

# TRANSPORTATION

## The President's 2008 Budget will facilitate safer and faster transportation by:

- Building a more efficient air traffic control system to meet the air travel demands of the future;
- Exploring new ways to reduce highway congestion and increase fuel efficiency; and
- Focusing Amtrak's spending priorities.

## Building a more efficient air traffic control system to meet the air travel demands of the future:

- Federal Aviation Administration's (FAA) Reauthorization: The Administration will soon transmit a reauthorization proposal that would change the FAA current excise tax financing into a more cost-based system by 2009. By moving away from excise taxes based on ticket prices, the new system would charge commercial users a user fee calibrated to the cost of providing air traffic control services to those aircraft, and would charge general aviation users a fuel tax calibrated to cover their costs.
- Next Generation Air Transportation System (NextGen): \$175 million to support multi-agency effort to transform air traffic management to accommodate demand and improve air transportation safety and security.

## Exploring new ways to reduce highway congestion and increase fuel efficiency:

- Highway Congestion Initiative: \$175 million would be made available to demonstrate innovative ways to reduce traffic congestion. Successful programs will be the blueprints for future larger scale efforts to reduce traffic in other municipalities. Also included is the Corridors of the Future program that will provide innovative financial assistance to fund congestion reduction projects in DOT selected high-growth corridors.
- Reforming And Modernizing Corporate Average Fuel Economy (CAFE) Standards For Cars And Extending The Current Light Truck Rule: To support the President's "Twenty In Ten" Plan to reduce U.S. gasoline usage by 20 percent in the next ten years, DOT will propose to reform CAFE standards for cars, as has been done for light trucks. These reforms will reduce projected annual gasoline use by up to 8.5 billion gallons. In combination with increasing the supply of renewable and alternative fuels, reforming fuel economy standards will bring the total reduction in projected annual gasoline use to 20 percent.
- Both these efforts will also help address climate change concerns by potentially stopping the projected growth of carbon dioxide emissions from cars, light trucks, and SUVs.

## Focusing Amtrak's spending priorities:

- \$900 million to improve the nation's inter-city passenger rail system -- only \$800 million is for Amtrak directly.
- Of the \$800 million for Amtrak:
  - \$300 million is requested for operating costs, which is part of a multi-year plan to reduce operating subsidies. The Budget insists that Amtrak reduce its reliance on Federal operating assistance and be more accountable in its spending and management.

- \$500 million is for capital expenses, including primarily the Northeast Corridor rehabilitation program.
- \$100 million is requested for a new matching grant program to help States fund intercity passenger rail infrastructure projects.