



DEPARTMENT OF TRANSPORTATION

Funding Highlights:

- Provides a total of \$76.6 billion in discretionary and mandatory budgetary resources for the Department of Transportation, an increase of 5.5 percent, or \$4 billion, above the 2012 enacted level.
- Jumpstarts job creation with an additional \$50 billion in immediate investments in 2014 to support critical infrastructure projects, improving America's roads, bridges, transit systems, border crossings, railways, and runways. This includes \$40 billion in "Fix-it-First" investments for improving existing infrastructure assets and \$10 billion to help spur State and local innovation in infrastructure development.
- Proposes a five-year, \$40 billion rail reauthorization proposal to significantly improve existing intercity passenger rail services, develop new high speed rail corridors, and strengthen the economic competitiveness of our freight rail system.
- Fully funds the authorized funding levels provided in the Moving Ahead for Progress in the 21st Century Act (MAP-21) for surface transportation programs.
- Reserves funding after the expiration of MAP-21 in 2015 for a robust, long-term reauthorization of surface transportation programs, including a 25 percent increase from current funding levels.
- Supports a more robust, rigorous, and data-driven pipeline safety program to ensure the highest level of safety for America's pipeline system.
- Invests nearly \$1 billion in the Next Generation Air Transportation System, a revolutionary modernization of our aviation system.
- Pays for the rail and surface transportation proposals with savings from ramping down overseas military operations. Because rebuilding the Nation's transportation infrastructure is an immediate need, the Budget uses near-term savings from reduced overseas operations to fully offset the long-term reauthorization proposals.
- Maintains reduced funding for Airport Grants, focusing Federal support on smaller airports, while giving commercial service airports additional flexibility to raise their own resources.

A well-functioning transportation system is critical to America's economic future. Whether it is by road, transit, air, rail, pipeline, or waterway, Americans rely on our transportation system to move people and goods safely, facilitate commerce, attract and retain businesses, and support jobs. The President's 2014 Budget provides a total of \$76.6 billion in discretionary and mandatory funding for the Department of Transportation, plus an additional \$50 billion to jumpstart economic growth and job creation through immediate infrastructure investment.

Invests in Infrastructure Critical for Long-Term Growth

Creates Jobs Now. To spur job growth and allow States to initiate sound multi-year investments, the Budget provides an additional \$50 billion for transportation investments in 2014. Although infrastructure projects take time to get underway, these investments would create hundreds of thousands of jobs in the first few years and in industries suffering from protracted unemployment. This includes \$40 billion in "Fix-it-First" investments to improve existing infrastructure assets most in need of repair and \$10 billion to help spur States and local innovation in infrastructure development. These funds will be leveraging State, local, tribal, and private funds. Of the innovation-spurring proposal, \$200 million will fund communities that include enhanced resilience to extreme weather and other impacts of climate change in their planning efforts, and that have proposed, or are ready to break ground on, infrastructure projects to improve resilience. Planning by these communities will be supported by a broader Administration commitment to help communities improve their resilience through direct technical assistance, provision of useful data and tools on projected impacts, and support for planning. Making infrastructure investments now will put workers back on the job and support local transportation programs in the near-term, but the return on investment for Federal taxpayers will benefit from historically low interest rates and construction costs. To help these funds flow into communities without delay, key

Federal agencies have been directed to find ways to expedite the permitting and approvals for infrastructure projects.

Proposes Dedicated Funding for High Speed Rail Investments. The Budget provides \$40 billion over five years to fund the development of high-speed rail and other passenger rail programs as part of an integrated national transportation strategy. This system will provide 80 percent of Americans with convenient access to a passenger rail system, featuring high-speed service, within 25 years. The proposal also benefits freight rail and significantly restructures Federal support for Amtrak, to increase transparency, accountability, and performance.

Fully Supports MAP-21. On July 6, 2012, the President signed MAP-21, which reauthorized Federal Aid Highways, Transit formula grants, and highway safety programs through 2014. The Budget provides \$50.1 billion in obligation limitations for these programs, equal to the contract authority levels authorized by MAP-21.

Includes a Reserve for Surface Transportation Reauthorization. While MAP-21 provided much needed certainty to transportation funding and enacted a number of important reforms, the Administration strongly believes that more needs to be done to maintain, improve, and expand the Nation's transportation systems. Much of the country's transportation infrastructure was built decades ago and is in urgent need of repair to meet current and future economic demands. Given this, the Budget includes an allowance beginning in 2015 to support additional investments in surface transportation under the next reauthorization. The Administration looks forward to working with the Congress to secure these critical investments.

Enhances Pipeline Safety. In order to ensure the highest safety standards for the U.S. pipeline system, the Budget proposes a Pipeline Safety Reform initiative to both enhance and revamp the Department's Pipeline Safety program. The Budget maintains the size

of the State Pipeline Safety Grant program and institutes several reforms to the Federal program. It funds the first phase of a multi-year effort to more than double the number of Federal pipeline safety inspectors. There are currently only 135 inspectors responsible, in collaboration with State partners, for inspecting segments of 2.6 million miles of pipeline and ensuring incident investigations following explosions occur promptly. In addition, the Budget modernizes pipeline data collection and analysis, improves Federal investigation of pipeline accidents of all sizes, and expands the public education and outreach program.

Modernizes the Nation's Air Traffic Control System. The Budget provides nearly \$1 billion in 2014 for the Next Generation Air Transportation System (NextGen). NextGen is the multi-year effort currently underway to improve the efficiency, safety, capacity, and environmental performance of the aviation system. These funds would continue to support the transformation from a ground-based radar surveillance system to a more accurate satellite-based surveillance system; the development of 21st Century data communications capability between air traffic control and aircraft to improve efficiency; and the improvement of aviation weather information.

Pays for Transportation Investment Using Overseas Military Operations Savings. The President is committed to working with the Congress to ensure that funding increases for surface transportation do not increase the deficit. Because rebuilding our transportation infrastructure is an urgent need, the Budget uses savings from ramping down overseas military operations to fully offset baseline Highway Trust Fund solvency needs, the out-year surface transportation reauthorization allowance, and the rail reauthorization proposal. Beyond the reauthorization window, the Budget assumes that the President and the Congress will work together to develop other fiscally responsible solutions.

Improves the Way Federal Funds are Spent

Maintains Reduced Funding in Targeted Areas. In support of the President's call for spending restraint, the Budget lowers funding for the airport grants program to \$2.9 billion offset in part by eliminating guaranteed funding for large hub airports. The Budget focuses Federal grants to support smaller commercial and general aviation airports that do not have access to additional revenue or other outside sources of capital. At the same time, the Budget would allow larger airports to increase non-Federal passenger facility charges, thereby giving larger airports greater flexibility to generate their own revenue.