What is Going on at FHWA Level Past, Present and Future

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PAST (FY 83)

National

During the past fiscal year (FY 83) $12.375 billion in federal-aid funds were obligated. This was the obligation ceiling. When non-ceiling funds were added, $12.8 billion was obligated. This compares to $8.2 billion in FY 82.

The 1982 Surface Transportation Assistance Act increased obligations as follows: 25% for regular Interstate, 100% for Interstate discretionary, 200% for Interstate rehabilitation, 60% for federal-aid primary and 68% for bridge replacement for FY 83.

FY 83 achieved 9.83% Disadvantaged Business Enterprise participation ($799.8 million) as compared to a goal of 8.84%.

Indiana

In Indiana (FY 83), $270.5 million was obligated. This also was Indiana's obligation ceiling plus those funds not under obligation control. FY 83 saw 8.8% Disadvantaged Business Enterprise participation achieved—$17.0 million—as compared to an 8.0% goal. This is up 262% from FY 82.

PRESENT (FY 84)

National

The obligation ceiling for this year is $12.52 billion. The rate for the first quarter of 1984 was $725 million per month. It was significantly lower than the average for the first quarters of the first five years—$745 million per month.

Interstate-4R, federal-aid primary, and bridge obligations were up for the first quarter. However, Interstate funds were way down—$35 million per month versus $202 million per month. This was due to the lack of approval by congress of the 1983 Interstate cost estimate (ICE) for 1985 apportionments. The total amount withheld because ICE was not approved was $5.5 billion which was made up of $3.6 billion Interstate funds, $519 million Interstate transfer funds, $696 million 85% funds, and $635 million discretionary funds. Congress has now approved a six-months apportionment based on the 1981 cost estimate. This will give Indiana $10 million, the minimum apportionment. The Interstate transfer funds will also be given out at 50% as soon as the president signs the bill—probably this week. The 85% funds are still up in the air, but should be settled by the end of the week.

First cost estimate, since the supreme court decision on legislative veto previously was contained in a joint resolution which could be approved by congress. Now ICE must be included in legislation to be passed by congress and approved by the president. Such a bill could contain other provisions—thus the present complications.

The states have a good backlog of Interstate projects ready to go. Indications are that all obligation authority can be used. The FHWA recently determined that $624 million discretionary funds could be released. This is made up of $451 million in Interstate and $173 million in Interstate Transfer.

Indiana

For this year, Indiana's first quarter obligations were 25%. The limitation was $49.2 million revised to $51.6 million. By January 31 $73.7 million had been obligated.

The funds effected by estimates but not being approved are: Interstate—$18.2 million, Interstate transfer—$4.9 million, minimum apportionment—$68.1 million.

Good progress was achieved on the Disadvantaged Business Enterprise through January 20—13.3% (1982 act requires 10%).

FUTURE (FY 85 AND BEYOND)

National

The administration FY 85 budget has been submitted to congress. Federal-aid to highways was $13.875 billion—the same as authorizations contained in the 1982 act. The total, including that not subject to limitation, will be $14.8 billion.

We need approval of 83 Interstate estimate to apportion the remaining 1985 and 1986 funds.

Some future legislation possibly could: require states to use at least 8% of highway safety apportionments for programs concerning child restraint systems; permit the safety of transportation to exempt segments of the Interstate system from large truck usage; reduce the amount of federal-aid highway funds for any state whose drinking age is less than 21.

Trucking associations are pushing hard for revision of higher taxes included in the 1982 act for heavy trucks. Two identical bills have been introduced—one senate and one house. These would drop user tax and raise federal fuel tax an additional five cents per gallon. The truck lobby favors these bills. The 1982 act requird DOT study alternatives to use the tax on heavy vehicles. The study does not recommend any. However, the study finds a six-cent per gallon diesel fuel tax increase together with a $650 user tax the best. The study has been presented to congress.

The congressional budget office has warned that at the present rate of authorizations, the increase in gas tax in the 1982 act will not be sufficient. We are authorizing at the rate of $14.4 billion per year while the trust fund is accumulating at $10.5 billion per year. This shortfall would require a further two-cent per gallon increase in the near future.

Indiana

The estimated authorizations for apportionment in the 82 act are:

1985 Non Interstate	1986 Non Interstate
1986 Interstate	1987 Interstate
$281.3 million	$299.4 million