SAFETEA
Safe, Accountable, Flexible, and Efficient Transportation Equity Act of 2003

Overview

Overview of Reauthorization

- 6-year, $247 B for highway, safety and transit; continues highway funding guarantees
- Builds upon Secretary’s principles and decisions revealed in President’s FY 2004 Budget Request and continued in FY 2005 Budget Plan
- **Highways:** Strong funding for core Federal-aid, including Federal Lands, Research

Overview of Reauthorization (cont’d)

- **Transit:** Restructures programs into urbanized area formula grants, major capital investments, and State-Administered programs
- **Freight and Motor carrier:** Freight emphasis, CVISN nationwide deployment
- **Finance:** Bonding, TIFIA, SIBs, and RRIF

Key Principles:

- Built upon **Safer, Simpler, Smarter** theme
- Improves highway safety and helps grow the Nation’s economy without costly new taxes
- Helps ensure transportation projects are completed on time and within budget, while protecting the environment
- Retains overall program structure while increasing flexibility by eliminating most discretionary programs
Budget Priorities

- Record $201 B for highway and safety programs and nearly $46 B for transit
- Grow the program by 19% (guarantee)
- Up $29 B from the $218 B of TEA-21
- Lives within the means of HTF revenues
- More than doubles safety - from $3.9 B in TEA-21 to $8.6 B.

Budget Priorities (cont'd)

- Revenue levels only increase by growth and capture of ethanol 2.5-cent tax to Highway Trust Fund (HTF)
- Annual funding levels equal estimated receipts to HTF plus $1 B for Infrastructure Preservation and Maintenance (IPAM) program
- HTF balance brought down to prudent level of about $10 B by FY09
- RABA improved for greater predictability

Funding Levels

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Funding Levels (cont'd)

- Continues firewalls, guarantees, 90.5% minimum guarantee program, and linkage with receipts
- Encourages innovative financing via:
  - Expanded use of private activity bonds
  - TIFIA increases program funding with expanded freight eligibility and lower threshold
  - Continuation of SIB Program
  - Continuation of the RRIF Program

Safety
A Comprehensive Safety Initiative to Save Lives

- More than doubles funds for highway safety
- Establishes a new performance-based core highway safety program built on State data-driven planning

A Comprehensive Safety Initiative to Save Lives (cont’d)

- Provides incentives to enact primary seat belt laws that will greatly increase use
- Consolidates, simplifies, and strengthens Nat’l Highway Traffic Safety Administration’s (NHTSA) existing safety grant programs
- Increases funding for commercial vehicle safety and enforcement e.g. tougher auditing of “new entrant” motor carriers

Environmental Streamlining and Stewardship

- Substantial funding for environmental programs: $62.4 B or roughly 25% of total authorizations over 6 years includes
  - $10 B for CMAQ
  - $2.2 B for Park/Legacy
  - $189 M for Scenic Byways
  - $45.8 B Transit

- $3.6 B for TE
- $354.6 M Rec Trails
- $156 M TCSP

In Closing

What Will Happen Over the Coming Months?

**Known**
- SAFETEA has provoked debate and Senate drafting.
- FHWA provides Congress technical assistance in various forms.
- Legislative process continues.

**Unknown**
- More Congressional hearings?
- When will we have a reauthorization Act?
- Will it be a 6-year Act?
The American People deserve the most secure, most efficient transportation system in the world.

Together we can make it safer, simpler, and smarter.