

**U.S. Department of Transportation**  
**2002 Budget in Brief**  
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## Performance Progress Report

|   | ...In<br>1996 | ...In<br>1998 | ...In<br>1999 | And In<br>2000 | 2002<br>GOAL |
|---|---------------|---------------|---------------|----------------|--------------|
| <b>SAFETY</b>   |               |               |               |                |              |
| Percent of front occupants using seat belt  | 68            | 70            | 67            | 71             | 87           |
| Highway fatalities per 100 million vehicle miles  | 1.7           | 1.6           | 1.5           | 1.6 *          | 1.4          |
| Percent of highway fatalities that are alcohol-related  | 41            | 39            | 38            | 38 *           | 33           |
| Large truck fatalities  | 5,142         | 5,395         | 5,362         | 5,307 *        | 4,710        |
| Runway incursions   | 268           | 311           | 330           | 403            | 236          |
| Transit fatalities per 100 million passenger-miles  | 0.520         | 0.564         | 0.530         | 0.519          | 0.492        |
| Rail-related fatalities per million train-miles   | 1.55          | 1.48          | 1.31          | 1.29 *         | 1.20         |
| Grade crossing accidents divided by the product of million train-miles and trillion VMT             | 2.57          | 1.98          | 1.83          | 1.78 *         | 1.39         |
| Serious hazardous materials transportation incidents  | 466           | 430           | 377           | 396 *          | 391          |
| Recreational boating fatalities   | 770           | 864           | 778           | 742 *          | 742          |
| <b>MOBILITY</b>   |               |               |               |                |              |
| Percent of National Highway System miles meeting acceptable ride pavement performance standards     | 91.5          | 92.1          | 93.0          | 93.8 #         | 95           |
| Percent of runways in good or fair condition  | 93            | 95            | 95            | 95             | 95           |
| Percent key rail stations Americans with Disabilities Act (ADA) compliant                           | 19            | 29            | 49            | 52             | 68           |
| Percent bus fleet ADA compliant   | 63            | 72            | 77            | 80             | 86           |
| Amtrak ridership (in millions)  | 19.7          | 21.1          | 21.5          | 22.5           | 26.7         |
| <b>ECONOMIC GROWTH</b>  |               |               |               |                |              |
| Passengers (in millions) in international markets with open skies aviation agreements               | 38.4          | 43.0          | 49.4          | 56.3 *         | 59.7         |
| Gross tonnage (in thousands) of commercial vessels on order or under construction in U.S. shipyards | N/A           | 407           | 595           | 1,100 *        | 1,100        |
| <b>HUMAN &amp; NATURAL ENVIRONMENT</b>  |               |               |               |                |              |
| Tons (in millions) of mobile source emissions from on-road motor vehicles                           | 66.9          | 63.7          | 61.6 #        | 59.7 #         | 61.1         |
| Passenger-miles traveled (in billions) by transit   | 39.0          | 42.6          | 43.3          | 45.3           | 47.5         |
| Gallons of oil spilled per million gallons shipped by maritime sources                              | 7.2           | 3.1           | 2.7           | 4.6 *          | 3.6          |
| <b>NATIONAL SECURITY</b>  |               |               |               |                |              |
| Percent seizure rate for cocaine that is shipped through the transit zone                           | 5.3           | 10.1          | 12.2          | 10.6           | 18.7         |
| Percent of DOD-designated strategic ports that are available when requested by DOD                  | 64            | 93            | 93            | 93             | 93           |

N/A= Not Available

\* Preliminary estimate

# Projection

## A Message From the Secretary

The 2002 budget envisions a national transportation system that can meet the demands of our citizens. These demands include those of the American public – who want to be safe and secure – and those of American businesses – which want access to consumers in all regions of the country, as well as a safe and dependable means to deliver their products. The U.S. Department of Transportation's 2002 budget proposes a record \$59.5 billion investment in our national transportation system, the highest level in the history of the Department.



The Bush Administration understands that the connection between transportation investment, economic prosperity, job creation, and quality of life is both immediate and direct. Three decades ago, when I was mayor of San Jose, California, the tool that made the most difference in my community was transportation. Nothing else has as great an impact on our economic development, on the pattern of growth or on the quality of life than transportation. And what I have found in the years since is that this is true not only locally, but also regionally and nationally.

President Bush has asked us to set aggressive goals to address our Nation's key transportation priorities. These priorities are to: increase transportation safety, enhance mobility for all Americans, support the Nation's economic growth by providing access to new markets and new economic opportunities, and protect our Nation's environment and security. All U.S. Department of Transportation employees are held accountable to helping meet these priorities.

The Department's activities place the safety of the American public above all other objectives. We will work to eliminate transportation-related deaths through expanded enforcement efforts to enhance the deterrence and detection of safety hazards; broader public outreach to increase the awareness of important safety precautions; and increased research to find new solutions to safety challenges. The 2002 budget includes \$7.3 billion for critical transportation safety programs, a funding increase of 7.5 percent.

A central challenge for the Department and the Nation is to close the gap between demand for transportation and the capacity of our transportation infrastructure. Through funding of aviation capital modernization and delay reduction initiatives, the budget will help address the dramatic growth in the number of aviation passengers projected for the coming years. The budget proposes strong investment in transportation infrastructure totaling \$42.8 billion. This investment in our roads, bridges, airports and transit infrastructure will allow us to improve conditions and performance and increase capacity.

The President and I take great pride in proposing this budget. In the coming year, I look forward to pursuing the Administration's commitment to the future of our country through an improved transportation system.

Norman Y. Mineta  
Secretary

# OVERVIEW

The Nation's transportation system touches our lives every day. It connects resources with consumers and enables our citizens to travel to where they need and want to go. The activities of the U.S. Department of Transportation (DOT) aim to make real improvements in the country's transportation system, the security of our Nation and the quality of life of the American people.

The Department's 2002 budget totals \$59.5 billion and is 6 percent above the 2001 funding level adjusted for one-time appropriations totaling \$2.8 billion. The budget invests in the safety, mobility, economic growth, environment and national security of the United States in a manner that is responsible and forward-looking. The budget calls for the highway and transit funding guaranteed in the Transportation Equity Act for the 21st Century (TEA-21) and aviation operating, capital and airport grant funding authorized in the Aviation Investment and Reform Act for the 21st Century (AIR-21).

## Safety

Guaranteeing the safety of the traveling public is the number-one job at DOT. The United States has an enviable transportation safety record, and leads the world in safety in many modes of transportation. Even in our biggest and most difficult category of transportation fatalities, those on our highways, the number of fatalities in recent years has been held relatively flat, despite significantly rising numbers of vehicles on our roads. However, in 2000 we saw a slight reversal of that trend, where the preliminary number of fatalities increased while the preliminary number of vehicle miles traveled remained essentially the same.

This serves to make us vitally aware that the Department must constantly search for the most effective means to provide the public the greatest possible safety improvement for each dollar spent. The 2002 budget proposes overall transportation safety funding of \$7.3 billion, \$511 million or 7.5 percent above 2001. Continued and increased investment in motor carrier safety, motor vehicle safety, pipeline safety, aviation safety, transit safety, rail safety, and marine safety is critical to the future success of our transportation system as a whole.

Motor Carrier Safety. Motor carriers represent only 4 percent of all registered vehicles, but are involved in 13 percent of all crashes resulting in a fatality. For motor carrier safety, the budget calls for a total of \$400 million, 49 percent above 2001. For safety efforts at our border with Mexico, new funding is requested to add 80 Federal enforcement staff, support State inspection operations, and provide new inspection infrastructure.

Motor Vehicle Safety. In 2000, Congress enacted the Transportation Recall Enhancement, Accountability, and Documentation (TREAD) Act to improve motor vehicle safety. The National Highway Traffic Safety Administration (NHTSA) budget includes funding to implement the TREAD Act mandates to update the tire safety standard, increase crash data collection to include information regarding tire failure, develop dynamic rollover tests and improve the safety of child restraints.

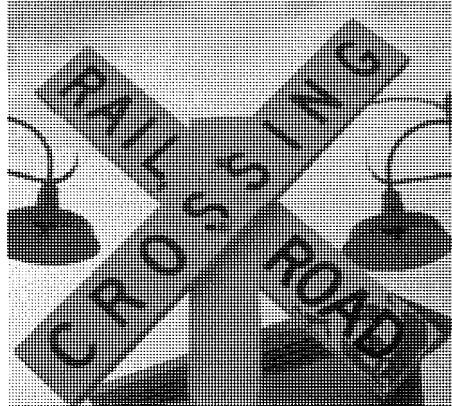


Pipeline Safety. DOT continually strives to improve and target its pipeline safety efforts, and the budget provides funding of \$54 million, 15 percent above 2001, to support enhanced Federal pipeline safety efforts. Increased efforts will be targeted at oversight and enforcement of recently strengthened Federal pipeline standards.

Aviation Safety. Funding for aviation safety will increase by 4 percent to \$4.1 billion in 2002, supporting DOT's commitment to an 80 percent reduction in fatal aviation accident rates of U.S. commercial carriers by 2007. To address the increase in runway incursions, the budget includes \$112 million, 13 percent above 2001, for runway incursion safety enhancement efforts. These funds will allow us to (1) complete the steps necessary to make automated alerts of pending runway incursions operational, (2) begin the production contract for 25 additional airport surface radars to complement the 40 existing radars that warn air traffic controllers of pending runway incursions, (3) improve the analysis of incursions and their causal factors, and (4) increase education and training programs.

Transit Safety. In an effort to bolster the safety oversight activities of States operating guideway systems, the budget includes a proposal to allow States to use funds made available for capital projects for safety oversight activities. This Federal assistance would allow States to enhance their internal rail safety expertise while improving the frequency and quality of safety audits and reviews.

Rail Safety. Freight movement on our 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 safety efforts have produced tangible improvement – rail-related fatalities per million train-miles in 2000 reached the lowest level in two decades. Rail safety spending is proposed to increase 9 percent over 2001 to \$154 million in 2002.

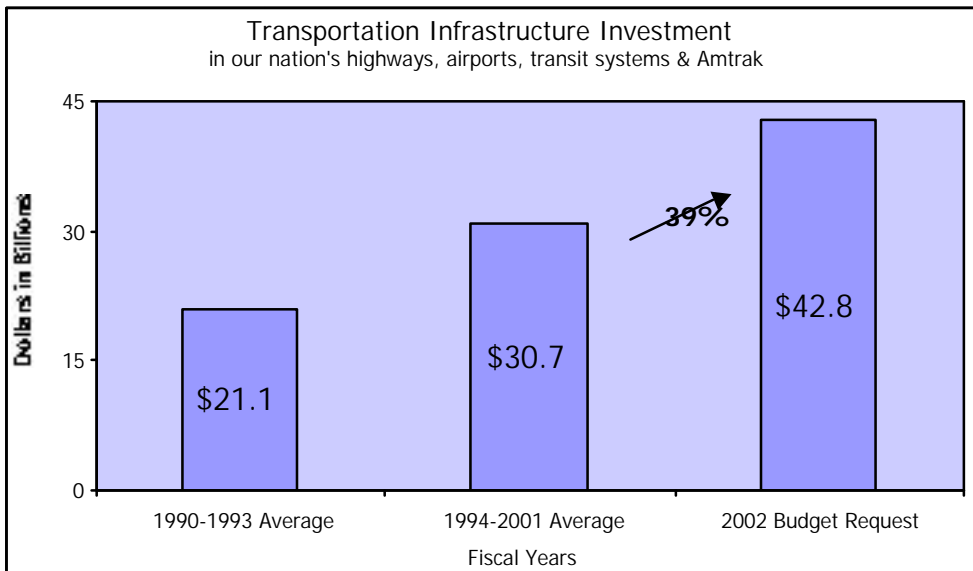


Marine Safety. There are many dramatic examples of the U.S. Coast Guard's success in saving lives at sea. The 2002 budget proposes \$1.1 billion, 12 percent over 2001, for Coast Guard safety activities to improve the detection of those in distress, enhance passenger vessel safety, and improve staffing and communications at search and rescue facilities.

## Mobility

A central challenge for the Department is to close the gap between demand for transportation and the capacity of our transportation infrastructure. That gap is what generates the congestion on the highways, the delay experienced on the taxiway or at an airport gate, and the inefficiencies that shippers face when shipments are jammed up in a rail bottleneck.

The funding levels guaranteed in TEA-21 and authorized for operations and capital in AIR-21 are an important step in helping to invest in ways to solve these problems. In total, highway, transit, aviation, and rail infrastructure investment will equal \$42.8 billion, 39 percent above the 1994-2001 average annual investment.



In order to ensure the mobility of all Americans, the proposed budget provides funding for a New Freedom Initiative that will help Americans with disabilities by increasing access to assistive technologies, expanding educational opportunities, increasing the ability of Americans with disabilities to integrate into the workforce, and promoting increased access into daily community life. The Federal Transit Administration's (FTA) Job Access and Reverse Commute Program is funded at \$125 million in 2002 and will help provide transportation services from low income neighborhoods to areas of job growth.

The number of passengers trying to fly and shippers trying to move packages by air has grown dramatically. In 2000, we had 208 million more aviation passengers than we did in 1991, a number nearly equal to the entire population of the United States. Given the fact that it is impossible to quickly expand air traffic control capacity, airport capacity and airline capacity, it is not surprising that the result is an increase in the numbers of delays at large airports. In 2002, \$3.3 billion is proposed for airport grants. Approximately one-quarter, or over \$700 million, of Federal airport grants goes for projects that increase airport capacity, such as new or extended airport runways or aprons. The bulk of the remaining funding (\$2.5 billion) goes toward improving runway pavement.

To address our mobility challenges, DOT also strives to find better ways to manage our existing transportation infrastructure to make more efficient use of our investments. This includes using new technology to make our road pavements last longer and improving the efficiency of our highways and skyways to accommodate increased traffic demand.



The budget proposed for aviation capital modernization includes funding for the introduction of new air traffic control technology. The budget also proposes to increase Federal Aviation Administration (FAA) capital spending on delay reduction initiatives by 33 percent. Funding is requested to provide new air traffic control automation aids to increase capacity 3-5 percent during the peak operating periods at 5 of the busiest U.S. airports. In addition, more sophisticated weather systems for airport towers will be operational in 2002, allowing controllers to minimize disruptions to traffic flow from severe weather and reduce delays and diversions caused by imperfect knowledge of the location of severe weather.

The search for new technological and innovative solutions to our mobility challenges is well supported in the 2002 budget, with investment in technology, research, and development proposed at \$1.2 billion, 7.5 percent above 2001. Development and increased use of technologies, such as Intelligent Transportation Systems (ITS) are proposed in the 2002 budget. A total of \$253 million, 32 percent more than 2001 funding levels, is requested for ITS to further increase the number of integrated ITS locations.

## Economic Growth

Transportation is key to generating and enabling economic growth, in determining the patterns of that growth, and in determining the competitiveness of our businesses in the world economy.

DOT is opening international air travel to market forces and removing antiquated service restrictions through "open skies" agreements that permit unrestricted air service by authorized carriers to, from and beyond the territories of their partners. Understanding long-term trends in the airline industry's operating and competitive structures is required as the Department formulates effective negotiating strategies to ensure pro-competitive liberalization. Additional staff are requested in 2002 to enhance DOT's activities in this area.

## Environment

The Department recognizes the undesired environmental consequences associated with our transportation system and seeks to mitigate those harmful effects to the maximum extent possible. The 2002 budget increases funding for environmental programs to \$6.6 billion, almost 8 percent above 2001.

A large part of DOT'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 2002 budget includes \$1.7 billion, within the TEA-21 funding levels, for the CMAQ program.



The Department, through the Maritime Administration (MARAD), is responsible for disposal of obsolete vessels that pose a danger to the environment. The budget includes \$10 million to dispose of at least three such vessels in 2002.



## National Security

DOT also plays a critical role in ensuring the U.S. transportation system is secure and U.S. borders are safe from illegal intrusion. Even in times of peace, our transportation system is vulnerable to intentional harm, and our borders are vulnerable to intrusion through the smuggling of contraband and illegal migrants. The 2002 budget proposes a total of \$1.9 billion for national security programs, 5.7 percent over 2001.

In support of the President's drug control strategy, the 2002 budget proposes \$759 million, 19 percent over 2001, for the U.S. Coast Guard to fulfill the Department's commitment to conduct counter-drug law enforcement operations. This includes an additional \$243 million to fully fund the levels contained in the Western Hemisphere Drug Elimination Act and modernize Coast Guard's capital assets.



The 2002 budget also includes funding to enhance airport security and FAA information security. For airport security, the budget includes \$97.5 million to continue the purchase of explosive detection systems.

## Conclusion

The DOT goal is to provide the resources necessary to improve our Nation's transportation system. The funding requested in 2002 will help improve transportation safety, maintain and expand our transportation infrastructure and increase its capacity, reduce environmental degradation, enhance national security, and improve quality of life for our citizens.

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

# Federal Aviation

**Overview:** The 2002 budget request for the Federal Aviation Administration (FAA) reflects the Administration's strong commitment to increasing the performance and capacity of our aviation system. The capital and operating levels authorized in the Aviation Investment and Reform Act for the 21st Century (AIR-21) are requested in the budget.

| <b>FAA Budget</b><br>(Dollars in millions) |                        |                         |                         |
|--|------------------------|-------------------------|-------------------------|
|  | <b>2000<br/>Actual</b> | <b>2001<br/>Enacted</b> | <b>2002<br/>Request</b> |
| Operations                                 | 5,968                  | 6,516                   | 6,886                   |
| Facilities & Equipment                     | 2,075                  | 2,651                   | 2,914                   |
| Research, Engineering & Development        | 156                    | 187                     | 188                     |
| Airport Grants                             | 1,896                  | 3,195                   | 3,300                   |
| <b>TOTAL</b>                               | <b>10,096</b>          | <b>12,549</b>           | <b>13,288</b>           |

## Performance:

### SAFETY:

**In 2000, the preliminary fatal aviation accident rate for U.S. commercial air carriers was 0.033 per 100,000 departures, beating the 0.045 goal. This is down from a 1994-1996 baseline of 0.051 fatal accidents per 100,000 departures. The 2002 goal is 0.038.**

### MOBILITY:

**Since 1997, the airports community, with active support from FAA, has maintained in good or fair condition 95 percent of runways at all commercial service airports and reliever airports, as well as selected general aviation airports. The 2002 goal is to maintain this high standard of runway condition.**

In 2002, FAA's goal for National Airspace System Capacity is a cumulative increase of 3.8 percent in through-put during peak periods at certain major airports and a cumulative increase of 7.6 percent in direct routings for en route flight phase.

### ENVIRONMENT:

**In 2000, the number of people in the U.S. exposed to significant aircraft noise (65dB or higher) was reduced to 448,000. This is down from a 1985 level of 3.4 million. In 2002, the goal is to continue to limit the number of people exposed to aircraft noise to the 2000 level.**

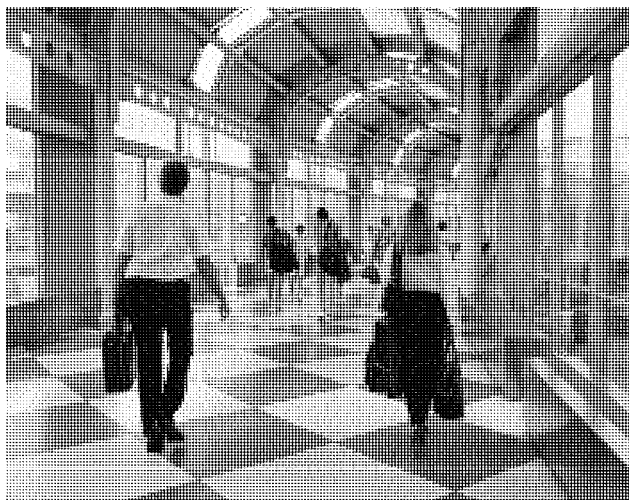
# Administration

## FY 2002 Budget

**Operations:** \$6.886 billion, 5.7 percent (\$370 million) above 2001, consistent with the AIR-21 authorized level. Most of the increase (\$328 million) is needed to maintain current operations.

- Air Traffic Services (\$5.447 billion) - FAA is responsible for the Nation's air traffic control system. To keep pace with the growth of aviation, the 2002 budget for air traffic services includes \$32 million to expand its workforce by 600 controllers. FAA will also continue to redesign the Nation's airspace to address capacity constraints, and will increase air traffic funding by \$7 million for runway safety programs.
- Aviation Regulation and Certification (\$745 million) - FAA maintains safety oversight of the Nation's aviation system, including aircraft, repair stations, pilots and maintenance crews. In 2002, FAA will perform almost 41,000 flight standards investigations (up 4 percent over 2001) and over 430,000 air people and operator certifications (up 7 percent over 2001).
- Civil Aviation Security (\$150 million) - FAA works to protect the aviation system and its own facilities and employees from terrorist and other criminal intrusion, and helps in the Nation's efforts to interdict unlawful narcotics entering the United States.
- Regions and Center Operations (\$91 million) - The 2002 budget includes \$14 million in new funds for development of Air Tour Management Plans that address aircraft noise over national parks and tribal lands, as authorized by AIR-21.

**Airport Grants:** \$3.3 billion, an increase of 3.3 percent over 2001, for airport improvement grants and related administrative costs. The Grants-in-Aid program issues grants to airports and State and local governments for projects that improve safety, increase capacity, and help mitigate noise for areas adjacent to airports. The budget request includes \$57 million in administrative expenses, \$8 million for airport-related research, and an estimated \$10 million for the Essential Air Service program.



**Facilities and Equipment:** \$2.9 billion, an increase of 10 percent (\$263 million) over 2001, to continue to improve and modernize the equipment central to the national airspace system. The request includes:

- Safety - \$453 million for projects that support safety performance goals such as improvements to weather sensing and reporting systems, safety information databases and computer systems to assist safety inspections, improvements to flight services for general aviation, and runway incursion research and new technology.



- Mobility - \$2.2 billion for projects to support mobility goals such as replacement of older radars, new automation for terminal control facilities, free flight and oceanic automation to improve flight route flexibility and significant infrastructure improvements to reduce outages caused by older, less capable facilities and equipment.
- Environment - \$78 million for projects to support environmental performance goals such as replacing fuel tanks at FAA facilities, removing environmental hazards and cleaning up hazardous materials at identified sites.
- National Security - \$168 million for projects in support of national security performance goals such as purchase of explosive detection devices, protection of FAA facilities and information systems, and improvements to the emergency communications network.

**Research, Engineering, and Development:** \$188 million, which includes \$53 million for continued research in aircraft structures and materials, and \$50 million for explosive detection and other security research. The remaining research funding is in the areas of weather information, resolution of environmental issues, human factors, safety issues and support of the FAA laboratories.

**FAA MAJOR FACILITIES & EQUIPMENT**  
(\$ in millions)

**Safety**

|   |        |
|---|--------|
| New and Improved Weather Systems        | \$67.0 |
| Improved Communications Systems         | \$54.1 |
| Safety Database and Computer Systems    | \$30.5 |
| Safe Flight 21                          | \$26.5 |
| Flight Service Improvements             | \$52.3 |
| Runway Incursion R&D and New Technology | \$48.1 |
| Other                                   | \$88.9 |

**Mobility**

|  |         |
|--|---------|
| Free Flight Phase 1                    | \$122.6 |
| Free Flight Phase 2                    | \$114.9 |
| Oceanic Automation                     | \$88.1  |
| WAAS, LAAS, and Landing aids           | \$134.7 |
| En Route Automation                    | \$235.0 |
| Terminal Automation                    | \$203.2 |
| ATC Beacon Interrogator                | \$65.9  |
| Terminal Radar Replace                 | \$156.1 |
| Improve Communications Systems         | \$73.6  |
| Replace Towers                         | \$100.7 |
| Improve Towers and En Route Facilities | \$98.6  |
| Other                                  | \$308.5 |

**Environment**

|                                    |        |
|------------------------------------|--------|
| Replace Fuel Tanks                 | \$9.3  |
| Hazardous Material Clean-Up        | \$22.7 |
| Workplace Environmental Compliance | \$28.4 |

**National Security**

|                                   |        |
|-----------------------------------|--------|
| Explosive Detection Devices       | \$97.5 |
| Facility and Information Security | \$36.0 |
| Recovery Communication            | \$4.8  |

**Project Support**

|   |         |
|---|---------|
| FAA Personnel                                   | \$377.1 |
| Center for Advanced Aviation System Development | \$76.4  |
| Systems Engineering Support                     | \$26.3  |
| Installation Support                            | \$84.1  |
| Other Project Support                           | \$82.1  |

# United States

**Overview:** The United States Coast Guard (USCG) 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)

|   | 2000<br>Actual | 2001<br>Enacted | 2002<br>Request |
|---|----------------|-----------------|-----------------|
| Operating Expenses                      | 2,779          | 3,185           | 3,383           |
| Acquisition, Construction & Improvement | 385            | 414             | 659             |
| Research                                | 19             | 21              | 22              |
| Retired Pay                             | 730            | 778             | 876             |
| Reserve Training                        | 72             | 80              | 83              |
| Environmental Compliance & Restoration  | 17             | 17              | 17              |
| Alteration of Bridges                   | 15             | 15              | 15              |
| <i>SUBTOTAL</i>                         | <i>4,017</i>   | <i>4,511</i>    | <i>5,056</i>    |
| Supplemental Appropriations             | 700            | ---             | ---             |
| <b>TOTAL*</b>                           | <b>4,717</b>   | <b>4,511</b>    | <b>5,056</b>    |

\*Does not include mandatory appropriation totaling \$64M in 2000, \$64M in 2001 and \$64M proposed in 2002 for State Boat Safety Grants.

### Performance:

#### SAFETY:

**Preliminary 2000 data indicate that the number of recreational boating fatalities was 742. This is down from 778 in 1999. The 2002 target is 742.**

#### ENVIRONMENT:

**Preliminary 2000 data indicate that the rate of oil discharged into the water by maritime sources was 4.6 gallons per million gallons shipped. This is down from the 1995 rate of 6.6. The 2002 target is 3.6.**

#### NATIONAL SECURITY:

**In 2000, the Coast Guard seized over 132,000 pounds of cocaine — a record for interdictions. This amounted to a seizure rate of 10.6 percent for cocaine that is shipped through the transit zone. The 2002 target is 18.7 percent.**

# Coast Guard

## FY 2002 Budget

**Operations:** \$3.4 billion, 6 percent (\$198 million) above 2001, for the continued operation and maintenance of a wide range of ships, boats, aircraft, shore units, and aids to navigation. The \$198 million increase includes \$108 million in offsets from management efficiencies; \$266 million for pay raises, contract adjustments, and other base adjustments; \$8.5 million for improvements to search and rescue and marine safety; and \$31 million for operation of assets acquired in 2001.

**Capital:** \$659 million, 59 percent (\$245 million) above 2001, which supports the President's initiative to fully fund the Western Hemisphere Drug Elimination Act and the Coast Guard's recapitalization of vessel and aircraft fleets, information resource management systems, shore facilities, and aids to navigation. This includes \$338 million for the deepwater capability replacement, which will fund the initial phase of the full production contracts for the development of an integrated system of assets to carry out Coast Guard's deepwater missions. It also includes: \$70 million for two seagoing buoy tenders; \$90 million for enhancements to Coast Guard information systems, National Distress System, commercial satellite communication system, and vessel tracking systems; and \$63 million for renovations and improvements to Coast Guard facilities, and for additional housing as well as repairs to existing units.

**Research:** \$22 million, 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.

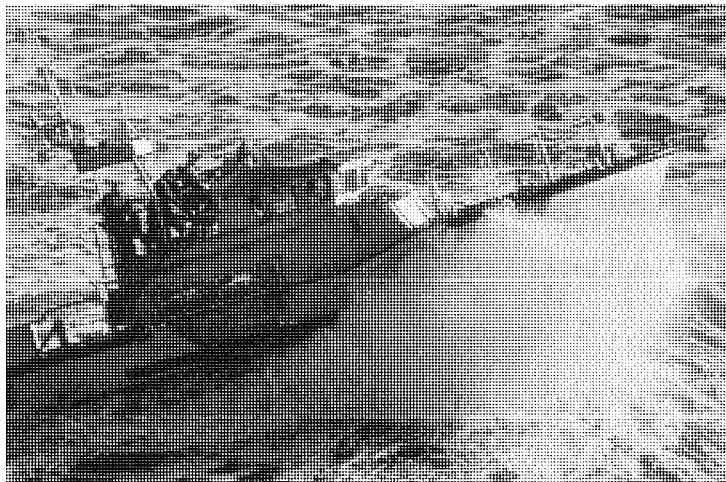
**Retired Pay:** \$876 million, which includes annuities and medical care for retired military personnel and former Lighthouse Service members and their dependents and survivors.

**Reserve Training:** \$83 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 for Kodiak, Alaska and Elizabeth City, North Carolina.

### **Boat Safety:**

\$64 million, consisting of \$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

**Overview:** 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 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.

| <b>FHWA Budget</b><br>(Dollars in millions) |                        |                         |                         |
|---|------------------------|-------------------------|-------------------------|
|   | <b>2000<br/>Actual</b> | <b>2001<br/>Enacted</b> | <b>2002<br/>Request</b> |
| Federal-aid Highways Ob Lim                 | 25,873*                | 29,596                  | 31,563                  |
| Other                                       | 2                      | 2,759                   | 0                       |
| Mandatory Federal-aid Highways              | 1,133                  | 1,069                   | 955                     |
| Limitation on Admin. Expenses [non-add]     | [304]                  | [294]                   | [318]                   |
| <b>TOTAL</b>                                | <b>27,008</b>          | <b>33,425</b>           | <b>32,518</b>           |

\*Amount in FY 2000 is net of \$1.6 billion flexed from highways to transit.

## Performance:

### MOBILITY:

**In 2000, the percentage of miles on the National Highway System meeting acceptable ride pavement performance standards is projected to be 93.8 percent. This is up from 91.5 percent in 1996. The 2002 goal is 95 percent.**

**In 2000, 21.5 percent of bridges on the National Highway System were rated deficient. This is down from 25.8 percent in 1996. The 2002 goal is 21 percent.**

### ENVIRONMENT:

**Through creative and ambitious efforts, every acre of wetlands affected by Federal-aid highway projects in 2000 was replaced by 3.8 acres. The 2002 goal is to replace every acre affected with 1.5 acres or more.**

**In 1998, on-road mobile source emissions were reduced to 63.7 million tons, down from the 1996 baseline of 66.9 million tons. The 2002 goal is 61.1 million tons (or lower).**

## FY 2002 Budget

**Federal-Aid Highway Program:** Our Nation's highways and intermodal connectors are the critical link in our national intermodal transportation system - virtually every trip, whether by passenger or freight, involves passing over a road at some point. To safeguard our tremendous highway infrastructure investment, advance programs to improve safety, protect the environment, reduce congestion, and improve the efficiency and operation of our highways, the 2002 budget request includes a \$31.6 billion obligation limitation, 7 percent above 2001 and consistent with TEA-21 guaranteed funding levels. The 2002 budget continues to distribute the majority of the funding for



# Administration

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:

- New Freedom Initiative - includes \$145 million of Revenue Aligned Budget Authority for two programs that are part of the President's New Freedom Initiative. A Pilot Program for Innovative Transportation will provide \$45 million to promote innovative transportation solutions for people with disabilities. Matching Grants for Alternative Transportation will provide \$100 million in competitive matching grants to promote access to alternative methods of transportation. The funds will aid community-based organizations that seek to integrate Americans with disabilities into the workforce.
- Border Infrastructure Improvements – provides \$56 million for State and Federal motor carrier inspection facility construction at the U.S.-Mexico border.
- Transportation Infrastructure Finance and Innovation Act Program – provides an estimated \$123 million to leverage our Federal investment in transportation infrastructure. This will translate into as much as \$2.4 billion in credit assistance to support investments of approximately \$7 billion in nationally significant surface transportation projects.
- Research and Technology – proposes to fully fund research and technology programs within the Federal-aid obligation limitation, ensuring that the entire \$503.7 million in budgetary resources, including Revenue Aligned Budget Authority, are available for use. This includes a total of \$253.2 million for Intelligent Transportation Systems (ITS), 32 percent above 2001: \$135 million for ITS to accelerate rural, regional, and commercial motor vehicle deployment and \$118.2 million for ITS standards, research, operational tests, and development. Programs to improve pavements, reduce congestion, and strengthen bridges are proposed at \$250.4 million, 27 percent above 2001.
- Limitation on Administrative Expenses – includes \$317.7 million for the salaries and expenses of the FHWA.



# National Highway Traffic Safety Administration

**Overview:** Preliminary results indicate that traffic crashes claimed a total of 41,800 lives in 2000, accounting for over 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. The National Highway Traffic Safety Administration (NHTSA) provides grants to States for the operation of highway traffic safety programs and conducts critical highway safety research.

| <b>NHTSA BUDGET</b><br>(Dollars in millions) |                        |                         |                         |
|--|------------------------|-------------------------|-------------------------|
|  | <b>2000<br/>Actual</b> | <b>2001<br/>Enacted</b> | <b>2002<br/>Request</b> |
| Operations and Research                      | 160                    | 190                     | 196                     |
| Highway Traffic Safety Grants                | 207                    | 213                     | 223                     |
| <b>TOTAL</b>                                 | <b>367</b>             | <b>403</b>              | <b>419</b>              |

## Performance:

### SAFETY:

**In 2000, the preliminary rate of fatalities per 100 million vehicle miles of travel (VMT) was 1.6 and the preliminary rate of injured persons per 100 million VMT was 119.** The 2002 goals are 1.4 for fatalities and 111 for injured persons.

**In 2000, the preliminary percentage of highway fatalities that were alcohol-related totaled 38 percent.** NHTSA's alcohol-impaired driving countermeasures, designed to reach high-risk drinking drivers, will assist in achieving the 2002 goal of 33 percent.

**In 2000, seat belt usage reached an all-time high of 71 percent, up from less than 50 percent in 1990.** The 2002 goal is 87 percent, with the ultimate goal of 90 percent by 2005.

## FY 2002 Budget

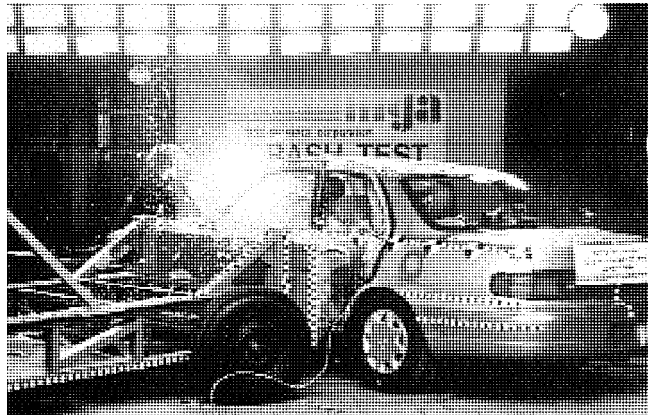
**Operations and Research:** \$196 million, an increase of \$5 million (3 percent) over 2001. Operations and research activities include:

- \$57 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;

# e Safety Administration

(2) crash avoidance research to support programs such as antilock braking system effectiveness, light vehicle rollover, and heavy vehicle visibility; (3) the National Center for Statistics and Analysis (NCSA) including the Fatality and Accident Reporting System (FARS), which tracks all fatal crashes in the U.S.; (4) testing of driver distraction and effects of alcohol on driver performance through the National Advanced Driving Simulator (NADS); and (5) initiatives required by the TREAD Act including tire safety, dynamic rollover and child safety seat testing.

- \$75 million to maintain the existing workforce and to hire, train, and develop safety professionals; maintain critical information systems; design, print and distribute safety-related literature; and other operational costs and services.
- \$42 million for highway safety programs that address impaired driving deterrence, increased seat belt usage and correct placement of child safety restraints. Countermeasures will be developed and tested for traffic enforcement, deterrence of aggressive driving, speeding and distracted driving. Initiatives will be undertaken in emergency medical system education, safe operation around school buses, and for occupant protection usage surveys.
- \$15 million for Safety Assurance, including enhancing the Office of Defects Investigation by increasing vehicle testing and modernizing databases to improve the processing of consumer complaints, with a continuation of the 2001 funding increase provided by the TREAD Act.
- \$7 million for Safety Performance Standards 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 light vehicle rollover propensity. TREAD Act initiatives include updating the tire safety standards, improving child restraint systems and developing a child restraint ratings program.



**Highway Traffic Safety Grants:** \$223 million obligation limitation, an increase of \$10 million (5 percent) over 2001. This is the level guaranteed in TEA-21. Included is: \$160 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; \$38 million for Alcohol-Impaired Driving Countermeasures Incentive Grants designed to encourage States to pass strong anti-drunk-driving legislation; \$15 million for Occupant Protection Incentive Grants to encourage States to promote and strengthen occupant protection laws, including child protection laws; and \$10 million for State Highway Safety Data Grants to improve the accuracy, uniformity, and accessibility of highway safety data.

# Federal Motor Carrier Safety

**Overview:** The number of large trucks traveling the Nation's highways is increasing. In 2000, an estimated 5,307 Americans died and an estimated 145,000 were injured in traffic crashes involving large trucks, about 13 percent of all people killed in motor vehicle crashes. Yet trucks represent only 4 percent of all registered vehicles and about 7 percent of vehicle miles of travel. The Federal Motor Carrier Safety Administration's (FMCSA) main function is to improve safety among commercial motor vehicles (CMVs). The 2002 budget request for FMCSA, totaling \$344 million, 28 percent above 2001, will help meet the challenge of improving motor carrier safety.

| <b>FMCSA BUDGET</b><br>(Dollars in millions) |                              |                               |                               |
|--|------------------------------|-------------------------------|-------------------------------|
|  | <b>2000</b><br><b>Actual</b> | <b>2001</b><br><b>Enacted</b> | <b>2002</b><br><b>Request</b> |
| Motor Carrier Safety                         | 76                           | 92                            | 139                           |
| National Motor Carrier Safety Program        | 105                          | 177                           | 205                           |
| <b>TOTAL</b>                                 | <b>181</b>                   | <b>269</b>                    | <b>344</b>                    |

## Performance:

### SAFETY:

Motor carrier safety represents an especially challenging problem, but we have begun to make progress. Based on preliminary estimates, fatalities involving large trucks fell from 5,362 in 1999 to 5,307 in 2000. The 2002 goal is 4,710. The 2009 goal is 2,687.

## FY 2002 Budget

**Motor Carrier Safety (Operations and Research):** \$139 million, 51 percent above 2001, to support critical motor carrier safety activities that will save lives and prevent injuries on our Nation's highways. The 2002 budget includes a proposal to increase the FMCSA administrative takedown from one-third to two-thirds of one percent. This increase will fund motor carrier safety priorities including: oversight and border enforcement; motor carrier safety research and technology; crash data improvements; State Commercial Driver's License (CDL) program enhancements; increased inspection and compliance review activities; and safety data quality improvements. The budget proposes funding for the following safety program enhancements:

- \$19 million for increased oversight and enforcement activities including stationing 80 additional Federal enforcement personnel at the U.S./Mexico border.
- \$14 million for motor carrier safety research, \$4 million above 2001. New initiatives include: field testing advanced truck safety technologies; testing dynamic roadside enforcement equipment; developing new driver selection, testing, licensing and training techniques; using simulation and instrumented vehicles to determine unsafe motor carrier driver actions; and researching countermeasures guided by early crash causation study results.

# Safety Administration

- \$11 million to advance motor carrier crash data improvements, the Commercial Driver's License Improvement Program, and staff FMCSA's 24-hour safety telephone hotline.
- \$86 million, \$7 million or 9 percent above 2001, for motor carrier safety operations to further increase motor carrier inspections and compliance reviews.
- \$9 million for the Bureau of Transportation Statistics' Safety Data Quality Improvement program.

**National Motor Carrier Safety Program:** \$205 million, 16 percent above FY 2001, as part of an aggressive expansion of State enforcement of interstate commercial motor vehicle regulations.

- \$183 million is dedicated to State motor carrier safety grants, with \$160 million provided for the Motor Carrier Safety Assistance Program (MCSAP); \$18 million for enhanced State enforcement operations at the southern border; and \$5 million for State CDL program improvements. MCSAP grants may be used to increase the number of compliance reviews in States; identify and apprehend traffic violators; increase the volume of roadside inspections; improve State CDL oversight activities; and support State border enforcement efforts.
- \$5 million to continue a comprehensive study on commercial vehicle crash causation initiated in 2001. The study will identify data requirements and collection procedures, reports and other measures that will improve both FMCSA and the States' ability to evaluate future crashes involving commercial motor vehicles; monitor crash trends and identify causes and contributing factors; and develop effective safety improvement policies and programs.
- \$17 million is included for the Information Systems and Strategic Safety Initiatives (ISSSI) program. The program's implementation is shared by FMCSA and the States and supports motor carrier information system and data analysis activities including:  
SAFESTAT technology, used to target high-risk motor carriers for compliance reviews; and the Performance Registration Information Systems and Management (PRISM) program, which links State motor vehicle registration systems with carrier safety data in an effort to identify unsafe commercial motor carriers.



**Border Infrastructure Improvements:** \$56 million, derived from Federal Highway Administration (FHWA) Revenue Aligned Budget Authority, for State and Federal motor carrier inspection facilities construction at the U.S./Mexico border. Advancing these infrastructure projects will be the joint responsibility of FMCSA, FHWA, and the States.

# Federal Transit

**Overview:** Transit moves millions of people every day, safely and efficiently. Transit reduces the costs of congestion and helps to protect the environment. The Federal Transit Administration (FTA) 2002 budget seeks to continue implementation of the innovations envisioned by the Transportation Equity Act for the 21st Century (TEA-21). The budget preserves and increases investment in our Nation's public transit infrastructure. When combined with State and local funding, the proposed \$6.7 billion, 8 percent above 2001, will promote mobility and access for transit-dependent riders.

| <b>FTA BUDGET</b><br>(Dollars in millions) |                        |                         |                         |
|--|------------------------|-------------------------|-------------------------|
|  | <b>2000<br/>Actual</b> | <b>2001<br/>Enacted</b> | <b>2002<br/>Request</b> |
| Formula Grants Program                     | 4,641 <sup>1</sup>     | 3,287                   | 3,592                   |
| Capital Investment Grants                  | 2,492                  | 2,695                   | 2,841                   |
| Job Access and Reverse Commute             | 75                     | 100                     | 125                     |
| Research and Planning                      | 163 <sup>2</sup>       | 110                     | 116                     |
| Other                                      | 66                     | 70                      | 73                      |
| <b>TOTAL</b>                               | <b>7,437</b>           | <b>6,261</b>            | <b>6,747</b>            |

<sup>1</sup>Includes \$1,593 million in FHWA Flex Funding.  
<sup>2</sup>Includes \$54 million in FHWA Flex Funding.

## Performance:

### SAFETY:

**In 2000, transit fatalities were reduced to .519 per 100 million passenger miles traveled, while injured persons fell to 107.5 per 100 million passenger miles traveled.** The 2002 goal is .492 transit fatalities and 109.4 transit injured persons (or lower).

### MOBILITY:

**In 2000, FTA met and achieved a new high with 80 percent of the bus fleet compliant with the Americans with Disabilities Act (ADA). This is up from 77 percent in 1999. In 2000, 52 percent of key rail stations were compliant with ADA, up from 49 percent in 1999.** The 2002 goal for ADA compliance is 86 percent for the bus fleet, and 68 percent for key rail stations.

## FY 2002 Budget

**Formula Grants Program:** \$3.6 billion, 9 percent above 2001, 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.

# Administration

- In 2002, funds proposed for the Formula Grants program will contribute almost \$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.

**Transit Safety:** To further improve transit safety, the budget includes a proposal to allow States to use funds made available for capital projects for rail transit safety oversight activities.

**Capital Investment Grants:** \$2.8 billion, 5 percent above 2001, is proposed in 2002 for the following initiatives: \$568 million for the replacement, rehabilitation, and purchase of buses and the construction of bus-related facilities (legislative language is proposed to formularize this program starting in 2002); \$1.1 billion for the modernization of existing fixed guideway systems, including heavy and light rail, commuter rail, and ferryboat operations; \$1.1 billion for the construction of new fixed guideway systems and extensions to existing fixed guideway systems. These program levels represent the Federal commitment to investment in transit infrastructure.

**Project Financial Management Oversight:** \$45 million to provide oversight of DOT grants to States and localities. Grants management and oversight is a core management responsibility of FTA and assures that Federal funds are spent efficiently and effectively. To address an increased demand for project management oversight resources and services, legislative language is proposed to increase the Capital Investment Grants Oversight takedown from .75 percent to 1 percent.

**Research and Technology Program:** \$49 million, 4 percent above 2001, for the National Research and Technology Program. The Research and Technology Program also includes \$8.3 million in funding for the Transit Cooperative Research Program, \$4.0 million for the National Transit Institute, and \$5.3 million for the Rural Transit Assistance Program.

**Metropolitan and Statewide Planning Programs:** \$67 million, 6 percent above 2001, 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.

**Job Access and Reverse Commute Program:** \$125 million, 25 percent above 2001, to help individuals transition from welfare to work. 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. Legislative language is proposed to formularize this program starting in 2002.

# Federal Railroad

**Overview:** The 2002 budget request for the Federal Railroad Administration (FRA) represents a commitment to improve a 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.

## FRA BUDGET (Dollars in millions)

|                                 | 2000<br>Actual | 2001<br>Enacted | 2002<br>Request |
|---------------------------------|----------------|-----------------|-----------------|
| Amtrak Capital                  | 571            | 520             | 521             |
| Safety and Operations*          | 94             | 101             | 111             |
| Research and Development        | 22             | 25              | 28              |
| Next Generation High-Speed Rail | 27             | 25              | 25              |
| Pennsylvania Station            | 0              | 20              | 20              |
| Other                           | 26             | 64              | 2               |
| <b>TOTAL</b>                    | <b>740</b>     | <b>755</b>      | <b>707</b>      |

**\*In 2001, does not include \$1.5 million transferred from other accounts.**

**NOTE: \$55 million in user fees is proposed in 2002 to cover part of the costs of the Safety and Operations and R&D accounts.**

### Performance:

#### SAFETY:

Preliminary results indicate that in 2000, rail-related fatalities per million train-miles were reduced to 1.29, the lowest in two decades. In 2000, train accidents per million train-miles decreased from 4.25 in 1993 to 4.01 (preliminary). The 2002 goal is to reduce rail-related fatalities to 1.20.

The estimated 2000 highway-rail grade-crossing accident rate was 1.78 (per the product of million train-miles times trillion highway vehicle-miles traveled), a significant decline from the 1997 rate of 2.27. The 2002 goal is 1.39.

#### MOBILITY:

Between 1996 and 2000, Amtrak ridership increased from 19.7 million passengers to 22.5 million. A key to Amtrak self-sufficiency is ridership. The 2002 goal is 26.7 million passengers.

### FY 2002 Budget

**Amtrak Capital:** \$521 million, which is consistent with the glidepath to Amtrak operating self sufficiency. 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 since 2000. The budget request assumes that these funds will all be spent in FY 2002.



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**Safety and Operations:** \$111 million, up \$8 million or about 8 percent, from the total funding available (including funds transferred) in 2001. Funding will enhance FRA's partnership programs with railroad labor and management, including the Safety Assurance and Compliance Program and the Railroad Safety Advisory Committee. Funding will also support national outreach programs, continue FRA's information technology initiative and, provide staff and support for ongoing and expanded regulatory and enforcement work and other critical safety programs.

**Research and Development:** \$28 million, up \$3 million or approximately 12 percent, from 2001. Research efforts will focus on train occupant protection, human factors in train operations, grade crossings, track and vehicle-track interaction safety, and railroad systems safety and security.

**Next Generation High-Speed Rail:** A total of about \$25 million for the following projects:

- \$11 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.
- \$4.3 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.
- \$1.3 million to identify and demonstrate advanced and more economical technologies to resolve corridor capacity constraints and bottlenecks.
- \$1.7 million for corridor planning.



# Research & Special Programs

**Overview:** The Research and Special Programs Administration (RSPA) focuses on improving hazardous materials and pipeline safety, coordinates and advances transportation research, technology and education activities to promote innovative multi-modal transportation solutions, and manages the Department's transportation-related emergency response and recovery responsibilities. RSPA also provides planning and training grants to States and Indian tribes to increase hazardous materials emergency preparedness.

| <b>RSPA BUDGET</b><br>(Dollars in millions) |                        |                         |                         |
|---|------------------------|-------------------------|-------------------------|
|   | <b>2000<br/>Actual</b> | <b>2001<br/>Enacted</b> | <b>2002<br/>Request</b> |
| Research and Special Programs               | 32                     | 36                      | 42*                     |
| Emergency Preparedness Grants               | 25                     | 14                      | 14                      |
| Pipeline Safety                             | 37                     | 47                      | 54                      |
| <b>TOTAL</b>                                | <b>93</b>              | <b>98</b>               | <b>110</b>              |

**\*Includes \$12 million in proposed new user fees.**

## Performance:

### SAFETY:

Preliminary 2000 data indicate that serious hazardous materials incidents increased to 396 from 377 in 1999. Even though this is down from 466 in 1996, more can be done to address hazardous materials transportation incidents. The 2002 goal is 391.

### ENVIRONMENT:

Between 1999 and 2000, the spill rate for liquid pipelines was reduced from .0229 to .0131 tons per million ton-miles shipped by pipelines. The 2002 goal is 0.0142 or lower.

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## FY 2002 Budget

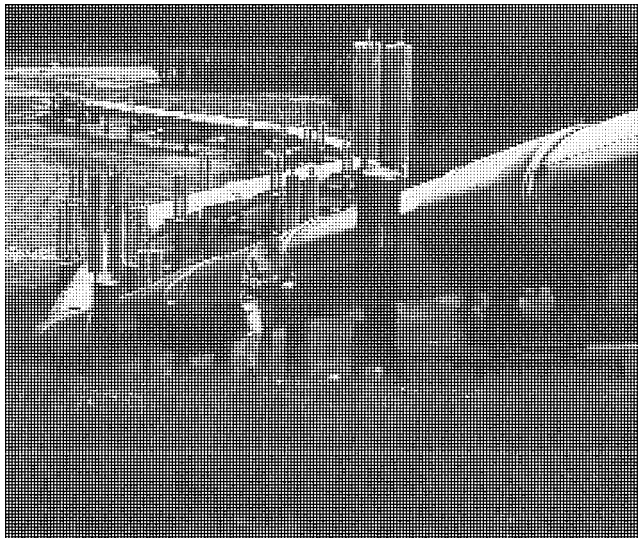
**Hazardous Materials Safety Program:** \$21 million, 10 percent (\$2 million) above 2001, to improve the safety of hazardous materials transportation, both domestic and international. This funding will support regulatory outreach, training, enforcement, and research programs to promote safe and efficient transportation of hazardous materials and to address the increase in the number of hazardous materials incidents that occurred in 2000.

**Emergency Preparedness Grants:** \$14 million, the same level of funding as 2001, 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 emergency response community.

**Research and Technology:** \$5 million, the same level of funding in 2001, for RSPA's research programs, primarily in strategic planning and management, human factors and transportation infrastructure assurance, which will enable the Department to respond to recent directives to enhance the protection of critical national transportation infrastructure.

**Emergency Transportation Program:** \$2 million, the same level of funding as in 2001, 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.

**Pipeline Safety:** \$54 million, 15 percent (\$7 million) above 2001, to support enhanced Federal pipeline safety efforts. RSPA will: (1) begin oversight and enforcement of recently strengthened Federal standards for the integrity of pipeline systems operation and management; (2) assist communities in protecting their citizens from pipeline failures; (3) expand and strengthen its partnership with the States; and (4) continue research and development efforts.



**Overview:** The Maritime Administration (MARAD) has primary Federal responsibility for ensuring the availability of efficient water transportation service to shippers and consumers. Programs operated by MARAD support education and training of merchant mariners at the U.S. Merchant Marine Academy and 6 State maritime schools. In addition, MARAD oversees the National Defense Reserve Fleet, Ready Reserve Force and U.S. cargo preference compliance.

| <b>MARAD BUDGET</b><br>(Dollars in millions) |                        |                         |                         |
|--|------------------------|-------------------------|-------------------------|
|  | <b>2000<br/>Actual</b> | <b>2001<br/>Enacted</b> | <b>2002<br/>Request</b> |
| Operations and Training                      | 73                     | 87                      | 89                      |
| Maritime Security                            | 96                     | 98                      | 0                       |
| Title XI Loans                               | 10                     | 34                      | 4                       |
| Ship Disposal                                | 0                      | 0                       | 10                      |
| <b>TOTAL</b>                                 | <b>179</b>             | <b>219</b>              | <b>103</b>              |

## Performance:

### NATIONAL SECURITY:

**All vessels in the Ready Reserve Force (RRF) require licensed and unlicensed U.S. merchant marines. The U.S. Merchant Marine Academy and the State maritime schools directly support mariner availability by graduating qualified candidates for the merchant marine. From 1999 to date, 100 percent of the mariners needed to crew the sealift and commercial fleets have been available. The 2002 goal is 100 percent.**

**Between 1997 and 2000, the percentage of Department of Defense (DOD) - designated strategic ports for military use considered able to meet DOD readiness requirements on 48-hour notice increased from 60 percent to 93 percent. The 2002 goal is to maintain 90 percent (or higher) readiness.**

### ENVIRONMENT:

**As of December 2000, 115 obsolete vessels in the National Defense Reserve Fleet are designated for disposal, with plans for three disposals in 2001. By the end of 2001, MARAD anticipates an inventory of 155 ships. The 2002 goal is to dispose of the three vessels in the poorest condition.**

## FY 2002 Budget

**Operations and Training:** \$89 million, to support the U.S. Merchant Marine Academy, State maritime schools, and MARAD operations. A total of \$48 million is requested for the Merchant Marine Academy, including \$13 million for critical capital modernization projects, \$34 million is requested for MARAD operations and \$7 million is requested to support State maritime schools.

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**Maritime Security:** Vessels supported by this program are committed to carry military cargo during war or national emergencies. To consolidate the management of like programs and achieve greater efficiencies, the budget proposes to transfer the Maritime Security Program and its funding from the U.S. Department of Transportation to the Department of Defense (DOD).

**Title XI Loans:** The budget includes \$4 million to cover the costs of administering loan guarantees for U.S. flag and export ship construction, and for shipyard modernization. From 1994 through 1999, MARAD approved \$4.7 billion of Title XI financing for 405 vessels and 8 shipyard modernization projects. During 2000, Title XI loan guarantee commitments were made for 21 vessels totaling over \$800 million. The budget proposes no new funding for subsidies, as carryover of \$10 million is projected to be available in 2002.

**Ready Reserve Force:** The Ready Reserve Force (RRF) is managed by MARAD, but funded in the DOD budget. The 2001 level for the RRF is \$259 million. MARAD will meet the DOD planned readiness level for the RRF with the \$251 million requested by DOD for 2002 activities.

**Ship Disposal:** MARAD is responsible for the disposal of obsolete ships in the National Defense Reserve Fleet and, in consultation with the Navy and Environmental Protection Agency, MARAD is developing a new scrapping plan. With the proposed \$10 million in 2002, MARAD expects to dispose of at least three ships.

## OST BUDGET (Dollars in millions)

|                       | 2000<br>Actual | 2001<br>Enacted | 2002<br>Request |
|-----------------------|----------------|-----------------|-----------------|
| Salaries and Expenses | 59             | 63              | 70              |
| Planning, R&D         | 5              | 11              | 5               |
| Civil Rights and MBRC | 12             | 13              | 12              |
| Essential Air Service | 0*             | 50              | 40**            |
| <b>TOTAL</b>          | <b>76</b>      | <b>137</b>      | <b>127</b>      |

\*\$50 million financed from FAA Operations (Trust Fund).

\*\*In addition, \$10 million is to be financed from airport grants.

### Performance:

#### MOBILITY:

Since 1978, the Office of the Secretary (OST) has successfully implemented the Essential Air Service (EAS) program. EAS provides eligible communities reliable access to the Nation's air transportation system, with no disruption in service if air carriers choose to discontinue operations. The 2002 goal is to ensure 3 round trip flights per day, 6 days/week at 75 percent of the eligible communities.

#### ECONOMIC GROWTH:

In 1999, the agreements among 36 "open skies" countries and Canada covered 49 million passengers. Fiscal year 2000 saw "open skies" agreements increased to 47 countries and Canada covering over 56 million passengers (preliminary data). The 2002 goal is 59.7 million passengers covered in those international markets with open skies aviation agreements.

### FY 2002 Budget

**Salaries and Expenses:** \$69.5 million is requested to support a staff level of 450, which includes 12 additional staff and \$2.8 million in the Office of General Counsel to focus primarily on airline consumer rights protection, unfair competition issues, and alternative dispute resolution activities.

Airline consumer complaints to the Department have risen dramatically. From 1998 to 2000, the number of disability-related complaints against airlines rose more than 80 percent and customer service complaints increased 130 percent. DOT has made it a priority to resolve or prosecute existing backlogged cases to ensure that the rights of passengers are upheld. The budget will allow DOT to become more proactive in its investigations of carrier compliance with Federal consumer protection requirements. Further, the additional employees are important for successful outreach efforts to provide technical assistance to individuals with disabilities under the Air Carrier Access Act.

# e Secretary

**Planning, Research, and Development:** \$5.2 million is requested for 2002, including \$0.7 million and 6 additional staff for domestic and international aviation work. The domestic airline industry continues to undergo major changes. International deregulation, which poses even more complex and controversial issues, is barely underway. Common to all of the aviation issues currently facing DOT is the need for in-depth and intensive analysis of practices, mergers, and international alliances. The additional staff in 2002 will help build a strong core of experienced analysts having broad policy backgrounds and capable of using sophisticated analytical tools to meet these challenges.

**Office of Civil Rights:** \$8.5 million, to support internal and external civil rights and equal opportunity matters; support the Minority Serving Institutions student internship program; enforce Federal civil rights statutes; carry out special emphasis commemoration, hiring, reporting and diversity programs; implement executive orders; investigate EEO complaints, support the Disability Resource Center, support the Shared Neutrals Alternative Dispute Resolution Program; and oversee and coordinate equity programs throughout the Department.

**Minority Business Resource Center (MBRC):** \$3.9 million is requested for MBRC activities. \$0.9 million in Federal subsidy will fund an \$18 million short-term loan guarantee program to assist small, 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 \$40 million is financed through aviation overflight fees and \$10 million from FAA's Airport Grant program. The budget proposes modifying the program criteria for eligibility. Specifically, a community will not be eligible for the subsidy if it is located fewer than 100 highway miles from the nearest large or medium hub airport, or fewer than 70 highway miles from the nearest small hub airport, or fewer than 50 highway miles from the nearest airport providing scheduled service with jet aircraft. This change will enable more effective use of resources targeted to communities with the greatest need.

## **SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION**

The Saint Lawrence Seaway Development Corporation (SLSDC) is a wholly-owned government corporation created to construct, operate and maintain that part of the St. Lawrence Seaway between Montreal and Lake Erie, within the territorial limits of the United States. The SLSDC coordinates its activities with its Canadian counterpart particularly with respect to rules and regulations, the Tariff of Tolls, overall day-to-day operations, traffic management, navigational aids, safety, environmental programs, operating dates, and trade development initiatives. The unique binational nature of the Great Lakes St. Lawrence Seaway System requires 24-hour, year-round coordination between the Seaway entities.

The 2002 budget proposal totals \$13.345 million from the Harbor Maintenance Trust Fund, which together with miscellaneous other non-Federal revenues, will finance SLSDC's 2002 activities.

To ensure the availability and long-term reliability of the two U.S. Seaway locks and related navigation facilities in the St. Lawrence River, the SLSDC's 2002 goal is 99 percent availability. In 2000, SLSDC achieved 98.7 percent availability.

## **BUREAU OF TRANSPORTATION STATISTICS**

The 2002 budget request for the Bureau of Transportation Statistics (BTS) totals \$44 million. This includes a \$4 million direct appropriation from the Airport and Airway Trust Fund to replace funding for the Office of Airline Information currently provided out of Federal-Aid Highways. It also includes \$9 million, to be funded within FMCSA's administrative takedown, to improve safety data. The remaining funds, \$31 million authorized in TEA-21 from Federal-Aid Highways, will support continuation of BTS major programs:

- Collecting data on travel behavior, freight movement, motor carrier operations, and customer satisfaction.
- Improving data quality by reviewing DOT data programs, establishing data collection standards and identifying best practices, ensuring the reliability of data used for DOT performance measures, and advising other DOT modes on statistical issues and problems.
- Compiling, storing, and disseminating data through the Intermodal Transportation Data Base, the National Transportation Library, the monthly Transportation Indicators report, the annual National Transportation Statistics report, and Geographic Information Science.
- Analyzing data on the economic and environmental impacts of transportation, conducting focused studies of critical transportation issues and emerging trends, developing measures for DOT's strategic goals, publishing the Transportation and Statistics Annual Report, sponsoring the Journal of Transportation and Statistics, and making statistical research grants.



## **SURFACE TRANSPORTATION BOARD**

The 2002 budget proposal for the Surface Transportation Board (STB) totals \$18.5 million. The STB, 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 STB 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 2000, the STB initiated a proceeding and rulemaking to comprehensively reexamine its rail merger policies and rules impacting major rail consolidations and the present and future structure of the North American rail industry. As a result of this rulemaking, the STB suspended all major rail merger activity until June 2001 when the new rules are to be adopted. The STB also concluded rulemakings streamlining or otherwise improving applicable regulations and the regulatory process, handled several pending rail maximum rate and pipeline complaints, initiated oversight of the Illinois Central acquisition by the Canadian National, continued oversight of the Union Pacific/Southern Pacific merger and rail service in the Western United States and of the Conrail acquisition by CSX and Norfolk Southern, conducted a review of various rail access and competition issues, completed action on several labor arbitration appeals, processed numerous other rail restructuring cases, issued decisions in rail abandonment and rail line construction cases, and completed action on a significant number of non-rail matters, including a number of rate cases in non-contiguous domestic water trade. The STB 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 STB seeks to resolve matters brought before it fairly and expeditiously through use of its regulatory exemption authority, streamlining of the decisional process, and consistent application of legal and equitable principles. The STB continues to strive to develop, through rulemakings 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.

## **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.

## **OFFICE OF INSPECTOR GENERAL**

The 2002 budget request for the Office of Inspector General totals \$56.1 million. This includes a \$50.6 million appropriation, \$2 million of reimbursable funding from FTA, and \$3.5 million of reimbursable funding from FHWA. This is an overall increase of \$3.3 million above 2001 funding, mostly for mandatory pay increases.

# APPROPRIATIONS

(\$ in millions)

| <b>ADMINISTRATION</b>                          | <b>2000<br/>ACTUAL</b> | <b>2001<br/>ENACTED</b> | <b>2002<br/>REQUEST</b> |
|--|------------------------|-------------------------|-------------------------|
| Federal Aviation Administration                | \$10,096               | \$12,549                | \$13,288                |
| United States Coast Guard                      | 4,717                  | 4,511                   | 5,056                   |
| Federal Highway Administration                 | 27,008                 | 33,425                  | 32,518                  |
| National Highway Traffic Safety Administration | 367                    | 403                     | 419                     |
| Federal Motor Carrier Safety Administration    | 181                    | 269                     | 344                     |
| Federal Transit Administration                 | 7,437                  | 6,261                   | 6,747                   |
| Federal Railroad Administration                | 740                    | 755                     | 707                     |
| Research and Special Programs Administration   | 93                     | 98                      | 110                     |
| Saint Lawrence Seaway Development Corporation  | 12                     | 13                      | 13                      |
| Surface Transportation Board                   | 17                     | 18                      | 18                      |
| Maritime Administration                        | 179                    | 219                     | 103                     |
| Bureau of Transportation Statistics 1/         | —                      | —                       | 4                       |
| Office of Inspector General                    | 44                     | 49                      | 51                      |
| Office of the Secretary                        | 76                     | 137                     | 127                     |
| <b>TOTAL DOT Appropriations</b>                | <b>\$50,968</b>        | <b>\$58,706</b>         | <b>\$59,505</b>         |

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

<sup>1/</sup>In all years, additional BTS funding of \$31 million from the Highway Trust Fund is included in the FHWA totals.

# BUDGET AUTHORITY

(\$ in millions)

| <b>ADMINISTRATION</b>                          | <b>2000<br/>ACTUAL</b> | <b>2001<br/>ENACTED</b> | <b>2002<br/>REQUEST</b> |
|--|------------------------|-------------------------|-------------------------|
| Federal Aviation Administration                | \$10,948               | \$11,977                | \$12,957                |
| United States Coast Guard                      | 4,830                  | 4,636                   | 5,181                   |
| Federal Highway Administration                 | 29,957                 | 36,320                  | 35,331                  |
| National Highway Traffic Safety Administration | 367                    | 404                     | 419                     |
| Federal Motor Carrier Safety Administration    | 181                    | 268                     | 389                     |
| Federal Transit Administration                 | 7,450                  | 6,271                   | 6,747                   |
| Federal Railroad Administration                | 736                    | 749                     | 702                     |
| Research and Special Programs Administration   | 93                     | 98                      | 110                     |
| Saint Lawrence Seaway Development Corporation  | 12                     | 13                      | 13                      |
| Surface Transportation Board                   | 16                     | 17                      | 18                      |
| Maritime Administration                        | 311                    | 312                     | 151                     |
| Bureau of Transportation Statistics 1/         |                        |                         | 4                       |
| Office of Inspector General                    | 44                     | 49                      | 51                      |
| Office of the Secretary                        | 75                     | 137                     | 127                     |
| <b><i>SUBTOTAL</i></b>                         | <b><i>\$55,021</i></b> | <b><i>\$61,251</i></b>  | <b><i>\$62,200</i></b>  |
| Offsetting Collections                         | (279)                  | (206)                   | (262)                   |
| <b>TOTAL Budget Authority</b>                  | <b>\$54,742</b>        | <b>\$61,045</b>         | <b>\$61,937</b>         |

NOTE: Columns may not add due to rounding.

<sup>1/</sup>In all years, additional BTS funding of \$31 million from the Highway Trust Fund is included in the FHWA totals.

# OUTLAYS

(\$ in millions)

|  | 2000            | 2001            | 2002            |
|--|-----------------|-----------------|-----------------|
| <b>ADMINISTRATION</b>                          | <b>ACTUAL</b>   | <b>ENACTED</b>  | <b>REQUEST</b>  |
| Federal Aviation Administration                | \$9,561         | \$11,021        | \$12,188        |
| United States Coast Guard                      | 4,462           | 4,667           | 5,021           |
| Federal Highway Administration                 | 25,207          | 27,458          | 29,944          |
| National Highway Traffic Safety Administration | 328             | 435             | 436             |
| Federal Motor Carrier Safety Administration    | 155             | 237             | 319             |
| Federal Transit Administration                 | 5,330           | 5,507           | 5,727           |
| Federal Railroad Administration                | 759             | 833             | 1,041           |
| Research and Special Programs Administration   | 42              | 118             | 105             |
| Saint Lawrence Seaway Development Corporation  | 12              | 13              | 13              |
| Surface Transportation Board                   | 16              | 18              | 18              |
| Maritime Administration                        | 240             | 324             | 128             |
| Bureau of Transportation Statistics 1/         |                 |                 | 3               |
| Office of Inspector General                    | 45              | 48              | 50              |
| Office of the Secretary                        | 85              | 141             | 129             |
| <b>SUBTOTAL</b>                                | <b>\$46,242</b> | <b>\$50,821</b> | <b>\$55,121</b> |
| Offsetting Collections                         | (279)           | (206)           | (262)           |
| <b>TOTAL</b>                                   | <b>\$45,963</b> | <b>\$50,615</b> | <b>\$54,858</b> |

NOTE: Columns may not add due to rounding.

<sup>1/</sup>In all years, additional BTS funding of \$31 million from the Highway Trust Fund is included in the FHWA totals.

## FULL TIME EQUIVALENT EMPLOYMENT (FTE)

|  | 2000          | 2001           | 2002           |
|--|---------------|----------------|----------------|
| ADMINISTRATION                                 | ACTUAL        | ENACTED        | REQUEST        |
| Federal Aviation Administration                | 48,640        | 49,824         | 50,496         |
| United States Coast Guard                      |               |                |                |
| <i>Civilian</i>                                | 5,816         | 5,999          | 6,001          |
| <i>Military</i>                                | 35,695        | 35,934         | 35,132         |
| Federal Highway Administration                 | 2,697         | 2,931          | 2,935          |
| National Highway Traffic Safety Administration | 612           | 636            | 651            |
| Federal Motor Carrier Safety Administration    | 673           | 770            | 899            |
| Federal Transit Administration                 | 506           | 510            | 518            |
| Federal Railroad Administration                | 723           | 761            | 774            |
| Research and Special Programs Administration   | 863           | 909            | 937            |
| Saint Lawrence Seaway Development Corporation  | 148           | 157            | 157            |
| Surface Transportation Board                   | 133           | 143            | 143            |
| Maritime Administration                        | 873           | 945            | 945            |
| Bureau of Transportation Statistics            | 55            | 114            | 158            |
| Transportation Administrative Services Center  | 281           | 281            | 281            |
| Office of Inspector General                    | 443           | 455            | 455            |
| Office of the Secretary                        | 547           | 568            | 591            |
| <b>TOTAL</b>                                   | <b>98,725</b> | <b>100,937</b> | <b>101,073</b> |
| <i>Civilian</i>                                | 63,009        | 65,003         | 65,941         |
| <i>Military</i>                                | 35,716        | 35,934         | 35,132         |

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# U.S. Department of Transportation



## ***BUDGET IN BRIEF FY 2002***



Norman Y. Mineta  
Secretary of Transportation