

Why GAO Convened This Expert Panel

The nation's economy and its citizens' quality of life depend on our transportation system. While all government levels have made significant investments in transportation, projections of future passenger and freight travel indicate that considerable investment will be needed to maintain the system. However, this comes amid growing concern about the size of the federal budget deficit and increasing demands on state and local government revenue. As a result, careful decisions will need to be made to ensure that transportation investments maximize the benefits of each dollar invested.

The House Appropriations Committee report accompanying the fiscal year 2004 Departments of Transportation and Treasury and Independent Agencies Appropriations Bill, required GAO to review the benefits and costs of various transportation modes. (See GAO-05-172.) As part of this study, GAO convened an expert panel that included some of the leading transportation economists and practitioners from throughout the nation. The panel discussed the benefits and costs of highway and transit investments.

www.gao.gov/cgi-bin/getrpt?GAO-05-423SP.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Katherine Siggerud at (202) 512-2834 or siggerudk@gao.gov.

HIGHLIGHTS OF AN EXPERT PANEL

The Benefits and Costs of Highway and Transit Investments

What Participants Said

GAO asked expert panel participants to discuss how to conceptualize, measure, improve, and use information about the benefits and costs of highway and transit investments. The expert panel was not designed to reach a consensus on these issues, but several themes emerged from the panel's discussion, including the following:

- *Benefit-cost analysis can be a useful tool to inform transportation investment decisions.*
- *Requiring benefit-cost analysis can be useful if it is fully integrated into the decision making process and not seen as a compliance checklist.*
- *Transportation investments seldom are compared across modes.*
- *Better analytic tools are needed to evaluate land use and distributional impacts of investments.*
- *Quality of state and local transportation data needs to be improved so that travel models can accurately predict patterns, trends, and needs.*



Source: International Air Rail Organisation.

A major transit rail line and expressway adjoin each other in Chicago.