

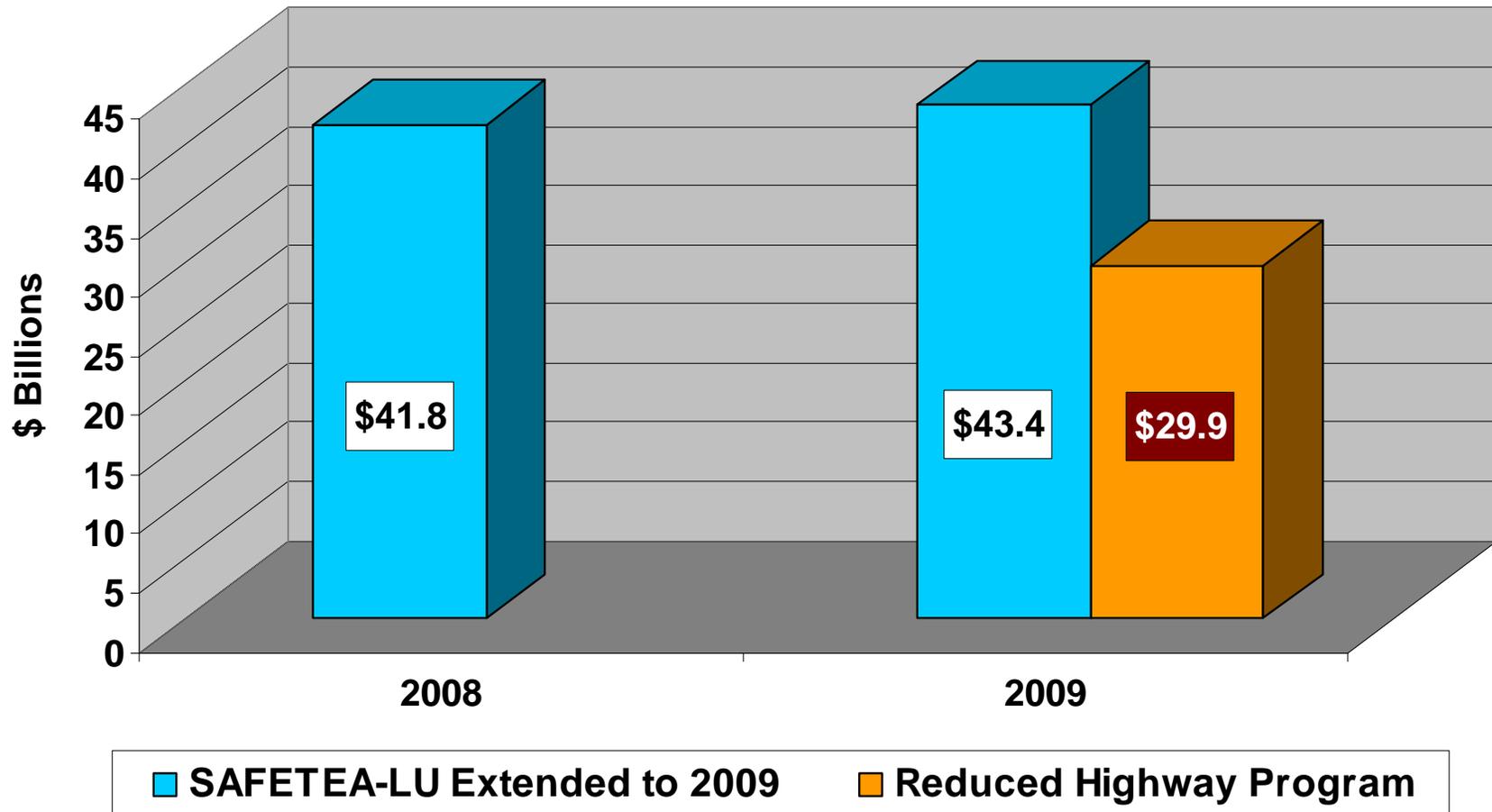
National Surface Transportation Policy and Revenue Study Commission Report

AASHTO Executive Director
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SCOE/Maintenance/Asset Mgmt
Monterrey, California July 14, 2008



Problem One: Funding Shortfall: \$13.5 Billion Cut in Federal Highway Program



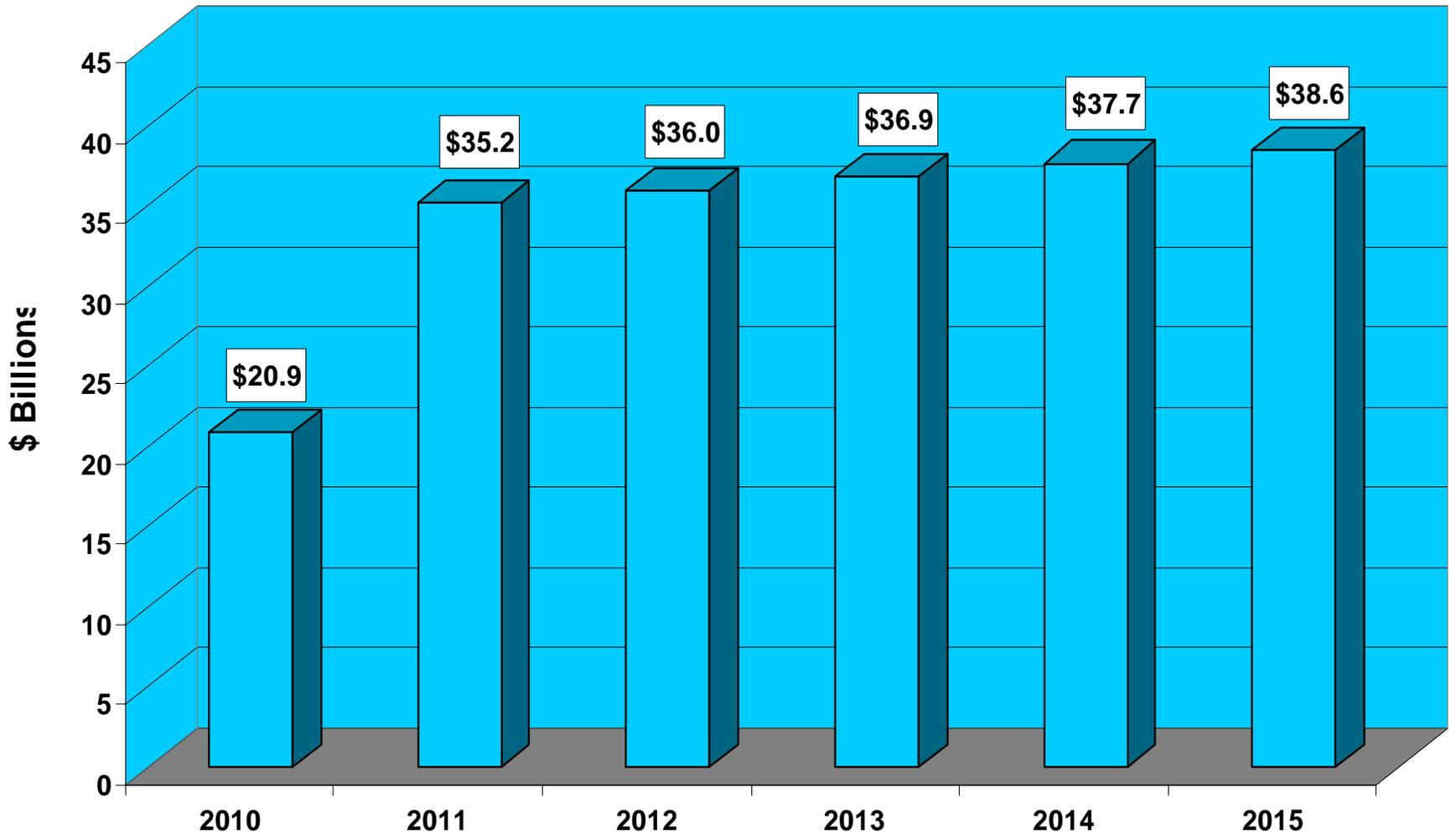
**Obligation level proposed in the President's 2008 budget request, which includes a suspension of \$631 million in RABA*

Problem 2: U.S. Construction Costs Will Increase by 80 percent, 1993-2015

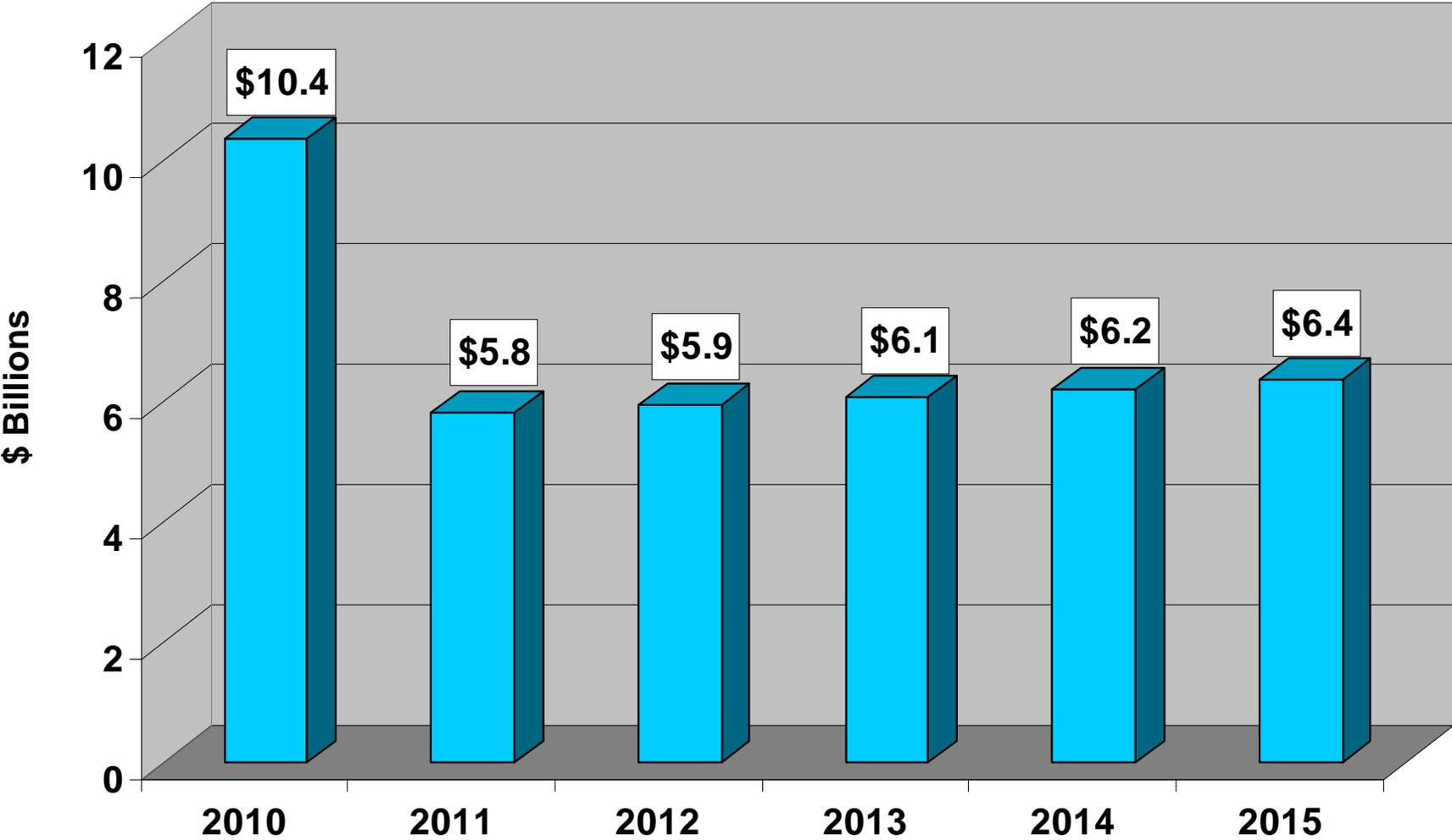
- Asphalt
- Steel
- Construction Machinery
- Petroleum



Reduced Highway Program Levels Beyond 2009



Reduced Transit Program Levels Beyond 2009



National Surface Transportation Commission Got the Big Ideas Right

- The need for “fundamental reform of the Federal Transportation Program”
- Significant additional investment
- Strong federal role
- Shared funding responsibility by federal, state and local governments
- Need for a multi-modal approach

Report Got the Big Ideas Right

- Systematic planning to guide investment where most needed
- Performance-based programming of funding
- Accountability for achieving results
- Investment focused on objectives of genuine national interest
- Increased emphasis on transit and intercity passenger rail

AASHTO Revised Highway Program Structure to Meet

Commission National Objectives

- Preservation and Renewal (Includes IM,NHS,Bridge) \$28 billion
- Freight \$7 billion
- Safety \$2.6 billion
- Operations \$3 billion
- Transportation Systems Improvement/Congestion Reduction \$11 billion
- Environmental Program \$3.4 billion

AASHTO Developing Planning and Programming Reforms which meet Commission Objectives

- Recommend Process for Federal Govt, States, Cities, Counties, MPOs and Transit to set national standards to achieve
- National objectives: preservation, safety, freight, rural connection, operations, metro mobility/congestion relief, environment
- Develop an outcome-based, performance driven planning and project selection process accountable for results