Order Code RL30208

CRS Report for Congress

Received through the CRS Web

Appropriations for FY2000: Department of Transportation and Related Agencies

Updated July 26, 1999

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Appropriations are one part of a complex federal budget process that includes budget resolutions, appropriations (regular, supplemental, and continuing) bills, rescissions, and budget reconciliation bills. The process begins with the President's budget request and is bounded by the rules of the House and Senate, the Congressional Budget and Impoundment Control Act of 1974 (as amended), the Budget Enforcement Act of 1990, and current program authorizations.

This report is a guide to the Department of Transportation (DOT) and Related Agencies appropriations bill for FY2000. It is designed to supplement the information provided by the Subcommittees on Transportation of the House and Senate Committees on Appropriations. It summarizes the current legislative status of the bill, its scope, major issues, historic funding levels (by agency and major programs), and requests for the upcoming fiscal year, and related legislative activity. The report lists the key CRS staff relevant to the issues covered and related CRS products.

It will be updated following each major legislative stage, especially following legislative action in the committees and on the floor of the House and Senate.

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Appropriations for FY2000: Department of Transportation and Related Agencies

Summary

For FY1999, the U.S. Department of Transportation (DOT) appropriation was set at $48.4 billion, up from $42.5 billion received in FY1998. The DOT has requested funding totaling $50.3 billion for FY2000, an increase of 4.5% over the enacted level for the previous year. The Senate Appropriations Committee report (S.Rept 106-55; S. 1143) recommends total funding of $49.5 billion. In its report (H.Rept 106-180) on H.R. 2084, issued on June 9, the House Appropriations Committee recommended total DOT funding of $50.7 billion. During floor debate, points of order were sustained which struck the Federal Aviation Administration (FAA) operations budget ($5.9 billion) from the text of the bill. Both appropriators and those who initiated the points of order believe that the FAA operations sections will be restored in conference. An additional $300 million of unobligated AIP funds was also removed by amendment. On June 23, 1999, the House passed H.R. 2084, recommending a total funding of $44.5 billion for the Department of Transportation for FY2000.

Much of the debate over the Department's budget focuses on allocating resources raised by user fees and deposited in specific transportation trust funds. Within this context, a debate has arisen between those in favor of a unified budget vs. those seeking to protect individual programs either by taking them off budget or using fiscal boundaries or "firewalls" to ensure a minimum level of financing. This policy of creating discretionary spending guarantees originated with the provisions of the Transportation Equity Act for the 21st Century (TEA21), legislation that placed "firewalls" around certain categories of the Federal Highway Administration's programs. Those in favor of a unified budget stress the need for flexibility in budgeting, while those opposed emphasize the desirability of earmarking program funding, especially for programs supported by specific user fees and excise taxes. A Federal Aviation Administration (FAA) reauthorization bill, H.R. 1000, proposes also changing the budgetary treatment of the airport and airway trust fund by taking the fund off budget. In its report, the House Appropriations Committee expressed concerns over downward inflexibility from firewalls.

For the Highway Trust Fund, TEA21 provided for the disposition of actual receipts above those forecast and authorized during the life of the legislation. The Revenue Aligned Budget Authority (RABA) provisions require additional trust fund receipts to be redistributed to individual states, based on the formula used to apportion highway dollars. A more thorough discussion of RABA is provided later in this report.

Federal operating aid to Amtrak is prohibited after FY2002 (49 U.S.C. § 24101(a)). The House recommends granting Amtrak's request to use federal capital aid for routine maintenance of equipment and facilities such as track that now comes from federal operating aid. This change would be consistent with current federal law regarding capital aid to transit. Amtrak says it cannot achieve operating self-sufficiency without this change in federal law.

Key Policy Staff

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Federal Transit Administration	William Lipford	RSI	7-7764
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Division abbreviations: RSI = Resources, Science, and Industry Division.

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Most Recent Developments

The funding request for the Department of Transportation was contained in the President's budget submission on February 1, 1999. For FY2000, the U.S. Department of Transportation (DOT) requested total funding of $50.3 billion, an amount about 4.5% above the enacted level of $48.4 billion for FY1999. On May 27, 1999, the Senate Appropriations Committee ordered reported its FY2000 transportation appropriations bill (S. 1143; S.Rept. 106-55) recommending total funding of $49.5 billion. On June 9, 1999, the House Appropriations Committee recommended (H.Rept 106-180 on H.R. 2084) total funding of $50.7 billion. On June 23, 1999, the House passed H.R. 2084, establishing a total funding of $44.5 billion for the Department of Transportation for FY2000 (Roll No. 250). During the House floor debate, points of order were sustained which struck the Federal Aviation Administration (FAA) operations budget ($5.9 billion) from the text of the bill.. Both appropriators and those who initiated the points of order believe that the FAA operations sections will be restored in conference. An additional $300 million of unobligated AIP funds was also removed by amendment. Both the House and Senate spending levels appear to be in conformance with the FY2000 budget resolution, H.ConRes. 68, which recommended a total funding level for all transportation (function 400) programs of $51.8 billion.

The Transportation Appropriations Framework

Transportation is Function 400 in the annual unified congressional budget. It is also considered part of the discretionary budget. Funding for the DOT budget is derived from a number of sources. The majority of funding comes from dedicated transportation trust funds. The remainder of DOT funding is from Federal Treasury general funds. The transportation trust funds include: the highway trust fund, the transit account of the highway trust fund, the airport and airway trust fund, and the inland waterways' trust fund. All of these accounts derive their respective funding from specific excise and other taxes.

Together, highway and transit funding constitutes the largest component of DOT appropriations, and can account for 60% to 70% of total federal transportation spending in any given year. Most highway, and the majority of transit, programs are funded with contract authority derived by the link to the highway trust fund. This is very significant from a budgeting standpoint. Contract authority is tantamount to, but does not actually involve, entering into a contract to pay for a project at some future date. Under this arrangement, specified in Title 23 U.S.C., authorized funds are automatically made available at the beginning of each fiscal year and may be obligated without appropriations legislation. Appropriations are required to make outlays at some future date to cover these obligations.

Where most federal programs require new budget authority as part of the annual appropriations process, transportation appropriators are faced with the opposite situation. That is, the authority to spend for the largest programs under their control already exists and the mechanism to obligate funds for these programs is also in place.

Prior to the FY1999 Appropriations Act changes in spending in the annual transportation budget component had been achieved in the appropriations process by combining changes in budget/contract authority and placing limitations on obligations. The principal function of the limitation on obligations is to control outlays in a manner that corresponds to congressional budget agreements.

The authority to set a limitation on obligations for contract authority programs gave appropriators considerable leeway in allocating funds between the various federal transportation activities in function 400, which includes agencies such as the Coast Guard and the Federal Aviation Administration. In addition, the inclusion of the highway and transit programs and their trust fund generated revenue streams in the discretionary budget that provided appropriators with additional flexibility as part of the annual process by which available funds were allocated amongst the 13 standing appropriations subcommittees in the House and the Senate.

Changes in Transportation Appropriations as a Result of TEA21

TEA21 changed this procedure in two ways. First, it created new budget categories and second, it set statutory limitations on obligations. The Act amends the Balanced Budget and Emergency Deficit Control Act of 1985 to create two new budget categories: highway and mass transit. The Act further amends the budget process by creating a statutory level for the limitation on obligations in each fiscal year from FY1999 to FY2003. In addition, TEA21 provides a mechanism to adjust these amounts in the highway account, but not the transit account, to correspond with increased or decreased receipts in the highway generated revenues.

The net effect of the creation of these budget categories is a predetermined level of funding for core highway and transit programs, referred to in TEA21 as a discretionary spending guarantee. These categories are separated from the rest of the discretionary budget in a way that prevents the use of funds assigned to these categories for any other purpose. These so called "firewalls" are viewed, in the TEA21 context, as guaranteed and/or minimum levels of funding for highway and transit programs. Additional funds above the firewall level can be made available for highway and transit programs through the annual appropriations process.

TEA21 changes the role of the House and Senate Appropriations and Budget Committees in determining annual spending levels for highway and transit programs. The Appropriations Committees are precluded from their former role of setting an annual level of obligations. In addition, it appears that the Appropriations Committee, at least in the House, is precluded, at least in part, from exercising what some Members view as their traditional option of changing spending levels for any program or project.

The TEA21 firewalls appear to diminish the flexibility of the Committees on Appropriations to meet the goals of the annual budget process, because they can only adjust the DOT agency/program budgets outside the firewalls. Hence, any reduction in spending for Function 400 must be allocated to these agencies/programs. This has raised special concern for supporters of the FAA, the Coast Guard, and Amtrak, which are the largest DOT functions without firewall protection. See the key policy issues section for further amplification.

On June 15, 1999 the House completed action on H.R. 1000, the Aviation Investment and Reform Act for the 21st Century (AIR21). H.R. 1000 contains provisions that take the aviation trust fund off-budget. Off-budget differs from firewalls and would give the trust fund status similar to the Social Security Trust Fund as far as the annual budget debate is concerned.

The budget treatment of the aviation trust fund has become a particular issue in the 106th Congress. The aviation trust fund is expected to have large unobligated balances in the years ahead unless spending from the fund is increased, or the fund's tax revenues are decreased. This situation, combined with the belief in some quarters that FAA spending is constrained by the TEA21 firewalls in the appropriations process, has heightened interest in providing some sort of budgetary protection for aviation.

Supporters of the Coast Guard are also concerned about the new transportation appropriations environment. The Coast Guard is not funded by a trust fund, and hence cannot claim a user fee base to support an argument for its own budget firewalls. The Coast Guard has a unique status within the transportation budget category because of its wartime role in national defense. It is not unusual for the Coast Guard to receive some funds from military appropriations during the annual appropriations process. It is possible that the Coast Guard will seek additional funding from the military side of the budget in the years ahead if additional funds from transportation appropriations do not become available. Amtrak does not have a similar option.

FY2000 Budget Request

For FY2000, the DOT requested total funding of $50.3 billion, about a 4.3% increase from the FY1999 enactment of $48.4 billion.[1] In percentage terms, the agencies targeted for gains include (in descending order): Office of the Secretary (OST, +50.6%); Research and Special Programs Administration (RSPA, +19.4%); Federal Transit Administration (FTA, +13.0%); National Highway Traffic Safety

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[1]This total has been adjusted to exclude appropriations of $181 million for MARAD. For greater details on MARAD appropriations, see CRS Report RL30209, *Appropriations for FY2000: Commerce, Justice, and State, the Judiciary, and Related Agencies*, coordinated by Edward Knight.

Administration (NHTSA, +12.2%); Surface Transportation Board (STB, +6.3%); Federal Highway Administration (FHWA, +4.3%); Federal Aviation Administration (+3.9%); and the Office of the Inspector General (OIG, +2.5%). Those whose FY2000 request was lower than the previous year include: Federal Railroad Administration (FRA, -4.0%); and the United States Coast Guard (USCG, -3.9%).[2] The actual amounts requested, by program, are provided in Figure 1.

Figure 1. Department of Transportation Request for FY2000

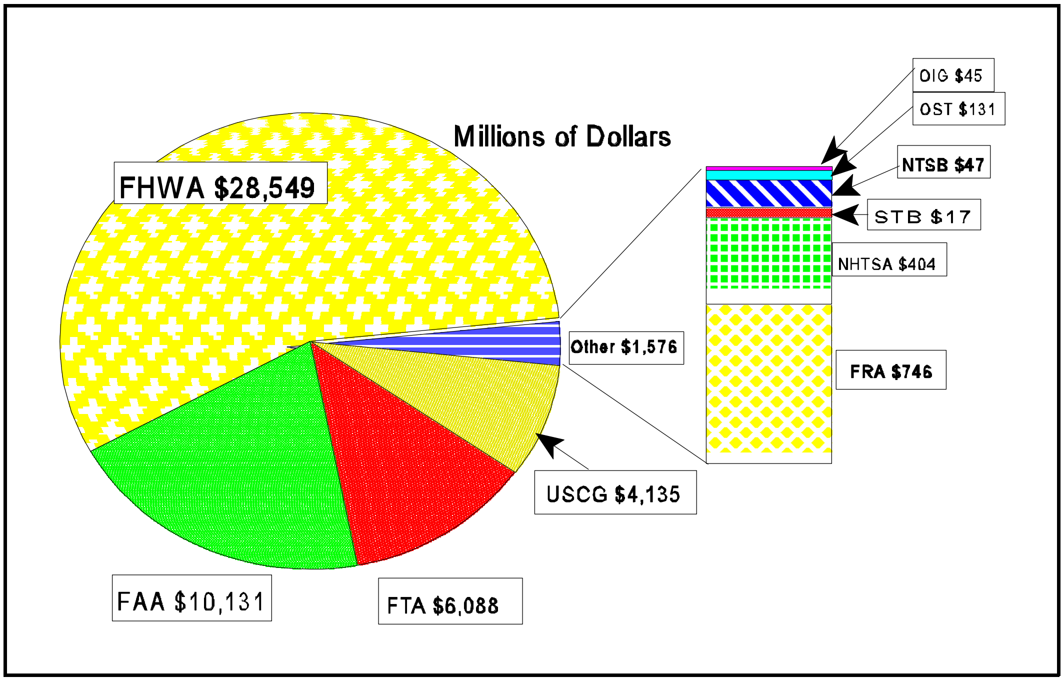

Table 1. Status of Department of Transportation Appropriations for FY2000

Subcommittee Markup		House Report	House Passage	Senate Report	Senate Passage	Conference Report	Conference Report Approval		Public Law
House	Senate						House	Senate	
HR2084 5-27-99	S. 1143 5-25-99	106-180 6-09-99	6-23-99	106-55 5-27-99	—	—	—	—	—

Key Policy Issues

The debate over FY2000 DOT appropriations includes the major issues of: (1) allocating funds among competing DOT programs, and (2) seeking a compromise between the concept of a unified budget versus specifically earmarked, "off budget" activities. Competition for funds stems from various transportation interests and from

[2]No appropriation is requested for the Saint Lawrence Seaway Development Corporation for FY2000 as financing is proposed to be derived from an automatic annual payment from the Harbor Maintenance Trust Fund.

the modal administrations themselves. Monies have been allocated for a diverse array of purposes, for example, to pay for the expenses of the U.S. Coast Guard, to improve safety throughout the various modes of transportation, and to help finance various infrastructure needs. In the DOT and Related Agencies Appropriations Act, monies are also provided to support the National Transportation Safety Board, the Surface Transportation Board (STB), and several other transportation-related independent agencies.[3]

The perennial question of priorities surrounds the appropriations process. Throughout its budget request, the DOT continues to emphasize several priorities including: safety, infrastructure, innovative financing, environmental enhancement, technology, and national security.

Much of the appropriations process must take place within the framework created by the newly enacted Transportation Equity Act for the 21st Century (TEA21), signed into law on June 9, 1998 (P.L. 105-178, H.R. 2400). The Act authorized appropriations for key surface transportation programs through fiscal year 2003. The general sense of Congress appears to be that, although transportation trust funds are not sacrosanct, proceeds from the Federal fuels taxes must be targeted toward the capital and recurring needs of the vast U.S. highway and transit network, and not viewed as a source of general revenue. Although attempts to move highway and transit programs "off-budget" prior to the 106th Congress were unsuccessful, Congress did insert language within TEA21 to protect specific funding by creating firewalls around selected programs. The firewalls effectively created minimum funding levels for the selected programs. However, their creation has caused a congressional debate between the authorizers and appropriators over who should exercise ultimate authority for spending levels. Firewalls established by authorizing committees guarantee minimum funding for selected programs, but in the process, are seen by some as reducing the funding that might have been allocated to other (unprotected) programs. Thus, unprotected programs must compete for finite amounts, generally capped by the budget resolution. A similar initiative is underway for air transportation through H.R. 1000, although it drops the firewall provision while retaining off-budget provisions.

TEA21 also contained a provision (Section 1105, Revenue Aligned Budget Authority — RABA) that authorizes DOT to redistribute trust funds, in excess of projected receipts, to the various states for Title 23, highway programs. According to RABA, the additional revenues are to be allocated to the states, using the formulas spelled out in the law. However, the FY2000 DOT request redirects these funds from highway programs to other DOT initiatives, predominantly environmental activities associated with the Congestion Mitigation and Air Quality (CMAQ) program and transit.

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[3]DOT proposed that the Surface Transportation Board (STB) be fully funded by user fees in FY1998. The STB and its predecessor, the Interstate Commerce Commission, have never been fully funded by user fees. For further information, see CRS Report 96-67, *The Surface Transportation Board (STB): An Overview and Selected Public Policy Issues*, by Stephen Thompson.

Major Funding Trends

Table 2 shows Department of Transportation actual funding levels for FY1988 through FY1998, enacted funding for FY1999, and requested funding for FY2000. The major portion of these funds are attributed to contract authority.[4] Total DOT funding almost doubled from FY1988 through FY1999 (enacted). Totals may not include some user fee collections; consequently, program totals may vary from other figures cited in the text.

Table 2. Department of Transportation Appropriations: FY1988 to FY2000 Request
(in millions of dollars)

Fiscal Year [a]	Appropriation [b]
FY1988 Actual	25,779
FY1989 Actual	27,362
FY1990 Actual	29,722
FY1991 Actual	32,776
FY1992 Actual	36,184
FY1993 Actual	36,681
FY1994 Actual	40,359
FY1995 Actual	38,878
FY1996 Actual	37,378
FY1997 Actual	40,349
FY1998 Actual	[c] 42,381
FY1999 Enacted	[c] 48,180
FY2000 Request	[c] 50,333

[a] "Actual" amounts from FY1988 to FY1998 include funding levels initially enacted by Congress in the Department of Transportation and Related Agencies appropriations bill as well as any supplemental appropriations and rescissions legislation enacted at a later date for that fiscal year.

[b] Amounts include obligations, limitations, DOD transfers, and exempt obligations.

[c] These totals have been adjusted to exclude appropriations for the Maritime Administration (MARAD) which, for FY1998, FY1999, and FY2000, amount to $139 million, $171 million, and $181 million respectively. For greater details on MARAD appropriations, see CRS

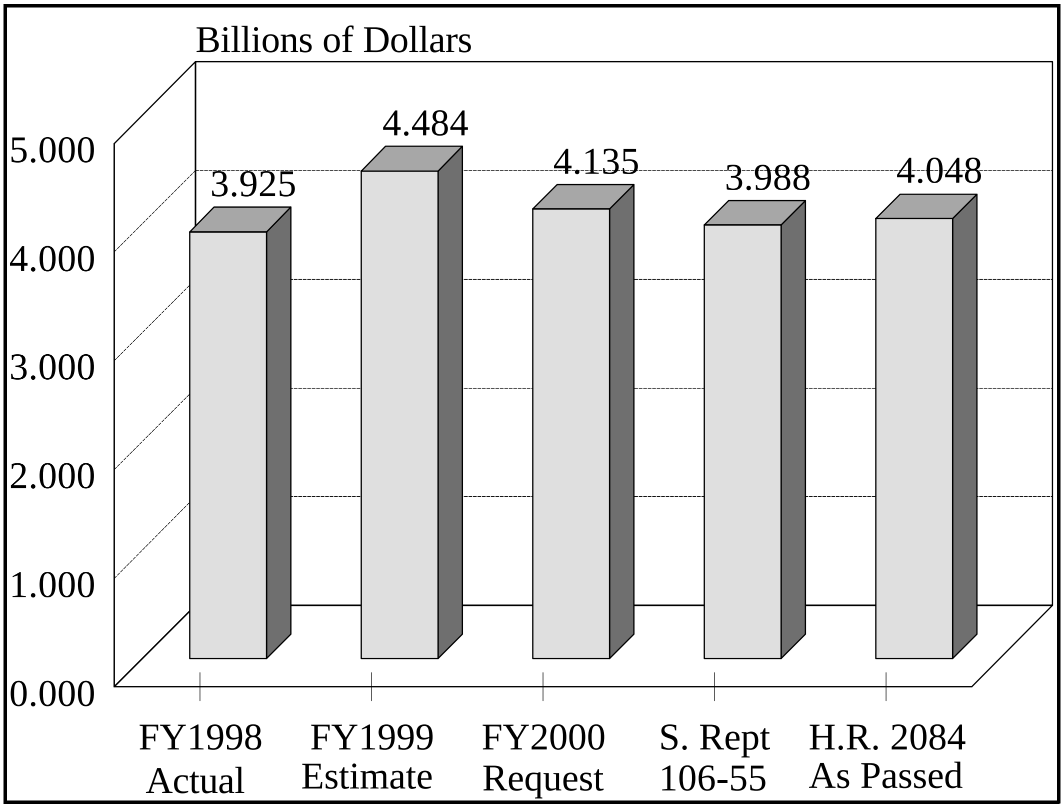
[4]Starting in the early 1990s, about $300 million of the funds shown in Table 1 were transferred from the DOD Appropriations budget to DOT. These monies are used to support Coast Guard activities. The amounts requested for FY2000 are provided in Table 3 at the end of this report.

Report RL30209, *Appropriations for FY2000: Commerce, Justice, and State, the Judiciary, and Related Agencies*, coordinated by Edward Knight.

Coast Guard

[http://www.uscg.mil/]

Figure 2. U.S. Coast Guard Appropriations



The Coast Guard appropriation is constrained, and its management challenged, by increased responsibilities for drug and illegal immigrant interdiction on the high seas as well as by its aging fleet of water craft and aircraft. The Administration requests $4.1 billion for Coast Guard discretionary funds in FY2000. Compared to the total $4.5 billion appropriated in FY1999 (including emergency and supplemental appropriations), the FY2000 request would be $358 million, or 8%, less than all FY1999 funds.[5] In addition to these discretionary funds, there are mandatory funds of $64 million for State Boating Safety grants. On May 27, 1999, the Senate Appropriations Committee approved $4.0 billion in S.1143 (S.Rept. 106-55). House

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[5]This FY1999 total includes $3.9 billion in the FY1999 Department of Transportation and Related Agencies Appropriations Act as included in P.L. 105-277 and an additional $376 million in emergency funds in the Omnibus Consolidated and Emergency Supplemental Appropriations Act (P.L. 105-277, Division B). P.L. 106-31, the FY1999 Supplemental, also appropriated $200 million more in additional FY1999 funds - to be carried into FY2000. In reporting FY2000 bills, the House Committee included these additional FY1999 funds it is totals and the Senate Committee excluded them.

Appropriations Committee approved $4.0 billion June 8, 1999 in H.R. 2084, H.Rept. 106-180. In passing H.R. 2084 on June 23, the full House approved the Committee-reported $4.0 billion and adopted no amendments affecting the committee recommendations for the Coast Guard. Coast Guard programs are authorized every two years; see CRS Report RS20117, *Coast Guard FY2000 and FY2001 Authorization Issues*, for discussion of current congressional consideration of authorization bills.

The Coast Guard budget request of $4.135 billion would allow the Coast Guard to continue its activities against drug smuggling and recapitalize aircraft and vessel fleets. Of this amount, $2.941 billion (a 4% decrease compared to FY1999) would be allocated to operation and maintenance of a wide range of ships, boats, aircraft, shore units, and aids to navigation, including $334 million in defense-related funding. The Senate Committee recommended $2.772 billion; the House-passed $2.791 billion. Another major component of the request would assign funds for acquisition, construction and improvement. For this function, the Administration is seeking $350 million, a 44% decrease from FY1999, if compared to total FY1999 funds [6]. S. 1143 would fund this at $370.4 million and House-passed H.R. 2084 at $410 million. For research during FY2000, the agency is requesting $22 million, an 83% increase over the current fiscal year. The Senate-reported bill would fund this at $17 million; the House-reported bill at $18 million. The Senate report also recommended about $730 million for Coast Guard retirement; The full House approved $721 million, levels in line with the current estimate. The Administration requested and both Appropriations Committees recommended $72 million to train, support, and sustain a ready military Selected Reserve Force of 7,600 members for direct support to the Department of Defense and to provide surge capacity for responses to emergencies such as cleanup operations following oil spills. In addition, the Administration requested and the House Committee recommended $21 million for research; and the Senate Committee recommended $17 million, the same as current year funding.

A prominent issue is the Coast Guard's management of a major planned replacement of aging and outmoded high seas' vessels and aircraft. Only planning and analysis funds are included for this in the FY2000 request; actual purchases of nearly $10 billion are anticipated over a 20-year period beginning in FY2002. At House Transportation and Infrastructure hearings on February 11, 1999, and at the Transportation Subcommittee of the House Appropriations Committee hearing March 16, 1999, the General Accounting Office criticized the agency's handling of this vital replacement program. CRS Report 98-830 F, *Coast Guard Integrated Deepwater System: Background and Issues for Congress*, discusses the issues associated with the program. In reporting S. 1143, the Senate Appropriations Committee included several provisions in the bill language relating to these needs. These include a requirement that funds from aircraft sales be credited to the Deepwater Replacement Project Revolving Fund (created by a provision in S. 1143) for new aircraft purchases. The bill also permits the Commandant to dispose of specified Coast Guard facilities. As specified in S. 1143, proceeds from the sale of these facilities would be deposited into the Deepwater Replacement Project Revolving Fund. House-reported H.R. 2084

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[6]Note: The addition of one-time FY1999 funds referenced in footnote 1 contribute to this difference.

(H.Rept. 106-180), the House also included bill language providing for the crediting of sales of disposed property to this appropriation account. It also specifies that the Coast Guard must submit a comprehensive capital investment plan with its FY2001 budget justification.

Another issue involves the Coast Guard's planned use of user fees. The budget anticipates using $41 million from new user fees for recapitalization of vessels, information management and Coast Guard shore infrastructure not part of the deepwater replacement effort. The Administration will propose legislation to authorize user fees for commercial cargo vessels and cruise ships; it anticipates collecting $41 million in FY2000 and $165 million annually when fully operational. Proposals for user fees for traditional Coast Guard services such as buoy placement and vessel traffic regulation have been controversial. Some argue that these services should be funded from general funds because of their widespread benefits; others argue that user fees should be assigned in instances where the beneficiaries can be clearly identified. In reporting S. 1143, the Senate Appropriations Committee included several provisions in the bill language relating to these needs. These include a requirement that funds from aircraft sales be credited to the Deepwater Replacement Project Revolving Fund (created by a provision in s. 1143) for new aircraft purchases. The bill also permits the Commandant to dispose of specified Coast Guard facilities. As specified in S. 1143, proceeds from the sale of these facilities would be deposited into the Deepwater Replacement Project Revolving Fund. The House also included bill language providing for the crediting of sales of disposed property to this appropriation account. It also specifies that the Coast Guard must submit a comprehensive capital investment plan with its FY2001 budget justification.

Federal Railroad Administration (FRA)

[http://www.fra.dot.gov]

For FY2000, the Administration has requested a total of $653 million in total budget authority for the FRA.[7] This figure is down from the $774 million for FY1999, and from the $743 million actual figure for FY1998. The Senate Appropriations Committee recommends $729 million and the House-passed H.R. 2084 recommends $719 million.

The most notable reduction from the FY1999 amount is the $38 million lower request for Amtrak. Amtrak issues are discussed in a separate section below.

Railroad Safety and Technology. The FRA is the primary federal agency that promotes and regulates railroad safety. In P.L. 105-277, Congress appropriated about $77.3 million in FY1999 to fund the expenses associated with FRA's Office of Safety and the expenses of associated offices within FRA. In the FY2000 budget, the Administration requested about $95.5 million for the railroad safety program and associated offices. Most of those funds would be used to pay for salaries as well as associated travel and training expenses for field and headquarters staff and for

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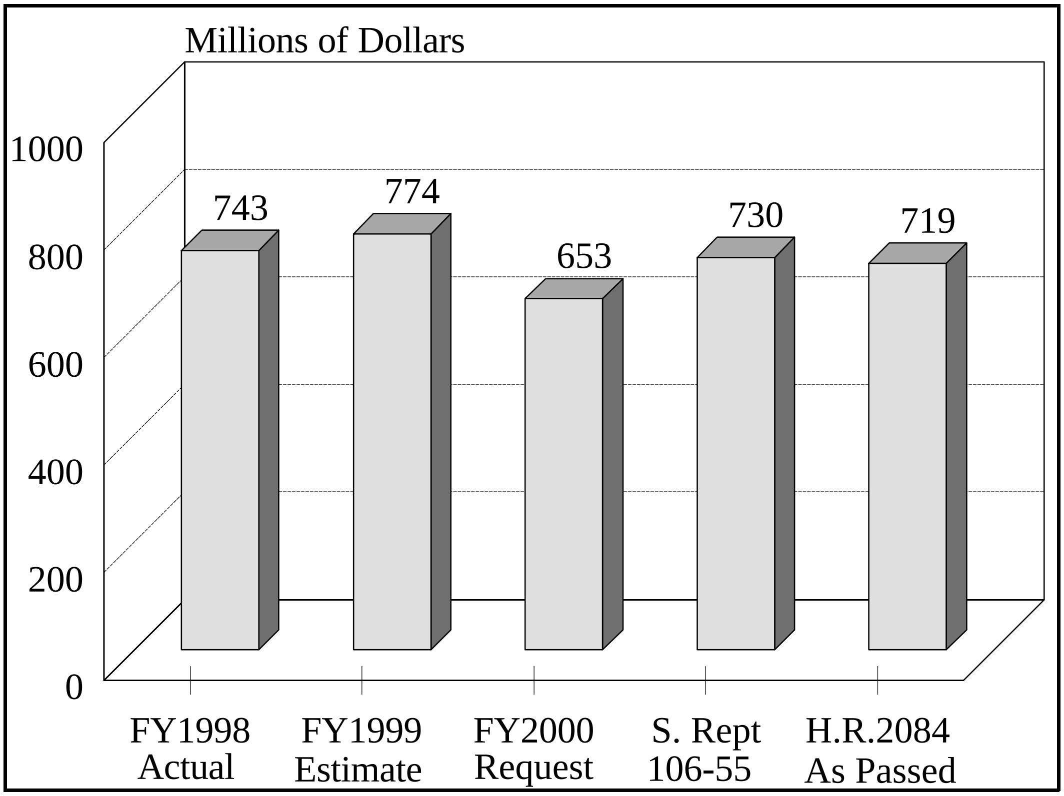
[7]This amount excludes $93 million in current and proposed federal receipts for a total of $746 million. See Budget of the United States, Fiscal Year 2000, Appendix, page 762.

information systems monitoring the safety performance of the industry.[8] The Senate Appropriations Committee recommended $91.8 million and the House-passed H.R. 2084 recommends $94.4 million for those activities.

Figure 3. Federal Railroad Administration Appropriations



The last railroad safety reauthorization statute was enacted in 1994 and funding authority for that program expired at the end of FY1998. FRA's safety programs continue using the authorities already specified in federal railroad safety law and funds appropriated annually. Subcommittees of the Senate Commerce, Science, and Transportation Committee and the House Transportation and Infrastructure Committee held extensive hearings during the 105th Congress on various railroad safety issues. Those deliberations did not result in a consensus to enact a law that would have authorized continued funding for the regulatory and safety compliance activities conducted by the FRA or change any of the existing authorities used by that agency to promote railroad safety. Any reauthorization statute enacted during the 106th Congress could change the scope and nature of FRA's safety activities, but that new safety law would most likely affect budgets after FY2000.

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[8]Those funds also are used to conduct a variety of initiatives, including the Safety Assurance and Compliance Program (SACP) the Railroad Safety Advisory Committee (RSAC), and field inspections. SACP involves numerous partnerships forged by railroad management, FRA personnel, and labor to improve safety and compliance with federal railroad safety regulations. RSAC uses a consensus-based process involving hundreds of experts who work together to formulate recommendations on new or revised safety regulations for FRA's consideration.

Especially after the March 1999 crash between an Amtrak train and a truck in Bourbonnais, IL, which resulted in 11 deaths and more than 110 injuries, the 106th Congress is paying particular attention to railroad-grade crossing safety. Relevant issues include: Are FRA's grade crossing activities adequate and effective? How is FRA helping the states deal with that safety challenge? Is FRA's FY2000 budget adequate to deal with that challenge? Congressional reaction to the answers of those questions could have a bearing on the railroad safety budget for FY2000.

To support its safety program, the FRA conducts research and development (R&D) on a diverse array of topics, including fatigue of railroad employees, technologies to control train movements better (positive train control), track research, and grade crossing safety. For FY2000, the FRA is requesting $21.8 million for railroad R&D compared to $22.4 million appropriated in FY1999. The Senate Committee on Appropriations provided $22.4 million and the House-passed H.R. 2084 appropriated $21.3 million for railroad R&D. In the reports accompanying each of the transportation appropriation bills and the conference report, the appropriations committees historically have allocated the railroad R&D funds among various research categories pertaining to safety.

High Speed Rail and Maglev. For FY2000, FRA is requesting $12 million of appropriated funds and $10 million of RABA funds to continue the Next Generation High Speed Rail Program. In FY1999 $20.494 million was appropriated for that program. TEA21 also authorizes $20 million of contract funds in FY2000 to support the Magnetic Levitation (Maglev) Transportation Technology Deployment Program. The Administration has not requested liquidating authority to use those funds, but instead proposes to use $20 million of RABA funds to support research to reduce the costs of maglev systems. In FY1999 TEA21 authorized $15 million of contract funds to conduct the maglev program. For FY2000, the Senate Committee on Appropriations rejected the Administration's request for maglev, and instead recommended the $20 million of contract funds authorized in TEA21 for maglev. The House Appropriations Committee also rejected the Administration's request for maglev, and left intact the funding provided in TEA21 for maglev.

Amtrak

[http://www.amtrak.com]

The FY1999 budget authority for Amtrak was $609 million compared to $594 million in FY1998. These figures do not include an estimated $1.1 billion in funds available to Amtrak each year in FY1998 and FY1999 from the Taxpayer Relief Act of 1997. The Administration requests $571 million for FY2000,[9] as does the Senate Appropriations Committee and the House-passed H.R. 2084..

Amtrak's financial condition remains weak. The Administration requests a change in legislation allowing Amtrak to use "capital" grants for routine maintenance of equipment and facilities such as track. Amtrak testified before Congress in March

[9]For further discussion, see CRS Issue Brief 97030, *Amtrak and the 106th Congress*, by Stephen Thompson.

1999 that without this change in legislation, Amtrak might not make it through FY1999, the current fiscal year, on a cash basis. Amtrak typically borrows money from a private-sector line-of-credit near the end of each fiscal year to bridge the gap between its operating loss and federal financial assistance. Amtrak typically repays the loan early in each new fiscal year.

Federal operating aid to Amtrak is prohibited after FY2002 (49 U.S.C. sec. 24101 (a) (1999)). The DOT Inspector General, at the request of Congress, has evaluated Amtrak operations and outlook, and concluded that Amtrak probably will continue to require federal financial operating assistance after FY2002.

In addition to the funding already discussed, the DOT IG estimates that over the next several years, Amtrak will require $2.7 billion to $4 billion in federal funds for new equipment and improvements to signaling and track. Some of these funds would be used to upgrade track between Washington, DC, and New York City. Beyond this amount, the DOT IG estimates that Amtrak will have additional, continuing requirements for such federal funding for the foreseeable future.

Amtrak Reform Council. Amtrak Reform Council funding is presented within the Federal Railroad Administration budget request. The budget authority for the council was $450,000 in FY1999 compared to $50,000 in FY1998. The Administration requests $750,000 for FY2000. The Senate Appropriations Committee recommends $950,000 to be available through September 30, 2001, and the House , recommends $450,000 to be available through December 30, 2001. The Senate bill (sec. 331) requires that the annual report of the council to Congress include the identification of Amtrak routes which are candidates for closure or realignment.

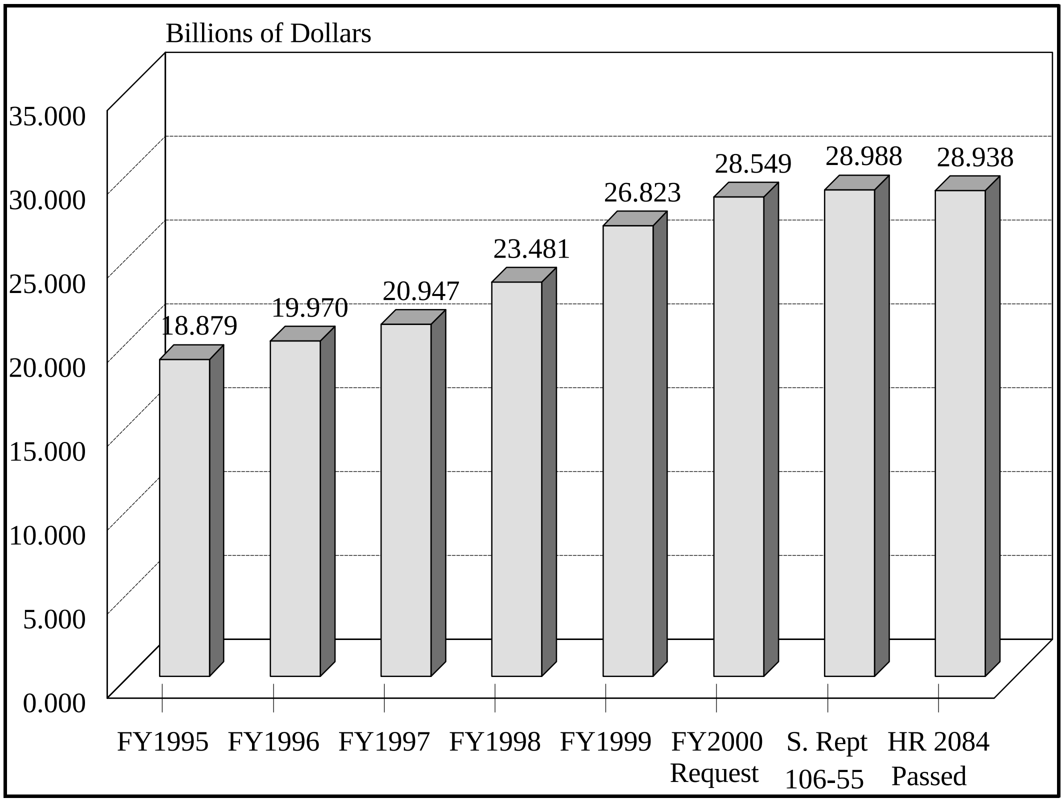
The council was created in FY1998 to perform an independent assessment of Amtrak's labor agreements, Amtrak's progress in increasing employee productivity, and Amtrak's ability to operate without federal operating assistance after September 30, 2002. If the council concludes, anytime after December 2, 1999, that Amtrak will require federal operating assistance after September 30, 2002, then the council is required to submit to Congress an Amtrak reorganization plan, and Amtrak is required to submit to Congress an Amtrak liquidation plan. Congress expanded the council's mandate by directing it to identify for Congress which Amtrak routes are candidates for closure or realignment.

Federal Highway Administration (FHWA)

[http://www.fhwa.dot.gov/]

For FY2000, the Clinton Administration proposes total budgetary resources of $28.5 billion with an obligation limitation of $27.3 billion. FY1999 appropriations provide the FHWA with total budgetary resources of $26.8 billion. This is $3.3 billion more than was provided in FY1998, or an increase of 14%. The levels provided in the last 2 years show the dramatic growth in FHWA funding that has resulted from passage of the Transportation Equity Act for the 21st Century (P.L. 105-178)(TEA21) in 1998. By way of further comparison, spending in FY1999 was 35% above the FY1995 program level.

Figure 4. Federal Highway Administration Appropriations



S. 1143 honors the TEA21-created program structure and spending guarantee provisions and provides for a small additional increase in spending over the Clinton Administration proposal. The legislation as reported includes total budgetary resources for FHWA of just under $29 billion. Almost all of the programatic changes proposed in the bill affect research programs and intelligent transportation systems (ITS) programs that will be discussed later in this section. The major difference between the Senate bill and the Clinton proposal is in the treatment of revenue aligned budget authority (RABA) funding. The Senate bill dispurses RABA funds of $1.46 billion on the basis of TEA21 formulas, thereby rejecting the Administration's attempt to use these funds for non-highway activities.

H.R. 2084 as passed by the House also honors the TEA21 guarantee levels. Federal aid highway funds and RABA funds are identical to the Senate levels. Total budgetary resources available to FHWA are slightly higher then they are in Senate bill. The Senate bill also rejects the Clinton Administration RABA redistribution proposal. There are small differences between the House and Senate bills. For example, the House and Senate each identify a list of projects that should be completed using federal lands highway program funds. The projects lists, however, name entirely different projects. In addition, the House lists projects for the transportation and community and system preservation pilot program, while the Senate does not.

TEA21 created the largest surface transportation program in U.S. history. For the most part, however, it did not create new programs. Rather, it continued most of the highway and transit programs that originated in its immediate predecessor legislation, the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA, P.L. 102-240). Programmatically, TEA21 can be viewed as a refinement and update of the ISTEA process. There are a few new funding initiatives in the Act, such as a border infrastructure program, but the vast majority of funding is reserved for continuing programs.

There are several groupings of highway programs within the highway firewall. Most of the funding is reserved for the major federal aid highway programs, which can be thought of as the core programs. These programs are: national highway system (NHS), interstate maintenance (IM), surface transportation program (STP), bridge replacement and rehabilitation, congestion mitigation and air quality improvement (CMAQ), federal lands, high priority projects (former demonstration project category), Appalachian roads (formerly ineligible for contract authority), most minimum guarantee funds, and national corridor planning and border infrastructure (new program). All of these programs are subject to apportionment on an annual basis by formula and are not subject to program-by-program appropriation.

There is a second category of core highway funding within the firewalls. This so called "exempt" category consists of two elements, an additional annual authorization of minimum guarantee funding ($639 million per fiscal year) and emergency relief ($100 million per fiscal year). These funds are not subject to the annual limitation on obligations.

TEA21 provides a link between the highway generated revenues that flow into the highway account and highway spending. The Act requires that the Secretary of Transportation make an annual evaluation of revenues into the highway account during the previous fiscal year vis-a-vis spending authorized within the highway firewall for the new fiscal year. If revenues go up, program spending is increased. Conversely, spending can go down if revenues go down. The Act uses a formula to determine the direction and amount of highway funding adjustment. This mechanism, known as the Revenue Aligned Budget Authority (RABA), is employed beginning in FY2000.

The FY1999 Appropriations Act provided for a few modest changes in the highway program, but generally followed the program guidance provided in TEA21. One notable and controversial provision in the Act was a clarification of how high priority project funds are distributed under TEA21. The Act gives the states considerable leeway in their treatment of these funds and allows the states to set overall priorities without having to treat each high priority project as a separate pot of money. Finally, the Act provided no funding in the transportation section for the Appalachian highway program although the program received funds from other sources.

The FY1999 Act also provided some highway funding in the emergency supplemental portion of the omnibus act of which it was a part. These provisions provided an additional $100 million for Alabama and Massachusetts that had been promised to these states during the TEA21 debate. Further highway funding from this section is provided for West Virginia and Arkansas. Some of these funds are for the Appalachian highway program. S. 1143 provides $450 million for the AHDP.

The FY2000 budget proposal submitted by the Clinton Administration requests FHWA funding at the TEA21 firewall level, $27.3 billion. In addition, a RABA distribution of $1.4 billion in additional highway funding is forecast. The Administration, however, chose to make the very controversial suggestion that the RABA distribution be reprogrammed to a number of transportation programs outside the RABA firewall. These changes would complement Vice President Gore's recent proposals concerning the Administration's "livability agenda." For example, the Administration has proposed $250 million in additional funding for highway research activities. RABA funding would also be used for highway safety, transit, and rail related activities. As mentioned earlier, Senate appropriations legislation rejects this Administration proposal and dispurses available RABA funds to highway programs as provided for in TEA21. Legislation passed by the House likewise rejects the Administration's RABA proposal.

The RABA proposal would probably require an amendment to TEA21. The respective House and Senate authorizing committees have both stated a reluctance to reopen any debate on the funding formulas in TEA21 linked to RABA funding. In addition, the Administration proposal has been criticized by transportation interest groups such as the American Association of State Highway and Transportation Officials (AASHTO) and the American Public Transit Association (APTA). To date there has been little announced public support for the Administration RABA proposal.

FHWA Research, Development, and Technology Programs. In FY2000, the FHWA is requesting $641 million to support its research, development, and technology-related (RD&T) activities, an increase of $268 million over the FY1999 estimate of $373 million. The request consists of $370 million to conduct RD&T related to FHWA's traditional highway programs, and $271 million to support the National Intelligent Transportation Systems (ITS) program. For FY2000, the House Appropriations Committee specified a limitation on highway transportation R, D, &T of $422.45 million and the Senate Committee on Appropriations provided $391.5 million.

An important issue associated with both components of the RD&T program and, in particular, the ITS deployment program is the earmarking of funds. The appropriators historically have designated a substantial portion of the incentive funds used to accelerate ITS deployment. For example, in FY1999 the appropriators earmarked the entire deployment account by specifying which cities or states would receive those funds and the amounts to be obligated.[10] obligated.[11] Both the House Appropriations Committee and the Senate Committee on Appropriations also earmarked the entire ITS deployment program in their FY2000 recommendations. Many Members and proponents of ITS would prefer to have the deployment funds competitively awarded.

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[10] U.S. House of Representatives. Department of Transportation and Related Agencies Appropriations Act for FY1999. 105th Congress, 2nd Session. H.Rept. 105-825. p. 76-77.

[11] U.S. House of Representatives. Department of Transportation and Related Agencies Appropriations Act for FY1999. 105th Congress, 2nd Session. H.Rept. 105-825. p. 76-77.

The FY2000 budget request poses other issues regarding highway RD&T programs, but one is of particular note. This issue pertains to the use of RABA funds. As previously stated, the Administration is seeking the flexibility to allocate those monies according to its priorities instead of the distribution specified in TEA21. The Administration is proposing to allocate $250 million of the RABA funds to supplement both components of the RD&T program. If highway RD&T programs receive only their proportional share of the RABA funds now allowed under TEA21, the funding for those activities could be increased up to about 5% plus any increase now specified in TEA21 for FY2000, instead of the 72% increase proposed by DOT.[12] This would upset the agreements forged in TEA21 regarding how the RABA funds would be distributed. The Senate Committee on Appropriations and the House Appropriations Committee did not accept the Administration's proposal to use RABA funds to increase R, D, and T activities by 72%.

Motor Carrier Safety Operations. In FY2000 FHWA is requesting approximately $55.4 million for the motor carrier safety (MCS) program that is managed by the newly established Office of Motor Carrier and Highway Safety. In a supplemental request, FHWA requested an additional $5.8 million for that program. The requested funds are used primarily to pay for the salaries and expenses of some 630 staff who conduct audits or reviews of motor carriers, write and revise the Federal Motor Carrier Safety Regulations, and conduct many other activities intended to improve commercial motor vehicle safety. In FY1999, $53.4 million was appropriated for those functions. The Senate Committee on Appropriations and the House Appropriations Committee did not accept the Administration's proposal to use RABA funds to increase R, D, and T activities by 72%.

During the 105th Congress, the Chairman of the Transportation Subcommittee of the House Committee on Appropriations, Representative Frank Wolf, sought to have FHWA's motor carrier safety responsibilities and associated funding transferred to the National Highway Traffic Safety Administration (NHTSA). That proposal was not incorporated into the FY1999 DOT appropriations act. During the 106th Congress, Representative Wolf introduced H.R. 507, seeking to achieve the same objective.

Testimony was presented on that issue on February 23, 1999, at an oversight hearing on transportation safety conducted by the Transportation Subcommittee of the House Appropriations Committee. Representatives of Parents Against Tired Truckers and Advocates for Highway Safety supported the transfer of FHWA's program to NHTSA. DOT officials testified on how NHTSA and FHWA already work cooperatively to promote commercial motor vehicle safety, listed numerous efforts undertaken by the Department to improve truck and bus safety, and offered to work more closely with Congress to achieve safety goals. Representatives of the American Trucking Associations, Inc., and the Owner-Operator Independent Drivers Association, Inc., favored creation of a separate agency or office for motor carriers within DOT focused solely on the motor carrier industry.

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[12] The Administration is proposing to use RABA monies to fund $250 million of the requested increase of $268 million for RD&T.

The outcome of this debate could influence the FY2000 DOT appropriations act since it might determine whether the funds appropriated for the motor carrier safety function would be part of the budget of FHWA, NHTSA, or a new modal administration. Some members of the authorizing committees, however, maintain that they — rather than the appropriations committees — have the authority to determine which modal administration should house DOT's motor carrier safety responsibilities. H.R. 2084 contains a general provision that specifies that none of the funds made available in the Act may be used to carry out the operations and functions of the Office of Motor Carriers and Highway Safety within the FHWA. The Committee stated that it hoped that the authorizing committees would expeditiously report legislation that transfers that office out of FHWA.

In addition to the funds used to conduct FHWA's motor carrier safety program, the FHWA budget request includes $105 million of contract funds authorized by TEA21 to support the Motor Carrier Safety Assistance Program (MCSAP) and various information systems used to promote truck and bus safety, and a supplemental request of $50 million to fund additional MCSAP activities and other safety initiatives. MCSAP provides grants to the states to implement inspection and review programs affecting both interstate and intrastate commercial vehicle operations. In FY1999 $100 million was made available for MCSAP and related information systems. For FY2000 the Senate Appropriations Committee specified $155 million. The House-passed H.R. 2084 appropriates $105 million for those activities.

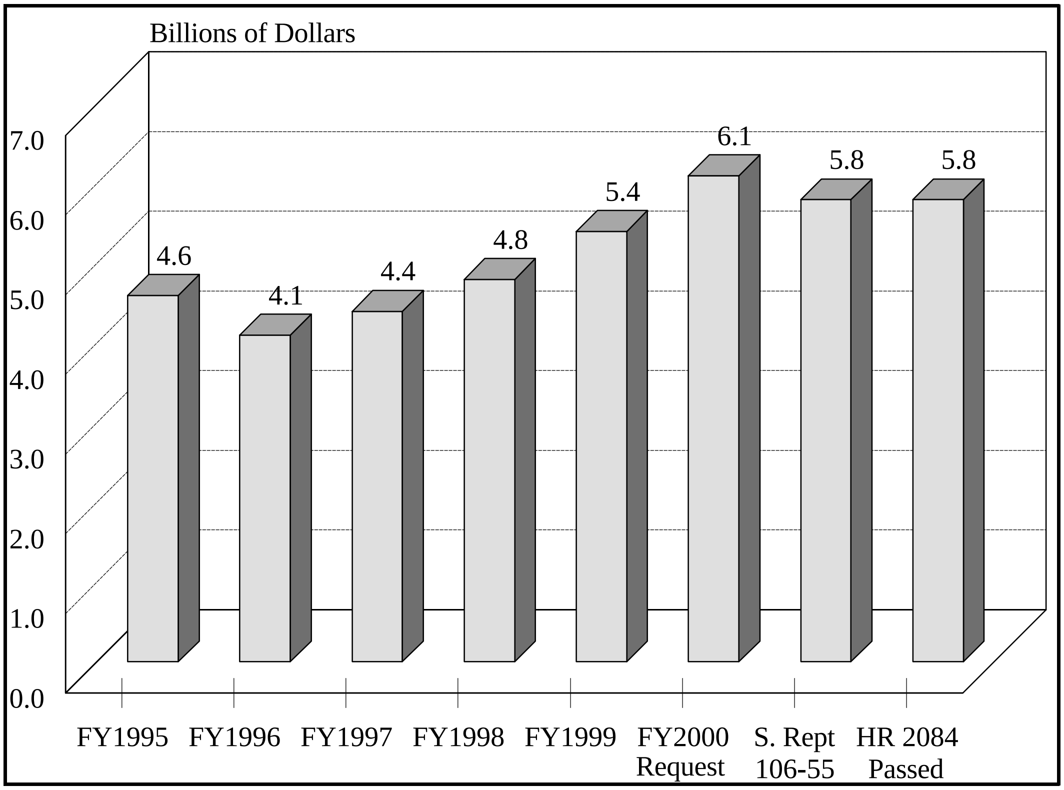
Federal Transit Administration (FTA)

[http://www.fta.dot.gov/]

The Clinton Administration proposes $6.1 billion for transit in FY2000. This represents an increase of almost $700 million, or 14%, over the FY1999 level of $5.4 billion. However, TEA21 authorized $6.8 billion for FY2000, of which, $5.8 billion was guaranteed under the so-called firewall provisions. The additional amount of $291 million over the guaranteed level of $5.8 billion under the Administration's proposal for transit would come from highway gas revenues derived from the Revenue Aligned Budget Authority Act (RABA) funds designated by TEA21 for highway programs. The reallocation of RABA funds is opposed by highway proponents. The American Public Transit Association (APTA) also opposes the Administration's use of RABA funds for transit purposes. APTA believes that the additional funds proposed by the Administration over the guaranteed funding level could be found within the discretionary budget category. However, APTA wants transit to be funded at the full TEA21 authorization level of $6.8 billion for FY2000.

S. 1143 provides FTA with total budgetary resources of $5.8 billion. In doing so the Senate complies with the TEA21 budgetary firewalls. The Senate bill provides no additional transit funding over this amount and rejects the Clinton Administration proposals for the redistribution of RABA funds. The bill includes one feature that is likely to be controversial, a cap on the total amount that any one state may receive from the aggregate total of program capital and formula funds. This cap is set at 12.5% of total funding, and affects only California and New York. The Senate bill lists eligible projects in the programmatic sections of its accompanying report. The Senate does not, however, earmark specific dollar amounts for these projects.

Figure 5. Federal Transit Administration Appropriations



The overall levels of funding provided in H.R. 2084 are identical to those provided in the Senate bill. The House does not have a cap on state receipts from the program. The House bill does provide specific dollar earmarks for capital investment projects, especially for bus and bus related projects and for new starts. There are additional programatic differences between the House and Senate bills. Because the House bill rejects the Clinton Administration RABA proposal, funding in the bill tracks TEA21 guarantees rather than the Administration's budget proposals.

The FY1999 Appropriations Act provided a total of $5.4 billion for FTA. This exceeded FY1998 funding by $549.0 million, an increase of more than 11%. Almost all FTA programs received funding increases. The transit appropriation figures below illustrate the significant increase in funding from FY1998 to FY1999 with the enactment of TEA21. As shown in Figure 5, transit funding under TEA21 reached its highest funding level to date with a request of $5.4 billion in FY1999 and the Clinton Administration has proposed a further increase for FY2000 to $6.1 billion.

There are two major transit programs: the Major Capital Investment Program and the Urbanized Area Formula Program. There are also several smaller formula and planning and research programs.

The Major Capital Investment Program (Section 5309 — formerly known as Section 3) is comprised of three major components: new transit starts, fixed guide way modernization, and bus and bus facilities. For FY2000, the Clinton Administration has proposed a level of $2.5 billion. Section 5309 received $2.26 billion in FY1999, compared to $2.0 billion in FY1998. These funds are allocated on a discretionary basis by FTA or earmarked by Congress.

The Urbanized Area Formula Program (Section 5307 — formerly known as Section 9) provides for the everyday basic urbanized area capital and operating needs. These activities include bus and bus-related purchases and maintenance facilities, fixed guide way modernization, new systems, planning, and operating assistance. For FY2000, the Administration has requested $3.3 billion, an increase over the $3.1 billion enacted for 1999, and over $900 above FY1998. These funds are apportioned on a complicated formula process based, in part, on population and transit service data.

There are also several smaller formula and planning and research programs that received increased funding in FY1999 over FY1998 funding levels. These programs include the Nonurbanized Area Formula Program, the Elderly and Persons with Disabilities Program, and several transit planning and research programs.

TEA21 authorized a new Clean Fuels Formula Grant Program to purchase clean fuel vehicles in urbanized areas. Urbanized areas over 1,000,000 population will receive two-thirds of the funding, with the remaining third to urbanized areas with populations under 1,000,000. The first year these funds were appropriated was in FY1999, in the amount of $100 million. The FY2000 request is also for $100 million.

TEA21 also authorized a new discretionary Job Access and Reverse Grant Program. This program is designed to help welfare recipients and low income persons with transportation assistance to suburban areas to find work. This would provide projects using transit, for individuals needing job training, child care, and for other purposes. The initial funding level was $75 million in FY1999. The FY2000 funding request is for $150 million.

With the enactment of TEA21, operating assistance funding was eliminated for urbanized areas (UZAs) with 200,000 or more population. However, preventive maintenance previously eligible for funding from operating assistance is now allowable under an expanded capital grants formula program. Urbanized areas under 200,000 population, including rural areas (under 50,000 population), can use all of the formula funds for either capital or operating purposes.

Federal Aviation Administration (FAA)

[http://www.faa.gov/]

For FY2000, the Administration proposes to fund the entire FAA with a combination of current excise taxes and new user fees, and to establish a Performance-based Organization (PBO) for air traffic services.[13] The funding level for the FAA would

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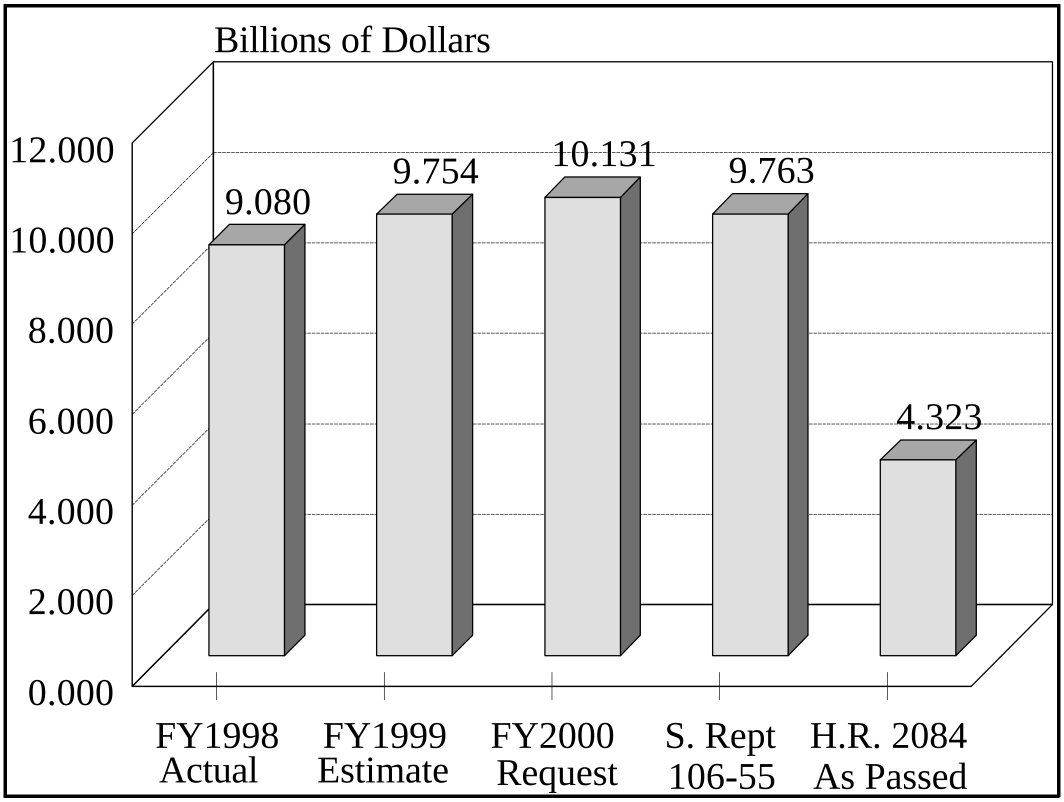
[13]A PBO is a distinct management unit within a government agency with strong incentives to manage for results. It would commit to specific measurable goals with targets for improved performance. In exchange, it is granted managerial flexibilities and accountability to achieve these targets. In order to become a PBO, an organization must have a clear mission with measurable services and a measurement system in place or in development. The organization should have a focus on external customers and its operation should be separate from (continued...)

be increased by about 4% over the FY1999 level. The budget request emphasizes two major areas: (1) safety initiatives to reduce the fatal accident rate on U.S. commercial carriers 80% by 2007; and (2) the upgrading of air traffic control automation to allow efficiencies through more direct flights.

Figure 6. Federal Aviation Administration Appropriations



The Senate bill (S. 1143) provides a total of $9.8 billion for FAA programs, compared to the Administration's requested level of $10.1 billion.[14] Funding for the Airport Improvement Program (AIP) would rise to $2 billion. The House Appropriations Committee, recommended $10.5 billion for the FAA, including $2.25 billion for the AIP. The House and Senate have both trimmed the Operations and F&E accounts while boosting the AIP program. In the RE&D account, the Senate bill would provide funding at the present $150 million level, while the House-passed H.R. 2084 provides full funding of the Administration's $173 million request.

[13](...continued)
policymaking. There must be a clear line of accountability to an agency head who would have policy responsibility. Finally, there must be funding levels that correspond to the organization's business operations.

[14]Senate Report 106-55 includes three different numbers for total FAA funding. The text on page 41 sets forth $11.2 billion as the total and the tabular summary on page 41-42 sets the Committee recommendation at $10.1 billion. For consistency, this CRS report relies on the numbers from the Comparative Statement of New Budget Authority on pages 172-181, which gives $9.8 billion as the overall recommended total for FAA.

On June 23, 1999, the House passed H.R. 2084, with total FAA funding of $4.3 billion. All funding for FAA operations has been deleted as a result of multiple points of order during house debate. Both appropriators and those who initiated the points of order believe that the FAA operations sections will be restored in conference. In addition, $300 million of unobligated AIP balances was rescinded.

FAA Reauthorization. . FAA programs are currently operating under short term authorizations. The Airport Improvement Program (AIP) is authorized through August 6, 1999, while other programs are authorized through September 30, 1999. Two multi-year reauthorization proposals are under consideration, both of which could have a significant impact on FY2000 appropriations. The House and Senate bills have major differences, especially in their treatment of the aviation trust fund.

H.R. 1000, the Aviation Investment and Reform Act for the 21st Century, or AIR-21, has been marked up twice. In its original version H.R. 1000 was a five year, $89 billion measure. The version of the bill modified during the May 27 mark-up leaves FY2000 near current levels and authorizes $57 billion for FY2001 through FY2004. Although the modified version dropped the "firewall" provisions, it still includes other statutory protections for aviation trust fund spending. S. 82, the Air Transportation Improvement Act, is nearly identical to the FAA reauthorization bill that the Senate approved last year (S. 2279). The bill would extend the FAA and aviation trust fund programs, including the AIP, for two years at slightly increased levels over current spending.

Operations. The $6.039 billion requested for operations is 8.5% more than was appropriated in FY1999 and will cover mandatory cost increases and additional staffing. To keep pace with the growth in airline traffic, the Administration is asking for $4.7 billion for air traffic services, an increase of 8%. The increase includes funding for 100 additional field maintenance technicians and $80 million to bring on-line and maintain air traffic control and aeronautical navigation equipment now being delivered as part of the modernization of the air traffic control system. The operations budget also includes $668 million for aviation regulation and certification, and $145 million for civil aviation security. It provides for 30 additional aviation medicine, certification and rulemaking personnel, plus over $3 million to support the Safer Skies agenda to improve aviation safety, and $10 million to improve information security. At this time, neither the House nor Senate appropriations bills provide funding for a general fund share for operations, leaving the operations budget to be funded out of the aviation trust fund.

Facilities and Equipment (F&E). The $2.319 billion F&E request is 11% more than FY1999 and will be used to improve and modernize the national air space system infrastructure. The request includes:

- $1.124 billion for procurement and modernization of air traffic control facilities. Of this $130 million for the standard terminal automation replacement system project will fund procurement of 51 systems, providing a fully digital infrastructure to terminal control facilities and more sophisticated software automation aids for air traffic controllers. $85 million is provided for replacement of the Host computer and display replacement system for en route centers. $136 million is provided to procure 24 terminal digital radar systems.

- $447 million for development, test and evaluation of new systems. Major areas are automation and communication improvements in support of Free Flight Phase I.[15] Allowing pilots to fly direct routes will improve efficiency of the air traffic control system.

- $194 million for the procurement and modernization of non-air traffic control facilities and equipment, including $119 million for security, and $245 million for mission support. Major investments are in automation systems to support FAA safety inspectors, improvements in physical security, information system security, and implementation of explosive detection devices consistent with the recommendations of the White House Commission on Aviating Safety and Security.

Research, Engineering and Development (RE&D). The RE&D request of $173 million is $23 million more than last year, but $27 million less than FY1998 appropriation. The amount requested includes $39 million for research in aircraft structures and materials, and $53 million for systems security research. The remaining funding will support research into improvements in weather information, resolution of environmental issues, and human factors.

Grants-in-Aid for Airports. The Airport Improvement Program (AIP) provides grants for airport development and planning. The Administration request for FY2000 is $1.6 billion. This is $350 million below the enacted obligation limitation for FY1999 and also $40 million below FY1998. To provide more funds for airport development the Administration has proposed, in its FAA reauthorization proposals (S.545), to raise the cap on the passenger facility charge (PFC), to $5. A PFC is a local tax levied by an airport, with FAA approval, on each boarding passenger. In S. 1143 the Senate Appropriations Committee recommended $2.0 billion for AIP. The House-passed bill, H.R. 2084, recommends an obligation limitation of $2.25 billion. During the floor debate, an amendment to rescind $300 million in unobligated balances passed, but the obligation limitation level was retained and it is unlikely that the rescission will have a substantial impact on FY2000 AIP spending.

Research and Special Programs Administration

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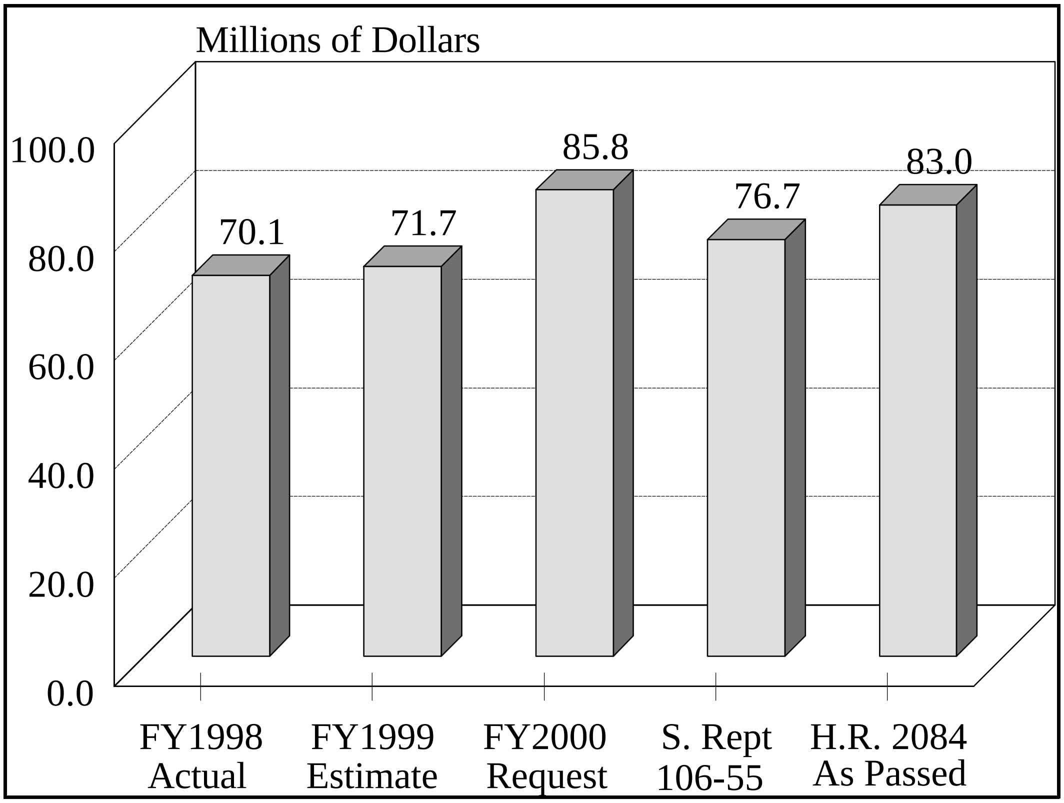
[15]Free Flight is an innovative concept designed to enhance the safety and efficiency of the National Airspace System (NAS). The concept moves the NAS from a centralized command-and-control system between pilots and air traffic controllers to a distributed system that allows pilots, whenever practical, to choose their own route and file a flight plan that follows the most efficient and economical route.

The Research and Special Programs Administration (RSPA) is requesting

Figure 7. Research and Special Programs Administration Appropriations



$85.8 million in budget authority, compared to $71.7 million which was appropriated in FY1999, to conduct a variety of safety and technology programs. For pipeline safety, RSPA requests $38.2 million, an increase of $3.6 million over FY1999; and for hazardous materials transportation safety, the agency seeks $18.2 million, an increase of $2.1 million over FY1999. RSPA estimates that 80% of its budget is allocated for activities seeking to promote transportation safety. The FY2000 budget seeks to enhance RSPA's efforts to prevent damage to gas and liquid pipelines by outside forces (e.g., by a construction crew) and to increase grants to support state efforts to reduce environmental damage from pipeline spills. RSPA also seeks to increase its staff supporting the hazardous materials (hazmat) transportation safety program and to increase funding provided for hazmat training and planning assistance provided to emergency responder and local planning committees. For FY2000, the Senate Committee on Appropriations recommended total budgetary resources for RSPA of $76.656 million, including $16.960 million for the hazardous materials transportation safety program and $36.104 for the pipeline safety program. The House Committee on Appropriations recommended $82.953 million in new budget authority for RSPA, including $17.813 million for hazardous materials transportation safety program and $36.092 million for pipeline safety.

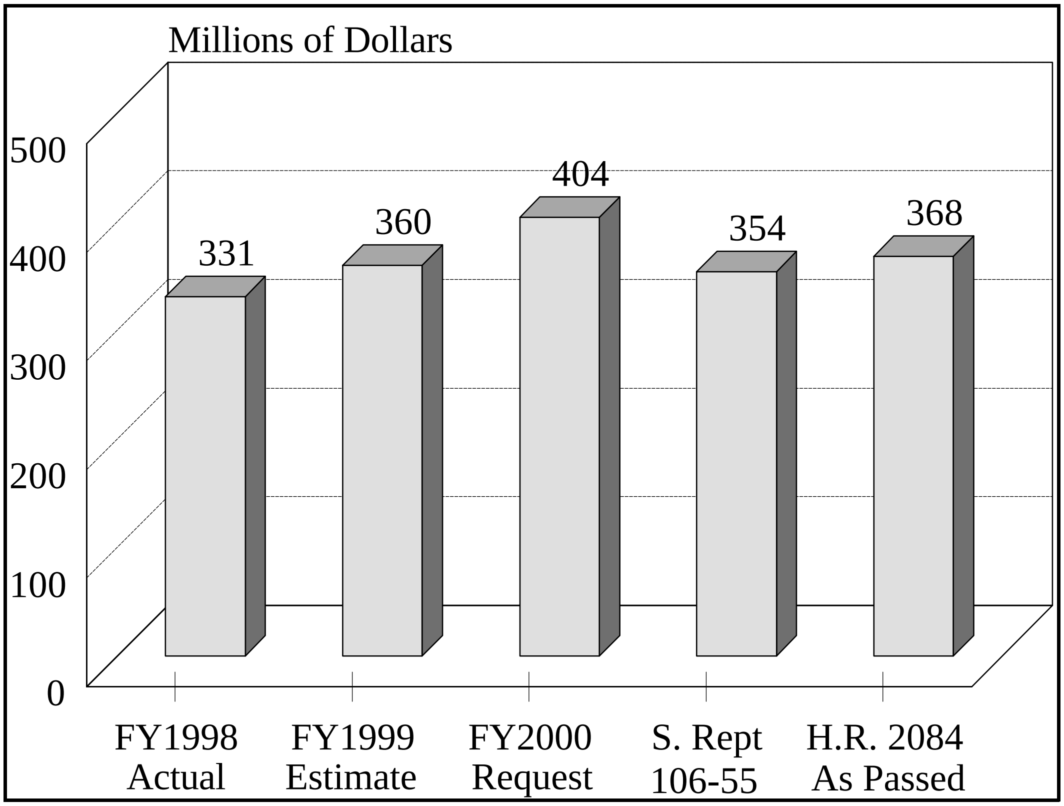
National Highway Traffic Safety Administration (NHTSA)

[http://www.nhtsa.dot.gov/]

For FY2000, the agency requested an appropriation of $404 million, up from $360 million enacted for FY1999. The requested increase included $125 million derived from the Revenue Aligned Budget Authority. The $125 million of RABA funds constitute about 30% of the agency's overall budget of $404 million.

The Administration proposed using RABA funds to pay for all of NHTSA's motor vehicle safety activities, which include defect investigations, the auto-safety hotline, and various consumer information programs on the crash worthiness of new

Figure 8. National Highway Traffic Safety Administration Appropriations



vehicles. Last year, the appropriations committees funded the entire NHTSA account using highway trust fund monies.

The Senate Appropriations Committee has recommended agency funding totalling $375.7 million, a reduction of about 7% from the Administration's request, but $14.3 million (or about 4%) greater than the amount enacted for FY1999. The House-passed H.R. 2084 recommends $368.2 million for NHTSA during FY2000.

The Senate Appropriations Committee expressed dismay at the Administration's proposal to use RABA funds for Operations and Research. The Committee has recommended that $72 million of contract authority (from TEA21) be combined with $89.4 million authorized under sections 30104 and 32102 of title 49 U.S.C. and chapter 303 of title 49 R.S.C. for FY2000, bringing the total to $161.4 million for operations and research activities. This amount is about $38 million less than the $199.5 million requested by the Administration.

Likewise, the Administration's suggestion that a substantial portion of NHTSA's programs be funded from RABA was not well received by the House Appropriations Committee. In its report, the Committee states that, "Such budget gimmickery does not indicate a sincere commitment to safety. Further, by submitting this request to Congress, the department is shortchanging safety by not continuing a reliable funding source for safety programs."

One of the agency's programs to encourage the use of seat belts has been bolstered by the recent presidential seat belt initiative. Although the "Buckle Up America" program began in FY1999, it continues to be an important component of the agency's entire safety agenda. In addition, the agency is focusing its research and regulatory efforts on "smart air bags" and other lifesaving technologies. The Senate Appropriations Committee, in Report 106-55 accompanying Senate Bill S.1143, expressed its concern over additional safety issues, including the emerging issue of tragedies of children becoming locked in auto trunks. The Committee directs NHTSA to prepare a report determining the frequency of these incidents and recommending strategies to reduce such incidents. The report is requested by March 31, 2000.

Incentive Funds for 0.08 BAC Laws. Section 163 of Title 23, U.S.C., provides contract authority of $80 million for FY2000 to provide incentive grants to those states that adopt and enforce a law that makes it illegal per se (by definition) to operate a motor vehicle with a blood alcohol concentration (BAC) at or above 0.08%.[16] TEA21 provides $80 million of contract authority for the Section 163 program for FY2000, compared to $65 million in FY1999. Currently 16 states qualify to receive those monies. Those funds do not require a separate appropriation and are protected within the firewall for federal aid highway programs established by TEA21. Although the apportioned funds may be obligated for any program authorized under Title 23, U.S.C., states are using most of those funds for behavioral-oriented traffic safety activities, rather than for highway infrastructure projects. In general, states support incentive programs that encourage them to adopt specified laws rather than "disincentive" programs that take away or transfer a portion of their federal aid monies if they do not enact those laws.

[16]Section 163 was added to Title 23, U.S.C., by Section 1404 of TEA21.

Table 3. Total Budgetary Resources of Selected Agencies and Selected Programs
(in millions of dollars—totals may not add)

Agency	FY1999 Enacted [a]	FY2000 Request [a]	S.Rept., 106-55[a]	HR 2084 as Passed[a]	Conf. Rept.	P.L.
FHWA	26,823	28,549	28,988	28,938	—	—
(Limitation on Obligations)	25,611	[b]27,417	[b]27,806	[b]27,806	—	—
(exempt obligations)	1,212	1,132	1,132	1,132	—	—
BTS	(31)	(31)	31	—	—	—
NHTSA.	360	404	354	368	—	—
FRA	778	658	730	719	—	—
Amtrak (total)	609	571	571	571	—	—
Amtrak Reform Council	450,000.00 (actual $)	750,000.00 (actual $)	950,000.00 (actual $)	450,000.00 (actual $)	—	—
FTA	5,390	6,088	5,797	5,797	—	—
Formula Grants, (Capital , Planning, & Limited Operating) (general funds)	570	620	620	620	—	—
Formula Grants, (Capital & Planning) (trust funds)	2,280	2,690	2,478	2,478	—	—
Capital Investment (General Funds)	451	490	490	490	—	—
Capital Investment (Trust Funds)	1,806	1,961	1,961	1,961	—	—
FAA	9,754	10,131	9,763	4,323	—	—
Operations (trust fund & general fund)	5,567	6,039	5,857	0	—	—
Facilities & Equipment (F&E) (trust fund)	2,087	2,319	2,046	2,200	—	—
Grant-in-aid Airports (AIP) (trust fund) (limitation on obligations)	1,950	1,600	2,000	2,250 ($300 mil. of unobligated funds are rescinded)	—	—
Research, Engineering, & Development (RE&D) (trust fund)	150	173	150	173	—	—

Agency	FY1999 Enacted [a]	FY2000 Request [a]	S.Rept., 106-55[a]	HR 2084 as Passed[a]	Conf. Rept.	P.L.
USCG	4,484	4,135	[c]3,988	[c]4,048	—	—
Operating Expenses	2,697	2,941	2,238	2,491	—	—
Acquisition, construction, & improvements	[d]626	350	370	410	—	—
St. Lawrence Seaway	11	0	11	12	—	—
OIG	44	45	[e]48	45	—	—
RSPA	72	86	77	83	—	—
OST.	87	81	75	76	—	—
Essential Air Service (trust fund)	50	50	50	50	—	—
STB	16	[f]17	[f]17	[f]17	—	—
NTSB (Budg Auth)	53	57	52	57	—	—
Budgetary Resources Grand Total	48,180	50,333	49,502	44,473	—	—

Sources:
[a] Unless otherwise noted, figures for FY1999 enacted, and FY2000 request were taken from H.Rept. 105-825, the Budget of the United States, fiscal year 2000, and the Department of Transportation's FY2000 Budget in Brief. Department of Transportation figures include adjusted figures that may not match exactly with the conference report or Budget of the United States figures. These adjusted figures, especially for FY1999, have been used when they may increase the accuracy of comparisons. Figures in House Report 106-180 and Senate Report 106-55 for FY1999 enacted and FY2000 requested do not always match. The columns pertaining to Senate Report 106-55 and House Report 106-180 in this table and in this report as a whole, have used, whenever possible, the figures from the Comparative Statement of New Budget (Obligational) Authority printed at the end of the House and Senate reports, and table at <http://www.house.gov/appropriations/00transfl.htm>. The figures imbedded in the text of the report are not always consistent with figures in the comparative tables.

[b] Includes $105 million to account for motor carrier safety grants obligation limitation.

[c] This figures include defense function operating funds of $534 million in the Senate bill and $300 million in the House version..

[d] Includes an additional $376 million in emergency funds in the Omnibus Consolidated and Emergency Supplemental Appropriations Act (P.L. 105-277, Division B). P.L. 106-31, the FY1999 Supplemental, also appropriated $200 million more in additional FY1999 funds - to be carried into FY2000. In reporting FY2000 bills, the House Committee included these additional FY1999 funds it is totals and the Senate Committee excluded them.

[e] This figure for the Office of the Inspector General includes $9 million transferred from the FTA administrative category.

[f] Includes Surface Transportation Board estimated offsetting collections for FY1999 and estimated collections for FY2000.

Note: Numbers within this table may differ slightly from those in the text due to supplemental appropriations, rescissions, and other funding actions. Columns may not add due to rounding or exclusion of smaller program line-items.

For MARAD funding, please refer to CRS Report RL30209, *Appropriations for FY2000: Commerce, Justice, and State, the Judiciary, and Related Agencies*, coordinated by Edward Knight.

For Additional Reading

CRS Issue Briefs

CRS Issue Brief IB10026. *Airport Improvement Program.* by Robert S. Kirk.

CRS Issue Brief 97030. *Amtrak and the 106th Congress*. by Stephen Thompson.

CRS Issue Brief IB10032. *Transportation Issues in the 106th Congress*. Coordinated by Glen Moore.

CRS Issue Brief IB10030. *Federal Railroad Safety Program and Reauthorization Issues*. by Paul F. Rothberg and Anthony J. Solury.

CRS Reports

CRS Report 98-749 E. *The Transportation Equity Act for the 21st Century (TEA21) and the Federal Budget*. by John W. Fischer.

CRS Report RL30096. *Airport Improvement Program Reauthorization Legislation in the 106th Congress*. by Robert S. Kirk.

CRS Report RS20176. *Surface Transportation Board Reauthorization and the 106th Congress*. by Stephen Thompson.

CRS Report RS20177. *Airport and Airway Trust Fund Issues in the 106th Congress*. by John W. Fischer.

CRS Report 98-593E. *Airport Improvement Program: Airport Finance Issues for Congress*. by Robert S. Kirk.

CRS Report RL30068. *Automobile Air Bags: Current Issues Associated With New Technology*. by Duane A. Thompson and John R. Justus.

CRS Report 98-890 STM. *Federal Traffic Safety Provisions in the Transportation Equity Act for the 21st Century: Analysis and Oversight Issues*. by Paul F. Rothberg and Anthony J. Solury.

CRS Report 98-63E. *Transportation Trust Funds: Budgetary Treatment*. by John W. Fischer.

CRS Report 98-646 ENR. *Transportation Equity Act for the 21st Century (P.L. 105-178): An Overview of Environmental Protection Provisions*. by David M. Bearden.

CRS Report 98-830. *Coast Guard Integrated Deepwater System: Background and Issues for Congress*. by Ronald O'Rourke.

Selected World Wide Web Sites

Department of Transportation Budget Site
[http://www.dot.gov/ost/budget/]

Department of Transportation, Chief Financial Officer
[http://ostpxweb.dot.gov/budget/]

House Appropriations Committee
[http://www.house.gov/appropriations]

Interactive Budget Web Site
[http://ibert.org/civix.html]

Maritime Administration (financial reports)
[http://marad.dot.gov/finstatm.htm]

National Highway Traffic Safety Administration (budget & planning)
[http://www.nhtsa.dot.gov/nhtsa/whatis/planning/perf-plans/gpra-96.pln.html]

Office of Management and Budget
[http://www.access.gpo.gov/omb/omb003.html]

Senate Appropriations Committee
[http://www.senate.gov/committees/committee_detail.cfm?COMMITTEE_ID=405]