

**U.S. Department of Transportation
2001 Budget in Brief
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PERFORMANCE PROGRESS REPORT

	... IN 1993	... IN 1996	AND IN 1998	2001 GOAL
SAFETY				
• Percent front occupants using seat belt	66	68	70	86
• Highway fatalities per 100 million vehicle miles	1.7	1.7	1.6	1.5
• Percent of alcohol-related highway fatalities	43.5	40.9	38	34
• Large truck fatalities	4,849	5,142	5,374	4,830
• Fatal aviation accident rate for U.S. commercial carriers per 100,000 flight hours	0.033	0.037	0.006	0.031
• Transit fatalities per 100 million passenger miles	0.610	0.520	0.565	0.497
• Train accidents per million train-miles	4.25	3.64	3.77	3.29
• Natural gas transmission pipe failures	5,378	4,964	4,477	4,375
• Recreational boating fatalities	800	709	793	720
MOBILITY				
• Percent of deficient National Highway System (NHS) bridges	26.7	25.8	23.1	22.3
• Percent of runways in good or fair condition	93	93	95	93
• Percent key rail stations Americans with Disabilities (ADA) compliant	N/A	19	29	58
• Percent bus fleet ADA compliant	50	63	72	83
• Amtrak ridership (in millions)	22.1	19.7	21.1	25.3
ECONOMIC GROWTH				
• Percent of aircraft able to fly off Air Traffic Control (ATC) preferred routes	N/A	75	76	80
• Passengers (in millions) in international markets with open aviation agreements	N/A	38.9	42.1	46.0
• Gross tonnage of commercial vessels under construction in U.S. shipyards	N/A	N/A	407,000	530,000
NATURAL ENVIRONMENT				
• Tons (in millions) of mobile source emissions from on-road motor vehicles	74.1	65.9	N/A	61.4
• Number of people in U.S. exposed to significant aircraft noise levels	2,100,000	1,450,000	1,100,000	600,000
• Tons of hazardous liquid materials spilled per pipeline million ton miles shipped	.0146	.0232	.0119	.0151
NATIONAL SECURITY				
• Percent seizure rate for cocaine that is shipped through the transit zone	6	5.3	10.1	15
• Percent of DOD-designated primary or alternate ports that are available when requested by DOD	N/A	62	93	90

N/A= Not Available

A MESSAGE FROM THE SECRETARY

The Department of Transportation's 2001 budget invests in the future, in a national transportation system that will be ready to meet the demands of the 21st century.

To accomplish this, the Administration proposes a record \$54.9 billion investment in our national transportation system in 2001, the highest level in the history of the Department. Building upon the excellent transportation network that exists today, we can advance the concept of a truly integrated system that is intermodal in form, international in reach, intelligent in character, and inclusive in service.

As I have said, transportation is about more than concrete, asphalt, and steel. It is about meeting the needs of the American people - connecting communities, saving lives that would otherwise be tragically lost, and providing economic opportunities to places and people that have not yet fully benefited from our unprecedented economic expansion. The connection between transportation investment, economic prosperity, job creation, and quality of life is both immediate and direct, and transportation is the crucial link - the tie that binds.

We continue to carry out aggressive programs to achieve the Department's strategic goals, which are to increase transportation safety, enhance mobility for all Americans, protect our nation's environment and security, and support the nation's economic growth by providing access to new markets and economic opportunities.

Transportation safety is our North Star. All of the Department's activities place the safety of the American public above all other objectives. The 2001 budget includes \$4 billion for critical transportation safety programs, a funding increase of 13 percent. We will work to eliminate transportation-related deaths through expanded enforcement efforts to deter and detect safety hazards; broader public outreach to increase the awareness of important safety precautions; and increased research to find effective solutions to safety challenges.

Investment in transportation infrastructure will total over \$39 billion in 2001, an increase of 86 percent during the Clinton/Gore Administration compared to the 1990-1993 average. This investment in our roads, bridges, airports, and transit infrastructure will support economic growth by upgrading system conditions and performance.

The President and I take great pride in proposing this budget. It will help ensure that the nation's transportation system remains vibrant and able to serve the needs of the American people. In the coming year, I look forward to continuing to realize the Clinton/Gore Administration's vision for the bright future of our country through an improved transportation system.

Rodney E. Slater

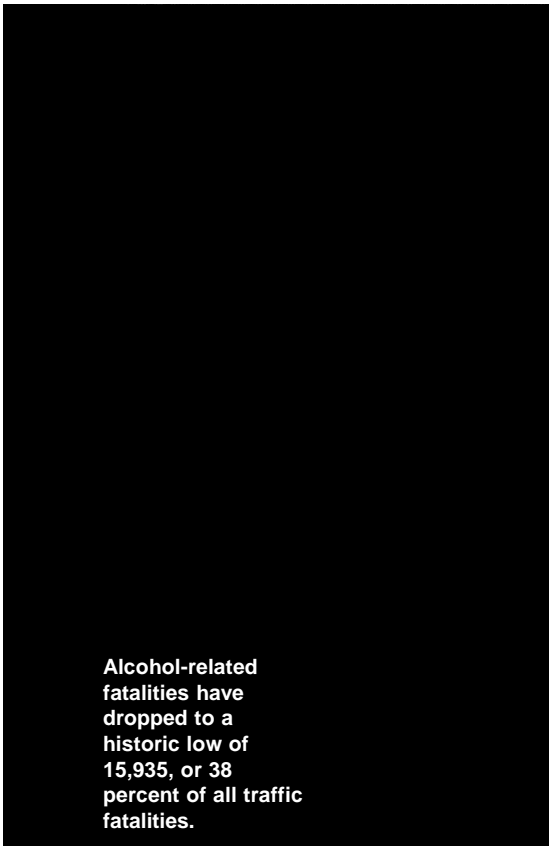
OVERVIEW

Transportation is and always has been America's lifeline. It connects resources with consumers and enables us to expand personal horizons. Transportation is inextricably linked to the economic health and security of our nation, representing more than eleven percent of gross domestic product. One needs only to look at the historic role of waterways, railroads, highways, and aviation to see that economic growth and security depend on a well-functioning, interconnected transportation system.

Investments in transportation must sustain and enhance the system's contribution to our nation's prosperity well into the 21st century. The 2001 budget proposes a record \$54.9 billion, 9 percent above 2000, to sustain and improve transportation safety, mobility, and security; increase transportation's contribution to economic growth and trade; and protect the environment.

SAFETY — A PROMISE WE HAVE KEPT

The Department is committed to ensuring safety in all modes of transportation. Safety is President Clinton's highest transportation priority, and the North Star that guides the Department. The 2001 budget proposes \$4 billion in direct safety funding, a 13 percent increase over 2000.



On the Land

Highway crashes are by far the leading cause of transportation fatalities and injuries. Annually, more than 41,000 people are killed and about 3.2 million injured on our nation's highways. Insurance, lost wages, health care, and other costs related to highway crashes exceed \$150 billion annually, and losses in terms of human suffering are incalculable. We have come a long way in reducing the highway fatality rate. If that rate today were the same as it was in 1967, 139,000 Americans would die every year, more than triple today's number. While this is impressive progress, we still have far to go and we face different challenges in the 21st century.

The demographics of the driving population are changing as our population ages. Drivers over age 65, increasingly a larger percentage of the driving public, represent the fastest growing group killed or injured in motor vehicle crashes.

Motor Vehicle Safety. The 2001 budget proposes \$499 million, 36 percent above 2000, for the National Highway Traffic Safety Administration's comprehensive programs of research, enforcement and education. The 2001 safety programs will focus on driver behavior, road design, and vehicle standards. We will also look to new technologies, such as our Intelligent Vehicle Initiative, to find ways to help travelers avoid collisions.



Although our efforts to assure that all Americans use seat belts are making progress, an estimated 30 percent of our people are still not buckled up. In 1998, seat belts saved over 11,000 lives, and child safety seats saved approximately 300 lives. Through a combination of education and law enforcement efforts under the Buckle-Up America campaign, the Department will further improve these statistics as it moves toward the President's goal of increasing seat belt usage to 90 percent by 2005.

Drunk Driving. While alcohol-related fatalities are at an all time low, drunk driving continues to be a major contributor to traffic fatalities. They still account for nearly 38 percent of all traffic deaths. A new public education campaign, "You Drink & Drive. You Lose," was created in 1999 to help stop drunk driving and reduce the number of fatalities to no more than 11,000 per year by 2005.

Motor Carrier Safety. Increasing motor carrier traffic has led to higher numbers of fatalities and injuries. Our ambitious goal is to reduce these fatalities by 50 percent over the next 10 years – a rate of progress that has been achieved by carefully targeted efforts in a few States. The Motor Carrier Safety Improvement Act of 1999 established a new Federal Motor Carrier Safety Administration within the Department. The Act also provides new enforcement tools to help get dangerous vehicles and drivers off the road, as well as funding for more motor carrier inspections. The 2001 budget proposes \$279 million, 54 percent above 2000, to match our motor carrier safety efforts with the goal.

Transit Safety. The 2001 budget also includes \$6 million, 12 percent above 2000, for transit safety research, technical assistance, and training activities. The Federal Transit Administration will focus its research resources on innovative safety and security technologies, as well as training and technical assistance to help transit agencies increase the safety and security of their riders and employees.

Rail Safety. Freight movement on the nation's railroads continues to grow at unprecedented rates, resulting in more trains competing for space on increasingly congested rail lines. Despite the increased levels of traffic, the Federal Railroad Administration's (FRA) safety efforts have produced tangible improvements – rail-related accidents and fatalities in 1998 are down by 11 percent and 29 percent respectively since 1993. FRA will continue to expand its collaborative efforts with industry towards eradication of the root causes of systemic railroad safety problems. Rail safety spending will increase 6 percent over 2000 to \$117 million in 2001.



In the Air

Our skies are becoming the new highways of 21st Century America. The number of aviation passengers is up 36 percent from seven years ago. The good news is that the aviation system has handled this large increase in passengers safely and successfully, but the system's capacity is not limitless.

The 2001 budget provides critical resources to ensure that the aviation system meets the demands of the 21st century – a

century during which aviation will continue to grow and advance in its contribution to the world economy. Aviation passenger activity alone is expected to more than double over the next twenty years, making safety enhancements even more critical.

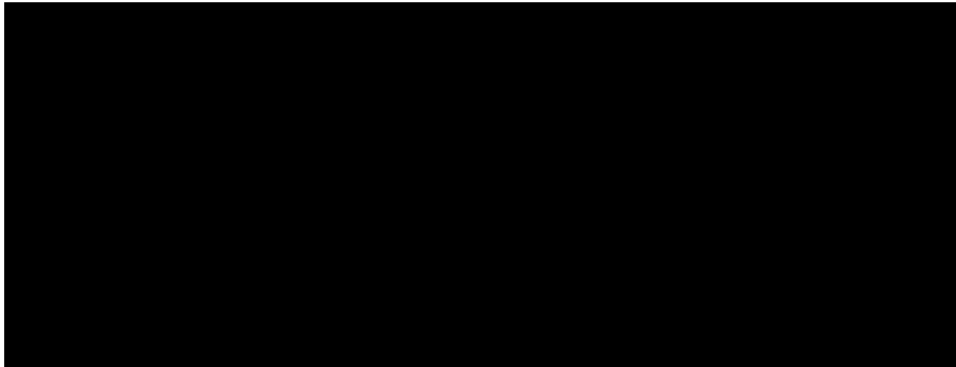
Funding for aviation safety will increase by 6 percent to \$1.1 billion in 2001, supporting the Administration's commitment to an 80 percent reduction in fatal aviation accident rates on U.S. commercial carriers by 2007. To address runway incursions, the budget includes \$31 million for improved airport surface detection systems and \$8 million for development of prevention procedures, controller training, and industry awareness programs.

At Sea

There are many dramatic examples of the Coast Guard's success in saving lives at sea and, in fact, the Coast Guard saves one life every two hours. Maintaining a high level of service as traffic on the waterways increases will require improved rescue capability and upgraded planning tools and information systems. The Coast Guard is already taking steps to improve the safety of the nation's commercial fishing fleet to avoid a recurrence of the fishing vessel tragedies off the mid-Atlantic coast in 1999. The 2001 budget proposes \$973 million, more than 6 percent over 2000, for Coast Guard safety activities to improve the detection of those in distress, enhance the protection of Coast Guard crews, and increase general operational readiness.

INCREASING OUR MOBILITY

The transportation system should not be defined solely by mode of transportation – highway, transit, rail, air, sea, and pipeline – but rather by our ability to reach the places we need to go efficiently and economically. President Clinton and Vice President Gore committed to rebuild America's infrastructure, and we have done just that.



By Maintaining and Improving The Existing Infrastructure

The 2001 budget includes the guaranteed funding levels for critical highway and transit investment envisioned in the passage of the Transportation Equity Act for the 21st Century (TEA-21). This will allow continuation of the performance improvements seen over the last seven years. In total, the 2001 budget includes \$43 billion for mobility initiatives, almost 9 percent over 2000.

The transportation solutions of the past – building more roads, bridges and airports – are no longer feasible given land constraints and increased concern over environmental impacts. Improved mobility need not mean new construction. The Clinton/Gore Administration has promoted transit and new technological solutions to the nation's mobility challenges in order to manage the use of the existing transportation system more effectively and efficiently.

The aviation system handles twice the number of planes it did a generation ago. Modernization of the air traffic control system is the foundation for continued growth in air traffic and has been identified as the number one priority of U.S. airlines. A total of \$2.5 billion, 22 percent above 2000, is proposed for 2001 to accelerate aviation system modernization, including the air traffic control system used over the oceans. Without additional funding, aviation modernization improvements and their economic and environmental benefits will be delayed.

Increased usage of Intelligent Transportation Systems reduces congestion, aids in quickly finding those in distress, and provides the added capacity needed for the future.

Through Increased Technology and Innovation

The search for new technological and innovative solutions to our mobility challenges is well supported in the 2001 budget, with investment in technology, research, and development proposed at \$1.28 billion, 37 percent above 2000.

TEA-21 significantly reduced investment in transportation research. The 2001 budget proposes to reverse that reduction by increasing critical surface transportation research initiatives to \$659 million. In addition, a new cooperative Marine Transportation Research Program is proposed to help identify solutions for our maritime transportation challenges. Waterborne commerce contributes more than \$742 billion to the U.S. gross domestic product and employs 13 million Americans.

Development and increased use of technologies, such as Intelligent Transportation Systems (ITS) and infrastructure improvements necessary for high-speed rail, are proposed in the 2001 budget.

- ITS will enable us to reduce congestion, more quickly locate those in distress, and help provide the added capacity we will need in the future without the harmful environmental effects that would occur through traditional construction. ITS investments include traffic signal control, freeway and transit management, and regional multi-modal traveler information. The 2001 budget proposes a total of \$338 million for ITS, 83 percent above 2000.
- Every day, new uses for the Global Positioning System (GPS) are found, and GPS is essential for many transportation systems. However, the current GPS system used to provide precise maritime navigation is not available throughout the nation. To rectify this problem, the 2001 budget proposes \$19 million, more than three times the 2000 level, to continue implementation of the Nationwide Differential GPS.


- Rail travel has strong prospects in intercity transportation corridors that experience significant congestion. The 2001 budget proposes a substantial investment in passenger rail service, building on the growth in ridership and ability to cover operating costs that our Northeast Corridor investments have supported. Many State governments have invested in passenger rail service, including high-speed rail, and federal funding will provide the foundation for it to be a significant transportation solution for the future. The 2001 budget includes \$468 million for this new program, in addition to continued Amtrak Capital funding.

Increased federal spending will be used to improve passenger rail service, including improvements necessary for high-speed rail service.

NEW OPPORTUNITIES FOR ECONOMIC GROWTH AND TRADE

Our transportation system underlies our ability to get to the places we need to go. If transportation connections are not available, or not offered at a time when we need them, our work, education, and overall "pursuit of happiness" are limited. Transportation accessibility has grown considerably in the past seven years, but there are still areas of this country, such as the Mississippi Delta region and Appalachia, where such accessibility is limited.

The 2001 budget includes more than \$1.2 billion, 44 percent over 2000, for programs that contribute to the nation's economic growth and increase transportation accessibility. The funding proposed to support these efforts will provide Americans with better access to work, educational opportunities, and commercial markets. The resulting enhanced economic and community development will improve the quality of life for our nation's citizens.



Implementation of the Americans with Disabilities Act has broadened transportation opportunities for many Americans.

Access for Former Welfare Recipients

A good economy should mean jobs and a better standard of living for all Americans. For this promise to become a reality, the transportation system must be further expanded by providing transportation from low income neighborhoods to areas of job growth, often suburban locations. People cannot go to work if they cannot get to work, and full funding of the Job Access and Reverse Commute Program will help address this problem through transit and other transportation alternatives. The 2001 budget includes \$150 million, double the 2000 level, to fully fund these grants, providing essential support for the Administration's welfare-to-work goals and economic growth in our low-income workforce.

Access for the Mississippi Delta

The vast rural areas and small towns of the Mississippi Delta suffer from disproportionate isolation and diminished opportunities for access to the daily activities of life. Many Mississippi Delta residents have substantial difficulties in accessing employment opportunities and related activities such as training, education, and child care. The 2001 budget proposes \$69 million, more than double the 2000 level, to expand access to these opportunities, and thereby improve the quality of life for these citizens as similar investments have done in Appalachia.

Access for Native Americans

Transportation services available to Native Americans fall below the rest of the nation. A total of \$358 million, 50 percent above 2000, is proposed to begin to correct this imbalance. Most of this funding will be used to help meet the more than \$4 billion needed to improve the condition and performance of Indian Reservation roads.

Access on the Great Lakes

Ensuring access to the Great Lakes for the entire shipping season is also critical to our industrial economy. Replacement of the 50 year-old Coast Guard icebreaker MACKINAW is a key component of the national transportation strategy for the Great Lakes. The 2001 budget proposes \$110 million for its replacement.

Access on Our Borders and Trade Corridors

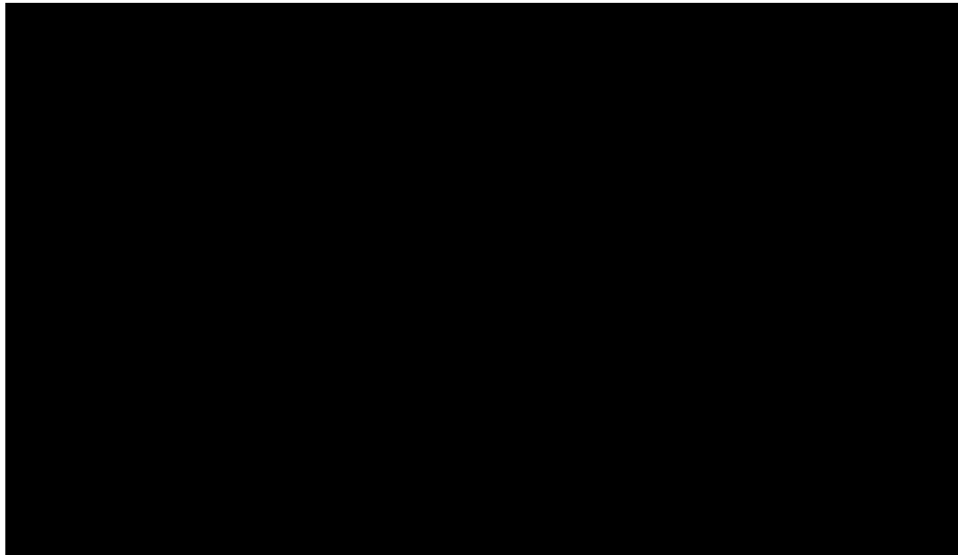
As trade expands in the Western Hemisphere, transportation also needs to be improved along critical borders and corridors where traffic is rapidly growing. The 2001 budget proposes to more than double the Borders and Corridors Program to a total of \$280 million. Transportation is the crucial link in enabling free trade to contribute to prosperity throughout the Americas and around the world in the 21st century. Targeted funding to improve critical transportation borders and corridors is in high demand and critically needed to support transportation and trade patterns of the future.

PROTECTING OUR ENVIRONMENT

The Department recognizes that undesired environmental consequences are an unfortunate by-product of our transportation system and seeks to mitigate those harmful effects to the maximum extent possible. The 2001 budget increases funding for environmental programs to \$3.8 billion, almost 5 percent above 2000. This funding will support several programs and initiatives aimed at reducing air and water pollution, preserving wetlands and open space, and making transportation facilities more compatible with the environment.

Clean Air

A large part of the Department's environmental strategies are funded by the Congestion Mitigation and Air Quality Improvement (CMAQ) Program, which supports activities that help communities reach and sustain healthy air standards.



Through the CMAQ program and other transportation enhancements, the Department funds innovative projects that promote transit ridership, clean fuels, and emissions-reducing inspection and maintenance programs. In addition, bicycle and pedestrian-oriented projects have provided community and recreational alternatives to the car in many of our heavily populated urban areas. The 2001 budget proposes \$1.6 billion for the CMAQ program over and above the \$6.3 billion in transit investment.

The 2001 budget also includes \$20 million to support the Advanced Vehicle Program (AVP), which combines the best in transportation technologies and innovations to produce new vehicles, components, and infrastructure for medium- and heavy-duty transportation needs. The technologies being pursued under the AVP will support the reduction in vehicle emissions and the improvement in vehicle fuel efficiency.

The Marine Habitat

The Coast Guard plays a critical role in protecting the quality of the environment and helping to prevent adverse effects from environmental damage. As the number of management regulations and off-limits fisheries habitats grows, additional patrol boats and increased aviation support will be needed to maintain the Coast Guard's ability to protect fisheries stocks and restore the sustainability of overfished species. Expanded Coast Guard environmental activities will help control economic dislocation and damage inflicted by aquatic nuisance species. The 2001 budget proposes \$1 billion, 4 percent above 2000, for the Coast Guard to improve the protection of natural resources.

Our Communities

The Administration is committed to providing communities with new tools and resources to preserve green space, ease traffic congestion, and pursue regional "smart growth" strategies. As part of this effort, the 2001 budget proposes \$52 million, almost 50 percent above 2000, for the Transportation and Community and System Preservation Pilot Program. This funding will be used to support implementation of strategies that improve transportation efficiency and reduce environmental impacts, thus making our communities more livable.

NATIONAL SECURITY — DEFENDING OUR BORDERS

In 1998, the Coast Guard seized over 82,000 pounds of cocaine.

The Department of Transportation plays a critical role in ensuring that the U.S. transportation system is secure, U.S. borders are safe from illegal intrusion, and national defense transportation needs can be met in time of emergency. The 2001 budget proposes a total of \$1.6 billion for national security programs, 8 percent over 2000. Most of the increase is associated with Coast Guard drug and migrant interdiction, critical infrastructure protection, information security, and aviation security.

In support of the President's National Drug Control Strategy, the 2001 budget proposes \$617 million, 8 percent above 2000, for the Coast Guard to fulfill the Department's commitment to conduct counter-drug law enforcement operations. This funding will enable the Coast Guard to maintain an effective presence in the transit and arrival zones by mounting strong and agile interdiction operations in response to shifts in drug smuggling activity in these areas. These resources will also help the Coast Guard more adequately control our nation's maritime boundaries against escalating migrant incursions.

Critical infrastructure protection is a growing concern that has been addressed in a recent comprehensive review of activities throughout the Federal Government. The 2001 budget proposes \$100 million, 97 percent above 2000, to increase the Department's capabilities to assess, respond to and minimize security risks. This includes \$91 million to detect and repel intrusions in air traffic control information systems and to enhance facility security.

CONCLUSION

The 2001 budget reflects the Clinton/Gore Administration's commitment to the future of this country in the new century and the new millennium. The budget will improve transportation safety, maintain and expand the transportation infrastructure, reduce environmental degradation, and provide more opportunities for our citizens. Its implementation will contribute significantly to enhancing the quality of life and providing a brighter future for our citizens.

The following pages provide highlights of the Department's budget by operating administration.

FEDERAL AVIATION ADMINISTRATION

The 2001 budget request for the Federal Aviation Administration (FAA) continues the Administration's strong commitment to a safe, efficient, and modern aviation system. Two major areas of emphasis in 2001 are safety and capital modernization. The safety initiatives support the Department's goal of reducing the fatal accident rate on U.S. commercial carriers 80 percent by 2007, and the capital modernization initiative will fund the upgrading of air traffic control automation, reducing delays and increasing the efficiency of the aviation system.

FAA BUDGET (Dollars in millions)			
	1999 <u>Actual</u>	2000 <u>Enacted</u>	2001 <u>Request</u>
Operations	5,586	5,893	6,592
Facilities and Equipment	2,121	2,045	2,495
Research, Engineering and Development	150	156	184
Airport Grants	<u>1,950</u>	<u>1,846*</u>	<u>1,950</u>
TOTAL	9,807	9,941	11,222

*Includes 2000 supplemental request.

Highlights of the 2001 Budget

Operations: \$6.6 billion, almost 12 percent (\$699 million) above 2000, including funds for additional staffing and maintenance of new equipment, and an increase of \$316 million to maintain current operations.

- FAA is responsible for operating the nation's air traffic control system. To keep pace with the growth of aviation, the 2001 budget for air traffic services is \$5.2 billion, an increase of 12 percent over 2000. The increase includes funding for 202 additional field maintenance staff and \$129 million to maintain traffic control and navigation equipment now being delivered as part of the modernization of the air traffic control system.
- FAA works to ensure that the national airspace system is safe and secure. The 2001 budget for safety activities funds an additional 64 staff for air carrier and aircraft certification and safety surveillance. Funding for security activities includes 94 additional staff to inspect hazardous goods shipments, and test and measure the performance of airport security screening.
- The Operations funding request also includes an additional \$25 million for initiatives to protect FAA's computer systems from criminal intrusion, as part of a larger \$91 million FAA-wide initiative.

Facilities and Equipment: \$2.5 billion, an increase of 22 percent (\$450 million) over 2000, to continue to improve and modernize the equipment central to the national airspace system. The request includes:

- \$1.1 billion for procurement and modernization of air traffic control facilities. Major projects are the Standard Terminal Automation Replacement System (STARS), which provides a fully digital infrastructure for terminal radar approach control facilities; the upgrade of computer systems and back-up radar channels for the enroute centers; a replacement for the radar beacon system used to determine aircraft position; and the terminal digital radar system.
- \$614 million for engineering, development, test, and evaluation of advanced systems. FAA will continue implementation of Free Flight Phase I and begin Free Flight Phase II, which provides more efficient use of the national airspace system. The air traffic control equipment used for oceanic control will be upgraded to provide improved control of aircraft over the ocean, reduce aircraft separation, and accommodate forecasted increases in transoceanic air travel. Improved oceanic routing will reduce user costs.



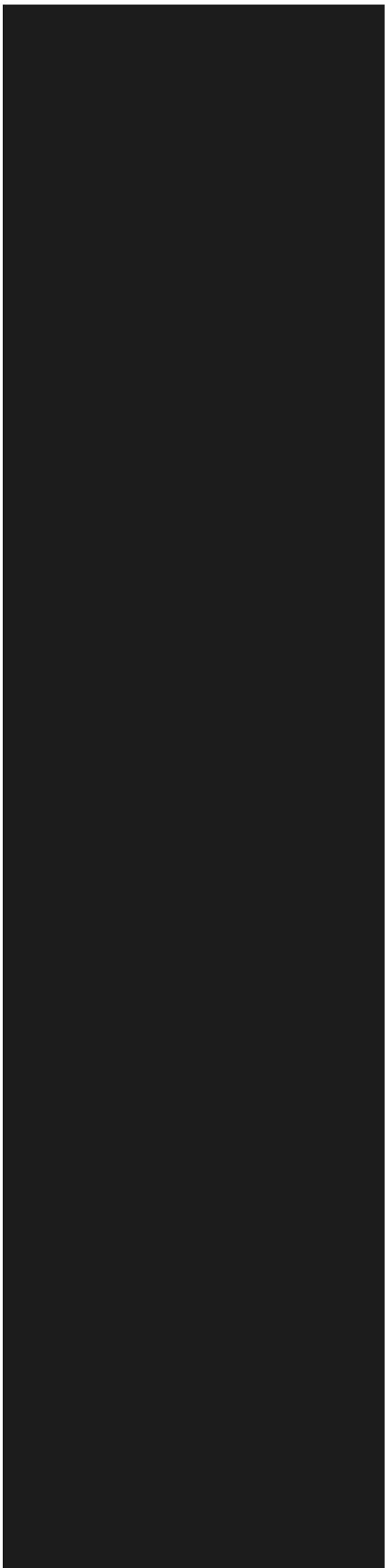
- \$586 million for mission support, including systems engineering technical support, contractor oversight of equipment installation, and the expenses related to FAA employees who manage and implement FAA projects.
- \$202 million for procurement and modernization of facilities and equipment to support FAA missions other than air traffic control. Major investments are in automation systems to support FAA safety inspectors, improvements in physical security and information system security, and \$97.5 million to continue implementation of explosive detection devices consistent with the recommendations of the White House Commission on Aviation Safety and Security.

Research, Engineering, and Development:

\$184 million, 18 percent above 2000. This includes \$49 million for continued research in aircraft structures and materials, and \$49 million for explosive detection and other security research. The remaining research funding provides for improvements in weather information, resolution of environmental issues, human factors, and support of the FAA laboratories.

Airport Grants: \$1.9 billion for airport improvement grants and \$88 million for airport technology research, administrative costs, and the Essential Air Service (EAS) program. The Grants-in-Aid program issues grants to airports and State and local governments for projects that increase capacity, improve safety, and help mitigate noise for areas adjacent to airports. In addition, the 2001 budget proposes \$53 million for administration of the grant program, \$7 million for airport technology research, and \$28 million to fund the EAS program, which will be combined with an estimated \$22 million in overflight fee collections for a total of \$50 million for EAS.

The Administration is proposing supplemental legislation for fiscal year 2000 that would reduce the obligation limitation for Airport Grants by \$50 million from its enacted level, allow up to \$12.9 million to be used to fund the EAS program, and clarify that administrative costs of the airports program incurred by the Operations account in fiscal year 2000 may be reimbursed by Airport Grants.



UNITED STATES COAST GUARD

The Coast Guard is a military, multi-missioned maritime service and one of the Nation's five Armed Services. Its mission is to protect the public, the environment, and U.S. economic interests in the nation's ports and waterways, along the nation's coast, on international waters, and in any maritime region as required to support national security.

USCG BUDGET (Dollars in millions)			
	<u>1999</u> <u>Actual</u>	<u>2000</u> <u>Enacted</u>	<u>2001</u> <u>Request</u>
Operations	2,697	2,779	3,199*
Capital	394	387	520*
Research	12	19	21
Retired Pay	684	730	778
Reserve Training	69	72	73
Environmental Compliance	21	17	17
Other	39	15	0
<i>SUBTOTAL</i>	3,916	4,020	4,609
Supplemental Appropriations	<u>588</u>	<u>18</u>	<u>0</u>
TOTAL**	4,504	4,038	4,609

*Includes \$116 million in proposed user fees in Operations and \$96 million in proposed user fees in Capital.
 **Does not include mandatory appropriation totaling \$64M in 1999 through 2001 for Boat Safety Grants.

Highlights of the 2001 Budget

Operations: \$3.2 billion, 9 percent (\$260 million) above 2000, for the continued operation and maintenance of a wide range of ships, boats, aircraft, shore units, and aids to navigation. The change from 2000 to 2001 of \$420 million is offset in part by \$160 million in planned carryover into 2000 of funds from the 1999 Kosovo Supplemental. The \$260 million increase includes: \$171 million for pay raises, cost-of-living adjustments, and other base adjustments; \$28 million for enhancements to the Coast Guard drug law enforcement and national security missions; \$24 million for operation of assets acquired in 2000; \$6 million for safety initiatives; \$3 million for critical infrastructure initiatives, including Coast Guard command centers and shipboard command and control systems; \$17 million for improvements to the workforce; \$6 million for new initiatives to protect the environment; and \$36 million for initiatives to improve Coast Guard readiness,

including increased recruitment retention incentives, improved aircraft maintenance, and the filling of critical positions. These increases are offset by \$31 million in management efficiencies.

Capital: \$520 million, 34 percent (\$133 million) above 2000, to support the Coast Guard's recapitalization of vessel and aircraft fleets, information resource management systems, shore facilities, and aids to navigation. This includes \$42 million for the deepwater capability replacement analysis, which will complete the initial phase of the development of an integrated system of assets to carry out Coast Guard's deepwater missions. It also includes: \$124 million for three seagoing buoy tenders; \$110 million for a new Great Lakes icebreaker; \$36 million for helicopters to deploy with the new polar icebreaker HEALY; \$8 million for upgraded sensors and avionics on Coast Guard helicopters and fixed wing aircraft; \$60 million for enhancements to Coast Guard information systems, National Distress System, commercial satellite communication system, and vessel tracking systems; and \$62 million for renovations and improvements to Coast Guard facilities, and for additional housing as well as repairs to existing units.

Research: \$21 million, 12 percent above 2000, for research, development, testing and evaluation to provide for technologies, materials, and human factors research directly related to the improvement of Coast Guard mission performance and delivery of services to the public.

Retired Pay: \$778 million, which includes annuities and medical care for retired military personnel and former Lighthouse Service members and their dependents and survivors.

Reserve Training: \$73 million to train, support, and sustain a ready military Selected Reserve Force. The Reserves are required to meet current commitments for direct support to the Department of Defense, and provide surge capacity for responses to emergencies, such as humanitarian missions in the event of natural disasters and clean-up operations following oil spills.

Environmental Compliance: \$17 million, including funding for major clean-up projects required at Kodiak, Alaska and Elizabeth City, North Carolina.

Boat Safety: \$64 million, including \$59 million for Boating Safety Grants and \$5 million to coordinate and carry out a National Boating Safety program to ensure compliance with national safety standards for boating equipment.

FEDERAL HIGHWAY ADMINISTRATION

As our nation's economy continues to expand and grow, it demands the mobility of an efficient highway system. The highway system serves as the backbone to the nation's intermodal surface transportation infrastructure. Our challenge is to maintain our high-quality network while achieving our goals to improve safety and protect the natural environment. The 2001 budget request for the Federal Highway Administration (FHWA) will allow us to meet this challenge by building on the Transportation Equity Act for the 21st Century (TEA-21), and providing the guaranteed funding envisioned when TEA-21 was enacted.

The Clinton/Gore Administration has set clear goals for improving safety and sharing economic opportunities across the nation. The budget proposes to dedicate a portion of the over \$3 billion in increased funding under the TEA-21 Revenue Aligned Budget Authority (RABA) to the following areas: \$50 million for the Job Access and Reverse Commute program; \$10 million to fund improvements to the Commercial Drivers License program; \$70 million to fund increased highway safety research and outreach; \$468 million to fund expanded passenger rail capital investments; \$48 million for transportation improvements in the Mississippi Delta; \$75 million for Indian Reservation Roads; and \$20 million to counteract highway use tax evasion schemes.

FHWA BUDGET (Dollars in millions)			
	1999 <u>Actual</u>	2000 <u>Enacted</u>	2001 <u>Request</u>
Federal-Aid Highways Ob Lim	25,511	27,520	29,319
Other	332	3	0
Mandatory Federal-Aid Highways	<u>1,234</u>	<u>1,207</u>	<u>1,039</u>
TOTAL	27,077	28,729	30,358

Highlights of the 2001 Budget

Federal-Aid Highway Program: The 2001 budget request includes a \$29.3 billion obligation limitation, 6 percent above 2000. The 2001 budget continues to distribute the majority of the funding for the Federal-aid highway program to the states in the five major program categories – Interstate Maintenance, National Highway System (NHS), Surface Transportation Program, Bridge Replacement and Rehabilitation Program, and Congestion Mitigation and Air Quality Improvement Program. Included within this total are the following important initiatives:

- **Borders and Corridors Program** – more than doubles funding to \$280 million, allowing us to expand our investments in safety and mobility on

important trade corridors and at the nation's borders.

- **Emergency Relief Reserve Fund** – establishes a reserve that provides \$398 million, in addition to the existing \$100 million provided annually to emergency relief, to fund anticipated disaster relief costs and eliminate the backlog of current emergency needs over the next three years. This will ensure funding for the relief promised to our communities that have suffered through natural disasters or may do so in the future.
- **Expanding Economic Prosperity** – includes \$48 million for new transportation initiatives in the Mississippi Delta, \$350 million for Indian Reservation Roads (IRR), and \$10 million for the On the Job Training (OJT) program. The budget proposes to fully fund the IRR and the OJT programs within the Federal-Aid obligation limitation, ensuring that all budgetary resources are available for use.
- **Transportation and Community and System Preservation Pilot Program** – increases funding to \$52 million to promote livable communities by providing the flexibility communities need to develop local transportation strategies.
- **Transportation Infrastructure Finance and Innovation Act Program** – provides an estimated \$96 million to leverage our federal investment in transportation infrastructure. This will translate into as much as \$2.2 billion in credit assistance to support investments of approximately \$6 billion in nationally significant surface transportation projects.
- **Research and Technology** – increases funding to \$659 million to promote technological innovation. This includes a total of \$338 million for ITS, 83 percent above 2000: \$238 million for Intelligent Transportation System (ITS) to accelerate rural, regional, and commercial motor vehicle deployment; and \$100 million for ITS standards, research, operational tests, and development. It also includes \$20 million to support advanced vehicle research in medium and heavy engine development to exceed existing limits on air quality and fuel efficiency. Programs to improve pavements, reduce congestion, strengthen bridges, and address travel and transportation needs of an aging population are proposed at \$301 million, 42 percent above 2000.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

The 2001 budget request for the National Highway Traffic Safety Administration (NHTSA) expands on several initiatives to reduce the number of deaths and injuries on the nation's highways. Even though total fatalities on our nation's highways are at their lowest levels ever, we must do more. For example, traffic crashes claimed 41,471 lives in 1998, accounting for 90 percent of transportation-related deaths and the leading cause of death for persons age 5 through 29. The economic cost of motor vehicle crashes is more than \$150 billion annually. Emerging demographic trends, such as a continuing increase in the number of drivers and a significant growth in both elderly and teenage drivers, pose increased traffic safety challenges that must be addressed.

NHTSA BUDGET			
(Dollars in millions)			
	1999	2000	2001
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>
Operations and Research	161	160	286
Highway Traffic Safety Grants	<u>200</u>	<u>207</u>	<u>213</u>
TOTAL	361	367	499

Highlights of the 2001 Budget

Operations and Research: \$286 million, an increase of \$126 million (79 percent) over 2000, of which \$70 million is funded from Revenue Aligned Budget Authority. Operations and research activities include:

- \$104 million for research and analysis to support activities including (1) the National Transportation Biomechanics Research Center, which studies the effects on the human body of highway crashes, leading to safer vehicle design; (2) crash avoidance research to support programs such as antilock braking system effectiveness, light vehicle rollover, and heavy vehicle visibility; and (3) the Partnership for a New Generation of Vehicles (PNGV), a public/private effort to develop a highly fuel-efficient automobile with consumer and safety features equivalent to today's fleet.

- \$79 million for Highway Safety Programs to counter the overrepresentation of certain groups – minority, youth, aging, and rural populations – in vehicle crashes and injuries. NHTSA will conduct culturally relevant programs to increase seat belt and child safety seat use and disseminate information on the dangers of impaired driving, as well as target high-risk aggressive driving behaviors. This includes \$7.5 million for Child Passenger Protection Education Grants, and \$11.3 million to support the President's initiative to increase seat belt use.
- \$82 million to hire, train, and develop safety professionals; critical information systems; design, print and distribute safety-related literature; air bag safety issues; and other operational costs and services.
- \$13 million for Safety Assurance Programs, including (1) the Auto Safety Hotline to handle growing consumer demand for traffic safety information; (2) motor vehicle safety defects investigations; and (3) the odometer fraud program.
- \$8 million for Safety Performance Programs, including the New Car Assessment Program, which provides consumers with information on vehicle safety performance. The program will continue frontal and side impact crash tests, and will provide consumers with additional information on tests using smaller dummies and light vehicle rollover propensity.

Highway Traffic Safety Grants: \$213 million obligation limitation, an increase of \$6 million (3 percent) over 2000. Included is: \$155 million for State and Community Highway Safety Grants to support a full range of highway safety programs in every State, territory, and the Indian nations; \$36 million for Alcohol-Impaired Driving Countermeasures Incentive Grants designed to encourage States to pass strong anti-drunk-driving legislation; \$13 million for Occupant Protection Incentive Grants to encourage States to promote and strengthen occupant protection laws, including child protection laws; and \$9 million for State Highway Safety Data Grants to improve accuracy, uniformity, and accessibility of highway safety data.

FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

The number of large trucks traveling the nation's highways is increasing. Large trucks account for three percent of all registered vehicles, seven percent of miles traveled, and nine percent of vehicles involved in fatal accidents. To address the unique challenges imposed by this vehicle population, a new organization, the Federal Motor Carrier Safety Administration (FMCSA), was established on January 1, 2000. The main function of this agency is to improve safety among commercial motor vehicles.

In May 1999, the Administration established an ambitious goal of reducing the number of large truck-related fatalities to 2,687 by 2009, half of the 1998 level. The 2001 budget request for the FMCSA — totaling \$279 million, 54 percent above 2000 — will help meet this challenge as well as build on the firm foundation of the Transportation Equity Act for the 21st Century (TEA-21).

FMCSA BUDGET			
(Dollars in millions)			
	<u>1999</u>	<u>2000</u>	<u>2001</u>
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>
Operations	0*	70	82
Research	0	6	10
Motor Carrier Safety Grants	<u>100</u>	<u>105</u>	<u>187</u>
TOTAL	100	181	279

*Operations of \$55 million funded within the Federal Highway Administration.

Highlights of the 2001 Budget

Operations: \$82 million, 17 percent above 2000, to support critical motor carrier safety activities that will save lives and prevent injuries on our nation's highways. The FMCSA will target safety activities to improve enforcement at border locations, expedite motor carrier safety regulation development, and use technology to share carrier census data across the country. The 2001 budget proposes funding for the following safety program enhancements:

- Deploying over forty additional field safety inspectors to conduct compliance reviews in motor carriers' place of business. The inspectors will target high-risk, poor performing motor carriers.

- Stationing twenty commercial motor vehicle inspectors along the Mexican border to ensure that vehicles coming into the United States are safe.
- Developing, compiling and exchanging real-time safety and credential data among the States.

Research: \$10 million for motor carrier safety research including: hazardous materials inspection program development; commercial drivers training and performance assessment; driver alertness and fatigue analysis; physical qualifications research; and technology deployment of hours of service compliance.

Motor Carrier Safety Grants: \$177 million, 69 percent above 2000, as part of an aggressive expansion of State enforcement of interstate commercial motor vehicle regulations. The grants may be used to increase the number of compliance reviews in States; identify and apprehend traffic violators; increase the volume of roadside inspections; and raise the count of Commercial Drivers License program reviews.

Of the \$177 million, \$22 million is dedicated to improving information systems and strategic safety initiatives. The SAFESTAT technology, which is used to target high-risk motor carriers for compliance reviews, will be upgraded to provide greater accuracy to personnel conducting roadside inspections. Expansion of the Performance Management Registration Information System (PRISM) Program will link additional State motor vehicle registration systems with carrier safety data in an effort to identify unsafe commercial motor carriers. Truck and bus crash data collection efforts will provide the FMCSA with greater insight into the causes of commercial motor vehicle crashes.

Pilot Program: \$10 million of Revenue Aligned Budget Authority will be used to implement the Commercial Drivers License (CDL) program improvements called for in the Motor Carrier Safety Act. Specifically, funding will be awarded to States to enhance their driver record information systems in order to speed the entry of convictions onto driving records, thereby improving the exchange of information among States. These improvements will allow judges and driver licensing agencies to better identify potential problem drivers for remedial action, including removal of the driving privilege. In addition, prospective employers will have access to the full driver conviction record of employees and driver applicants, thus allowing more informed hiring decisions to improve overall commercial driver safety.

FEDERAL TRANSIT ADMINISTRATION

Transit is a critical element in our nationwide transportation system. It moves millions of people every day, safely and efficiently. Transit reduces the costs of congestion and helps to protect the environment. Transit also provides multiple benefits to society - it provides basic mobility to millions of American workers who have no other means of transportation, contributes to the revitalization of urban neighborhoods, and saves approximately \$19.4 billion a year in costs associated with congestion.

The Federal Transit Administration (FTA) 2001 budget seeks to continue implementation of the innovations envisioned by the Transportation Equity Act for the 21st Century (TEA-21), including the Job Access and Reverse Commute Grants program. The budget preserves and increases the investment in our nation's public transit infrastructure. When combined with State and local funding, the proposed \$6.3 billion, a 9 percent increase over 2000, will promote mobility and access for transit-dependent riders.

FTA BUDGET (Dollars in millions)			
	1999 <u>Actual</u>	2000 <u>Enacted</u>	2001 <u>Request</u>
Formula Grants Program	2,799	3,048	3,345
Capital Investment Grants	2,307	2,490	2,646
Job Access and Reverse Commute	75	75	150
Research and Planning	98	107	110
Washington Metro (WMATA)	50	0	0
Other	<u>59</u>	<u>66</u>	<u>70</u>
TOTAL	5,389	5,785	6,321

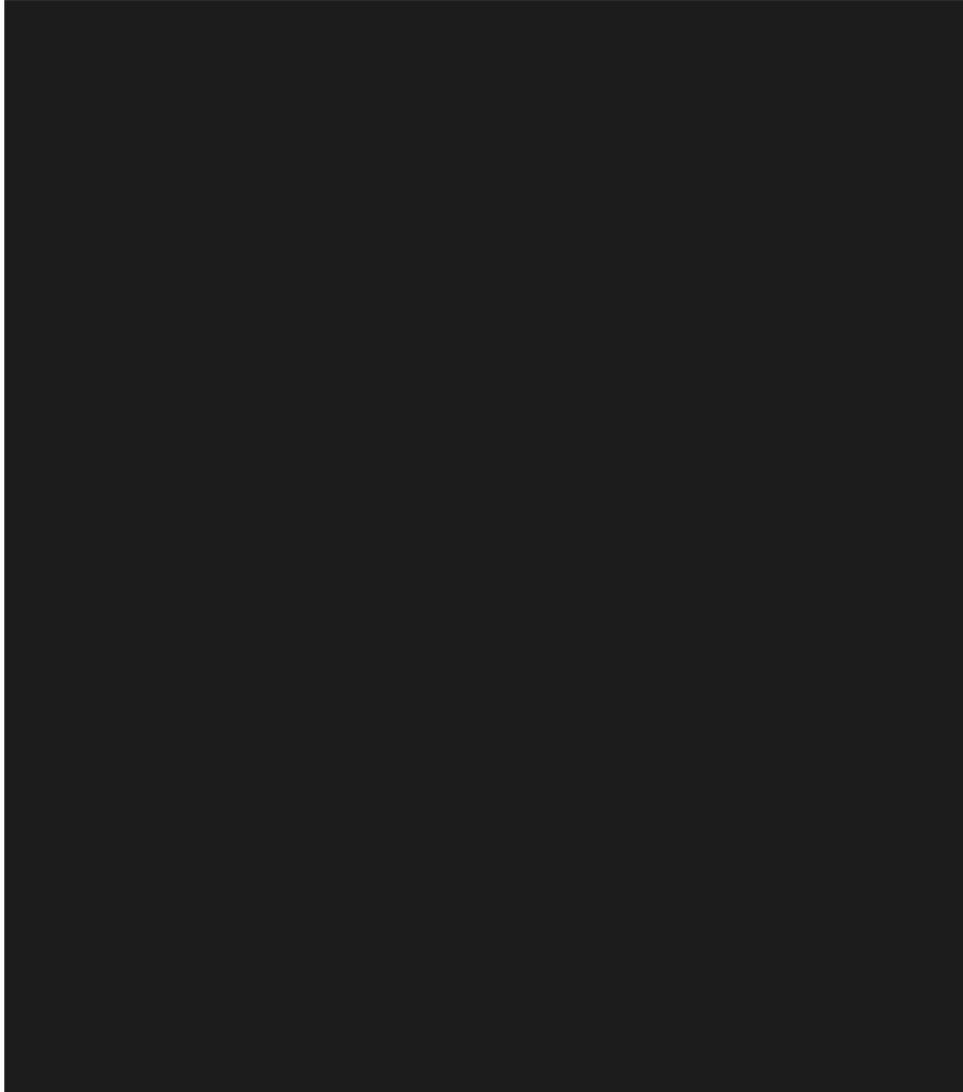
Highlights of the 2001 Budget

Formula Grants Program: \$3.3 billion, 10 percent above 2000, is available for all transit purposes, including planning, bus and railcar purchases, facility repair and construction, maintenance and, where eligible, operating expenses. This program includes grants specifically targeted to urbanized areas, non-urbanized areas, and the special needs of the elderly and persons with disabilities.

In 2001, funds proposed for the Formula Grants program will contribute \$4.7 million to the Over-the-Road Bus Accessibility program. This program will help to improve the accessibility of over-the-road buses for riders with disabilities. It will also protect the basic mobility of rural and disadvantaged communities by mitigating the costs of compliance with the Americans with Disabilities Act and keeping fare prices affordable.

Capital Investment Grants: \$2.6 billion, 6 percent above 2000, is proposed in 2001 for the following initiatives:

- \$529 million for the replacement, rehabilitation, and purchase of buses and the construction of bus-related facilities. Within this amount, \$50 million is for additional buses in Los Angeles to implement the Bus Consent Decree, \$15 million for transit properties in the Mississippi Delta Region, and \$35 million to support the 2002 Winter Olympic and Paralympic Games in Salt Lake City, Utah. These funds are an investment in the transit infrastructure, and will help make our nation's bus fleet more accessible to the disabled and more environmentally sound.
- \$1.1 billion for the modernization of existing fixed guideway systems, including heavy and light rail, commuter rail, and ferryboat operations. These funds will primarily help restore the condition of our nation's older fixed guideway systems.
- \$1.1 billion for the construction of new fixed guideway systems and extensions to existing fixed guideway systems. These funds represent a federal commitment to improve the productivity and competitiveness of our metropolitan areas. Funding is proposed for 17 projects under existing and pending Full Funding Grant Agreements (FFGAs). Additionally, funding is proposed for 12 new projects that will be construction ready in 2001, have provided the necessary information to be fully evaluated under the New Starts criteria contained in TEA-21, and have at least a "medium" ranking for both finance and project justification. Consistent with TEA-21, which allows up to eight percent of New Starts funding to be used for activities other than final design and construction, \$85 million is proposed for preliminary engineering.

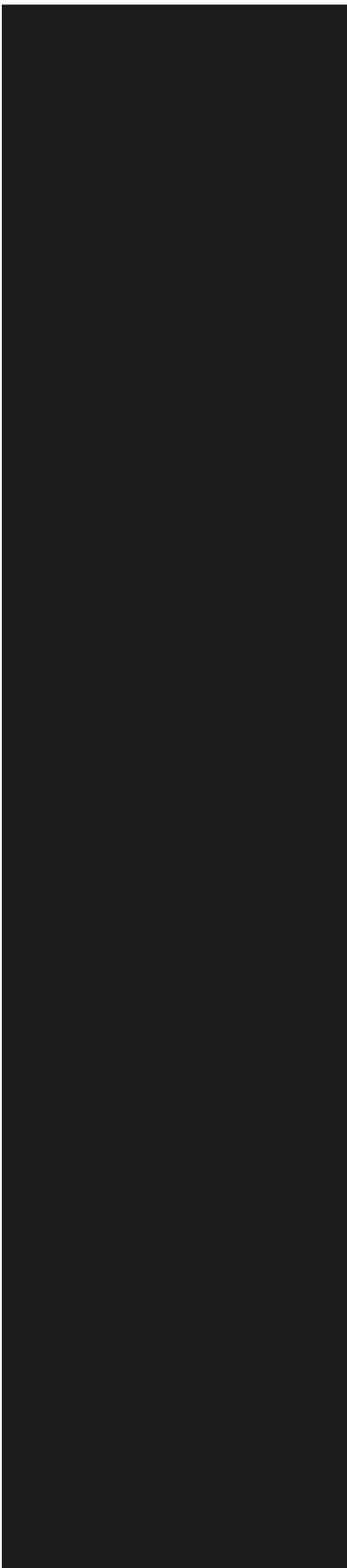


Job Access and Reverse Commute Program: \$150 million to support the Administration's initiatives to help individuals transition from welfare to work, of which \$50 million comes from Revenue Aligned Budget Authority. Included in the \$150 million is \$5 million for projects benefiting Native American Tribes and \$5 million for projects benefiting the Mississippi Delta Region. Since only a small percentage of Americans on welfare own a vehicle, lack of transportation is a frequent barrier to employment and self-sufficiency. This program makes grants to States, local governments, and non-profit groups to provide transportation services to people moving from welfare rolls to payrolls. This program can also support transportation services that help all people, regardless of their income level, to reach the dramatic growth of jobs in suburban locations.

Research and Technology Program: \$47 million for the National Research and Technology Program. This program is a catalyst for research, development, and deployment of transportation methods and technologies. The program addresses such issues as safety and security, accessibility for the disabled, air quality, traffic congestion, and improvements in transit service and operations. The national program supports the advancement of innovative technologies, such as hybrid electric buses, fuel cells and battery powered propulsion systems; technical direction for other advanced technology projects authorized in TEA-21; demonstration of bus rapid transit; and promotion of domestic technologies in the global marketplace. The Research and Technology Program also includes funding for the Transit Cooperative Research Program, the National Transit Institute, and the Rural Transit Assistance Program.

Metropolitan and Statewide Planning Programs: \$63 million in formula grants to support the activities of regional planning agencies and States, helping them to plan for the capital transit investments that best meet the needs of the urban and rural communities they serve.

University Transportation Centers: \$6 million to provide continued support for research, education, and technology transfer activities aimed at addressing regional and national transportation problems.



FEDERAL RAILROAD ADMINISTRATION

The 2001 budget request for the Federal Railroad Administration (FRA) represents a commitment to continue and improve the strong railroad safety record, advance traditional and high-speed rail research, and move Amtrak toward achieving operational self-sufficiency by 2003 with general capital grants and a new intercity rail capital program.

FRA BUDGET (Dollars in millions)			
	1999 <u>Actual</u>	2000 <u>Enacted</u>	2001 <u>Request</u>
Amtrak Capital*	609	571	521
Expanded Intercity Rail Capital**	0	0	468
Safety and Operations	82	94	103***
Research and Development	22	22	27***
Next Generation High-Speed Rail	20	27	22
Other	<u>45</u>	<u>26</u>	<u>38</u>
TOTAL	778	740	1,179

*Does not include an estimated \$1.1 billion in Taxpayer Relief Act funds available to Amtrak in 1999.
 **To be funded from higher than anticipated receipts in the Highway Trust Fund under Revenue Aligned Budget Authority.
 ***Includes \$77.3 million in proposed user fees in Safety and Operations and \$25.5 million in proposed user fees in Research and Development.

Highlights of the 2001 Budget

Amtrak Capital: \$521 million, which is consistent with the Administration's five-year funding commitment to Amtrak. This funding will be used to make and support critical capital investments for safety, yards and shops, and rehabilitation and modernization of stations, consistent with the definition of capital investment utilized in 2000. Amtrak is making progress toward operational self-sufficiency, having completed 1999 ahead of the financial projections in its business plan.

Expanded Intercity Rail Capital: \$468 million, from Revenue Aligned Budget Authority. This program will be used to improve passenger rail service, including improvements necessary for high-speed rail service and other increases in average speeds through rail infrastructure improvements. State partners must provide at least a 50 percent funding match, and investments must generate a positive contribution for Amtrak and generate benefits to the public that exceed costs. This initiative will improve the overall financial health of Amtrak, as well as benefit American travelers.

Safety and Operations: \$103 million, up \$9 million, or more than 9 percent, from 2000. This includes funding for ten additional safety employees and related

support costs to strengthen FRA's results-oriented approach to safety. FRA's partnerships with railroad management and labor have addressed root causes of safety problems and have improved communication with stakeholders, which has contributed to substantially improved railroad safety trends.

Research and Development: \$27 million, up \$4 million, or approximately 19 percent, from 2000. Research efforts will focus on train occupant protection, human factors in train operations, grade crossings, track and vehicle-track interaction safety, and safety issues related to high-speed rail transportation.

Next Generation High-Speed Rail: A total of \$22 million for the following projects:

- \$10 million to continue the high priority development and demonstration of two major train control projects. The projects are designed to enhance the safety of high-speed systems and lower the capital costs of developing high-speed ground systems, making communications-based train control an affordable technology.
- \$6.8 million to facilitate the development and deployment of domestically produced high-speed, high-acceleration locomotives that do not require electric power from wayside supplies via costly catenary systems.
- \$4 million to support the implementation of high-speed rail service on the existing infrastructure by mitigating grade crossing hazards and developing low-cost, innovative technologies.
- \$1.2 million to identify and demonstrate advanced and more economical technologies to resolve corridor capacity constraints and bottlenecks.

Rhode Island Rail Development: \$17 million for 2001, which will complete the federal funding for this project at \$55 million.

Nationwide Differential Global Positioning System (NDGPS): \$18.7 million will be funded out of FHWA's research and development program for the NDGPS program. Of this amount, \$13.2 million is needed to install additional NDGPS stations, and \$5.5 million will fund the operation of the network of NDGPS sites. The nationwide coverage of NDGPS will enable multi-state cooperation and corridor development, and advance the use of technology to enhance the safe passage of commercial vehicles across the United States.

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

The Research and Special Programs Administration (RSPA) focuses on hazardous materials, emergency transportation, and pipeline safety programs, and provides planning and training grants to States and Indian tribes for emergency preparedness. RSPA coordinates and advances research, technology, and education activities in support of the Department's commitment to achieve safe, technologically advanced and efficient transportation systems that promote economic growth and international competitiveness. RSPA also plans and coordinates the Department's response to transportation emergencies, including national and technological disasters, terrorist incidents, economic disruptions, and military contingencies.

RSPA BUDGET			
(Dollars in millions)			
	1999	2000	2001
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>
Research and Special Programs	31	32	43*
Emergency Preparedness Grants	9	14	14
Pipeline Safety Grants	<u>35</u>	<u>37</u>	<u>47</u>
TOTAL	75	83	104

*Includes \$4.7 million in proposed user fees.

Highlights of the 2001 Budget

Hazardous Materials Safety Program: \$19 million, 6 percent (\$1.1 million) above 2000, to improve the safety of hazardous materials transportation, both domestic and international. This funding will support RSPA's regulatory outreach, training, enforcement, and research programs to promote safe and efficient transportation of hazardous materials.

Research and Technology: \$9 million, \$6 million above 2000, for RSPA's research programs, primarily in three areas: (1) strategic planning and management; (2) transportation infrastructure assurance, which will enable the Department to respond to recent directives to enhance the protection of critical national infrastructure; and (3) a new \$2.5 million University Marine Transportation research grant program. Over 95 percent of overseas trade moves by water, and U.S. waterborne trade is projected to double or even triple by 2020. In 2001, RSPA proposes a new program designed to advance U.S. marine transportation technology and expertise. The program will be modeled after the existing

University Transportation Centers program and will be administered by RSPA in partnership with MARAD and the U.S. Coast Guard.

Emergency Transportation Program: \$2 million, almost double the 2000 level, to provide operational oversight in civil emergency preparedness, response, and recovery for transportation services across a large spectrum of crises. The request supports the coordination of transportation assistance to the victims of disasters and enhances public safety and national security. This program includes the centralized Crisis Management Center, which provides information to help make timely and informed decisions on restoring the transportation infrastructure, and supports federal, State, and local emergency responders during disasters.

Emergency Preparedness Grants: \$14 million, the same level of funding as 2000, for the States to train hazardous materials responders and improve response plans. The grants help to ensure that training is provided to a larger segment of the response community. Grantees are given the option of providing compliance assistance to small businesses to help address one of the major safety issues – undeclared shipments of hazardous materials.

Pipeline Safety Grants: \$47 million, 29 percent (\$10 million) above 2000, to support RSPA's federal leadership in pipeline safety. RSPA will expand and strengthen its partnership with the States, assist communities in protecting their citizens from pipeline failures, and increase its support of research and development efforts.

Garrett A. Morgan Technology and Transportation Futures Program: Technological innovation in transportation depends on a skilled and knowledgeable workforce. The Garrett A. Morgan Technology and Transportation Futures Program leverages activities of the transportation community - public and private - as well as educational institutions to attract and retain students to the transportation sector. \$0.7 million is proposed within the Federal Highway Administration's administrative expenses to support these efforts.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The Saint Lawrence Seaway Development Corporation (SLSDC) is proposed as a Performance Based Organization (PBO), consistent with legislation submitted during the first session of the 106th Congress. For 2001, \$13 million is estimated as the mandatory payment for the SLSDC from the Harbor Maintenance Trust Fund. This payment, together with miscellaneous other revenues, will finance SLSDC's 2001 activities.

To ensure the availability and long term reliability of the Locks and related navigation facilities in the St. Lawrence River, the SLSDC's 2001 goal is for 99 percent availability. In 1998, SLSDC achieved 98.5 percent availability.

SURFACE TRANSPORTATION BOARD

The 2001 budget proposal for the Surface Transportation Board (STB) totals \$18 million, to be fully financed by user fees. The Board, established in 1996 by the ICC Termination Act of 1995, is responsible for the economic regulation of the rail industry and the transportation of commodities by pipeline other than oil and gas. The STB is also responsible for certain non-licensing regulation of motor and water carriers.

The Board is charged with promoting substantive and procedural regulatory reform in the economic regulation of surface transportation, and with providing an efficient and effective forum for the resolution of disputes. During 1999, the Board: (1) issued a final decision in the acquisition of the Illinois Central by the Canadian National; (2) continued oversight of the Union Pacific/Southern Pacific merger and rail service in the Western United States; and (3) initiated oversight of the Conrail acquisition by CSX and Norfolk Southern. In addition, the Board conducted a review of various rail access and competition issues, and completed action on several labor arbitration appeals and a significant number of non-rail matters. The Board has processed various matters brought before it in a way that has promoted private sector negotiations and resolutions, where appropriate, and has facilitated market-based activities in the public interest.

In the performance of its functions, the Board seeks to resolve matters brought before it fairly and expeditiously through use of regulatory exemption authority, streamlining of the decisional process, and consistent application of legal and equitable principles. The Board continues to strive to develop, through rulemaking and case disposition, new and better ways to analyze unique and complex problems, to reach fully justified decisions more quickly, and to reduce costs associated with regulatory oversight.

MARITIME ADMINISTRATION

The Maritime Administration (MARAD) aids in the development, promotion and operation of the U.S. Merchant Marine, and organizes emergency merchant ship operations in support of the Department of Defense.

MARAD BUDGET			
(Dollars in millions)			
	1999	2000	2001
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>
Operations and Training	72	73	80
Maritime Security	90	96	99
Title XI Loans	<u>10</u>	<u>10</u>	<u>6</u>
TOTAL	172	179	185

Highlights of the 2001 Budget

Operations and Training: \$80 million, 10 percent above 2000, to support the U.S. Merchant Marine Academy, State maritime schools, and MARAD operations.

Maritime Security: \$99 million in support of the Department of Defense (DOD) to provide operating assistance to 47 vessels. Vessels supported by this program are committed to carry military cargo during war or national emergencies. In addition, participating carriers must make their intermodal service network available to the DOD.

Title XI Loans: \$6 million to cover the subsidy costs of loan guarantees for U.S. flag and export ship construction, and for shipyard modernization and administrative costs. From 1994 through 1999, MARAD approved \$4.7 billion of Title XI financing for 405 vessels and 8 shipyard modernization projects under the President's National Shipbuilding Initiative. The budget proposes to continue these efforts and increase the orderbook for American-built ships.

Ready Reserve Force: The Ready Reserve Force (RRF) is managed by MARAD, but funded in the DOD budget. The 2000 level for the RRF is \$257 million. MARAD will meet the DOD planned readiness level for the RRF with the \$262 million requested by DOD for 2001 activities.

BUREAU OF TRANSPORTATION STATISTICS

The 2001 budget request for the Bureau of Transportation Statistics (BTS) is \$31 million – consistent with the BTS authorization under TEA-21, and the same as the 2000 request. This level of funding would support continuation of BTS' major programs:

- Providing timely and convenient access to transportation data and information for decision making;
- Conducting surveys to fill gaps in transportation data;
- Analyzing transportation data;
- Operating and maintaining the National Transportation Library;
- Leading the Department's efforts in developing geographic information systems for transportation – providing spatial data, mapping, and analysis support; and
- Providing statistical consulting/support for Departmental programs.

TRANSPORTATION ADMINISTRATIVE SERVICE CENTER

The Transportation Administrative Service Center (TASC) provides administrative services on a negotiated fee-for-service basis to the Department's operating administrations and other government organizations. In addition, the Office of Aeronautical Charting and Cartography is proposed to transfer to TASC from the Department of Commerce in 2001.

OFFICE OF INSPECTOR GENERAL

The 2001 budget request for the Office of Inspector General is \$48 million of direct funding plus \$4.5 million of reimbursable funding to pay for audits and investigations that promote the economy, efficiency, and effectiveness of the Department's programs, as well as prevent and detect fraud, waste, and abuse. This compares with \$44.4 million direct and \$3.5 million reimbursable funding in 2000, an overall increase of \$4.5 million, mostly for mandatory pay raises and rent increases, but also for increased travel and training. The reimbursable funding comes from FHWA (\$3.5 million) and FTA (\$1.0 million). In 1999, Congress expanded the Inspector General's responsibilities to include aviation consumer issues, such as airline compliance with customer service agreements and consumer access to lowest fares.

OFFICE OF THE SECRETARY

OST BUDGET (Dollars in millions)			
	1999 <u>Actual</u>	2000 <u>Enacted</u>	2001 <u>Request</u>
Salaries and Expenses	67	59	69
Planning, R&D	9	3	5
Civil Rights and MBRC	12	12	14
Essential Air Service*	<u>0</u>	<u>5</u>	<u>22</u>
TOTAL	87	79	110

*Program level of \$50 million is proposed in 2000 and 2001.

Highlights of the 2001 Budget

Salaries and Expenses: \$69.2 million is requested to support a staff level of 452 employees. New program initiatives include: \$2 million for critical infrastructure protection; \$1 million for Departmental architecture; \$0.9 million to secure information technology systems; \$0.3 million and three staff for domestic aviation; \$1.4 million and 16 staff to support the Accessibility for All America initiative; and \$1.2 million for employee development.

Planning, Research, and Development: \$5.2 million is requested for 2001: \$4.7 million for studies to support the formulation of national transportation policies, including \$0.8 million for analysis of transportation system security risks; and \$0.5 million for continued improvements to the Dockets Management System.

Office of Civil Rights: \$8.7 million, \$1.7 million above 2000, to fund alternative dispute resolution, pay raises, inflation, and travel for civil rights investigations, and to upgrade automated systems.

Minority Business Resource Center (MBRC): \$4.9 million is requested for Center activities, \$0.1 million above the 2000 level. \$1.9 million will fund the credit subsidy for a \$14 million short-term lending program to assist disadvantaged and women-owned transportation related businesses; and \$3 million will fund the MBRC Outreach program, which includes a clearinghouse for national dissemination of information on transportation-related projects and grants to minority educational institutions.

Essential Air Service: \$50 million, of which \$22 million is financed through aviation overflight fees and \$28 million from FAA's Airport Grants program.

APPROPRIATIONS

(\$ in millions)

<u>ADMINISTRATION</u>	<u>1999 ACTUAL</u>	<u>2000 ENACTED</u>	<u>2001 REQUEST</u>
Federal Aviation Administration	\$9,807	\$9,941	\$11,222
United States Coast Guard	4,504	4,038	4,609
Federal Highway Administration	27,077	28,729	30,358
National Highway Traffic Safety Administration	361	367	499
Federal Motor Carrier Safety Administration	100	181	279
Federal Transit Administration	5,389	5,785	6,321
Federal Railroad Administration	778	740	1,179
Research and Special Programs Administration	75	83	104
Saint Lawrence Seaway Development Corporation ^{1/}	11	12	[13]
Surface Transportation Board	16	17	18
Maritime Administration	172	179	185
Bureau of Transportation Statistics ^{2/}	[31]	[31]	[31]
Office of Inspector General	44	44	48
Office of the Secretary	<u>87</u>	<u>79</u>	<u>110</u>
TOTAL DOT Appropriations	\$48,421	\$50,195	\$54,933

NOTE: Columns may not add due to rounding. Includes Appropriations, Obligation Limitations, User Fees, Asset Sales and Mandatory Highway Obligations in annual Appropriations Act.

^{1/} SLSDC funding of \$13 million proposed as mandatory in 2001.

^{2/} BTS funding is from the Highway Trust Fund, within FHWA.

BUDGET AUTHORITY

(\$ in millions)

<u>ADMINISTRATION</u>	<u>1999 ACTUAL</u>	<u>2000 ENACTED</u>	<u>2001 REQUEST</u>
Federal Aviation Administration	\$10,179	\$9,991	\$11,222
United States Coast Guard	4,633	4,163	4,512
Federal Highway Administration	29,658	31,605	34,115
National Highway Traffic Safety Administration	361	367	501
Federal Motor Carrier Safety Administration	100	181	280
Federal Transit Administration	4,996	5,799	6,343
Federal Railroad Administration	773	734	1,072
Research and Special Programs Administration	73	83	99
Saint Lawrence Seaway Development Corporation	11	12	13
Surface Transportation Board	15	15	0
Maritime Administration	171	309	211
Bureau of Transportation Statistics ^{1/}	[31]	[31]	[31]
Office of Inspector General	44	44	48
Office of the Secretary	<u>84</u>	<u>79</u>	<u>110</u>
<i>SUBTOTAL</i>	<i>\$51,095</i>	<i>\$53,381</i>	<i>\$58,523</i>
Offsetting Collections	<u>(261)</u>	<u>(260)</u>	<u>(181)</u>
TOTAL Budget Authority	\$50,834	\$53,121	\$58,342

NOTE: Columns may not add due to rounding.

^{1/} BTS funding is from the Highway Trust Fund, within FHWA.

OUTLAYS

(\$ in millions)

<u>ADMINISTRATION</u>	<u>1999 ACTUAL</u>	<u>2000 ENACTED</u>	<u>2001 REQUEST</u>
Federal Aviation Administration	\$9,507	\$9,748	\$10,558
United States Coast Guard	4,163	4,128	4,376
Federal Highway Administration	22,973	25,713	27,850
National Highway Traffic Safety Administration	331	388	460
Federal Motor Carrier Safety Administration	87	177	219
Federal Transit Administration	4,259	4,560	4,650
Federal Railroad Administration	434	869	665
Research and Special Programs Administration	71	75	73
Saint Lawrence Seaway Development Corporation	12	13	13
Surface Transportation Board	15	16	0
Maritime Administration	124	359	198
Bureau of Transportation Statistics ^{1/}	[31]	[31]	[31]
Office of Inspector General	45	45	48
Office of the Secretary	<u>74</u>	<u>95</u>	<u>109</u>
<i>SUBTOTAL</i>	<i>\$42,090</i>	<i>46,185</i>	<i>\$49,223</i>
Offsetting Collections	<u>(261)</u>	<u>(260)</u>	<u>(181)</u>
TOTAL	\$41,829	\$45,925	\$49,042

NOTE: Columns may not add due to rounding.

^{1/}BTS funding is from the Highway Trust Fund, within FHWA.

FULL TIME EQUIVALENT EMPLOYMENT (FTE)

<u>ADMINISTRATION</u>	<u>1999 ACTUAL</u>	<u>2000 ENACTED</u>	<u>2001 REQUEST</u>
Federal Aviation Administration	49,423	49,164	49,627
United States Coast Guard			
Civilian	5,702	5,862	5,853
Military	35,286	35,948	36,247
Federal Highway Administration	3,399	2,917	2,912
National Highway Traffic Safety Administration	600	621	643
Federal Motor Carrier Safety Administration	0	714	850
Federal Transit Administration	500	517	527
Federal Railroad Administration	709	755	764
Research and Special Programs Administration	857	897	907
Saint Lawrence Seaway Development Corporation	149	157	157
Surface Transportation Board	131	140	143
Maritime Administration	918	970	947
Bureau of Transportation Statistics	46	60	75
Transportation Administrative Services Center	285	287	659
Office of Inspector General	433	455	455
Office of the Secretary	<u>541</u>	<u>573</u>	<u>582</u>
TOTAL	98,979	100,037	101,348
Civilian	63,693	64,089	65,101
Military	35,286	35,948	36,247

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2001 BUDGET IN BRIEF

U. S. DEPARTMENT OF TRANSPORTATION



Rodney E. Slater
Secretary of Transportation