

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. 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 homeland and national defense and mobility, while also improving highway safety and security, minimizing traffic congestion, and protecting the environment on these and other key facilities. The President's FY 2004 budget request of \$30.2 billion will allow the FHWA to address these challenges.

FEDERAL HIGHWAY ADMINISTRATION BUDGET

(Dollars In Millions)

	2002 ^{1/} Actual	2003 ^{2/} Request	2004 ^{2/} Request
Federal-Aid Highways Obligation Limitation	30,622	27,574	29,294
Revenue Aligned Budget Authority (RABA) [non-add]	[4,519]	0	0
Other	448	0	0
Emergency Supplemental	242	0	0
Exempt Mandatory Federal- Aid Highways Obligations	1,007	884	931
Limitation on Admin Expenses [non-add]	[310]	[318]	[339]
TOTAL ^{3/}	32,319	28,458	30,225
TOTAL, excluding RABA	27,800	28,458	30,225

^{1/} Amount in FY 2002 is net of \$1.2 billion transferred from highways to transit.

^{2/} Excludes estimated accrual payments for civil service retirements and health benefits.

^{3/} Includes Revenue Aligned Budget Authority (RABA) in FY 2002. RABA is zero in FY 2003 and FY 2004.



FY 2004 Budget

Federal-Aid Highways Program - FHWA works with its partners in state and local government and in Federal land management agencies to ensure that our Nation's highways remain the backbone of an effective intermodal transportation network. FHWA's programs help safeguard the Nation's tremendous highway infrastructure investment, improve safety, protect the environment, reduce congestion, and improve the efficiency and operation of our highways.

The FY 2004 budget request includes an obligation limitation of \$29.3 billion for the Federal-Aid Highways Program. The budget request links highway spending (including motor carrier safety and highway safety) to incoming receipts into the Highway Account of the Highway Trust Fund. The budget request also directs all revenue from gasohol taxes to the Highway Trust Fund, increasing available receipts by over \$600 million per year. (Currently, 2.5 cents per gallon of the gasohol tax is deposited in the General Fund of the Treasury.) Ultimately, the request reflects a program level that is \$1 billion over and above estimated receipts.

- Improving Mobility - The budget request creates a \$1 billion program to fund a new highway infrastructure performance and maintenance initiative, which targets "ready-to-go" highway projects that address traffic bottlenecks and improve infrastructure conditions. This will help to continue the progress made on infrastructure conditions during the years covered by the Transportation Equity Act for the 21st Century (TEA-21). The program will also address chokepoints on major highways, thereby saving lives, time, fuel, money, and improving economic productivity.

The proposal continues FHWA's major programs, including the National Highway System, Interstate Maintenance, Highway Bridge, Surface Transportation, and Congestion Mitigation and Air Quality Improvement Programs.

- Improving Safety - Improving transportation safety remains the Department's top priority as it seeks to reduce the loss of life in motor vehicle crashes. The budget proposal reflects efforts to improve infrastructure safety through improvements in roadway design and features, as well as through research focused on reducing fatalities from vehicles that leave the road, crashes at or near intersections, and collisions involving pedestrians. FHWA proposes increased flexibility in its safety grants to allow states to target their unique problems.
- Stewardship - FHWA will improve its stewardship of environmentally responsible transportation improvements, delivered on time and within budget. This will require further streamlining of the environmental process and greater emphasis on program level and major project oversight activities in conjunction with the Federal, state and local agencies involved. Additional administrative resources, including staffing, are requested for this purpose.