

FEDERAL HIGHWAY ADMINISTRATION

**Overview:** The mission of the Federal Highway Administration (FHWA) is to improve the quality and performance of our Nation's highway system and its intermodal connectors. Highways are the critical link in our Nation's transportation system, as virtually every trip we take and every good consumed passes over a road at some point. Our challenge is to preserve and improve the 160,000-mile National Highway System, which includes the Interstate System and other roads of importance for national defense and mobility, while also improving highway safety, minimizing traffic congestion, and protecting the environment on these and other key facilities. Through surface transportation programs, innovative financing mechanisms, and increased use of innovative pavement and highway operational technology, FHWA will increase the efficiency by which people and goods move throughout the Nation, and improve the efficiency of highway and road connections to other transportation modes. The President's FY 2005 budget request of \$33.6 billion in obligation limitation will allow the FHWA to address these challenges.

FEDERAL HIGHWAY ADMINISTRATION BUDGET  
(Dollars In Millions)

	2003 Actual	2004 Enacted	2005 Request
Federal-Aid Highways Obligation Limitation	30,526	33,643	33,643
Exempt Mandatory Federal-Aid Highways Obligations	720	943	835
Limitation on Admin Expenses [non-add]	[313]	[334]	[350]
Other (Includes Miscellaneous Appropriations, Miscellaneous Highway Trust Funds, and Appalachian Development Highway System)	<u>560</u>	<u>177</u>	<u>0</u>
<b>TOTAL</b>	<b>31,805</b>	<b>34,764</b>	<b>34,478</b>



## FY 2005 Budget

The FY 2005 budget request supports the Administration's blueprint for the future, as described in the Safe, Accountable, Flexible, and Efficient Transportation Equity Act (SAFETEA). The Administration is requesting an additional \$3.4 billion in FY 2005 over the obligation limitation originally proposed in SAFETEA. This funding level will support the Secretary's goals and continue efforts to improve highway safety dramatically, slow the growth of traffic congestion, and promote good stewardship of the environment. FHWA will also strengthen its stewardship of Federal surface transportation funds by improving oversight and increasing accountability to ensure every dollar spent achieves maximum benefits for Americans.

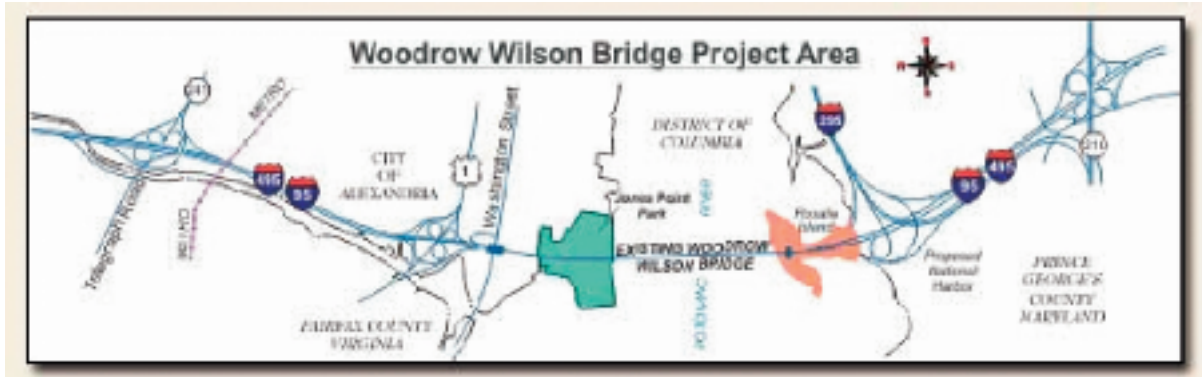


**Federal-aid Highway Program:** The Federal-aid Highway Program (FAHP) provides Federal financial assistance to the States to construct and improve the National Highway System, urban and rural roads, and bridges. The FY 2005 budget request includes an obligation limitation of \$33.6 billion for the FAHP. This amount is more than doubled by additional resources from State and local governments that utilize the funds for highway investment. In total, investments in highway improvements support the achievement of safety, mobility, environmental stewardship, and security goals. FHWA will continue its efforts to increase oversight and accountability, including large-project management and oversight, to ensure the protection of the large Federal investment, while maintaining the prerogatives of the States in the delivery of highway transportation projects to the public.

**Federal Lands Highway Program:** The Federal Lands Highway Program (FLHP) improves access to and within national forests, national parks, Indian reservations, and other public lands. The \$947 million requested for the FLHP in FY 2005 will support the President's initiatives to enhance the protection of America's national parks and protect these national treasures for present and future generations. This will include enhancement of ecosystems, improvement of outdoor opportunities, improved infrastructure, and greater accountability. The FLHP will also continue to develop and implement two new funding categories - Recreational Roads and Safety - as proposed in SAFETEA.



**Research and Intelligent Transportation System (ITS):** To support the FAHP and FLHP, FHWA conducts and manages a comprehensive research, development, and technology program. For FY 2005, \$428 million is requested for Research and ITS. FHWA will continue to work on identifying ways to reduce the number of injuries and fatalities on our Nation's roadways by demonstrating the application of innovative technologies in highway safety, deploying and evaluating safety technologies and innovations at the State and local levels, and assuring the deployment of best practices in training, management, design, and planning.



**Credit Programs:** Under the Transportation Infrastructure Finance and Innovation Act (TIFIA) program, the FHWA, on behalf of the Department of Transportation, will use FY 2005 funding of \$130 million to help stimulate private capital investment in transportation infrastructure. Approved applicants receive credit assistance in the form of direct loans, loan guarantees, and lines of credit for up to one-third of the cost of large infrastructure construction projects of national or regional significance.

**Emergency Relief Program:** The Emergency Relief (ER) program provides funding for the repair or reconstruction of Federal-aid highways and roads on Federal lands that have suffered serious damage as a result of natural disasters or catastrophic failures from an external cause. Title 23, section 125 of the United States Code authorizes \$100 million annually. The Administration proposes to continue this level in FY 2005.





**Limitation on Administrative Expenses:** A Limitation on Administrative Expense (LAE) of \$350 million is requested for FY 2005 for the necessary salaries and benefits of 2,424 FTE and on-going administrative expenses in support of the above Federal programs. This LAE includes increased funding of \$4.3 million to support the President's Management Agenda activities for competitive sourcing (\$1 million), information technology infrastructure and security enhancements (\$2 million), Federal-wide e-Government initiatives (\$636,000), and mega-project oversight (\$646,000).

