWA conducts research on the application of cutting-edge technologies to move people and goods better, quicker, more reliably, and safer. The primary focus is on congestion relief solutions. This work will mitigate the impacts of recurring congestion, and 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 the system's services and support to the connected vehicle and other Intelligent Transportation System initiatives. HRD (Operations) also pursues a broad range of activities designed to enhance freight productivity and economic competitiveness of the United States. These are targeted at improving freight movement, reducing freight-related congestion throughout the network, evaluating impacts of vehicle size and weight, advancing freight operations and technology, and developing freight performance measurement and management systems.

- **Policy -** The Policy program analyzes emerging issues in the transportation community, including climate change, public-private partnerships, highway revenues, performance management, authorizing legislation, and a host of other issues. The program also supports data collection on motor fuels, motor vehicles, licensed drivers, roadway characteristics, pavement conditions, travel trends, and travel behavior. Policy data collection and forecasting efforts provide the foundation on which program administration, policy analysis and implementation, and legislative support all rely. 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 our Nation's highways and bridges. Policy research initiatives include conducting research through strategic alliances as an associate of the Forum of European Highway Research Laboratories (FEHRL), and other activities to gain 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 United States private sector. The Policy program also supports the analysis of innovative finance and program delivery strategies. Because the successful deployment of these strategies requires public sponsors to develop extensive analytical and transactional skills, significant capacity building and technical assistance efforts occur alongside the research activities.

- **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, develop 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 highway research agenda is underway, and resources are needed to continue this effort to achieve the goal of an enhanced 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. This is where final analysis, marketing, communications, and promotional activities are conducted to accelerate its adoption by state DOTs and other government entities or beneficiaries. Previous funding of this aspect of the innovation lifecycle has resulted in the under-utilization of a number of market-ready technologies that could be highly beneficial to the industry. Thus, FHWA is establishing a separate program area that will aim at advancing deployment-ready technologies resulting from HRD, or take market-ready technologies developed by other entities and support their accelerated implementation by State DOTs or other stakeholders.

The 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. 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.

As part of the TIDP, FHWA staff will work with the American Association of State Highway and Transportation Officials (AASHTO), State officials, the Transportation Research Board (TRB) and others concerning the implementation of the Strategic Highway Research Program II (SHRP2) results. The purpose of SHRP2 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 research and development portion of SHRP2 was managed by the TRB in consultation with AASHTO and the FHWA, and it has reached the results implementation phase. While the majority of SHRP2 research and development activities authorized in SAFETEA-LU were mostly conducted by universities and other outside entities, these entities are not suited to lead the implementation and deployment of the resulting products: the implementation phase requires an increased Federal role. For this reason, Congress directed the FHWA to manage the implementation phase of SHRP2. Because of its ability to partner with all States, attract national expertise and support technology transfer activities, FHWA is uniquely suited to manage the implementation phase of the program.

The required implementation of SHRP2 products as well as the coordination and administration of the program is over and above the current expectations and available resources of the FHWA RT&E program. Recognizing this, Congress provided explicit authorizing language in MAP-21 to allow TIDP program funds to be used for Federal positions associated with implementation of SHRP2 products. The FHWA estimates that it will need 8 additional Full Time Equivalents (FTE) in FY 2013 and 10 more FTE in FY 2014 (for a total of 18 additional FTE by the end of FY 2014) to support this program. The positions will be distributed among different FHWA offices as necessary. Temporary contract human resources will be a major component of the implementation program. The Federal staff are needed for leadership and oversight of these contractor activities, and provide the Federal communications role that is essential for technology transfer to the States and other governmental agencies.

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. T&E 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 approaches to surface transportation congestion measurement, analysis, and project programming.
  - The Surface Transportation Centers for Excellence will promote and support strategic programs and activities in the areas of environment, surface transportation safety, rural safety, and project finance.

State Planning & Research Program (SP&R)
A separate category from the three components above, the SP&R program has been funded prior to MAP-21 as a two percent take-down of seven major Federal-aid Highway Program funds. MAP-21 provides it as a take-down of four of the MAP-21 formula programs: National Highway Performance Program, Surface Transportation Program, Congestion Mitigation Air Quality Program, and Highway Safety Improvement Program.

States must allocate a minimum of 25 percent of their SP&R apportionment for research, development, and technology. 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.

SP&R 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.

In addition, the States have agreed to provide 4 percent of their SP&R allocation to the Secretary for the implementation of SHRP2 results and products.

For details about the Office of the Assistant Secretary for Research and Technology-administered RT&E programs, see the budget submissions for the Office of the Secretary of Transportation (OST) -- Office of the Assistant Secretary for Research and Technology.

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 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 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, 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 to conduct research of local or regional interest that may not be covered under the HRD. The TIDP 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 the Office of the Assistant Secretary for Research and Technology-administered RT&E programs, see the budget submissions for the Office of the Secretary of Transportation (OST) -- Office of the Assistant Secretary for Research and.

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**:
    - The FHWA recently launched a new website, "A Systemic Approach to Safety", which identifies high-risk roadway features that are correlated with particular severe crash types to then implement low-cost safety countermeasures at these and similar locations. A complete systemic safety project selection tool is under development, and will include a step-by-step process for systemic safety analysis and planning; a method for balancing systemic safety improvement and spot safety improvement projects; and a mechanism to quantify systemic safety improvement benefits.
    - Under an Every Day Counts (EDC) initiative, the FHWA is working with State DOTs to consider alternative geometric intersection and interchange designs, such as roundabouts, diverging diamond interchanges, and intersections with displaced left-turns or variations on U-turns. These are proving to be effective alternatives to traditional designs, reducing conflict points and allowing for safer travel for motorists, pedestrians, and bicyclists..
- **State of Good Repair**:
    - Research conducted at the FHWA's Turner-Fairbank Highway Research Center (TFHRC) Hydraulics Laboratory has advanced the understanding of the effects of flooding, scour, and coastal inundation on bridges, providing useful information to evaluate infrastructure damage after a hazardous event, and to develop improved bridge design standards.
    - Geosynthetic Reinforced Soil (GRS), another EDC technology targeted for accelerated deployment, provides for extremely durable bridges at reduced costs.
- **Economic Competitiveness**:
    - The EDC initiative is accelerating implementation of Adaptive Signal Control Technologies that adjust traffic signal timing to traffic patterns, resulting in reduced traffic congestion and delays, and decreased fuel consumption and vehicle emissions.
    - Federal, State and local transportation agencies have available a passenger travel analysis framework model developed by FHWA to forecast Vehicle Miles Traveled and perform a variety of scenario analysis, allowing for better transportation planning and assist in crucial transportation decisions.
- **Livability**:
    - FHWA developed a guide to help practitioners incorporate livability considerations into transportation planning. In addition, FHWA conducted regional livability workshops across the country and, based on the attendees' feedback, developed resources for their use in advancing livability.
    - New technology developed at FHWA's TFHRC can survey streets, sidewalks, and curb ramps with great precision, allowing for quick evaluation for Americans with Disabilities Act compliance, improving sidewalk access and the livable community experience for everyone.

- **Environmental Sustainability**:
    - FHWA has developed a rating tool to help State DOTs and MPOs evaluate the sustainability of highway systems and projects.
    - As part of the EDC initiative, FHWA is establishing programmatic agreements with the US Army Corps of Engineers and the US Fish and Wildlife Service. Through establishing a streamlined process for handling routine environmental requirements for commonly encountered project types, this approach increases efficiency while maintaining appropriate consideration for the environment.

For details about the Office of the Assistant Secretary for Research and Technology-administered RT&E programs, see the budget submissions for the Office of the Secretary of Transportation (OST) -- Office of the Assistant Secretary for Research and Technology.

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

The funding request is authorized by MAP-21, which was enacted by Congress in response to the critical need for bold actions, effective investments, and financing innovations to address current gaps and emerging issues facing our Nation's transportation system.

Research and development activities are crucial to develop improved performance measures, data collection and analysis tools, modeling and planning tools, accelerated project delivery methods, and more durable materials in support of all departmental goals and objectives.

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. MAP-21 addresses this issue by providing for a separate deployment program.

As the SHRP2 program enters its implementation phase, FHWA staff must maximize the program's return on investment and properly administer the evolving needs of the program, in conjunction with the work being performed by other stakeholders involved.

SHRP2Finally, any investment in research and technology would be ineffective without educating and training the current and future transportation workforce to fully leverage resulting innovations and implement new technologies.

For details about the Office of the Assistant Secretary for Research and Technology-administered RT&E programs, see the budget submissions for the Office of the Secretary of Transportation (OST) -- Office of the Assistant Secretary for Research and Technology.

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Executive Summary
Other Programs

What is the request and what will we get for the funds?
Our request provides continued funding in FY 2014 for the Emergency Relief (ER) program at the MAP-21 proposed annual authorization of $100 million, the Territorial and Puerto Rico Highways Program at the MAP-21 proposed annual authorization of $190 million and the Construction of Ferry Boats and Ferry Terminal Facilities at the MAP-21 annual authorization of $67 million.

What is this program?
These are three separate programs that will provide assistance to States and localities for the repair of damage to Federal-aid highways from natural events and catastrophic failures due to an external cause; to Puerto Rico and US territories to build vital transportation infrastructure important for their mobility needs and to serve national defense and global trade needs; and to construct ferry boat and ferry terminals.

Why is this particular program necessary?
These programs provide vital assistance to states, territories, and localities to build and repair critical transportation infrastructure.

How do you know the program works?
These have been long standing programs that perform the following vital functions: help states, territories, and localities repair damage to federal-aid highways from natural events and catastrophic failures due to an external cause; build vital transportation infrastructure in Puerto Rico and the US territories that is important for their mobility needs and to serve national defense and global trade needs; and construct ferry boat and ferry terminals.

Why do we want/need to fund the program at the requested level?
The request is to fully fund the MAP-21 annual authorization levels for FY 2014. In 2011, ER funding was provided for 58 separate disasters which occurred during FY 2011 and prior years. The average annual need for ER funds is in the range of $300-400 million, which has been funded from the annual ER Federal-aid permanent contract authority as well as supplemental funds and other appropriations, provided by Congress. In addition to ER funding from Federal-aid Highways ($100 million each year), in FY 2013, Congress appropriated $2.0 billion for Hurricane Sandy and other disasters. The Hurricane Sandy appropriation is not part of the Federal-aid Highways account and is funded by the General Fund.

Detailed Justification
Emergency Relief (ER) Program

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

FY 2014 – Emergency Relief Program ($100.0 million)
($000)

PROGRAM ACTIVITY	FY 2013 MAP-21	FY 2014 REQUEST	Difference From FY 2013 MAP-21
Federal-aid Highways			
Emergency Relief	100,000	100,000	-----
Territorial and Puerto Rico Highway Program	190,000	190,000	-----
Construction of Ferry Boats and Ferry Terminal Facilities	67,000	67,000	-----
Total	**357,000**	**357,000**	-----

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 damage assessments 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 repairs accomplished in the first 180 days after the occurrence of the disaster to restore essential traffic, minimize the extent of damage, or protect the remaining facilities 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. MAP-21 requires the Secretary to extend this 180 day period taking into consideration any delay in the ability of the State to access damaged facilities to evaluate damage and the cost of repair.

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 get damaged highways open to essential traffic. Longer term permanent repairs to restore damaged highways 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 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.

In 2011, ER funds were provided for 58 separate disasters. The average annual need for ER funds is in the range of $300-400 million, which has been funded from the annual ER appropriation as well as supplemental funds, provided by Congress.

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 has provided 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, Hurricane Sandy) have averaged about $350 million annually. Within the same time frame, including large scale events, the average costs increases to about $750 million 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. In FY 2013, Congress appropriated $2.0 billion for Hurricane Sandy and other disasters. That appropriation is not part of the Federal-aid Highways account and is funded by the General Fund.

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Detailed Justification
Territorial and Puerto Rico Highways Program

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

The purpose of this request is to provide continued funding for the Territorial and Puerto Rico Highways Program at the MAP-21 annual authorization of $190 million in FY 2014.

FY 2014 – Territorial and Puerto Rico Highways Program ($190.0 million)
($000)

PROGRAM ACTIVITY	FY 2013 MAP-21	FY 2014 REQUEST	Difference From FY 2013 MAP-21
Federal-aid Highways			
Emergency Relief	100,000	100,000	-----
Territorial and Puerto Rico Highway Program	190,000	190,000	-----
Construction of Ferry Boats and Ferry Terminal Facilities	67,000	67,000	-----
Total	**357,000**	**357,000**	-----

What is this program?

This program provides funding to Puerto Rico and the four territories of American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the United States Virgin Islands. From the $190 million annual authorization, $150 million is provided to Puerto Rico and the remaining $40 million is divided among the four territories via an administrative formula.

Fifty percent of the funds provided to Puerto Rico must be spent on projects eligible under the National Highway Performance Program (NHPP), twenty five percent must be spent on projects eligible under the Highway Safety Improvement Program (HSIP), and the remaining twenty five percent can be spent for any purpose under Chapter 1 of 23 U.S.C. The location and eligibility requirements are similar to those that apply to the States.

Funds provided to the four territories may be used for projects eligible under the Surface Transportation Program (STP); for preventive maintenance; for ferry boats, terminals, and approach roadways; engineering, economic and planning studies; and regulation and equitable taxation of highways; and research and development. Territorial Funds are generally subject to the location requirements of the STP, except that rural minor collector routes are eligible. The four programs are administered under individual agreements between the Secretary and the chief executive officer of each of the territories.

Why is this program necessary?

Territorial and Puerto Rico Highway Program funding is critical to providing transportation infrastructure to Puerto Rico and the four territories. Puerto Rico and the four territories have military facilities or serve a strategic role important to national defense. They also contribute to the national economy through tourism, agriculture and access to foreign trade.

How do you know the program works?

The Territorial and Puerto Rico Highway Program has provided for the construction of critical infrastructure in the territories. It helps them to develop economically and contribute to the national economy. It also provides critical infrastructure that serves key facilities or which in themselves serve a strategic role for national defense.

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

The requested $190 million represents an amount equal to the authorized funding level for FY 2013, and is similar, in aggregate, to recent authorized funding levels. Funding is required at this level in order to provide critical transportation infrastructure to Puerto Rico and the four territories. This will allow for access to military facilities key to national defense, as well as maintain and improve infrastructure vital to the region's tourism, agriculture, and foreign trade.

Detailed Justification
Construction of Ferry Boats and Ferry Terminal Facilities

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

The purpose of this request is to provide continued funding for the construction of Ferry Boats and Ferry Terminal Facilities at the MAP-21 annual authorization of $67 million in FY 2014.

FY 2014 – Construction of Ferry Boats and Ferry Terminal Facilities ($67.0 million)
($000)

PROGRAM ACTIVITY	FY 2013 MAP-21	FY 2014 REQUEST	Difference From FY 2013 MAP-21
Federal-aid Highways			
Emergency Relief	100,000	100,000	-----
Territorial and Puerto Rico Highway Program	190,000	190,000	-----
Construction of Ferry Boats and Ferry Terminal Facilities	67,000	67,000	-----
Total	**357,000**	**357,000**	-----

What is this program?

This is an allocated program that will provide funding to ferry operators to construct ferry boats, and ferry terminal facilities. Funds are proportionally distributed to eligible ferry operations, based on number of ferry passengers, number of vehicles carried, and total route miles serviced.

Why is this program necessary?

Ferry services are important connections on the network of Federal-aid highways. Often times these carry significant numbers of passengers and vehicles. In many case they are the only reasonable form of transportation, particularly on coastal islands which have year round residents.

How do you know the program works?

The Ferry Boats and Ferry Terminal Facilities program and its predecessor the Ferry Boat Discretionary program have provided valuable assistance to help States and other entities to replace or acquire new ferry boats; replace propulsion systems with newer cleaner and more energy efficient power plants; update navigational control system; construct new terminals; improve access for the disabled; and replace and construct new docking facilities.

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

The requested $67 million represents an amount equal to the authorized funding level for FY 2013, and is the same as the funding level for recent years. This funding level is necessary in order to maintain important transportation connections on the Federal-aid highway system, as well as provide access to remote areas where other modes of transportation may not be available for passengers and vehicles.

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Executive Summary
Administrative Expenses

What Is The Request And What Will We Get For The Funds?
FHWA requests $466.1 million to provide for administrative expenses authorized by MAP-21. The request includes $429.9 million for FHWA General Operating Expenses (GOE) and an additional $3.2 million for the Appalachian Regional Commission (ARC) operating expenses. The request for Administrative Expenses also includes $33.0 million authorized by MAP-21, and specifically set aside for the following programs: On-The-Job Training Support Services, Disadvantaged Business Enterprises, Highway Use Tax Evasion, and several safety-related programs.

What Is The Program?
This account provides the resources necessary to maintain the Agency's general administrative operations. GOE funds salaries and benefits, travel, rent, communications, utilities, printing, contractual services, supplies, and equipment for most of the Federal-aid Highway Program, as well as ARC. The program also funds On-The-Job Training Support Services, Disadvantaged Business Enterprises, Highway Use Tax Evasion, and several safety-related programs.

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 continues a new era of complexity, accountability, and transparency under MAP-21.

Why Do We Want/Need To Fund The Program At The Requested Level?
FHWA requests baseline increases for foundational items that are essential to our ongoing operations such as salaries for staff and rent. FHWA also requests adequate resources to continue the implementation of our financial management and reporting system upgrade and data integration initiatives, as well as to continue training and development to allow staff to refine their technical skills while preparing emerging leaders to take on managerial roles.

FHWA has scrutinized its current operating costs and prioritized the above-mentioned activities and proposes to partially offset the requested increases through decreases in other areas such as travel, transportation, supplies, and advisory contracts.

Executive Order to Promote Efficient Spending
In support of the Administration's Executive Order to Promote Efficient Spending, FHWA has proactively taken steps in the following areas to reduce administrative costs across the entire agency and operate in the most efficient, effective way:

- Travel/Transportation Costs—FHWA is increasing its use of technology such as teleconferencing and virtual meetings to reduce travel costs. Also, the agency is focused on streamlining conferences and seminars. Additionally, FHWA is working to reduce its motor vehicle fleet inventory by 50 vehicles at the end of 2014. As a result of these

efforts, FHWA expects to reduce travel and transportation costs by over $5 million (30 percent) from FY 2010 to FY 2014.

- Printing/Reproduction—FHWA is continuing its focus on encouraging all staff to use electronic resources in place of printed materials. For example, the agency has eliminated its orders of hard-copy publications from the Federal Register, instead making use of the Federal Register's on-line resources. FHWA expects these efforts, as well as others will reduce printing and reproduction costs by approximately $750,000 (45 percent) from FY 2010 to FY 2014.

- Advisory Contracts—FHWA has undertaken a careful review and analysis of its advisory contracts to determine the appropriate funding levels for these contracts. Based on this review and analysis, FHWA expects to reduce advisory contracts costs by approximately $5 million (25 percent) from FY 2010 to FY 2014.

- Supplies/Promotional Items—FHWA has made a concerted effort to reduce or eliminate promotional items to the greatest extent possible, and to limit supplies to necessary levels. The agency expects to realize an approximate $400,000 (10 percent) reduction in this area from FY 2010 to FY 2014.

Detailed Justification
Limitation on Administrative Expenses

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

FY 2014 – Limitation on Administrative Expenses ($433.1 million)
($000)

PROGRAM ACTIVITY	FY 2012 ACTUAL	FY 2014 REQUEST	Difference From FY 2012 ACTUAL
Federal-aid Highways			
Limitation on Administrative Expenses (LAE)			
FHWA General Operating Expenses (GOE) (CA)	408,274	403,752	- 4,522
Unobligated of CA for Administrative Expenses (GOE)	3,726	26,103	22,377
Subtotal, FHWA General Operating Expenses	412,000	429,855	17,855
Appalachian Regional Commission	3,220	3,248	28
Subtotal, LAE	415,220	433,103	17,883
Other Administrative Expenses			
On-the-Job Training	-----	10,000	10,000
Disadvantaged Business Enterprise	-----	10,000	10,000
Highway Use Tax Evasion Projects	-----	10,000	10,000
Other Programs from Administrative Expenses	-----	3,000	3,000
Total	**415,220**	**466,103**	**50,883**

FHWA requests a $433.1 million Limitation on Administrative Expenses (LAE) consisting of $429.9 million for FHWA Federal-Aid General Operating Expenses (GOE) and $3.2 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. The table that follows summarizes the requested FY 2014 obligation limitation changes from FY 2012 levels.

Summary of Requested FY 2014 Funding Changes from FY 2012 Actual Level	
GOE Activity	**Amount ($000)**
President's 2014 pay raise	2,263
Additional Compensable Day (for FY 2013 and FY 2014)	1,150
GSA Rent	2,021
Working Capital Fund	2,756
Inflation	308
Subtotal, adjustments to base	**8,498**
Reduction in Travel	-923
Reduction in Printing	-63
Reduction in Supplies	-57
IT Support Services	6,500

Training	1,500
FMIS Modernization	1,900
Data and Reporting Systems Integration	500
Subtotal, FY 2014 program changes	**9,357**
Total	**$17,855**

Of the increased funding requested, $8.5 million is adjustments to baseline funding and other increases that are required to maintain current level of agency operations. These increased costs include:

- President's 2014 pay raise of 1.0 percent ($2.3 million)
- Additional FY 2013 Compensable Day ($1.2 million)
- GSA Rent increase based on standard escalation contract clauses ($2.0 million)
- Working Capital Fund (WCF) Increases ($2.8 million)
- Inflation ($0.3 million)

FHWA seeks additional funding to help strengthen the professional expertise of its human resources, and improve data and reporting systems capabilities to ensure the appropriate infrastructure support for the organization. It is critical to fund these initiatives in FY 2014 at the requested level to ensure that FHWA has the professional skills and information systems necessary to carry out its essential management and oversight activities. Below are detailed descriptions of these critical areas:

IT Support Services ($6.5 million):
This funding increase is requested to allow FHWA to continue to provide mission-critical IT support services at the levels required to meet the needs of FHWA and other external stakeholders. These support services include program management, design and improvement, installation, configuration, customization, testing, training, and maintenance of the FHWA's nationwide IT systems (video, voice, and data) to both headquarters and all field offices. Additionally, there are a number of state and local users that are reliant on FHWA systems, and therefore are greatly impacted by the agency's IT performance and support.

As IT continues to assume a more significant role in agencies across the government, and as Federal rules and guidance require additional reporting and more stringent security, strong IT support is more crucial than ever to an agency's ability to execute its mission. This level is necessary in order for FHWA to continue travel cost reduction through use of video teleconferencing; maintain software, hardware, and systems support to ensure that FHWA employees have the tools to effectively do their jobs; and provide the appropriate level of systems security support to prevent security incidents that could affect the organization.

This request is not to provide new services, but rather to fund existing services at their required levels in FY 2014. This request is necessary in order for FHWA to provide the needed level of critical IT support services.

Learning & Development ($1.5 million):
FHWA's training dollars as a percentage of salaries have decreased in recent years. Investment in learning and professional development in FY 2012 was 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), while retirements and staff departures are reducing expertise in key positions.

FHWA faces a significant key challenge ahead in the learning and development arena as we develop and enhance leadership and supervision skills, and the professional capabilities of FHWA future leaders. Even as our attrition rate has remained stable, the percentage of separations due to retirements has increased from 35% in 2007 to 48% in 2012. We anticipate that trend to continue as more than 34% of our senior leadership (GS,-14, 15 and SES) will be eligible to retire within the next five years.

In order for FHWA to maintain its national leadership position in the transportation arena, it is critical to have a well-trained workforce. MAP-21 statutory requirements demand additional training in the areas of innovative program delivery, planning, freight delivery, and performance management so that FHWA employees can provide the level of program management and oversight that our stakeholders have come to expect from us.

This relatively modest increase would provide additional critical learning and development opportunities to FHWA employees in three core program areas as follows:

1) To continue efforts to shorten project delivery,
2) to provide enhanced program oversight and stewardship to the states, and
3) to effectively utilize transportation resources through improved program performance management resulting in a better decision making process.

Results from the recent Federal Employee Viewpoint Survey confirm FHWA's ongoing commitment to ensuring that first-line supervisors receive the training and experience they need to effectively manage their employees. FHWA is also committed to providing pre-supervisor and refresher courses to employees considering becoming a supervisor as well as those who have been in the position for a number of years.

Providing opportunities for our employees to gain additional professional and technical skills will continue to ensure staff are keeping up with their private-sector engineers and other industry experts. This will help to ensure that FHWA employees remain current in the rapidly changing transportation industry.

Financial Management and Reporting System ($1.9 million):
In order to meet current program management and reporting requirements, FHWA must reconfigure its financial management reporting system into a new platform. At this time, the existing funding level for the Fiscal Management Information System (FMIS) supports only maintenance and resolution of some high priority issues. There is currently no funding available for enhancements or any significant modifications to the system in order to meet programmatic and reporting requirements.

FMIS must be upgraded to a modern platform since it is not cost-effective to maintain it in its current state, which was developed on a mainframe platform, last updated over a decade ago.. Furthermore, the modernized version will allow for a more user-friendly, robust system, especially in the area of reporting. This will enable users to not only more efficiently enter data, but also extract data more efficiently from the system. Currently, the system does not allow much flexibility for ad hoc reports, forcing users to rely on pre-defined reports. This will enable FHWA to better track and report on existing data, and provide more timely responses to reporting requests from stakeholders such as OMB, Congress, the public, and others, going forward.

To provide increased governmental transparency and robust reporting, FHWA financial management and reporting systems must be upgraded to accurately and quickly provide data for Transparency Act reporting and support performance-based management initiatives. The type of flexibility needed to provide different reporting parameters does not exist within the structure of FMIS.

MAP-21 also requires further financial reporting—for example, Section 1503(c) directs FHWA to provide obligation and expenditure data by project and state in a searchable format and the funds requested will help meet those requirements, as well. Additionally, inquiries from the Department, OMB, Congress, and program partners have greatly increased in frequency and complexity. To meet the demands of both internal and external stakeholders, the financial management and reporting systems need to be strengthened and made more flexible.

This up-front, multi-year investment will pay off in future years with more timely, accurate data and a more efficient use of staff resources.

Data and Reporting Systems Integration ($0.5 million):
FHWA collects, processes, and analyzes a wide range of data and information related to various program and functions. This includes, but is not limited to, data related to highway system and performance; travel volume and demographics; highway finance statistics at the State, local, and project level; bridge condition and performance; certified public road mileage; and data on public and private tolling.

However, because of technology and legacy issues, the data are collected, stored and processed in a stovepipe manner. Increasing time and resources are spent linking data together during data analysis, which can cost the agency more time and financial resources than the actual comprehensive analysis itself.

FHWA has initiated a data reporting and systems integration project as a phase in moving FHWA towards agency-wide enterprise architecture. Data and reporting system integration will allow the major data systems in FHWA to communicate directly with each other to facilitate cross-cutting analysis, ultimately improving information and data flow, preventing duplication of efforts, and providing for comprehensive analyses.

It is anticipated that at the conclusion of the project, (1) agency-wide data collection guidance will be developed and implemented to address “key” linkages increasing data reliability, (2) a

geographically-enabled platform will be implemented, where all continuously collected data throughout the agency are linked and comprehensive analysis can be carried out, and (3) a public data user portal will be developed to reduce day to day data user support needs in terms of staff hours and increase customer use and satisfaction.

The implementation of an enterprise system approach to data management will enable the FHWA to greatly enhance its ability to manage and relate various types of data in an effective manner. This will in turn provide staff with a greater ability to analyze and report data on a more comprehensive basis, helping to improve overall program performance to achieve agency goals.

Appalachian Regional Commission ($3.2 million):
The FY 2014 budget request for ARC is $3.2 million. This is a slight increase from ARC's FY 2012 level.

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.

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 enacted obligational authority levels 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, and these requirements have been carried forward into MAP-21. 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 passage of MAP-21 realigns FHWA's program structure and also provides a performance-based framework. These changes have required FHWA to shift its focus to complying with the mandates of MAP-21 while ensuring previously authorized programs are administered in a prudent manner, all while maintaining its leadership role in Federal-aid program management and oversight.

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 continues to proactively adjust, as it has over the last 10 years, to changing requirements and economic conditions, in order to best manage its limited GOE resources. We have staffed at reduced levels, 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, and web-conferencing).

Detailed Justification
On-the-Job Training

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

FY 2014 – On-the-Job Training ($10.0 million)
($000)

PROGRAM ACTIVITY	FY 2012 ACTUAL	FY 2014 REQUEST	Difference From FY 2012 ACTUAL
Federal-aid Highways			
Limitation on Administrative Expenses (LAE)			
FHWA General Operating Expenses (GOE) (CA)	408,274	403,752	- 4,522
Unobligated of CA for Administrative Expenses (GOE)	3,726	26,103	22,377
Subtotal, FHWA General Operating Expenses	412,000	429,855	17,855
Appalachian Regional Commission	3,220	3,248	28
Subtotal, LAE	415,220	433,103	17,883
Other Administrative Expenses			
On-the-Job Training	-----	10,000	10,000
Disadvantaged Business Enterprise	-----	10,000	10,000
Highway Use Tax Evasion Projects	-----	10,000	10,000
Other Programs from Administrative Expenses	-----	3,000	3,000
Total	**415,220**	**466,103**	**50,883**

FHWA requests the amount of $10.0 million as provided in MAP-21 for the On-the-Job Training/Support Services (OJT/SS) program. This funding will enable FHWA to enhance the development of our nation's highway construction industry workforce. Under MAP-21, the funding is provided with regular limitation at 100 percent (no ratio applied).

In FY 2012, after review of its prior process for allocating its funds, FHWA adopted a formula-based process for allocating available OJT/SS funds to States. Funds are distributed to FHWA Division Offices using the previous fiscal year's obligation limitation pro-rata. For example, if a State received 2.04% of total federal funds available to the States, that State would receive 2.04% of all available funds allocated for the OJT/SS program.

What Is This Program?

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 the FHWA Office of Civil Rights, 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 job readiness. Eligible work includes skills training (e.g., training in the use of heavy highway equipment and training leading to a commercial truck driver's license),

job readiness and placement, transportation to work sites, and recruitment and post-graduation follow-up and job-site mentoring. OJT/SS program funds are not for training and development of state transportation agency personnel.

Why Is This Particular Program Necessary?

The OJT/SS program target populations include minorities, women, 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 been historically under-represented in highway construction. Furthermore, 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, as defined by the regulations. The National Summer Transportation Institute Program, and the Summer Transportation Internship Program for Diverse Groups (STIPDG), both supported with OJT/SS funds, further strengthens FHWA 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.

How Do You Know The Program Works?

The OJT/SS program requires annual performance-based Statements of Work (SOW) from STAs that include clearly measurable and quantifiable goals and objectives that align with STAs On-the-Job Plan to develop workforce capacity. Under the formula-based allocation process, the requirement to include clearly measurable goals and objectives in an STA's SOW has been enhanced, along with the requirement to submit to the respective FHWA Division Office a detailed accomplishment report upon completion of the project. The accomplishment reports directly address object measures such as the number of program participants trained, the type of career job development training provided, the number of participants employed as a result of the training received and the dollar cost per program participant. SOWs are reviewed by the FHWA Division Offices and advanced, upon recommendation by the FHWA Division Offices to the FHWA HQ Office of Civil Rights for approval.

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

MAP-21 funds the OJT/SS program at the authorized $10.0 million level.

Detailed Justification
Disadvantaged Business Enterprise

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

FY 2014 – Disadvantaged Business Enterprise ($10.0 million)
($000)

PROGRAM ACTIVITY	FY 2012 ACTUAL	FY 2014 REQUEST	Difference From FY 2012 ACTUAL
Federal-aid Highways			
Limitation on Administrative Expenses (LAE)			
FHWA General Operating Expenses (GOE) (CA)	408,274	403,752	- 4,522
Unobligated of CA for Administrative Expenses (GOE)	3,726	26,103	22,377
Subtotal, FHWA General Operating Expenses	412,000	429,855	17,855
Appalachian Regional Commission	3,220	3,248	28
Subtotal, LAE	415,220	433,103	17,883
Other Administrative Expenses			
On-the-Job Training	-----	10,000	10,000
Disadvantaged Business Enterprise	-----	10,000	10,000
Highway Use Tax Evasion Projects	-----	10,000	10,000
Other Programs from Administrative Expenses	-----	3,000	3,000
Total	**415,220**	**466,103**	**50,883**

FHWA requests the amount of $10.0 million as provided by MAP-21 for the Disadvantaged Business Enterprise/Supportive Services (DBE/SS) program. This funding will enable FHWA to assist certified DBE firms in becoming competitive when seeking to obtain highway and bridge construction contracts. Under MAP-21, the funding is provided with regular limitation at 100 percent (no ratio applied).

In FY 2012, FHWA adopted a formula-based process for allocating available DBE/SS funds. Funds are distributed to FHWA Division Offices using the previous fiscal year's obligation limitation pro-rata. For example, if a State received 2.04% of total federal funds available to the States, that State would receive 2.04% of all available funds allocated for the DBE/SS program. Under this formula-based process, every State will now receive DBE/SS funds.

What Is This Program?

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, capacity building assistance, and services (e.g., training in business development; mentoring, bonding and financial assistance, marketing; and accounting) to DBE firms certified in the DBE program so as to increase their

activity within 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?

The DBE/SS program is authorized by MAP-21 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 effects 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 provides opportunities in a competitive environment where success must be earned.

How Do You Know The Program Works?

The DBE/SS program requires annual performance-based SOWs submitted by STAs that include clearly measurable goals and objectives, under the new formula-based allocation process. In addition, the requirement to submit to the respective FHWA Division Office a detailed accomplishment report upon completion of the project has been retained. Program metrics determine the effectiveness of the overall program. The metrics detail such items as the number of program DBE trained, the types training and business capacity building received, the jobs awarded to DBEs as a result of the training received and the dollar cost per DBE program participant.

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

MAP-21 funds the OJT/SS program at the authorized $10 million level.

Detailed Justification
Highway Use Tax Evasion Program

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

FY 2014 – Highway Use Tax Evasion Program ($10.0 million)
($000)

PROGRAM ACTIVITY	FY 2012 ACTUAL	FY 2014 REQUEST	Difference From FY 2012 ACTUAL
Federal-aid Highways			
Limitation on Administrative Expenses (LAE)			
FHWA General Operating Expenses (GOE) (CA)	408,274	403,752	- 4,522
Unobligated of CA for Administrative Expenses (GOE)	3,726	26,103	22,377
Subtotal, FHWA General Operating Expenses	412,000	429,855	17,855
Appalachian Regional Commission	3,220	3,248	28
Subtotal, LAE	415,220	433,103	17,883
Other Administrative Expenses			
On-the-Job Training	-----	10,000	10,000
Disadvantaged Business Enterprise	-----	10,000	10,000
Highway Use Tax Evasion Projects	-----	10,000	10,000
Other Programs from Administrative Expenses	-----	3,000	3,000
Total	**415,220**	**466,103**	**50,883**

What Is This Program?

The Highway Use Tax Evasion Projects program provides funding to the Internal Revenue Service (IRS), other Federal agencies, and the States to carry out intergovernmental enforcement efforts along with training and research to reduce evasion of payment of motor fuel and other highway use taxes; which are the principal sources for Federal and State highway funding. The source of funds for this program is a deduction (set-aside) of not more than $10 million per year from the funds authorized for FHWA administrative expenses. Of the amount set-aside, $2 million must be reserved to make grants for intergovernmental enforcement efforts, including research and training.

Why Is This Particular Program Necessary?

The Highway Use Tax Evasion Projects program provides funding to the IRS, other Federal agencies, and the States to carry out intergovernmental enforcement efforts along with training and research to reduce evasion of payment of motor fuel and other highway use taxes; which are the principal sources of Federal and State highway funding. Of the amount requested, $2 million must be reserved to make grants for intergovernmental enforcement efforts, including research and training.

How Do You Know The Program Works?

The Highway Use Tax Evasion Projects program has provided oversight to enforce tax collection. The funding that was provided to the IRS was used in part for the creation of

electronic forms and of an electronic data reporting system to support certain Excise Tax payments. Other funds were used for direct enforcement strategies.

Each year the IRS provides a report showing assessments and collections resulting from these programs. For FY 2011 there were nearly $58 Million in taxes, penalties, and interest collected as a result of these initiatives. The Joint Operations Center (JOC) project involving the IRS and several states, which receive program funding, also produces an annual report. The results of the JOC analysis are sent to both the IRS Excise Section and the individual State programs. To date, the Federal assessments from these cases have been nearly $56 million.

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

23 U.S.C. 143 and Section 1110 in MAP-21 both provide authorization to conduct the program at the requested level. The $10 million set-aside will be used by the IRS, other Federal agencies, and the States to carry out intergovernmental enforcement efforts along with training and research to reduce evasion of payment of motor fuel and other highway use taxes.

Detailed Justification
Other Programs from Administrative Expenses

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

FY 2014 – Other Programs from Administrative Expenses ($3.0 million)
($000)

PROGRAM ACTIVITY	FY 2012 ACTUAL	FY 2014 REQUEST	Difference From FY 2012 ACTUAL
Federal-aid Highways			
Limitation on Administrative Expenses (LAE)			
FHWA General Operating Expenses (GOE) (CA)	408,274	403,752	- 4,522
Unobligated of CA for Administrative Expenses (GOE)	3,726	26,103	22,377
Subtotal, FHWA General Operating Expenses	412,000	429,855	17,855
Appalachian Regional Commission	3,220	3,248	28
Subtotal, LAE	415,220	433,103	17,883
Other Administrative Expenses			
On-the-Job Training	-----	10,000	10,000
Disadvantaged Business Enterprise	-----	10,000	10,000
Highway Use Tax Evasion Projects	-----	10,000	10,000
Other Programs from Administrative Expenses	-----	3,000	3,000
Total	**415,220**	**466,103**	**50,883**

What Is This Program?

Section 1519 (a) of MAP-21 authorizes $3.0 million distributed among the following four activities: Operation Lifesaver, the Public Road Safety Clearinghouse, Work Zone Safety Grants, and the National Work Zone Safety Information Clearinghouse.

Why Is This Particular Program Necessary?

The funding supports four safety activities for conducting transportation safety outreach, training, and educational activities. Operation Lifesaver is dedicated to reducing the number of casualties caused by highway-rail grade crossing collisions and trespassing incidents. The Public Road Safety Clearinghouse develops and carries out public awareness campaigns and promotes public road safety research and technology transfer activities. The Work Zone Safety Grants provide training for construction workers and transportation agencies to prevent or reduce highway work zone injuries and fatalities. The National Work Zone Safety Clearinghouse assembles and disseminates information relating to improvement of roadway work zone safety.

How Do You Know The Program Works?

Operation Lifesaver funding has trained and certified presenters throughout the U.S. to give free safety talks to community groups, schools, school bus drivers, truck drivers and community organizations to raise awareness of the need for caution around railroad tracks and trains. The funding also developed public service announcements, training videos and other materials to further the education of the public on these issues. These activities have helped decrease the number of highway-rail crossing collisions. In 1972, the annual national average number of highway-rail grade crossing collisions exceeded 12,000. Today, the annual national average is about 2,000 (preliminary statistics for 2010 show that there were 2,013 collisions resulting in about 260 fatalities, based on 2010 data.

The Public Road Safety clearinghouse provided funding to the Roadway Safety Foundation (RSF), a non-profit organization dedicated to reducing the frequency and severity of motor vehicle crashes, injuries, and fatalities through improvements to roadway systems and their environment. RSF held the National Roadway Safety Awards honoring best practices, conducted the national Safer Roads campaign, and provided technical assistance grants to State DOTs for conducting safety campaigns.

The Work Zone Safety Grants have provided training for several highway work zone worker groups, including "craft" workers, work zone traffic control workers, utility workers, and highway work zone law enforcement personnel and responders on elimination of major occupational safety and health hazards posed to work zone personnel for injuries, fatalities, and health problems. These grants also developed guidelines and provided training for State and local transportation agencies and organizations implementing guidelines for the prevention of work zone injuries and fatalities.

The National Work Zone Safety Information Clearinghouse provides the transportation construction industry and the general public with comprehensive information to improve motorist, worker, and pedestrian safety in roadway work zones.

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

MAP-21, Section 1519, Consolidation of Programs requires not less than $3.0 million of administrative funds to be made available for these four activities.

Executive Summary
Immediate Transportation Investments

What Is The Request And What Will We Get For The Funds?
The FY 2014 President's Budget requests $50 billion to jump start economic investment and help to re-build America. These resources will be targeted towards projects that will quickly create American jobs here at home, while improving our transportation infrastructure for the next generation. Funds will be for airport, highway, transit, and rail programs. FHWA requests $27 billion from the General Fund for Immediate Transportation Investments to rebuild and modernize America's highways and land ports of entry (LPOE). This funding includes $25 billion to repair highways and bridges and another $2 billion for border crossing infrastructure improvements (transferred to the General Services Administration).

What Is The Program?
This $27 billion investment will preserve and improve the condition of the National Highway System (NHS) and other Federal-aid, Federal Lands, and territorial highways and will make needed improvements at land ports of entry facilities that link directly to transportation infrastructure at border crossing locations. These funds will be limited to those program eligibilities that directly support the Department's state of good repair strategic goal. This approach will enable FHWA to target investment to improve the condition of Federal-aid highways, bridges on any public road, as well as highways, roads, and bridges provided by the Federal Lands and Tribal Transportation Programs, and territorial roads and bridges.

Why Is This Particular Program Necessary?
This program will jump start economic investment and help rebuild America. The additional $25 billion of Critical Highway Infrastructure funding will improve the physical condition of Federal-aid highways and bridges, especially the NHS. The $2 billion Cross-Border Infrastructure funding will improve inspection stations for passengers, cargo and truck safety, and border facilities and facilitate the movement of people and goods within North America.

How Do You Know The Program Works?
Data collected by FHWA show a strong correlation between available highway funding and network condition. The $25 billion to repair highways and bridges will improve the condition of the Nation's roads and bridges. For example, assuming the allocation of these funds among different types of capital improvements is consistent with recent trends, the share of vehicle miles traveled on NHS pavements with good ride quality may reach 66 percent by 2020. The backlog of NHS bridge rehabilitation needs could be cut by 33 percent by 2020. Border crossings will be improved to allow the safe and efficient flow of lawful traffic and facilitate the export of U.S. products and commerce while ensuring national security.

Why Do We Want/Need To Fund The Program At The Requested Level?
This one-time funding is expected to result in measurable improvement in the overall condition and performance of the heavily used NHS and other Federal-aid, Federal Lands, and territorial highways. The Cross-Border Infrastructure funding will address a large backlog of needs at 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?

FHWA requests $25 billion of Critical Highway Infrastructure funding to rebuild and modernize America's highways.

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

This is a one-time General Fund investment of $25 billion for projects eligible under the NHPP, STP, Federal Lands Transportation and Federal Lands Access Programs, Tribal Transportation Program, and Territorial and Puerto Rico Highway Program; including reconstruction, resurfacing, restoring, rehabilitating and preserving highways and bridges as well as all eligibilities attributed to those programs. The $25 billion of Critical Highway Infrastructure funding will be distributed in the following manner: $16.6 billion for NHPP; $7.7 billion for STP; $240 million for the Federal Lands Transportation and Federal Lands Access Programs; $310 million for the Tribal Transportation Program; $150 million for the Territorial and Puerto Rico Highway Program; and up to $25 million will be available for FHWA for administration and oversight of this funding. This approach will enable FHWA to target infrastructure investment to Federal-aid highways and bridges on any public road, as well as highways, roads and bridges to access Federal and tribal lands, and territorial roads and bridges.

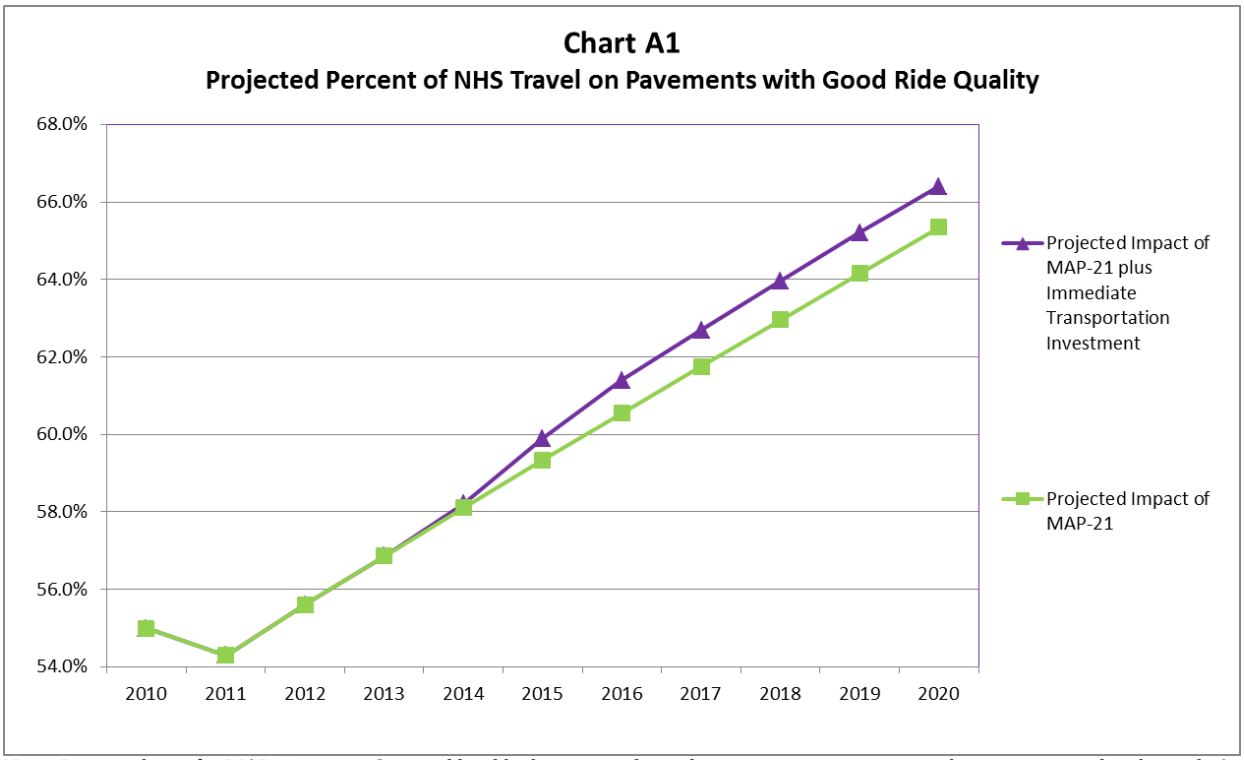
What Is This Program?

The requested $25 billion in Critical Highway Infrastructure funding will improve the condition of Federal-aid highways, especially the NHS. The funding will be used for projects for reconstruction, resurfacing, restoration, rehabilitation and preservation, consistent with the NHPP, STP, Federal Lands Transportation and Federal Lands Access Programs, Tribal Transportation Program, and the Territorial and Puerto Rico Highway Program. Funds will come from General Fund appropriations and will have up to a 100 percent Federal share.

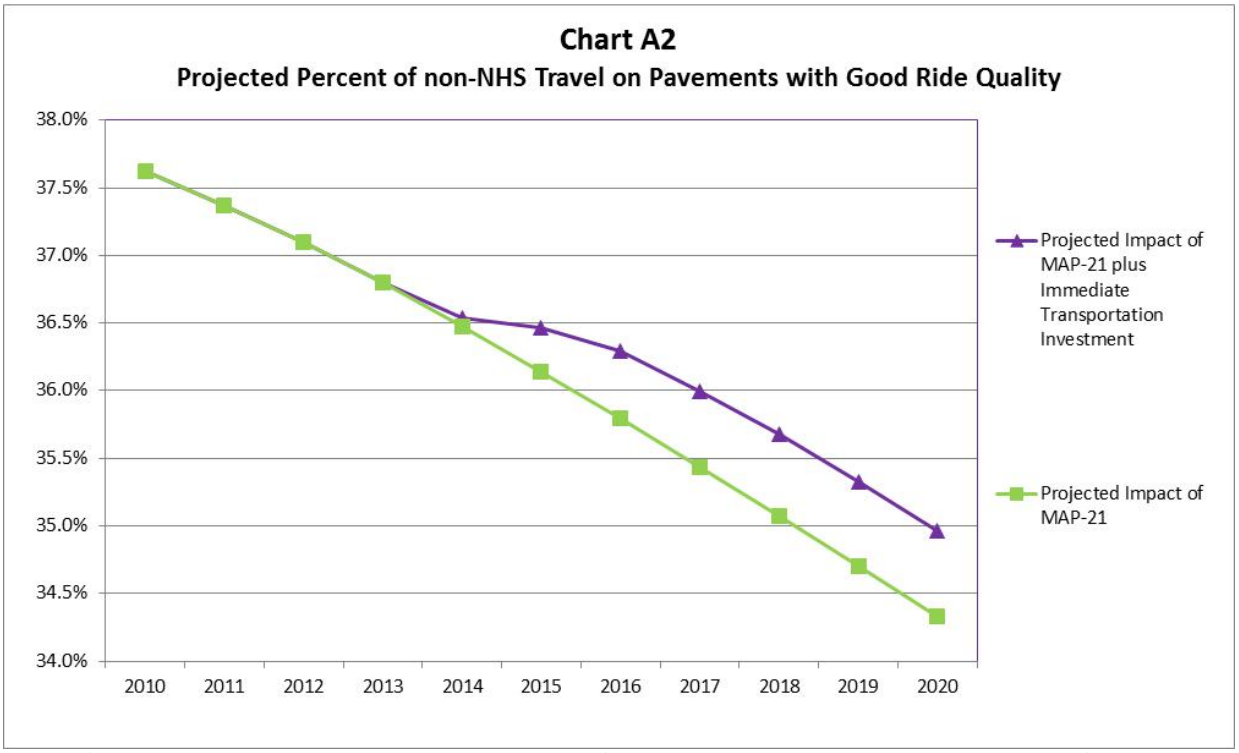
Why Is This Particular Program Necessary?

In 2011, 54 percent of NHS vehicle miles travelled occurred on pavements with good ride quality. The addition of the Critical Highway Infrastructure funding to funds from MAP-21 programs is projected to bring the share of NHS Vehicle Miles Traveled (VMT) on pavements with good ride quality to over 66 percent by 2020.

Of the $25 billion of Critical Highway Infrastructure funding $7.7 billion will be distributed for the Surface Transportation Program (STP), which will provide States with broad flexibility on where to direct these additional funds. While pavement conditions on the NHS have been improving in recent years, the condition of Federal-aid highways that are not part of the NHS has not been as good. In the absence of significant changes in State and local government investment patterns, the percentage of non-NHS travel on pavements with good ride quality is expected to continue to decline below its level of 38 percent in 2010. The Critical Highway Infrastructure Funding is expected to temporarily slow this decline, so that by 2020 the percentage would be 35 percent rather than 34 percent.

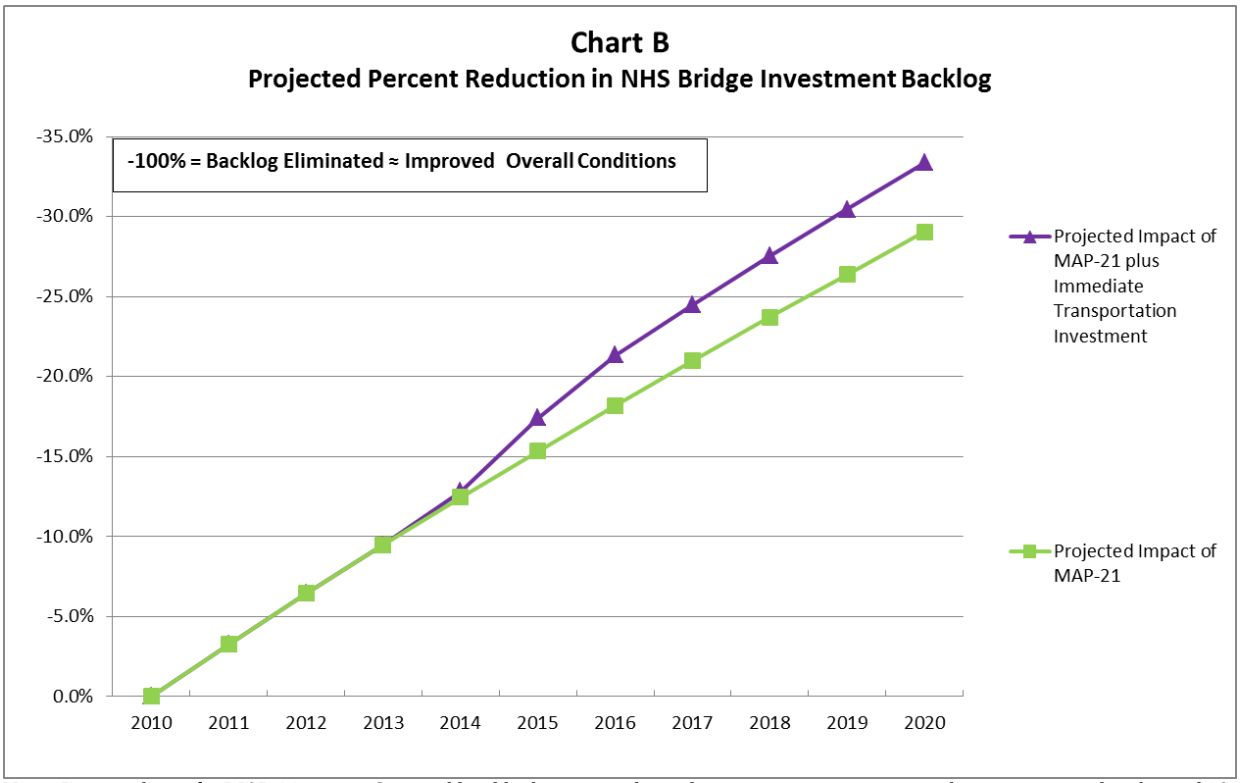


Note: Impacts shown for MAP-21 assume State and local highway capital spending patterns are consistent with recent years; values beyond 2014 assume future Federal investment consistent with MAP-21 plus adjustments for inflation. Assumes Immediate Transportation Investment is directed primarily towards existing infrastructure, and that the mix of highway and bridge investments is consistent with recent trends.



Note: Reflects pavements on Federal-aid highways that are not part of the National Highway System (NHS). Impacts shown for MAP-21 assume State and local highway capital spending patterns are consistent with recent years; values beyond 2014 assume future Federal investment consistent with MAP-21 plus adjustments for inflation. Assumes Immediate Transportation Investment is directed primarily towards existing infrastructure, and that the mix of highway and bridge investments is consistent with recent trends.

The biennial USDOT Conditions and Performance Report identifies a backlog of needed bridge rehabilitation investments. As of 2010, the portion of the backlog attributable to bridges on the enhanced NHS was estimated to be $59.2 billion. Reductions in this backlog over time reflect improvements to overall bridge conditions. The addition of the Critical Highway Infrastructure funding is projected to help reduce this economic investment backlog for NHS bridges by 33 percent by 2020, as shown in Chart B below.



Note: Impacts shown for MAP-21 assume State and local highway capital spending patterns are consistent with recent years; values beyond 2014 assume future Federal investment consistent with MAP-21 plus adjustments for inflation. Assumes Immediate Transportation Investment is directed primarily towards existing infrastructure, and that the mix of highway and bridge investments is consistent with recent trends.

Critical Highway Infrastructure Funding will also be used for bridges off the NHS. For all bridges on public roads, the estimated backlog of $106.4 billion is projected to drop by 40 percent by 2020, reflecting even greater relative improvements in system wide bridge conditions than on the NHS alone.

To the extent that future State and local investment patterns deviate from recent trends, this would affect the relative impact of the Critical Highway Infrastructure funding on highways and bridges. For example, if a larger share of total capital investment were directed towards pavements than has traditionally been the case, then actual pavement performance might exceed that projected in Charts A1 and A2 above, while actual bridge performance might fall short of that projected in Chart B. Conversely, if a greater share of investment were directed towards bridges rather than pavements, actual pavement performance might fall short of that projected in Charts A1 and A2.

Future pavement and bridge performance will also be affected by other factors, including the overall level of highway capital investment funded by States and local governments as well as future changes in the prices of highway construction materials. To the extent that future State and local highway capital spending does not keep pace with inflation, this would negatively affect future highway and bridge performance.

How Do You Know The Program Works?

The NHS pavement target is based on pavements in good condition with "good" ride quality. In 2011, 54 percent of NHS VMT occurred on pavements with good ride quality. As shown in Chart A above, the addition of the Critical Highway Infrastructure funding is projected to raise this percentage to over 66 percent by 2020, assuming this funding is utilized in a manner consistent with recent trends.

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

While the NHS network is limited, it carries 55 percent of all traffic and 97 percent of all truck-borne freight. Likewise, the NHS comprises 53 percent of U.S. highway border crossings, but handles 98 percent of the value of total truck trade with our largest export trading partners, Canada and Mexico. The one-time infusion of $25 billion will result in a measurable improvement in the overall condition and performance of the NHS. For example, the combination of NHPP, STP, and Critical Highway Infrastructure funding is projected to be sufficient to reduce the NHS bridge investment backlog by 33 percent by 2020.

Detailed Justification
Cross-Border Transportation

What Do I Need To Know Before Reading This Justification?

FHWA requests $2 billion for Cross-Border Transportation funding to improve and modernize America's land ports of entry (LPOE) facilities.

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

The Cross-Border Transportation request is a one-time General Fund investment of $2 billion for LPOEs and associated infrastructure utilized by DOT and Department of Homeland Security (DHS) and maintained by General Services Administration (GSA). 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 at the LPOE locations.

What Is This Program?

The funding will support necessary improvements at LPOE facilities that 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 its Public Buildings Service, is responsible for the design and construction of LPOEs as well as the leasing of a limited number of land ports of entry. It also manages the LPOE facilities and executes daily maintenance, repair and capital improvements.

The FHWA works with 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 FY 2012, over 260,000 vehicles and over 113,000 pedestrians, and more than 29,000 trucks passed through the Nation's 183 border crossings. These facilities protect the 7,525 miles of border with Canada and Mexico and 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 LPOE 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 most facilities while CBP owns other 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 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 does not have the capacity to accommodate the traffic flow. Utilizing the full $2 billion for LPOE development would address a number of the largest border crossings that support high-volume transportation and trade.

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

BACKGROUND

Enacted on February 17, 2009, the American Recovery and Reinvestment Act of 2009 (Recovery Act) provided $27.5 billion from the General Fund to the Federal Highway Administration (FHWA), of which $26.6 billion was apportioned to States based on formulas described in the Recovery Act and $0.9 billion was allocated to programs identified in the Recovery Act, including the Indian Reservation Roads Program, Park Roads and Parkway Program, Forest Highway Program, Refuge Roads Program, Disadvantaged Business Enterprise Bonding Assistance, Territorial Highway Program, Puerto Rico Highway Program, and the Ferry Boat Discretionary Program. Administrative oversight funds were available through September 30, 2012 and all other funds were available through September 30, 2010.

The FHWA Recovery Act funds have been used to invest in transportation, environmental protection, and other infrastructure that will provide longer term economic benefits to the Nation. The Recovery Act funds augmented existing investments, authorized by the Safe, Accountable, Flexible, Efficient Transportation Equity Act of 2005: A Legacy for Users, enabled States, regional, and local governments to accelerate to completion a number of highway infrastructure projects planned or underway. Since the Recovery Act was enacted in February 2009, more than 42,000 miles of pavement across the United States have been improved. Of the 13,129 highway projects for which Recovery Act funds were obligated, 1,835 projects are under construction and 11,294 projects have been completed.

BUDGETARY RESOURCES

No new budget authority is requested for FY 2014.

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		FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
	Obligations by program by activity:			
00.80	Projects and Activities Oversight	9	.....	.....
09.00	Total new obligations	9	.....	.....
Budgetary resources				
	Unobligated balance:			
10.00	Unobligated balance brought forward, Oct 1	14	.....	.....
Budget authority				
	Appropriations, discretionary:			
19.30	Total budgetary resources available	14	.....	.....
	Memorandum (non-add) entries:			
19.40	Unobligated balance expiring	-5	.....	.....
Change in obligated balance				
	Unpaid obligations:			
30.00	Unpaid obligations, brought forward, Oct 1	4,712	1,562	277
30.10	Obligations incurred, unexpired accounts	9	.....	.....
30.11	Obligations incurred, expired accounts	20	.....	.....
30.20	Outlays (gross)	-3,037	-1,285	-277
30.41	Recoveries of prior year unpaid obligations, expired	-142	.....	.....
30.50	Unpaid obligations, end of year	1,562	277	.....
	Uncollected payments:			
30.60	Uncollected payments, Federal sources, brought forward, Oct 1	-14	-5	.....
30.71	Change in uncollected payments, Federal sources, expired	9	5	.....
30.90	Uncollected payments, Federal sources, end of year	-5	.....	.....
	Memorandum (non-add) entries:			
31.00	Obligated balance, start of year	4,698	1,557	277
32.00	Obligated balance, end of year	1,557	277	.....
Budget authority and outlays, net				
	Discretionary:			
	Outlays, gross:			
40.11	Outlays from discretionary balances	3,037	1,285	277
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
40.30	Federal sources	-9	.....	.....
	Additional offsets against gross budget authority only:			
40.52	Offsetting collections credited to expiring accounts	9	.....	.....
40.70	Budget authority, net (discretionary)	.....	.....	.....
40.80	Outlays, net (discretionary)	3,028	1,285	277
41.90	Outlays, net (total)	3,028	1,285	277

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

OBJECT CLASSIFICATION
in millions of dollars

Identification code: 69-0504-01-401		2012 ACTUAL	2013 CR ANNUALIZED	2014 REQUEST
Direct obligations:				
	Personnel compensation:			
11.11	Full-time permanent	6	.....	.....
11.13	Other than full-time permanent	1	.....	.....
12.10	Travel and transportation of persons	1	.....	.....
19.90	Subtotal, obligation, Direct obligations	8	.....	.....
99.95	Below reporting threshold	1	.....	.....
99.99	Total new obligations	9	.....	.....

HIGHWAY INFRASTRUCTURE INVESTMENT - RECOVERY ACT

EMPLOYMENT SUMMARY

Identification code: 69-8083-0-7-401		2012 ACTUAL	2013 CR ANNUALIZED	2014 REQUEST
	Direct:			
10.01	Civilian full-time equivalent employment	20	.....	.....

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DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
EMERGENCY RELIEF

BACKGROUND

The Emergency Relief program receives $100 million annually in mandatory funds in the Federal-aid highways account. The Safe, Accountable, Flexible, Efficient Transportation Equity Act of 2005: A Legacy for Users; and the Moving Ahead for Progress in the 21st Century Act (MAP-21), enacted July 6, 2012, authorized the program to receive additional General Fund discretionary funding as needed. In 2012, $1,662 million was enacted to remain available until expended, and in 2013, $2,022 million was enacted to remain available until expended, both for necessary expenses resulting from major disasters declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

BUDGETARY RESOURCES

No further appropriations are requested for this account in FY 2014.

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
EMERGENCY RELIEF

PROGRAM AND FINANCING SCHEDULE
In millions of dollars

Identification code: 69-0500-0	FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
New obligations:			
Obligations by program by activity:			
00.01 Direct program activity	1,393	1,107	1,555
09.00 Total new obligations (object class 41.0)	1,393	1,107	1,555
Budgetary resources:			
Unobligated balance:			
10.00 Unobligated balance brought forward, Oct 1	266	640	1,555
10.21 Recoveries of prior year unpaid obligations	105	……	……
10.50 Unobligated balance (total)	371	640	1,555
Budget authority:			
Appropriations, discretionary:			
11.00 Appropriation	1,662	2,022	……
11.60 Appropriation, discretionary (total)	1,662	2,022	……
19.30 Total budgetary resources available	2,033	2,662	1,555
Memorandum (non-add) entries:			
19.41 Unexpired unobligated balance, end of year	640	1,555	……
Change in obligated balances			
Obligated balance, start of year (net):			
30.00 Unpaid obligations, brought forward, Oct 1	549	811	1,044
30.10 Obligations incurred, unexpired accounts	1,393	1,107	1,555
30.20 Outlays (gross)	-1,026	-874	-1,048
30.40 Recoveries of prior year unpaid obligations, unexpired	-105	……	……
30.50 Unpaid obligations, end of year	811	1,044	1,551
Memorandum (non-add) entries:			
31.00 Obligated balance, start of year	549	811	1,044
32.00 Obligated balance, end of year	811	1,044	1,551
Budget authority and outlays, net:			
Discretionary:			
40.00 Budget authority, gross	1,662	2,022	……
40.10 Outlays from new discretionary authority	689	126	……
40.11 Outlays from discretionary balances	337	748	1,048
40.20 Outlays, gross (total)	1,026	874	1,048
40.70 Budget authority, net (discretionary)	1,662	2,022	……
40.80 Outlays, net (discretionary)	1,026	874	1,048
41.80 Budget authority, net (total)	1,662	2,022	……
41.90 Outlays, net (total)	1,026	874	1,048

OBJECT CLASSIFICATION
In millions of dollars

Identification code: 69-0500-0	FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Direct Obligations:			
14.10 Direct obligations: Emergency Relief Backlog	1,393	1,107	1,555

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM

BACKGROUND

Funding for this program is used for the necessary expenses relating to construction of, and improvements to, corridors of the Appalachian Development Highway System as distributed to the following states: Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, and West Virginia. No new budget authority has been appropriated since 2009.

BUDGETARY RESOURCES

No new budget authority is requested for FY 2014.

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 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
New obligations:				
Obligations by program by activity:				
00.01	Appalachian Development Highway System	10	57	……
09.00	Total new obligations (object class 41.0)	10	57	……
Budgetary resources:				
Unobligated balance:				
10.00	Unobligated balance brought forward, Oct 1	67	59	2
10.21	Recoveries of prior year unpaid obligations	2	……	……
10.50	Unobligated balance (total)	69	59	2
Budget authority:				
11.60	Appropriation, discretionary (total)	……	……	……
19.30	Total budgetary resources available	69	59	2
	Memorandum (non-add) entries:			
19.41	Unexpired unobligated balance, end of year	59	2	2
Change in obligated balances				
Obligated balance, start of year (net):				
30.00	Unpaid obligations, brought forward, Oct 1	31	23	53
30.10	Obligations incurred, unexpired accounts	10	57	……
30.20	Outlays (gross)	-16	-27	-30
30.40	Recoveries of prior year unpaid obligations, unexpired	-2	……	……
30.50	Unpaid obligations, end of year	23	53	23
	Memorandum (non-add) entries:			
31.00	Obligated balance, start of year	31	23	53
32.00	Obligated balance, end of year	23	53	23
Budget authority and outlays, net:				
Discretionary:				
40.11	Outlays, gross			
	Outlays from discretionary balances	16	27	30
40.80	Outlays, net (discretionary)	16	27	30
41.80	Budget authority, net (total)	……	……	……
41.90	Outlays, net (total)	16	27	30

APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM

OBJECT CLASSIFICATION
In millions of dollars

Identification code: 69-0640-0-1-401		FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Direct Obligations:				
14.10	Direct obligations: Grants, subsidies, and contributions	10	57	……

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 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Budgetary resources:			
Unobligated balance:			
10.00 Unobligated balance brought forward, Oct 1	3	3	3
Budget authority:			
Spending authority from offsetting collections, discretionary:			
17.50 Spending auth from offsetting collections, disc (total)	.....	.....	.....
19.30 Total budgetary resources available	3	3	3
Memorandum (non-add) entries:			
19.41 Unexpired unobligated balance, end of year	3	3	3
Change in obligated balances			
Unpaid obligations:			
30.00 Unpaid obligations, brought forward, Oct 1	4	3	2
30.20 Outlays (gross)	-1	-1	-1
30.50 Unpaid obligations, end of year	3	2	1
Memorandum (non-add) entries:			
31.00 Obligated balance, start of year	4	3	2
32.00 Obligated balance, end of year	3	2	1
Budget authority and outlays, net:			
Discretionary:			
Outlays, gross:			
40.11 Outlays from discretionary balances	1	1	1
40.80 Outlays, net (discretionary)	1	1	1
41.80 Budget authority, net (total)	.....	.....	.....
41.90 Outlays, net (total)	1	1	1

APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM

OBJECT CLASSIFICATION
In millions of dollars

Identification code: 69-8072-0-1-401	FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Direct Obligations:			
14.10 Direct obligations: Grants, subsidies, and contributions	.....	.....	.....

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DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
MISCELLANEOUS APPROPRIATIONS

BACKGROUND

This account is comprised of appropriations from the General Fund for miscellaneous programs. The account reflects a Transportation Infrastructure Finance and Innovation (TIFIA) Act program upward interest re-estimate of $5 million for 2012 and $63 million for 2013. The Moving Ahead for Progress in the 21st Century Act (MAP-21), enacted July 6, 2012, includes the TIFIA Act program upward subsidy re-estimate with this account instead of its previous inclusion in the Federal-aid highways account.

BUDGETARY RESOURCES

No further discretionary appropriations are requested for 2014.

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
MISCELLANEOUS APPROPRIATIONS

PROGRAM AND FINANCING SCHEDULE
In millions of dollars

Identification code: 69-9911-01-401		FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
New obligations:				
	Obligations by program by activity:			
00.02	Surface Transportation Priorities	64	44	44
00.03	Miscellaneous highway projects	22	16	16
00.83	Interest on TIFIA Upward Reestimate	5	63	……
09.00	Total new obligation (object class 41.0)	91	123	60
Budgetary resources:				
	Unobligated balance:			
10.00	Unobligated balance brought forward, Oct 1	332	260	193
10.10	Unobligated balance transferred to other accounts [69-9911]	-1	-7	……
10.11	Unobligated balance transferred from other accounts [69-9911]	……	……	……
10.21	Recoveries of prior year unpaid obligations	15	……	……
10.50	Unobligated balance (total)	346	253	193
Budget authority:				
	Appropriations, discretionary:			
11.60	Appropriation (total discretionary)	……	……	……
	Appropriations, mandatory:			
12.00	Appropriation	5	63	……
12.60	Appropriations, mandatory (total)	5	63	……
19.00	Budget authority (total)	5	63	……
19.30	Total budgetary resources available	351	316	193
	Memorandum (non-add) entries:			
19.41	Unexpired unobligated balance, end of year	260	193	133
Change in obligated balance:				
	Unpaid obligations:			
30.00	Unpaid obligations, brought forward, Oct 1	159	143	119
30.10	Obligations incurred, unexpired accounts	91	123	60
30.20	Outlays (gross)	-92	-147	-69
30.40	Recoveries of prior year obligations, unexpired	-15	……	……
30.50	Unpaid obligations, end of year	143	119	110
	Memorandum (non-add) entries:			
31.00	Obligated balance, start of year	159	143	119
32.00	Obligated balance, end of year	143	119	110
Budget authority and outlays, net:				
	Discretionary:			
	Outlays, gross:			
40.11	Outlays from discretionary balances	87	84	69
40.80	Outlays, net (discretionary)	87	84	69
	Mandatory:			
40.90	Budget authority, gross	5	63	……
	Outlays, gross:			
41.00	Outlays from new mandatory authority	5	63	……
41.60	Budget authority, net (mandatory)	5	63	……
41.70	Outlays, net (mandatory)	5	63	……
41.80	Budget authority, net (total)	5	63	……
41.90	Outlays, net (total)	92	147	69

OBJECT CLASSIFICATION
In millions of dollars

Identification code: 69-9911-01-401		FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Direct obligations:				
14.10	Direct obligations: grants, subsidies, and contributions	91	123	60

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
MISCELLANEOUS TRANSPORTATION TRUST FUNDS

BACKGROUND

This account contains miscellaneous appropriations from the Transportation Trust Fund. Obligations and outlays result from prior year appropriations. In FY 2012 and FY 2013 no new budget authority was appropriated.

BUDGETARY RESOURCES

No new budget authority is requested for FY 2014.

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
MISCELLANEOUS TRANSPORTATION TRUST FUNDS

PROGRAM AND FINANCING SCHEDULE
In millions of dollars

Identification code: 69-9972-0-7-401	FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
New obligations:			
Obligations by program activity:			
00.27 Miscellaneous highway projects	16	37	26
09.00 Total new obligations (object class 41.0)	16	37	26
Budgetary resources:			
Unobligated balance:			
10.00 Unobligated balance brought forward, Oct 1	96	86	49
10.21 Recoveries of prior year unpaid obligations	4	.....	.....
10.50 Unobligated balance (total)	100	86	49
Budget authority:			
Appropriations, discretionary:			
11.60 Appropriations, discretionary (total)	.....	.....	.....
17.00 Spending authority form offsetting collections, discr (total)	2		
19.30 Total budgetary resources available	102	86	49
Memorandum (non-add) entries:			
19.41 Unexpired unobligated balance, end of year	86	49	23
Change in obligated balances			
Unpaid obligations			
30.00 Unpaid obligations, brought forward, Oct 1	57	56	58
30.10 Obligations incurred, unexpired accounts	16	37	26
30.20 Outlays (gross)	-13	-35	-36
30.40 Recoveries of prior year unpaid obligations, unexpired	-4	.....	.....
30.50 Unpaid obligations, end of year	56	58	48
Memorandum (non-add) entries:			
31.00 Obligated balance, start of year	57	56	58
32.00 Obligated balance, end of year	56	58	48
Budget authority and outlays net:			
Discretionary:			
40.00 Budget authority, gross	2	.....	.....
40.11 Outlays, gross			
Outlays from discretionary balances	13	35	36
40.30 Offsetting collections (collected) from: Federal Sources	-2	.....	.....
40.80 Outlays, net (discretionary)	11	35	36
41.90 Outlays, net (total)	11	35	36

OBJECT CLASSIFICATION
In millions of dollars

Identification code: 69-9972-0-7-401	FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Direct Obligations:			
14.10 Direct obligations: Grants, subsidies, and contributions	16	37	26

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 highways (Proprietary Receipts) – Contributions are received from States and countries in connection with cooperative engineering, survey, maintenance, and construction projects for forest highways.

2. International Outreach Program (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.

3. 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.

4. 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.

5. 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.

BUDGETARY RESOURCES

The budget estimates that $24 million of new authority will be available from non-Federal sources in FY 2014.

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 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
New obligations:				
	Obligations by program by activity:			
00.01	Cooperative work, forest highways 69-X-8265	8	10	10
00.02	International Outreach Program 69-X-8371	2	2	2
00.03	Advances from State cooperating agencies 69-X-8054	26	32	32
00.04	Other Programs	1	1	1
09.00	Total new obligations	37	45	45
Budgetary resources:				
	Unobligated balance:			
10.00	Unobligated balance brought forward, Oct 1	57	45	24
10.21	Recoveries of prior year unpaid obligations	1	……	……
10.50	Unobligated balance (total)	58	45	24
Budget authority:				
	Appropriations, mandatory:			
12.01	Appropriation (trust fund)	24	24	24
12.60	Appropriations, mandatory (total)	24	24	24
19.00	Budget authority (total)	24	24	24
19.30	Total budgetary resources available	82	69	48
	Memorandum (non-add) entries:			
19.41	Unexpired unobligated balance, end of year	45	24	3
Change in obligated balance:				
	Obligated balance, start of year (net):			
30.00	Unpaid obligations, brought forward, Oct 1	28	27	22
30.10	Obligations incurred, unexpired accounts	37	45	45
30.20	Outlays (gross)	-37	-50	-52
30.40	Recoveries of prior year unpaid obligations, unexpired	-1	……	……
30.50	Unpaid obligations, end of year	27	22	15
	Memorandum (non-add) entries:			
31.00	Obligated balance, start of year	28	27	22
32.00	Obligated balance, end of year	27	22	15
Budget authority and outlays, net:				
	Mandatory:			
40.90	Budget authority, gross	24	24	24
	Outlays (gross)			
41.00	Outlays form new mandatory authority	11	19	19
41.01	Outlays from mandatory balances	26	31	33
41.10	Outlays, gross (total)	37	50	52
41.60	Budget authority, net (mandatory)	24	24	24
41.70	Outlays, net (mandatory)	37	50	52
41.80	Budget authority, net (total)	24	24	24
41.90	Outlays, net (total)	37	50	52

OBJECT CLASSIFICATION
In millions of dollars

Identification code: 69-9971-0-7-999		FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Direct obligations:				
	Personnel compensation:			
11.11	Personnel Compensation: Full-time permanent	2	2	2
12.51	Advisory and assistance services	6	7	7
12.52	Other services from non-federal sources	21	26	26
12.53	Other goods and services from Federal sources	5	6	6
14.40	Refunds	3	4	4
99.99	Total new obligations	37	45	45

EMPLOYMENT SUMMARY

Identification code: 69-9971-0-7-999		FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
10.01	Direct civilian full-time equivalent employment	20	20	20

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, this non-budgetary account records cash flows to and from the Government resulting from direct loans made as Supplemental Discretionary Grants for National Surface Transportation System awards and administered by the Transportation Infrastructure Finance and Innovation Act (TIFIA) Program. The amounts in this account are a means of financing and are not included in the budget totals.

The Safe, Accountable, Flexible, Efficient Transportation Equity Act of 2005: A Legacy for Users; and the Moving Ahead for Progress in the 21st Century Act (MAP-21), enacted July 5, 2012, 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.

National Infrastructure Investment

The Office of the Secretary of Transportation (OST) received appropriations totaling $1,127 million for TIGER Discretionary Grants as part of the 2010 and 2011 Department of Transportation (DOT) Appropriations Acts. The appropriations authorized DOT to pay subsidy and administrative costs, not to exceed $300 million, of projects eligible for Federal credit assistance under Chapter 6 of Title 23 United States Code. In 2012, $45 million was provided for TIGER discretionary Grants as part of the 2012 DOT Appropriation Act to pay subsidy and administrative costs. OST has delegated the authority to negotiate and administer TIFIA loans under this program to the FHWA.

American Recovery and Reinvestment Act of 2009

OST received a 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 DOT 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 FHWA.

BUDGETARY RESOURCES

The FY 2014 budget requests $1 billion in TIFIA Program funds to cover the subsidy and administrative costs of providing credit support to surface transportation projects.

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 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
	Obligations by program activity:			
	Credit program obligations:			
07.10	Direct loan obligations	852	7,619	9,793
07.13	Payment of interest to Treasury	180	166	239
07.42	Downward reestimate paid to receipt account	71	100	……
07.43	Interest on downward reestimate	28	35	……
09.00	Total new obligations	1,131	7,920	10,032
	Budgetary Resources:			
10.00	Unobligated balance brought forward , Oct 1	30	29	3,230
	Financing authority:			
	Borrowing authority, mandatory:			
14.00	Borrowing authority	1,033	10,240	9,037
14.40	Borrowing authority, mandatory (total)	1,033	10,240	9,037
	Spending authority from offsetting collections, mandatory:			
18.00	Collected	148	313	441
18.01	Change in uncollected payments, Federal sources	-22	568	692
18.25	Spending Authority from offsetting collections to repay debt	-29	……	……
18.50	Spending authority from offsetting collections, mandatory (total)	97	881	1,133
19.00	Financing authority (total)	1,130	11,121	10,170
19.30	Total budgetary resources available	1,160	11,150	13,400
	Memorandum (non-add) entries:			
19.41	Unexpired unobligated balance, end of year	29	3,230	3,369
	Change in obligated balances			
	Unpaid obligations;			
30.00	Unpaid obligations, brought forward, Oct 1	2,682	2,890	8,361
30.10	Obligations incurred, unexpired accounts	1,131	7,920	10,032
30.20	Financing disbursements (gross)	-923	-2,449	-3,574
30.50	Unpaid Obligations, end of year	2,890	8,361	14,819
	Uncollected payments:			
30.60	Uncollected pymts, Fed sources, brought forward, Oct 1	-226	-204	-772
30.70	Change in uncollected pymts, Fed sources, unexpired	22	-568	-692
30.90	Uncollected pymts, Fed sources, end of year	-204	-772	-1,464
	Memorandum (non-add) entries:			
31.00	Obligated balance, start of year	2,456	2,686	7,589
32.00	Obligated balance, end of year	2,686	7,589	13,355
	Financing authority and disbursements, net:			
	Mandatory:			
40.90	Financing authority, gross	1,130	11,121	10,170
41.10	Financing disbursements, gross	923	2,449	3,574
	Offsets against gross financing authority and disbursements:			
	Offsetting collections (collected) from:			
41.20.01	Federal sources: Subsidy from program account	-68	-159	-303
41.20.02	Federal sources: Upward Reestimate	-7	-45	…….
41.20.03	Federal sources: Interest on upward reestimate	-5	-18	…….
41.22.01	Interest on uninvested funds	-11	-21	-34
41.23.01	Non-Federal Sources - Interest payments	-41	-54	-88
41.23.02	Non-Federal Sources - Principal payments	-16	-16	-16
41.30	Offsets against gross financing authority and disbursements (total)	-148	-313	-441
	Additional offsets against financing authority only (total):			
41.40	Change in uncollected payments, Federal Sources, unexpired	22	-568	-692
41.60	Financing authority, net (mandatory)	1,004	10,240	9,037
41.70	Financing disbursements, net (mandatory)	775	2,136	3,133
41.80	Financing authority, net (total)	1,004	10,240	9,037
41.90	Financing disbursements, net (total)	775	2,136	3,133

STATUS OF DIRECT LOANS
In millions of dollars

Identification code: 69-4123-0-3-401		FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
	Position with respect to appropriations act limitation on obligations:			
11.31	Direct loan obligations exempt from limitation	852	7,619	9,793
11.50	Total direct loan obligations	852	7,619	9,793
	Cumulative balance of direct loans outstanding:			
12.10	Outstanding, start of year	3,932	4,697	6,942
12.31	Disbursement: Direct loan disbursements	644	2,078	3,235
12.51	Repayments: Repayments and Prepayments	-16	-16	-16
12.61	Adjustments: Capitalized interest	137	183	294
12.90	Outstanding, end of year	4,697	6,942	10,455

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 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Budgetary Resources:			
Unobligated balance:			
10.00 Unobligated balance carried forward, Oct 1	.....	……	10
Financing authority:			
Spending authority from offsetting collections, mandatory:			
18.00 Collected	……	10	……
18.50 Spending authority from offsetting collections, mandatory (total)	……	10	……
19.30 Total budgetary resources available	……	10	10
Memorandum (non-add) entries:			
19.41 Unexpired unobligated balance, end of year	……	10	10
Financing authority and disbursements, net:			
Mandatory:			
40.90 Financing authority, gross	……	10	……
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
41.20 Federal Sources	……	-10	……
41.60 Financing authority, net (mandatory)	……	……	……
41.70 Financing disbursements, net (mandatory)	……	-10	……
41.80 Financing authority, net (total)	……	……	……
41.90 Financing disbursements, net (total)	……	-10	……

STATUS OF GUARANTEED LOANS
In millions of dollars

Identification code: 69-4145-0-3-401	FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Positions with respect to appropriations act limitation on commitments:			
21.31 Guaranteed loan commintments exempt from limitation	……	132	……
21.50 Total guaranteed loan commitments	……	132	……
Cumulative balance of guarenteed loans outstanding:			
22.10 Outstanding, start of year	……	…….	132
22.31 Disbursements of new guaranteed loans	……	132	……
22.90 Outstanding, end of year	……	132	132
Memorandum:			
22.99 Guaranteed amount of guaranteed loans outstanding, end of year	……	132	……

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 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Obligations by program activity:			
Credit program obligations:			
07.10 Direct loan obligations	.....	104	.....
07.13 Payment of interest to Treasury	.....	1	.....
09.00 Total new obligations	.....	105	.....
Budgetary resources:			
Financing authority:			
Borrowing authority, mandatory:			
14.00 Borrowing authority	.....	95	.....
14.40 Borrowing authority, mandatory (total)	.....	95	.....
Spending authority from offsetting collections, mandatory:			
18.00 Collected	.....	1	.....
18.01 Change in uncollected payments, Federal sources	.....	9	.....
18.50 Spending authority from offsetting collections, mandatory (total)	.....	10	.....
19.00 Financing authority (total)	.....	105	.....
19.30 Total budgetary resources available	.....	105	.....
Change in obligated balance:			
Unpaid obligations:			
30.00 Unpaid obligations, brought forward, Oct 1	.....	.....	95
30.10 Obligations incurred, expired accounts	.....	105	.....
30.20 Financing disbursements (gross)	.....	-10	-21
30.50 Unpaid obligations, end of year	.....	95	74
Uncollected payments:			
30.60 Uncollected pymts, Fed sources, brought forward, Oct 1	.....	.....	-9
30.70 Change in uncollected pymts, Fed sources, unexpired	.....	-9	.....
30.90 Uncollected pymts, Fed sources, end of year	.....	-9	-9
Memorandum (non-add) entries:			
31.00 Obligated balance, start of year	.....	.....	86
32.00 Obligated balance, end of year	.....	86	65
Financing authority and disbursements, net:			
Mandatory:			
40.90 Financing authority, gross	.....	105	.....
41.10 Financing disbursements, gross	.....	10	21
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
41.20 Federal sources	.....	-1	.....
Additional offsets against financing authority only (total)			
41.40 Change in uncollected payments, Fed sources, unexpired	.....	-9	.....
41.60 Financing authority, net (mandatory)	.....	95	.....
41.70 Financing disbursements, net (mandatory)	.....	9	21
41.80 Financing authority, net (total)	.....	95	.....
41.90 Financing disbursements, net (mandatory)	.....	9	21

STATUS OF DIRECT LOANS
In millions of dollars

Identification code: 69-4173-0-3-401	FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Positions with respect to appropriations act limitation on obligations:			
11.31 Direct loan obligations exempt from limitation	.....	104	.....
11.50 Total direct loan obligations	.....	104	.....
Cumulative balance of direct loans outstanding:			
12.10 Outstanding, start of year	.....	.....	10
12.31 Disbursements: Direct loan disbursements	.....	10	21
12.90 Outstanding, end of year	.....	10	31

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 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Budgetary resources:			
Financing authority:			
Spending authority from offsetting collections, mandatory:			
18.00 Collected	.....	8	1
18.01 Change in uncollected payments, Federal sources	.....	-8	-1
18.50 Spending authority from offsetting collections, mandatory (total)	.....	.....	.....
19.00 Financing authority (total)	.....	.....	.....
19.30 Total budgetary resources available	.....	.....	.....
Change in obligated balance:			
Unpaid obligations:			
30.00 Unpaid obligations, brought forward, Oct 1	472	472	54
30.20 Financing disbursements (gross)	.....	-418	-17
30.50 Unpaid obligations, end of year	472	54	37
Uncollected payments:			
30.60 Uncollected pymts, Fed sources, brought forward, Oct 1	-12	-12	-4
30.70 Change in uncollected pymts, Fed sources, unexpired	.....	8	1
30.90 Uncollected pymts, Fed sources, end of year	-12	-4	-3
Memorandum (non-add) entries:			
31.00 Obligated balance, start of year	460	460	50
32.00 Obligated balance, end of year	460	50	34
Financing authority and disbursements, net:			
Mandatory:			
Financing disbursements:			
41.10 Financing disbursements, gross	.....	418	17
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
41.20 Federal sources	.....	-8	-1
Additional offsets against financing authority only (total):			
41.40 Change in uncollected pymts, Fed sources, unexpired	.....	8	1
41.60 Financing authority, net (mandatory)	.....	.....	.....
41.70 Financing disbursements, net (mandatory)	.....	410	16
41.80 Financing authority, net (total)	.....	.....	.....
41.90 Financing disbursements, net (total)	.....	410	16

STATUS OF DIRECT LOANS
In millions of dollars

Identification code: 69-4347-0-3-401	FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Cumulative balance of direct loans outstanding:			
12.10 Outstanding, start of year	.....	.....	439
12.31 Disbursement: Direct loan disbursements	.....	418	17
12.61 Adjustments: Capitalized interest	.....	21	23
12.90 Outstanding, end of year	.....	439	479

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 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Obligations by program activity:			
Credit program obligations:			
07.10 Direct loan obligations	546	466	……
07.13 Payment of interest to Treasury	……	8	10
09.00 Total new obligations	546	474	10
Budgetary resources:			
Financing authority:			
Borrowing authority, mandatory:			
14.00 Borrowing authority	540	432	8
14.40 Borrowing authority, mandatory (total)	540	432	8
Spending authority from offsetting collections, mandatory:			
18.00 Collected	……	14	17
18.01 Change in uncollected payments, Federal sources	6	28	-15
18.50 Spending authority from offsetting collections, mandatory (total)	6	42	2
19.00 Financing authority (total)	546	474	10
19.30 Total budgetary resources available	546	474	10
Change in obligated balances			
Unpaid obligations:			
30.00 Unpaid obligations, brought forward, Oct 1	……	546	872
30.10 Obligations incurred, unexpired accounts	546	474	10
30.20 Financing disbursements (gross)	……	-148	-196
30.50 Unpaid obligations, end of year	546	872	686
Uncollected payments:			
30.60 Uncollected pymts, Fed sources, brought forward, Oct 1	……	-6	-34
30.70 Change in uncollected pymts, Fed sources, unexpired	-6	-28	15
30.90 Uncollected pymts, Fed sources, end of year	-6	-34	-19
Memorandum (non-add) entries:			
31.00 Obligated balance, start of year	……	540	838
32.00 Obligated balance, end of year	540	838	667
Financing authority and disbursements, net:			
Mandatory:			
40.90 Financing authority, gross	546	474	10
41.10 Financing disbursements, gross	……	148	196
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
41.20 Federal sources	……	-12	-15
41.22 Interest on uninvested funds	……	-2	-2
41.30 Offsets against gross financing auth and disbursements (total)	……	-14	-17
Additional offsets against financing authority only (total):			
41.40 Change in uncollected pymts, Fed sources, unexpired	-6	-28	15
41.60 Financing authority, net (mandatory)	540	432	8
41.70 Financing disbursements, net (mandatory)	……	134	179
41.80 Financing authority, net (total)	540	432	8
41.90 Financing disbursements, net (total)	……	134	179

STATUS OF DIRECT LOANS
In millions of dollars

Identification code: 69-4348-0-3-401	FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Position with respect to appropriations act limitation on obligations:			
11.31 Direct loan obligations exempt from limitation	546	466	……
11.50 Total direct loan obligations	546	466	……
Cumulative balance of direct loans outstanding:			
12.10 Outstanding, start of year	……	……	148
12.31 Disbursement: Direct loan disbursements	……	140	186
12.61 Adjustments: Capitalized interest	……	8	10
12.90 Outstanding, end of year	……	148	344

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 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Obligations by program activity:			
Credit program obligations:			
07.01 Direct loan obligations	6	39	.....
07.09 Administrative expenses	.....	1	.....
09.00 Total new obligations	6	40	.....
Budgetary resources:			
Unobligated balance:			
10.00 Unobligated balance brought forward, Oct 1	20	45	10
Budget authority:			
Spending authority from offsetting collections, discretionary:			
17.00 Collected	31	5	.....
17.50 Spending authority from offsetting collections, disc (total)	31	5	.....
19.30 Total budgetary resources available	51	50	10
Memorandum (non-add) entries:			
19.41 Unexpired unobligated balance, end of year	45	10	10
Change in obligated balances			
Unpaid obligations:			
30.00 Unpaid obligations, brought forward, Oct 1	.....	6	32
30.10 Obligations incurred, unexpired accounts	6	40	.....
30.20 Outlays (gross)	.....	-14	-16
30.50 Unpaid obligations, end of year	6	32	16
Memorandum (non-add) entries:			
31.00 Obligated balance, start of year	.....	6	32
32.00 Obligated balance, end of year	6	32	16
Budget authority and outlays, net:			
Discretionary:			
40.00 Budget authority, gross	31	5	.....
Outlays, gross:			
40.10 Outlays from new discretionary authority	.....	1	.....
40.11 Outlays from discretionary balances	.....	13	16
40.20 Outlays, gross (total)	.....	14	16
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
40.30 Federal sources	-31	-5	.....
40.70 Budget authority, net (discretionary)	.....	.....	.....
40.80 Outlays, net (discretionary)	-31	9	16
41.80 Budget authority, net (total)	.....	.....	.....
41.90 Outlays, net (total)	-31	9	16

OBJECT CLASSIFICATION
In millions of dollars

Identification code: 69-0542-0	FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Direct Obligations:			
12.51 Advisory and assistance services	.....	1	.....
14.10 Grants, subsidies, and contributions	6	39	.....
99.99 Total new obligations	6	40	.....

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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 revolving fund. This fund was used to make cash advances to States for the purpose of purchasing right-of-way parcels in advance of highway construction and thereby preventing the inflation of land prices from significantly increasing construction costs.

This program was terminated by TEA-21 but will continue to be shown for reporting purposes since the balances of the cash advances remain outstanding. The purchase of right-of-way is an eligible expense of the Federal-aid program.

BUDGETARY RESOURCES

No new budgetary resources are requested in FY 2014.

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

PROGRAM AND FINANCING SCHEDULE
In millions of dollars

Identification code: 69-8402-0-8-401		FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
	Budgetary resources:			
	Budget authority:			
	Spending authority from offsetting collections, mandatory:			
18.00	Collected	14	19	……
18.20	Capital transfer of spending authority form offsetting collections to general fund	-14	-19	……
18.50	Spending authority from offsetting collections, mandatory (total)	……	……	……
19.30	Total budgetary resources available	……	……	……
	Change in obligated balance:			
	Unpaid obligations:			
30.00	Unpaid obligations, brought forward, Oct 1	6	6	6
30.50	Unpaid obligations, end of year	6	6	6
	Memorandum (non-add) entries:			
31.00	Obligated balance, start of year	6	6	6
32.00	Obligated balance, end of year	6	6	6
	Budget authority and outlays, net:			
	Mandatory:			
	Offsets against gross budget authority and outlays:			
	Offsetting collections (collected) from:			
41.20	Federal sources	-14	-19	……
41.60	Budget authority, net (mandatory)	-14	-19	……
41.70	Outlays, net (mandatory)	-14	-19	……
41.80	Budget authority, net (total)	-14	-19	……
41.90	Outlays, net (total)	-14	-19	……

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
STATE INFRASTRUCTURE BANKS

BACKGROUND

In FY 1997, FHWA received an appropriation from the General Fund for the State Infrastructure Banks (SIBs) program. This schedule shows the obligation and outlay of that funding.

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 2014.

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 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
	Budgetary Resources:			
	Unobligated balance:			
10.00	Unobligated balance brought forward, Oct 1	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
41.80	Budget authority, net (total)	……	……	……
41.90	Outlays, net (total)	……	……	……

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
HIGHWAY INFRASTRUCTURE PROGRAMS

BACKGROUND

In FY 2010, the Federal Highway Administration received a General Fund appropriation of $650 million for the restoration, repair, and construction of highway infrastructure and other activities eligible under paragraph (b) of section 133 of title 23, United States Code. The authority for this appropriation is Division A, Title I of P.L. 111-117 (Consolidated Appropriations Act, 2010), Section 122 and was available through FY12.

BUDGETARY RESOURCES

No new budget authority is requested for FY 2014.

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
HIGHWAY INFRASTRUCTURE PROGRAMS

PROGRAM AND FINANCING SCHEDULE
In millions of dollars

Identification code: 69-0548-0		FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
New obligations:				
Obligations by program by activity:				
00.01	Direct program activity	223	.....	.....
09.00	Total new obligations (object class 41.0)	223	.....	.....
Budgetary resources:				
Unobligated balance:				
10.00	Unobligated balance brought forward, Oct 1	213	.....	.....
10.21	Recoveries of prior year unpaid obligations	10	.....	.....
10.50	Unobligated balance (total)	223	.....	.....
Budget authority:				
Appropriations, discretionary:				
11.60	Appropriation, discretionary (total)	.....	.....	.....
19.30	Total budgetary resources available	223	.....	.....
Memorandum (non-add) entries:				
19.41	Unexpired unobligated balance, end of year	.....	.....	.....
Change in obligated balances				
Unpaid obligations				
30.00	Unpaid obligations, brought forward, Oct 1	215	242	107
30.10	Obligations incurred, unexpired accounts	223	.....	.....
30.20	Outlays (gross)	-186	-135	-80
30.40	Recoveries of prior year unpaid obligations, unexpired	-10	.....	.....
30.50	Unpaid obligations, end of year	242	107	27
Memorandum (non-add) entries:				
31.00	Obligated balance, start of year	215	242	107
32.00	Obligated balance, end of year	242	107	27
Budget authority and outlays, net:				
Discretionary:				
40.11	Outlays form discretionary balances	186	135	80
40.80	Outlays, net (discretionary)	186	135	80
41.80	Budget authority, net (total)	.....	.....	.....
41.90	Outlays, net (total)	186	135	80

OBJECT CLASSIFICATION
In millions of dollars

Identification code: 69-0548-0		FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Direct Obligations:				
14.10	Direct obligations: Grants, subsidies, and contributions	223	.....	.....

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
PAYMENT TO THE TRANSPORTATION TRUST FUND

BACKGROUND

Section 40251 of Public Law 112-141, *Moving Ahead for Progress in the 21st Century Act* (MAP-21) authorized additional appropriations from the General Fund of the Treasury to the Highway Account in the Highway Trust Fund in the amount of $6,200,000,000 for FY 2013. For FY 2014, MAP-21 transfers $10,400,000,000 from the General Fund of the Treasury to the Highway Account in the Highway Trust Fund, and transfers $2,200,000,000 from the General Fund of the Treasury to the Mass Transit Account in the Highway Trust Fund.

BUDGETARY RESOURCES

The Administration proposes to pay for the proposed rail reauthorization and the surface transportation reauthorization reserve by utilizing savings from ramping down overseas military operations. Specifically, the Budget proposes transfers from the General Fund to the Transportation Trust Fund (TTF) to maintain TTF solvency through the both reauthorization periods, which are fully offset by reduced overseas military expenditures. These transfers will cover both the existing structural trust fund structural deficit for current law surface transportation programs and new outlays associated with both reauthorization proposals for the ten year window. In 2014, the Budget proposes to transfer $2.552 billion into the TTF in addition to the amounts already provided by MAP-21 ($12,600,000,000).

DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
PAYMENT TO THE TRANSPORTATION TRUST FUND

PROGRAM AND FINANCING SCHEDULE
In millions of dollars

Identification code: 69-0534-0	FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
New obligations:			
Obligations by program by activity:			
00.01 Direct program activity	……	6,200	15,152
09.00 Total new obligations (object class 41.0)	……	6,200	15,152
Budget authority:			
Appropriations, mandatory:			
12.00 Appropriation	……	6,200	15,152
12.60 Appropriation, mandatory (total)	……	6,200	15,152
19.30 Total budgetary resources available	……	6,200	15,152
Change in obligated balances			
Unpaid obligations			
30.00 Unpaid obligations, brought forward, Oct 1	……	……	……
30.10 Obligations incurred, unexpired accounts	……	6,200	15,152
30.20 Outlays (gross)	……	-6,200	-15,152
30.50 Unpaid obligations, end of year	……	……	……
Budget authority and outlays, net:			
Mandatory:			
40.90 Budget authority, gross	……	6,200	15,152
41.00 Outlays from new mandatory authority	……	6,200	15,152
41.60 Budget authority, net (mandatory)	……	6,200	15,152
41.70 Outlays, net (mandatory)	……	6,200	15,152
41.80 Budget authority, net (total)	……	6,200	15,152
41.90 Outlays, net (total)	……	6,200	15,152

OBJECT CLASSIFICATION
In millions of dollars

Identification code: 69-0548-0	FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST
Direct Obligations:			
14.10 Direct obligations: Grants, subsidies, and contributions	……	6,200	12,600

EXHIBIT IV-1

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

FEDERAL HIGHWAY ADMINISTRATION	FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST	FY 2014 APPLIED	FY 2014 DEVELOP.
Research, Technology & Education Program					
(A) Surface Transportation Research, Development, and Deployment Program	**173,384**				
A. Highway Research and Development 1/		**115,000**	**115,000**	**101,200**	**13,800**
Safety:	**13,003**				
1. Safety	*5,851*				
2. Safety (T)	*7,152*				
Infrastructure:	**63,053**				
3. Pavements	*27,121*				
4. Pavements (T)	*3,698*				
5. Structures	*21,027*				
6. Structures (T)	*2,867*				
11. Long-Term Pavement Performance	*7,340*				
12. Long-Term Pavement Performance (T)	*1,000*				
Planning and Environment (Planning, Environment, and Realty):	**18,513**				
7. Planning, Environment, and Realty	*16,291*				
8. Planning, Environment, and Realty (T)	*2,222*				
Operations (Highway Operations):	**7,418**				
9. Highway Operations	*6,528*				
10. Highway Operations (T)	*890*				
Policy:	**1,071**				
13. International Outreach	*247*				
Conditions & Performance Report	*824*				
Next Generation Research & Technology (Corporate):	**38,626**				
14. Exploratory Advanced Research	*10,962*				
15. Exploratory Advanced Research (T)	*577*				
18. Corporate R&T	*21,670*				
19. Corporate R&T (T)	*5,417*				
Other Research:	**31,700**				
16. OST, Office of the Assistant Secretary for Research and Technology, PHMSA, & FHWA	*31,700*				
17. OST, Office of the Assistant Secretary for Research and Technology, PHMSA & FHWA (T)	*0*				
B. Technology and Innovation Deployment Program (T) 1/	**0**	**62,500**	**62,500**	**0**	**0**
(B) Future Strategic Highway Research Program-SHRP 2 1/	**46,471**	**0**	**0**	**0**	**0**
1. *Future Strategic Highway Research Program-SHRP 2*	*0*				
2. *Future Strategic Highway Research Program-SHRP 2 (T)*	*46,471.00*				
C. Training and Education	**23,630**	**24,000**	**24,000**	**0**	**0**
1. *National Highway Institute (T)*	*8,213*				
2. *Local Technical Assistance Program (T)*	*9,472*				
3. *Eisenhower Transportation Fellowship Program (T)*	*1,882*				
4. *Garrett Morgan Program (T)*	*1,069*				
5. *Transportation Education Development Pilot (T)*	*1,604*				
6. *Freight Planning Capacity Building (T)*	*749*				
7. *Surface Transportation Congestion Relief Assistance Program (T)*	*641*				
8. *Centers for Surface Transportation Excellence (T)*	*0*				
D. Intelligent Transportation Systems 4/	**97,352**	**100,000**	**100,000**	**84,540**	**0**
ITS Multi-Modal Research - Applications:	***59,264***	***60,230***	***56,700***	***56,700***	
1. *IntelliDrive (SM)*	*0*	*0*	*0*	*0*	
IntelliDrive (SM) - V-V and V-I Communications for Safety	*40,516*	*36,020*	*25,300*	*25,300*	
Real-Time Data Capture & Management	*2,750*	*5,460*	*6,900*	*6,900*	
Dynamic Mobility Applications	*8,400*	*15,500*	*20,000*	*20,000*	
8. *Road Weather Research and Development*	*0*	*0*	*0*	*0*	
7. *Clarus/Road Weather Management (Earmark)*	*4,600*	*0*	*0*	*0*	
17. *Environment/AERIS*	*2,998*	*3,250*	*4,500*	*4,500*	
ITS Multi-Modal Research Technology:	***8,600***	***9,400***	***13,250***	***13,250***	
Human Factors for IntelliDrive (SM)	*1,500*	*2,900*	*2,550*	*2,550*	
IntelliDrive (SM) Test Environment	*3,000*	*2,500*	*5,000*	*5,000*	
Harmonization of International Standards and Architecture	*700*	*700*	*700*	*700*	
IntelliDrive (SM) Certification	*3,250*	*3,300*	*5,000*	*5,000*	
IntelliDrive (SM) Systems Engineering	*150*	*0*	*0*	*0*	
ITS Multi-Modal Research Policy:	***5,129***	***6,000***	***6,000***	***6,000***	
IntelliDrive (SM) Policy	*5,129*	*6,000*	*6,000*	*6,000*	

EXHIBIT IV-1

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

FEDERAL HIGHWAY ADMINISTRATION		FY 2012 ACTUAL	FY 2013 CR ANNUALIZED	FY 2014 REQUEST	FY 2014 APPLIED	FY 2014 DEVELOP.
19.	**Short-Term Intermodal:**	***3,500***	***1,000***	***1,000***	***1,000***	
	FHWA - Active Traffic Management	*2,500*	*0*	*0*	*0*	
	FTA/FHWA - Multi-Modal Integrated Payment Systems/E-Payment	*0*	*0*	*0*	*0*	
18.	*Next Generation E-Payment*	*0*	*0*	*0*	*0*	
19.	*Mode Specific Research*	*1,000*	*1,000*	*1,000*	*1,000*	
	Multi-Modal Mobility	*0*	*0*	*0*	*0*	
	Exploratory Research:	***2,200***	***670***	***0***	***0***	
	Exploratory Solicitation	*2,200*	*670*	*0*	*0*	
	Other ITS Research:	***2,739***	***2,290***	***2,590***	***2,590***	
	Next Generation 911	*0*	*0*	*0*	*0*	
6.	*Mobility Services for All Americans*	*0*	*0*	*0*	*0*	
4.	*Integrated Corridor Management*	*800*	*0*	*300*	*300*	
	Small Business Innovative Research	*1,644*	*1,640*	*1,640*	*1,640*	
9.	*I-95 Corridor Coalition (T)*	*0*	*0*	*0*	*0*	
	Legacy ITS Projects (Including Congestion Initiatives)	*295*	*650*	*650*	*650*	
	Technology Transfer and Evaluation:	***11,045***	***15,410***	***15,460***	***0***	
10.	*ITS Architecture and Standards (T)*	*5,500*	*6,750*	*6,500*		
11.	*Professional Capacity Building (PCB) (T)*	*3,160*	*3,160*	*3,400*		
12.	*ITS Program Assessment (T)*	*0*	*0*	*0*		
13.	*ITS Outreach and Policy (T)*	*410*	*2,000*	*2,260*		
	Outreach/Stakeholder Development (T)	*0*	*900*	*900*		
	Evaluation (T)	*1,975*	*2,600*	*2,400*		
14.	**ITS Program Support:**	***4,875***	***5,000***	***5,000***	***5,000***	
E.	**University Transportation Centers (UTC) 4/**	**69,828**	**72,500**	**72,500**	**36,250**	**36,250**
1.	*University Transportation Research (T)*	*69,828*	*72,500*	*72,500*	*36,250*	*36,250*
F.	**State Planning and Research (SP&R) 2/**	**178,828**	**184,693**	**186,285**	**144,259**	**19,672**
1.	*State Planning and Research (SP&R)*	*153,792*	*162,530*	*163,931*	*144,259*	*19,672*
2.	*State Planning and Research (SP&R) (T)*	*25,036*	*22,163*	*22,354*		
G.	**Administrative Expenses**	**18,932**	**18,932**	**18,932**	**14,327**	**1,954**
1.	*Administrative Expenses*	*16,281*	*16,281*	*16,281*	*14,327*	*1,954*
2.	*Administrative Expenses (T)*	*2,651*	*2,651*	*2,651*		
	Subtotal, Research and Development 5/	405,941	378,401	379,752	344,326	35,426
	Subtotal, Technology Investment (T) 5/	202,484	199,224	199,465		
	Subtotal RT&E Programs	**608,425**	**577,625**	**579,217**	344,326	35,426
	Add: Bureau of Transportation Statistics	25,206	26,000	26,000		
	Less: Administrative Expenses	-18,932	-18,932	-18,932		
	Less: State Planning and Research (SP&R)	-178,828	-184,693	-186,285		
	Less: Future Strategic Highway Research Program-SHRP 2	-46,471				
	Total Title V Programs 3/	**389,400**	**400,000**	**400,000**		

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 parenthesis [(A) & (B)].

2/ Title 23 USC 505(b) requires State DOT's to expend no less than 25 percent of their annual SP&R funds on RT&E activities. Total SP&R funding represents 2 percent of apportioned programs. Of the total 2 percent SP&R funds, each State is also required to make 4 percent (as agreed to by more than 3/4 of the States) available to the Secretary to carry out SHRP 2 activities.

3/ Details for this program are contained in the Office of the Assistant Secretary for Research and Technology FY 2014 budget.

4/ Subtotals for Research and Development and Technology Development may not add due to rounding.

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

PROGRAM: HIGHWAY RESEARCH AND DEVELOPMENT PROGRAM
AMOUNT REQUESTED FOR FY 2014: $115,000,000

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, and 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, 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, Society of Automotive Engineers.

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.
    - 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, American Concrete Institute, other industry groups, academia, industry.

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.

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.

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. Develop mutually beneficial technology exchange and information sharing, and facilitating partnering relationships between U.S. States and foreign governments.

Outputs:

- Infrastructure investment needs report
- Background and option papers regarding a variety of policy issues
- Reports and analytical tools addressing innovative finance and program delivery strategies
- Capacity building and technical assistance for public sponsors of innovative finance and program delivery strategies
- 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.

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 results that could lead to potentially transformational advances in the durability, efficiency, 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.

PROGRAM: TECHNOLOGY AND INNOVATION DEPLOYMENT PROGRAM (TIDP)
AMOUNT REQUESTED FOR FY 2014: $62,500,000

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 (SHRP2) 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, and 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 SHRP2 results. The purpose of SHRP2 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.

PROGRAM: TRAINING AND EDUCATION (T&E)
AMOUNT REQUESTED FOR FY 2014: $24,000,000

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 centers for surface transportation excellence to address the areas of environment, surface transportation safety, rural safety, and project finance.

RD&T Partners: State DOTs, MPOs and local governments, academia, educational institutions, professional organizations, Local and Tribal Technical Assistance Program Centers.

PROGRAM: STATE PLANNING & RESEARCH
AMOUNT REQUESTED FOR FY 2014: $186,284,864 (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 percent 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 by MAP-21, it would be a take-down of four core Title I programs: National Highway Performance Program, Surface Transportation Program, Congestion Mitigation & Air Quality Program, and Highway Safety Improvement Program. Of the total set-aside amount, 4 percent is the percentage agreed upon by at least ¾ of States to be set aside for implementation of the Strategic Highway Research Program II (SHRP2) research results, and at least 25 percent 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.
- To implement research results from the Future Strategic Highway Research Program (FSHRP).

RD&T Partners: State DOTs, TRB, AASHTO.

PROGRAM: INTELLIGENT TRANSPORTATION SYSTEMS (ITS)
AMOUNT REQUESTED FOR FY 2014: $100,000,000

Project and activity summaries are contained in the Office of the Secretary of Transportation (OST) -- Office of the Assistant Secretary for Research and Technology FY 2014 budget submission.

PROGRAM: UNIVERSITY TRANSPORTATION CENTERS (UTC)
AMOUNT REQUESTED FOR FY 2014: $72,500,000

Project and activity summaries are contained in the Office of the Secretary of Transportation (OST) -- Office of the Assistant Secretary for Research and Technology FY 2014 budget submission.

PROGRAM: BUREAU OF TRANSPORTATON STATISTICS (BTS)
AMOUNT REQUESTED FOR FY 2014: $26,000,000

Project and activity summaries are contained in the Office of the Secretary of Transportation (OST) -- Office of the Assistant Secretary for Research and Technology FY 2014 budget submission.

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