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107TH CONGRESS, 2d Session } HOUSE OF REPRESENTATIVES { REPORT 107–722

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS BILL, 2003

OCTOBER 7, 2002.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. ROGERS of Kentucky, from the Committee on Appropriations, submitted the following

R E P O R T

together with

ADDITIONAL VIEWS

[To accompany H.R. 5559]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2003.

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SUMMARY AND MAJOR RECOMMENDATIONS OF THE BILL

The accompanying bill would provide $21,746,930,000 in new budget (obligational) authority for the programs of the Department of Transportation and related agencies, $379,750,000 less than the $22,126,680,000 requested in the budget. Selected major recommendations in the accompanying bill are:

(1) An appropriation of $13,599,225,000 for the Federal Aviation Administration, consistent with provisions of AIR–21;

(2) A limitation of $3,400,000,000 for grants-in-aid for airports, as required by provisions of AIR–21;

(3) An appropriation of $4,305,456,000 for operating expenses of the Coast Guard;

(4) An appropriation of $762,476,000 for grants to the National Railroad Passenger Corporation (Amtrak), to cover capital and operating expenses;

(5) An appropriation of $5,146,000,000 for capital and operating costs of the Transportation Security Administration;

(6) A total of $181,031,000 for the office of the secretary, including $25,000,000 for acquisition of a new DOT headquarters building;

(7) Highway program obligation limitations of $27,653,143,000, consistent with provisions of TEA–21 and other existing legislation;

(8) Transit program obligations of $7,226,000,000, consistent with provisions of TEA–21; and

(9) A total of $367,411,000 for the Federal Motor Carrier Safety Administration, including $190,000,000 for the national motor carrier safety program.

THE EFFECT OF GUARANTEED SPENDING

Over the objections of the Appropriations and Budget Committees, in 1998 the Transportation Equity Act for the 21st Century (TEA–21) amended the Budget Enforcement Act to provide two new additional spending categories or "firewalls", the highway category and the mass transit category. In March 2000, the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (AIR–21) provided a similar treatment for certain aviation programs. Although using different procedures, each of these Acts produced the same results: they significantly raised spending, and they effectively prohibited the Appropriations Committee from re-

ducing those spending levels in the annual appropriations process. As the Committee noted during deliberations on these bills, the Acts essentially created mandatory spending programs within the discretionary caps. This undermines Congressional flexibility to fund other equally important programs, including non-guaranteed transportation programs such as FAA Operations, the Coast Guard, the Transportation Security Administration and Amtrak. As a result of these Acts, the majority of budgetary resources addressed by this bill are either "guaranteed" by federal legislation and/or protected by unprecedented points of order passed into law at the initiative of the authorization committees.

The Committee will continue to do all it can in this environment to produce a balanced bill which provides adequately for all modes of transportation. However, clearly the use of spending guarantees to "wall-off" parts of the discretionary budget for particular constituencies cause both transportation and non-transportation programs all across the government to be under more severe budget pressure, in order to keep the overall budget in balance. The effect of the guarantees will especially leave its mark on non-covered transportation programs and activities, since they must compete within this bill for leftover funding. The Committee continues to be concerned that bills such as TEA–21 and AIR–21 skew transportation priorities inappropriately, by providing a banquet of increases to highway, transit, and airport spending while leaving safety- and security-related operations in the FAA, Coast Guard, Transportation Security Administration, and FRA to scramble for the remaining crumbs.

TABULAR SUMMARY

A table summarizing the amounts provided for fiscal year 2002 and the amounts recommended in the bill for fiscal year 2003 compared with the budget estimates is included at the end of this report.

COMMITTEE HEARINGS

The Committee has conducted extensive hearings on the programs and projects provided for in the Department of Transportation and Related Agencies Appropriations Bill for fiscal year 2003. These hearings are contained in eight published volumes. The Committee received testimony from officials of the executive branch, Members of Congress, officials of the General Accounting Office, officials of state and local governments, and private citizens.

The bill recommendations for fiscal year 2003 have been developed after careful consideration of all the information available to the Committee.

PROGRAM, PROJECT, AND ACTIVITY

During fiscal year 2003, for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99–177), as amended, with respect to appropriations contained in the accompanying bill, the terms "program, project, and activity" shall mean any item for which a dollar amount is contained in an appropriations Act (including joint resolutions providing continuing appropriations) or accompanying reports of the House and Senate Com-

mittees on Appropriations, or accompanying conference reports and joint explanatory statements of the committee of conference. This definition shall apply to all programs for which new budget (obligational) authority is provided, as well as to capital investment grants, Federal Transit Administration. In addition, the percentage reductions made pursuant to a sequestration order to funds appropriated for facilities and equipment, Federal Aviation Administration, and for acquisition, construction, and improvements, Coast Guard, shall be applied equally to each "budget item" that is listed under said accounts in the budget justifications submitted to the House and Senate Committees on Appropriations as modified by subsequent appropriations Acts and accompanying committee reports, conference reports, or joint explanatory statements of the committee of conference.

ACCRUAL FUNDING OF RETIREMENT COSTS AND POST-RETIREMENT HEALTH BENEFITS

The President's Budget included a legislative proposal under the jurisdiction of the House Committee on Government Reform to charge to individual agencies, starting in fiscal year 2003, the fully accrued costs related to retirement benefits of Civil Service Retirement System employees and retiree health benefits for all civilian employees. The Budget also requested an additional dollar amount in each affected discretionary account to cover these accrued costs.

Without passing judgment on the merits of this legislative proposal, the Committee has reduced the dollar amounts of the President's request shown in the "Comparative Statement of New Budget Authority" and other tables in this report to exclude the accrual funding proposal. The disposition by Congress of the legislative proposal is unclear at this time. Should the proposal be passed by Congress and enacted, the Committee will make appropriate adjustments to the President's request to include accrual amounts.

The Committee further notes that administration proposals requiring legislative action by the authorizing committees of Congress are customarily submitted in the budget as separate schedules apart from the regular appropriations requests. Should such a proposal be enacted, a budget amendment formally modifying the President's appropriation request for discretionary funding is then transmitted to the Congress.

The Committee is concerned that this practice, which has always worked effectively for both Congress and past administrations, was not followed for the accrual funding proposal. In this case, the Office of Management and Budget (OMB) decided to include accrual amounts in the original discretionary appropriations language request. These amounts are based on legislation that has yet to be considered and approved by the appropriate committees of Congress. This led to numerous misunderstandings inside Congress of what was the "true" President's budget request. The Committee believes that in the future, OMB should follow long-established procedures with respect to discretionary spending proposals that require legislative action.

CROSS-CHARGING OF COSTS FOR THE FEDERAL EMPLOYEES' COMPENSATION ACT PROGRAM

Currently, one of the statutory missions of the Department of Labor (DOL) is to oversee and administer the Federal Employees' Compensation Act (FECA), which provides workers' compensation benefits to eligible federal employees. DOL currently pays benefits from the Special Benefits fund and administrative costs from the agency's discretionary budget. Benefits are billed back to agencies, while administrative costs are not. The President's budget for fiscal year 2003 would allow DOL to add an administrative surcharge to the amount billed to agencies for FECA benefits, on the assumption that it would give agencies a greater incentive to monitor and reduce FECA benefit costs, and that it better reflects the cost of government programs on an agency-by-agency basis.

The Committee rejects this proposal and has eliminated, in each account, amounts totaling $5,642,100 for these administrative surcharges. Such charges will not lead to greater government efficiency. On the contrary, DOL employees will have little incentive to become more efficient if they can simply bill other agencies for their inefficiencies. Agencies currently view FECA benefit charges as a mandatory expense, and they will view the administrative surcharge as mandatory as well. With this change, DOL would avoid budgetary competition within its own budget function, and transfer that pressure to other parts of the government. The Committee believes that if all agencies were to begin cross-charging others for the costs of performing its own statutory duties, a balkanization of the budget process would result. For example, the FAA could easily charge other agencies each time a government aircraft flies though airspace controlled by the agency. While this might ease the burden on FAA's discretionary budget, it would provide the wrong incentives for good management and efficiency in the federal system as a whole, and undermine oversight of spending at the FAA. This cross-charging practice has not been authorized by the Congress, and the Committee encourages the legislative committees to review any such proposal with the utmost scrutiny.

TITLE I

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

Appropriation, fiscal year 2002	$67,778,000
Budget request, fiscal year 2003 [1]	92,460,000
Recommended in the bill	82,474,000
Bill compared with:	
Appropriation, fiscal year 2002	+14,696,000
Budget request, fiscal year 2003	−9,986,000

[1] Excludes $3,640,000 in CSRS/FEHB accruals.

The bill provides a total of $82,474,000 for the salaries and expenses of the various offices comprising the Office of the Secretary. The following table summarizes the fiscal year 2002 program levels, the fiscal year 2003 program requests and the Committee's recommendations:

Program	Fiscal year 2002 enacted	Fiscal year 2003 request [3]	Recommended
Immediate office of the Secretary [1]	$1,929,000		
Immediate office of the Deputy Secretary [1]	619,000		
Executive Secretariat[1]	1,204,000		
Immediate office of the Secretary and Deputy Secretary		$4,410,000	$4,355,000
Office of General Counsel	13,355,000	15,657,000	14,950,000
Office of the Assistant Secretary for Policy [2]	3,058,000		
Office of the Assistant Secretary for Aviation and International Affairs [2]	7,421,000		
Office of the Under Secretary for Transportation Policy		12,452,000	12,024,000
Office of the Assistant Secretary for Budget and Programs	7,728,000	8,375,000	7,415,000
Office of the Assistant Secretary for Governmental Affairs	2,282,000	2,453,000	2,453,000
Office of the Assistant Secretary for Administration	19,250,000	29,285,000	27,686,000
Office of Public Affairs	1,723,000	1,926,000	1,926,000
Board of Contract Appeals	507,000	611,000	611,000
Office of Small and Disadvantaged Businesses	1,240,000	1,304,000	1,304,000
Office of Intelligence and Security	1,321,000		
Office of the Chief Information Officer	6,141,000	15,987,000	9,750,000
Total	67,778,000	92,460,000	82,474,000

[1] In fiscal year 2003, the budget proposed merging the Office of the Secretary, Deputy Secretary, and Executive Secretariat into one office titled ''Immediate Office of the Secretary and Deputy Secretary''.

[2] In fiscal year 2003, the budget proposed merging the Assistant Secretary for Aviation with the Assistant Secretary for Policy and the Office of Intermodalism into one office titled ''Under Secretary for Transportation Policy.''

[3] Excludes $3,640,000 for CSRS/FEHB accruals.

The Committee has approved the consolidation of the Offices of the Secretary, Deputy Secretary and the Executive Secretariat into a new immediate office of the Secretary and Deputy Secretary. In approving this merger, the Secretary and Deputy Secretary should be cautious not to transfer funds previously allocated to the Executive Secretariat for their own needs without consultation with the House and Senate Committees on Appropriations. Also, the proposed merger of the offices of the Assistant Secretary for Aviation and International Affairs, Assistant Secretary for Policy and the Office of Intermodalism into a new office of the Under Secretary for Transportation Policy has been approved.

The Committee has made the following adjustments to the budget request:

Reduce increase for travel in the immediate office of Secretary and Deputy Secretary	−$55,000
Reduce personnel, compensation, and benefits increases	−2,571,000
Reduce travel increase for Under Secretary for Transportation Policy	−50,000
Reduce increase in contract expenses for Under Secretary for Transportation Policy	−48,000
Deny two new staff positions in the Chief Information Office	−112,000
Reduce request for information technology	−2,350,000
Reduce funding requested for enterprise architecture	−1,380,000
Reduce increase requested for capital planning	−1,770,000
Reduce funding requested for e-government	−625,000
Deny increase requested for "accessibility for all America"	−553,000
Deny FECA administrative costs	−22,000
Deny funding for video teleconferencing system (SVTS)	−450,000

Travel increases.—The Committee has reduced two requested increases for travel, one within the immediate Office of the Secretary and Deputy Secretary (−$55,000) and one within the office for the Under Secretary for Transportation Policy (−$50,000). Both of these offices have received significant increases for travel funds in the past and will still receive a substantial increase in travel fund-

ing in fiscal year 2003. These slight reductions should have no negative impact on their operations.

Personnel, compensation, and benefits.—The Committee has decreased funding requested for personnel, compensation, and benefits by $2,571,000. Funding reductions were made to four offices: Administration (−$1,127,000), Budget (−$960,000), General Counsel (−$154,000), and Policy (−$330,000). These reductions were made to requested increases in personnel, compensation, and benefits because of high levels of vacancies in each of these offices. For example, as of the end of July the Assistant Secretary for Budget was 25 percent below authorized staffing levels and the Assistant Secretary for Administration was 17.5 percent below authorized staffing levels.

Contract expenses.—A slight reduction was made to the Under Secretary for Transportation Policy's contract expenses because the requested increase was inadequately justified (−$48,000).

New staff positions.—The Committee has denied two of the four new staff positions requested by the Chief Information Office, to reflect other reductions made to programs within this office.

Information technology.—In total, the Committee has reduced funding requested for a variety of information technology programs including information technology security, enterprise architecture, capital planning, and e-government (−$6,125,000). The budget request did not provide sufficient justification for the requested increase of $10,000,000 in fiscal year 2003 for information technology activities.

FECA administrative costs.—Consistent with actions taken across all DOT modal administrations funded in this bill, the Committee has denied funding for FECA administrative costs.

Video teleconferencing.—The Committee has deferred consideration of requests for secure video teleconferencing equipment until the issues surrounding creation of the new Department of Homeland Security are resolved.

Office of Intelligence and Security.—The budget request did not include any funding for the Office of Intelligence and Security because it had been transferred to the Transportation Security Administration. However, if TSA is transferred to the new Department of Homeland Security, the Secretary of Transportation should make arrangements to have one staff detailed to him from this new agency so that he remains informed on intelligence and security issues pertaining to transportation.

Congressional budget justifications.—The Committee again directs the department to submit all of the department's fiscal year Congressional budget justifications on the first Monday in February, concurrent with official submission of the President's budget to Congress. Also, the department is directed to submit its fiscal year 2004 Congressional justification materials for the salaries and expenses of the Office of the Secretary at the same level of detail provided in the Congressional justifications presented in fiscal year 2003.

Report distribution.—The Committee is extremely disconcerted with the unprecedented actions the department took with the report on FHWA's streamlining efforts due January 2, 2002. The report was delivered on the evening before FHWA was to testify. Without prior notice or approval, the Department violated the

standard practice in place for many years, and not only attached the report to testimony delivered to the House Appropriations Committee for public dissemination, but also widely distributed the report to other Congressional Committees and to the press. Although the report was requested specifically by the House Committee on Appropriations, members of the Committee had no opportunity to read the report before mass distribution to the public. The Committee strongly recommends the department confer with the Committee and adopt written procedures for report distribution similar to the standards in place and followed before February 28, 2002. In addition, the Committee directs the department to refrain from attaching miscellaneous documents, including reports, to Congressional testimony without prior consultation.

Bill language.—Language prohibiting funding for the Assistant Secretary for Public Affairs position has been retained from last year. Also, the bill continues language that permits up to $2,500,000 of fees to be credited to the Office of the Secretary for salaries and expenses. Similar language has been carried in past years.

GENERAL PROVISIONS

Limitation on political and Presidential appointees.—The Committee has included a provision in the bill (sec. 304), similar to provisions in past Department of Transportation and Related Agencies Appropriations Acts, which limits the number of political and Presidential appointees within the Department of Transportation. The ceiling for fiscal year 2003 is 107 personnel, which is the five more than approved in fiscal year 2002. While the Department had requested 116 positions, currently there are 18 political vacancies. With such a high level of vacancies, the Committee cannot support such a large increase. Also, language is retained prohibiting any political or Presidential appointee from being detailed outside the Department of Transportation or any other agency funded in this bill.

Funds received by the departments.—The Committee has denied bill language pertaining to the use of rebates, refunds, incentive payments, fees and other funds received by the department. Significant violations have occurred in the use of these funds. Specifically, the Inspector General recently found that the DOT spent about $37,000,000 obtained from the U.S. Treasury "miscellaneous receipts" accounts between fiscal years 1998 and 2001 to finance four projects involving office space renovation, purchasing new systems furniture, and developing new DOT financial systems, rather than using funds appropriated to DOT for such purposes. By law, DOT collections were required to be returned to the Treasury. DOT did not have the authority to retain and spend this money. Yet, the former Deputy Chief Financial Officer authorized accounting staff to move money from selected Treasury accounts each year immediately before Treasury would have transferred the money into the General Fund. In addition to not having the authority to spend Treasury's money, DOT also obligated $21,000,000 of the $37,000,000 to authorize and create new obligations after the funds had legally expired for obligation. None of the Treasury money was credited to DOT appropriations nor was it allocated to elements of the department as required by legislation, and none of the ex-

penses were charged against amounts appropriated to DOT. The Inspector General referred these violations to the DOT General Counsel, who concluded that the amount withdrawn from Treasury's miscellaneous receipts accounts must now be repaid. Unless unobligated balances sufficient to repay the $37,000,000 are now available in expired appropriations accounts and those accounts could properly have been charged for the costs at the time they were incurred, the reports required by the Anti-deficiency Act must be transmitted to the President and the Congress. The Committee understands that the department is working to resolve these problems by December 2002. Because of these significant violations of federal law, the Committee will not continue the general provision until evidence is received that these serious problems have all been corrected, officials have been held accountable, and monitoring systems are in place to prevent recidivism.

OFFICE OF CIVIL RIGHTS

Appropriation, fiscal year 2002	$8,500,000
Budget request, fiscal year 2003 [1]	8,700,000
Recommended in the bill	8,500,000
Bill compared with:	
Appropriation, fiscal year 2002	.....
Budget request, fiscal year 2003	−200,000

[1] Excludes $470,000 for CSRS/FEHB accruals.

The Office of Civil Rights is responsible for advising the Secretary on civil rights and equal opportunity matters and ensuring full implementation of civil rights opportunity precepts in all of the department's official actions and programs. This office is responsible for enforcing laws and regulations that prohibit discrimination in federally operated and federally assisted transportation programs. This office also handles all civil rights cases related to Department of Transportation employees. The recommendation provides a total of $8,500,000 for the office of civil rights, which is the same level as enacted in the fiscal year 2002.

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

Appropriation, fiscal year 2002	$11,993,000
Budget request, fiscal year 2003 [1]	10,700,000
Recommended in the bill	11,157,000
Bill compared with:	
Appropriation, fiscal year 2002	−836,000
Budget request, fiscal year 2003	+457,000

[1] Excludes $135,000 for CSRS/FEHB accruals.

This appropriation finances those research activities and studies concerned with planning, analysis, and information development needed to support the Secretary's responsibilities in the formulation of national transportation policies. It also finances the staff necessary to conduct these efforts. The overall program is carried out primarily through contracts with other federal agencies, educational institutions, nonprofit research organizations, and private firms.

The Committee recommends an appropriation of $11,157,000 for transportation planning, research and development, which is $457,000 more than the budget request. The following adjustments were made to the request:

Staffing reductions	−$1,043,000
Texas Transportation Institute	+1,500,000

Staffing reductions.—The Committee reduced the requested increases in personnel, compensation, and benefits because of an extremely high level of vacancies in this office (−$1,043,000). As of July, 2002, staffing in the transportation planning, research, and development office was 37.5 percent below authorized staffing levels.

Texas Transportation Institute.—The Committee has provided $1,500,000 to work on a regional mobility and safety study for the greater Houston area in Texas.

TRANSPORTATION ADMINISTRATIVE SERVICE CENTER

Limitation, fiscal year 2002	[1] ($126,123,000)
Budget request, fiscal year 2003 [2]	(131,779,000)
Recommended in the bill	(131,766,000)
Bill compared with:	
Limitation, fiscal year 2002	(+5,643,000)
Budget request, fiscal year 2003	(−13,000)

[1] Includes funding in the 2002 supplemental. Does not reflect reduction of $5,000,000 pursuant to section 349 of Public Law 107–87 or reduction of $4,300,000 pursuant to section 1106 of Public Law 107–117.
[2] Proposed without limitation. Includes Department of Transportation only.

The transportation administrative service center (TASC) was created in fiscal year 1997 to provide common administrative services to the various modes and outside entities that desire those services for economy and efficiency. The fund is financed through negotiated agreements with the department's operating administrations and other governmental elements requiring the center's capabilities.

The Committee agreed to create the transportation administrative service center in fiscal year 1997 at the department's request. In agreeing to that request, the Committee limited (1) the activities that can be transferred to the transportation administrative service center to only those approved by the agency administrator and (2) special assessments or reimbursable agreements levied against any program, project or activity funded in this Act to only those assessments or reimbursable agreements where the agreements and the basis for them are presented to and approved by the House and Senate Committees on Appropriations. These limitations are continued in fiscal year 2003.

The Committee recommends a limitation of $131,766,000 on funding through the transportation administrative service center. A slight reduction (−$13,000) has been made to account for the denial of FECA accruals in this limitation.

The Committee believes that a limitation is necessary in this account because, in the past, TASC has attempted to pass on assessments to modal administrations without justification or has charged modal administrations for activities that have not been approved by Congress.

Modal usage of TASC.—Consistent with last year's practice, the Committee directs the department, in its fiscal year 2004 Congressional justifications for each of the modal administrations, to account for increases or decreases in TASC billings based on planned usage requested or anticipated by the modes rather than anticipated by the TASC.

MINORITY BUSINESS RESOURCE CENTER PROGRAM

	Appropriation	Limitation on guaranteed loans
Appropriation, fiscal year 2002	$900,000	$18,367,000
Budget request, fiscal year 2003	900,000	18,367,000
Recommended in the bill	900,000	18,367,000
Bill compared to:		
Appropriation, fiscal year 2002		
Budget request, fiscal year 2003		

The minority business resource center of the office of small and disadvantaged business utilization provides assistance in obtaining short-term working capital and bonding for disadvantaged, minority, and women-owned businesses. The program enables qualified businesses to obtain loans at prime interest rates for transportation-related projects.

Prior to fiscal year 1993, loans under this program were funded by the office of small and disadvantaged business utilization without a limitation. Reflecting the changes made by the Credit Reform Act of 1990, beginning in fiscal year 1993, a separate appropriation was proposed in the President's budget only for the subsidy inherently assumed in those loans and the cost to administer the loan program. In fiscal year 2001, the short-term lending program was converted from a direct loan program to a guaranteed loan program.

The recommendation fully funds the budget request of $500,000 to cover the subsidy costs for the loans, not to exceed $18,367,000, and $400,000 for administrative expenses to carry out the guaranteed loan program.

MINORITY BUSINESS OUTREACH

Appropriation, fiscal year 2002	$3,000,000
Budget request, fiscal year 2003	3,000,000
Recommended in the bill	3,000,000
Bill compared with:	
Appropriation, fiscal year 2002	
Budget request, fiscal year 2003	

This appropriation provides contractual support to assist minority business firms, entrepreneurs, and venture groups in securing contracts and subcontracts arising out of projects that involve federal spending. It also provides grants and contract assistance that serves DOT-wide goals. The Committee has provided $3,000,000, the same level as provided in fiscal year 2002 and the same level as requested in the budget.

NEW HEADQUARTERS BUILDING

Appropriation, fiscal year 2002	
Budget request, fiscal year 2003	$25,000,000
Recommended in the bill	25,000,000
Bill compared with:	
Appropriation, fiscal year 2002	+25,000,000
Budget request, fiscal year 2003	

In 1997, Congress authorized the General Services Administration to acquire space to consolidate the housing needs of the Department of Transportation. This new appropriation finances the fiscal year 2003 costs for the new headquarters building, which will consolidate all of DOT's headquarters operating administration

functions (except FAA, TSA, and the Coast Guard), from various locations into a state-of-the-art efficient building in the District of Columbia. The DOT's current headquarters facility is more than 30 years old and many of its building systems are well beyond their useful life. For example, the building has an unsecured perimeter, no blast protection, an inefficient interior layout, and was diagnosed in the past as a "sick building". Prior to deciding to move to a new facility, DOT considered rehabilitating the current site; however, the contractor withdrew this option from evaluation.

The budget requested $25,000,000 for tenant build out requirements for the new building, assuming the DOT would lease the facility. Additional funding would be required to complete tenant finishes. The Administration assumed that DOT would begin occupying the new building by late 2005 or early 2006. The Committee recommends $25,000,000 for a new DOT headquarters building.

PAYMENTS TO AIR CARRIERS

(AIRPORT AND AIRWAY TRUST FUND)

Appropriation, fiscal year 2002[1]	[2] $63,000,000
Budget request, fiscal year 2003[3]	.....
Recommended in the bill	50,000,000
Bill compared with:	
Appropriation, fiscal year 2002	−13,000,000
Budget request, fiscal year 2003	+50,000,000

[1] The Federal Aviation Administration Reauthorization Act of 1996 permanently appropriated $50,000,000 of overflight fees for the Essential Air Service program. To the extent fees fall below the $50,000,000, current law requires the difference to be covered by Federal Aviation Administration funds.

[2] In addition to the $50,000,000 permanently appropriated to this program, Congress provided $13,000,000 in P.L. 107–87 and $50,000,000 in the Emergency Supplemental Act of 2002.

[3] The budget assumes $113,000,000 for the essential air service program: the collection of $30,000,000 in overflight fees and the balance of $83,000,000 to be paid from the FAA Airport Improvement Program.

The payments to air carriers, or essential air service (EAS) program, was originally created by the Airline Deregulation Act of 1978 as a temporary measure to continue air service to communities that had received federally mandated air service prior to deregulation. The program currently provides subsidies to air carriers serving small communities that meet certain criteria. Subsidies, ranging from $14 to $496 per passenger, currently support air service to 81 communities and serve about 700,000 passengers annually.

The Federal Aviation Administration Reauthorization Act of 1996 (Public Law 104–264) authorized the collection of user fees for services provided by the Federal Aviation Administration (FAA) to aircraft that neither take off from, nor land in the United States, commonly known as overflight fees. In addition, the Act permanently appropriated these fees for authorized expenses of the FAA and stipulated that the first $50,000,000 of annual fee collections must be used to finance the EAS program. In the event of a shortfall in fees, the law requires FAA to make up the difference from other funds available to the agency.

Over the years, Congress and the department have worked to streamline the essential air service program and to increase its efficiency by eliminating communities that are within an easy drive of a major hub airport or where the costs clearly outweigh the benefits. Federal law now limits the number of communities that receive essential air service funding by excluding points in the 48 contiguous United States that are located fewer than seventy high-

way miles from the nearest large or medium hub airport, or that require a subsidy in excess of $200 per passenger, unless such point is more than 210 miles from the nearest large or medium airport.

For fiscal year 2003, the budget requested several changes in the EAS program. First, the budget request assumed the collection of $30,000,000 in overflight fees instead of the $50,000,000 assumed in law. Second, the budget requested that the remainder of the program ($83,000,000) be funded from the Airport Improvement Program. Third, the budget included a general provision that capped the per passenger subsidy at $275, with the exception of service to communities in Alaska. Fourth, the budget requested language permitting the Secretary to take whatever actions are necessary to keep the fiscal year 2003 program within the proposed funding level of $113,000,000.

The Committee recommends a total program level for EAS in fiscal year 2003 of $100,000,000. This funding consists of an appropriation of $50,000,000 and $50,000,000 from overflight user fees or other funds available to the Federal Aviation Administration. If overflight fees are less than $50,000,000, FAA is expected to use funds available under the facilities and equipment account to make up this shortfall. The Committee does not support funding the EAS program from airport improvement program grants, as requested. With the increased security costs all airports are incurring following the terrorist acts of September 11, 2001, it is unfair to ask that this program also fund any shortfalls in the essential air service program. Similarly, the Committee has rejected both requests for bill language changes. Any significant changes to the core program should be considered as part of the broader aviation reauthorization that will occur next year. The Committee notes that, while the EAS funding is below the requested level, there is $13,000,000 to $16,000,000 in funds appropriated during fiscal year 2002 that will carry over into fiscal year 2003. When these funds are taken into consideration, the program will have the same funding level as assumed in the budget request.

The General Accounting Office recently released a report on options to enhance the long-term viability of the essential air service program. In summary, the report found that over the past several years, the EAS program has grown exponentially. The annual program costs have tripled, from $37,000,000 in 1995 to $113,000,000 in 2002 and the average subsidy per continental U.S. community served has increased from $424,000 to $838,000 over the same time period. Yet, passenger traffic at EAS-subsidized communities decreased by 20 percent since 1995. Also, the median daily passengers enplaned per community has declined to an estimated 10 per day, just over 3 passengers per flight, as more low cost carriers operate in adjacent communities and passengers choose other modes of transportation because of the high prices to fly in and out of EAS airports. GAO identified four options to enhance the long-term viability of the EAS program. These options include targeting subsidized service to more remote communities; better matching capacity with community use; consolidating service to multiple communities into regional airports; and changing carrier subsidies into local grants. Because of the serious affordability challenges facing this program, the Committee believes these options and

their impacts require a serious review. Accordingly the Committee strongly encourages the department to review each option and develop a plan to restructure the EAS program as part of aviation reauthorization next year.

The following table reflects the points currently receiving services and the annual subsidy rates in the continental United States and Hawaii:

EAS SUBSIDY RATES AS OF JULY 1, 2002

States/communities	Average daily enplanements at EAS point (year ending September 30, 2001)	Annual subsidy rates (July 1, 2002)	Subsidy per passenger	Total passengers (year ending September 30, 2001)
ALABAMA				
Muscle Shoals	22.5	$1,073,257	$76.05	14,113
ARIZONA				
Kingman	5.1	541,502	170.87	3,169
Page	(1)	1,251,977		
Prescott	14.0	541,502	61.80	8,762
Show Low	(1)	410,080		
ARKANSAS				
El Dorado/Camden	4.1	1,018,681	392.25	2,597
Harrison	8.6	1,121,411	207.28	5,410
Hot Springs	8.4	1,121,411	213.97	5,241
Jonesboro	7.7	1,018,681	210.82	4,832
CALIFORNIA				
Crescent City	43.5	333,717	12.27	27,205
Merced	13.3	1,031,224	123.81	8,329
COLORADO				
Alamosa	14.7	925,045	100.29	9,224
Cortez	28.8	403,311	22.35	18,044
Pueblo	8.8	527,185	95.83	5,501
HAWAII				
Hana	12.2	746,752	97.96	7,623
Kamuela	6.0	594,751	157.76	3,770
Kalaupapa	5.2	386,624	118.27	3,269
ILLINOIS				
Decator	36.0	487,050	21.60	22,546
Marion/Herrin	36.1	794,031	35.11	22,618
IOWA				
Burlington	39.2	929,082	37.85	24,547
Fort Dodge		(2)		
Mason City		(2)		
KANSAS				
Dodge City	13.5	1,159,886	137.39	8,442
Garden City	32.2	1,159,886	57.59	20,141
Great Bend	3.9	298,799	121.66	2,456
Hays	24.8	1,330,824	85.62	15,543
Liberal/Guymon	10.5	824,776	125.73	6,560
Salena		(2)		
Topeka	6.2	621,872	161.07	3,861
KENTUCKY				
Owensboro	21.5	888,863	66.03	13,461
MAINE				
Augusta/Waterville	13.7	1,205,855	140.26	8,597
Bar Harbor	40.8	1,205,855	47.21	25,545
Presque Isle	59.6	1,480,512	39.71	37,284
Rockland	23.4	1,205.855	82.48	14,620
MICHIGAN				
Iron/Ashland	6.5	544,269	134.49	4,047
Iron Mountain/Kingsford	28.6	1,614,863	90.05	17,933
Manistee	4.4	542,168	197.15	2,750
MINNESOTA				
Thief River Falls		(2)		
MISSISSIPPI				
Laurel/Hattiesburg	39.1	1,056,991	43.17	24,485

EAS SUBSIDY RATES AS OF JULY 1, 2002—Continued

States/communities	Average daily enplanements at EAS point (year ending September 30, 2001)	Annual subsidy rates (July 1, 2002)	Subsidy per passenger	Total passengers (year ending September 30, 2001)
MISSOURI				
Cape Girardeau	22.3	430,925	30.87	13,958
Fort Leonard Wood	27.1	573,725	33.79	16,979
Kirksville	6.3	732,363	186.59	3,925
MONTANA				
Glasgow	7.0	707,462	160.60	4,405
Glendive	3.1	707,462	367.13	1,927
Havre	3.7	707,462	308.13	2.296
Lewistown	2.8	707,462	398.35	1,776
Miles City	3.9	707,462	291.38	2,428
Sidney	8.6	707,462	131.89	5,364
Wolf Point	5.8	707,462	193.35	2,650
NEBRASKA				
Alliance	2.8	971,920	556.97	1,745
Chadron	5.1	971,920	303.06	3,207
Kearney	25.0	839,487	53.71	15,629
McCook	7.6	1,325,289	279.48	5,472
Norfolk	4.8	751,373	248.39	3,025
North Platte	24.1	751,373	49.91	15,056
NEVADA				
Ely	(1)	976,533		
NEW MEXICO				
Alamogordo/Holloman	6.2	849,235	219.16	3,875
Carlsbad		(2)		
Clovis	8.8	1,118,197	202.28	5,528
Gallup	3.2	691,080	347.10	1,991
Hobbs		(2)		
Silver City/Hurley/Deming	8.3	935,667	179.69	5,207
NEW YORK				
Massena	9.0	635,144	112.51	5,645
Ogdensburg	7.6	635,144	132.76	4,784
Saranac Lake	9.1	631,353	111.06	5,685
Utica	3.7	1,133,415	495.59	2,287
Watertown	10.7	635,144	94.52	6,720
NORTH DAKOTA				
Devils Lake	8.5	793,867	149.17	5,322
Dickinson	12.6	590,153	74.86	7,883
Jamestown	9.4	793,867	134.30	5,911
OKLAHOMA				
Enid	12.1	1,193,915	157.38	7,586
Ponca City	11.7	1,193,915	162.39	7,352
PENNSYLVANIA				
Altoona	48.1	995,533	33.03	30,141
Johnstown	59.1	849,798	22.97	37,002
Oil City/Franklin	15.2	510,261	53.49	9,540
PUERTO RICO				
Ponce	19.8	337,551	27.28	12,372
SOUTH DAKOTA				
Brookings	3.4	849,386	397.09	2,139
Huron	5.8	394,585	109.58	3,601
Watertown		(2)		
Pierre	27.9	318,861	18.27	17,452
TENNESSEE				
Jackson	25.3	1,151,993	72.68	15,850
TEXAS				
Brownwood	6.8	1,113,305	260.85	4,268
UTAH				
Cadar City	30,0	836,102	44.48	18,798
Moab	(1)	971,444		
Vernal	(1)	1,102,967		
VERMONT				
Rutland	9.8	1,205,855	195.82	6,158

EAS SUBSIDY RATES AS OF JULY 1, 2002—Continued

States/communities	Average daily enplanements at EAS point (year ending September 30, 2001)	Annual subsidy rates (July 1, 2002)	Subsidy per passenger	Total passengers (year ending September 30, 2001)
VIRGINIA				
Staunton	.....	(2)	.....	.....
WASHINGTON				
Ephrata/Moses Lake	32.7	479,859	23.48	20,439
WEST VIRGINIA				
Beckley	9.0	1,033,847	183.34	5,639
Princeton/Bluefield	7.5	1,033,847	218.99	4,721
WISCONSIN				
Oshkosh	8.7	460,392	84.86	5,425
WYOMING				
Laramie	33.8	297,633	14.07	21,149
Rock Springs	31.3	465,023	23.72	19,605
Worland	9.5	353,345	59.73	5,916

[1] A full year's data are not available due to a service hiatus.
[2] Hold-in rates under negotiation.

TRANSPORTATION SECURITY ADMINISTRATION

Appropriation, fiscal year 2002	$5,842,500,000
Budget request, fiscal year 2003	5,346,000,000
Recommended in the bill	5,146,000,000
Bill compared with:	
Appropriation, fiscal year 2002	−696,500,000
Budget request, fiscal year 2003	−200,000,000

The Transportation Security Administration (TSA) was established on November 19, 2001 pursuant to the Aviation and Transportation Security Act. The Act makes the agency responsible for carrying out transportation security activities in all modes of transportation, including aviation, rail, highway, pipeline, and maritime. This Act mandated an extensive TSA role in civil aviation security, transferring responsibilities from the Federal Aviation Administration and expanding them to include the direct federal responsibility for passenger, baggage, and cargo screening at the nation's commercial service airports. The Act mandated that TSA take over all passenger screening activities not later than November 19, 2002; provide screening for all checked baggage by explosive detection systems not later than December 31, 2002; and deploy armed law enforcement officers at airport screening checkpoints. The Act authorized user fees to be paid by passengers and airlines to help defray the agency's costs.

TSA'S START-UP YEAR

By anyone's estimation, TSA has had an extraordinarily difficult first year. Admittedly, this was partly caused by overly-ambitious milestones enacted by Congress for the federal takeover of screening activities. However, these deadlines cannot account for even a fraction of the missteps and mistakes made by the agency this year. The Committee has been extremely frustrated with an agency seemingly unable to make crisp decisions; unable to present firm budget estimates in a timely fashion; unable to work cooperatively with the nation's airports; and unable to take advantage of the multitude of security-improving and labor-saving technologies available. Thus far this year, the Committee has held three hearings to review TSA's performance, and in the third hearing the

Committee established initial performance goals it expects the agency to meet. The Committee will insist on effective management and will continue to hold TSA executives accountable for meeting their performance goals. In addition, the Committee will demand that TSA foster a much more cooperative attitude with Congress, airports, and the aviation industry than was shown earlier this year. The Committee is pleased that this attitude adjustment appears to be underway at this time.

COMMITTEE RECOMMENDATION

The Committee recommends total funding of $5,146,000,000 in four appropriations. The Administration initially requested $4,800,000,000, but a budget amendment submitted on September 3, 2002 raised the total request to $5,346,000,000. Because this budget amendment was submitted to the Congress without proposed offsets, and after passage of the House Budget Resolution which contained no such funding, the Committee has had to reduce other programs to address the Administration's request.

BUDGET PRESENTATION

The Committee does not believe it prudent, or consistent with other accounts in the bill, to provide a single lump-sum appropriation to TSA, as requested. Traditionally across the government, budgetary requests are divided into appropriations which account for important differences in the activities being financed, such as operating expenses, capital expenses, research and development, and grants to state and local entities. In this way, comparisons can be made across agencies, and a proper balance can be found between budgetary flexibility and oversight. For this reason, the Committee recommends that total TSA funding be provided in four separate appropriations, for aviation security; maritime and land security; research and development; and support programs. In addition, the Committee recommends a revised distribution of programs, projects, and activities (PPAs) which provides greater flexibility to the agency within individual appropriations.

TSA STAFFING

The Committee's investigation this year convinces the Committee that this fledgling agency is planning and budgeting for a vastly larger federal workforce than is necessary to protect the American public, and well beyond that contemplated when the agency was created ten months ago. Although the Committee stated in both hearings and in action on the fiscal year 2002 supplemental appropriations bill that the agency must constrain itself to no more than 45,000 full-time permanent federal positions, the budget justifications delivered in late June 2002 requests funds for 67,185 positions next year. In the fiscal year 2002 supplemental appropriations bill, Congress capped the agency's full-time staffing at 45,000. The Committee is adamant that the proposed staffing level is grossly excessive, and maintains the cap of 45,000 for fiscal year 2003.

TSA's budget for fiscal year 2003 assumes the following positions for the passenger screening workforce alone which the Committee finds to be unnecessary or highly questionable. In fact, at the Com-

mittee's June 2002 hearing, the Undersecretary for Transportation Security was not even aware that many of these positions were in the budget, and declared that they would be eliminated.

Type of position	Number assumed in FY03 budget
Shoe and bin runners	3,407
Ticket checkers (currently performed by airline staff)	1,430
Hand wanders	4,241
Queue coordinators	1,405
Customer service representatives	1,405
Exit lane monitors	3,248
Total	15,136

These unnecessary and questionable positions total 15,136—almost one-half the projected passenger screening workforce of 32,900.

Secondly, the budget assumes TSA will require a baggage screening workforce of 21,500. This number is driven by the agency's decision to deploy a large number of explosive trace detection (ETD) systems, which are far more staff-intensive than CT-scan systems. TSA has made this erroneous decision in part to meet the unrealistic deadlines established by Congress, and in part because the agency naively believes it will be able to reduce its workforce by thousands in later years, when they decide to replace the ETD systems with the more efficient CT-scan machines. The Committee finds it pennywise and pound-foolish to hire workers to operate relatively inefficient systems in the near-term, only to potentially offer buyouts in future years to entice them to leave federal service. The Committee's recommendation, discussed later in this report, provides alternate funding for TSA to pursue a more efficient and realistic course, with significant short-term and long-term salary savings.

Thirdly, the budget assumes large numbers of federal law enforcement officers (LEOs) pursuant to section 110 of Public Law 107–71. The Committee believes TSA can do more through state and local reimbursement, reducing the federal staffing requirement as well as overall budgetary requirements.

Fourthly, TSA's staffing figures assume approximately 3,000 management, administrative, and support personnel: 2,121 at the nation's airports and 880 at headquarters. Although some reductions in the estimates for airport-based staff have been made by TSA, the Committee believes further reductions are possible, particularly in support positions such as legal, human resources, and training. The Committee remains unconvinced that these type of personnel need to be assigned to the nation's airports in such large numbers. In addition, TSA's original plan, assumed in the budget request, for over 300 federal security directors has already been revised to 157 by the agency. Concerning headquarters staffing, given the proposed consolidation of TSA into the Department of Homeland Security, the Committee believes the agency should defer a portion of planned hiring for headquarters staff until the new department is established. It is almost certain that consolidation will allow TSA to utilize the expertise and staffing already resident in other agencies for some of these services, including management

analysis, financial management, policy and planning, and human resource management.

Fifthly, TSA's planned federal workforce goes far beyond the requirements of the Aviation and Transportation Security Act, which required only that screeners be federal employees. For example, the agency plans to hire federal exit lane monitors, shoe and bin runners, queue coordinators, and customer service representatives that should not be considered part of the screener workforce for the purposes of interpreting federalization. The need for this level of federalization should be reviewed, and would certainly result in greater use of private sector employees, which would be exempt from the federal workforce cap. The Committee directs TSA to conduct this review, in consultation with the OST Office of General Counsel and the Office of Inspector General, and report its findings to the House and Senate Committees on Appropriations no later than January 31, 2003.

For all of these reasons, the Committee is convinced the agency will be able to meet its security responsibilities with no more than 45,000 full-time permanent positions in the coming year. The Committee also notes that in June 2002 the agency announced that 20 percent of the projected screener workforce of 54,400 would be hired as part-time or seasonal positions. These 10,880 positions would not be subject to the staffing cap, allowing the agency to achieve total staffing of 55,800, a reduction of approximately 11,385 from the budget estimate. Conversion of additional positions to private industry or part-time federal status would allow an even higher staffing level.

RETIREMENT AND HEALTH BENEFITS

The recommendation makes reductions across all TSA appropriations to remove funds for accrual costs relating to the estimated future retirement and health benefit liabilities of current TSA workers. TSA did not reveal such estimates in its original budget request even though it was included in this government-wide proposal. Upon questioning, the agency informed the Committee that such costs are estimated at $247,630,000 in fiscal year 2003. Because the Committee is recommending a lower staffing level at the agency, the Committee has reduced these budgeted costs by $211,350,000.

AVIATION SECURITY

The Committee recommends $4,355,726,000 for aviation security activities. After accounting for a proposed transfer of support activities to a separate appropriation, the reduction from the budget estimate is largely due to approval of a lower staffing level for screening activities. Funds are available until expended, and partially offset by offsetting collections, estimated at $2,650,000,000 from security user fees and $176,691,000 in reimbursements from the Federal Aviation Administration for acquisition of explosive detection systems. Funds are available until expended, as authorized. The recommendation does not include proposals in the President's budget to allow the use of security fees for non-aviation activities. The Committee believes fees paid by aviation travelers and airlines should be invested in programs directly benefiting those paying the

fees, not cross-subsidizing other modes of transportation. A comparison of the budget estimate to the Committee recommended level by budget activity is as follows:

	FY03 budget estimate	Committee recommended
Passenger screening	$2,479,800,000	$1,786,347,000
Baggage screening	1,446,200,000	1,574,209,000
Cargo screening		25,000,000
CSRS/FEHBP costs		−168,226,000
Airport support/enforcement presence	1,128,000,000	1,138,396,000
Total	5,054,000,000	4,355,726,000

PASSENGER SCREENING

The Committee recommends $1,786,347,000 for passenger screening activities. A comparison of the Committee recommendation to the budget estimate, by budget activity, is as follows:

	FY03 budget estimate	Committee recommended
Passenger screeners	$2,149,200,000	$1,731,227,000
Cross training	52,100,000	42,100,000
Credentialing	35,000,000	35,000,000
CAPPS II	35,000,000	35,000,000
Checkpoint equipment	30,000,000	30,000,000
Electronic surveillance	13,500,000	13,500,000
Checkpoint equipment maintenance	15,000,000	10,000,000
Support staff	([1])	−260,480,000
Third party screener contracts	80,000,000	80,000,000
Planning and deployment	70,000,000	70,000,000
Total	2,479,800,000	1,786,347,000

[1] Funding of $260,480,000 was distributed among the individual budget lines in the budget request.

Passenger screeners.—The Committee's proposed reduction reflects savings in budgeted staffing and salary costs, as explained below:

Staffing reduction.—As discussed previously, the Committee believes that thousands of the budgeted positions in the passenger screening workforce are unneeded or could be easily eliminated through the use of technology. For example, the Committee has been urging TSA for months to quickly replace the obsolete magnetometers at most U.S. airports with new, state-of-the-art ones already in use in Canada and several European countries. The significant improvements in these machines, including a much lower false alarm rate, will reduce the need for much of the hand wanding that is in TSA's current operating procedures. Furthermore, it will reduce the number of shoe and bin runners, because the current machines are more able to discriminate between threat objects and non-harmful metal in shoes. The Committee recommendation provides one-half the number of shoe and bin runners proposed; 70 percent of the hand wanders; and none of the ticket checkers, customers service representatives, and queue coordinators. This will reduce the planned workforce by approximately 7,200 positions, from 32,900 to 25,700.

Salary savings.—The recommendation reflects savings in the workforce hired to date. TSA's budget assumed that one-half of the screeners hired would have prior screening experience, and would

therefore be paid at a higher rate than those individuals without screening experience. The Committee understands that the agency has not come close to meeting this prior experience hiring goal. The recommendation assumes that 25 percent of the workforce will have prior screening experience. In addition, the Committee notes that TSA budgeted $42,000 for the compensation' benefits, and supplies of each screener. While this appears reasonable for some members of this workforce, the Committee believes the 3,248 exit lane monitor positions and 3,407 shoe and bin runner positions (half of which are provided) need not be federal employees, and need not be compensated at the same level as an x-ray operator. These individuals are not screening passengers. The Committee directs TSA to strongly consider the use of contract employees, at lower salary and benefits levels, for these workforces, and to explore the use of technologies such as self-closing doors, which would obviate the need for the exit lane monitor positions altogether. The Committee's recommendation allows $30,000 per position. In total, these recommendations allow a reduction of $38,718,000 in budgeted funds for screener salaries.

Part-time and seasonal employees.—At the Committee's urging, TSA announced in June 2002 that 20 percent of the screening workforce would be part-time or seasonal employees. The Committee applauds that decision. However, TSA's budget does not appear to have taken this decision into consideration. The agency's ratio of full-time equivalent (FTE) staffyears to full-time positions (FTP) for the screening workforce in fiscal year 2003 is 90.1 percent. If the entire staff worked full-time and were on board for the entire fiscal year, the ratio would be 100 percent. Generally, when new positions are added to the budget, they are budgeted at 50 percent of a staffyear in the initial year, reflecting the normal time to recruit and hire personnel. The Committee's recommendation assumes a reduction of $20,000,000 reflecting the lower salary and benefits costs for a part-time and seasonal workforce compared to the original budget submission.

Attrition rate assumption.—The Committee finds TSA's assumption of a 25 percent attrition rate for the screener workforce to be excessive. While it is accurate that previous attrition rates among the contractor screening workforces were as high as 400 percent in some airports, the pay and working conditions of the planned federal workforce represent vast improvements over that situation. Pay is being doubled, benefits are more attractive, professional training is being developed, and new technology is being installed. The Committee acknowledges that TSA is likely to experience greater attrition in this workforce than many agencies, however, and assumes a more reasonable attrition rate of 15 percent for fiscal year 2003.

Cross-training.—TSA's budget requested funds to cross-train the entire screening workforce during fiscal year 2003. In other words, passenger screeners would be trained to serve as baggage screeners, and vice versa. The Committee recommendation reflects the assumption that a smaller workforce will be hired.

Credentialing.—The Committee recommends $35,000,000, the same as the budget estimate. TSA announced an effort to develop an industry-wide transportation worker identification card (TWIC) earlier this year. Congress expressed its concern over TSA's plans

in the recently-enacted fiscal year 2002 supplemental appropriations bill, and deferred further TWIC activities until these problems could be resolved. The Committee believes the scope of the TWIC effort is so grandiose as to be infeasible and unworkable. Deciding the requirements, costs, and financing for card technology to allow every transportation worker in every industry in the United States to access only the appropriate facilities and job sites would take years of industry involvement, and it is unlikely that consensus across all the affected industries could be reached. However, the Committee acknowledges that there is a need in the aviation industry to test and implement access card technologies that could enable aviation industry workers, and potentially trusted travelers, to reach their aircraft or job sites in an expedited fashion. The Committee provides $35,000,000, and includes bill language specifying that funds shall support pilot projects on the East and West Coasts. This is consistent with the agency's current plan, which is to conduct pilot projects in the Los Angeles/Long Beach area in California and in the Philadelphia, Pennsylvania—Wilmington, Delaware areas on the East Coast. The Committee expects TSA to initiate these projects expeditiously, and the bill includes language directing TSA to include various card, reader, and database technologies sufficient to make a determination of the program's costs and requirements. The Committee believes it is essential to include multiple biometrics on these cards, to verify the true identity of the individual carrying them. The Committee understands that the card technology with greatest capacity for including biometric information is the optical lasercard, such as that used by the Immigration and Naturalization Service for permanent resident cards ("green cards") and by the Department of State for border crossing cards. These cards have the added benefit of being virtually counterfeit-proof. The Committee does not want TSA to develop new technologies if existing ones, already developed by other federal agencies, are good enough. Therefore, the Committee strongly encourages TSA to include, as part of these projects, optical lasercard technology similar to that used today by the INS. The Committee notes that, given the proposed consolidation of INS and TSA into the same Department of Homeland Security, TSA's implementation of this technology could provide long-term life cycle cost savings and integration with INS's existing infrastructure.

Checkpoint equipment maintenance.—The budget estimate includes $15,000,000 for maintenance of checkpoint equipment. The Committee believes this requirement is overstated due to TSA's plan to replace the current obsolete magnetometers at security checkpoints. Replacement of these systems is scheduled to begin in September 2002 and complete by December 2002. New systems are expected to be much more reliable, and under warranty during their initial start-up period. The Committee expects TSA to ensure that the magnetometer replacement schedule does not experience further delays, given its importance in improving security as well as reducing unnecessary staff. Immediate replacement of the magnetometers will reduce the funding requirement by $5,000,000 in fiscal year 2003.

Support staff.—As previously described, these funds have been consolidated into a new appropriation.

Contract screening locations.—The Aviation and Transportation Security Act allows pilot projects at five airports to demonstrate the viability of using private sector screening firms under contract, rather than using federal employees. The Committee has recently learned that TSA intends to require the five airports in this pilot program to follow virtually identical operating procedures to TSA's own federal workforce. The Committee believes TSA should review this policy, and provide the contract screener pilot locations as much operational flexibility as possible, while meeting the same overall security requirements. Only in this way will the contractors be able to demonstrate the advantages and disadvantages of the contract screening approach.

Inspection teams.—The Committee believes strongly that TSA needs to establish, as a top priority, inspection teams to perform undercover testing of federal screening and security activities at airports. These inspections were formerly accomplished by two different branches of the FAA, but after the terrorist attacks of September 11, 2001, the Office of Inspector General was asked to take over this function on an interim basis. The Committee believes it is time for TSA to take over this function as a routine part of its mission. These tests should be rigorous, unannounced, and difficult. Teams should receive special training, such as that provided at the European Aviation Security Training Institute, and the agency should develop a formal process for recording and following up on identified deficiencies. Although the budget does not identify funds specifically for these teams, the Committee intends to work with TSA to ensure such teams are constituted over the next fiscal year, and receive the training and organizational support they require.

BAGGAGE SCREENING

The Committee recommends $1,574,209,000 for baggage screening, an increase of $128,009,000 above the budget estimate. The recommendation largely reflects the Committee's decision to accelerate investment in labor-saving CT-scan machines, and assumes a waiver of up to one year in the time to install explosive detection systems. The Administration's proposal involves the procurement of approximately 4,700 explosive trace detection (ETD) systems and only 1,100 CT-scan systems. The Committee understands that this decision was made in order to meet the December 31, 2002 deadline for installation of EDS systems in all commercial service airports. However, at this point it has become clear that many large airports have no hope of meeting this deadline, and doing so would create chaos in the lobbies of major airports and legitimate security concerns due to the creation of long, stagnant lines. This plan would also create significant government liabilities from the manual opening and searching of a large volume of checked baggage, tremendous customer inconvenience, privacy concerns, and billions in unnecessary expense. TSA officials have recently acknowledged that 30–40 airports will not meet the deadline. The Committee believes a significant number of airports will not meet the deadline, and will need additional funding, provided in this bill, for the more efficient CT-scan systems, the large majority of which can be installed in-line with airport baggage handling systems.

The provisions and funding in this bill, combined with the already-passed waiver provisions, allow a more sensible approach to the ramp-up in airport security, considering the lessons learned since passage of the Aviation and Transportation Security Act last November. While the Committee strongly endorses the goals of that Act to improve security, it is obvious by now that, expecting a new agency to procure, install, and staff enough equipment to screen 100 percent of checked baggage at 429 commercial service airports—compared to screening of less than 10 percent one year ago—was impossible to accomplish, without huge waste of federal funds, in thirteen months. The Committee recommendation abandons this folly, and allows TSA to pursue an effective course resulting in the same level of security, on a much faster timetable, at far less cost to the Federal Government and less invasion of privacy to the traveling public which is paying for the service.

A comparison of the Committee recommendation to the budget estimate, by budget activity, is as follows:

	FY03 budget estimate	Committee recommended
Baggage screeners	$1,310,100,000	$1,110,100,000
Detection equipment maintenance	75,000,000	75,000,000
Cross-training	9,700,000	8,500,000
Checked baggage data system	1,400,000	1,400,000
Support staff	[1]	– 170,791,000
EDS systems—procurement	50,000,000	275,000,000
EDS/ETD systems—airport modifications		275,000,000
Total	1,446,200,000	1,574,209,000

[1] Funding of $170,791,000 was distributed among the individual budget lines in the budget request.

Baggage screeners.—The recommendation assumes savings of $200,000,000 due to staffing size and salary adjustments. The Committee has included additional funds for the procurement of CT-scan or other high-throughput systems that can be installed in-line at airports. These systems require one-fifth to one-third of the staffing required for trace detection machines because of the automated nature of the operation. This additional funding, will result in a need for far less staffing than the 21,500 included in the budget estimate. The recommendation assumes savings of approximately 15 percent.

Cross-training.—As described in a previous section of this report, the recommendation reduces cross-training, from $9,700,000 to $8,500,000.

Support staff.—As described in a previous section of this report, the recommendation consolidates support staff costs into a separate appropriation.

EDS systems procurement.—The Committee recommends $451,691,000 for procurement of additional explosive detection systems (EDS). The Administration included $50,000,000 for additional systems in fiscal year 2003. These funds, which include $176,691,000 to be transferred from FAA, "Facilities and equipment", shall be used to procure additional CT-scan systems, or other systems with high throughput rates, with a focus on installing these systems in-line at airports. In addition, the bill includes a provision, already passed the House of Representatives as part of H.R. 5005, which specifies that EDS systems required pursuant to Public Law 107–71 must be acquired by the Department of

Transportation. The Committee does not believe that individual airports or the FAA's "Grants-in-aid for airports" program should be responsible for these new federal requirements.

Pilot project, Denver International Airport, CO.—The Committee understands that Denver International Airport has requested that TSA approve their proposal to utilize a high throughput system currently in use in Europe. The Committee believes TSA should strongly consider this request, consistent with current detection requirements, in order to expedite the evaluation of this technology.

Certification process.—Over a period of many years, the FAA developed a lengthy process for certification of EDS systems. This process has not been replicated anywhere else in the world, and does not apply to other technologies such as trace detection systems. Prior to September 11th, 2001, this process ensured the delivery of highly sophisticated machines, able to meet stressing bomb detection requirements, at very few airports. By contrast, European airports proliferated bomb detection systems with different requirements at a far higher percentage of airports. In order to meet the certification process, the current CT-scan systems are limited in throughput rate, which may have been satisfactory when the nation was screening a very low percentage of overall bags. However, the current requirement to screen all bags puts enormous pressure not only on the manufacturing base for certified machines, but also on available resources. Because of the lack of a manufacturing base for certified systems, and the inability of other systems to meet the certification process during fiscal year 2002, earlier this year TSA decided to forego the use of CT-scan systems in most airports, and instead substitute the use of trace detection machines, which are not subject to any certification standard. The outcome is an unfair competition between the two types of technologies, which provides perverse incentives for the agency to favor the technology that has higher life cycle costs and is the most intrusive to passengers. The Committee directs TSA to review the current process for evaluating and certifying EDS systems, and find ways to expedite the certification of new systems on the horizon which could provide vast improvements in throughput over the current generation of systems.

EDS/ETD systems, airport modifications.—The recommendation includes $275,000,000 for airport modifications necessary to accommodate EDS and ETD systems. An additional $738,000,000 was appropriated for this purpose in fiscal year 2002, bringing the total available to $1,013,000,000. Additional funds are needed given the Committee recommendation to install a higher percentage of CT-scan systems and the assumption that airports will be allowed waivers of the current deadline. These funds will increase the number of airports which are able to place their bomb detection systems in-line. TSA's funding level assumed large numbers of trace detection systems as an interim measure, and very few in-line CT-scan systems.

CARGO SCREENING

The Committee recommends $25,000,000 to continue improvements in the cargo screening process. The budget estimate included no funds for this purpose. TSA continues to note the deficiencies

in the current screening process, and the Committee believes that additional funding is crucial at this time.

AIRPORT SUPPORT AND ENFORCEMENT PRESENCE

The Committee recommends $1,138,396,000 for airport support and enforcement presence. This budget activity finances the costs of federal security directors and their support staff at airports as well as checkpoint law enforcement officers required by the Aviation and Transportation Security Act. A comparison of the Committee recommendation to the budget estimate is as follows:

	FY03 budget estimate	Committee recommended
Airport support	$380,500,000	$359,664,000
Law enforcement	491,500,000	416,500,000
Reimbursable agreements	226,000,000	250,000,000
Support staff	[1]	−49,727,000
Cockpit door reimbursement	100,000,000	150,000,000
Commercial pilot firearms training		20,000,000
CSRS/FEHBP costs		−18,041,000
K–9 units	10,000,000	10,000,000
Total	$1,228,000,000	$1,138,396,000

[1] Funding of $49,727,000 was distributed among the individual budget lines in the budget request.

Airport support.—The reduction of $20,836,000 reflects TSA's decision, made since submission of the budget request, to hire only 157 federal security directors at the nation's airports, instead of 314 who were expected to be onboard at the end of fiscal year 2002 in the original plan.

Law enforcement.—TSA's budget assumed the hire of 3,000 federal law enforcement officers (LEOs). The Committee believes that savings are possible through greater use of state and local law enforcement officers. Consequently, funds have been reduced in this budget line, but raised under "reimbursable agreements", which finances state and local LEO reimbursement. In addition, the bill includes provisions amending current law which make it clear that TSA has the flexibility to hire either federal or non-federal officers to fill checkpoint LEO responsibilities. The Administration requested this change as part of proposed technical amendments to the Aviation and Transportation Security Act, which were submitted to the Congress on July 30, 2002.

Former FAA civil aviation security personnel.—The Committee notes that TSA has replaced many of FAA's previous responsibilities with new positions with little or no review of whether that workforce should be reduced over time. For example, the agency has taken onto its payroll former FAA employees serving as airport-based federal security managers, but has hired, in most cases, new individuals to serve as TSA federal security directors and deputy directors. The Committee believes the positions held by former FAA personnel in field offices requires immediate review by TSA to determine whether there is a firm requirement for this entire workforce. The Committee directs TSA to provide a detailed report on the number, types, and responsibilities of these positions, and the requirement for their retention, to the House and Senate Committees on Appropriations no later than February 15, 2003. The Committee recommendation assumes that significant reductions will be possible in this workforce through attrition.

Criminal investigators.—The recommendation includes a reduction in the number of criminal investigators. The budget justifications explain that these personnel will be "investigating crimes and suspicious activity, preventing crimes, and serving as a deterrent" to illegal activity at airports. The Committee does not agree that the TSA should have substantial sums of investigative personnel assigned permanently to airports investigating activity the agency deems suspicious, and believes this goes far beyond the mandate established for TSA by the Aviation and Transportation Security Act. The number of these positions should be minimized, and they should be based out of headquarters or out of regional service centers, where they can be assigned to cases as they arise, and not trolling through airports looking for suspicious activity.

Reimbursable agreements.—The recommendation provides an additional $24,000,000 reflecting greater usage of state and local resources rather than full-time federal personnel.

Support staff.—As discussed previously, these costs have been consolidated into a separate budget line.

Cockpit door reimbursement.—The Committee provides $150,000,000 for TSA to reimburse airlines for the costs of complying with departmental mandates to retrofit all commercial aircraft with phase II hardened cockpit doors no later than April 9, 2003. The Committee strongly supports this effort, but believes that the extraordinary nature and short timeframe of this mandate justify federal investment. In addition, some airlines may not be able to make all the necessary modifications during scheduled maintenance periods. If this occurs, airlines may have to take aircraft out of revenue service to meet the deadline, which would be especially difficult given the industry's difficult financial situation. An emergency appropriation of $100,000,000 was provided to support this effort in fiscal year 2002. The Committee also notes that $7,000,000 of the fiscal year 2002 funds were reprogrammed and used for aircraft video surveillance and related technologies. The Committee believes this use of funding should have gone through the reprogramming process, as it constituted a new activity not previously justified or contemplated by the appropriation, and reminds the department of the need to follow established procedures.

Cargo Aircraft Cockpit Doors.—In the Aviation and Transportation Security Act, P.L. 107–71 ("ATSA"), Congress required reinforced flight deck doors for passenger aircraft only, not for all-cargo aircraft. This recognized a clear distinction in security needs between passenger and all-cargo operations, in particular the fact that all-cargo carriers are not in the business of transporting strangers, and thus can confidently identify and screen all persons having access to their aircraft. That capability is being employed through a variety of new procedures and requirements, including the Security Program for Aircraft 12,500 Pounds or More, Docket No. TSA–2002–11604, scheduled for implementation by December 1, 2002, and through new rules governing jumpseat access. However, in implementing the Congressional mandate, the Federal Aviation Administration extended it to cover all-cargo aircraft as well, and did so effective immediately, without notice and opportunity for comment.

Congress has provided funds to reimburse the airlines for the costs of installing cockpit door improvements. It makes sense to

focus available resources first, as Congress did in the Aviation and Transportation Security Act, on the highest security priority—flight deck doors on passenger carriers. The Committee has included a provision that requires the Under Secretary for Transportation Security to review whether it is necessary to apply the cockpit door strengthening requirements to all-cargo carriers before requiring such modifications.

Commercial pilot firearms training.—The Committee recommends $20,000,000, as requested, to defray costs of a House-passed bill which requires the agency to provide use of force and firearms training to any commercial airline pilot requesting such training.

MARITIME AND LAND SECURITY

The Committee recommends $206,864,000 for maritime and land transportation security, an increase of $159,064,000 above the budget estimate. A comparison of the budget estimate to the Committee recommended level by budget activity is as follows:

	FY03 budget estimate	Committee recommended
Port security grants		$150,000,000
Staff	$23,000,000	23,000,000
Information technology	4,800,000	4,800,000
Nuclear detection and monitoring systems		4,000,000
Support staff		−1,239,000
CSRS/FEHBP cost		−697,000
Trucking safety grants	20,000,000	27,000,000
Total	47,800,000	206,864,000

Port security grants.—The Committee recommends $150,000,000, an increase of $150,000,000 above the amount in the budget estimate. There are 361 public ports in the United States. Shipments through these ports account for over 95 percent of the nation's overseas trade. The Committee believes it is imperative for the Federal Government to assist local port authorities in their most pressing security needs. The Committee expects the Undersecretary to consult with local port authorities regarding potential grants affecting their port before grants are awarded, to ensure adequate coordination with local communities.

Staff.—The Committee recommends $23,000,000 for TSA to continue to build staff expertise in the area of maritime and land transportation security. This is expected to finance the hire of 225 positions, the same as the budget estimate.

Information technology.—The Committee recommends $4,800,000 for information technology projects, including a container tracking project known as Operation Safe Commerce and a container threat assessment project. This is the same as the budget estimate.

Nuclear detection and monitoring systems.—The Committee recommends $4,000,000 for continued evaluation and acquisition of nuclear detection and monitoring systems. Funding of $4,000,000 was provided in fiscal year 2002.

Trucking safety grants.—The Committee recommends $27,000,000 for continued improvements in trucking safety. The recommended level includes $20,000,000, as requested, for activities in the budget amendment submitted in September 2002. In ad-

dition, the recommended level includes $5,000,000 for a hazardous materials safety permit program and $2,000,000 for a truck security pilot program.

Hazardous materials safety permit program.—The Committee recommends $5,000,000 to implement the permit program required by law for those motor carriers transporting the most dangerous hazardous materials. Given that this permit program is especially critical now in light of truck security concerns, TSA should ensure that it is implemented within one year from the date of enactment of this Act. The Committee would not oppose the conduct of this program by FMCSA on a reimbursable basis.

Truck security pilot program.—The Committee understands that technology exists from a number of manufacturers that allows trucks to be remotely tracked and controlled. The TSA and the FMCSA may decide to mandate the use of such systems in the permit program discussed above. So that TSA and FMCSA may completely understand the performance characteristics of such systems, the Committee has included $2,000,000 for a pilot program.

Support staff.—As previously discussed, funding for support staff has been consolidated in a new budget line.

Research and Development

The Committee recommends $129,519,000 for research and development, a reduction of $681,000 below the budget estimate. The reductions involve the consolidation of support costs (−$385,000) and a removal of retirement and health benefit accrual costs (−$296,000).

A comparison of the budget estimate to the Committee recommended level by budget activity is as follows:

	FY03 budget estimate	Committee recommended
Laboratory space/research facility	$5,000,000	$5,000,000
Next generation EDS	100,000,000	100,000,000
Applied R&D	20,000,000	20,000,000
Staffing	5,200,000	5,200,000
Support staff		−385,000
CSRS/FEHBP costs		−296,000
Total	130,200,000	129,519,000

Walk-through portals.—The Committee remains supportive of non-invasive explosive trace detection walk-through portals. These portals can be used in airports to guard against explosives carried by individuals. This equipment should be evaluated as soon as possible to test enhanced checkpoint security. The Committee encourages TSA to use up to $2,000,000 in research and development funding to purchase and deploy this equipment for evaluation in airports.

Support Services

The Committee recommends $453,891,000 for activities in support of TSA missions. In the budget request, these costs were largely distributed, on a pro rata share, to the individual programs, projects, and activities. In order to more properly account for the direct cost of various TSA activities, and to foster greater Congres-

sional oversight, the Committee consolidates these funds in a single appropriation. Additional discussion and guidance is provided in a classified annex to this report.

COAST GUARD

SUMMARY OF FISCAL YEAR 2003 PROGRAM

The Coast Guard, as it is known today, was established on January 28, 1915, through the merger of the Revenue Cutter Service and the Lifesaving Service. This was followed by transfers to the Coast Guard of the United States Lighthouse Service in 1939 and the Bureau of Marine Inspection and Navigation in 1942. The Coast Guard has as its primary responsibilities enforcing all applicable federal laws on the high seas and waters subject to the jurisdiction of the United States; promoting the safety of life and property at sea; aiding navigation; protecting the marine environment; and maintaining a state of readiness to function as a specialized service of the Navy in time of war.

Including funds for national security activities and retired pay accounts, the Committee recommends a total program level of $6,060,978,000 for activities of the Coast Guard in fiscal year 2003. This is $566,319,000 (10.3 percent) above the fiscal year 2002 program level.

The following table summarizes the fiscal year 2002 program levels, the fiscal year 2003 program requests, and the Committee's recommendations:

Program	Fiscal year—		Committee recommended
	2002 enacted	2003 estimate	
Operating expenses	$3,780,150,000	$4,153,456,000	$4,305,456,000
Acquisition, construction, and improvements	964,354,000	725,000,000	725,000,000
Environmental compliance and restoration	16,927,000	17,000,000	17,000,000
Alteration of bridges	15,466,000		17,000,000
Retired pay	876,346,000	889,000,000	889,000,000
Reserve training	83,194,000	86,522,000	86,522,000
Research, development, test, and evaluation	20,222,000	22,000,000	21,000,000
Navigation service user fees		−165,000,000	
Total	5,767,659,000	5,892,978,000	6,060,978,000

OPERATING EXPENSES

Appropriation, fiscal year 2002 [1]	$3,780,150,000
Budget request, fiscal year 2003 [2]	4,153,456,000
Recommended in the bill [3]	4,305,456,000
Bill compared with:	
Appropriation, fiscal year 2002	+525,306,000
Budget request, fiscal year 2003	+152,000,000

[1] Includes $440,000,000 for national security activities scored in budget function 050 and $409,150,000 in supplemental emergency appropriations.
[2] Includes $340,000,000 for national security activities scored in budget function 050 and offsetting collections of $165,000,000 from proposed new user fees.
[3] Includes $1,300,000,000 for national security activities scored in budget function 050.

This appropriation provides funding for the operation and maintenance of multipurpose vessels, aircraft, and shore units strategically located along the coasts and inland waterways of the United States and in selected areas overseas. This is the primary appropriation financing operational activities of the Coast Guard.

Including $1,300,000,000 for national security activities, the Committee recommends a total of $4,305,456,000 for operating activities of the Coast Guard in fiscal year 2003, an increase of $525,306,000 (13.9 percent) above the fiscal year 2002 appropriation and $152,000,000 above budget request.

Specific adjustments to the budget estimate are discussed below:

Homeland security liaison billets.—The Committee recommends no funding for homeland security liaison billets, a reduction of $4,094,000 below the budget estimate. The budget requested funds for 43 new positions, to be detailed to other agencies to coordinate homeland security efforts and provide assistance in homeland security activities. If necessary, the Committee believes these positions should be funded via reimbursable agreement with the agencies receiving the support, not through new appropriations to the Coast Guard. Further, since this budget request was submitted, the administration has proposed the establishment of a Department of Homeland Security. Future appropriations to this new department should obviate the need for a large number of temporary detailees from other federal agencies.

Polar icebreaking reimbursement.—The Committee is disappointed that the fiscal year 2003 budget reverses a recent trend toward greater reimbursement of the Coast Guard's expenses for polar icebreaking. The following data shows the amount of reimbursements received by the Coast Guard for these services for the past five years and the percentage of total program costs reimbursed:

Fiscal year	Reimbursements	% of total cost reimbursed
1999	$2,711,000	12
2000	2,145,000	8
2001	4,966,000	13
2002	9,664,000	25
2003 estimate	6,515,000	17

The Committee believes the Coast Guard should seek to achieve the same level of reimbursements for polar icebreaking services as estimated for fiscal year 2002. The Committee recommendation assumes the Coast Guard will achieve that goal, allowing a reduction of $3,149,000 in direct appropriations with no effect on the overall program.

Response boat—small.—The recommendation includes an additional $10,000,000 for the Coast Guard to accelerate replacement of the existing non-standard boat inventory. The Coast Guard is planning this replacement under a project known as response boat—small. However, the Coast Guard is planning a seven year replacement cycle, despite the fact that 30 percent of these boats are beyond their design life already. In addition, the boats are being utilized significantly more hours each month, often with deferred maintenance, to satisfy new homeland security requirements. These assets are critical for two of the service's highest priority missions: homeland security and search and rescue.

Small boat station/command center readiness.—The bill includes an additional $10,000,000 to continue the high priority initiatives begun in fiscal year 2002 to address longstanding readiness defi-

ciencies at the Coast Guard small boat stations and command centers.

Maritime search and rescue.—The recommendation transfers the following items to "Acquisition, construction, and improvements", to more appropriately reflect the nature of the work being performed. These are flight data recorders/cockpit data recorders ($2,700,000) and self-contained breathing apparatus ($1,115,000).

Vessel traffic system, Corpus Christi, TX.—The recommendation transfers this item to "Acquisition, construction, and improvements", to more appropriately reflect the nature of the work being performed.

High interest vessel control follow-on/personnel support costs.—The Committee recommendation reduces by one-half the requested increase in funds for personnel support costs. Based upon the budget justifications and information submitted for the hearing record, these costs appear unrelated to the high interest vessel control program. This results in a reduction of $3,776,000 below the budget estimate.

Maritime safety and security teams.—The budget requested funds to establish two new maritime safety and security teams (MSSTs) in fiscal year 2003, increasing the total number of teams from four to six. According to the Coast Guard, the service has located resources to stand up five MSSTs in fiscal year 2002, reducing the startup costs needed in fiscal year 2003. The recommendation recognizes this program change, and provides the necessary resources to start up the sixth MSST in the coming fiscal year. This results in a reduction below the budget estimate of $6,340,000. In addition, the recommendation deletes the $3,731,000 requested for additional staffing of coastal and oceangoing buoy tenders. The Coast Guard has not adequately explained how this staffing is related to homeland security missions or the maritime safety and security teams.

Security readiness and planning.—The Committee has deleted the requested increases for additional attorneys ($1,767,000) and contract administrators ($395,000). The Coast Guard has not adequately explained how this staffing is related to homeland security missions or security readiness and planning. If the Coast Guard has additional legal or contracting requirements arising from homeland security activities, the service should seek to reassign existing staff from support activities which are now of lower priority.

Incident command system.—The Committee is not convinced that the Coast Guard needs 14 new full-time public affairs specialists to handle the workload arising from last year's terrorist attacks. The service already has 96 public affairs specialists, including 32 at headquarters and 64 at various field units. Larger field units where homeland security activities are centered have already allocated significant public affairs resources. For example, seven billets each are assigned to Coast Guard offices in Miami, Florida and Portsmouth, Virginia. Particularly given the expected transition of the Coast Guard to the proposed Department of Homeland Security, the service should defer such hiring until the consolidation determines whether additional support staff are truly necessary. This results in a reduction of $1,400,000 below the budget estimate.

Ammunition funding.—The Committee is concerned over the rising costs of the Coast Guard's ammunition budget. For the past four fiscal years (1999–2002), the Coast Guard's budget for ammu-

nition averaged $826,051 per year. This reflects the 12 percent increase experienced in fiscal year 2002 after the September 2001 terrorist attacks, which brought 2002 expenditures to an estimated $1,034,888. By contrast, the fiscal year 2003 budget requests $10,122,888 for ammunition—ten times the amount experienced in past years. Coast Guard officials explain that this cost increase is largely due to the desire to purchase environmental-friendly ammunition, which is far more expensive than regular ammunition. Information provided to the Committee indicates that this so-called "green ammo" is, in many cases, twice as expensive as traditional types of ammunition. The Committee has been unable to determine the necessity of this requirement. Although the Committee recommends the full amount of the Coast Guard's request, the Committee encourages the Coast Guard and the department to review the requirement for the procurement of "green ammo".

Homeland security budget presentation.—The Committee has found several instances in the Coast Guard's budget where items of questionable contribution to homeland security activities were included within the homeland security request. These include public affairs specialists, attorneys, and additional staffing for ocean-going and coastal buoy tenders. Although the Committee intends to provide full funding for necessary homeland security requirements, the Committee cautions the Coast Guard to ensure that, in development of future budgets, items unrelated to homeland security are not presented in the budget under homeland security categories.

Great Lakes pilotage.—The Committee understands that the Coast Guard has before it a proposal to streamline and modernize the pilotage system on the Great Lakes. The Committee urges the Coast Guard to ensure that this proposal receives all due consideration. This should include a full review by the Great Lakes Pilotage Advisory Committee. The Coast Guard should also ensure that all elements of the Great Lakes maritime industry have an opportunity to comment on the proposal and participate in its development.

Pier safety study.—On May 18, 2000, a 140 foot section of pier 34 on the Delaware River in Philadelphia collapsed, killing three people and injuring several others. The Committee understands that there are currently no federal safety standards for piers. The Committee directs the Coast Guard to undertake a study of pier safety, including recommendations for improving pier safety. Such study shall be submitted to the House and Senate Committees on Appropriations no later than six months after enactment of this Act.

Fuel tank safety.—The Committee understands that the Department of Defense has tested the success of alumimum mesh technology in preventing explosions in fuel tanks and storage containers, regardless of ignition source. Given the need to increase security at our ports and elsewhere, the Coast Guard is directed to review whether such technology would be beneficial in protecting public safety at Coast Guard facilities, and report on the results of such review to the House and Senate Committees on Appropriations by July 1, 2003.

Dual use technologies.—The Coast Guard has critical responsibilities in both counter-drug and counter-terror operations. The Committee is aware that technology exists which is able to simulta-

neously detect minute quantities of narcotics as well as explosives on individuals, baggage, vehicles, cargo, and documents. These dual-use devices can reduce Coast Guard manpower and maintenance costs and provide synergies between these two missions. The Committee encourages the Coast Guard to evaluate and utilize these dual-use technology systems.

BILL LANGUAGE

Defense-related activities.—The bill specifies that $1,300,000,000 of the total amount provided is for national security-related activities. This level is $860,000,000 above the level enacted for fiscal year 2002 and $960,000,000 above the budget estimate.

GENERAL PROVISION

Vessel traffic safety fairway, Santa Barbara/San Francisco.—The bill continues as a general provision (Sec. 311) language that would prohibit funds to plan, finalize, or implement regulations that would establish a vessel traffic safety fairway less than five miles wide between the Santa Barbara traffic separation scheme and the San Francisco traffic separation scheme. On April 27, 1989, the Department published a notice of proposed rulemaking that would narrow the originally proposed five-mile-wide fairway to two one-mile-wide fairways separated by a two-mile-wide area where offshore oil rigs could be built if Lease Sale 119 goes forward. Under this revised proposal, vessels would be routed in close proximity to oil rigs because the two-mile-wide non-fairway corridor could contain drilling rigs at the edge of the fairways. The Committee is concerned that this rule, if implemented, could increase the threat of offshore oil accidents off the California coast. Accordingly, the bill continues the language prohibiting the implementation of this regulation.

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

Appropriation, fiscal year 2002 [1]	$702,354,000
Budget request, fiscal year 2003	725,000,000
Recommended in the bill	725,000,000
Bill compared with:	
Appropriation, fiscal year 2002	+22,646,000
Budget request, fiscal year 2003	

[1] Includes $328,000,000 in supplemental emergency appropriations.

This capital appropriation finances the acquisition of new capital assets, construction of new facilities, and physical improvements to existing facilities and assets. The appropriation covers Coast Guard-owned and operated vessels, aircraft, shore facilities, and other equipment such as computer systems, as well as the personnel needed to manage acquisition activities.

COMMITTEE RECOMMENDATION

The recommended bill includes $725,000,000 for this appropriation, including $500,000,000 for the Integrated Deepwater Systems ("deepwater") program. The bill fully funds the high priority National Distress System Modernization Project.

Consistent with past practice, the bill includes language distributing the total appropriation by budget activity and providing separate obligation availabilities appropriate for the type of activity

being performed. The Committee continues to believe that these obligation availabilities provide fiscal discipline and reduce long-term unobligated balances.

The following table compares the fiscal year 2002 enacted level, the fiscal year 2003 estimate, and the recommended level by program, project and activity:

Program name	Fiscal year 2002 enacted	Fiscal year 2003 estimate	House recommended
Vessels	$127,740,000	$13,600,000	$11,715,000
Survey and design—cutters and boats	500,000	400,000	400,000
Seagoing buoy tender (WLB) replacement	68,000,000	4,000,000	4,000,000
Polar class icebreaker reliability improvement program	4,490,000	2,200,000	2,200,000
41 foot utility boat replacement	12,000,000	4,000,000	4,000,000
85-Foot fast patrol craft	4,650,000		
Alex Haley conversion project		3,000,000	
Boarding and escort patrol boats (CPBs)	24,000,000		
87-foot CPB small boat replacement	2,100,00		
Shipboard contained breathing apparatus (SCBA)			1,115,000
Aircraft	209,500,000		2,700,000
Aviation parts and support	9,000,000		
C–130J system provisioning and training support analyses	500,000		
FDRs/CVRs			2,700,000
Other Equipment	107,022,000	117,700,000	114,200,000
Ports and waterways safety system (PAWSS)	28,929,000	5,000,000	8,600,000
Marine information for safety and law enforcement (MISLE)	7,450,000		
National distress system modernization	42,000,000	90,000,000	90,000,000
Defense message system implementation	6,300,000	2,100,000	
Commercial satellite communications	1,500,000		
Global Maritime Distress and Safety System (GMDSS)	2,200,000	2,200,000	2,200,000
Search and Rescue Capabilities Enhancement Project	1,320,000		
Thirteenth district microwave modernization project	800,000	3,000,000	3,000,000
Hawaii Rainbow communications system modernization	3,100,000	3,000,000	3,000,000
High frequency recapitalization and modernization	2,000,000	2,000,000	2,000,000
Command center readiness/infrastructure recapitalization	727,000		
P–250 pump replacement	2,046,000		
Configuration management—phase II	3,000,000		
Self-contained breathing apparatus (SCBA) replacement	1,000,000		
Maritime electro-optical/infrared (EO/IR) sensors for cutters/boats	4,000,000		
Ice detecting radar—Cordova, AK	650,000		
Prince William Sound WAN replacement, AK		1,000,000	1,000,000
Maritime domain awareness information management		9,400,000	4,400,000
Shore Facilities and Aids to Navigation	135,271,000	28,700,000	31,385,000
Survey and design—shore projects	4,000,000	2,500,000	5,500,000
Minor AC&I shore construction projects	4,000,000	4,900,000	4,900,000
Housing	13,500,000	7,000,000	7,000,000
Waterways ATON projects	5,500,000	4,900,000	4,900,000
Rebuild Coast Guard Station, Port Huron, MI	3,100,000		
Consolidate warehouse—Coast Guard Yard, MD	12,600,000		
Construct new Station—Brunswick, GA	3,600,000		
Replace utilities, ISC building number 8—Boston, MA	1,600,000		
Construct engineering building, ISC Honolulu—Honolulu, HI	7,200,000		
Consolidate Kodiak aviation support—Kodiak, AK	5,700,000	4,000,000	4,000,000
Reconstruction North Wall, Escanaba Municipal Dock, MI	300,000		
Rebuild ISC Seattle Pier 36—Phase I	10,000,000		
Coast Guard Marine Safety & Rescue Station—Chicago, IL	2,000,000		
Construct new station—Manistee, MI		5,400,000	5,085,000
Homeland security shore infrastructure support	8,171,000		
Station Oak Island, NC fire damage repair/rebuild	4,000,000		
Personnel and Related Support	64,631,000	75,846,000	65,000,000
Direct personnel costs	63,931,000	64,500,000	64,500,000
Core acquisition costs	700,000	500,000	500,000
Integrated Deepwater Systems	320,190,000	500,000,000	500,000,000
Aircraft	35,700,000	138,200,000	138,200,000
Surface ships	36,700,000	215,700,000	215,700,000
C4ISR	106,500,000		

Program name	Fiscal year 2002 enacted	Fiscal year 2003 estimate	House recommended
Logistics	71,200,000	71,600,000	16,600,000
Shore facilities			7,200,000
System engineering and integration			47,800,000
Other contracts	39,800,000	43,500,000	43,500,000
Government program management	30,290,000	31,000,000	31,000,000
Total appropriation	702,354,000	725,000,000	725,000,000

VESSELS

The Committee recommends $11,715,000 for vessels, $1,885,000 below the budget estimate. Specific adjustments to the budget estimate are as shown below.

Alex Haley conversion project.—The recommendation deletes the $3,000,000 requested for this project in order to fund higher budget priorities.

41-foot utility boat replacement.—The bill includes $4,000,000 to continue acquisition of a replacement for the current 41-foot utility boat under a program now known as "response boat—medium". The Committee directs the Coast Guard to acquire these boats following a full and open competition among private shipyards, and not to engage in production of this asset in government facilities such as the Coast Guard Yard.

Shipboard contained breathing apparatus (SCBA).—The bill includes $1,115,000 in this appropriation, a transfer from "Operating expenses". This is the same as the budget estimate.

AIRCRAFT

The Committee recommends $2,700,000 for aircraft, which is the same amount above the budget estimate. The recommendation includes $2,700,000 in this appropriation for flight data recorders and cockpit voice recorders, a transfer from "Operating expenses". This is the same as the budget estimate.

OTHER EQUIPMENT

The Committee recommends $114,200,000 for other equipment, a reduction of $3,500,000 below the budget estimate and $7,178,000 above the amount provided for fiscal year 2002. Specific adjustments to the budget estimate are explained below:

Ports and waterways safety system.—The bill includes $8,600,000, an increase of $3,600,000 above the budget estimate. The increase reflects a transfer of funds for VTS Corpus Christi, Texas from "Operating expenses". The recommended funding, including the transfer, is the same as the budget estimate for these items.

Defense message system implementation.—The recommendation deletes the $2,100,000 requested for this program, as these requirements were financed in the recently-enacted supplemental appropriations Act for fiscal year 2002.

Maritime domain awareness information management.—The Committee recommends $4,400,000 for this project, a reduction of $5,000,000 below the budget estimate. The recommendation defers computer upgrade of the Maritime Information System for Law Enforcement (MISLE). A recent audit of the U.S. General Accounting Office has raised serious concerns over cost overruns in this pro-

gram. Based upon these issues, the Committee believes further upgrades should be deferred.

SHORE FACILITIES AND AIDS TO NAVIGATION

The Committee recommends $31,385,000 for shore facilities and aids to navigation, an increase of $2,685,000 above the budget estimate. Specific adjustments to the budget estimate are detailed below.

Survey and design, shore projects.—The recommendation includes $5,500,000, an increase of $3,000,000 above the budget estimate. Over the past five fiscal years, appropriations for this program have averaged $5,397,000. The Committee believes the proposed reduction to $2,500,000 is too severe, and would compromise the Coast Guard's ability to address critical housing and shore facility needs. Maintaining an adequate shore facility budget is especially critical as the service accommodates a growing workforce for expanded homeland security missions. The recommended level restores funding to the average experienced over the past five years.

Station Manistee, MI.—The recommendation includes $5,085,000, a reduction of $315,000 due to budget constraints.

Short-range aids to navigation.—The bill includes $4,900,000 for short-range waterways aids to navigation projects, which are critical to ensure safe and economical passage through our nation's waterways. These funds are expected to be distributed as follows:

Location	*Amount*
Delaware River, DE	$950,000
Chesapeake Bay, MD	850,000
Houston-Galveston, TX	1,400,000
Cape Fear River, NC	765,000
Pascagoula, MS	100,000
Columbia River, WA	21,000
Agat, Guam	33,000
Humboldt Bay, CA	126,000
Lake St. Clair, MI	655,000
Total	4,900,000

INTEGRATED DEEPWATER SYSTEMS

The Committee recommends $500,000,000 for continued implementation of the integrated deepwater systems ("deepwater") program in fiscal year 2003. This is the same as the budget estimate, and an increase of $179,810,000 (56.1 percent) above the amount provided for fiscal year 2002. Funds are to be distributed as follows:

Activity	Quantity	Funding
Aircraft		$138,200,000
Maritime patrol aircraft (CASA HC–235)	3	(123,200,000)
VTOL unmanned aerial vehicle		(15,000,000)
Surface Ships		215,700,000
National security cutter		(137,800,000)
270 foot cutter upgrade	2	(700,000)
210 foot cutter upgrade	4	(1,400,000)
378 foot cutter upgrade	3	(1,400,000)
110 foot patrol boat upgrade	11	(74,400,000)
Logistics		16,600,000
Shore Facilities	8	7,200,000
System Engineering & Integration		47,800,000
Other Contracts		43,500,000

Activity	Quantity	Funding
Program Management		31,000,000
Total		500,000,000

The deepwater prime contract was signed in June 2002. Because this program is just beginning its implementation phase, it is imperative for the Coast Guard to establish firm requirement, cost, and schedule baselines as well as routine performance monitoring and measurement systems. The Committee is aware that the Coast Guard intends to monitor the status of deepwater through the presentation of quarterly "quad charts", which will provide an assessment in four key areas: trends by key indicators; cost; schedule; and significant issues or upcoming events. The Committee directs the Coast Guard to provide this information to the House and Senate Committees on Appropriations as it is released. In addition, the Committee directs the Coast Guard to provide a quarterly summary of the cost and schedule status of major contracts and subcontracts, including a summary of task and delivery order changes, engineering change proposals submitted, and requests for equitable adjustment by the contractors. The Committee strongly encourages the Coast Guard to fully utilize the services of the Defense Contract Audit Agency in conducting contract audit and evaluation services in support of the program management team.

Reprogramming guidelines.—Because of the size and scope of this program, the Committee believes the existing AC&I reprogramming guidelines require clarification to ensure adequate Congressional oversight and control. With certain exceptions, the current guidelines allow funding shifts of 15 percent or less among projects without Congressional notification or approval. Applied to the current deepwater budget, this could be construed to allow the movement of over $32,000,000 to new activities without any Congressional oversight. The Committee therefore directs the Coast Guard to proceed only through the Congressional notification reprogramming process with any budget changes exceeding 10 percent of the base amount appropriated for programs, projects, and activities (PPAs), as defined by line items shown in the distribution of funds table shown in this section. Any changes in the number or type of deliverable assets (e.g., fixed-wing or rotary-wing aircraft, ships, or boats) not contemplated in the budget justifications are subject to reprogramming approval.

Requirement and asset changes.—The Committee is aware that the Coast Guard has tasked the prime contractor to study changes in deepwater requirements and assets. The Committee is disturbed to hear that the service is contemplating major asset changes only a few months after contract signing. The Committee's recommendation of funding is based upon the justification of assets presented to the Committee at this point in time. Should the Coast Guard decide to pursue other assets, the Committee directs the service to do so only through the formal reprogramming process and only after adequate justification to the Appropriations Committees.

Affordability.—Last year, the appropriations conferees agreed to provide funding for the first year of the prime contract only after the Director, Office of Management and Budget and the Secretary of Transportation jointly certified that the program was fully fund-

ed in Presidential budget assumptions for the first five years of the contract. Although that certification was made, the Committee is concerned that the program may still be underfunded. The Committee's analysis indicates that this program is underfunded by at least $210,000,000 over the next five years. The Committee encourages the department to work with the Office of Management and Budget to clarify and address this shortfall in development of out-year budgets for the deepwater program. The longer this program proceeds with a gap between contract funding and projected budgets, the more difficult it will be for the program to meet its cost and schedule targets.

Compliance with the Buy American Act.—The Committee has included a provision (sec. 345) clarifying that the Integrated Deepwater Systems procurement program is subject to the terms and conditions of the Buy American Act. The Committee directs the Coast Guard to ensure that in complying with such Act, U.S. manufacturers of the major components of Deepwater ships (including diesel engines, radars, and propulsors) are given every opportunity to fully compete in such procurement.

PERSONNEL AND RELATED SUPPORT

The Committee recommends $65,000,000, which includes all requested funding except removal of accrual costs, which are explained in an earlier section of this report, and a reduction of $200,000 in core acquisition costs. Total funding for this budget activity is approximately the same as enacted for fiscal year 2002.

Quarterly acquisition reports.—The Committee continues to receive quarterly acquisition reports from the Coast Guard, which describe the cost, schedule, and contractual status of major acquisition projects. The Committee believes these reports have not provided timely notice of major contractual or technical issues, such as those which led to termination of the marine information system for law enforcement (MISLE) contract in 1999, and those leading to cost growth in the C–130J acquisition and *Alex Haley* conversion projects. The Committee directs the Coast Guard to work with the House and Senate Committees on Appropriations, in consultation with the Office of Inspector General, to develop an improved format for these reports during fiscal year 2003.

BILL LANGUAGE

Capital investment plan.—The bill maintains the requirement for the Coast Guard to submit a five-year capital investment plan with initial submission of the President's budget request. This Congressional requirement was first established in fiscal year 2002.

Disposal of real property.—The bill maintains the provision enacted in fiscal year 2002 crediting to this appropriation proceeds from the sale or lease of the Coast Guard's surplus real property, and providing that such receipts are available for obligation in fiscal year 2003 only for the national distress and response system (ND&RS) modernization project.

ENVIRONMENTAL COMPLIANCE AND RESTORATION

Appropriation, fiscal year 2002	$16,927,000
Budget request, fiscal year 2003	17,000,000
Recommended in the bill	17,000,000
Bill compared with:	
Appropriation, fiscal year 2002	+73,000
Budget request, fiscal year 2003	

This appropriation assists in bringing Coast Guard facilities into compliance with applicable federal, state and environmental regulations; conducting facilities response plans; developing pollution and hazardous waste minimization strategies; conducting environmental assessments; and conducting necessary program support. These funds permit the continuation of a service-wide program to correct environmental problems, such as major improvements of storage tanks containing petroleum and regulated substances. The program focuses mainly on Coast Guard facilities, but also includes third party sites where Coast Guard activities have contributed to environmental problems.

The recommended funding level of $17,000,000 is the same as the budget estimate and $73,000 (less than one percent) above the fiscal year 2002 enacted level.

ALTERATION OF BRIDGES

Appropriation, fiscal year 2002	$15,466,000
Budget request, fiscal year 2003	
Recommended in the bill	17,000,000
Bill compared with:	
Appropriation, fiscal year 2002	+1,534,000
Budget request, fiscal year 2003	+17,000,000

The bill includes funding for alteration of bridges deemed a hazard to marine navigation pursuant to the Truman-Hobbs Act. The Committee does not agree with the approach of the administration that obstructive highway bridges and combination rail/highway bridges should be funded out of the Federal Highway Administration's discretionary bridge account, and notes that this proposal was not included in the TEA–21 conference report. The purpose of altering these bridges is to improve the safety of marine navigation under the bridge, not to improve surface transportation on the bridge itself. Since in some cases, there are unsafe conditions on the waterway beneath a bridge which has an adequate surface or structural condition, Federal-aid highways funding is not appropriate to address the purpose of the Truman-Hobbs program.

The Committee recommends $17,000,000 for five bridges. The Committee directs that, of the funds provided, $3,500,000 shall be allocated to the Sidney Lanier highway bridge in Brunswick, Georgia; $8,000,000 shall be allocated to the Fourteen Mile Bridge over the Mobile River in Mobile, Alabama; $1,000,000 shall be allocated to the Galveston Causeway Bridge in Texas; $2,000,000 shall be allocated to the Chelsea Street Bridge in Boston, Massachusetts; and $2,500,000 shall be allocated to the Florida Avenue railroad/highway combination bridge in New Orleans, Louisiana.

Millennium port.—The Committee supports the Millennium Port Commission's progress on the working plan recently completed, and encourages the commission to continue working with the Port of New Orleans, Lafourche Parish, Plaquemines Parish, and all other

South Louisiana port entities to expeditiously develop the millennium port in Louisiana.

RETIRED PAY

Appropriation, fiscal year 2002	$876,346,000
Budget request, fiscal year 2003	889,000,000
Recommended in the bill	889,000,000
Bill compared with:	
Appropriation, fiscal year 2002	+12,654,000
Budget request, fiscal year 2003	.....

This appropriation provides for the retired pay of military personnel of the Coast Guard and the Coast Guard Reserve, including career status bonuses for active duty personnel. Also included are payments to members of the former Lighthouse Service and beneficiaries pursuant to the retired serviceman's family protection plan and survivor benefit plan, as well as payments for medical care of retired personnel and their dependents under the Dependents Medical Care Act.

The bill provides $889,000,000, the same as the budget estimate and $12,654,000 (1.4 percent) above the fiscal year 2002 enacted level. This is scored as a mandatory appropriation in the Congressional budget process.

RESERVE TRAINING

Appropriation, fiscal year 2002	$83,194,000
Budget request, fiscal year 2003	86,522,000
Recommended in the bill	86,522,000
Bill compared with:	
Appropriation, fiscal year 2002	+3,328,000
Budget request, fiscal year 2003	.....

This appropriation provides for the training of qualified individuals who are available for active duty in time of war or national emergency or to augment regular Coast Guard forces in the performance of peacetime missions. Program activities fall into the following categories:

Initial training.—The direct costs of initial training for three categories of non-prior service trainees.

Continued training.—The training of officer and enlisted personnel.

Operation and maintenance of training facilities.—The day-to-day operation and maintenance of reserve training facilities.

Administration.—All administrative costs of the reserve forces program.

The bill includes $86,522,000 for reserve training, which is the same as the budget estimate and $3,328,000 (4 percent) above the fiscal year 2002 level. This is expected to support a Selected Reserve level of 9,000, which is 800 (9.8 percent) above the level estimated for fiscal year 2002.

Given the level of support provided by reservists not only in homeland security and national security missions, but also in support of routine duties, the Committee continues to strongly support the Coast Guard Reserve. The reserves have proven to be a force multiplier within the Coast Guard, augmenting the efficient delivery of Coast Guard service to the public.

Reservist contribution to homeland security.—The Committee notes the strong contribution of the Coast Guard Reserves to our

nation's preparedness immediately following last year's terrorist attacks. Within 48 hours of the attacks, 1,571 reservists were called up, and within thirty days, almost 2,800 were in uniform. Among other duties, these personnel have been performing harbor patrols; conducting port security operations around terrorist detention facilities in Guantanamo Bay, Cuba; serving as sea marshals; and serving as special agents performing law enforcement missions and collecting intelligence. In contrast to civilians and active duty personnel, reservists leave their full-time jobs, often on a moment's notice and sometimes at reduced pay, to serve their country for an undefined period of time. The Committee recognizes and appreciates the special sacrifices made by the reserve force and their families over the past year.

Reimbursement to "Operating expenses".—The recommendation discontinues the provision, carried for several years, limiting the amount of "Reserve training" funds which may be transferred to "Operating expenses". The Committee notes that the active duty and reserve elements of the Coast Guard have reached a new agreement on the level of appropriate "Reserve training" support for the Coast Guard's active duty operating budget. For this reason, the Committee bill eliminates the restrictions. However, the Committee still seeks to ensure that the reserves are not assessed excessive charge-backs to the Coast Guard operating budget, and will monitor the situation over the coming year.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Appropriation, fiscal year 2002	$20,222,000
Budget request, fiscal year 2003	22,000,000
Recommended in the bill	21,000,000
Bill compared with:	
Appropriation, fiscal year 2002	+778,000
Budget request, fiscal year 2003	

The bill includes $21,000,000 for applied scientific research and development, test and evaluation projects necessary to maintain and expand the technology required for the Coast Guard's operational and regulatory missions. Of this amount, $3,500,000 is to be derived from the oil spill liability trust fund, as requested in the budget estimate. This is $778,000 (3.8 percent) above the amount provided for fiscal year 2002.

Wood Composites.—The Coast Guard maintains a large inventory of wood pier and other waterfront structures that have significant needs for repair and replacement. The Coast Guard and the Federal Highway Administration are participating in a pilot project with the University of Maine to test whether wood composites will reduce maintenance costs and extend the useful life of waterfront structures. Within the funds provided, $1,000,000 is to support the continued development, demonstration and evaluation of engineered wood composites at Coast Guard facilities, including Coast Guard stations in Jonesport and Southwest Harbor, Maine.

FEDERAL AVIATION ADMINISTRATION

The Federal Aviation Administration (FAA) is responsible for the safety and development of civil aviation and the evolution of a national system of airports. The Federal Government's regulatory role in civil aviation began with the creation of an Aeronautics Branch

within the Department of Commerce pursuant to the Air Commerce Act of 1926. This Act instructed the Secretary of Commerce to foster air commerce; designate and establish airways; establish, operate, and maintain aids to navigation; arrange for research and development to improve such aids; issue airworthiness certificates for aircraft and major aircraft components; and investigate civil aviation accidents. In the Civil Aeronautics Act of 1938, these activities were subsumed into a new, independent agency named the Civil Aeronautics Authority. After further administrative reorganizations, Congress streamlined regulatory oversight in 1957 with the creation of two separate agencies, the Federal Aviation Agency and the Civil Aeronautics Board. When the Department of Transportation began its operations on April 1, 1967, the Federal Aviation Agency was renamed the Federal Aviation Administration (FAA) and became one of several modal administrations within the department. The Civil Aeronautics Board was later phased out with enactment of the Airline Deregulation Act of 1978, and ceased to exist at the end of 1984. FAA's mission expanded in 1995 with the transfer of the Office of Commercial Space Transportation from the Office of the Secretary, and decreased in December 2001 with the transfer of civil aviation security activities to the new Transportation Security Administration.

SUMMARY OF FISCAL YEAR 2003 PROGRAM

The recommended program level for the FAA for fiscal year 2003 totals $13,599,225,000, including a $3,400,000,000 limitation on the use of contract authority. This is $87,445,000 (less than one percent) above the fiscal year 2002 enacted level and $17,000,000 (less than one percent) above the President's request. This bill complies with the guaranteed funding levels of Public Law 106–181.

Most of the activities of the FAA will be funded with direct appropriations in fiscal year 2003. The grants-in-aid for airports program, however, will be financed under contract authority with the program level established by a limitation on obligations contained in the accompanying bill. The bill assumes continuation of the aviation ticket tax and other related aviation excise taxes throughout fiscal year 2003 and assumes no new user fees.

The following table summarizes the fiscal year 2002 program levels, the fiscal year 2003 program requests, and the Committee's recommendations:

Program	Fiscal year—		
	2002 enacted	2003 estimate	2003 recommended
Operations	$7,119,000,000	$7,077,203,000	$7,060,203,000
Facilities and equipment	3,007,500,000	2,981,022,000	2,981,022,000
Research, engineering and development	245,000,000	124,000,000	138,000,000
Grants-in-aid for airports (AIP) [1]	3,173,280,000	3,400,000,000	3,400,000,000
Small community air service [2]	.....	.....	20,000,000
Total	13,511,780,000	13,582,225,000	13,599,225,000

[1] Limitation on obligations from contract authority.
[2] $20,000,000 provided in fiscal year 2002 under "Grants-in-aid for airports".

OPERATIONS

(AIRPORT AND AIRWAY TRUST FUND)

Appropriation, fiscal year 2002 [1]	$7,119,000,000
Budget request, fiscal year 2003	7,077,203,000
Recommended in the bill	7,060,203,000
Bill compared with:	
Appropriation, fiscal year 2002	−58,797,000
Budget request, fiscal year 2003	−17,000,000

[1] Includes $200,000,000 in supplemental emergency appropriations for civil aviation security activities and $42,000,000 in other supplemental emergency appropriations.

This appropriation provides funds for the operation, maintenance, communications, and logistical support of the air traffic control and air navigation systems. It also covers administrative and managerial costs for the FAA's regulatory, international, medical, engineering and development programs as well as policy oversight and overall management functions.

The operations appropriation includes the following major activities: (1) operation on a 24-hour daily basis of a national air traffic system; (2) establishment and maintenance of a national system of aids to navigation; (3) establishment and surveillance of civil air regulations to assure safety in aviation; (4) development of standards, rules and regulations governing the physical fitness of airmen as well as the administration of an aviation medical research program; (5) administration of the acquisition, research and development programs; (6) headquarters, administration and other staff offices; and (7) development, printing, and distribution of aeronautical charts used by the flying public.

COMMITTEE RECOMMENDATION

The Committee recommends $7,060,203,000 for FAA operations, a decrease of $58,797,000 below the level provided for fiscal year 2002 and $17,000,000 (less than one percent) below the President's budget request. When funds for civil aviation security activities are excluded from the calculation, the bill provides an increase of $282,200,000 (4.1 percent) over fiscal year 2002. Civil aviation security activities were funded under FAA in fiscal year 2002 but were transferred to the Transportation Security Administration in the Aviation and Transportation Security Act.

A breakdown of the fiscal year 2002 enacted level, the fiscal year 2003 budget estimate, and the Committee recommendation by budget activity is as follows:

	Fiscal year 2002 enacted [1]	Fiscal year 2003 estimate [2]	Committee recommended
Air traffic services	$5,446,872,000	$5,697,537,000	$5,741,309,000
Aviation regulation and certification	767,649,000	833,967,000	826,020,000
Civil aviation security	149,605,000		−60,000
Research and acquisitions	195,559,000	207,600,000	207,600,000
Commercial space transportation	12,416,000	12,325,000	12,325,000
Regions and center operations	85,735,000	82,192,000	83,392,000
Human resources	69,282,000	80,260,000	65,808,000
Financial services	50,178,000	48,782,000	46,782,000
Staff offices	108,704,000	84,890,000	81,840,000
Information services		29,650,000	29,650,000
Accountwide adjustments			−34,463,000

	Fiscal year 2002 enacted [1]	Fiscal year 2003 estimate [2]	Committee recommended
Total	6,886,000,000	7,077,203,000	7,060,203,000

[1] Excludes TASC reductions of $2,820,000 and supplemental appropriations totaling $243,000,000.
[2] Excludes CSRS/FEHBP accruals.

USER FEES

The bill assumes the collection of no additional user fees in fiscal year 2003 that were not Congressionally authorized for collection during fiscal year 2002. The FAA estimates that $30,000,000 in overflight user fees will be collected during fiscal year 2003. However, these funds will not be available to augment the FAA's budget, since under current law, these receipts must be transferred to the Office of the Secretary for the Essential Air Service and Rural Airports program. As required by statute, should the FAA experience a shortfall in overflight fee collections, the agency is required to transfer its own budgetary resources to maintain a $50,000,000 level for the EAS program during fiscal year 2003. Any shortfall should be funded from the "Facilities and equipment" appropriation.

TRUST FUND SHARE OF FAA BUDGET

The bill derives $3,585,068,000 of the total appropriation from the airport and airway trust fund, consistent with current law and the budget estimate. The balance of the appropriation will be drawn from the general fund of the Treasury. Under these provisions, only 50.8 percent of the FAA's operating costs will be borne by air travelers and industries using those services. The remaining 49.2 percent will be borne by the general taxpayer, regardless of whether they directly utilize FAA services.

State of the airport and airway trust fund.—The Committee is greatly concerned over the deteriorating financial status of the airport and airway trust fund, and the implications this has for future FAA budgets. One year ago, FAA projected revenues to the trust fund of approximately $85 billion over the fiscal year 2002—2007 time period. After the terrorist attacks of last year and the loss of significant high-end business fares, the current projection of revenues over that time period is $67.9 billion. This represents a loss of $17.1 billion, or twenty percent, to the trust fund. FAA estimates that a no-growth budget over this time period would cost approximately $87 billion, which is now substantially above the revenue estimates. While the general fund could be tapped to address the shortfall, as the Inspector General testified this year, "these additional requirements come at a time when the general fund is already supporting vastly expanded fiscal needs throughout the Federal Government and underscore the urgency for FAA to begin operating more cost-effectively". The Committee notes that DOT has the highest salary costs of any cabinet-level department, and these costs are largely driven by FAA. For example, average staff year costs at the agency in fiscal year 2003 are estimated at $117,630. In addition, the Congress and FAA have relatively little budget flexibility under current law, which requires the appropriations committees to set aside certain funding levels for FAA's capital and grant programs. Because of this, funding increases for FAA's operating budget must necessarily come at the expense of other critical

transportation programs such as the Coast Guard and Transportation Security Administration, at a time when revenues designed to support those activities are lower than previously estimated.

When trust fund revenues were higher than appropriations for capital programs, a consensus emerged within the Congress to guarantee the spending of trust fund revenues, and programs were significantly expanded. Now the reverse has occurred—trust fund revenues are down—and the agency must look inward to address new budget realities. While the Committee will be flexible in evaluating the need for greater general fund contributions to FAA's operating budget, the Committee has long held that the large majority of those costs should be borne by the traveling public which utilize FAA's services directly. Over the next year, FAA is strongly encouraged to review its operating cost structure and aggressively seek productivity and efficiency gains wherever possible. In addition, the Committee encourages the legislative committees of the Congress to be mindful of the deteriorated status of the trust fund, and provide greater flexibility to the agency and the appropriations committees in allocating future funds to the FAA.

FEDERAL EMPLOYEES' COMPENSATION ACT

The Committee is concerned that FAA's workers' compensation caseload and costs, authorized under the Federal Employees' Compensation Act, continue to rise. FAA's cost for workers compensation is estimated at $86,365,000 in fiscal year 2003, to address 3,706 cases. The average payment for FAA employees is estimated at $45,767, which is 67 percent above the government-wide average. Because of these high costs, the Committee encourages the department and FAA to review the workers compensation program to determine whether better management could reduce the number of cases and overall costs.

The Committee's specific recommendations by budget activity are discussed below.

AIR TRAFFIC SERVICES

The recommendation includes $5,741,309,000 for air traffic services, an increase of $294,437,000 (5.4 percent) above the fiscal year 2002 enacted level and $43,772,000 above the budget estimate. Adjustments to the budget estimate are discussed below.

Spring/summer 2003.—The Committee recommends half the proposed increase of $6,512,000 for initiatives aimed at reducing air travel delays in the spring and summer of 2003. After massive delays in the year 2000, FAA began special activities, including training and weather prediction, to mitigate these problems. In fiscal year 2002, this activity was funded at $27,212,000. The Committee believes that, given the slowdown in air travel, a lesser rate of increase is justified next year.

Operational evolution plan.—The recommendation deletes $11,116,000 of proposed activities under this heading, including $6,107,000 requested to reduce the backlog of building maintenance needs and meet facility requirements of the Occupational Health and Safety Administration. These requirements have little to do with FAA's operational evolution plan, and if truly needed, should be accomplished through a similar program funded under "Facilities and equipment", for which adequate funds are provided in this

bill. The bill also deletes funds for satellite navigation (−$3,191,000), air traffic control procedural modeling (−$1,500,000), and GPS direction finding (−$318,000) due to lack of justification.

National airspace redesign.—The bill includes $40,343,000 for national airspace redesign, an increase of $19,843,000 (96.8 percent) above the level provided for fiscal year 2002 and $5,357,000 below the budget estimate. Of the funds provided, $8,500,000 is solely for airspace redesign activities in the New York/New Jersey metropolitan area.

The Committee directs FAA to submit quarterly reports on the New Jersey/New York airspace redesign effort, including funds expended to date; progress to date; and the schedule for completing and implementing the project. The report should include details on all planned components and elements of the redesign project, including details on any ocean routing modeling that has been conducted. The following table compares the fiscal year 2002 enacted level to the budget estimate and the Committee recommendation:

Activity	FY 2002 enacted	Budget estimate	Committee recommended
FAA headquarters	$2,109,316	$9,525,798	6,000,000
Alaska region	76,178	595,200	595,200
Central region	531,858	3,212,346	3,212,346
Eastern region	12,500,000	8,500,000	8,500,000
Great Lakes region	1,421,858	5,930,423	5,930,423
New England region	131,358	1,594,619	1,594,619
Northwest mountain region	442,858	1,616,650	1,616,650
Southern region	1,332,858	5,069,034	5,069,034
Southwest region	531,858	866,500	866,500
Western Pacific region	1,421,858	8,846,501	7,015,299
Total	20,500,000	45,757,071	40,343,000

National park air tour management plans.— Public Law 106–181 requires an air tour operator to submit a management plan "whenever a person applies for authority to operate a commercial air tour operation over the park". In fiscal year 2002, Congress provided $8,200,000 for FAA to begin the review and approval of air tour management plans for the 54 parks where such services are currently provided. The same amount is included in the fiscal year 2003 President's budget. However, in hearings this year, the FAA indicated that no applications had been submitted due to OMB's continuing review of the proposed regulation, and provisions of the law requiring submission of applications within 90 days of issuance of the final rule. Given these delays, it is unlikely that FAA will be able to meet its schedule to have all management plans approved by the end of fiscal year 2003. Due to these delays, the Committee provides one-half the requested amount for this activity.

Training.—The Committee is concerned over the excessive rate of increase proposed for air traffic training. The President's budget requested $60,405,000 for this training in fiscal year 2003, an increase of $15,531,000 (34.6 percent) over the fiscal year 2002 level. This is three times the rate of increase experienced for flight standards training, and represents growth of almost 40 percent in the cost per staff year in only two years. The Committee believes these training costs are overstated, and notes that FAA has repro-

grammed training funds several times over the past few years when funds were desired for other activities. Furthermore, the President's budget proposes an unexplained reduction of $85,500,000 and 300 staff years in air traffic, which make these training increases highly questionable. The Committee recommends $50,000,000, an increase of $5,126,000 (11.4 percent)—the same rate of increase approved for flight standards.

Air traffic controller proficiency and developmental training.—The Committee continues to note the importance of controller training conducted under the existing air traffic instructional services (ATIS) contract. The FAA's budget request for fiscal year 2003 included $31,100,000 for these services. In past years, the agency has reprogrammed funds from this account, to the detriment of controller training. Within the $50,000,000 approved for controller training, the Committee directs FAA to utilize the planned amount of $31,100,000 under the ATIS contract. This is designated as an item of special Congressional interest. Any proposed adjustments from the amount recommended shall be subject to the Congressional reprogramming process.

NAS handoff.—Once again this year, the FAA has proposed an accounting gimmick to make its operating budget appear smaller, a gimmick which the Committee rejected last year and encouraged the agency not to repeat. FAA's longstanding policy has been to include funds for maintenance of new systems in the operating budget, except for the first year after commissioning. During the first year, when start-up problems are typical, it is appropriate for funds to be included in the capital budget. Last year, however, the agency announced a plan to "stretch" to two years the length of time maintenance expenses would be paid from the capital budget. In this way, a portion of the agency's routine operating expenses can be disguised as a capital expense, crowding out legitimate capital expenses and covering up the agency's true operating costs. The Committee is disappointed that the Administration has repeated this proposal in fiscal year 2003, especially at a time when the public is demanding more accurate accounting and fewer gimmicks of private sector accounting. The Committee believes it is difficult for the Federal Government to show leadership in the issue of corporate accounting unless its own books are in order. As a result, the Committee recommendation transfers $70,000,000 of NAS handoff maintenance funds from "Facilities and equipment" to this appropriation to more properly reflect the work being performed. If the agency persists in making this flawed recommendation next year, the Committee will consider this performance in its review of the agency's request for financial management personnel.

Air traffic control supervisory levels.—In fiscal year 2002, Congress directed FAA to restore supervisory air traffic control positions proposed for elimination in the budget, and to halt further expansion of the controller-in-charge concept. Since the expansion began in February 2000, 250 operational supervisors have been eliminated, raising the supervisory ratio in this workforce from 7.4/1 to 9.1/1. The agency has clearly met its obligation to "move toward" a ratio of 10/1. Because of continuing concerns about the controller-in-charge program, the Committee retains the policy in effect for fiscal year 2002, and directs FAA not to reduce the number of operational supervisor positions below the level at the time the

Department of Transportation and Related Agencies Act, 2002 was enacted. FAA advises the Committee that the figure on board at that time was 1,700.

Staffing reduction.—The President's budget includes a base reduction of $85,000,000 and 300 staffyears which is not adequately explained in the justifications. Although a decision was to have been made in June 2002 on the nature of this proposal, to date the Committee has received no information explaining how this large reduction will be accommodated without harm to essential air traffic services. The budget justifications indicate that the reduction would be taken by refusing to fill vacant positions except for those represented by the National Air Traffic Controllers Association (NATCA) or Professional Airways Service Specialists (PASS) bargaining units. By the Committee's estimate, approximately 25,500 such positions are represented by these two unions. The Committee is unclear how such a large reduction can be accommodated among the balance of air traffic positions, based on attrition assumptions accompanying the fiscal year 2003 budget, without harm to air traffic services around the country. Accordingly, the Committee directs FAA to submit, not later than December 1, 2002, a detailed plan showing how this reduction will be allocated between the various air traffic offices, with a description of the impact on air traffic services at those locations.

Office of the chief operating officer.—Although the Aviation and Investment Reform Act for the 21st Century (AIR–21) established the position of air traffic services chief operating officer, the agency has never filled this position and no funds are specifically identified in the budget request for the position or its supporting office. The Committee directs that, prior to the filling of any position in such office other than the chief operating officer, or the filling or detailing of any position to support the chief operating officer, the FAA request such funding through the normal reprogramming process.

Contract tower cost-sharing.—The bill includes $6,000,000 to continue the contract tower cost-sharing program. The Committee continues to believe this is a valuable program which provides safety benefits to small communities.

MARC.—The bill includes $2,000,000 to continue operating support for the Mid-America Aviation Resource Consortium (MARC) in Minnesota. This program has been funded for many years.

Newark delay reduction initiatives.—The Committee directs FAA to provide quarterly reports to the House and Senate Committees on Appropriations on the status of delay reduction initiatives in Newark, New Jersey. A similar requirement was in place for fiscal year 2000.

Contract tower cost-sharing.—The bill includes $6,000,000 to continue the contract tower cost-sharing program. As of July 1, 2002, the following airports were financed through this important program:

New Century Air Center, KS
Manhattan, KS
Garden City, KS
Central Nebraska/Grand Island, NE
Bolton Field, OH
McKellar-Sipes Regional, TN
Hickory Regional, NC
Concord, NC
Grand Strand/Myrtle Beach, SC
Springdale Municipal, AR
South Lake Tahoe, CA
Williamsport/Lycoming County, PA
Chicago Meigs Field, IL
Lebanon Municipal, NH
Fayetteville, AR
Laughlin/Bullhead City, AZ

Shreveport Downtown, LA
Muncie, IN
Columbus, IN
Bloomington, IN
Henderson, NV
Jefferson City, MO
Latrobe, PA
Victorville, CA
Stillwater, OK
King Salmon, AK
Oneida County, NY
Walla Walla Regional, WA
Macon, GA
Kingston, NC
Elko, NV

Real-time display of air traffic and flight information.—Within the funds provided for air traffic services, the recommendation includes $240,000 for air traffic monitor software for the Port Authority of New York and New Jersey. This technology is currently used in Los Angeles, San Francisco, and Louisville, and provides near real-time display of air traffic and flight information in and around major airports, which can be accessed via the internet. With this software, aviation authorities as well as private citizens can monitor flights to ensure they are following their scheduled flight paths as well as FAA flight regulations and restrictions.

AVIATION REGULATION AND CERTIFICATION

The Committee recommends $826,174,000 for aviation regulation and certification, a reduction of $7,947,000 below the budget estimate. Reductions to the budget estimate are as follows:

Safer skies.—The bill includes $10,000,000 for this activity, an increase of $4,525,000 (82.6 percent) above the funding provided for fiscal year 2002, but $6,887,000 below the budget estimate. While the Committee supports this initiative, a slower rate of growth is justified to fund other priorities. The Committee encourages FAA to allocate the reduction equally against commercial aviation and general aviation activities.

International harmonization staff.—The recommendation does not include the $250,000 requested for five additional staff to conduct international harmonization activities. More than three years ago, the Committee directed FAA to submit a five year plan to improve international aviation safety. Although this was directed to be submitted not later than February 15, 2000, the report has still not been received. Until the Committee receives and reviews this plan, updated to current resources and world conditions, it is unreasonable to expect additional funds for staffing in this area.

Drug/alcohol compliance testing.—The Committee recommendation does not include the proposed increase of $810,000 and 20 positions for the agency drug and alcohol testing program. Last year, Congress directed FAA to conduct a review investigating the validity of the current drug testing procedures, after Inspector General and other reports raised concerns over the current practices. This review will not be completed until fiscal year 2003. The Committee does not believe additional resources are warranted until evidence is presented that these concerns are resolved. Furthermore, the agency's justification for the additional funding makes note of deficiencies found in an FAA task force report dated January 1999. The Committee has reviewed the task force report, and concludes that these deficiencies were largely procedural, and do not require additional funding. For example, the task force found several cases where unannounced drug testing was compromised when employees were called at home by managers or union representatives the day of the test and advised that testers would be in the facility that

day. It also found that, because tests were almost always conducted during the day, the night shifts came to be regarded as "safe havens"—a procedure undermining the notion of random testing. The task force also found that disciplinary measures for those employees caught using drugs or alcohol was inconsistent or nonexistent. The Committee believes procedural problems such as these need to be resolved immediately, before additional funds can be justified. Funding in the bill is the same as the fiscal year 2002 enacted level.

Digital imaging and workflow system.—The Committee is aware that FAA is implementing a new pilot medical certification procedure called the aeromedical digital imaging and workflow system (DIWS). DIWS is intended to expedite the processing of medical certificates that require direct authorization from specific FAA personnel. In light of the immediate benefits that would be realized by both pilots and the FAA, the Committee encourages the agency to complete implementation of DIWS no later than fiscal year 2004.

Graphics in notice to airman publications.—The Committee believes there is potential to improve safety and efficiency by expanding the use of graphics in notice to airman (NOTAM) publications, including temporary flight restrictions. The Committee directs FAA to expand the use of graphics in these publications wherever feasible during fiscal year 2003.

CIVIL AVIATION SECURITY

The Committee deletes the $6,064,000 proposed for accrual benefits of former FAA employees now employed by the Transportation Security Administration as part of the Committee-wide initiative to deny the accrual proposal. In addition, the bill deletes the $60,000 assumed in the budget estimate for the Aviation Security Advisory Committee. Such expenses, if needed, should now be borne by the Transportation Security Administration.

RESEARCH AND ACQUISITIONS

The Committee recommends $207,600,000 for research and acquisitions, the same as the budget estimate.

COMMERCIAL SPACE TRANSPORTATION

The Committee recommends $12,325,000 for commercial space transportation, the same as the budget estimate.

REGIONS AND CENTER OPERATIONS

The Committee recommends $83,392,000 for regions and center operations, an increase of $1,200,000 above the budget estimate. The recommendation restores a proposed reduction in activities such as runway safety oversight, environmental reviews, and expedited reviews of proposed new runways at airports. The Committee believes these are high priority activities that should not be reduced.

HUMAN RESOURCE MANAGEMENT

The Committee recommends $65,808,000 for human resource management, a reduction of $14,452,000 below the budget estimate. Adjustments to the budget estimate are as follows:

Federal Employees' Compensation Act (FECA) surcharge for administrative costs.—As explained in an earlier section of this report, the Committee recommendation deletes funds related to an administrative surcharge for the Department of Labor's costs to administer activities authorized under the Federal Employees' Compensation Act (commonly known as worker's compensation). This results in a reduction of $4,353,000 below the budget estimate.

Human resource information system.—The Committee recommendation defers further implementation of the human resource information system due to weak justification and higher budgetary priorities. This results in a reduction of $4,600,000 below the budget estimate.

Strategic alliances.—The Committee recommends $10,000,000 for strategic alliances, a reduction of $5,499,000 below the budget estimate. The following table compares the budget estimate to the Committee recommendation for various components of the strategic alliances budget activity:

Activity	Budget estimate	Committee recommended
Overall effectiveness of HRM program	$8,697,000	$4,000,000
Employee assistance program	1,550,000	1,550,000
Labor relations	4,242,000	4,000,000
Organizational development and performance improvement	1,010,000	450,000
Total	15,499,000	10,000,000

Personnel reform.—The Committee remains concerned that personnel reform has not achieved many of its original objectives. For example, the agency was expected to replace the general schedule personnel and compensation system with one that would be centered on merit reviews rather than automatic increases based on cost of living adjustments or time in grade. It was hoped that this would allow the FAA to reward the highest performers in the agency and provide incentives for improvement among weak performers. Unfortunately, while the agency still has the flexibility to design such a system, the large majority of pay increases remain automatic in nature. For example, funds are still included for the government-wide pay increase, although the agency has the flexibility to base such awards on merit. More than 12,000 agency employees still receive automatic within grade increases, even after the agency has tried to migrate to a performance-based compensation system. The Committee encourages FAA to review opportunities to reduce the use of automatic pay raises in the hopes of providing a stronger linkage between pay and performance within the agency. In addition, the Committee directs the Office of Inspector General to conduct a comprehensive evaluation of FAA's implementation of personnel reform, including the extent to which the agency has substituted merit-based pay raises for automatic increases, improved the matching of pay to performance, and met the other goals of personnel reform.

FINANCIAL SERVICES

The Committee recommends $46,782,000 for the office of financial services, a reduction of $2,000,000 below the budget estimate. The Committee is disturbed to hear that the FAA continues to have

problems in contracts management, and fails to adequately utilize the services of the Defense Contract Audit Agency to help the agency locate contract savings and excessive contractor claims. The Committee believes that greater use of DCAA will lead to savings at the agency and strongly encourages the FAA, once again, to increase the number of pre- and post-award contract audits. The recommendation assumes savings from this increased volume of audits.

STAFF OFFICES

The Committee recommends $81,840,000 for staff offices, a reduction of $3,050,000 below the budget estimate. The Committee's review of staffing in the office of the administrator and deputy administrator and the office of public affairs indicate several positions which can be eliminated. The FAA should also look carefully at executive positions detailed to other federal agencies, to determine whether it would be appropriate for the receiving agency to provide reimbursement for those positions. The recommendation includes a reduction of $400,000 in these areas. Additional adjustments are as follows:

Policy/planning office.—The recommendation includes a reduction of $1,750,000 in this office, which freezes the filling of 26 positions which were vacant at the time of this year's budget hearing. The Committee notes that the staffing of this office includes 30 economists, of which 6 are economists studying the aviation industry. The Committee believes that, given budget constraints, funds to fill these and other vacant policy and planning positions can be temporarily deferred.

Office of system safety staffing.—The recommendation includes a reduction of $500,000 in staffing costs for the office of system safety.

International aviation offices.—The recommendation includes an additional $500,000 for the operational costs of FAA's overseas offices. The Committee continues to support the work of these offices in promoting U.S. aviation safety interests overseas. Of these funds, $250,000 shall be allocated to FAA's European office in Brussels, Belgium and $250,000 shall be allocated to the Asia-Pacific office in Singapore.

OFFICE OF INFORMATION SERVICES/CHIEF INFORMATION OFFICER

The recommendation includes $29,650,000 for the office of information services, the same as the budget estimate. This is a new budget activity for fiscal year 2003. Previously, funds for this office were included under "Staff offices".

ACCOUNTWIDE ADJUSTMENTS

The recommendation includes a reduction of $34,463,000 in accountwide adjustments, as described below:

Staffing adjustment.—The recommendation includes a reduction of $10,000,000 due to slow hiring in fiscal year 2002. The budget request assumes the continuation of personnel compensation and benefits for a baseline of 43,865 on board staff at the end of fiscal year 2002. However, information submitted for this year's budget hearing indicated that the agency was 900 short of meeting this

goal. Given the delays in providing supplemental funding and the President's decision not to release contingent amounts—including funds for FAA's operating budget—the Committee does not believe FAA will be able to meet its hiring goals for fiscal year 2002. These delays indicate a lower budgetary requirement for fiscal year 2003, as costs will not need to be annualized for the full fiscal year.

Contract maintenance.—The bill includes $134,474,000 for contract maintenance, a reduction of $21,258,000 below the budget estimate. Without adequate justification, the budget estimate included $155,732,000, an increase of 27.6 percent over the fiscal year 2002 enacted level. The recommendation includes a 10 percent increase in these costs.

Travel.—For several years, the Committee has been encouraging FAA to minimize its travel costs. While initial budgetary estimates appear to be responsive to this request, the Committee is concerned that end-of-year actual costs are greatly exceeding the initial estimates. For example, last year, the agency's estimate of travel costs for fiscal year 2002 was $121,975,000. However, despite a hiring freeze and serious budget shortfalls in fiscal year 2002, the agency is now projecting travel expenses of $132,000,000. This comes on the heels of an $18,115,000 (17.4 percent) increase in agency travel for fiscal year 2001. This performance causes the Committee to question the internal controls and monitoring of travel costs within the agency. The recommendation includes a reduction of $1,064,000 in travel costs, to encourage the agency to monitor these costs more effectively.

FAA/DOT library TASC charges.—It is the Committee's understanding that, despite FAA's proposal to close the FAA Library due to limited usage, the Transportation Administrative Service Center has denied this proposal and intends to bill FAA $2,141,000 in fiscal year 2003 for operations of that library and FAA's share of funding for the DOT Library in the Nassif building. The Committee believes TASC managers should be more responsive to the proposals of its customers, and should investigate carefully whether, in the age of e-government and e-commerce, the DOT Library should be downsized or eliminated entirely. The Committee recommendation does not include the $2,141,000 budgeted for these activities, and directs FAA not to pay TASC for such charges.

OST assessments.—Even though the Committee directed two years ago that assessments only be charged by the office of the secretary for administrative activities, and not policy initiatives, a review of recent charges indicates the department is still not adhering to this direction. For example, in fiscal year 2000 FAA was charged for an open skies conference, an international symposium, and the DOT Center for Climate Change. In fiscal year 2002, FAA is being charged for an OST delay study ($125,000). These can hardly be classified as administrative activities. Last year, the Committee directed FAA not to pay such charges in the future, and to notify the House and Senate Committees on Appropriations if such proposals are made. However, obviously these improper cross-charges are still occurring. The FAA is directed, once again, not to fund policy-related assessments.

BILL LANGUAGE

Manned auxiliary flight service stations.—The Committee bill includes the limitation requested in the President's budget prohibiting funds from being used to operate a manned auxiliary flight service station in the contiguous United States. The FAA budget includes no funding to operate such stations during fiscal year 2003.

Second career training program.—Once again this year, the Committee bill includes a prohibition on the use of funds for the second career training program. This prohibition has been in annual appropriations Acts for many years, and is included in the President's budget request.

Sunday premium pay.—The bill retains a provision begun in fiscal year 1995 which prohibits the FAA from paying Sunday premium pay except in those cases where the individual actually worked on a Sunday. The statute governing Sunday premium pay (5 U.S.C. 5546(a)) is very clear: "An employee who performs work during a regularly scheduled 8–hour period of service which is not overtime work as defined by section 5542(a) of this title a part of which is performed on Sunday is entitled to * * * premium pay at a rate equal to 25 percent of his rate of basic pay." Disregarding the plain meaning of the statute and previous Comptroller General decisions, however, in *Armitage* v. *United States,* the Federal Circuit Court held in 1993 that employees need not actually perform work on a Sunday to receive premium pay. The FAA was required immediately to provide back pay totaling $37,000,000 for time scheduled but not actually worked between November 1986 and July 1993. Without this provision, the FAA would be liable for significant unfunded liabilities, to be financed by the agency's annual operating budget. This provision is identical to that in effect for fiscal years 1995 through 2002.

Aeronautical charting and cartography.—The bill maintains the provision which prohibits funds in this Act from being used to conduct aeronautical charting and cartography (AC&C) activities through the transportation administrative services center (TASC). Public Law 106–181 authorizes the transfer of these activities from the Department of Commerce to the FAA, a move which the Committee supports. The Committee believes this work should be conducted by the FAA, and not administratively delegated to the TASC.

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

Appropriation, fiscal year 2002 [1]	$3,007,500,000
Budget request, fiscal year 2003	2,981,022,000
Recommended in the bill	2,981,022,000
Bill compared with:	
Appropriation, fiscal year 2002	−33,978,000
Budget request, fiscal year 2003	

[1] Includes rescission of $15,000,000 and emergency supplemental appropriations totaling $108,500,000.

The Facilities and Equipment (F&E) appropriation is the principal means for modernizing and improving air traffic control and airway facilities. The appropriation also finances major capital investments required by other agency programs, experimental re-

search and development facilities, and other improvements to enhance the safety and capacity of the airspace system.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $2,981,022,000 for this program, an decrease of $33,978,000 (1.1 percent) below the level provided for fiscal year 2002 and the same as the budget estimate. The amount proposed is required and guaranteed by Public Law 106–181. The bill provides that of the total amount recommended, not to exceed $2,559,904,000 is available for obligation until September 30, 2005, and $421,118,000 (the amount for personnel and related expenses) is available until September 30, 2003. These obligation availabilities are consistent with past appropriations Acts and the same as the budget request.

The following table shows the fiscal year 2003 budget estimate and the Committee recommendation for each of the projects funded by this appropriation:

FACILITIES AND EQUIPMENT

(in thousands of dollars)

	Budget estimate	Committee recommended
Improve Aviation Safety	$403,340.0	$484,214.2
Terminal Business Unit	141,000.0	151,183.0
Aviation Weather Services Improvements	23,440.0	23,440.0
Low Level Windshear Alert System (LLWAS)—Upgrade	1,600.0	1,600.0
Aviation Safety Analysis System (ASAS)	21,700.0	15,000.0
Integrated Flight Quality Assurance (IFQA)	500.0	500.0
Safety Performance Analysis Subsystem (SPAS)	2,100.0	2,100.0
Performance Enhancement Systems (PENS)	2,600.0	2,600.0
Safe Flight 21	29,800.0	40,000.0
Advanced Technology Development and Prototyping	41,100.0	43,100.0
Aircraft Related Equipment Program	16,000.0	16,000.0
National Aviation Safety Data Analysis Center (NASDAC)	2,000.0	2,000.0
Louisville, KY technology demonstration	0.0	10,000.0
Explosive Detection Technology	121,500.0	176,691.2
Improve Efficiency of the Air Traffic Control System	914,185.5	879,885.3
Terminal Business Unit	551,035.5	516,280.3
Aeronautical Data Link (ADL) Applications	33,200.0	33,200.0
Free Flight Phase 2	106,200.0	106,200.0
Air Traffic Management (ATM)	13,000.0	13,000.0
Free Flight Phase 1	39,900.0	36,600.0
Automated Surface Observing System (ASOS)	12,100.0	12,755.0
Next Generation Very High Frequency Air/Ground Communications System (NEXCOM)	71,100.0	71,100.0
En Route Automation Program	71,050.0	71,050.0
Weather and Radar Processor (WARP)	13,600.0	13,600.0
ATOMS Local Area/Wide Area Network	1,100.0	1,100.0
NAS Management Automation Program (NASMAP)	1,990.0	0.0
New York Integrated Control Complex	0.0	5,000.0
Increase Capacity of the NAS	353,500.0	394,875.0
Navigation and Landing Aids	249,800.0	291,175.0
Oceanic Automation System	87,400.0	87,400.0
Gulf of Mexico Offshore Program	2,300.0	2,300.0
Voice Switching and Control System (VSCS)	14,000.0	14,000.0
Imrpove Reliability of the NAS	443,410.0	434,010.0
Guam Center Radar Approach Control (CERAP)—Relocate	5,000.0	5,000.0
Terminal Voice Switch Replacement/Enhanced TVS	6,200.0	6,200.0
Airport Cable Loop Systems—Sustained Support	4,000.0	4,000.0
En Route Automation Program	142,800.0	142,800.0
ARTCC Building Improvements/Plant Improvements	40,200.0	40,200.0
Air Traffic Management (ATM)	24,500.0	24,500.0
Critical Telecommunication Support	1,000.0	1,000.0

FACILITIES AND EQUIPMENT—Continued

(in thousands of dollars)

	Budget estimate	Committee recommended
FAA Telecommunications Infrasturce	46,600.0	46,600.0
Air/Ground Communications Infrasturce	22,800.0	22,800.0
Voice Recorder Replacement Program (VRRP)	3,300.0	7,000.0
NAS Infrastructure Management System (NIMS)	29,100.0	16,000.0
Flight Service Station (FSS) Modernization	5,700.0	5,700.0
FSAS Operational and Supportability Implementation System (OASIS)	19,710.0	19,710.0
Weather Message Switching Ctr Replacement (WMSCR)	2,000.0	2,000.0
Flight Service Station Switch Modernization	13,200.0	13,200.0
Alaskan NAS Interfacility Communications System (ANICS)	2,900.0	2,900.0
Electrical Power Systems—Sustain/Support	50,700.0	50,700.0
NAS Recovery Communications (RCOM)	9,400.0	9,400.0
Aeronautical Center Infrastructure Modernization	11,700.0	11,700.0
Frequency and Spectrum Engineering	2,600.0	2,600.0
Improve the Efficiency of Mission Support	444,019.5	444,919.5
NAS Improvement of System Support Laboratory	2,700.0	2,700.0
Technical Center Facilities	12,000.0	12,000.0
Technical Center Building and Plant Support	3,000.0	3,000.0
En Route Communications and Control Facilities Improvements	1,058.0	1.058.0
DOD/FAA Facilities Transfer	1,200.0	1,200.0
Terminal Communications—Improve	1,249.3	1,249.3
Flight Service Facilities Improvement	1,223.2	1,223.2
Navigation and Landing Aids—Improve	5,034.0	5,034.0
FAA Buildings and Equipment	11,000.0	11,000.0
Air Navigational Aids and ATC Facilities (Local Projects)	2,100.0	2,100.0
Modernization	2,800.0	2,800.0
Information Technology Integration	1,600.0	1,600.0
Operational Data Management System (ODMS)	10,300.0	3,000.0
Logistics Support Systems and Facilities (LSSF)	9,300.0	5,000.0
Test Equipment—Maintenance Support for Replacement	1,700.0	1,700.0
Facility Security Risk Management	37,300.0	25,000.0
Information Security	13,291.0	13,291.0
Distance Learning	1,300.0	1,300.0
Natioal Airspace System (NAS) Training Facilities	2,300.0	2,300.0
System Engineering and Development Support	25,800.0	25,800.0
Program Support Leases	38,400.0	38,400.0
Logistics Support Services (LSS)	7,500.0	7,500.0
Mike Monroney Aeronautical Center—Leases	14,600.0	14,600.0
In-Plant NAS Contract Support Services	2,900.0	2,900.0
Transition Engineering Support	39,000.0	37,000.0
FAA Corporate Systems Architecture	1,000.0	1,000.0
Technical Support Services Contract (TSSC)	46,700.0	46,700.0
Resource Tracking Program (RTP)	3,700.0	3,700.0
Center for Advanced Aviation Systems Development	81,364.0	81,364.0
Operational Evolution Plan	1,000.0	1,000.0
NAS Facilities OSHA and Environmental Standards Compliance	32,600.0	28,400.0
Fuel Storage Tank Replacement and Monitoring	8,500.0	8,500.0
Hazardous Materials Management	20,500.0	20,500.0
Research Aircraft Replacement	0.0	25,000.0
Personnel, Compensation, Benefits, and Travel	441,118.0	421,118.0
Personnel and Related Expenses	441,118.0	421,118.0
Accountwide Adjustments	−18,551.0	−70,000.0
NAS Handoff—Transfer to Operating Expenses	0.0	−70,000.0
CSRS/FEHBP accruals	−18,551.0	0.0
Total	2,981,022.0	2,981,022.0

This year, the FAA has proposed a new budget structure for this appropriation. On the one hand, this proposal allows one to more clearly monitor the allocation of resources among important missions of the agency such as safety and system efficiency. However, the elimination of categories designed to focus attention on the development status and technical risk of programs raises the possi-

bility that more programs will proceed into the acquisition phase when they are not ready to do so. This type of inadequate management control was a significant failure of the agency in past years, the legacy of which should not be forgotten by the agency. While the Committee has approved the new budgetary structure, the Committee is mindful of the risks in this new system, and will monitor the situation closely.

IMPROVE AVIATION SAFETY

The Committee recommends $484,214,200 for programs and activities designed to improve aviation safety. This is $78,874,200 more than the budget estimate. The Committee continues to place its highest priority on aviation safety programs, and has reallocated funding from other areas of FAA's capital budget to reflect this priority.

Terminal business unit.—The Committee recommends $151,183,000 for programs under this budget activity of the terminal business unit. The following table compares the Committee recommendation to the budget estimate:

	Budget estimate	Committee recommended
NEXRAD upgrade	$9,100,000	$9,100,000
Terminal doppler weather radar	7,700,000	5,700,000
Airport surface detection equipment (ASDE)	10,000,000	10,000,000
AMASS	21,700,000	14,583,000
Weather systems processor	2,200,000	2,200,000
ASDE–X	90,300,000	109,600,000
Total	141,000,000	151,183,000

Airport movement areas safety system (AMASS).—The recommendation defers a portion of pre-planned product improvements and human factors modifications, a reduction of $7,117,000 below the budget estimate.

ASDE–X.—The recommendation provides $109,600,000 for continued acquisition and installation of low-cost ASDE systems, an increase of $14,300,000 above the budget estimate. The following sites are included for funding:

St. Louis, MO
Los Angeles, CA
Dallas, TX
Chicago, IL
Louisville, KY
Memphis, TN
Atlanta, GA
Houston, TX (Hobby)
Hartford, CT
San Jose, CA
San Antonio, TX
Sacramento, CA
Ft. Lauderdale/Hollywood, FL
Honolulu, HI
Oakland, CA
Washington Dulles, VA

The Committee continues to support the ASDE–X system, and encourages FAA to consider modifications of the system which would allow cost-effective deployment of the system at medium- and small-sized airports. The original premise of this program was to expand the applications of runway incursion technology, not just replace the aging ASDE–3 radar system at major international airports. The Committee also notes that a large percentage of runway incursions occur at medium and small airports.

Aviation safety analysis system.—This request includes 17 separate ADP subsystem upgrades in the areas of aviation medicine, safety, and security. The recommendation deletes or defers low pri-

ority ADP upgrades which can be phased more slowly in order to fund higher priority activities. The Committee's recommendation includes no funding for the joint vulnerability analysis system. If worthwhile, this activity should be requested by the Transportation Security Administration.

Safe flight 21.—The Committee recommends $40,000,000, an increase of $10,200,000 above the budget estimate. Of the funds provided, $18,600,000 is for the Ohio River Valley Project, $19,900,000 is for Project Capstone; and $1,500,000 is for development of standards for automatic dependent surveillance-broadcast (ADS–B).

Advanced technology development and prototyping.—The Committee recommends $43,100,000, to be distributed as follows:

	Budget estimate	Committee recommended
Runway incursion	$6,700,000	$6,700,000
Aviation system capacity improvement	6,300,000	4,000,000
Separation standards	2,200,000	2,200,000
Airspace management laboratory	4,600,000	4,600,000
GA/vertical flight technology	1,000,000	1,000,000
Operational concept validation	2,500,000	—
Software engineering	1,000,000	1,000,000
NAS requirements development	3,000,000	—
WAAS	3,100,000	3,100,000
LAAS	2,800,000	2,800,000
Domestic RVSM	2,200,000	4,200,000
Development system assurance	2,700,000	—
Safer skies	3,000,000	—
Lithium technologies	—	1,000,000
Phased array radar technology		3,000,000
Airport research		7,500,000
Fogeye		2,000,000
Total	41,100,000	43,100,000

Aviation system capacity improvement.—The recommendation reduces funding for several studies. The Committee believes that some of these activities, such as development of performance measures for the air traffic system and expansion of data collection efforts for performance measurement, can and should be conducted as a routine management expense of the agency through its operating budget, and not as a capital expense.

Unjustified requests.—The Committee has deleted funds for "operational concept validation" (−$2,500,000) and "development system assurance" (−$2,700,000) due to lack of justification.

NAS requirements development.—The Committee deletes the $3,000,000 requested for NAS requirements development, and suggests the agency pursue this type of activity through air traffic requirements activities funded in the operating budget.

Domestic reduced vertical separation minima.—The Committee recommends $4,200,000 for domestic reduced vertical separation minima (RVSM). The additional $2,000,000 provided is for final installation of a specialized ground-based system to estimate the geometric height of aircraft. Installations should be located at sites in the United States where there is a high volume of general aviation aircraft being tested, flown, and serviced.

Safer skies.—The recommendation deletes the $3,000,000 requested for this activity. Funding of $10,000,000 is provided for

this project under FAA "Operations". The Committee believes this is sufficient to sustain this effort in fiscal year 2003.

Lithium technologies.—The recommendation includes $1,000,000 for the deployment of lithium technologies to prevent and mitigate alkali-silica reactivity.

Phased array radar technology.—The bill includes $3,000,000 to continue the collaborative effort between FAA and NOAA's National Severe Storms Laboratory to continue research and testing of phased array radar technology and to incorporate airport/aircraft tracking and weather information. This is the same level of funding as provided for each of the past two fiscal years.

Airport research.—The recommendation includes $7,500,000 for airport-related technology research. This is essentially the same as the $7,457,000 provided for fiscal year 2002. The budget requested an increase to $16,429,000, funded out of "Grants-in-aid for airports". The Committee notes that research is not an authorized use of grants-in-aid funds, and believes this work is more appropriately funded under this appropriation.

Fogeye.—The recommendation includes $2,000,000 to continue evaluation of emerging technology, known as fogeye, which utilizes ultraviolet light, in the solar-blind spectrum, to assist in low visibility landings and prevent runway incursions. An appropriation of $1,000,000 was made for this assessment in fiscal year 2002. An evaluation of this technology by the Volpe National Transportation Systems Center dated September 5, 2002 stated: "The conclusions thus far are the technology has considerable merit, and therefore the FogEye assessments should continue, as planned, to determine the most attractive and effective aviation applications".

Louisville, KY technology demonstration.—The bill includes $10,000,000 to continue air traffic control technology demonstration activities at the Louisville International Airport in Kentucky. Funds will be utilized to integrate ADS–B technology into the common ARTS IIIE infrastructure, install a surface movement management system, acquire a laser-directed radar system for enhanced wake vortex research, develop procedures for continuous deceleration approaches, install an infrared perimeter security system, and provide for the initial installation of ADS–B and moving map displays in Kentucky Air National Guard C–130 aircraft. The continued integrated demonstration and deployment of these new technologies will provide valuable insights into improved safety, security, and efficiency of the national airspace system.

Explosive detection technology.—The recommendation includes $176,691,200 for explosive detection systems, to be transferred to the Transportation Security Administration. This is $55,191,200 more than the budget estimate.

IMPROVE EFFICIENCY OF THE AIR TRAFFIC CONTROL SYSTEM

The Committee recommends $879,885,300 for programs and activities designed to improve the efficiency of the air traffic control system. This is $39,300,000 below the budget estimate.

Terminal business unit.—The Committee recommends $516,280,300 for programs under this budget activity of the terminal business unit. The following table compares the Committee recommendation to the budget estimate:

	Budget estimate	Committee recommended
Terminal automation program (STARS)	$166,000,000	$151,200,000
ATCBI–6	47,100,000	35,000,000
ATC en route radar facilities improvements	3,000,000	3,000,000
Terminal ATC facilities replacement	108,600,000	124,100,000
ATC/TRACON facilities improvement	52,755,192	44,000,000
Potomac TRACON	2,700,000	2,700,000
Northern California TRACON	200,000	200,000
Dallas/Fort Worth TRACON	1,600,000	1,600,000
Terminal digital radar (ASR–11)	123,400,000	80,000,000
ASR–9 SLEP	23,000,000	23,000,000
Mode S provide	3,000,000	3,000,000
Terminal applied engineering	8,200,000	4,000,000
Precision runway monitors	1,000,000	19,000,000
Houston area air traffic system	6,000,000	6,000,000
Terminal ASR improvements	1,380,304	1,380,300
PCS moves	3,100,000	3,100,000
Transponder landing system (TLS)	.....	15,000,000
Total	551,035,496	516,280,300

Standard terminal automation replacement system (STARS).—The recommendation provides $151,200,000 for continued implementation of the STARS program. The reduction would defer some of the planned growth in system upgrades.

ATC beacon interrogator-6 (ATCBI–6).—The recommendation provides $35,000,000, a reduction of $12,100,000.

Terminal ATC facilities replacement.—The Committee recommends $123,100,000, to be distributed as follows:

Pago Pago, American Samoa	$175,000
Baltimore, MD	2,088,581
Dulles International Airport, VA	600,000
Deer Valley, AZ	803,196
Memphis, TN	1,147,000
Portland, OR (Tracon)	5,500,000
Addison Field, TX	5,700,000
Reno, NV	8,349,000
Fort Wayne, IN	3,539,000
Newport News, VA	6,400,000
LaGuardia, NY	9,460,000
St. Louis, MD (Tracon)	1,500,000
Corpus Christi, TX	700,000
Beaumont, TX	1,000,000
Seattle, WA	550,000
Seattle, WA (Tracon)	4,782,701
Salina, KS	500,000
Newark, NJ	3,000,000
Port Columbus, OH	2,100,000
Grand Canyon, AZ	255,898
Savannah, GA	919,190
Newburgh, NY	2,065,000
Richmond, VA	550,000
Vero Beach, FL	878,775
Everett, WA	925,000
Roanoke, VA	550,000
Merrimack, NH (BCT)	4,700,000
Phoenix, AZ	14,107,919
Manchester, NH	943,609
Wilkes-Barre, PA	2,000,000
Topeka, KS	1,690,131
Billings, MT	2,120,000
McCarran Intl, NV	4,000,000
Provo Municipal, NV	1,000,000
St. Louis Downtown, MO	4,000,000
North Bend Municipal, OR	1,500,000

Reno/Tahoe Intl, NV	5,000,000
Chippewa Valley Regional WI	7,000,000
Wittman Regional, WI	5,000,000
Double Eagle II, NM	2,000,000
Kalamazoo/Battle Creek, MI	2,000,000
Columbia Metropolitan, SC	2,000,000

ATC/Tracon facilities improvement.—The recommendation includes a reduction of $3,700,000 in regional studies for possible facility consolidations and $5,000,000 in facilities improvements to accommodate implementation of the STARS system. The Committee believes the $24,744,800 remaining for STARS facility upgrades is sufficient to address high priority sites next year.

Terminal digital radar (ASR–11).—The Committee recommends $80,000,000 for the troubled terminal digital radar (ASR–11) program, a reduction of $43,400,000 below the budget estimate but $15,000,000 above the amount provided for fiscal year 2002. The FAA has not provided the Committee with convincing evidence that this program's substantial development problems have been resolved.

Terminal applied engineering.—The Committee recommends $4,000,000, the same level as provided for fiscal year 2002.

Precision runway monitors.—The Committee recommends $19,000,000, an increase of $18,000,000 above the budget estimate. Currently, precision runway monitors are installed at international airports in Minneapolis-St. Paul, St. Louis, and Philadelphia. Two other systems are expected to be commissioned during fiscal year 2002, in New York City (John F. Kennedy International) and San Francisco. The system now being installed in San Francisco was originally scheduled for installation at Atlanta. However, due to delays in construction of the new runway in Atlanta, the FAA agreed to re-site this radar system in San Francisco, and authorized manufacture of an additional system for Atlanta. However, since that time, the requirement for a PRM system in Atlanta has slipped again, until at least the year 2005. For this reason, the Committee expects the FAA to install the system currently being manufactured at the Cleveland Hopkins International Airport in Ohio. Funding is included in this recommendation for those activities. In addition, the bill includes funding for the acquisition of three additional PRM systems, one of which is to be installed at Atlanta Hartsfield International Airport in Georgia. In past years, the Committee has opposed the acquisition of small quantities of this system due to its high unit cost. The Committee is pleased that the manufacturer has been able to reduce these unit costs, making further acquisition affordable.

Transponder landing system.—The Committee recommends $15,000,000, to be distributed as follows:

Location	*Amount*
Minden-Tahoe Airport, NV	$2,100,000
Omak Airport, WA	2,100,000
Richland Airport, WA	2,100,000
Truckee Tahoe Airport CA	2,100,000
Driggs Reed Memorial, ID	2,100,000
Sandpoint Airport, ID	2,100,000
LaGrande/Union County, OR	2,100,000
Installation of prior systems	300,000
Total	15,000,000

Free flight phase one.—A reduction of $3,300,000 is recommended to fund other budgetary priorities. The Committee directs that none of this reduction shall be allocated to the CTAS traffic management advisor—single center (TMA–SC) program.

Automated surface observing system (ASOS).—The Committee recommends an additional $655,000, to provide advanced weather observing systems in the following locations:

Location	*Amount*
West Houston Airport, TX	$150,000
Driggs Reed Memorial Airport, ID	150,000
Indiana Freeman Municipal Airport, IN	355,000

National airspace management automation program (NASMAP).—The Committee recommends deferral of the $1,900,000 requested for this program due to weak justification and the need to fund higher priorities with clearer goals.

New York integrated control complex.—The bill includes $5,000,000 for initial design of an integrated air traffic control complex in the New York City area. Such a facility could reduce air traffic service inefficiencies currently experienced with en route and radar facilities in different locations.

INCREASE CAPACITY OF THE NATIONAL AIRSPACE SYSTEM

The Committee recommends $394,875,000 for programs and activities designed to increase the capacity of the national airspace system. This is $41,375,000 more than the budget estimate.

Navigation and landing aids.—The recommendation includes $291,175,000 for navigation and landing aids. A table comparing the budget estimate to the Committee recommendation for these activities is shown below:

	Budget estimate	Committee recommended
Local area augmentation system	$55,800,000	$55,800,000
Wide area augmentation system	110,500,000	98,900,000
VOR/DME	2,200,000	2,200,000
ALSIP	3,200,000	17,575,000
ILS establishment	23,500,000	53,500,000
Runway visual range	7,200,000	13,000,000
DME sustain	2,100,000	2,100,000
NDB sustain	1,200,000	1,200,000
Visual navaids (PAPI/REIL)	8,900,000	8,900,000
VASI replace with PAPI	6,300,000	6,300,000
IAPA	6,900,000	3,700,000
Navigation & landing aids—SLEP	3,000,000	3,000,000
Loran–C	13,000,000	25,000,000
Nationwide differential GPS	6,000,000	0
Total	249,800,000	291,175,000

Wide area augmentation system (WAAS).— The reduction of $11,600,000 is based upon program savings realized earlier this year when program requirements were changed by the FAA.

Approach lighting system improvement program (ALSIP).—The recommended funding is to be distributed as follows:

Location	Activity	Amount
Nationwide	Items in budget estimate	$3,200,000
Jackson Airport, KY	Lighting	175,000
Somerset Airport, KY	Runway lighting	500,000

Location	Activity	Amount
Bowman Field, KY	Airfield lighting	600,000
Max Westheimer, OK	Install MALSR	1,000,000
Nationwide	MALSR acquisition	7,000,000
Nationwide	PAPI acquisition	3,000,000
Nationwide	ALSF–2 acquisition	2,000,000
Newark International, NJ	PAPI installation, runway 22L	100,000
Total		17,575,000

Acquisition of medium-intensity approach lighting system with runway indicator lights.—For many years, the FAA has been acquiring medium-intensity approach lighting systems with runway indicator lights. Originally sole-sourced, this product now has multiple manufacturing candidates. The Committee encourages FAA to consider recompeting this product, in order to assure the agency the opportunity for cost savings.

Instrument landing system establishment.—The recommendation includes $53,500,000 for establishment of instrument landing systems (ILS). Funding includes an additional $7,325,000 for the national ILS replacement program and $22,675,000 for specific ILS locations as shown below:

Location	Activity	Amount
Richard Arthur-Fayette Field, AL	Install ILS	$500,000
Rickenbacker Intl, OH	Install ILS	750,000
Stuttgart Municipal, AR	Purchase and install ILS	2,000,000
Plymouth Municipal, MA	Install ILS on runway 06	600,000
Lambert St. Louis Intl, MO	Navigation aids	3,750,000
Cincinnati/Northern Kentucky, OH	Navigation aids for new runway	4,000,000
Pangborn Memorial, WA	Install ILS	2,100,000
Winder Barrow Airport, GA	Purchase and install ILS	500,000
LaGuardia International, NY	Purchase/install glideslope	1,000,000
Talladega Municipal, AL	Purchase/install ILS	500,000
Auburn-Opelika Municipal, AL	Purchase/install glideslope	750,000
Mena Intermountain Regional, AR	Install, Loc/GldsIp; NDB; OM	1,225,000
Napa County Airport, CA	Install glideslope	1,000,000
Hayward (Sawyer County), WI	Purchase/install ILS	2,000,000
Robert Gray AAF, TX	Purchase/install ILS	2,000,000
Total		22,675,000

Runway visual range (RVR).—The Committee recommends $13,000,000, an increase of $5,800,000 above the budget estimate. The additional funds are for continued acquisition of next generation RVR systems ($5,000,000) and for installation of a runway visual range visibility instrument at Westchester County Airport in New York ($800,000).

Instrument approach procedures automation (IAPA).—The Committee recommends $3,700,000, a reduction of $3,200,000 below the budget estimate. The recommendation holds such costs to the level approved for fiscal year 2002.

Loran-C.—The committee continues to support the modernization of the Loran-C navigation system, and recommends $25,000,000, an increase of $12,000,000 above the budget estimate. The Committee remains disappointed that FAA proposes to reduce funding for this initiative each year in order to fund lower-priority activities.

Nationwide differential GPS.—The Committee recommends no funding for this project, a savings of $6,000,000 from the budget es-

timate. The Committee has long questioned the merits of this effort, which has been budgeted, at one time or another, in virtually all of the modal administrations, including the Federal Highway Administration, the Federal Railroad Administration, the Office of the Secretary of Transportation, the United States Coast Guard, and now the Federal Aviation Administration. The Committee wonders how any program could be managed effectively with such frenetic activity, and takes this as a sign that experts in DOT question the need and value of the program. The value of this effort to FAA is far from clear, and use of trust fund revenues, paid by air travelers, for an activity with minimal relevance to air travel seems highly inappropriate.

IMPROVE RELIABILITY OF THE NATIONAL AIRSPACE SYSTEM

The Committee recommends $434,010,000 for programs and activities designed to increase the reliability of the national airspace system. This is $9,400,000 below the $3,700,000 above the budget estimate.

NAS infrastructure management system (NIMS).—The Committee recommends that funding for this effort be held to the level provided for fiscal year 2002, a reduction of $13,100,000 below the budget estimate.

IMPROVE THE EFFICIENCY OF MISSION SUPPORT

The Committee recommends $411,919,500 for programs and activities designed to increase the efficiency of FAA's support services for capital programs. This is $32,100,000 below the budget estimate.

Operational data management system.—The Committee recommends that funding for this effort be held to the level provided for fiscal year 2002, a reduction of $7,300,000 below the budget estimate.

Logistics support systems and facilities.—The Committee recommends that funding for this effort be held to the level provided for fiscal year 2002, a reduction of $4,300,000 below the budget estimate.

Facility security risk management.—The Committee recommends $25,000,000, a reduction of $12,300,000. The recommendation deletes funding for guard services, as such funding would be provided with operation funds (−$7,300,000), and lowers funding for building upgrades in recognition of significant funding provided in fiscal year 2002 (−$5,000,000).

Transition engineering support.—The Committee recommends $37,000,000, a reduction of $2,000,000 to fund higher priority activities.

Technical services support contract (TSSC).—The Committee recommends $44,700,000, a reduction of $2,000,000 available from contract savings experienced in the program.

NAS facilities OSHA and environmental standards compliance.—The bill includes $28,400,000, a reduction of $4,200,000 below the budget estimate. The recommendation holds these costs to the fiscal year 2002 level due to budget constraints.

Flight management system procedures, Newark and Teterboro Airports, NJ.—The Committee acknowledges the important ongoing work of Mitrie's Center for Advanced Aviation Systems Develop-

ment (CAASD) in developing RNAV/flight management system procedures for Newark and Teterboro Airports in New Jersey. These procedures will be the foundation for the New Jersey/New York airspace redesign and the use of "free flight" technologies. The Committee expects FAA to continue using CAASD to develop RNAV procedures for Newark, Teterboro, John F. Kennedy International, LaGuardia International, and other airports where new runways are planned or under construction. The Committee supports the use of up to $1,000,000 in funding for this important work in fiscal year 2003.

Research aircraft replacement.—The bill includes $25,000,000 to acquire a replacement for the 33-year old B–727 research and development aircraft stationed at the FAA Technical Center in New Jersey. The FAA has been attempting to replace the current obsolete aircraft for some time, and maintenance expenses and downtime are rising rapidly. The Committee believes this is a high priority acquisition project that can no longer be deferred.

PERSONNEL COMPENSATION AND BENEFITS

The Committee recommends $421,118,000 for personnel compensation and benefits costs related to FAA's acquisition personnel. This is $20,000,000 below the budget estimate. This includes a reduction of $18,551,000 to delete funding for the accruing costs of federal employee retirement and health care expenses, as explained in an earlier section of this report.

ACCOUNTWIDE ADJUSTMENTS

National airspace (NAS) handoff.—The Committee recommends a transfer of $70,000,000 from this appropriation to the agency's operations budget for NAS handoff costs, as explained under "Operations". These costs are appropriately budgeted as an operating expense of the agency, not a capital expense.

BILL LANGUAGE

Capital investment plan.—The bill continues to require the submission of a five year capital investment plan.

RESEARCH, ENGINEERING, AND DEVELOPMENT

(AIRPORT AND AIRWAY TRUST FUND)

Appropriation, fiscal year 2002 [1]	$245,000,000
Budget request, fiscal year 2003	124,000,000
Recommended in the bill	138,000,000
Bill compared with:	
Appropriation, fiscal year 2002	−107,000,000
Budget request, fiscal year 2003	+14,000,000

[1] Includes $50,000,000 in emergency supplemental appropriations.

This appropriation provides funding for long-term research, engineering and development programs to improve the air traffic control system and to raise the level of aviation safety, as authorized by the Airport and Airway Improvement Act and the Federal Aviation Act. The appropriation also finances the research, engineering and development needed to establish or modify federal air regulations.

COMMITTEE RECOMMENDATION

The Committee recommends $138,000,000, a decrease of $107,000,000 below the fiscal year 2002 enacted level and $14,000,000 above the President's budget request. The reduction below the fiscal year 2002 funding level is largely due to the transfer of aviation security research from FAA to the Transportation Security Administration. This activity received $94,511,000 in funding in fiscal year 2002.

A table showing the fiscal year 2002 enacted level, the fiscal year 2003 budget estimate, and the Committee recommendation follows:

RESEARCH, ENGINEERING AND DEVELOPMENT FISCAL YEAR 2003

Program	Fiscal year 2002 enacted	Fiscal year 2003 estimated	Committee recommended
Improve Aviation Safety:			
Reduce commercial aviation fatalities:			
Fire research and safety	$5,242,000	$6,429,000	$5,500,000
Propulsion and Fuel systems	5,998,000	3,998,000	5,998,000
Advanced materials/structural safety	1,338,000	1,374,000	1,374,000
Flight safety/atmospheric hazards	4,494,000	3,101,000	6,000,000
Aging aircraft	26,600,000	20,974,000	19,131,000
Aircraft catastrophic failure prevention	2,794,000	1,920,000	1,920,000
Flightdeck safety/systems integration	8,003,000	8,411,000	8,411,000
Reduce general aviation fatalities:			
Propulsion and fuel systems	2,570,000	1,713,000	1,713,000
Advanced materials/structural safety	1,636,000	1,679,000	1,679,000
Flight safety/atmospheric hazards	1,926,000	1,329,000	1,329,000
Aging aircraft	6,400,000	5,243,000	10,243,000
Flightdeck safety/systems integration	1,903,000	2,000,000	2,000,000
Aviation System Safety:			
Aviation safety risk analysis	5,784,000	6,926,000	5,784,000
ATC/AF human factors	8,500,000	10,317,000	8,098,000
Aeromedical research	6,121,000	6,603,000	6,603,000
Weather research	13,877,000	19,406,000	19,406,000
Improve Efficiency of the ATC System:			
Weather research efficiency	9,791,000	9,099,000	6,000,000
Reduce Environmental Impacts:			
Environment and energy	22,081,000	7,698,000	22,100,000
Improve Mission Efficiency:			
System planning and resource management	1,200,000	1,459,000	1,000,000
Technical laboratory facilities	12,250,000	6,455,000	6,455,000
Strategic partnerships	400,000	610,000	0
System Security Technology:			
Explosives and weapons technology	32,624,000	0	0
Airport security technology integration	2,084,000	0	0
Aviation security human factors	5,163,000	0	0
Aircraft hardening	4,640,000	0	0
Information system security	2,581,000	0	0
Accountwide Adjustment:			
CSRS/FEHBP accruals	0	−2,744,000	−2,744,000
Total	195,000,000	124,000,000	138,000,000

IMPROVE AVIATION SAFETY

Fire research and safety.—The Committee recommends $5,500,000, a reduction of $929,000 below the budget estimate. The reduction would allow a smaller rate of increase over the fiscal year 2002 enacted funding.

Propulsion and fuel systems.—The Committee recommendation includes an additional $2,000,000 to continue the work of the spe-

cialty metals processing consortium, an activity which has been funded for many years.

Flight safety/atmosphere hazards research.—The Committee recommendation includes $3,000,000 to continue the development of in-flight simulator training for commercial pilots at the Roswell Industrial Center in New Mexico.

Aging aircraft.—The Committee recommendations includes $5,000,000 for new flight safety research equipment at the National Institute for Aviation Research.

AVIATION SYSTEM SAFETY

Aviation safety risk analysis and air traffic control/airways facilities human factors.—The Committee recommends funding at or slightly below the fiscal year 2002 enacted funding level for these two activities.

IMPROVE THE EFFICIENCY OF THE AIR TRAFFIC CONTROL SYSTEM

Weather research efficiency.—The Committee recommends $6,000,000 for this activity, a reduction of $3,099,000 due to budget constraints.

REDUCE ENVIRONMENTAL IMPACTS

The Committee recommends $22,100,000 for this activity, an increase of $14,402,000 above the budget estimate. Of the funds provided, $850,000 is for a study of the effectiveness of current research in aircraft noise reduction technology, to be conducted by the Louisville Regional Airport Authority in Kentucky. Also included is the funding requested by the FAA for updating noise and emission models and $15,000,000 to speed up the introduction of lower noise aircraft technologies. Within the funding provided, FAA is directed to conduct, in concert with an affected airport, a further study of low frequency aircraft noise. The flaws identified with the previous low frequency noise impact study should be corrected with this follow-on study.

IMPROVE MISSION EFFICIENCY

System planning and resource management.—The Committee recommends $1,000,000. The reduction is due to budget constraints.

Strategic partnerships.—The Committee recommends no funding for this project in fiscal year 2003, a reduction of $610,000 below the budget estimate. This is similar to the Committee's recommendation for fiscal year 2002. The Committee continues to believe that this is a low priority activity that can be deferred.

GRANTS-IN-AID FOR AIRPORTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(AIRPORT AND AIRWAY TRUST FUND)

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

	Liquidation of contract authorization	Limitation on obligations
Appropriation, fiscal year 2002 [1]	$1,800,000,000	($3,300,000,000)
Budget request, fiscal year 2003	3,100,000,000	(3,400,000,000)
Recommended in the bill	3,100,000,000	(3,400,000,000)
Bill compared with:		
Appropriation, fiscal year 2002	+1,300,000,000	(+100,000,000)
Budget request, fiscal year 2003		

[1] Excludes $175,000,000 in emergency supplemental appropriations and a $301,720,000 rescission of contract authority.

The bill includes a liquidating cash appropriation of $3,100,000,000 for grants-in-aid for airports, authorized by the Airport and Airway Improvement Act of 1982, as amended. This funding provides for liquidation of obligations incurred pursuant to contract authority and annual limitations on obligations for grants-in-aid for airport planning and development, noise compatibility and planning, the military airport program, reliever airports, airport program administration, and other authorized activities. This is the same as requested in the President's budget and $1,300,000,000 above the level enacted for fiscal year 2002.

LIMITATION ON OBLIGATIONS

The bill includes a limitation on obligations of $3,400,000,000 for fiscal year 2003. This is the same as the President's budget request and $100,000,000 above the fiscal year 2002 level. This level of funding is required by Public Law 106–181 and protected by points of order in the House.

A table showing the distribution of these funds compared to the fiscal year 2002 levels and the President's budget request follows:

Activity	Fiscal year—		
	2002 enacted	2003 estimate	2003 recommended
Formula grants:	$2,106,200,000	$2,109,100,000	$2,109,100,000
Primary airports	(1,028,400,000)	(1,028,500,000)	(1,028,500,000)
Cargo service airports	(96,700,000)	(97,100,000)	(97,100,000)
Alaska set-aside	(21,100,000)	(21,300,000)	(21,300,000)
States (general aviation airports)	(644,600,000)	(647,200,000)	(647,200,000)
Carryover	(315,400,000)	(315,000,000)	(315,000,000)
Discretionary grants:	1,116,800,000	1,126,800,000	1,126,800,000
Noise compatibility set-aside	(270,600,000)	(274,000,000)	(274,000,000)
Military airport program set-aside	(31,800,000)	(32,200,000)	(32,200,000)
Reliever set-aside	(5,300,000)	(5,300,000)	(5,300,000)
Capacity/safety/security/noise set-aside	(366,200,000)	(370,800,000)	(370,800,000)
Remaining discretionary	(122,100,000)	(123,600,000)	(123,600,000)
Returned entitlements	(320,800,000)	(320,800,000)	(320,800,000)
Administration:	57,050,000	68,257,000	62,820,000
FY 2002 base funding	(57,050,000)	(57,050,000)	(57,050,000)
PC&B increases	N/A	(6,284,000)	(2,647,000)
Discretionary increases:			
Advisory circular contract	N/A	(1,600,000)	(800,000)
Airport financial reporting system	N/A	(500,000)	(250,000)
E-government data transfer	N/A	(1,000,000)	

Activity	Fiscal year—		
	2002 enacted	2003 estimate	2003 recommended
Analysis of PFC program	N/A	(300,000)	(300,000)
Environmental streamlining	N/A	(1,773,000)	(1,773,000)
Small community air service	20,000,000		(1)
Airport technology research	(2)	16,429,000	(3)
Essential air service		83,000,000	(4)
Total			

[1] Recommendation includes $20,000,000 under Federal Aviation Administration.
[2] Airport Technology Research was funded under ''Facilities and equipment'' in fiscal year 2002 at a level of $7,457,000.
[3] Recommendation includes $7,500,000 under ''Facilities and equipment''.
[4] Recommendation includes $50,000,000 under ''Office of the secretary''.

DISCRETIONARY GRANTS

Within the overall obligation limitation in this bill, $1,126,800,000 is available for discretionary grants to airports. This is $10,000,000 more than provided for fiscal year 2002. Within this obligation limitation, the Committee directs that priority be given to grant applications involving further development of the following airports:

Airport name	State	Project description
Abbeville Municipal Airport	AL	Land acquisition; runway overlay/extension.
Andalusia/Opp Municipal Airport.	AL	Overlay airport pavement surfaces.
Atmore, AL (Escambia County) Airport.	AL	Improvements to safety zones, land acquisitions for approaches, construction of additional apron—removal of obstructions, construction of new taxiway/apron, conduct repairs.
Craig Field Airport	AL	Overlay runway and construct parallel taxiway.
Dothan Regional Airport	AL	Runway safety area improvements—runway 14.
Fairhope Municipal Airport	AL	Runway replacement & conversion of existing runway to taxiway..
Headline Municipal Airport	AL	Land acquisition; runway/taxiway extension.
Huntsville International Airport.	AL	Phase III of air cargo apron expansion, including grade,base, pave, and drainage improvements; complete final phase of intermodal transit facility, including completion of air cargo building and associated ramp to provide truck access.
Jackson Airport	AL	Eliminate safety violations; construction; land acquisition.
Lamar County Airport	AL	Runway resurfacing improvements.
Lawrence County Airport	AL	Runway rehabilitation—runway 13/31.
Madison County Executive Airport.	AL	Security fencing; drainage improvements; land acquisition; parallel taxiway.
Mobile Airport Authority	AL	Runway construction/rehabilitation; ramp repair/rehabilitation.
Montgomery Regional Airport (Dannelly Field).	AL	Third and final phase of major renovation to passenger terminal building.
Oneonta Airport	AL	Runway extension.
Ozark Airport	AL	Land acquisition for runway extension.
Prattville Municipal Airport	AL	Runway; aircraft parking apron overlay; airport access road.
Richard Arthur-Fayette Field	AL	Improvement & extend runway; install ILS & ATIS; improve runway markings and fencing.
Roundtree Field Airport	AL	Apron expansion.
Weedon Field Airport	AL	Construct parallel taxiway.
American Samoa Airport	Amer Samoa	Airport expansion; fuel tank relocation.
Batesville Regional Airport	AR	Install localizer—DME; runway lighting; relocate hangars; extend taxiway.
Baxter County Regional Airport.	AR	Runway extension; install instrument landing system.
Benton Airport Relocation	AR	Relocation of airport to new, donated site.
Blytheville Aeroplex	AR	ILS upgrade; automated weather observation system (AWOS); concrete repair and replacement.
Camden Municipal Airport—Harrell Field.	AR	Purchase and upgrade facility for construction of a new aircraft manufacturing/repair facility on existing airport.
Hot Springs Airport	AR	Construction of 14 general aviation hangers and an addition to airport terminal.

Airport name	State	Project description
Jonesboro Municipal Airport	AR	Runway extension & strengthening; hangar area development; parallel taxiway extension; on-field airport rescue station; overlay runway; strengthening.
Northwest Arkansas Regional Airport.	AR	Expansion of commercial aviation ramp; expansion of terminal; additional taxiway; additional freight ramp and taxiway for air cargo; aircraft parking.
Deer Valley Airport	AZ	Various improvements.
Williams Gateway Airport ...	AZ	Funds for construction of north ramp taxiway.
San Francisco International Airport.	CA	Security enhancements.
Fresno Chandler Downtown Airport.	CA	Historic restoration of terminal.
Livermore Municipal Airport	CA	Security enhancements.
Fresno Yosemite International Airport.	CA	Runway rehabilitation; upgraded access control system; additional staffing and equipment for airport public safety team; redesign of ticketing/baggage claim areas.
Lampson Airport	CA	Construction of low-pressure wastewater collection system and central pump station to send airport's wastewater to treatment plant.
Little River Airport-Mendocino County.	CA	Land acquisition.
Meadows Field Airport	CA	Completle runway extension and attendant taxiway for runway 30L; master plan; security improvements.
Palm Springs International Airport.	CA	CNG fueling station; extend high-pressure natural gas pipeline one mile.
Riverside Municipal Airport	CA	Purchase 14 acres on west side of airport.
Southern California Logistics Airport.	CA	Runway extension.
Stockton Metropolitan Airport.	CA	Construct cargo apron on north side of Runway 11L/29R.
Denver International Airport	CO	Construction of runway 16R–34L.
Crystal River-Citrus County Airport.	FL	Security upgrades: video monitoring electronic security access; fencing; ramp lighting.
Fort Lauderdale-Hollywood International Airport.	FL	Develop design and procurement documents for automated people mover.
Gainesville Regional Airport	FL	Rehabilitation of primary runway; storm water drainage; lengthening of secondary runway.
Inverness-Citrus County Airport.	FL	Security upgrades: video monitoring; electronic security access; fencing; ramp lighting.
Jacksonville Airport	FL	Taxiway F rehabilitation and extension.
Kissimmee Gateway Airport	FL	West aircraft apron and access road.
Miami International Airport	FL	Replacement of 41,000 square yard northwest apron for aircraft parking; security enhancements.
Orlando International Airport.	FL	Implement necessary wildlife-attractant mitigation; completion of fourth runway.
Orlando Sanford Airport	FL	Runway 9R/27L extension; construction of aircraft taxiway and pavement areas to access hanger complex.
Sanford Airport	FL	Airport entrance streetscape improvement; installation of landscaping and new identification sign at entrance to passenger terminals; installation of irrigation system.
St. Petersburg-Clearwater International Airport.	FL	Completion of runway extension.
Cherokee County Airport	GA	Land acquisition, site prep, paving for runway extension and parallel taxiway.
Glynco Jetport Terminal	GA	Renovations to modernize facility for operations and security.
Paudling County Airport (proposed).	GA	Planning and development of airport facility.
Richard Russel Airport	GA	Extend runway; other infrastructure improvements.
Wright Army Airfield	GA	Conversion of airfield to joint use, level II airport; repair and upgrade runways, taxiways, apons, and facilities.
Ankeny Regional Airport	IA	Grading, drainage, paving, marking, lighting of south t-hanger apron area and of south t-hanger taxiway.
Council Bluffs Municipal Airport.	IA	Land acquisition for runway development for new runway 18/36 to meet airport reference code C–II standards.
Eastern Iowa Airport	IA	Rehabilitation of east t-hanger taxiway, west t-hanger taxiways, and general aviation apron.
Fairfield Municipal Airport	IA	Grading and drainage for new runways and taxiway.
Mason City Municipal Airport.	IA	Reconstruction of primary runway—17/35.
Newton Municipal Airport ...	IA	Obstruction removal and new taxiway.
Ottumwa Industrial Airport	IA	Partial parallel taxiway to runway end 31.

Airport name	State	Project description
Lewis University Airport	IL	Pave new runway 1–19.
South Suburban Airport (proposed).	IL	Complete environmental impact statement.
Gary/Chicago Airport	IN	Bituminous overlay for rehabilitation of runway; expansion of general use apron.
Forbes Field Airport	KS	Rehabilitation of taxiway C.
Kansas State University Airport.	KS	Rehabilitate apon at training facility.
Newton City/County Airport	KS	Replace aircraft rescue and fire fighting vehicle (ARFFV).
Wichita Mid-Continent Airport.	KS	Construct new full-length parallel runway and connecting taxiways.
Barkley Regional Airport	KY	Property acquisition to lengthen the secondary runway by 1500 ft.
Big Sandy Airport	KY	Runway strengthening.
Bowman Field	KY	Reconstruction of taxiway and apron; upgrade airfield visual pilot aids.
Capitol City Airport—Frankfort.	KY	Runway and taxiway overlays; extensions; apron rehabilitation.
Elizabethtown Airport (Addington Field).	KY	Land acquisition for extension of runway 5; extension of parallel taxiway.
Harlan County Airport	KY	Runway safety area.
Hawesville-Hancock County Airport.	KY	Design and construct 4000-foot runway.
Hazard Airport	KY	Runway extension.
Henderson City-County Airport.	KY	Relocation of taxiway.
Lexington Blue Grass Field	KY	Expansion of air carrier ramp.
London Airport	KY	Runway overlay, taxiway.
Louisville International Airport.	KY	Acquire properties surrounding airport and relocate residents.
Madison County Airport	KY	Runway safety area; runway extension; and taxiway.
Madisonville Municipal Airport.	KY	Widen/extend runway.
Marion/Crittendon County Airport.	KY	Engineering for phase I development: excavate for runway extension/widening.
Marshall Field—Scott County Airport.	KY	Runway extension; taxiway and apron overlay.
Middlesboro Airport	KY	Taxiway and apron.
Monticello Airport	KY	Parallel taxiway.
Mt. Sterling-Montgomery Airport.	KY	Parallel taxiway and safety area.
Pikeville Airport	KY	Pavement overlay.
Pine Knot Airport	KY	Runway extension.
Rowan County Airport	KY	Master plan; environmental analysis; grade and drain for replacement airport.
Somerset Airport	KY	400 ft runway extension and overlay.,
Stantion Field—Powell County Airport.	KY	Fencing.
Stuart Powell Field—Boyle County Airport.	KY	Runway and taxiway overlays and fencing.
West Liberty Airport	KY	Fencing.
Williamsburg/Whitley County Airport.	KY	Grade and pave for new airport.
Baton Rouge Airport	LA	Installation of apron drainage system; reconstruct taxiway M.
Houma-Terrebonne Airport ..	LA	Runway upgrades.
Lafayette Regional Airport ..	LA	Refurbish existing terminal and adjacent ramp, air cargo, and maintenance facility; non-revenue parking areas; commuter walkways; runway 11/29 subsidence reclamation.
Louis Armstrong International Airport.	LA	Airfield safety improvements; terminal apron rehabilitation; new aircraft rescue/firefighting vehicle; rehabilitate runways 1/19 and 10/28.
Monroe Regional Airport	LA	Runway/taxiway lighting repair/upgrade.
Slidell Municipal Airport	LA	Reconstruction of airport taxiway.
Cherry Capital Airport	MI	New terminal.
Chippewa County Airport	MI	New airport terminal.
Detroit Metropolitan/Wayne County Airport.	MI	Planned redevelopment.
Oakland Internation Airport	MI	Acquisition of residences under noise mitigation program; sound attentuation of homes; screen wall to mitigate noise on north side of airport.
Pellston Regional Airport	MI	Renovation of terminal.

Airport name	State	Project description
Romeo State Airport	MI	Develop and expand runways; plan and develop navigational aids; plan and develop runway/taxiway lighting.
Minneapolis-St. Paul International Airport.	MN	Deicing pad for runway 12R.
Joplin Airport	MO	New terminal building.
Kansas City International Airport.	MO	Security upgrades.
Kennett Memorial Airport	MO	Construct new runway—continuation of project.
Lambert St. Louis International Airport.	MO	W–1W expansion project; noise abatement measures.
Maryville Memorial Airport	MO	Expansion master plan.
Springfield/Branson Airport	MO	Initiate design for new midfield terminal.
Gulfport-Biloxi Regional Airport.	MS	Construction & relocation costs; acquisition of land for runway extension.
Jackson International Airport.	MS	Terminal renovations and airfield improvements, including apron replacement and taxiway rehabilitation; security upgrades.
Jackson Municipal Airport	MS	Terminal renovations and rehabilitation of air carrier apron and connecting taxiways.
Helena Regional Airport	MT	Remodeling of airport terminal; parking lots; entrance roads; increased security.
Anson County Airport	NC	Enhancement of facilities, equipment, and infrastructure.
Burlington-Alamance Regional Airport.	NC	Paving and lighting of facility extension; runway/taxiway extension.
Clinton-Sampson County Airport.	NC	Airfield pavement rehabilitation.
Concord Regional Airport	NC	Land acquisition, design & construction of 1500 foot runway extension.
Currituck County Airport	NC	Rehabilitate and overlay existing runway.
Harnett County Airport	NC	Runway extension—phase 2.
Johnston County Airport	NC	Wetland mitgiation and construction of extended RSA.
Michael J. Smith Airport	NC	Extend current runway to 5000 feet.
Monroe Municipal Airport—Union County.	NC	Installation of gated system of secure fencing.
Morganton-Lenoir Airport	NC	Partial parallel taxiway to runway 21; widen/overlay runway 3–21; partial parallel taxiway to runway 3.
Rockingham County Airport	NC	Runway extension and strengthening.
Stanly County Airport	NC	Apron improvements; fuel farm relocation; security fencing; other improvements.
Hickory Regional Airport	NC	Infrastructure Improvements.
Statesville Municipal Airport.	NC	Acquire land; design/build runway extension; complete instrument landing system.
Warren Field Airport	NC	Rehabilitate and overlay existing runway.
Wilmington International Airport.	NC	Repair and replace deteriorating underground drainage pipes; runway clearing.
Bismarck Municipal Airport	ND	Construct new terminal; expand parking.
Grand Forks International Airport.	ND	Planning, design, and site preparation for new general aviation runway and parallel taxiway.
Central Nebraska Regional Airport.	NE	Runway reconstruction; reconstruction of 4 taxiways; rehabilitation of airport terminal.
Newark International Airport	NJ	Engineering studies and EIS for installation of offset localizer directional aid with glide slope for runway 4L.
Sun Juan Pueblo Airport	NM	Construction and improvements to existing facilities.
McCarran International Airport.	NV	Two remote transmitter/receiver (RTR) sites.
North Las Vegas Airport	NV	Installation of runway position hold lights at 27 intersecting taxiways and runways.
Albany International Airport	NY	Extension of primary runway.
Buffalo Niagara International Airport.	NY	Design and construction of extension to runway 14/32; runway 5/23 extension/rehab; security improvements.
Greater Rochester International Airport—multiple projects.	NY	Terminal improvements; runway 10/28 safety area improvements; security improvements; east apron aircraft parking expansion.
Long Island Islip Airport	NY	Security enhancements.
Hancock International Airport.	NY	Equipment infrastructure improvements.
Niagara Falls International Airport.	NY	Rehabilitate apron connecting taxiway D with condor hangars; access improvements; demolition of former Bell Helicopter production hanger.

Airport name	State	Project description
Plattsburgh International Airport.	NY	Construction of passenger terminal; hanger rehabilitation.
Akron-Canton Regional Airport.	OH	Design and construction of terminal expansion.
Cincinnati Municipal Airport-Lunken Field.	OH	Surfacing & drainage; security needs: additional fencing/access control/surveillance.
Cleveland Hopkins International Airport.	OH	Installation of navaids; replacement runway lighting; noise mitigation program; security upgrades.
Port Columbus International Airport.	OH	Various improvements.
Rickenbacker International Airport.	OH	Rehabilitation and expansion of air cargo aircraft parking; installation of ILS on inside runway.
Toledo Express Airport	OH	Construction of new public aircraft parking apron; security improvements.
Union County Airport	OH	Runway extension; taxiway relocation.
Davis Field Airport	OK	Rehabilitate runway 13–31.
Max Westheimer Airport	OK	Security requirements.
Stillwater Airport	OK	Runway extension—paving and completion of project.
Jefferson County Airport	OR	New flight services building.
Roberts Field/Redmond Airport.	OR	Security improvements.
Bradford Regional	PA	Various improvements.
Connellsville Airport	PA	Runway extension; benefit-cost analysis; right of way acquisition; utility/construction drawings; construction of structure span for local road; relocation of gas lines.
Dubois-Jefferson County Airport.	PA	Various improvements.
Jersey Shore Airport	PA	Various improvements.
Jimmy Stewart Airport	PA	Construct new, longer runway; Phase II of project.
Philadelphia International Airport.	PA	Reconstruct terminal D–E apron; extend runway safety area for runway 9R; increase airfield capacity; security enhancements.
Punxsutawney Airport	PA	Various improvements.
Venango Regional Airport ...	PA	Various improvements.
Fairfield County Airport	SC	Extend runway 500 feet.
Spartanburg Downtown Airport.	SC	Extension of runway 5/23 to 5500 ft; construct required safety area.
Campbell County Airport	SD	Lengthen and reconstruct existing 2300 foot runway.
Chan Gurney Airport	SD	Reconstruction of runway; new high intensity lighting system.
Highmore Municipal Airport	SD	Land acquisition; right of way; design.
Pierre Regional Airport	SD	Reconstruction of runway; new high intensity lighting system.
Winner Airport—Bob Wiley Field.	SD	Reconstruction of runway; taxiway; paving, new medium intensity lighting system.
Chattanooga Airport	TN	Construct west airfield access road for aircraft hangers.
Nashville International	TN	Security enhancement.
Upper Cumberland Regional Airport.	TN	Extend airport runway 7000 ft; provide 1000 ft full parallel taxiway extension; acquire 75 acres of land.
Abilene Regional Airport	TX	Air carrier ramp improvements.
Arlington Municipal Airport	TX	Acquisition of 48.81 acres of land (right of way) for airport extension.
Del Rio International Airport	TX	Land acquisition for runway extension and improvements.
Denton Municipal Airport ...	TX	Realignment of taxiway; runway extension; terminal expansion; new equipment for new tower.
Draughton-Miller Regional Airport.	TX	Extend runway 15/33 from 6301 to 7000 ft; improve parallel taxiway; install new elextrical vault; upgrade lighting.
Fort Worth Alliance Airport	TX	Extension of 2 runways.
Gainesville Municipal Airport.	TX	Extend & mark runway 71–35; extend parallel taxiway.
McKinney Municipal Airport	TX	New taxiway along existing runway.
Robert Gray Army Airfield—Kileen Airport.	TX	Expansion of airport; planning; design; construction.
San Antonio International Airport.	TX	Various improvements.
Valley International Airport	TX	Acquire 115 acres for runway protection zones; reconstruct/relocate 1.4 miles of road.
St George Airport replacement (replacement).	UT	Land acquisition.
Ogden Hinkley Airport	UT	Runway reconstruction.
Blue Ridge Airport	VA	Construction of facility for the Martinsville Composite Squadron of the Civil Air Patrol.

Airport name	State	Project description
Breaks Interstate Regional Airport.	VA	Land acquisition; design; engineering for new airport to serve Buchanan and Dickerson Counties.
Charlottsville-Albermarle Airport.	VA	Rehabilitate general aviation apron pavement; runway extension; construct air carrier access road.
Franklin County Airport	VA	Airport study.
Manassas Airport	VA	Various improvements.
Twin County Airport	VA	Rehabilitate and expand runway and apron.
Washington Dulles International Airport.	VA	Replace sections of runways, taxiways, taxi lanes, and apron areas; construct additional aircraft parking apron at air cargo building 6 with appropriate access taxiways; construct fillet widening at intersection of taxiway Y and high speed exit taxiway Y–7.
Henry E. Rohlsen Airport	VI	Terminal modifications; runway extension.
Austin Straubel International Airport.	WI	Runway intersection reconstruction.
Central Wisconsin Airport ...	WI	Reconstruct primary air carrier runway and parallel taxiway.
General Mitchell International Airport.	WI	Extend outer taxiway around concourse C.
LaCrosse Municipal Airport	WI	Reconstruct parallel taxiway; upgrade electrical systems; reconstruct east apron.
Jackson County Airport	WV	Various improvements.
Upshur County Airport	WV	Runway Extension; land purchase; sewer and water infrastructure improvements.

ADMINISTRATION

The bill provides that, within the overall obligation limitation, $62,820,000 is available for administration of the airports program. Prior to fiscal year 2001, these expenses were included in the FAA's operating budget. This is a reduction of $5,437,000 below the budget estimate but an increase of $5,770,000 (10.1 percent) above the fiscal year 2002 enacted level. Reductions from the budget estimate are shown in the table below, and are necessary to preserve as many resources as possible for critical grants to the nation's airports. Under the Administration's proposal, only 13 percent of the $100,000,000 increase in the obligation limitation for fiscal year 2003 would be used for grants at the nation's airports. The majority of funding would instead have been used for in-house administrative expenses, research, and the essential air service program. Funding in the bill is sufficient to support the requested 535 staffyears, which is an increase of 34 staffyears (6.7 percent) above the current fiscal year.

	Budget estimate	Committee recommended
CSRS/FEHBP accruals	$3,637,000	.....
Advisory circular contract	1,600,000	$800,000
E-government data transfer	1,000,000	.....
Airport financial reporting system	500,000	250,000

CSRS/FEHBP accruals.—The reduction of $3,637,000 is consistent with reductions taken elsewhere in the bill, and is explained in an earlier section of this report.

Airport technology research.—The Committee recommends no funding under the limitation on obligations, as such funding is not authorized from the AIP program. However, funding of $7,500,000 is recommended under "Facilities and equipment, advanced technology development and prototyping". This is essentially the same level as provided for fiscal year 2002. The budget estimate included $16,429,000 for this activity.

Essential air service.—The Committee does not approve the Administration's request to allow the use of AIP funds to support the essential air service (EAS) program. Sufficient appropriations are included elsewhere in this bill to support the EAS program, as explained in an earlier section of this report. EAS subsidies are not an authorized use of AIP funding, and there is no logical connection between these two programs that would justify the diversion of AIP funding for this purpose. The merits of funding the EAS program should be evaluated on their own. While the Committee is well aware of the budgetary constraints facing the nation, forcing one program to subsume earmarks for unrelated programs, just to give the appearance of saving money, is not sound budgetary policy. Rather, the Administration should be making tough budget decisions based upon a review of each program on its merits. While the Committee is aware that costs for EAS service have risen since the terrorist attacks of September 11, 2001, the Administration should address those costs directly, rather than earmark funds from unrelated existing programs.

Security and Safety Training.—Educating and training employees at airports holds enormous potential in reducing security risks and enhancing the safety of airport operations. Security awareness programs, for example, were mandated by Public Law 101–71 for airport employees, ground crews, gate, ticket and curbside agents of air carriers and other individuals employed at airports to enhance airport security. In addition, the FAA has repeatedly highlighted the promise of training—particularly interactive training—in reducing runway incursions, an urgent safety problem the Committee has long sought to address. In light of these examples, and given the importance of complementing other measures aimed at addressing safety and security with efforts to address human factors, the committee directs the FAA to consider grant requests for equipment associated with security and safety training among the highest priority for AIP discretionary funding.

BILL LANGUAGE

Runway incursion prevention systems and devices.—Consistent with the provisions of Public Law 106–181 and the DOT and Related Agencies Appropriations Act, 2002, the bill allows funds under this limitation to be used for airports to procure and install runway incursion prevention systems and devices. Because of the urgent safety problem related to runway incursions, the FAA is directed to consider such grant requests among the highest priorities for discretionary funding.

SMALL COMMUNITY AIR SERVICE DEVELOPMENT

Appropriation, fiscal year 2002 [1]	$20,000,000
Budget Request, fiscal year 2003	
Recommended in the bill	20,000,000
Bill compared with:	
Appropriation, fiscal year 2002	
Budget request, fiscal year 2003	+20,000,000

[1] Funded under "Grants-in-aid for airports" program.

The Small Community Air Service Development Pilot Program was authorized in section 203 of Public Law 106–181. The program, authorized at $27,5000,000 for fiscal year 2003, is designed

to stimulate new or expanded air service at underutilized airports in small and rural communities throughout the United States. Communities eligible for service include those which have insufficient air carrier service, unreasonably high air fares, or which have an airport no larger than a small hub. The Committee recommends an appropriation of $20,000,000, from the general fund, to continue this program in fiscal year 2003. This is the same amount as enacted for fiscal year 2002. No funding was requested in the budget estimate.

The following communities received grants under this program in fiscal year 2002. Funds provided in this bill are available to continue activities in these locations or provide service to new locations during fiscal year 2003.

King Cover, AK
Sand Point, AK
Akutan, AK
Cold Bay, AK
False Pass, AK
Nelson Lagoon, AK
Mobile, AL
Fort Smith, AR
Lake Havasu City, AZ
Santa Maria, CA
Lamar, CO
Daytona Beach, FL
Augusta, GA/Aiken, SC
Mason City, IA
Hailey, ID
Marion, IL
Fort Wayne, IN
Manhattan, KS
Paducah, KY
Somerset, KY
Lake Charles, LA
Presque Isle, ME
Houghton and Pellston, MI
Brainerd and St Cloud, MN
Cape Girardeau, MO
Meridian, MS
Asheville, NC
Bismarck, ND
Scottsbluff, NE
Taos/Ruidoso, NM
Binghamton, NY
Akron/Canton, OH
Baker City, OR
Reading, PA
Rapid City, SD
Bristol/Kingsport/Johnson City, TN
Abilene, TX
Beaumont/Port Arthur, TX
Moab, UT
Lynchburg, VA
Bellingham, WA
Pasco, WA
Rhinelander, WI
Charleston,W V
Casper and Gillette, WY

FEDERAL HIGHWAY ADMINISTRATION

The Federal Highway Administration (FHWA) provides financial assistance to the states to construct and improve roads and highways, and provides technical assistance to other agencies and organizations involved in road building activities. Title 23 and other supporting legislation provide authority for the various activities of the Federal Highway Administration. Funding is provided by contract authority, with program levels established by annual limitations on obligations in Appropriations Acts.

The Transportation Equity Act for the 21st Century (TEA–21) amended the Budget Enforcement Act to provide two additional discretionary spending categories, one of which is the highway category. This category is comprised of all federal-aid highways funding, the Federal Motor Carrier Safety Administration's motor carrier safety funding, National Highway Traffic Safety Administration's (NHTSA) highway safety grants funding and NHTSA highway safety research and development funding.

SUMMARY OF FISCAL YEAR 2003 PROGRAM

TEA–21 caps the highway category obligations at $28,233,000,000 in fiscal year 2003 and Federal-aid obligations at

$23,284,143,000. If highway account receipts exceed levels specified in TEA–21, automatic adjustments are made to increase or decrease obligations and outlays for the highway category accordingly. The increases and decreases associated with highway account receipts are called revenue aligned budget authority (RABA). Under TEA–21, if appropriations action forces highway obligations to exceed this obligation level specified in TEA–21 as adjusted by RABA, the resulting difference in outlays is charged to the non-defense discretionary spending category.

REVENUE ALIGNED BUDGET AUTHORITY

In fiscal year 2003, the provisions of TEA–21 would require a reduction of $4,369,000,000 in federal-aid highway funding due to RABA. The guaranteed level for federal-aid highways would be reduced to $23,284,143,000, representing a reduction of almost 16 percent from the base funding level in TEA–21, and a total reduction of 27 percent from the $31,799,104,000 provided in FY 2002.

Section 1402 of the fiscal year 2002 supplemental appropriations bill (Public Law 107–206) restores the fiscal year 2003 highway funding reduction that would have been caused by the RABA adjustment and raises the highway guarantee by $4,369,000,000. Therefore, the Committee's recommendation exceeds the guaranteed level contemplated in TEA–21 by $4,369,000,000. However, because the provision increases the highway category specifically, the additional highway funding does not come at the expense of other discretionary programs. The following table summarizes the program levels within the Federal Highway Administration for fiscal year 2002 enacted, the fiscal year 2003 budget request and the Committee's recommendation:

Program	Fisal year 2002 enacted	Fiscal year 2003 request	Recommended in the bill
Federal-aid highways	[1] $27,280,000,000	$27,628,536,000	$27,653,143,000
Revenue aligned budget authority (RABA)	4,519,104,000	−4,369,000,000	0
Adjustment		−54,749,000	
Subtotal	31,799,104,000	23,204,787,000	27,653,143,000
Exempt obligations	[2] 1,274,176,000	892,767,000	892,767,000
Subtotal	33,073,280,000	24,097,554,000	28,545,910,000
Appalachian Development Highway System	200,000,000		100,000,000
Miscellaneous appropriations	[3] [4] 248,300,000		
Total	33,521,580,000	24,097,544,000	28,645,910,000

[1] Includes $100,000,000 above the obligation limitation above that guaranteed by TEA–21.
[2] Reflects $75,000,000 emergency relief (ER) supplemental funding provided by P.L. 107–117.
[3] Provided by section 330 of P.L. 107–87.
[4] Reflects $100,000,000 supplemental funding provided by P.L. 107–117.

LIMITATION ON ADMINISTRATIVE EXPENSES

Limitation, fiscal year 2003 [1]	($311,000,000)
Budget request, fiscal year 2003	(317,732,000)
Recommended in the bill	(370,042,000)
Bill compared with:	
Limitation, fiscal year 2002	(+59,042,000)
Budget request, fiscal year 2003	(+52,310,000)

[1] Does not reflect a reduction of $841,000 pursuant to section 349 of Public Law 107–87 as amended by section 1106 of P.L. 107–117.

This limitation controls spending for the salaries and expenses of the Federal Highway Administration required to conduct and administer the federal-aid highways programs and most other federal highway programs. In the past, this limitation included a number of contract programs, such as highway research, development and technology; however, the Transportation Equity Act for the 21st Century (TEA–21) created a separate limitation for transportation research. Accordingly, in fiscal year 2003, costs related to highway research, development and technology are included under a separate limitation.

The Committee recommends a limitation of $370,042,000. This level is sufficient to fund 2,422 FTEs. The recommended level assumes the following adjustments to the budget request:

Reduce funding for employee development	−$1,606,000
Increase funding for environmental streamlining	+7,000,000
Southern border truck inspection facilities	+47,000,000
Deny FECA administrative costs	−$84,300

Employee development.—The Committee has reduced the request for workforce development activities by $1,606,000. The Committee has provided $2,500,000, the same level as provided in fiscal year 2001.

Environmental streamlining.—The budget request included a total of $6,000,000 for environmental streamlining initiatives, funded from the administrative balances set-aside. The Committee recommendation includes a total of $7,000,000 in fiscal year 2003 for environmental streamlining initiatives within the limitation on administrative expenses. The Committee directs FHWA to provide the House and Senate Committees on Appropriations a report, not later than March 1, 2003, summarizing FHWA's streamlining efforts. The report should include specific examples of FHWA activities that have helped streamline the environmental process.

The Committee is extremely disconcerted with the unprecedented actions the Department took with regard to the report on FHWA's streamlining efforts due to the Committee January 2, 2002. The report was delivered to the Committee on the evening before FHWA was to testify before the Appropriations Subcommittee on Transportation. Without prior notice or approval, the Department violated the standard practice in place for many years, and not only attached the report to testimony delivered to the Committee for public dissemination, but also widely distributed the report to other Committees and to the press. Although directed by Congress specifically for the use of this Committee, members of the Appropriations Committee had no opportunity to read the report before mass distribution to the public. The Committee strongly recommends the Department confer with the Committee and adopt procedures for report distribution similar to the standards in place and followed before February 28, 2002. In addition, the Committee directs the Department to refrain from attaching miscellaneous documents, including reports, to Congressional testimony without prior consultation with the Committee.

Truck safety inspection facilities.—The Committee recommendation provides $47,000,000 from the limitation on administrative expenses for the construction of permanent truck safety inspection facilities along the U.S./Mexico border. The budget request included this funding proposal from within the national corridor planning

and development program. In its fiscal year 2002 budget request, the Administration's stated goal was to receive a total of $160,000,000 over three years to contribute towards funding of state border inspection facilities at 23 sites. In 2002, the Committee provided $66,000,000 for this effort.

FECA administrative costs.—The Committee has reduced funding by $84,300 from the budget request for workers compensation administrative costs as explained in an earlier section of this report.

LIMITATION ON TRANSPORTATION RESEARCH

Limitation, fiscal year 2002 [1]	.....
Budget request, fiscal year 2003 [1]	.....
Recommended in the bill	($462,500,000)
Bill compared with:	
Limitation, fiscal year 2002	(+462,500,000)
Budget request, fiscal year 2003	(+462,500,000)

[1] Resources available in fiscal year 2002 and requested in fiscal year 2003 are assumed within the federal-aid obligation limitation in the budget request for fiscal year 2003.

This limitation controls spending for the transportation research and technology contract programs of the Federal Highway Administration. It includes a number of contract programs including intelligent transportation systems, surface transportation research, technology deployment, training and education, and university transportation research. In the past, funding under this limitation was provided in part from the limitation on general operating expenses and from contract authority provided in permanent law. The recommendation includes an obligation limitation for transportation research of $462,500,000. This limitation is consistent with the provisions of TEA–21 and mirrors the House-passed fiscal year 2002 Department of Transportation and Related Agencies appropriations bill.

The bill provides $462,500,000 in fiscal year 2003 for the following transportation research programs:

Surface transportation research	$103,000,000
Technology deployment program	50,000,000
Training and education	20,000,000
Bureau of transportation statistics	31,000,000
ITS standards, research, operational tests and development	110,000,000
ITS deployment	122,000,000
University transportation research	26,500,000
Total	$462,500,000

HIGHWAY RESEARCH

In response to the Committee's concern the U.S. General Accounting Office completed a review of FHWA's research program in May 2002. The report included recommendations to help ensure that FHWA's research agenda and approach to evaluation result in identification of research with the highest value to the surface transportation community. The Committee directs FHWA to: (1) develop a systematic approach for obtaining input from external stakeholders in determining the research and technology program's agendas; (2) develop a systematic process that incorporates peer review or other best practices in use at federal agencies that conduct research; (3) and develop specific plans for implementing these recommendations, including time frames and cost estimates.

SURFACE TRANSPORTATION RESEARCH

Within the funds provided for highway research and development under the surface transportation research program, the Committee recommends the following:

Environment, planning, and real estate	$17,000,000
Research and technology program support	8,000,000
International research	500,000
Structures	13,500,000
Safety	12,000,000
Operations	12,500,000
Asset management	3,000,000
Pavements research	15,500,000
Policy research	9,000,000
Long-term pavement project	10,000,000
Advanced research	1,000,000
R&T strategic planning/performance measures	1,000,000
Total	$103,000,000

Environment, planning, and real estate research.—The environment research and technology program develops improved tools for assessing highway impacts on the environment; techniques for the avoidance, detection, and mitigation of those impacts and for the enhancement of the environment; and expertise on environmental concerns within FHWA and state and local transportation agencies. The planning and real estate research and technology program advances cost effective methods to evaluate transportation strategies and investments; develops and disseminates improved planning methods; develops more effective planning and data collection techniques for intermodal passenger and freight planning and programming; improves financial planning tools for use in developing transportation plans and programs; evaluates the characteristics of the National Highway System; and develops improved analytical tools to support metropolitan and statewide planning and for information and data sharing with state and local governments. The Committee has provided $17,000,000.

Research and technology program support.—The Committee has provided $8,000,000. Funds provided under this category support a variety of programs, including the Transportation Research Board core program; the small business innovative research program; and marketing, publication and communication activities.

International research.—The Committee has provided $500,000, the level authorized under TEA–21, for international research activities. FHWA is directed to consult the Committee before any international agreements are consummated that are likely to require financial support.

Structures.—The structures research and technology program develops technologies, advanced materials and methods to efficiently maintain and renew the aging transportation infrastructure, improve existing infrastructure performance, and enable efficient infrastructure response and quick recovery after major disasters. The committee has provided $13,500,000 for structures research. Funds provided will help FHWA make progress towards its performance goal to reduce deficiencies on NHS bridges from 21.5 percent in 2000 to 21 percent in 2003, as well as reduce deficiencies on all bridges. This funding will ensure continued progress on high performance materials and engineering applications to efficiently design, repair, rehabilitate, and retrofit bridges. Within the funds

provided, FHWA shall provide $1,000,000 for the deployment of lithium technologies to prevent and mitigate alkali silica reactivity. The Committee notes that funding has been provided to the FHWA for several years, yet little progress has been made in the deployment of these promising technologies. Within the funds provided, the FHWA shall provide $1,000,000 for the New York City Bridges Corrosion Monitoring Project.

Safety.—The safety research and technology program develops engineering practices, analysis tools, equipment, roadside hardware, and safety promotion and public information that will significantly contribute to the reduction of highway fatalities and injuries. The Committee has provided $12,000,000 for safety research programs. Within the funds provided, the Committee directs the FHWA to provide $600,000 to the University of Florida's Seniors Institute for Transportation and Communications, and $1,000,000 to the National Transportation Research Center, University of Tennessee for heavy vehicle research.

Operations and asset management.—The Committee has provided $15,500,000 for operations research and asset management. The highway operations research program is designed to develop, deliver, and deploy advanced technologies and administrative methods to provide pavement and bridge durability, and to reduce construction and maintenance-related user delays. Funds provided under this category support a variety of research projects seeking to improve highway operations, including work to improve the manual on uniform traffic control devices, work zone operations, technologies that facilitate operational responses to changes in weather conditions, and freight management operations. Within the funds provided, the Committee directs the FHWA to provide $550,000 to the Southern Rural Transportation Center and $400,000 to the Orangeburg County Rural Transit Demonstration project at South Carolina State University.

The Committee has not included any funds for statistical analysis of the National Quality Initiative under any FHWA research program. Such analysis shall be performed by the Bureau of Transportation Statistics.

Pavements research.—The pavement research and technology program identifies engineering practices, analytic tools, equipment, roadside hardware, and safety promotion and public information that will significantly contribute to the reduction of highway fatalities and injuries. Activities include work on asphalt, Portland cement concrete pavements, and recycled materials. The Committee has provided $15,500,000 for pavement research. Pavement research amounts, along with the $10,000,000 provided for long-term pavement performance, will allow FHWA to undertake research projects to improve the nation's infrastructure. Within the funds provided, the Committee directs the FHWA to provide $1,000,000 to the Center for Portland Cement Concrete Pavement Technology in Idaho, $500,000 to the Institute for Aggregates Research at Michigan Technological University, and $1,000,000 to the test track and hot mixed asphalt research at Auburn University.

Policy research.—The policy research and technology program supports FHWA policy analysis and development, strategic planning, and technology development through research in data collection, management and dissemination; highway financing, invest-

ment analysis, and performance measurement; and enhancement of highway program contributions to economic productivity, efficiency, and other national goals. The Committee has provided $9,000,000 for policy research. Within the funds provided, the Committee directs the FHWA to provide $2,000,000 to the University of Kentucky's Academy for Community Transportation Innovation for transportation research on integrating public involvement technology and environmental issues in the transportation planning process.

ITS Standards, Research, Operational Tests and Development

The Committee recommends the $110,000,000 provided in TEA–21 for ITS research be allocated in the following manner:

Research and development	$48,680,000
Operational tests	12,930,000
Evaluation	7,750,000
Architecture and standards	15,290,000
Integration	11,350,000
Program support	9,000,000

Commercial vehicle operations (CVO) research.—The Committee's allowance includes $6,800,000 for commercial vehicle operations research. The funds will be used to continue to develop and test advanced technology for roadside identification. This technology is needed to identify commercial carriers and vehicles without transponders in advance of their approach to an inspection site. This technology will ensure that maximum use of the SAFER, ASPEN, Mailbox data system, PIQ, PRISM target file, and the ISS2 systems is facilitated. Advancement of technology to promote the transfer of information from NLETS to MCSAP officers, including improved communications between the NLETS bridge and the PRISM target file and other information systems, should also be supported with the additional funds provided.

ITS Deployment

It is the intent of the Committee that the following projects contribute to the integration and interoperability of intelligent transportation systems in metropolitan and rural areas as provided under section 5208 of TEA–21 and promote deployment of the commercial vehicle intelligent transportation system infrastructure as provided under section 5209 of TEA–21. These projects shall conform to the requirements set forth in these sections, including the project selection criteria contained in section 5208(b) and the priority areas outlined in section 5209(c), respectively. Projects selected for funding shall use all applicable, published ITS standards. This requirement may be waived if the Secretary determines that the use of a published ITS standard would be counterproductive to achievement of the program objectives. Funding for ITS deployment activities is as follows:

Project	*Amount*
Advanced Traffic Analysis Center, North Dakota State University	$1,000,000
Alameda-Contra Costa transit district (SatCom), California	1,000,000
American Tobacco Trail Project, Wake County, North Carolina	500,000
ATMS/ATIS Hutchinson River Parkway, New York	2,000,000
Automated Vehicle Location (AVL) and Mobile Data Terminals—Palm Tran—Palm Beach Florida	1,000,000

Project	*Amount*
Bay County Area Wide Traffic Signal System, Florida	1,000,000
CalTrain train tracking information system (SamTrans), San Mateo County, California	500,000
Capital District Transportation Authority, customer information ITS project, New York	800,000
Chapel Hill Transit, North Carolina, real time passenger information system and vehicle location system	1,000,000
Chattanooga, Tennessee CARTA ITS	4,400,000
Cicero Avenue travel information system, Illinois	500,000
City of Boston intelligent transportation system, Massachusetts	1,000,000
City of Alexandria, Virginia, intelligent transportation system (Alexandria ITS—King/Braddock/Quaker)	750,000
City of Austin, Texas ITS Deployment Program, Texas	500,000
City of Inglewood, California intelligent transportation system deployment project	500,000
Concord Parkway Traffic Signals System Integration—Concord, North Carolina	1,400,000
Continental 1	1,500,000
DelDOT Integrated Transportation Management System—DelTrac, Statewide Transit Passenger Info System	1,000,000
Dynamic Message Sign (DMS) camera deployment and integration program, Monroe County, New York	1,000,000
Elkhorn Boulevard Project, Sacramento, California	350,000
Emergency Vehicle Access Program, Antrim, Pennsylvania	60,000
Emergency Vehicle Optical Pre-Emption, Town of Islip, New York	750,000
Fog Detection Improvement and Traffic Monitoring, Rural Mountain Region, North Carolina	200,000
Gettysburg Borough Signal Coordination and Upgrade—Signalization; Adams County, Pennsylvania	1,950,000
HART Bus Tracking and Communication, Florida	4,000,000
Houma, Louisiana	1,000,000
Hunt County, Texas	1,000,000
I–90 Truck Wind Warning System—Columbia River, Washington	100,000
Idaho Commercial Vehicle Systems and Networks (CVISN)—Level 1 Completion	1,000,000
Image-based toll collection system project, California	1,000,000
Intelligent transportation system statewide, Illinois	1,000,000
Intelligent transportation, ADART phase IV implementation, Corpus Christi, Texas	500,000
Intermodal ITS center, Orleans Parish, Louisiana	500,000
Interstate 95/Interstate 40 travel information improvements, Johnston County, North Carolina	500,000
Law Enforcement Communications for Security and Biometrics, Iowa	3,500,000
Baton Rouge, Louisiana	1,000,000
Johnson County Transit, Kansas, automatic vehicle locator	500,000
Kansas City Scout Advanced Traffic Management System (along I–635), Kansas	1,500,000
Kansas City, Kansas Smart Port (International trade processing center)	1,500,000
Libertyville Traffic Management Center, Illinois	1,000,000
Macomb County ITS Integration, Michigan	500,000
Maricopa County, AZTech integrated emergency and transportation communication network, Arizona	1,500,000
Metrolina Traffic Management Center Communication, North Carolina	1,000,000
MetroLink Los Angeles Union Station (LAUS) passenger information delivery system project	500,000
Minnesota Guidestar	12,000,000
Montachusett Area Regional Transit (MART) advanced vehicle location system, Massachusetts	200,000
Monterey-Salinas Transit, intelligent transportation system, California	750,000
Montgomery County, Maryland Advanced Transportation Management System (ATMS)	1,550,000
Nebraska ITS	2,000,000
New Bedford, Massachusetts intelligent transportation information center	1,000,000

Project	*Amount*
New York Metropolitan Area enhanced operations, New York	1,000,000
North Carolina Division of Motor Vehicles, Hillsborough weigh station Orange County, North Carolina	1,000,000
Oakland County Smart Corridor and Emergency Routing System, Michigan	4,800,000
Oklahoma Department of Transportation, intelligent transportation systems project	1,000,000
Ports of Long Beach/Los Angeles Advanced Transportation Management & Information Systems	1,000,000
Positive Protection Railroad/grade Crossing System Project, Alabama	2,000,000
Project Hoosier SAFE-T, Indiana	1,000,000
Richmond Highway intelligent transportation system project, Virginia	400,000
Round Rock, Texas, Williamson County, Communications Integration	500,000
Rural Highway Information System, Kentucky	6,000,000
Sacramento Area Council of Governments, Sacramento region intelligent transportation system projects, California	1,000,000
Salem, New Hampshire ITS	900,000
San Diego Joint Transportation Operations Center, California	2,000,000
San Francisco, Muni, automatic vehicle location/GPS, California	1,000,000
Santa Teresa Border Tech Center, New Mexico State University	1,000,000
SD, ND, MN, IN Maintenance Decision Support System	850,000
Shreveport ITS, Louisiana	1,500,000
Sierra Madre Villa Intermodal Transportation Center, California	1,000,000
South Carolina DOT inroads intelligent transportation system, statewide	3,000,000
South Com Regional Dispatch Trauma Center, Matteson, Olympia Fields, and Richton Park, Illinois	200,000
Springfield Regional ITS, Missouri	1,500,000
SR 316/SR 81 Intersection Improvements—Barrow and Oconee counties, Georgia	1,600,000
State of Wisconsin, deployment of commercial vehicle information system and networks, level one capability	500,000
State of Wisconsin, upgrade of state patrol's data communications network	2,000,000
Statewide Transportation Operations Center, Kentucky	1,000,000
Surveillance Camera and Transportation Management Center, Des Moines, Iowa	1,000,000
Texas Transportation Institute's Monitoring and Emergency Notification for the Texas Medical Center campus, Texas	350,000
The Rapid, Grand Rapids, Michigan Public Transportation	1,000,000
Traffic Corridor Communications System, Lake County, Illinois	2,000,000
TRANSCOM regional architecture and TRANSMIT and IRVN projects, New Jersey	500,000
Tri-Cities Advanced Traffic Management System, Washington	500,000
UALR Intelligent transportation system, Little Rock, Arkansas	500,000
UK 1–75 Research, Kentucky	1,640,000
University of Alabama at Birmingham Center for Injury Sciences, Alabama	3,250,000
US–395 Columbia River Bridge Traffic Operations and Traveler Information System, Washington	250,000
Utah's ITS (CommuterLink)	1,000,000
Vallejo Baylink Ferry Intermodal Center, California	500,000
Wayne County Road Information Management System (RIMS), Wayne County, Michigan	2,500,000
Witchita ITS (ITS Traffic/Emergency Operations Center and transit ITS)	4,000,000

Joint Program Office.—In the early 1990s, the Appropriations Committees expressed strong support for the formulation of a Joint Program Office (JPO) within the DOT to oversee the federal role in the national Intelligent Transportation System (ITS) effort. This office, which is located within the Federal Highway Administration, now provides overall program direction and budget coordination among the multiple DOT offices conducting ITS activities. The

Committee believes the JPO has sucessfully managed the ITS program. For example, the JPO's close association with FHWA's research, headquarters staff, and regional offices has ensured a unified approach to providing training, implementation and testing of standards, and adherence to a national systems architecture. The Committee maintains that the JPO's positive working relationship with the FMCSA and FTA has facilitated progress in advancement of technologies and the deployment of systems.

The appropriation for ITS provided herein is predicated on the continuation of the JPO conducting the functions identified previously. Maximum efficiencies are most likely to be obtained by retaining the current administrative structure of the JPO within the FHWA with a reporting function to the Deputy Secretary. If there is any change in the administrative structure or responsibilities of the JPO, the Secretary is directed to inform the House and Senate Committees on Appropriations and to justify in detail such changes.

BUREAU OF TRANSPORTATION STATISTICS

Under the FHWA appropriation, the accompanying bill provides $31,000,000 for the Bureau of Transportation Statistics (BTS), the amount authorized in TEA–21. The Committee does not provide additional amounts requested from the airport and airway trust fund. The Committee notes that BTS has undergone significant increases in staffing since 1993, the year BTS was established. In fiscal year 1993, on-board positions totaled 5, in 2001 total staff stood at 101, and BTS estimates on-board staff to total 146 by the end of 2002. In fiscal year 2003, BTS requests a level of 157 full time position (FTP). The Committee is concerned about these staff increases, particularly when the staffing level has exceeded the Administration's request to Congress. Therefore, the Committee limits BTS full time positions to 146 or, if lower, the number of on-board positions upon enactment of this bill.

FEDERAL-AID HIGHWAYS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

	Liquidation of contract authorization	*Limitation on obligations*
Limitation, fiscal year 2002	$30,000,000,000	($31,799,104,000)
Budget request, fiscal year 2003[1]	29,000,000,000	(32,204,787,000)
Recommended in the bill	29,000,000,000	(27,653,143,000)
Bill compared with:.		
Limitation, fiscal year 2002	−1,000,000,000	(−4,145,961,000)
Budget request, fiscal year 2003		(+4,448,356,000)

[1] The budget request includes an adjustment of $4,369,000,000 associated with revenue aligned budget authority; excludes transfer of $182,464,000 to the Federal Motor Carrier Safety Administration; and reduction of $54,749,000 associated with that transfer.

FEDERAL-AID HIGHWAYS

Federal-aid highways and bridges are managed through a federal-state partnership. States and localities maintain ownership and responsibility for maintenance, repair and new construction of

roads. State highway departments have the authority to initiate federal-aid projects subject to FHWA approval of plans, specifications, and cost estimates. The federal government provides financial support for construction and repair through matching grants, the terms of which vary with the type of road.

There are almost four million miles of public roads in the United States and approximately 577,000 bridges. The Federal Government provides grants to states to assist in financing the construction and preservation of about 958,000 miles (24 percent) of these roads, which represents an extensive interstate system plus key feeder and collector routes. Highways eligible for federal aid carry about 84 percent of total U.S. highway traffic.

The Transportation Equity Act for the 21st Century (TEA–21) reauthorized highway, highway safety, transit, and other surface transportation programs through fiscal year 2003. TEA–21 builds on programs and other initiatives established in the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991, the previous major authorizing legislation for surface transportation programs.

The Committee recommends liquidating cash appropriation of $30,000,000,000. This is equal to the fiscal year 2002 enacted level and is the required amount to pay the outstanding obligations of the various highway programs at levels provided in past Appropriation Acts.

LIMITATION ON OBLIGATIONS

The accompanying bill includes language limiting fiscal year 2003 federal-aid highways obligations to $27,653,143,000, a reduction of $4,145,961,000 from the fiscal year 2002 enacted level and $4,448,356,000 over the budget request. The recommended level is $4,369,000,000 above the level assumed in TEA–21.

The obligation limitation for the federal-aid highways program does not include a downward adjustment of $4,369,000,000 in obligations resulting from revenue aligned budget authority. TEA–21 provides for an automatic adjustment in the federal-aid highways program budget authority and obligation authority in any budget year in which projected income to the highway account of the highway trust fund are above or below estimates of income to the trust fund that were made at the time TEA–21 was enacted. Under law, a determination of the size of this increase or decrease in so-called "firewall" spending levels is made in the President's budget submission. TEA–21 calls for any such decreases in budget authority to be distributed proportionately among certain federal-aid highways apportioned and allocated programs, and for the overall federal-aid obligation limitation to be decreased by an equal amount. In total, the estimate of reduced income, and therefore obligations for fiscal year 2003, is $4,369,000,000 for the federal-aid highway program. However, the Appropriations Committee included language in section 1402 of the fiscal year 2002 supplemental appropriations bill (Public Law 107–206) that restores the fiscal year 2003 highway funding reduction due to TEA–21 by raising the highway guarantee by $4,369,000,000. Therefore, the entire $27,653,143,000 is guaranteed under the highway category. Because the provision increases the highway category, the increase in

highway funding does not come at the expense of other discretionary programs.

Although the following table reflects an estimated distribution of obligations by program category, the bill includes a limitation applicable only to the total of certain federal-aid spending. The following table indicates estimated obligations by program within the $27,653,143,000 provided by this Act and additional resources made available by permanent law:

FEDERAL-AID HIGHWAYS ESTIMATED OBLIGATIONS

The following table reflects the estimated distribution of the federal-aid limitation by state:

ESTIMATED FY 2003 OBLIGATIONS

[In thousands of dollars]

State	Estimated FY 2003 formula limitation	FY 2003 minimum guarantee	Appalachian development highways [1]	Total	Change from FY 2002
Alabama	$384,255	$34,022	$43,794	$462,071	−$64,034
Alaska	199,842	70,039	0	269,881	−33,080
Arizona	365,260	52,053	0	417,313	−58,505
Arkansas	271,508	27,056	0	298,564	−37,756
California	1,959,265	139,960	0	2,099,225	−267,525
Colorado	283,927	19,380	0	303,307	−38,159
Connecticut	296,518	47,902	0	344,420	−42,502
Delaware	97,800	8,337	0	106,137	−12,262
District of Columbia	91,935	315	0	92,250	−12,690
Florida	929,943	158,387	0	1,088,329	−152,610
Georgia	703,280	103,998	17,502	824,780	−115,146
Hawaii	107,038	10,226	0	117,264	−16,266
Idaho	148,249	19,639	0	167,887	−23,248
Illinois	722,137	41,703	0	763,840	−105,432
Indiana	472,220	62,792	0	535,012	−67,684
Iowa	266,073	10,090	0	276,163	−34,610
Kansas	260,726	7,997	0	268,723	−37,024
Kentucky	335,024	26,786	40,174	401,984	−55,689
Louisiana	337,422	23,726	0	361,148	−42,022
Maine	113,758	8,313	0	122,071	−16,943
Maryland	347,116	25,341	6,848	379,305	−44,525
Massachusetts	395,516	26,342	0	421,857	−54,407
Michigan	664,026	75,221	0	739,248	−102,802
Minnesota	316,312	19,781	0	336,093	−41,724
Mississippi	271,328	21,580	4,911	297,819	−37,689
Missouri	502,919	32,083	0	535,002	−67,848
Montana	200,922	34,512	0	235,434	−27,334
Nebraska	179,788	6,201	0	185,989	−25,794
Nevada	150,183	18,532	0	168,716	−23,542
New Hampshire	104,974	9,965	0	114,938	−13,622
New Jersey	559,537	33,418	0	592,956	−81,851
New Mexico	204,828	21,628	0	226,456	−28,436
New York	1,061,869	86,048	9,439	1,157,356	−150,818
North Carolina	551,483	70,602	25,784	647,869	−90,258
North Dakota	145,450	10,771	0	156,222	−19,598
Ohio	721,868	58,722	19,749	800,339	−101,629
Oklahoma	343,372	14,902	0	358,274	−49,553
Oregon	259,448	14,247	0	273,695	−34,338
Pennsylvania	938,654	56,851	107,082	1,102,587	−151,588
Rhode Island	128,924	11,892	0	140,817	−18,349
South Carolina	345,092	45,378	2,145	392,616	−50,241
South Dakota	150,810	13,143	0	163,953	−20,588
Tennessee	440,046	37,433	49,098	526,577	−60,998
Texas	1,594,413	214,113	0	1,808,525	−252,766
Utah	170,275	7,816	0	178,091	−24,550
Vermont	101,110	6,876	0	107,986	−12,532

ESTIMATED FY 2003 OBLIGATIONS—Continued

[In thousands of dollars]

State	Estimated FY 2003 formula limitation	FY 2003 minimum guarantee	Appalachian development highways [1]	Total	Change from FY 2002
Virginia	533,615	61,643	10,320	605,578	−70,062
Washington	385,806	18,210	0	404,016	−55,647
West Virginia	174,804	11,106	60,894	246,805	−29,861
Wisconsin	400,802	53,363	0	454,164	−63,352
Wyoming	156,135	9,559	0	165,692	−18,335
Subtotal	20,847,605	2,000,000	397,740	23,245,345	−3,057,826
Special Limitation:					
High Priority Projects				1,778,372	170,725
Woodrow Wilson Bridge				202,275	−30,667
Allocation Reserve				2,427,152	−1,228,192
Total Limitation				27,653,143	−4,145,961

[1] Totals for Appalachian Development Highways do not include $100,000,000 provided in this bill outside of TEA–21

Under TEA–21, Federal-aid highways funds are made available through the following major programs:

FEDERAL-AID HIGHWAYS ESTIMATED OBLIGATIONS

[In thousands of dollars]

Programs	FY 2001 actual	FY 2002 estimate	FY 2003 estimate
Subject to limitation:			
Surface Transportation Program	$7,125,997	$6,960,222	$6,233,877
National Highway System	5,444,542	5,954,976	5,340,660
Interstate Maintenance	4,107,833	5,020,689	4,437,608
Bridge Program	3,035,729	4,300,544	3,805,079
Congestion Mitigation and Air Quality Improvement	883,818	1,692,402	1,515,103
Minimum Guarantee	2,004,786	1,572,609	1,829,044
Safety Incentive Grants for Use of Seat Belts	93,286	110,220	100,688
ITS Standards, Research and Development	86,018	120,488	98,890
ITS Deployment	86,366	167,328	109,678
Transportation Research	201,025	261,872	210,351
Federal Lands Highways	635,672	855,323	624,010
National Corridor Planning and Coordinated Border Infrastu	122,096	509,419	125,860
Administration	294,470	310,159	370,042
Other Programs	1,753,597	793,438	365,656
High Priority Projects Program	1,159,272	1,413,556	1,478,376
Woodrow Wilson Bridge (Special)	342,084	305,110	202,275
Transportation Infrastructure Finance and Innovation	113,748	109,161	116,870
Appalachian Development Highway System [1]	320,641	720,786	397,740
Total Subject to Obligation Limitation [2]	27,810,980	31,178,302	27,361,807
Emergency Relief Program	87,919	125,287	100,000
Minimum Allocation/Guarantee	745,440	595,493	621,597
Demonstration Projects	159,855	244,529	171,170
Reestimates of Direct Loan Subsidy/Interest on Subsidy	0	19,000	0
Total Exempt Programs	993,214	984,309	892,767
Emergency Relief Supplemental	566,298	400,867	0
Grand Total, Federal-Aid Highways (Direct)	29,370,492	32,563,478	28,254,574

[1] Totals for Appalachian Development Highways do not include $100,000,000 provided in this bill outside of TEA–21.
[2] Reflects estimated obligations which may be less than the enacted obligation limitation.

National highway system.—The ISTEA of 1991 authorized—and the National Highway System Designation Act of 1995 subsequently established—the National Highway System (NHS). This

163,000-mile road system serving major population centers, international border crossings, intermodal transportation facilities and major travel destinations, is the culmination of years of effort by many organizations, both public and private, to identify routes of national significance. It includes all Interstate routes, other urban and rural principal arterials, the defense strategic highway network, and major strategic highway connectors, and is estimated to carry up to 76 percent of commercial truck traffic and 44 percent of all vehicular traffic. A state may choose to transfer up to 50 percent of its NHS funds to the surface transportation program category. If the Secretary approves, 100 percent may be transferred. The federal share of the NHS is 80 percent, with an availability period of 4 years.

Interstate maintenance.—The 46,567-mile Dwight D. Eisenhower National System of Interstate and Defense Highways retains a separate identity within the NHS. This program finances projects to rehabilitate, restore, resurface and reconstruct the Interstate system. Reconstruction of bridges, interchanges, and over-crossings along existing interstate routes is also an eligible activity if it does not add capacity other than high occupancy vehicle (HOV) and auxiliary lanes.

Funds provided for the Interstate maintenance discretionary program in fiscal year 2003 shall be available for the following activities in the corresponding amounts:

Project	*Amount*
Freeway Interchange at Lammers Road and I–205, Tracey, California	$500,000
Grandview Triangle, Kansas City, Missouri	1,000,000
Hawkins Crossing, I–20/59 Interchange, Meridian, Mississippi	5,000,000
I–10 Interchange at Grand Prairie Highway, Rayne, Louisiana	1,000,000
I–10 Irvington Interchange, Alabama	4,000,000
I–10 Riverside Avenue Interchange, California	2,000,000
I–12 at Essen Lane, Louisiana	250,000
I–12 sound barriers, Slidell, Louisiana	1,500,000
I–12/Northshore Blvd-Airport Road Interchange Improvements—St. Tammany Parish, Louisiana	1,000,000
I–16 and Dean Forest Road Interchange, Georgia	250,000
I–16/I–516 Interchange design and reconstruction, Georgia	1,000,000
I–16/I–95 Interchange Reconstruction Concept Study Chatham County, Georgia	250,000
I–235 reconstruction, Polk County, Iowa	2,800,000
I–235/Harrison Avenue off-ramp and Walnut Avenue Relocation, Oklahoma	1,200,000
I–26 Little Mountain Interchange improvements, South Carolina	500,000
I–29 Madison Street interchange, Sioux Falls, South Dakota	2,500,000
I–295 Interchange at Meadowville Road, Chesterfield County, Virginia	500,000
I–35 East/I–635 interchange, Texas	750,000
I–35W Lake Street Access, Minnesota	9,000,000
I–40 and Paseo del Volcan Interchange and Access Road to Double Eagle II, Albuquerque, New Mexico	2,000,000
I–44 Interchanges at SH–51 and US–169, Tulsa, Oklahoma	750,000
I–44, Phelps County, Missouri	2,250,000
I–49 North to the Arkansas Line (Access Improvements to I–220 @ US 71/LA 1 & LA 172), Louisiana	1,000,000
I–540 & Perry Road Interchange, Rogers, Arkansas	2,000,000
I–64, Vanderburgh and Posey counties, Indiana	1,000,000
I–69/SR 304 (construction Odom Road to I–55), Mississippi	2,000,000
I–70/MD85/MD355 intersection reconstruction, Maryland	1,000,000
I–74 Reconstruction, Mississippi River Bridge Replacement, Scott County, Iowa	950,000
I–75 Exits 49 and 52, McMinn County, Tennessee	500,000

Project	*Amount*
I–75, Rockcastle County, Kentucky	4,500,000
I–77/Shuffel Road interchange, Canton, Ohio	1,000,000
I–80 Colfax Narrows Project, Placer County, California	250,000
I–81 Interchange, Syracuse, New York	1,300,000
I–84/Exit 17 at Routes 63 and 64, Middlebury/Waterbury, Connecticut	2,000,000
I–84/I–87 Interchange, New York	1,500,000
I–84/Route 2 East Hartford, operational improvements, Connecticut (flyover access)	1,000,000
I–90 two-way transit operations, Washington	500,000
I–96/Cedar/Pennsylvania Interchange, Michigan	450,000
Interstate 40: Mississippi River Bridge Seismic Retrofit, Arkansas	1,000,000
Interstate 5, Rush Road to Maytown widening, Washington	1,000,000
Interstate 5, Salem, Oregon (Boone Road Bridge replacement)	1,000,000
Interstate Highway 35 perpetual pavement testing section, LaSalle County, Texas	1,000,000
Interstate Highway 45 frontage road and ramp system improvements, Huntsville, Texas	1,000,000
Interstate Highway 30 in Texarkana from FM 989 (Kings Highway) in Bowie County, Texas to the Arkansas state line (US 71)	1,000,000
Laval Road Interchange Upgrade at I–5, California	500,000
Louisville-Southern Indiana Ohio River Bridges Project, Indiana	4,000,000
Louisville-Southern Indiana Ohio River Bridges Project, Kentucky	4,000,000
Marquette Interchange, Milwaukee, Wisconsin	6,000,000
Needs assessment study of the I–84/Route 8 interchange, Waterbury, Connecticut	1,000,000
New York State Thruway Authority, Westchester County, Bryam Bridge rehabilitation and pavement reconstruction, New York	1,000,000
Port Everglades-Fort Lauderdale/Hollywood Airport Return Loop, Florida	1,000,000
Reconstruction of I–135, Sedgwick County, Kansas	1,000,000
Reconstruction of I–95/I–91/CT 34 Interchange, New Haven, Connecticut (Pearl Harbor Memorial Bridge—I–95 New Haven East Approach to Q-Bridge)	2,000,000
Rehabilitation of I–20, Erath, Palo, Pinto, and Parker counties, Texas	2,350,000
Rehabilitation of pavement and bridges on I–95 in Halifax/Nash Counties, North Carolina	1,000,000
Lyndale Avenue Bridge, Richfield, Minnesota	3,000,000
Right of way acquisition, Paterson, New Jersey interchange improvements	200,000
Interstate 79/SR 3025 missing ramps, Jackson Township, Pennsylvania	500,000
Tippecanoe/I–10 Interchange and medical center access, San Bernardino, California	3,000,000
Waukee/West Des Moines I–80 Interchange, Iowa	2,500,000

All remaining federal funding to complete the initial construction of the interstate system has been provided through previous highway legislation. TEA–21 provides flexibility to States in fully utilizing remaining unobligated balances of prior Interstate Construction authorizations. States with no remaining work to complete the interstate system may transfer any surplus Interstate Construction funds to their interstate maintenance program. States with remaining completion work on Interstate gaps or open-to-traffic segments may relinquish interstate construction fund eligibility for the work and transfer the federal share of the cost to their interstate maintenance program.

Surface transportation program.—The surface transportation program (STP) is a flexible program that may be used by the states and localities for any roads (including NHS) that are not functionally classified as local or rural minor collectors. These roads are collectively referred to as Federal-aid highways. Bridge projects paid with STP funds are not restricted to Federal-aid highways but

may be on any public road. Transit capital projects are also eligible under this program. The total funding for the STP may be augmented by the transfer of funds from other programs and by minimum guarantee funds under TEA–21, which may be used as if they were STP funds. Once distributed to the states, STP funds must be used according to the following percentages: 10 percent for safety construction; 10 percent for transportation enhancement; 50 percent divided among areas of over 200,000 population and remaining areas of the State; and, 30 percent for any area of the state. Areas of 5,000 population or less are guaranteed an amount based on previous funding, and 15 percent of the amounts reserved for these areas may be spent on rural minor collectors. The federal share for the STP program is 80 percent with a 4-year availability period.

Bridge replacement and rehabilitation program.—This program provides assistance for bridges on public roads including a discretionary set-aside for high cost bridges and for the seismic retrofit of bridges. Fifty percent of a state's bridge funds may be transferred to the NHS or the STP, but the amount of any such transfer is deducted from national bridge needs used in the program's apportionment formula for the following year.

Funds provided for the bridge discretionary program in fiscal year 2003 shall be available for the following activities in the corresponding amounts:

Project	*Amount*
12th Street Viaduct, Kansas City, Missouri	$1,000,000
Batchellerville Bridge replacement, New York	3,000,000
Bridge Renovations, Meriden, Connecticut (Hanover/Grove Street, Hanover/South Butler Street, and approaches to the Center Street Bridge)	1,000,000
Brown Road Bridge, Anderson County, South Carolina	2,000,000
Chattahoochee River Bridge, Roswell, Georgia	3,000,000
Chouteau Bridge, Kansas City, Missouri	1,000,000
City of El Paso, Texas, Ysleta Port of entry dedicated commuter lane	500,000
CR 528 Mantoloking Bridge, Brick Township, New Jersey	2,000,000
Gilmerton Bridge Replacement, Chesapeake, Virginia	3,000,000
Grand Lagoon Bridge Replacement, Florida	1,000,000
Gravina Bridge, Ketchikan, Alaska	2,000,000
Highway 3364 bridge replacement at College Road, Bourbon County, Kentucky	200,000
Highway 82, Greenville Bridge, Arkansas	3,500,000
Hood River/White Salmon Bridge and toll plaza resurfacing, Oregon	1,350,000
I–195 Washington Bridge (east bound), Rhode Island	2,000,000
I–30 replacement bridge, Dallas, Texas	2,000,000
I–40/Louisiana Interchange, New Mexico	1,000,000
I–95 Bridge, New Haven Replacement of Bridge No. 00163A, West River, Connecticut	2,000,000
Indian River Inlet Bridge Repair and Planning, Sussex County, Delaware	1,000,000
Interstate 74 Mississippi River Bridge between Moline, Illinois and Bettendorf, Iowa	1,000,000
Iowa/Nebraska Missouri River Bridge—#DPS–34–7(114), near Plattsmouth, Nebraska	2,200,000
LA 143–US166 Connector and Ouachita River Bridge, Louisiana	500,000
Leeville Bridge, Lafourche parish, Louisiana	1,000,000
Lincoln County bridge renovation, Kentucky	1,000,000
Martin Luther King, Jr., Bridge rehabilitation, Ohio	4,100,000
McCleary Bridge, Wausau, Wisconsin	5,500,000
Monroe Street Bridge rehabilitation, Washington	2,500,000
Randleman Lake Project bridge replacement, North Carolina	2,000,000

Project	*Amount*
Red Cliff Arch Bridge (US 24), Minturn, Colorado	1,000,000
Replacement of US 34 Missouri River Bridge, Mills County, Iowa	1,000,000
Route 52 Causeway Replacement and Somers Point Circle Elimination, New Jersey	2,000,000
Route 72 Manahawkin Bay Bridges, New Jersey	2,000,000
Sauvie Island Bridge, Oregon	1,000,000
SH 6 at Waco, South Bosque River Bridge, McLennan County, Texas	4,500,000
Snake River Crossing, Twin Falls, Idaho	1,500,000
SR 104/Hood Canal Bridge east half replacement, Washington	1,000,000
Tate's Bluff Bridge Project, Arkansas	500,000
US 15 Market Street Bridge Replacement, Williamsport, Pennsylvania	4,000,000
US 6 Broadway Street Viaduct, Council Bluffs, Iowa	1,000,000
West Broadway Bridge, Patterson, New Jersey	350,000
Woodrow Wilson Bridge restoration project, Mississippi	2,800,000

Funds provided for seismic retrofit under the bridge discretionary program in fiscal year 2003 shall be available for the following activity in the corresponding amount:

Project	*Amount*
Golden Gate Bridge Seismic Retrofit	$5,000,000

Congestion mitigation and air quality improvement program.—This program provides funds to states to improve air quality in non-attainment and maintenance areas. A wide range of transportation activities are eligible, provided DOT, after consultation with EPA, determines they are likely to help meet national ambient air quality standards. TEA–21 provides greater flexibility to engage public-private partnerships, and expands and clarifies eligibilities to include programs to reduce extreme cold starts, maintenance areas, and particulate matter (PM–10) nonattainment and maintenance areas. If a state has no non-attainment or maintenance areas, the funds may be used as if they were STP funds.

On-road and off-road demonstration projects may be appropriate candidates for funding under the CMAQ program. Both sectors are critical for satisfying the purposes of the CMAQ program, including reducing regional emissions and verifying new mobile source control techniques.

Federal lands highways.—This program provides funding through four major categories—Indian reservation roads, parkways and park roads, public lands highways (which incorporates the previous forest highways category), and Federally-owned public roads providing access to or within the National Wildlife Refuge System. TEA–21 also established a new program for improving deficient bridges on Indian reservation roads.

Funds provided for the federal lands program in fiscal year 2003 shall be available for the following activities in the corresponding amounts:

Project	*Amount*
14th Street Bridge Corridor, Virginia	$7,600,000
17-Mile Road on Wind River Indian Reservation, Fremont County, Wyoming	1,000,000
206 Stokes State Park, New Jersey	1,245,000
Abraham Lincoln's birthplace, national historic site, Kentucky	600,000
Access roads to Beale Air Force Base, California	1,000,000
Arches National Park, Utah	1,385,000
BIA Route 1281 (Snake Road Realignment & Repair), Florida	1,000,000
Black Narrows and Chinoteague Bridge, Virginia	1,180,000
Blackstone River Valley Bikeway, Rhode Island	2,000,000
Cape Flattery Tribal Scenic Byway paving project, Washington	3,000,000

Project	*Amount*
Cattle Point Road (San Juan Island)—erosion remediation, Washington	350,000
City of Boston—Boston Harbor Islands National Park/Long Island Pier Planning and design, Massachusetts	250,000
City of Rocks Back Country Byway, Cassia County, Idaho	1,000,000
CN3852 FHP 45–1(5), Sunspot Road, New Mexico	1,000,000
Cold Hill Road, Laurel County, Kentucky	1,600,000
Construct Regional Tourism Center and Transportation Hub, Hyde Park, New York	1,500,000
Council Grove Lake/Reservoir from US highways 177 and 56, Kansas	1,500,000
Cuyahoga Scenic Rail Line (Canton-Akron-Cleveland Commuter Rail Project), Ohio	3,000,000
Daniel Boone Parkway, Kentucky	1,000,000
Forest Highway 87 (FM 201), Sabine National Forest, Sabine County, Texas	2,000,000
Frog Level Road Improvement, Mississippi	5,000,000
GBH Solomon National Cemetery Access, Saratoga, New York	40,000
Highway 26, Oregon	1,980,000
Homochitto National Forest access road, Lincoln County, Mississippi	2,000,000
Hoover Dam Bypass, Arizona	5,000,000
I–215/I–515 Interchange, Henderson, Nevada	2,000,000
Improved access to Dyess Air Force Base, Texas	1,000,000
Lake Mead National Recreation Area gateway improvements, Nevada	500,000
Land Between the Lakes Roads, Trigg and Lyon counties, Kentucky	100,000
Louisiana Highway (LA 117), 4-lane expansion study, Louisiana	500,000
Lowell Canalway and Riverwalk Design, Massachusetts	780,000
Mammoth Cave Parkway (KY 101), Edmonson County, Kentucky	450,000
Marin Parklands/Muir Woods visitor access, California	2,000,000
Marysville Road, Montana	1,000,000
Muckleshoot Indian Tribe, SR 164, Washington	420,000
Needles Highway, CA/NV Improvements, California	2,000,000
Patuxent River Naval Air Station Museum and Visitor Center, Maryland	3,400,000
Presidio Trust/Crissy Field transit access improvement, California	1,000,000
Preston North and South Project, Nebraska	1,300,000
Ramsey Street extension, Banning, California	3,000,000
Rehabilitation of County Route 37 and Alternate Route 37, Jefferson County, New York	750,000
236 Claggett Hill Road Construction with Lewis & Clark Ferry Boat Facilities, Missouri River, Montana	3,000,000
Sotgun Cove Road, City of Whittier, Alaska	2,000,000
Southern Beltway (I–215) upgrade project from Pecos Road to Stephanie Street and from Interstate 15 to Pecos Road, Clark County, Nevada	1,000,000
Spirit Lake Tribe shared use path, Fort Totten, North Dakota	520,000
State Highway 149, Colorado	1,000,000
Tank Destroyer Boulevard, Fort Hood, Texas	2,000,000
Timucuan Preserve bike route, Florida	1,000,000
Tombigee National Forest public access improvements, Mississippi	1,750,000
Traffic abatement study for highway 98, entrance to Hurlbert Field, Florida	500,000
Trail Extension at Mount Vernon Circle, Virginia	400,000
Tualatin River NWR Turn Lanes, Oregon	900,000
USMC Heritage Center Access Improvements, Virginia	2,000,000
Western MD Low Impact Welcome Center at Byron Overlook, Maryland	800,000
Widening and rehabilitation of FM 2500, Polk County, Texas	1,000,000
Woonsocket Depot rehabilitation, Rhode Island	1,000,000

The Committee directs that the funds allocated above be derived from the FHWA's public lands discretionary program, and not from funds allocated to the Fish and Wildlife Service's and National Park Service's regions.

Minimum guarantee.—Under TEA–21, after the computation of funds for major Federal-aid programs, additional funds are distributed to ensure that each State receives an additional amount based on equity considerations. This minimum guarantee provision ensures that each State will have a return of 90.5 percent on its share of contributions to the highway account of the Highway Trust Fund. To achieve the minimum guarantee each fiscal year, $2.8 billion nationally is available to the States as though they are STP funds (except that requirements related to set-asides for transportation enhancements, safety, and sub-State allocations do not apply), and any remaining amounts are distributed among core highway programs.

Emergency relief.—This program provides for the repair and reconstruction of Federal-aid highways and Federally-owned roads which have suffered serious damage as the result of natural disasters or catastrophic failures. TEA–21 restates the program eligibility specifying that emergency relief (ER) funds can be used only for emergency repairs to restore essential highway traffic, to minimize the extent of damage resulting from a natural disaster or catastrophic failure, or to protect the remaining facility and make permanent repairs. If ER funds are exhausted, the Secretary of Transportation may borrow funds from other highway programs.

High priority projects.—TEA–21 includes 1,850 high priority projects specified by the Congress. Funding for these projects totals $9.5 billion over the 6 year period with a specified percentage of the project funds made available each year. Unlike demonstration projects in the past, the funds for TEA–21 high priority projects are subject to the Federal-aid obligation limitation, but the obligation limitation associated with the projects does not expire.

Appalachian development highway system.—This program makes funds available to construct highways and access roads under section 201 of the Appalachian Regional Development Act of 1965. Under TEA–21, funding is authorized at $450,000,000 for each of fiscal years 1999–2003; is available until expended; and distributed based on the latest available cost-to-complete estimate.

National corridor planning and border infrastructure programs.—TEA–21 established a new national corridor planning and development program that provides funds for the coordinated planning, design, and construction of corridors of national significance, economic growth, and international or interregional trade. Allocations may be made to corridors identified in section 1105(c) of ISTEA and to other corridors using considerations identified in legislation. The coordinated border infrastructure program is established to improve the safe movement of people and goods at or across the U.S./Canadian and U.S./Mexican borders.

Funds provided for the national corridor planning and border infrastructure programs in fiscal year 2003 shall be available for the following activities in the corresponding amounts:

Project	*Amount*
12 Mile Road, Orchard Lake Road to Middlebelt Road, Michigan	$750,000
Alameda Corridor East, Los Angeles County, California	1,000,000
Appalachian Development Highway System, Corridor V, Mississippi	500,000
Appalachian North-South Corridor Study on US Route 220, West Virginia	1,000,000

Project	*Amount*
Barton River Port Industrial Park, US Hwy 72, Colbert County, Alabama	1,500,000
Baseline Road Project—Isabella County, Michigan	500,000
Bomber Road, Fort Worth, Texas	1,000,000
Clay/Leslie Industrial Park Access, Kentucky	570,000
County Road 1050 Bridge over Embarrase River to SR 130, Cumberland County, Illinois	2,000,000
County Road 222 Bridge, Cullman County, Alabama	1,000,000
Cross Harbor Freight Movement Project Environmental Impact Statement, New York	2,000,000
Dempster Commercial Corridor Improvements—Village of Morton Grove, Illinois	500,000
Donna-Rio Bravo International Border Crossing, Texas	1,000,000
Effingham-Teutoplois Road, Illinois	1,000,000
EIS for State Rt 75, Coronado Tunnel, California	1,500,000
Fairmont Gateway Connector (I–79 Connector), West Virginia	2,000,000
Gateway Corridor Initiative, Indiana	850,000
Granite Falls Alternate Route Project, Washington	1,000,000
Heartland Expressway (SD79), South Dakota	500,000
Highway 100 (Collins Road)—Cedar Rapids, Iowa	750,000
Highway 231 Glover Carey Bridge and Owensboro intersection, Kentucky	800,000
Highway 412 Springdale Bypass, Springdale, Arkansas	1,778,000
Highway 52 Corridor Plan, Intersection of US Hwy 52 at Dakota City, Rd 47, Minnesota	1,000,000
Highway 55 Corridor Preservation—I–494 in Hennepin County to Annadale—Wright County, Minnesota	1,500,000
Highway 71 Texarkana South, Arkansas	1,000,000
Highway 71, Alma—Greenwood, Arkansas	1,000,000
Highway Improvements along T.H. 13 corridor near Ports of Savage, Minnesota	1,000,000
Highway US 12 Phase II, between Burbank and Walla Walla, Washington	1,000,000
Hot Springs Bypass, Highway 270 to Highway 5/7, Arkansas	1,000,000
Hwy 15 Bridge Replacements, Jasper County, Bay Springs, Mississippi	1,000,000
I–35 expansion, Hill County, Texas	1,500,000
I–35/127th Street Overpass, Olathe, Kansas	1,000,000
1–39 (Stevens Point—Mosinee, Wisconsin)	2,000,000
I–40 Crosstown Expressway realignment, Oklahoma City, Oklahoma	1,000,000
I–59 and FM 2919, Isleib, Texas	500,000
I–65 and County Road 24 interchange, Limestone County, Alabama	1,500,000
I–66, Pike County, Kentucky	2,000,000
I–69 Connector from I–530 in Pine Bluff, Arkansas	1,000,000
I–69 Corridors 18 and 20, Texas	3,000,000
I–69/Great River Bridge: Highway 65—Mississippi Highway 1, Mississippi	5,250,000
I–75—Laurel County, Kentucky	1,000,000
I–99 Frankstown Road, Pennsylvania	200,000
IH 35—FM 2484 Amity Road, Shankin Road Overpass—Bell County, Texas	2,000,000
Illinois Pioneer Parkway and Growth Cell Infrastructure Improvements, Peoria	1,000,000
Illinois Route 29, Berry and Edinburg, Illinois	1,000,000
Industrial park access improvements, Escambia County, Atmore, Alabama	1,000,000
Intermodal Transportation study for corridor from Atlanta to Chattanoga, Tennessee	750,000
Lakeland In-Town Bypass, Florida	200,000
Lincoln bypass—SR 65/Westwood Interchange Construction, California	2,000,000
Lincoln Highway 65 Widening (The Gap) Project, California	500,000
Martel Road Underpass—Loudon County Tennessee	750,000
Meridian Bridge Replacement—US 81 Missouri River—Yankton, South Dakota	500,000
Monticello Street Overpass, Kentucky	7,750,000
Mississippi Highway 44/Pearl River Bridge Extension Project	2,000,000

Project	*Amount*
New Corridor Land Acquisition; Westlake—North Olmstead/Crocker—Stearns Connection, Ohio	500,000
New York Avenue Between 11th Street and Nassau Road—Huntington Station, New York.	500,000
North Street Corridor, Fitchburg, Massachusetts	800,000
Old Highway 471, Rankin County, Mississippi	1,000,000
Port Connector Road, Pine Bluff/Jefferson County, Arkansas	900,000
PA 501 Schaefferstown Bypass, Lebanon County, Pennsylvania	620,000
Railroad Avenue Extension—Berkeley County, South Carolina	750,000
Ranchero Road/Cajon Line Grade Separation, California	750,000
River Road from Beargrass Creek to Zorn Avenue, Kentucky	1,000,000
Roosevelt Connector—Pinellas County, Florida	10,000,000
Route 1/9, 35 Interchange, New Jersey	750,000
Route 116 planning and design, Amherst, Massachusetts	800,000
Route 12—Auburn Veteran's Memorial Corridor, Auburn, Massachusetts	250,000
Route 2 Improvements in Erving, Orange, Massachusetts	4,400,000
Route 334/Derr Road, Ohio	1,000,000
Route 422 East, Between New Castle and Rose Point, Pennsylvania	250,000
Route 67, St. Francois County, Missouri	250,000
Route 7 Bypass West of Leesburg (Loudoun County/Town of Leesburg), Virginia	1,750,000
Route 72 Relocation—Briston, Connecticut	1,500,000
Route 79 Relocation and Harbor Enhancement—Fall River, Massachusetts	500,000
South Avis Industrial Access Road, Pennsylvania	500,000
Northern bypass around Somerset, Kentucky	2,500,000
Southern Mahoning County US 62/SR 14 Bypass, Ohio	1,000,000
Southern bypass around Somerset, Kentucky	1,500,000
SR 247 and SR 2008, Moosic Mountain Business Park, Lackawanna County, Pennsylvania	500,000
State Highway 158—US 87 to 4.75 miles west—Sterling County, Texas	1,000,000
State Route 0039 (Hershey Road) and I–81 Interchange, Pennsylvania	2,700,000
Sterns Road Fox River Bridge Crossing, Illinois	4,800,000
STH 29 (Chippewa Falls I–94)—between I–94 and CTH J, Wisconsin	2,000,000
Thomas Cole House Access, Catskill, New York	22,000
Trunk Highway 23 (TH 71 to CSAH 31), Minnesota	500,000
U.S. 24 Corridor Improvement Study and Implementation, Ohio	2,000,000
U.S. 319 Expansion, Florida	3,000,000
U.S. Route 35 Improvements (upgrade road to I–64/US Route 35), West Virginia	1,500,000
US 20 relocation and right of way, Webster, Iowa	1,500,000
US 22 Reconstruction—Export to Delmont, Pennsylvania	500,000
US 278 Cullman County, Alabama	200,000
US 280/ US 27 Intersection Improvement—Chattahoochee County, Georgia	250,000
US 41 A—Hopkins County, Kentucky	230,000
US 51/SR 43 Connector Road—South Canton Industrial Access Corridor—Canton, Mississippi	500,000
US 60 Carter and Butler Counties, Missouri	1,250,000
US 87 Relief Route, Lamesa, Texas	1,000,000
US Route 422 Transportation Improvement Project, Pennsylvania	1,000,000
USH 10 (Stevens Point—Waupaca), Wisconsin	2,000,000
USH 53 (Chippewa Falls-New Auburn, Wisconsin)	1,000,000
USH 53 Bypass of Eau Claire, Wisconsin	2,000,000
Veteran's Drive from Broadway to I–474, Pekin, Illinois	500,000
West End Bypass, Johnstown, Pennsylvania	1,000,000
West Laredo Multimodal Trade Corridor, Texas	2,500,000
Whatcom County, Cascade Gateway Mobility and Security Improvements, Washington	1,000,000
Whitley County emergency access road off US 25 W, Kentucky	380,000

Ferry boats and ferry terminal facilities.—Section 1207 of TEA–21 reauthorized funding for the construction of ferry boats and

ferry terminal facilities. TEA–21 also included a new requirement that $20,000,000 from each of fiscal years 1999 through 2003 be set aside for marine highway systems that are part of the National Highway System for use by the states of Alaska, New Jersey and Washington. In fiscal year 2003, TEA–21 provides $38,000,000.

Funds provided for the ferry boats and ferry terminal facilities program in fiscal year 2003 shall be available for the following activities in the corresponding amounts:

Project	*Amount*
Beacon and Newburgh cities ferry boat and ferry facilities, New York	$1,100,000
Bridgeport High Speed Ferry Terminal improvements, Connecticut	500,000
City of Rochester harbor and ferry terminal improvements, New York	1,500,000
Coffman Cove Ferry Terminal, Alaska	500,000
Curtis ferry boat replacement, Maine State Ferry System	500,000
Ferry Service—Dutchess County, New York	1,000,000
Ferry service from Rockaway Peninsula to Manhattan (Jamaica Bay Transportation Hub), New York	1,000,000
Fishers Island Ferry District, Connecticut	3,000,000
Golden Gate ferry berth facility, San Francisco Terminal, California	1,000,000
Hatteras Inlet ferry connecting Ocracoke Island and North Carolina Outer banks, North Carolina	400,000
Jacksonville Ferry Stations (formerly St. Johns River Ferry Terminal), Florida	500,000
Middle Bass Ferry Dock, Phase II, Ohio	500,000
Newport Harbor water shuttles, Newport, Rhode Island	500,000
Palm Beach County Water Taxi Facilities Project, Florida	1,000,000
Plaquemines Parish ferry, Louisiana	500,000
Ponce De Leon Inlet Water Taxi, Volusia County, Florida	500,000
Port of Galveston, intermodal improvement program, Texas	500,000
Removal and replacement of ferry-dock structure at Cherry Grove, Fire Island, New York	100,000
Savannah Water Ferry, Georgia	500,000
Stamford High Speed Ferry, Connecticut	500,000
State of Vermont, construction of Allen Point Ferry and ferry terminal facilities, Vermont	200,000
Toledo Hovercraft service development, Ohio	1,200,000
Valdez, Alaska, ferry and dock facilities	500,000
Winthrop commuter ferry project, Massachusetts	500,000

National scenic byways program.—This program provides funding for roads that are designated by the Secretary of Transportation as All American Roads (AAR) or National Scenic Byways (NSB). These roads have outstanding scenic, historic, cultural, natural, recreational, and archaeological qualities. In fiscal year 2003, TEA–21 provides $26,500,000 for this program. Funds provided for the national scenic byways program in fiscal year 2003 shall be available for the following activities in the corresponding amounts:

Project	*Amount*
Berkshire/Franklin Mohawk Trail Scenic Byway & Berkshire Jacobs Ladder Trail Scenic Byway, Massachusetts	$1,000,000
Delsea Scenic Byway, Salem, Cumberland, Cape May Counties, New Jersey	149,000
High Street Revitalization, Lawrenceburg, Indiana	1,200,000
Intervale Scenic Vista Project, New Hampshire	500,000
Kentucky Scenic Byways	1,425,000
Mt. Greylock Reservoir Road Improvements, North Adams, Massachusetts	1,100,000
Multi-Colored Scenic Byways Signs for Idaho's Scenic, Historic, and Back County Byways	382,000
New York State Scenic Byways Project: Statewide	1,600,000
U.S. Route 40 and National Road, Garrett County, Maryland	233,600

Project	*Amount*
Ventura Freeway Scenic Corridor Initiative, California	1,000,000
Washington DOT Scenic Byways Statewide Program	1,000,000

Transportation and community and system preservation pilot program.—TEA–21 established a new transportation and community and system preservation program that provides grants to states and local governments for planning, developing, and implementing strategies to integrate transportation and community and system preservation plans and practices. These grants may be used to improve the efficiency of the transportation system; reduce the impacts of transportation on the environment; reduce the need for costly future investments in public infrastructure; and provide efficient access to jobs, services, and centers of trade.

Funds provided for the transportation and community and system preservation pilot program in fiscal year 2003 shall be available for the following activities in the corresponding amounts:

Project	*Amount*
Arlington Boulevard design enhancements, Virginia	100,000
Assembly Street railroad consolidation and grade crossing elimination, South Carolina	500,000
Bronx Center Transportation Project—E 161st Section II: between Grand Concourse/Sherman Ave and Park, New York	700,000
Bronx Center Transportation Project (East 161st Street), streetscape improvement between Park & 3rd Avenue	300,000
Bronx River Greenway, Bruckner to Hunts Point Riverside Park, New York	700,000
Campaign to Save Oatland's Scenic Vistas, Virginia	500,000
Center City/University City bike and pedestrian bridge improvements, Philadelphia, Pennsylvania	100,000
Centredale Village revitalization, Rhode Island	100,000
Charlestown, West Virginia Gateway Revitalization Project	400,000
City of Fort Worth corridor redevelopment program, Texas	100,000
City-wide automobile insurance feasibility study, Philadelphia, Pennsylvania	100,000
Comprehensive transportation impact study for OH, KY, IN Regional Council of Governments	200,000
Congestion improvements to Passaic Street, New Jersey	100,000
Connaught Avenue Street Drainage Project, West Amwell Township, New Jersey	100,000
Copeland Covered Bridge, Saratoga County, New York	28,000
Crawford County and Palestine Illinois Road upgrade, Illinois	200,000
Detroit Streetscape Improvements, Michigan	350,000
Detroit Area Regional Transportation Authority (DARTA), Michigan	500,000
Eisenhower Avenue Greenway, Phase II, Virginia	100,000
Elkins Railroad Bridge Visitors Center, West Virginia	600,000
Five Point Improvement Project, Huntsville, Alabama	100,000
Gasholder House and Underground Railroad Museum, Oberlin, Ohio	100,000
Grade Separation at Intersection of Hamilton Boulevard over the CSX rail line near US 90, Mobile, Alabama	100,000
Grand Illinois Trail bike connections, Illinois	100,000
Greeno Road (US98) Pilot Program, Fairhope, Alabama	650,000
Haleyville, Alabama downtown revitalization	600,000
Harden Street improvements, Columbia, South Carolina	500,000
Highway 212 between Norwood Young America and Cologne in Carver County, Minnesota	1,000,000
Houston Main Street Corridor revitalization project implementation, Texas	100,000
HUB Business District Project, New York	1,000,000
I–73 North Carolina State line to Myrtle Beach, South Carolina	272,000
I–84 Exit 11 Danbury/Newton, Connecticut	300,000
Indiana Dunes National Lakeshore (IDNL) hike/bike trail and pedestrian bridge/overpass, Indiana	100,000
Jasper, Alabama downtown revitalization	150,000

Project	*Amount*
Johnsontown Road, Kentucky	250,000
Kentucky Trimodal Transpark access road, Kentucky	250,000
Lewis and Clark Intepretive Center to Fort Mandan shared use path, North Dakota	400,000
Louisville Waterfront/Frankfort Avenue historical entryway, Kentucky	300,000
Lower Second Creek Greenway, Knoxville, Tennessee	100,000
Marlboro Township traffic improvement project	100,000
Massachusetts Wood in Transportation, Mount Wachusett Community College, Gardner, Massachusetts	200,000
Monroe Township intersection signalization project, New Jersey	100,000
Morgan, Menifee, Rowan County Regional Business Park Access Road, Kentucky	250,000
Multimodal transportation plan, Wisconsin	100,000
Multi-use Equestrian and Hiking Trail, Holmes County, Ohio	500,000
Pedestrian Access, Rockville, Maryland	150,000
Pedestrian Bridge, 36th Avenue, Robbinsdale, Minnesota	750,000
Pine Creek Bridge and Rail-Trail, Pennsylvania	200,000
Pine Mountain Industrial Park Access Road, Kentucky	1,500,000
Railroad Avenue Underpass, East Chicago, Indiana	500,000
Route 50 traffic calming, Loudoun and Fauquier counties, Virginia	750,000
Route 79 Relocation and Harbor Enhancement—Fall River, Massachusetts	100,000
Sayville, New York, pedestrian improvements	100,000
Simon Kenton Trail, Springfield to Urbana, Ohio	750,000
Somerset downtown revitalization, Kentucky	1,800,000
South Suburban Commuter Rail Service (Metra), Illinois	100,000
St. Louis economic council community and system preservation project, Missouri	100,000
St. Petersburg, Florida, Bike/Pedestrian Master Plan	600,000
State of New Jersey Department of Motor Vehicle Services (NJ MVS)	300,000
Syracuse Lakefront Project, New York	1,000,000
Tiverton Stone Bridge abutment repairs and beautification, Rhode Island	100,000
Toulon Township, Illinois	100,000
Traffic calming devices and pedestrian streetscape improvements, Windemere, Florida	325,000
Traffic Calming Devices, Winter Park, Florida	325,000
Trinity River Visions, Texas	500,000
Urban Education Development Research and Retreat Center, Transportation Education and Career Institute, Pennsylvania	100,000
VA Cemetery Road, Mobile, Alabama	750,000
Village of Dieterich Industrial Park Road, Illinois	100,000
Wichita Riverwalk on Arkansas River, Kansas	100,000
Wisconsin 29 and Marathon County Y Intersection	500,000

Performance based outcomes.—The Committee recognizes the impact the performance based outcomes can have on the road building industry by allowing contractors the freedom and flexibility to focus on quality and long term performance and encourage the Department of Transportation to further explore their use.

Rural consultation.—During the past two years, the Committee has repeatedly expressed its concern about the lack of progress FHWA has made in promulgating final rules that assure a clearly defined and strong role for rural local elected officials in the statewide transportation planning and programming processes, as set forth in 1998 in TEA–21. The Committee is particularly displeased with the supplemental notice published in the *Federal Register* on June 19, 2002. While the Committee understands that this notice represents an implementation option besides the May 25, 2000 proposal, it is a proposal that falls far short of the congressional intent. It essentially retains the status quo by allowing state officials to determine which local officials they choose to consult, meaning

rural local elected officials in many states would continue to be left out of vital transportation planning and programming decisions. The Committee remains firm that FHWA should immediately promulgate final rules that closely resemble the May 25, 2000 proposal.

Large Project Management and Oversight.—As evidenced by the high profile difficulties that have plagued the Central Artery, Woodrow Wilson Bridge, and Springfield Interchange projects—including dramatic cost increases and significant schedule delays—the need for improvement of FHWA's financial oversight and accountability on large projects cannot be overemphasized. Although the FHWA has made notable progress in converting these difficulties into constructive catalysts for change, the Committee remains concerned about project management. The Inspector General has noted that FHWA's traditional engineering focus has inhibited the effective scrutiny of other major project drivers such as financing, cost controls, and schedule performance. To successfully refocus on the evaluation of each state's processes for managing and overseeing projects, the FHWA will need to evaluate the range of disciplines and skills within its staff. Specifically, the Committee directs the FHWA to develop a strategy for achieving a more multidisciplinary approach towards its oversight activities, to include: identification of staff with private sector management skills, such as financing and cost estimation; streamlining and delegation of project-level approvals to facilitate greater emphasis upon oversight of higher-level management and financial issues; and implementation of a planned data collection system for trend analysis. The Committee directs FHWA to deliver this strategy no later than March 3, 2003.

Ambassador Bridge.—The Committee appropriated substantial funds for critically important direct access improvements between the Ambassador Bridge/Gateway Project, as authorized in Section 1217(b) of Public Law 105–178. In obligating all authorized and appropriated funds for the project, the Committee expects that the Federal Highway Administration shall ensure that such funds are used only for the Ambassador Bridge/Gateway Project. Specifically, the original scope and intent of the Gateway Project was and continues to permit direct access and relief from traffic congestion between the Ambassador Bridge and the trunkline system, including on- and off-ramps to and from Interstates I–75 and I–96; for local road access improvements to Porter, 21st and other streets in the neighboring community; to accommodate access to meet future border crossing capacity needs and protect plans identified by the Ambassador Bridge, including a second span of the Ambassador Bridge; to accommodate access to a proposed Visitor's Center/Retail Complex on the U.S.-side of the Ambassador Bridge; and for other planning and environmental initiatives needed to ensure access improvements and connectivity to the Ambassador Bridge.

Rural road safety.—The most dangerous automobile travel occurs on two-lane roads. Accident rates on rural two-lane roads are double the rates on interstate highways and, in 1999, 77.1% of highway fatalities occurred on two-land roads. The Committee directs the General Accounting Office to review Federal funding of rural road safety improvements and whether some interstate design characteristics could improve rural road safety. The GAO is to in-

clude cost estimates for improvements to rural road safety and should submit this report one year from the date of enactment of this act.

Interstate 49 South, Louisiana.—The Committee understands there is conflicting data regarding the alignment of future Interstate 49 south below Interstate 10 and directs the Secretary to review alternative routes, such as the Teche Ridge route. The Committee believes that a careful review of alignment alternatives could provide significant savings to the taxpayer while eliminating a number of environmental concerns. The Committee directs that this review be done concurrent with planning, design and construction in other areas of U.S. 90 and not prevent progress or delay completion of this upgrade.

Costa Mesa, California Susan Street Project.—The Committee directs the Secretary to review the "Harbor Boulevard North Off-Ramp from (I–405 Northbound Distributor Road to Susan Street" project in the city of Costa Mesa, California. The review should include the impacts this construction project would have with regard to operational and safety implications and other federal requirements. The results shall be submitted to the House and Senate Committees on Appropriations 90 days from the enactment of this Act.

Projects.—In addition to the aforemention projects, funds shall be available for the following activities in the corresponding amounts:

Project	*Amount*
Chinese Community Center—Chinatown Study, New York	$500,000
Clay/Leslie Industrial Park Access, Kentucky	430,000
Detroit city center study, Michigan	300,000
Highway 21, Missouri	340,000
Honeybranch Regional Business Park Access Road, Kentucky	1,650,000
Mobile Port, Waterfront and Transportation Initiative/Maritime Center of the Gulf of Mexico, Alabama	1,000,000
Pearl and Leaf Rivers Rails-to-Trails Recreational District "Longleaf Trace," Mississippi	360,000
Phalen Boulevard, Minnesota	500,000
Southeast Main Avenue / 20th /21st Street Railroad Grade Separation Project, Minnesota	500,000

(RESCISSIONS)

The Committee includes rescissions of appropriations and contract authorizations of $5,609,337 in unobligated balances from completed highway projects in previous highway authorization and appropriations Acts.

APPALACHIAN, DEVELOPMENT HIGHWAY SYSTEM

Appropriation, fiscal year 2002	$200,000,000
Budget request, fiscal year 2003	.....
Recommended in the bill	100,000,000
Bill compared with:	
Appropriation, fiscal year 2002	−100,000,000
Budget request, fiscal year 2003	.....

The Committee recommendation includes $100,000,000 for the Appalachian Development Highway System (ADHS). The amount is $100,000,000 less than the level provided in fiscal year 2002. Funding for this initiative is authorized under section 1069(y) of Public Law 102–240. The ADHS program provides funds for the

construction of the Appalachian corridor highways in the 13 states that comprise the Appalachian region.

FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

SUMMARY OF FISCAL YEAR 2003 PROGRAM

In November 1999, the Congress passed the Motor Carrier Safety Improvement Act (P.L. 106–159), which established the Federal Motor Carrier Safety Administration (FMCSA) within the Department of Transportation. Prior to this legislation, motor carrier safety responsibilities were housed within the Federal Highway Administration. The Motor Carrier Safety Improvement Act (MCSIA) formed a new administration that placed truck and bus safety on par with other modes of transportation.

The primary mission of FMCSA is to improve the safety of commercial vehicle operations on our nation's highways. To accomplish this mission, the FMCSA is focused on reducing the number and severity of large truck crashes. Agency resources and activities contribute to ensuring safety in commercial vehicle operations through enforcement, including the use of stronger enforcement measures against safety violators; expedited safety regulation; technology innovation; improvements in information systems; training; and improvements to commercial driver's license testing, record keeping, and sanctions. To accomplish these activities, FMCSA works closely with federal, state, and local enforcement agencies, the motor carrier industry, highway safety organizations, and individual citizens. In addition, FMCSA has the responsibility to ensure that Mexican Commercial Vehicles, entering the U.S. in accordance with the North American Free Trade Agreement, meet all U.S. hazardous material and safety regulations.

MCSIA and the Transportation Equity Act for the 21st Century (TEA–21) provide funding authorizations for FMCSA, including administrative expenses, motor carrier research and technology, the national motor carrier safety assistance program (MCSAP) and the information systems and strategic safety initiatives (ISSSI). FMCSA's scope was expanded in fiscal year 2002 by the U.S.A. Patriot Act (P.L. 107–56), which called for new security measures. In addition, the fiscal year 2002 Appropriations Act (P.L. 107–87) increased border enforcement and safety related activities associated with implementation of the North American Free Trade Agreement.

MOTOR CARRIER SAFETY

(HIGHWAY TRUST FUND)

LIMITATION ON ADMINISTRATIVE EXPENSES

The motor carrier safety account provides salaries, expenses, research, and safety program funding for the Federal Motor Carrier Safety Administration. The Motor Carrier Safety Improvement Act of 1999 (MCSIA) amended section 104(a)(1) of title 23 to deduct one third of one percent from specified Federal-aid program funds to fund personnel, and to administer motor carrier safety programs and motor carrier research. This mechanism is known as a "takedown." Because the resulting funding level does not cover current

personnel on board, important safety-related programs, and safety research, the budget request proposed to amend title 23 and increase the takedown to 45/100 of one percent. The Committee agrees that the TEA–21 and MCSIA did not provide sufficient flexibility for motor carrier safety funding requirements. The $92,857,000 resulting from the takedown required by TEA–21 would require reductions to important programs, which would compromise safety. Therefore, instead of increasing the takedown percentage, the Committee provides an additional $24,587,000 from the highway trust fund for a total $117,444,000 for motor carrier administration, safety, and research programs, consistent with the amount requested.

LIMITATION ON ADMINISTRATIVE EXPENSES

Appropriation, fiscal year 2002 [1]	($110,000,000)
Budget request, fiscal year 2003 [2]	(117,444,000)
Recommended in the bill [3]	(92,857,000)
Bill compared with:	
Appropriation, fiscal year 2002	(−17,143,000)
Budget request, fiscal year 2003	(−24,587,000)

[1] Does not reflect reduction of $158,000 pursuant to section 349 of P.L. 107–87 as amended by section 1106 of P.L. 107–117.
[2] Excludes $2,995,000 for CSRS/FEHB accruals requested in the FY 2003 President's Budget.
[3] Excludes $24,587,000 in direct appropriations.

The recommended level assumes the following adjustments to the budget request:

Deny FECA administrative costs	−$19,800
Increase hazardous materials safety and security	+500,000
Undistributed reduction	−500,000

The Committee has provided $92,857,000 for the motor carrier safety account from the limitation on administrative expenses, plus an additional direct appropriation of $24,587,000 for a total funding level of $117,444,000. Of the total provided, $110,444,000 is for operating expenses and $7,000,000 is for research and technology initiatives.

FECA administrative costs.—The Committee has reduced funding by $19,800 from the budget request for workers compensation administrative costs as explained in this report.

Hazardous materials safety and security.—The Committee provides a total of $758,000, $500,000 above the budget request, to assess hazardous materials security and incident risks to meet national security and safety needs, and to develop strategies to minimize risks of transporting hazardous materials.

Share the road program.—Statistics for 1999 show that 78 percent of all fatal truck crashes are collisions between large trucks and other vehicles. Data from 1998 indicate that in approximately 81 percent of fatal crashes between large trucks and other vehicles, the passenger vehicle driver was found to be at fault. The safety community asserts that the share the road program's main campaign, focused on warning noncommercial drivers to avoid truck blind spots is not effective. The Committee directs the General Accounting Office to evaluate the effectiveness of the Share the Road program and submit the study to the House and Senate Committees on Appropriations by April 1, 2003.

Commercial drivers license program.—The Committee includes $10,000,000, consistent with the budget request, for the commercial drivers license (CDL) program from the office of motor carrier safe-

ty. For many years, the Committee has stated that more work needs to be done to address deficiencies in the CDL program and the Committee continues to strongly encourage the use of MCSAP funding for programs that enhance state driver record information systems, to speed the entry of convictions onto the driving record and ensure that records are complete. The 2002 supplemental appropriations act (P.L. 107–206) provided an additional $17,300,000 to correct flaws in the CDL program, including funds to complete background checks on CDL drivers as directed by the U.S.A. Patriot Act, and to develop and implement fraud detection and prevention techniques for state licensing and enforcement agencies. The Committee is concerned that the final ruling implementing the U.S.A. Patriot Act requirements has yet to be issued.

The Inspector General included recommendations in its May 8, 2002 report, *Improving testing and licensing of commercial drivers,* to strengthen state CDL programs and to improve FMCSA's oversight of the programs. The Committee urges FMCSA to implement these recommendations in a timely fashion.

Within the funds provided for the CDL program, FMCSA should continue working with the American Association of Motor Vehicle Administrators, the Commercial Vehicle Safety Alliance, lead MCSAP agencies and licensing agencies to improve all aspects of the CDL program. In addition, FMCSA should consider sponsoring another pilot project involving law enforcement and driver licensing agencies to explore new and innovative ways to ensure that drivers who have been convicted of a disqualifying offense do not operate during the period of suspension or revocation. Finally, FMCSA should continue to support the judicial and prosecutorial outreach effort.

Untethered truck trailer tracking and security.—Truck trailers pose a significant potential security threat since they provide an easy means to transport dangerous cargoes. In addition, the inability to track freight movements causes inefficiencies in the intermodal freight transportation system, increasing operating costs and congestion, and decreasing safety, economic competitiveness, and air quality. While commercially available technology can track a trailer when it is tethered to a cab, commercially available technologies are needed to track and control an untethered trailer. Within the funds provided for FMCSA's limitation on administrative expenses and high priority initiative program, the Committee has provided $2,000,000 to leverage existing technology and develop an untethered trailer tracking and control system that will provide real-time trailer identification, location, geofensing, unscheduled movement notification, door sensors, and alarms.

Solid waste shippers.—Interstate truck shipments of solid waste are subject to all of the Federal Motor Carrier Safety regulations and standards as well as each state's Environmental Agency's regulations. Although garbage, refuse, and trash carriers account for 3 percent of the fatal truck crashes, preliminary information from the motor carrier management information system indicate that these carriers have a 5 percent higher vehicle out of service rate in fiscal year 2002 as compared to the overall truck population. Therefore, the Committee directs FMCSA to work with the Commonwealth of Virginia's MCSAP agency and conduct three one-day concentrated roadside inspections strike forces on interstate waste haulers. If

the safety data warrants, the agency shall notify and advise other states of safety concerns regarding motor carriers domiciled in that state so they may take appropriate action. The reviews conducted shall be compiled and analyzed in a letter submitted to the House and Senate Committees on Appropriations before July 1, 2003.

Truck crash causation study.—The Committee understands that a committee empanelled by NHTSA and the FMCSA for review of the Truck Crash Causation Study (TCCS) has transmitted a number of memorandums to FMCSA detailing several major concerns and misgivings about the basic design and conduct of the TCCS. The Committee understands that FMCSA has taken the concerns of this panel into account and has made numerous changes to its forms, procedures, and research design. The Committee directs that this revised research design be reviewed by the Bureau of Transportation Statistics and published for public comment. BTS's review shall be provided to the House and Senate Committee on Appropriations.

NATIONAL MOTOR CARRIER SAFETY PROGRAM

(LIQUIDATION OF CONTRACT AUTHORITY)

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

	(Liquidation of contract authorization)	(Limitation on obligations)
Appropriation, fiscal year 2002 [1]	($205,896,000)	($205,896,000)
Budget request, fiscal year 2003	(190,000,000)	(190,000,000)
Recommended in the bill	(190,000,000)	(190,000,000)
Bill compared with:		
Appropriation, fiscal year 2002	(−15,896,000)	(−15,896,000)
Budget request, fiscal year 2003		

[1] $23,896,000 was provided from revenue aligned budget authority (RABA) as authorized in FY2002.

The FMCSA's national motor carrier safety program (NMCSP) was authorized by TEA–21 and amended by the Motor Carrier Safety Improvement Act of 1999. This program consists of two major areas: the motor carrier safety assistance program (MCSAP) and the information systems and strategic safety initiatives (ISSSI) program. MCSAP provides grants and project funding to states to develop and implement national programs for the uniform enforcement of federal and state rules and regulations concerning motor carrier safety. The major objective of this program is to reduce the number and severity of accidents involving commercial motor vehicles. Grants are made to qualified states for the development of programs to enforce the federal motor carrier safety and hazardous materials regulations and the Commercial Motor Vehicle Safety Act of 1986. The basic program is targeted at roadside vehicle safety inspections of both interstate and intrastate commercial motor vehicle traffic. ISSSI provides funds to develop and enhance data-related motor carrier programs.

The Committee recommends $190,000,000 in liquidating cash for this program.

LIMITATION ON OBLIGATIONS

The Committee recommends a limitation on obligations of $190,000,000 for the national motor carrier safety program. This is the level authorized under the Motor Carrier Safety Improvement Act of 1999, which amended TEA–21. Although this is a reduction compared to fiscal year 2002 funding, a total of $23,896,000 was due to revenue aligned budget authority available in 2002. Therefore, the fiscal year 2003 funding level is an increase of $8,000,000 from the underlying authorization of $182,000,000 for NMCSP in fiscal year 2002.

The Committee recommends the allocation of funds as follows:

Motor carrier safety assistance program	$170,000,000
Basic motor carrier safety grants	(130,329,000)
Performance based incentive grant program	(16,108,000)
Border assistance	(8,250,000)
High-priority activities	(8,250,000)
State training and administration	(2,063,000)
Crash causation (Sec. 224(f) MCSIA)	(5,000,000)
Information systems and strategic safety initiatives	20,000,000
Information systems	(5,200,000)
Motor carrier analysis	(8,800,000)
Implementation of PRISM	(5,000,000)
Driver programs	(1,000,000)

BORDER ENFORCEMENT PROGRAM

(HIGHWAY TRUST FUND)

Enacted in 1993 and entered into force in 1994, the North American Free Trade Agreement (NAFTA) was based on the premise that all of the countries in North America would be integrated into one free trade area. Under NAFTA's original timeline, the U.S. and Mexico agreed to permit commercial vehicle access to each other's border states by December 18, 1995. Reciprocal access beyond the border states was promised by January 1, 2000. (Canadian carriers have been operating throughout the United States since 1982.) The NAFTA timetable also called for the United States and Mexico to lift all restrictions on regular route, scheduled cross-border bus service by January 1, 1997.

In December 1995, the prior administration postponed implementation of NAFTA cross-border trucking provisions, which continued to limit Mexican trucks to operations in designated commercial zones within Arizona, California, New Mexico, and Texas. A NAFTA arbitration panel concluded in February 2001 that the U.S. blanket refusal to process the applications of Mexican carriers seeking U.S. authority because of concerns over the carriers' safety was in breach of its NAFTA obligations. The current administration has assured Mexico that the U.S. will move in a timely manner to meet NAFTA obligations.

In February 2001, the Administration announced it would fully comply with NAFTA obligations regarding truck and bus access. Concerns regarding safety compliance and monitoring of Mexican-domiciled commercial vehicles were resolved in Section 350 of the Transportation and Related Agencies Appropriations Act, 2002 (P.L. 107–87), and a total of $139,832,000 was provided for border safety enforcement in FY 2002 under Federal Highway Administration and FMCSA appropriations, including: $17,666,000 under the

Motor Carrier Safety limitation on administrative expenses; $28,000,000 for state operations grants under the national motor carrier safety program account; $25,866,00 under section 350; and $68,300,000 for inspection station construction and land acquisition under FHWA coordinated border infrastructure program.

The Administration has affirmed its commitment to open the border to Mexican-domiciled commercial vehicles and to implement a regime of regulations to ensure safety. DOT has been inspecting Mexican trucks and buses at the border since 1995, and in fiscal year 2003, FMCSA's border enforcement program will support 274 Federal border enforcement personnel, more than four times the number at the border in fiscal year 2001.

Appropriation, fiscal year 2002 [1]	$25,866,000
Budget request, fiscal year 2003 [2]	59,967,000
Recommended in the bill	59,967,000
Bill compared with:	
Appropriation, fiscal year 2002	+34,101,000
Budget request, fiscal year 2003	(0)

[1] Does not include $19,300,000 in emergency supplemental funding provided in P.L. 107–206 to implement the USA Patriot Act and for other security-related programs.
[2] Does not include CSRS/FEHB accruals of $941,000 requested in the FY 2003 President's Budget.

Consistent with the budget request, the Committee recommends $41,967,000 for Federal border enforcement staffing and operations and $18,000,000 for state operations grants to the southern border-states.

Additional border enforcement related funding is also provided in this bill including $8,250,000 for state operations grants under the national motor carrier safety program account and $47,000,000 for inspection station construction from FHWA's limitation on administrative expenses. Dedicated funding for border safety in FY 2003 totals $115,217,000.

The Committee has extended a provision from the fiscal year 2002 appropriations act regarding the safety of cross-border trucking between the United States and Mexico. While the safety of Mexico-domiciled trucks operating in the United States commercial zones has improved over the past year as measured by out of service order rates, the Committee expects FMCSA and DOT to continue to closely monitor the safety and security of all Mexico-domiciled motor carriers operating within the United States. The Committee directs that the Secretary report annually on the safety and security of the United States southern border with regard to motor carrier transportation into the United States by Mexico-domiciled motor carriers.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

SUMMARY OF FISCAL YEAR 2003 PROGRAM

The National Highway Traffic Safety Administration (NHTSA) was established as a separate organizational entity in the Department of Transportation in March 1970. It succeeded the National Highway Safety Bureau, which previously had administered traffic and highway safety functions as an organizational unit of the Federal Highway Administration. The administration's current programs are authorized in four major laws: (1) the National Traffic and Motor Vehicle Safety Act (chapter 301 of title 49, U.S.C.); (2) the Highway Safety Act (chapter 4 of title 23, U.S.C.); (3) the Motor

Vehicle Information and Cost Savings Act (MVICSA) (Part C of subtitle VI of title 49, U.S.C.); and (4) the Transportation Equity Act for the 21st Century (TEA–21).

The first law provides for the establishment and enforcement of safety standards for vehicles and associated equipment and the conduct of supporting research, including the acquisition of required testing facilities and the operation of the national driver register (NDR). Discrete authorizations were subsequently established for the NDR under the National Driver Register Act of 1982.

The second law provides for coordinated national highway safety programs (section 402) to be carried out by the states and for highway safety research, development, and demonstration programs (section 403). The Anti-Drug Abuse Act of 1988 (Public Law 100–690) authorized a new drunk driving prevention program (section 410) to make grants to states to implement and enforce drunk driving prevention programs.

The third law (MVICSA) provides for the establishment of low-speed collision bumper standards, consumer information activities, diagnostic inspection demonstration projects, automobile content labeling, and odometer regulations. An amendment to this law established the Secretary's responsibility, which was delegated to NHTSA, for the administration of mandatory automotive fuel economy standards. A 1992 amendment to the MVICSA established automobile content labeling requirements.

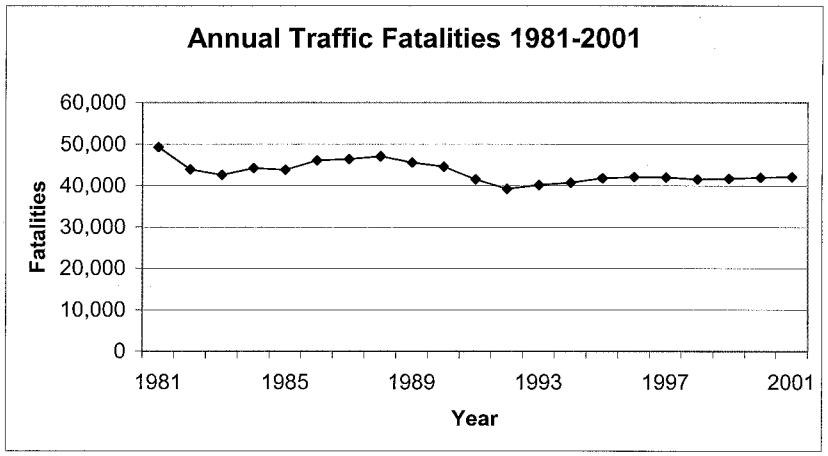
The fourth law (TEA–21) reauthorizes the full range of NHTSA programs and enacts a number of new initiatives. These include: safety incentives to prevent operation of motor vehicles by intoxicated persons (section 163 of title 23 U.S.C.); seat belt incentive grants (section 157 of title 23 U.S.C.); occupant protection incentive grants (section 405); and a highway safety data improvement incentive grant program (section 411). TEA–21 also reauthorized highway safety research, development and demonstration programs (section 403) to include research measures that may deter drugged driving, educate the motoring public on how to share the road safely with commercial motor vehicles, and provide vehicle pursuit training for police. Finally, TEA–21 adopts a number of new motor vehicle safety and information provisions, including rulemaking directions for improving air bag crash protection systems, lobbying restrictions, exemptions from the odometer requirements for classes or categories of vehicles the Secretary deems appropriate, and adjustments to the automobile domestic content labeling requirements.

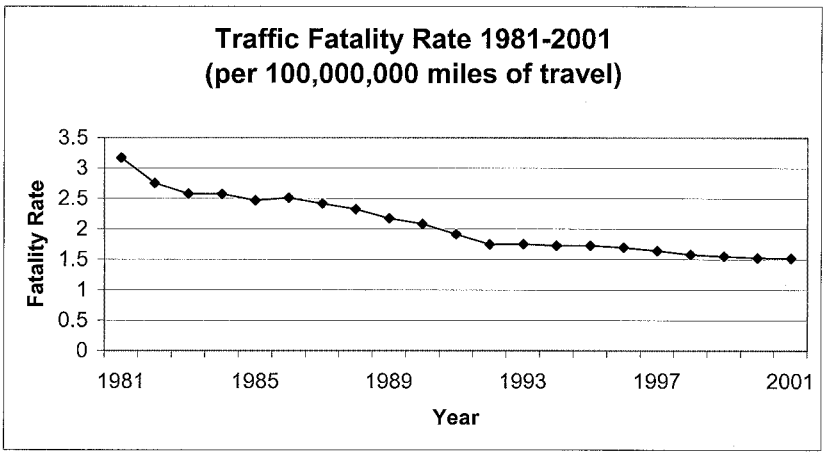
In 2000, the Transportation Recall Enhancement, Accountability, and Documentation (TREAD) Act amended the National Traffic and Motor Vehicle Safety Act in numerous respects and enacted many new initiatives. These consist of a number of new motor vehicle safety and information provisions, including a requirement that manufacturers give NHTSA notice of safety recalls or safety campaigns in foreign countries involving motor vehicles or items of motor vehicle equipment that are identical or substantially similar to vehicles or equipment in the United States; higher civil penalties for violations of the law; a criminal penalty for violations of the law's reporting requirements; and a number of rulemaking directions that include developing a dynamic rollover test for light duty vehicles, updating the tire safety and labeling standards, improving

the safety of child restraints, and establishing a child restraint safety rating consumer information program.

TRAFFIC SAFETY TRENDS

After dipping to a low of 39,250 in 1992, the nation over the past five years has experienced a fairly constant number of traffic related fatalities at or just below 42,000 per year. The latest NHTSA estimates indicate fatalities in 2001 were 42,116, which is marginally more than the 41,945 traffic related deaths in 2000. However, motorcycle rider deaths continued to increase, with 3,181 riders killed in 2001 compared to 2,897 in 2000. Additionally, passenger car fatalities were down, 20,233 in 2001 compared to 20,699 in 2000, whereas fatalities in light trucks, vans and sport utility vehicles increased, 11,677 in 2001 compared to 11,526 in 2000. In comparing 2000 to 2001, the number of police-reported nonfatal crashes reduced from 6,356,000 in 2000 to 6,285,000 in 2001. The number of injured persons declined significantly from 3,189,000 in 2000 to 3,033,000 in 2001. The fatality rate in 2001 has declined to 1.52 deaths per 100,000,000 vehicle miles traveled (VMT) from 1.53 deaths in 2000. The following graphs show the safety trends for total fatalities and the fatality rate for the past two decades.


Annual Traffic Fatalities 1981-2001
60,000
50,000
40,000
30,000
20,000
10,000
0
Fatalities
1981
1985
1989
1993
1997
2001
Year


Traffic Fatality Rate 1981-2001
(per 100,000,000 miles of travel)
3.5
3
2.5
2
1.5
1
0.5
0
Fatality Rate
1981
1985
1989
1993
1997
2001
Year

OPERATIONS AND RESEARCH

	(General fund)	(Highway trust fund)
Appropriation, fiscal year 2002	$127,780,000	$74,000,000
Budget request, fiscal year 2003 [1]	126,445,000	74,000,000
Recommended in the bill	131,433,000	74,000,000
Bill compared to:		
Appropriation, fiscal year 2002	+3,653,000	.....
Budget request, fiscal year 2003	+4,988,000	.....

[1] Excludes $4,437,000 for CSRS/FEHB accruals.

For fiscal year 2003, the Administration requested a total of $200,445,000 for NHTSA's operations and research activities. Funding was to be allocated from three different accounts. First, the Administration requested $72,000,000 of contract authority from the highway trust fund to finance NHTSA's operations and research activities under 23 U.S.C. 403. This funding is included within the firewall guarantee for highway spending. Second, the Administration requested $126,445,000 from the general fund for operations and research activities under sections 30102 and 30104 of title 49 U.S.C. Third, the budget included an authorization from the highway trust fund of $2,000,000 for the National Driver Register. The latter two requests are subject to appropriations.

The Committee recommends new budget authority and obligation limitations for a total program level of $205,433,000, a two percent increase above fiscal year 2002. Of this total, $131,433,000 is for operations and research from the general fund; $72,000,000 is for 23 U.S.C. 403 activities from the highway trust fund; and $2,000,000 is for the National Driver Register from the highway trust fund. This is essentially a current services budget, with a few minor exceptions. The funding shall be distributed as follows:

Salaries and benefits	$63,316,000
Travel	1,324,000
Operating expenses	22,949,000
Contract programs:	
Safety performance	10,393,000
Safety assurance	15,760,000
Highway safety programs	41,163,000
Research and analysis	61,021,000
General administration	657,000
Grant administration reimbursements	−11,150,000
Total	205,433,000

Reorganization.—NHTSA reorganized in fiscal year 2002. The objectives of the reorganization were two-fold. First, the reorganization sought to improve internal management of the behavioral and vehicle safety programs by better aligning resources with responsibilities. Second, the reorganization was directed at improving communication and coordination with external partners, especially with State and local highway organizations. Because funding was not altered among the salaries and benefits or contract programs, the department was not required to submit a reprogramming request for Congressional approval.

The Committee is aware of extensive dissatisfaction and a significant drop in morale following the reorganization. While temporary dissatisfaction can be expected when programs and responsibilities are altered, if low morale and a resulting decline in program effectiveness continues into fiscal year 2003, the Adminis-

trator should be prepared to address the negative results of this reorganization during the fiscal year 2004 hearing cycle.

FECA administrative costs.—The Committee has denied the FECA administrative costs included in the budget request (−$12,000). This policy is consistent across all modal administrations funded in this bill.

Seat belts.—In February 2002, the Department revised its unrealistic seat belt usage goals from 85 percent in 2000 and 90 percent in 2005 to 78 percent in 2003. Over the past few years, NHTSA has worked aggressively with states to increase the seat belt usage rates, up from the mid-60s to 73 percent in 2001. Most notably, the "Click it or Ticket" program,which involves high visibility enforcement by multiple law enforcement agencies combined with extensive media coverage of the program, has dramatically increased seat belt usage rates. For the 49 states that participated in the May 2002 mobilization, preliminary data shows that there was a significant increase in seat belt usage. For example, Vermont showed a 19 percent increase and West Virginia had a 15 percent increase. The Committee applauds these increases, but NHTSA should not rest on its laurels. A highly visible and sustained seat belt campaign must continue throughout 2003 if the agency hopes to reach the 78 percent goal. The Committee directs NHTSA not to divert funds from these efforts to other activities.

State data safety grants.—Included within the total for research and analysis is $3,000,000 for state data safety grants. The Committee is strongly supportive of continuing the state highway data safety improvements program in fiscal year 2003. This program was authorized by TEA–21 only through fiscal year 2002. Most states have applied for these grants in the past and funding has been used to improve the timeliness, accuracy, uniformity, and accessibility of state data that is used by the federal government, states and localities to improve highway and traffic safety programs. These funds can also be used to improve the compatibility of state data with national data systems and/or data systems in other states, which enhances NHTSA's ability to observe and analyze national trends in accident and fatality rates. A failure to continue this program may limit future improvements states may make to their data systems, due to a lack of funding, and may reduce NHTSA's ability to compare state data nationwide. It is the Committee's understanding that NHTSA plans to request the continuation of this grant program during reauthorization next year, which makes fiscal year 2003 funding critical to prevent a gap in the program.

Crash causation study.—The Committee has provided $2,000,000 for NHTSA to begin updating its 23 year old crash causation study. While NHTSA continues to utilize the data from this old study, the information is clearly outdated. For example, the use of minivans, light trucks and sport utility vehicles were virtually nonexistent 23 years ago; vehicle technologies, such as antilock braking systems and stability control systems, did not exist; and distracting devices, such as cell phones and in-vehicle navigation systems, had not been introduced. An updated study is necessary so that NHTSA can continue to work on achieving substantial reductions in highway fatalities and injuries, particularly in those hard to reach areas such as alcohol-related fatalities and motorcycle fatalities.

This study will assist NHTSA researchers in identifying and creating new initiatives for their crash avoidance and countermeasures programs (i.e. those programs designed to develop new techniques to prevent crashes from occurring). The Committee believes it is imperative to begin this work in 2003 because NHTSA is in the process of completing a large truck crash causation study. Beginning a broader crash causation study as the truck study is concluding will reduce startup costs and shorten the timeframe for this follow-on work because NHTSA will be able to make use of the contract already in place.

Impaired driving.—For the past two years, alcohol-related traffic fatalities have increased by the largest percentage on record. These increases are particularly disturbing because total alcohol-related traffic fatalities had dropped from 57 percent in 1982 to a low of 38 percent in 1998. Now over 40 percent of all traffic fatalities are alcohol related.

This summer, NHTSA has repeatedly announced that it will intensify its work in 2003 to reverse the trend in alcohol-related fatalities. However, after repeated questioning, the agency has been unable to explain what new initiatives will be undertaken. The bill fully funds the agency's 2003 budget request for impaired driving (under section 403) as submitted in February. However the Committee expects NHTSA to revise this budget request to reflect the agency's change in mission by November 2002 and inform the House and Senate Committees on Appropriations about these changes. Some areas that NHTSA may want to consider are: working more aggressively with states to reduce underage drinking, reinvigorating the court monitoring program, and working more closely with the judicial system (both judges and prosecutors) to increase penalties on drunk drivers. In addition, the Committee has included a general provision (sec 325) that allows $8,000,000 of the section 163 grant funds to be used for media messages on the dangers of alcohol-impaired driving, in hopes that these messages will be as successful as the seat belt messages procured with section 157 grant funds.

Point of sales training.—The Committee is concerned that many alcohol enforcement programs are overlooking the importance of proper education and training of point of sales employees. According to the Center for Substance Abuse and Prevention, responsible server training programs are most likely to succeed when servers and managers know that the law will be enforced, or realize that they have responsibility and may assume significant liability if they serve intoxicated or underage individuals. Point of sales education is the most effective means for disseminating accurate information to servers and managers. The Committee suggests that NHTSA evaluate including point of sales training as part of its impaired driving initiatives.

Emergency medical services head injury research.—Within the funding provided for emergency medical services, $750,000 shall be used to continue training emergency medical service personnel in delivering prehospital care to patients with traumatic brain injuries.

Improving ejection prevention measures.—Occupant ejection from motor vehicles continues to be a major safety problem. According to NHTSA, partial and complete ejections result in about 7,800 fa-

talities and 7,100 serious injuries annually. The agency has estimated that reducing the incidence of ejection using available safety technologies such as advanced side glazing, side air bags, and enhanced roof strength could save hundreds of lives. In its Vehicle Safety Rulemaking Priorities 2002–2005, which was issued July 25, 2002, NHTSA identified both occupant ejection and upgraded roof crush resistance as "near term" regulatory priorities that the agency expects to undertake in 2002 and 2003. Consistent with this proposal, the Committee supports the adoption of measures to improve ejection prevention performance of motor vehicles no later than December 31, 2004, and recognizes that the agency may need to develop new test procedures.

Motorcycles.—There was a continuous decline in motorcycle crash fatalities from the mid-1980s through 1997. Since 1997, motorcyclist fatalities have increased. The Committee understands that the demand for motorcycle training in the United States exceeds current capacity and that in some states motorcyclists must wait over six months to receive necessary training. This is despite the fact that in 1999 there were 192,122 people trained, close to 19 percent more than in 1998. Within the funding available to NHTSA, $500,000 shall be used for motorcycle training demonstration projects to enable states to develop ways to reduce their motorcycle training backlog.

HIGHWAY TRAFFIC SAFETY GRANTS

(HIGHWAY TRUST FUND)

	(Liquidation of contract authorization)	(Limitation on obligations)
Appropriation, fiscal year 2002	$223,000,000	($223,000,000)
Budget request, fiscal year 2003	225,000,000	(225,000,000)
Recommended in the bill	225,000,000	(225,000,000)
Bill compared to:		
Appropriation, fiscal year 2002	+2,000,000	(+2,000,000)
Budget request, fiscal year 2003		

TEA–21 authorized four state grant programs: the highway safety program, the alcohol-impaired driving countermeasures grant program, the occupant protection incentive grant program, and the state highway safety data improvement grant program. Three of these grant programs continued in fiscal year 2003. The fourth—state highway safety data improvement grant program—was only authorized through 2002; however the Committee has provided funding under the operations and research account to continue this work in 2003. The Committee recommends $225,000,000 for liquidation of contract authorization, which is less than a one percent increase above the 2002 enacted level.

LIMITATION ON OBLIGATIONS

As in past years and recommended in the budget request, the bill includes language limiting the obligations to be incurred under the various highway traffic safety grants programs. The bill includes separate obligation limitations with the following funding allocations:

Highway safety programs	$165,000,000
Occupant protection incentive grants	20,000,000
Alcohol-impaired driving countermeasures	40,000,000

Highway safety grants.—These grants are awarded to states for the purpose of reducing traffic crashes, fatalities and injuries. The states may use the grants to implement programs to reduce deaths and injuries caused by exceeding posted speed limits; encourage proper use of occupant protection devices; reduce alcohol- and drug-impaired driving; reduce crashes between motorcycles and other vehicles; reduce school bus crashes; improve police traffic services; improve emergency medical services and trauma care systems; increase pedestrian and bicyclist safety; increase safety among older and younger drivers; and improve roadway safety. The grants also provide additional support for state data collection and reporting of traffic deaths and injuries.

An obligation limitation of $165,000,000 is included in the bill, which is the same amount as requested. The national occupant protection survey shall be funded within this total. Also, language is included in the bill that limits funding available for federal grants administration from this program to $8,150,000.

Occupant protection incentive grants.—The Committee has fully funded the occupant protection incentive grant program at $20,000,000. States may qualify for this grant program by implementing 4 of the following 6 laws and programs: (1) a law requiring safety belt use in any seat in the vehicle; (2) a safety belt use law providing for primary enforcement; (3) minimum fines or penalty points for seat belt and child seat use law violations; (4) special traffic enforcement programs for occupant protection; (5) a child passenger protection education program; and (6) a child passenger protection law which requires minors to be properly secured. Language is included in the bill that limits funding available for federal grants administration from this program to $1,000,000.

In addition to the occupant protection incentive grant program, TEA–21 established a safety incentive grant program (section 157) to encourage states to increase seat belt usage. The grant program totals $500,000,000 over six years. Allocations of federal grants require determinations of (1) seat belt use rates and improvements and (2) federal medical cost savings attributable to increased seat belt use. States that meet the section 157 requirements can use funds for any purpose under title 23, including highway construction, highway safety, and intelligent transportation systems. NHTSA and FHWA are jointly administering this program. NHTSA will collect the state data and determine the allocation of funds.

Alcohol-impaired driving incentive grants.—These grants will offer two-tiered basic and supplemental grants to reward states that pass new laws and start more effective programs to attack drunk and impaired driving. States may qualify for basic grants in two ways. First, they can implement 5 of the following 7 laws and programs: (1) administrative license revocation; (2) programs to prevent drivers under age 21 from obtaining alcoholic beverages; (3) intensive impaired driving law enforcement; (4) graduated licensing law with nighttime driving restrictions and zero tolerance; (5) drivers with high blood alcohol content (BAC); (6) young adult programs to reduce impaired driving by individuals ages 21–34; (7) a rate of testing for BAC of drivers in fatal crashes that is above the national average. Second, they can demonstrate a reduction in alcohol involved fatality rates in each of the last three years for

which Fatal Accident Reporting System (FARS) data is available and demonstrate rates lower than the national average for each of the last three years. Supplemental grants are provided to states that adopt additional measures, including videotaping of drunk drivers by police; self-sustaining impaired driving programs; laws to reduce driving with suspended licenses; use of passive alcohol sensors by police; a system for tracking information on drunk drivers; and other innovative programs. The Committee has provided $40,000,000 for these grants in fiscal year 2003. Language is included in the bill that limits funding available for federal grants administration from this program to $2,000,000.

In addition to the alcohol-impaired driving incentive grant program, TEA–21 authorized $500,000,000 in grants over six years for states that have enacted and are enforcing a 0.08 BAC law (section 163). For each fiscal year a state meets this criterion, it will receive a grant in the same ratio in which it receives section 402 funds. The states may use these funds for any project eligible for assistance under title 23 (e.g. highway construction, bridge repair, highway safety, etc.). This grant program encourages states to adopt and enforce more strigent anti-drunk driving legislation.

Bill language.—The bill contains two provisions that pertain to NHTSA's highway safety grant programs. First, language is continued that prohibits the use of funds for construction, rehabilitation, and remodeling costs or for office furnishings or fixtures for state, local, or private buildings or structures. Second, language is continued that limits the amount available for technical assistance to $500,000 of funds provided to implement section 410.

General provision.—The Committee continued a general provision (sec. 325), that was included for the first time in fiscal year 2001, which allows section 402 funds to be used to produce and place highway safety public service messages in television, radio, cinema, print media, and on the internet. In addition the provision was modified to allow up to $8,000,000 of the funds provided for innovative seat belt programs (section 157 grants) and alcohol-impaired driving programs (section 163 grants) to be used by the States to purchase advertising to publicize seat belt enforcement efforts and on ways to reduce alcohol-related fatalities during one or more of the national mobilization campaigns. The language also provides up to $2,000,000 for the Administrator to evaluate the effectiveness of the States' seat belt and alcohol programs that purchased such advertising.

FEDERAL RAILROAD ADMINISTRATION

SUMMARY OF FISCAL YEAR 2003 PROGRAM

The Federal Railroad Administration (FRA) is responsible for planning, developing, and administering programs to achieve safe operating and mechanical practices in the railroad industry, as well as managing the high-speed ground transportation program. Grants to the National Railroad Passenger Corporation (Amtrak) and other financial assistance programs to rehabilitate and improve the railroad industry's physical plant are also administered by the FRA.

The total recommended program level for the FRA for fiscal year 2003 is $937,614,000, which is $285,349,000 (43 percent) more than

requested. The following table summarizes the fiscal year 2002 program levels, the fiscal year 2003 program requests and the Committee's recommendations:

Program	Fiscal year 2002 enacted level	Fiscal year 2003 request	Recommended in the bill
Safety and operations	[1] $116,857,000	[3] $118,264,000	$117,363,000
Safety and operations user fees		−45,000,000	
Railroad research and development	29,000,000	28,325,000	27,325,000
Railroad research and development user fees		−14,000,000	
Next generation high speed rail	32,300,000	23,200,000	30,450,000
Alaska railroad	20,000,000		
Grants to National Railroad Passenger Corporation	[2] 826,476,000	[1] 521,476,000	762,476,000
Total	1,044,632,000	652,265,000	937,614,000

[1] Includes $6,000,000 in supplemental emergency appropriations (P.L. 107–117).
[2] Includes $100,000,000 in supplemental emergency appropriations (P.L 107–117) and $205,000,000 in supplemental appropriations (P.L. 107–206).
[3] Excludes $4,625,000 in CSRS/FEHB accruals.

Safety and Operations

Appropriation, fiscal year 2002 [1]	$116,857,000
Budget request, fiscal year 2003 [2]	118,264,000
Recommended in the bill	117,363,000
Bill compared with:	
Appropriation, fiscal year 2002	+506,000
Budget request, fiscal year 2003	−901,000

[1] Includes $6,000,000 in supplemental emergency appropriations (P.L. 107–117).
[2] Excludes $3,625,000 in CSRS/FEHB accruals.

The safety and operations account provides support for FRA's rail safety and passenger and freight program activities. Funding also supports salaries and expenses and other operating costs related to FRA staff and programs.

A total of $117,363,000 has been allocated to safety and operations, which is 6 percent above the 2002 enacted level, when the $6,000,000 supplemental emergency appropriation is excluded. Of this total, $6,636,000 is available until expended. The following adjustments were made to the budget request:

Deny six new staff positions	−$836,000
Deny FECA administrative costs	−65,000

New staff.—The Committee has denied six of the ten new staff requested in fiscal year 2003. Last year, the Committee approved 26 new staff and an additional 4 staff in the emergency supplemental. To date, FRA has filled half (15) of these positions. Because of the length of time it has taken FRA to fill its 2002 positions, the Committee has deferred a substantial increase in new staff in 2003 until it is clearer that the previously approved and on board staff cannot fulfill some or all of the functions requested in 2003.

FECA administrative costs.—The Committee has denied funding for FECA administrative costs included in the budget (−$65,000). This policy is consistent across all modal administrations funded in this bill.

User fees.—The Committee has denied the administration's request to collect $45,000,000 in user fees for railroad safety activities. This request has not been authorized. Until such authorization occurs, the Committee will continue to fund railroad safety activities in the traditional manner.

Pierre, South Dakota.—To accommodate the anticipated rail traffic from the Powder River Basin through Pierre and Fort Pierre, SD, the Committee directs the Administrator to work with the State of South Dakota, the cities of Pierre and Fort Pierre, and other entities to facilitate the construction of a project that will reduce rail congestion, mitigate noise, and increase safety. The mitigation projects may include, but are not limited to, a rail bypass around Pierre and Fort Pierre, including a Missouri River crossing, or noise and grade crossing mitigation and other safety measures associated with the existing track.

General provision.—The bill includes language pertaining to the use of previously appropriated local rail freight assistance funds in the State of Iowa.

RAILROAD RESEARCH AND DEVELOPMENT

Appropriation, fiscal year 2002	$29,000,000
Budget request, fiscal year 2003	28,325,000
Recommended in the bill	27,325,000
Bill compared with:	
Appropriation, fiscal year 2002	−1,675,000
Budget request, fiscal year 2003	−1,000,000

The railroad research and development appropriation finances contract research activities as well as salaries and expenses necessary for supervisory, management, and administrative functions. The objectives of this program are to reduce the frequency and severity of railroad accidents and to provide technical support for rail safety rulemaking and enforcement activities.

The Committee recommends an appropriation of $27,325,000, which is $1,000,000 less than requested. The following adjustments were made to the budget request:

Train control	$750,000
Transportation Technology Center	−250,000

Train control.—The Committee has reduced funding for testing and evaluation of train control systems under this account (−$750,000). Under the next generation high-speed rail account, the Committee has provided $9,000,000 for train control projects and evaluations. It is unclear how this research funding differs from work being done by FRA under the next generation high-speed rail account.

Transportation Technology Center (TTC).—The Committee has provided a total of $675,000 for site improvements at the Transportation Technology Center. While this is only half of the increase requested (+$250,000), it should provide ample resources for the refurbishment and replacement of facilities and equipment at the Center in Pueblo, Colorado.

University of Nebraska and Marshall University projects.—The Committee continues to support the track and structures research being conducted at the University of Nebraska-Lincoln and Marshall University. A total of $500,000 has been provided for these efforts in fiscal year 2003.

User fees.—The Committee has denied the administration's request to collect $14,000,000 in user fees for railroad research and development activities. This request has not been authorized. Until such authorization occurs, the Committee will continue to fund

railroad research and development activities in the traditional manner.

RAILROAD REHABILITATION AND IMPROVEMENT PROGRAM

TEA–21 establishes a railroad rehabilitation and improvement financing loan and loan guarantee program. The aggregate unpaid principal amounts of the obligations may not exceed $3.5 billion at any one time. Not less than $1 billion is reserved for projects primarily benefiting freight railroads other than class I carriers. The funding may be used: (1) to acquire, improve, or rehabilitate intermodal or rail equipment or facilities, including track, components of track, bridges, yards, buildings, or shops; (2) to refinance existing debt; or (3) to develop and establish new intermodal or railroad facilities. No federal appropriation is required since a non-federal infrastructure partner may contribute the subsidy amount required by the Credit Reform Act of 1990 in the form of a credit risk premium. Once received, statutorily established investigation charges are immediately available for appraisals and necessary determinations and findings.

The Committee has included bill language specifying that no new direct loans or loan guarantee commitments may be made using federal funds for the payment of any credit premium amount during fiscal year 2003, as requested.

PENNSYLVANIA STATION REDEVELOPMENT CORPORATION

Funds are being used to redevelop Pennsylvania Station in New York City, which involves renovating the James A. Farley Post Office building into a train station and commercial center, and basic upgrades to Pennsylvania Station. In fiscal year 2000, Public Law 106–113 provided an advance appropriation totaling $60,000,000 of which $20,000,000 was allocated to fiscal years 2001, 2002, and 2003. The Committee has provided the advanced appropriation, which fulfills the federal commitment to this project.

The Pennsylvania Station Redevelopment Corporation has had significant problems with the proposed renovation of the James A. Farley Post Office building so that it can be used as a transportation facility and alleviate congestion at the adjacent Pennsylvania Station. However, after much effort, it appears that this project may finally get off the drawing board. Currently, the Pennsylvania Station Redevelopment Corporation and the United States Post Office are negotiating an agreement through which the State of New York would purchase a portion of the James A. Farley Post Office building, which will then be converted largely into Amtrak-based facilities. It is the Committee's understanding that the U.S. Postal Service will retain ownership of that portion of the building which they are using and the State of New York will own the remainder of the building. The current cost estimate for this project is approximately $815,000,000. With this appropriation and a $160,000,000 Transportation Infrastructure Finance and Innovation Act loan and line of credit, the federal commitment is complete. The State of New York, Metropolitan Transportation Authority, New York City Economic Development Corporation, New York State Urban Development Corporation, U.S. Postal Service and pri-

vate equity will provide the remainder of the funding for this project.

NEXT GENERATION HIGH-SPEED RAIL PROGRAM

Appropriation, fiscal year 2002	$32,300,000
Budget request, fiscal year 2003	23,200,000
Recommended in the bill	30,450,000
Bill compared with:	
Appropriation, fiscal year 2002	−1,550,000
Budget request, fiscal year 2003	+7,250,000

The next generation high-speed rail program funds the development, demonstration, and implementation of high-speed rail technologies. It is managed in conjunction with the program authorized in TEA–21.

The Committee recommends $30,450,000 for the next generation high-speed rail program, which is $7,250,000 more than the budget request. Total program funding is allocated as follows:

	Committee recommendation
Train control systems:	
North American joint PTC project	$8,000,000
Train control at the Transportation Technology Center	1,000,000
Non-electric locomotives:	
Advanced locomotive propulsion system	3,500,000
Prototype non-electric locomotive	2,000,000
Diesel mutiple units compliance and demonstration	8,000,000
Grade crossing and innovative technologies:	
Mitigating hazards	2,250,000
Low-cost technologies	1,000,000
Track and structures	1,000,000
Corridor planning:	
California corridor	1,000,000
Gulf Coast corridor	600,000
Southeast corridor	100,000
Florida corridor	2,000,000
Total	30,450,000

Diesel multiple units (DMU) compliance and demonstration program.—There is a growing interest from both commuter and intercity rail passenger service providers to use diesel multiple units on commuter and future high-speed rail corridors. However, this form of rail technology has not been produced in the United States since the Federal Railroad Administration has issued passenger equipment safety regulations. The Committee has provided $8,000,000 to validate the compliance of diesel multiple units with existing passenger car safety standards and to make a grant to a public body for the purpose of initiating a demonstration in daily revenue service of a compliant DMU during calendar year 2003. Federal funding shall only be made available if funds are matched on a dollar-for-dollar basis from non-federal sources and shall only be used for activities related to establishing the compliance of the DMU design with passenger car safety standards and for the acquisition of DMUs and service facilities necessary for revenue service demonstration. All other expenses, including the cost of passenger facilities and any net operating expenses, are not eligible for funding under this appropriation.

California high-speed corridor.—In making funds available to the California High-Speed Rail Authority, the Committee expects FRA to ensure that the State of California maintains its level of effort

in allocating state funds to support high-speed rail development and does not use federal funds as a substitute for state funding.

Rail-highway crossing hazard eliminations.—Under section 1003 of TEA–21, an automatic set-aside of $5,250,000 a year is made available for the elimination of rail-highway crossing hazards. A limited number of corridors are eligible for these funds. Of these funds, $2,000,000 shall be used to mitigate grade crossing hazards between Mobile, Alabama and New Orleans, Louisiana; $1,400,000 shall be used to mitigate grade crossing hazards on the Empire Corridor between New York City and Albany, New York (including Hamilton Printing and Hook Boat); $1,000,000 to mitigate grade crossing hazards along the high-speed rail corridor in South Carolina; $250,000 to mitigate grade crossing hazards between Staples Mill Station and Main Street Station in Richmond, Virginia; $350,000 to mitigate grade crossing hazards between Chicago, Illinois and St. Louis, Missouri; and $250,000 shall be used on the high-speed rail corridor between Minneapolis/St. Paul, Minnesota and Chicago, Illinois.

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

(AMTRAK)

Appropriation, fiscal year 2002 [1]	$826,476,000
Budget request, fiscal year 2003	521,476,000
Recommended in the bill	762,476,000
Bill compared to:	
Appropriation, fiscal year 2002	−64,000,000
Budget request, fiscal year 2003	+241,000,000

[1] Includes $100,000,000 in supplemental emergency appropriations (P.L. 107–117) and $205,000,000 in supplemental appropriations (P.L. 107–206).

The National Railroad Passenger Corporation (Amtrak) is a private/public corporation created by the Rail Passenger Service Act of 1970 and incorporated under the laws of the District of Columbia to operate a national rail passenger system. Amtrak started operation on May 1, 1971.

STATUS OF AMTRAK

Amtrak's financial situation has been especially precarious over the past year. While the railroad saw increased ridership, particularly on the Northeast Corridor, following the tragic events of September 11, 2001, its financial condition deteriorated so dramatically that the railroad began plans to cease all operations in early July of 2002. Serious structural reforms must occur during fiscal year 2003 if the railroad is to remain a viable entity instead of one that lurches from crisis to crisis.

In 1997, with the passage of the Amtrak Reform and Accountability Act, Amtrak was required to reach operating self-sufficiency by the end of 2002. Year after year, Amtrak repeatedly told the Committee that it was fixated on meeting this mandate, even as others expressed serious reservations about Amtrak's ability to meet or sustain operating self-sufficiency. On November 9, 2001, the Amtrak Reform Council rendered a decision that Amtrak could not achieve operational self-sufficiency by its statutory deadline of December 2, 2002. The council found that Amtrak's financial performance since enactment of the Amtrak Reform and Accountability Act had deteriorated to such as degree that the railroad was

in a weaker financial condition at the end of 2001 than it was prior to enactment in 1997.

On January 25, 2002, the Inspector General reached a similar conclusion in its report on Amtrak's fiscal year 2001 performance. In that report, the Inspector General stated, *"Amtrak's cash losses have not decreased and Amtrak is no closer to operating self-sufficiency now than it was in 1997. With less than a year remaining in its mandate, there is not sufficient time for Amtrak to implement the kinds of sustainable improvements necessary to meet its deadlines for self-sufficiency. At this point in time, Amtrak will face a formidable challenge in 2002 just managing its cash resources—be they from operating revenues or federal subsidies—to make ends meet without further borrowing."* The Inspector General's concern was right on target.

In early February 2002, the President of Amtrak announced $285,000,000 in operating cuts, capital deferrals, and maintenance actions to provide the railroad enough money to get through this fiscal year. Yet, even these cuts were insufficient.

In May 2002, it became apparent to the new President of the Corporation that Amtrak had enough money to only last through mid-July. After that, the railroad would need to borrow money to make payroll through the end of the fiscal year. While Amtrak has done this before, the ability to borrow money in fiscal year 2002 had become much more complicated. Amtrak did not have a clean audit report from 2001, and still remains without an audit report of any type to this day. The Committee understands, however that the auditors had expressed serious concerns about Amtrak's financial situation. During their audit, they found approximately $200,000,000 in financial misstatements. Without an audit report, banks were reluctant to loan Amtrak short-term cash for operating expenses. At the end of June, the Secretary of Transportation stepped in and provided Amtrak a direct loan for $100,000,000 to keep the railroad operating past mid-July. At the end of July, Congress appropriated an additional $205,000,000 in supplemental appropriations to keep the railroad operating through the end of fiscal year 2002.

Amtrak's shaky financial situation has had a direct impact on its revenues and riders. Amtrak's year-to-date operating results are $65,000,000 worse than they anticipated. In June 2002 (when Amtrak was reporting the possible cessation of service), passenger revenues dropped by $13,300,000 and the railroad experienced a large number of cancellations. Revenues have been further impacted by a growing number of service quality issues, including an increase in the number of track slow orders, cancellations of service, and equipment problems, most notably the cancellation of Acela high-speed rail service due to cracking in the locomotives and railcars in August. A spate of accidents and derailments has led to a record number of railcars being placed out of service. As of June, over 100 railcars and locomotives need to be repaired. This number has built up over time, as the railroad has had insufficient resources to repair them.

BUDGET REQUESTS

The Committee has received two very different budget requests for Amtrak. The Administration has recommended an appropria-

tion of $521,476,000 and has stated that this amount is a placeholder until Congress decides how Amtrak should be structured. The Administration's budget request notes that "Amtrak has utterly failed" to graduate from federal financial support and that Amtrak cannot continue indefinitely under current circumstances. In comparison, Amtrak has asked for more than double this amount—requesting a total of $1,200,000,000 in fiscal year 2003. This request does not allow for any new growth in service, it merely sustains their current deteriorated level of service. Amtrak also noted that if the railroad did not receive *this entire appropriation,* it would stop all long-distance service, 18 trains in all, on October 1, 2002.

Since receiving these budget requests, numerous events have occurred that alter, to some degree, the requests before this Committee. First, in June 2002, the Department developed a white paper that outlined a broad restructuring of Amtrak. This proposal put details behind the broad assertions contained in the budget request. In general, the paper rejected the assertion that Amtrak's problems can be fixed simply by a massive infusion of federal dollars. Instead, the Administration recommended systematic, root-and-branch rethinking of Amtrak's structure and its public policy mandate. The Department suggested reforms that would: require Amtrak to transition to a pure operating company; introduce competition to provide higher quality rail service at a reasonable price; establish long-term partnerships between states and the Federal Government to support intercity rail; and create a public partnership to manage the capital assets of the Northeast Corridor. While Amtrak has rejected many of these notions outright, the railroad has not developed a separate proposal for consideration. Second, in the summer, Amtrak informally told the Committee that it may require more funding for operating expenses than originally anticipated in their grant request in part due to a perceived inability to access up to $300,000,000 in private loans and $3.7 billion in debt.

COMMITTEE RECOMMENDATION

The Committee recommends $762,476,000 for grants to Amtrak in fiscal year 2003, which is $241,000,000 more than the budget request. Of this total, $521,476,000 is for operating losses and mandatory payments and $241,000,000 is for general capital improvements. Funding is provided to the Secretary of Transportation, who shall allocate these funds to Amtrak quarterly through the grant making process.

The Secretary is directed to assure that any funds provided to Amtrak be spent in a prudent manner, on projects where positive results can be seen. Funding should be spent on projects that maximize operational efficiencies and promote those lines that have the highest ridership and have cost sharing agreements in place. Amtrak shall not be permitted to begin any new projects unless it can be fully funded with the fiscal year 2003 appropriation and Amtrak generated revenues unless such projects are critical for safety or infrastructure repairs.

Capital and operating work plan.—Bill language is included that requires Amtrak to submit to the Secretary of Transportation and the House and Senate Committees on Appropriations an operating and capital work plan for projects and expenses to be funded in fis-

cal year 2003. This work plan should not exceed funding provided in the final Appropriations bill for fiscal year 2003. The work plan must be approved by Amtrak's Board of Directors and submitted no later than (1) 60 days of enactment of the final Department of Transportation and Related Agencies Appropriations bill for fiscal year 2003 or (2) before Amtrak submits its 2004 grant request to Congress on February 15, 2003, whichever comes first. The capital and operating work plan shall include a description of the work to be funded, along with cost estimates and an estimated timetable for completion of the projects covered by this work plan. The Committee includes specific language directing the Secretary of Transportation that no funding may be used for operating and capital expenses not included on the approved work plan, excluding those payments made at the beginning of the fiscal year. Development and approval of the operating and capital plan should minimize the number of stopgap measures Amtrak has had to employ during the last few years, particularly relating to capital projects when the Corporation has been unable to commit funding to complete an entire project.

Additional bill language is included that requires Amtrak to provide supplemental quarterly reports on the status of work included in the plan, including work completed to date, any changes to the work plan and reasons for such changes. The Committee directs that the work plan should be amended appropriately if changes to it occur during the fiscal year.

In addition to the submission of an operating and capital plan for fiscal year 2003, the Secretary must vouch for the accuracy of Amtrak's financial information. This must be in the form of a signed letter that would accompany the operating and capital plans. In doing so, the Secretary must certify in writing, that based on his knowledge, the financial statements and other financial information prepared by Amtrak for Congress (e.g. capital and operating plans, business plans that are attached to their yearly grant requests, etc.) fairly present in all material respects the financial condition of the Corporation. Specifically:

1. Amtrak's financial information and reports are prepared using generally accepted accounting standards.

2. Amtrak has corrected any material weaknesses or inaccuracies identified by a publicly registered accounting firm according to generally accepted accounting principles.

3. Amtrak has disclosed to the Secretary any and all material off-balance sheet transactions, arrangements, and obligations that may have a current or future material effect on the Corporation's financial condition, changes in financial condition, results in operations, liquidity, capital expenditures, capital resources, or any significant components of revenues or expenses.

4. Amtrak has designed internal controls to ensure that material information is made known to the Board of Directors and the Secretary of Transportation in a timely fashion.

5. The Secretary has evaluated the effectiveness of Amtrak's internal controls to assure that deficiencies are not occurring and, if so, all significant deficiencies in the design or operation of internal controls that could adversely affect the Corporation's ability to record, process, summarize, or report financial data and identify fraud, have been corrected prior to certification.

6. Finally, Amtrak should ensure that all of its financial information does not contain untrue statements of a material fact or omit to state a material fact necessary in order for the Board of Directors and the Secretary of Transportation to make informed financial decisions.

The Secretary of Transportation and the House and Senate Committees on Appropriations must approve any variations to the base operating and capital plans. Variations must be submitted through the reprogramming process.

Reprogrammings.—During the start up phase in the 1970s and early 1980s, Amtrak was subject to reprogramming guidelines. Given their current financial status, the Committee finds it necessary to exert greater management controls by reinstituting the reprogramming process. While the Committee generally accepts the view that rigid adherence to the amounts justified in a grant request or capital plan may unduly jeopardize the effective accomplishment of planned programs in the most economical way, the Committee believes that it must be notified of any significant changes. For example, unforeseen requirements or changes in operating conditions may require some changes in funds from the specific purposes for which they were initially justified. Reprogrammings (defined as changes in the application of grant monies appropriated differently than initially justified to Congress, as amended by final action by Congress) must be developed by the Corporation in consultation with the Department of Transportation and the House and Senate Committees on Appropriations. This will provide the basis for appropriate oversight of the utilization by the Corporation of grant appropriations while providing flexibility in the execution of the railroad's programs.

Specifically, Amtrak must provide timely information to the House and Senate Committees on Appropriations and to the Secretary of Transportation on the Corporation's entire spending plan. To do so, Amtrak must issue an operating and capital plan, or a "base" report, following final Congressional appropriation action on the Corporation's grant request. This report should show, by budget category, the base reflecting Congressional action with annotations to include any specific Congressional direction or guidance on the use of capital grant monies for specific purposes. The report should be promptly transmitted to the Department of Transportation and to the House and Senate Committees on Appropriations.

Approval by the Subcommittee Chairman of the House and Senate Committee on Appropriations is a prerequisite before any reprogramming action can be implemented. The following information must be provided by Amtrak, if relevant, to permit review of the reprogramming request:

1. A description of why the reprogramming is necessary and what may occur without it.

2. A table or worksheet showing an increase in monies for budget categories, activities or items and similarly one showing where specific reductions are proposed.

3. Any proposed increase in monies for budget categories, activities, or items for which specific reductions were made by the Congress below amounts requested in the budget.

4. Any proposed change to an action that, by its nature, is known to be or has been designated as a matter of special interest to either of the Committees.

5. An increase by ten percent or more in monies previously approved for a budget category, except that increases of less than $1,000,000 to a category will not be subject to prior approval.

6. An addition of a new budget category.

7. Other reprogramming actions which individually do not require prior Congressional approval but that, when considered cumulatively with previous unreported actions, would equal or exceed the ten percent and $1,000,000 thresholds for a budget category for the applicable fiscal year.

These proposed reprogramming shall be submitted to the Department of Transportation and the House and Senate Committees on Appropriations promptly. Reprogramming actions will not be implemented if either of the Committees offers an objection to the proposed reprogramming. In the event that the Corporation has not been informed of approval or disapproval, or has not otherwise requested to defer action, within 30 calendar days of receipt by the Committees, it will be assumed by the Corporation that there is no objection and the reprogramming action can be implemented. However, in the case where the Department of Transportation has, within this 30–day period, notified the Corporation and the Committees in writing of its non-concurrence, the proposed reprogramming will not be implemented without the affirmative approval of both Committees.

Direct loan provisions.—Bill language is also included that requires Amtrak to continue to abide by some provisions of the direct loan agreement signed on June 28, 2002, which would otherwise expire. These include:

(1) Amtrak management will significantly improve financial controls and accounting transparency, including developing or enhancing any existing capacity separately. Management must report to the Board of Directors, the Department of Transportation (DOT), and the House and Senate Committees on Appropriations monthly on: (a) all revenues and expenses associated with rail operations by route, and (b) budgeted and actual expenditures for all capital investments.

(2) Amtrak management will provide to the Board of Directors, the Department of Transportation, and Congress monthly performance reports. Amtrak shall also make available to DOT the same details and reports on its financial performance that it makes available to Amtrak management, at the same that it provides those reports and details to Amtrak management.

(3) Amtrak funds will be spent only on existing plant and services. With the exception of expenditures for which it obtains written approval from DOT, Amtrak will suspend use of any of its funds for actual expansion or planning for expansion of rail service, including high speed rail service through fiscal year 2003.

(4) Amtrak will provide DOT core operating data so that the Department can monitor and evaluate the railroad's ability to manage its cash flow, within the current appropriations level and using conservative revenue assumptions.

An additional requirement of the direct loan provision was $100,000,000 in cost savings. The Committee directs Amtrak to

continue this provision and find $100,000,000 in cost savings annually. Amtrak management should formulate a prioritized list of expense reduction options for implementation beginning in fiscal year 2003. These expense reduction options should identify at least $100,000,000 of potential reductions on an annualized basis. In concert with the provision, Amtrak must seek the cooperation of all of its employees in achieving substantial operating cost reductions.

Short distance trains.—The Committee is aware that Amtrak does not uniformly charge states for operations on their short distance or corridor trains outside of the Northeast Corridor. Amtrak shall establish a more uniform methodology for cost sharing on these routes. To do so, Amtrak shall analyze current state funding for operating expenses and capital improvements, and review the contractual terms under which this funding is provided, and consult with states served by these routes to establish new cost sharing procedures and increase state support on these routes. Amtrak shall report to the House and Senate Committees on Appropriations on the status of these efforts by April 1, 2003.

Long distance operations.—Amtrak trains have rarely operated at a profit. In 2001, only two Amtrak routes were profitable—the Metroliner/Acela Express and the Heartland Flyer, which is a heavily state supported train operating between Oklahoma City and Dallas/Fort Worth. Every other train (39 of 41) operates at a loss. The per rider losses range from $4.11 for the Capitols (Colfax-Sacramento-San Jose, CA) to $347.45 for the Sunset Limited (Los Angeles, CA to Orlando, FL). Nationally, the loss per rider is $33.09; however, the average per rider loss escalates to $138.71 for long distance trains. In other words, for Amtrak to break even financially, American taxpayers would be required to subsidize each Amtrak rider's trip an average of $33.09, and each long distance rider's trip $138.71.

Over the past five years, the number of long distance trains that operate at a substantial loss has grown dramatically. In 1997, the General Accounting Office reported that only two routes—the Texas Eagle and the Sunset Limited—lost over $200 per passenger. By comparison, in fiscal year 2001, six routes—the Three Rivers, the Southwest Chief, the Texas Eagle, the Sunset Limited, the Kentucky Cardinal, and the Pennsylvanian—incurred a loss of more than $200 per passenger. This growth in per passenger loss is particularly startling because, during this same time period, Congress required Amtrak to become operationally self-sufficient, and in trying to meet this mandate, Amtrak negotiated new or increased support payments from some states to improve the financial performance of various routes. For example, between 1998 and 2002, state operating support increased from $83,000,000 to $126,000,000. California has been a leader in this front. In 2002, California will provide about $65,000,000 for operating support of Amtrak services and has contributed funding for specific capital improvements.

It is clear that increased state support could improve Amtrak's finances. It is equally clear that Congress cannot provide huge increases in subsidies for Amtrak without some cost-sharing by those receiving the value of those services. The Committee is aware that Amtrak is in the process of refining its route contribution analysis to better identify how each train performs and what percentage of

its costs are covered by revenues so that Amtrak can renegotiate state contracts for additional support. The Committee has included bill language that limits the amount of assistance available to operate long distance trains to $150,000,000 in fiscal year 2003. Any amount above that level will require Amtrak to make up the difference, through operating efficiencies, increased revenues from new riders, and/or contributions from states, localities, or non-Federal entities that benefit from these long distance trains. The Committee believes that Amtrak is in the best position to make route decisions and to determine which, if any, routes may be impacted by this cap on operating assistance. However, through a combination of increased revenues, perhaps based on new riders, and contributions from non-federal sources, Amtrak may be able to continue every long distance train, but at lower federal subsidy.

As Amtrak begins to reduce the cost of operations of its long distance trains, the Committee directs Amtrak to report on measures it undertakes after the start of fiscal year 2003 to reduce the financial burden of such trains on the federal treasury. Specific estimates of cost savings to be achieved shall be provided in both fiscal year 2003 and for a five-year period. Further, the report shall highlight any impacts these measures may have on Amtrak's mail and express services. This report is due to the House and Senate Committees on Appropriations no later than April 1, 2003.

Cessation in commuter services.—A general provision is included that would authorize directed rail service along commuter lines after a service cessation by the National Railroad Passenger Corporation. Under this language, states and mass transit authorities can petition the STB if there is a substantial threat of cessation of service by a passenger contractor. The STB may, as necessary, also permit commuter railroads to override contracts with Amtrak and government grant agreements to assure a continuation of service.

FEDERAL TRANSIT ADMINISTRATION

SUMMARY OF FISCAL YEAR 2003 PROGRAM

The Federal Transit Administration (FTA) was established as a component of the Department of Transportation on July 1, 1968, when most of the functions and programs under the Federal Transit Act (78 Stat. 302; 49 U.S.C. 1601 et seq.) were transferred from the Department of Housing and Urban Development. Known as the Urban Mass Transportation Administration until enactment of the Intermodal Surface Transportation Efficiency Act of 1991, the Federal Transit Administration administers federal financial assistance programs for planning, developing and improving comprehensive mass transportation systems in both urban and non-urban areas.

Much of the funding for the Federal Transit Administration is provided by annual limitations on obligations provided in appropriations Acts. However, direct appropriations are required for portions of all accounts.

The current authorization for the programs funded by the Federal Transit Administration is contained in the Transportation Equity Act for the 21st Century (TEA–21). TEA–21 also amended the Budget Enforcement Act to provide two additional discretionary spending categories, the highway category and the mass transit

category. The mass transit category is comprised of transit formula grants, transit capital funding, Federal Transit Administration administrative expenses, transit planning and research and university transportation center funding. The mass transit category obligations are capped at $7,226,000,000 and outlays are capped at $5,781,000,000 in fiscal year 2003. Any additional appropriated funding above the levels specified as guaranteed for each transit program in TEA–21 (that which could be appropriated from general funds authorized under section 5338(h)) is scored against the nondefense discretionary category.

The total funding provided for FTA for fiscal year 2003 is $7,226,000,000, including $1,445,000,000 in direct appropriations and $5,781,000,000 in limitations on contract authority. The total recommended is $383,200,000 (5.6 percent) over the fiscal year 2002 enacted level when supplemental appropriations are excluded. The following table summarizes the fiscal year 2002 program levels, the fiscal year 2003 budget request, and the fiscal year 2003 recommended levels:

Program	Fiscal year 2002 enacted	Fiscal year 2003 request	Recommended in the bill
Administrative expenses	$67,000,000	[4] $73,000,000	$73,000,000
Formula grants [1, 2]	3,615,500,000	3,839,000,000	3,839,000,000
University transportation research	6,000,000	6,000,000	6,000,000
Transit planning and research	116,000,000	122,000,000	122,000,000
Capital investment grants [2, 3]	4,741,000,000	3,036,000,000	3,036,000,000
Job access and reverse commute grants	125,000,000	150,000,000	150,000,000
Total	8,670,500,000	7,226,000,000	7,226,000,000

[1] Includes $23,500,000 in emergency supplemental appropriations (P.L. 107–117).
[2] Does not reflect transfer of $50,000,000 from formula grants to capital investment grants.
[3] Includes a total of $1,900,000,000 in emergency supplemental appropriations exclusively for the rehabilitation and enhancements of transit systems in the Borough of Manhattan, New York City, New York following September 11, 2001 (P.L. 107–117 and P.L. 107–206).
[4] Excludes $3,586,000 in CSRS/FEHB accruals.

ADMINISTRATIVE EXPENSES

	Appropriation (General fund)	Limitation on obligations (Trust fund)
Appropriation, fiscal year 2002	$13,400,000	($53,600,000)
Budget request, fiscal year 2003 [1]	14,600,000	(58,400,000)
Recommended in the bill	14,600,000	(58,400,000)
Bill compared to:		
Appropriation, fiscal year 2002	+1,200,000	(+4,800,000)
Budget request, fiscal year 2003		

[1] Excludes $3,586,000 in CSRS/FEHB accruals.

The bill provides a total appropriation of $73,000,000 for FTA's salaries and expenses. The recommendation is $6,000,000 above the fiscal year 2002 enacted level. This appropriation is guaranteed under the transit funding category. The recommendation of $73,000,000 is comprised of an appropriation of $14,600,000 from the general fund and $58,400,000 from limitations on obligations from the mass transit account of the highway trust fund.

Full-time equivalent (FTE) staff years.—The Committee has approved the 12 new positions requested to implement statutory requirements for over 160 new starts projects, to improve the oversight of transit grants and contracts, and to meet FTA's statutory and administrative requirements. While a total of $1,098,000 was requested for the 12 positions, funding has been reduced by half (−$549,000). This reduction reflects half year funding for these

new positions instead of full year funding, which is consistent with last year's hiring practices in FTA and general budget guidance and practices. Also, the Committee continues to be concerned about FTA's high attrition rate (9 percent in 2001). Because of this rate, it is likely that it will take FTA a substantial amount of time to fill these new positions, especially considering the high level of current vacancies.

FECA administrative costs.—The Committee has denied funding included in the budget request for FECA administrative costs (−$15,000). This is consistent across all modal administrations funded in this bill and is explained in an earlier section of this report.

Project management oversight activities.—The Committee recommends that FTA increase funding available for project management oversight activities by $564,000. According to FTA, funding for oversight is expected to decrease from $52,500,000 in 2002 to $48,305,000 in 2003. This decrease is attributable to FTA no longer having carryover to finance these activities. It is critical that FTA continue to support strong project and financial oversight activities, particularly as more communities are interested in applying for funding under newer statutory programs; are developing or expanding rail systems; and more will become interested in the program as urbanized areas grow.

To further support oversight activities, the Committee includes bill language that requires FTA to reimburse the Department of Transportation Office of Inspector General for $2,000,000 in costs associated with audits and investigations of transit related issues, including reviews of new fixed guideway systems. This reimbursement must come from funds available for the execution of contracts. Over the past several years, the IG has provided critical oversight of several major transit projects, which the Committee has found invaluable. The Committee anticipates that the Inspector General will continue such oversight activities in fiscal year 2003.

Full funding grant agreements (FFGAs).—TEA–21, as amended, requires that FTA notify the House and Senate Committees on Appropriations as well as the House Committee on Transportation and Infrastructure and the Senate Committee on Banking 60 days before executing a full funding grant agreement. In its notification to the House and Senate Committees on Appropriations, FTA is directed to include therein the following: (1) a copy of the proposed full funding grant agreement; (2) the total and annual federal appropriations required for that project; (3) yearly and total federal appropriations that can be reasonably planned or anticipated for future FFGAs for each fiscal year through 2003; (4) a detailed analysis of annual commitments for current and anticipated FFGAs against the program authorization; and (5) a financial analysis of the project's cost and sponsor's ability to finance, which shall be conducted by an independent examiner and which shall include an assessment of the capital cost estimate and the finance plan; the source and security of all public- and private-sector financial instruments, the project's operating plan which enumerates the project's future revenue and ridership forecasts, and planned contingencies and risks associated with the project.

Also FTA is directed to inform the House and Senate Committees on Appropriations before approving scope changes in any full funding grant agreement. Correspondence relating to scope changes shall include any budget revisions or program changes that materially alter the project as originally stipulated in the full funding grant agreement, and shall include any proposed change in rail car procurements.

Bill language.—New bill language is included pertaining to the timely submission of the annual new starts report. A detailed discussion explaining why this language is necessary can be found under "new starts, capital investment grants".

FORMULA GRANTS

	Appropriation (General fund)	Limitation on obligations (Trust fund)
Appropriation, fiscal year 2002 [1, 2]	$741,900,000	($2,873,600,000)
Budget request, fiscal year 2003 [2]	767,800,000	(3,071,200,000)
Recommended in the bill	767,800,000	(3,071,200,000)
Bill compared to:		
Appropriation, fiscal year 2002	+25,900,000	(+197,600,000)
Budget request, fiscal year 2003		

[1] Includes $23,500,000 in emergency supplemental appropriations (P.L. 107–117).
[2] Does not reflect transfer of $2,000,000 to the Office of Inspector General and $50,000,000 to capital investment grants.

The accompanying bill provides a total of $3,839,000,000 for transit formula grants. This level is $247,000,000 above the 2002 enacted level when the supplemental appropriation is excluded and is guaranteed under the transit category.

The recommended program level of $3,839,000,000 is comprised of an appropriation of $767,800,000 from the general fund and $3,071,200,000 from limitations on obligations from the mass transit account of the highway trust fund. Formula grants to states and local agencies funded under this heading fall into four categories: urbanized area formula grants (U.S.C. sec. 5307); clean fuels formula grants (U.S.C. sec. 5308); formula grants and loans for special needs of elderly individuals and individuals with disabilities (U.S.C. sec. 5310); and formula grants for other than urbanized areas (U.S.C. sec. 5311). In addition, set asides of formula funds are directed to a grant program for intercity bus operators to finance Americans with Disabilities Act (ADA) accessibility costs and the Alaska Railroad for improvements to its passenger operations.

Within the total funding level of $3,839,000,000, the Committee's recommendation includes the following distribution:

Urbanized areas (U.S.C. 5307)	$3,428,709,908
Oversight	18,432,736
Clean fuels (sec. 5308)	50,000,000
Elderly and disabled (sec. 5310)	90,652,801
Non-urbanized areas (sec. 5311)	239,404,605
Over-the-road bus accessibility program	6,950,000
Alaska railroad [1]	4,850,000

[1] Includes $24,300 for oversight activities.

Operating costs.—Section 3007 of TEA–21 amends U.S.C. 5307, urbanized formula grants, by striking the authorization to utilize these funds for operating costs, but includes a specific provision allowing the Secretary to make operating grants to urbanized areas with a population of less than 200,000. Generally, these grants may

be used to fund capital projects, and to finance planning and improvement costs of equipment, facilities, and associated capital maintenance used in mass transportation. All urbanized areas greater than 200,000 in population are statutorily required to use one percent of their annual formula grants on enhancements, which can include landscaping, public art, bicycle storage, and connections to parks.

Major project alternatives analysis and preliminary engineering and design.—The accompanying bill provides appreciable increases in formula funds allocated to transit authorities. These funds can be used, among other activities, for alternatives analysis and preliminary engineering and design (PE&D) of new rail extensions or busways. The Committee asserts that local project sponsors of new rail extensions or busways should use these funds (or those provided under section 5303 metropolitan planning) for alternatives analysis and PE&D activities rather than seek section 5309 discretionary set-asides. Moreover, the Committee expects the FTA, when evaluating the local financial commitment of a given project, to consider the extent to which the project's sponsors have used the appreciable increases in the formula grants apportionments for alternatives analysis and preliminary engineering and design activities of proposed new systems.

Clean fuels program.—TEA–21 requires that $50,000,000 be set aside from funds made available under the formula grants program to fund a new clean fuels program. The clean fuels program is supplemented by an additional set-aside from the major capital investment's bus program and provides grants for the purchase or lease of clean fuel buses for eligible recipients in areas that are not in compliance with air quality attainment standards. The Committee has identified designated recipients of these funds within the projects listed under the bus program of the capital investment grants account.

Over-the-road bus accessibility program.—The Committee has provided $6,950,000 in fiscal year 2003 for the over-the-road accessibility program. This program is designed to assist operators of over-the-road buses in financing the incremental capital and training costs of complying with the department's final rule on accessibility required by the Americans with Disabilities Act. Of this total, $5,250,000 will be available for intercity fixed route projects and the remainder will be available for other services such as local fixed route service, commuter service or charter service.

Denial of two new initiatives.—The Committee has denied funding for two new initiatives—the "new freedom initiative (−$144,275,000) and "environmental streamlining" (−$6,000,000) from the formula grant program. Neither is authorized. Funding from this program would unfairly reduce each state's apportionment.

Salaries and benefits.—No funds provided in this Act can be used by the New York Metropolitan Transit Authority to pay either the salary or benefits to the elected or appointed officers of the Association of Commuter Rail Employees. Nor may any funds in this Act be used to pay the Association of Commuter Rail Employees unless the New York Metropolitan Transit Authority makes equal payments to all officers elected and appointed and all local labor unions in equal proportional amounts.

The following table displays the state-by-state distribution of formula funds within each of the program categories:

FEDERAL TRANSIT ADMINISTRATION, FISCAL YEAR 2003 GUARANTEED LEVEL APPORTIONMENT FOR FORMULA PROGRAMS (BY STATE)

State	Section 5307 urbanized area	Section 5311 non-urbanized area	Section 5310 elderly and persons with disabilities	Total formula programs [2]
Alabama	$14,927,927	$6,693,617	$1,582,925	$23,204,469
Alaska	[1] 8,546,214	932,932	240,303	9,719,449
American Samoa	0	153,033	60,088	213,121
Arizona	44,214,267	3,265,400	1,652,847	49,132,514
Arkansas	8,076,720	4,841,871	1,029,871	13,948,462
California	583,841,997	10,475,294	9,488,919	603,806,210
Colorado	46,448,166	2,907,313	1,160,010	50,515,489
Connecticut	46,629,133	1,488,013	1,128,644	49,245,790
Delaware	6,342,133	674,647	352,994	7,369,774
District of Columbia	66,802,132	0	309,042	67,111,174
Florida	158,320,783	6,710,664	6,064,881	171,096,328
Georgia	63,237,705	8,484,475	2,295,637	74,017,817
Guam	1,359,878	60,272	157,227	1,577,377
Hawaii	26,885,021	1,003,351	476,147	28,364,519
Idaho	5,731,779	1,843,482	455,768	8,031,029
Illinois	220,316,888	7,163,547	3,526,256	231,006,691
Indiana	36,011,838	7,130,780	1,871,517	45,014,135
Iowa	12,875,848	4,838,882	980,862	18,695,592
Kansas	9,613,682	3,954,869	882,653	14,451,204
Kentucky	19,550,450	6,611,124	1,461,839	27,623,413
Louisiana	31,467,926	5,164,303	1,455,553	38,087,782
Maine	3,062,068	2,566,899	533,084	6,162,051
Maryland	69,014,462	2,800,694	1,545,478	73,360,634
Massachusetts	127,232,927	1,907,117	2,041,414	131,181,458
Michigan	68,303,580	8,975,050	2,938,848	80,217,478
Minnesota	42,155,128	5,897,179	1,366,007	49,418,314
Mississippi	5,276,443	5,782,322	1,032,720	12,091,485
Missouri	36,804,592	6,690,078	1,788,808	45,283,478
Montana	2,581,607	1,784,329	384,485	4,750,421
N. Mariana Islands	676,035	20,103	60,998	757,136
Nebraska	8,374,720	2,420,469	596,510	11,391,699
Nevada	24,300,864	859,972	721,940	25,882,776
New Hampshire	4,650,337	1,826,955	457,852	6,935,144
New Jersey	216,873,343	1,764,450	2,587,773	221,225,566
New Mexico	9,107,633	2,555,496	655,206	12,318,335
New York	548,839,731	9,273,805	6,091,120	564,204,656
North Carolina	37,223,366	11,455,078	2,563,722	51,242,166
North Dakota	3,056,087	1,098,920	310,725	4,465,732
Ohio	91,723,614	10,796,386	3,431,195	105,951,195
Oklahoma	13,978,521	5,254,198	1,208,398	20,441,117
Oregon	36,021,230	3,860,548	1,122,512	41,004,290
Pennsylvania	155,123,266	10,871,771	4,044,433	170,039,470
Puerto Rico	44,710,018	886,606	1,399,708	46,996,332
Rhode Island	8,295,427	321,072	463,004	9,079,503
South Carolina	14,169,630	5,711,432	1,383,261	21,264,323
South Dakota	2,348,155	1,496,539	339,305	4,183,999
Tennessee	28,761,361	7,277,715	1,914,830	37,953,906
Texas	194,268,566	16,176,384	5,644,548	216,089,498
Utah	27,314,937	1,295,746	592,321	29,203,004
Vermont	1,043,904	1,344,823	294,426	2,683,153
Virgin Islands	0	290,119	150,772	440,891
Virginia	54,257,001	6,317,842	2,017,699	62,592,542
Washington	95,180,075	4,247,980	1,720,930	101,148,985
West Virginia	4,929,603	3,461,591	784,330	9,175,524
Wisconsin	41,295,126	6,734,456	1,574,405	49,603,987
Wyoming	1,381,764	982,612	256,054	2,620,430
Subtotal	3,433,535,608	239,404,605	90,652,801	3,763,593,014
Oversight	17,253,948	1,203,038	0	18,456,986

FEDERAL TRANSIT ADMINISTRATION, FISCAL YEAR 2003 GUARANTEED LEVEL APPORTIONMENT FOR FORMULA PROGRAMS (BY STATE)—Continued

State	Section 5307 urbanized area	Section 5311 non-urbanized area	Section 5310 elderly and persons with disabilities	Total formula programs [2]
Total	3,450,789,556	240,607,643	90,652,801	3,782,050,000
Clean Fuels				50,000,000
Over-the-Road Bus Accessibility				6,950,000
Grand Total				[2] 3,839,000,000

[1] Includes $4,825,700 for the Alaska Railroad improvements to passenger operations.
[2] Does not include new freedom initiatives nor environmental streamlining.

UNIVERSITY TRANSPORTATION RESEARCH

	Appropriation (General fund)	Limitation on obligations (Trust fund)
Appropriation, fiscal year 2002	$1,200,000	($4,800,000)
Budget request, fiscal year 2003	1,200,000	(4,800,000)
Recommended in the bill	1,200,000	(4,800,000)
Bill compared to:		
Appropriation, fiscal year 2002		
Budget request, fiscal year 2003		

The accompanying bill provides a total of $6,000,000 for university transportation research. The recommendation is the same level as provided in fiscal year 2002. This appropriation is guaranteed under the transit funding category.

The recommended program level of $6,000,000 is comprised of an appropriation of $1,200,000 from the general fund and $4,800,000 from limitations on obligations from the mass transit account of the highway trust fund.

TRANSIT PLANNING AND RESEARCH

	Appropriation (General fund)	Limitation on obligations (Trust fund)
Appropriation, fiscal year 2002	$23,000,000	($93,000,000)
Budget request, fiscal year 2003	24,200,000	(97,800,000)
Recommended in the bill	24,200,000	(97,800,000)
Bill compared to:		
Appropriation, fiscal year 2002	+1,200,000	(+4,800,000)
Budget request, fiscal year 2003		

The accompanying bill provides a total of $122,000,000 for transit planning and research. The recommendation is $6,000,000 more than provided in fiscal year 2002 and the same level as in the budget request. This appropriation is guaranteed under the transit funding category.

The recommended program level of $122,000,000 is comprised of an appropriation of $24,200,000 from the general fund and $97,800,000 from limitations on obligations from the mass transit account of the highway trust fund.

The bill contains language specifying that $60,385,600 shall be available for metropolitan planning; $12,614,400 shall be available for state planning; $31,500,000 shall be available for national planning and research; $8,250,000 shall be available for transit cooperative research; $4,000,000 shall be available for the National Transit Institute; and $5,250,000 shall be available for rural transportation assistance.

The bill includes funds for the following projects within the funds provided for the national program in fiscal year 2003:

Project ACTION (TEA–21)	$3,000,000

National planning and research.—Within the $31,500,000 for national planning and research, support is provided for a number of important initiatives including:

Calstart/Westart bus rapid transit	$2,000,000
Clean mobility and transit enhancements	2,000,000
Electric Transit Vehicle Institute, TN	500,000
University of South Florida (Urban Transit Research)	250,000
Santa Barbara Electric Transit Institute, CA	500,000
Hennepin County community transportation, MN	1,000,000
Joblinks/Community Transportation Association	500,000
Electrostatically-charged aerosol decontamination system	1,000,000
North Dakota Transit Center	400,000
PVTA electric bus project	1,000,000

Electrostatically-charged aerosol decontamination system.—The Committee has provided $1,000,000 for research on an electrostatically changed, aerosol decontamination system (ECADS) to be used in transit systems. Over 20 million riders in the top 30 U.S. cities utilize metropolitan transit systems to get to and from their places of employment. Any extended disruption of these systems due to chemical or biological attack would not only endanger riders but cripple businesses and communities that depend on these transit systems. While FTA and local transit authorities are testing sensor systems to detect such attacks, there are no available means to decontaminate, quickly and effectively, a facility after such an event to provide a safe environment, and restore service and rider confidence. The Committee believes ECADS has potential to meet these requirements and requires further evaluation by FTA.

TRUST FUND SHARE OF EXPENSES

(HIGHWAY TRUST FUND)

(LIQUIDATION OF CONTRACT AUTHORIZATION)

Appropriation, fiscal year 2002	$5,397,800,000
Budget request, fiscal year 2003	5,781,000,000
Recommended in the bill	5,781,000,000
Bill compared with:	
Appropriation, fiscal year 2002	+383,200,000
Budget request, fiscal year 2003	.....

For fiscal year 2003, the Committee has provided $5,781,000,000 for liquidation of contract authorization. The increase over last year is necessary to pay outstanding obligations of the various transit programs at the funding levels contained in TEA–21 and supported by prior appropriations Acts.

CAPITAL INVESTMENT GRANTS

	Appropriation (General fund)	Limitation on obligations (Trust fund)
Appropriation, fiscal year 2002 [1, 2]	$2,468,200,000	($2,272,800,000)
Budget request, fiscal year 2003 [2]	607,200,000	(2,428,800,000)
Recommended in the bill	607,200,000	(2,428,800,000)
Bill compared to:		
Appropriation, fiscal year 2002	−1,861,000	+156,000,000
Budget request, fiscal year 2003		

[1] Includes a total of $1,900,000,000 in emergency supplemental appropriations exclusively for the repair and rehabilitation of transit systems in the Borough of Manhattan, New York City, New York following September 11, 2001 (P.L. 107–117 and P.L. 107–206).
[2] Does not reflect transfer of $50,000,000 from formula grants.

The accompanying bill provides a total of $3,036,000,000 to be available for capital investment grants. The recommendation is $195,000,000 more than provided in fiscal year 2002 when the supplemental appropriations are excluded and the same level as the budget request. This appropriation is guaranteed under the transit category.

The recommended program level of $3,036,000,000 is comprised of an appropriation of $607,200,000 from the general fund and $2,428,800,000 from limitations on obligations from the mass transit account of the highway trust fund.

Funds provided for capital investment grants shall be distributed as follows:

	Recommended in the bill
Bus and bus facilities	$607,200,000
Fixed guideway modernization	1,214,400,000
New starts	1,214,400,000
Total	3,036,000,000

Three-year availability of section 5309 funds.—The Committee has included bill language that permits the administrator to reallocate discretionary new start and buses and bus facilities funds from projects which remain unobligated after three years. Funds made available in the fiscal year 2000 Department of Transportation and Related Agencies Appropriations Act and previous Acts are available for reallocation in fiscal year 2003 as availability for these discretionary projects is limited to three years. The Committee directs the FTA to reprogram funds from recoveries and previous appropriations that remain available after three years and are available for reallocation to only those new starts that have full funding grant agreements in place on the date of enactment of this Act, and with respect to bus and bus facilities, only to those bus and bus facilities projects identified in the accompanying reports of the fiscal year 2003 Department of Transportation and Related Agencies Appropriations Act. The FTA shall notify the House and Senate Committees on Appropriations 15 days prior to any such reallocation, consistent with the department's reprogramming guidelines.

BUSES AND BUS FACILITIES

The accompanying bill provides $607,200,000 for bus purchases and bus facilities, including maintenance garages and intermodal

facilities. Bus systems are expected to play a vital role in the mass transportation systems of virtually all cities. FTA estimates that 95 percent of the areas that provide mass transit service do so through bus transit only and over 60 percent of all transit passenger trips are provided by bus.

TEA–21 requires that funding of $100,000,000 be made available for a new clean fuels grant program. This funding is derived from $50,000,000 from the formula grants account and $50,000,000 from funds allocated for buses under this account. Designated recipients of the clean fuels grant program—funding for which is derived in part from the formula grants program—are identified in the lists below (to the extent funding is allocated for the purchase of eligible alternative-fuel vehicles, related facilities and other eligible activities).

Funds made available for bus and bus facilities are to be supplemented with $21,572,640 from projects included in previous appropriations Acts. The Committee is aware that these funds may not be needed due to changing local circumstances or are in excess of the project requirements. Unexpended funding from previous appropriations Acts are reallocated:

Lancaster Pennsylvania RRTA bus terminal (1999)
Essex Junction, Vermont, multimodal station rehabilitation (2000)
Buffalo, New York auditorium intermodal center (1999)
Fayette County, Pennsylvania intermodal parking facility, (1999)
Ithaca, New York intermodal transportation center
Towamencin Township, Pennsylvania intermodal transportation center (1999 and 2000)
Wilkes Barre, Pennsylvania intermodal facility (1998 and 1999)
Richmond, Virginia GRTC bus maintenance facility (2000)
Birmingham-Jefferson County, Alabama buses (2000)
Dothan Wiregrass, Alabama vehicles and transit facility (2000)
Jefferson/Montevallo, Alabama pedestrian walkway (2000)
Pritchard, Alabama bus transfer facility (1999)
Wilcox County, Alabama Gees Bend ferry facilities (2000)
Central Midland, South Carolina transit system (2000)
Pee Dee Transit, South Carolina buses and facilities (2000)
South Carolina statewide virtual transit enterprise (2000)
Folsom, California multimodal facility (1999)
Washoe County, Nevada transit improvements (2000)
Fairbanks, Alaska intermodal rail/bus transfer facility (2000)
Juneau, Alaska downtown mass transit facility (2000)
Georgetown University fuel cell bus and bus facilities program (2000)

In addition, the Committee directs the FTA not to reallocate funds provided in the fiscal year 2000 Department of Transportation and Related Agencies Appropriations Act or previous Acts for the following bus and bus facilities projects:

Swampscott, Massachusetts, buses
Washington County, Pennsylvania intermodal facilities, buses, and bus facilities
Foothills Transit, California buses and HEV vehicles
Chatham, Georgia area transit buses and transfer center
Fair Lakes League, Virginia
Dulles Corridor, Virginia park-and-ride express bus program
Fayette County, Pennsylvania intermodal facility
Ithaca, New York intermodal transportation center
Wilkes Barre, Pennsylvania intermodal facility

As noted earlier, the Committee will not extend projects again that have already been extended in previous Appropriations bills (e.g. 1998 and 1999 funding). Those projects have had at least four years to spend their funding, and if they still remain unable to do

so, the Committee believes it is better to allocate these funds to projects that can obligate these funds in a more timely fashion.

The Committee recommendation assumes the following distribution of bus and bus facilities funds:

Alabama:	
Bevill State Community College transit project	$500,000
Cullman County Commission (CARTS)	150,000
Huntsville intermodal center	4,000,000
Jefferson County, diesel hybrid electric buses	1,500,000
Union Station/Molton Street multimodal facility, Montgomery	1,000,000
Alaska:	
Skagway Municipal and Regional Transit	350,000
Arizona:	
Coconino County buses	2,000,000
Phoenix (RPTA) bus facilities	4,200,000
Phoenix (RPTA) bus replacement	3,835,000
Sun Tran bus storage and maintenance facility	3,500,000
Sun Tran replacement buses, including alternatively fueled	2,000,000
Tucson intermodal center (Union Pacific Depot)	4,000,000
Arkansas:	
State of Arkansas bus and bus facilities—urban, rural, and elderly and disabled agencies	3,000,000
California:	
Alameda Contra Costa bus and bus facilities	2,500,000
Anaheim Resort Transportation (ART) project	1,000,000
Antelope Valley Transit Authority, operations and maintenance facility	3,000,000
BART Fruitvale Transit Village, parking structure	500,000
Chinatown intermodal center	2,500,000
Chinco Transcenter, Omnitrans	660,000
City of Salinas, intermodal transportation center	2,500,000
City of Sierra Madre buses and natural gas vehicle fueling station	300,000
East County bus maintenance facility	3,200,000
El Garces intermodal station	3,000,000
Fairfield/Suisun Transit alternative fueled buses	1,500,000
Folsom Railroad Block project	3,400,000
Foothill Transit buses	3,000,000
Fresno Area Express (FAX) buses	1,000,000
Golden Empire Transit District	1,500,000
Los Angeles County (MTA), metro bus program	3,500,000
Modesto bus maintenance facility	3,750,000
Monterey-Salinas Transit bus facility and buses	4,800,000
MUNI buses and facility upgrade	5,000,000
Municipal Transit Operators Coalition, bus and bus facilities	2,500,000
Omnitrans, City of Yucaipa—the Yucaipa Transit Advancement Project	1,482,000
Redondo Beach, bus transfer station	1,000,000
Riverside Transit Agency (RTA) Transit Centers—Corona, Riverside	2,000,000
Roseville Multitransit Center	1,850,000
Sacramento hydrogen bus technology (University of California, Davis)	1,100,000
Sacramento Regional CNG bus and bus facility	3,000,000
San Diego bus rapid transit	1,000,000
San Fernando Valley East and Ventura Boulevard park and rides	1,000,000
San Mateo County Transit District (SamTrans) zero-emission buses	2,770,000
Santa Barbara Metropolitan Transit District (MTD) hybrid bus BRT project	1,500,000
Santa Clara Valley Transportation Authority clean fuel bus program	1,500,000
Solano Transportation Authority (STA)—Fairfield/Vacaville intermodal station	1,000,000
Sonoma County CNG fueling facility upgrade	1,000,000
South Pasadena circulator bus	300,000

Sun Line Transit hydrogen refueling station	2,500,000
Yolobus and Unitrans CNG buses	2,600,000
Colorado:	
Colorado Transit Coalition	10,000,000
Connecticut:	
Bridgeport intermodal corridor project	4,000,000
Hollyhock station/intermodal transportation center, Norwich	4,600,000
New Britain-Hartford busway	2,000,000
New Haven bus maintenance facility	2,000,000
New Haven fuel cell and electric bus project	2,000,000
West Haven intermodal station	2,000,000
Delaware:	
Delaware Transit Corporation	3,000,000
District of Columbia:	
Georgetown University fuel cell transit bus program (TEA21)	4,850,000
Washington Metropolitan Area Transit Authority buses	2,000,000
Florida:	
Citrus Connection	1,000,000
Collier Area Transit facility	1,500,000
DeLand intermodal center (VOTRAN)	2,100,000
Ft. Lauderdale, transit shuttle vehicles	2,000,000
Gainesville, mulitmodal transportation center	2,000,000
Hillsborough Area Regional Transit (HART)	1,000,000
Jacksonville Transit Authority, buses	2,500,000
Key West buses and bus facilities	500,000
Lee County Transit Division, bus facility	1,500,000
LYNX buses, bus facilities and passenger amenities	3,000,000
Miami Beach intermodal transit center	3,000,000
Miam-Dade buses	3,500,000
Pinellas County	4,200,000
Miami-Dade County 7th Avenue Bus transfer center	1,000,000
SunTran transit maintenance facility—City of Ocala	1,600,000
Tallahassee (TALTRAN) buses	2,500,000
Tallahassee (TALTRAN) intermodal center	1,000,000
West Palm Beach, trolley buses	2,000,000
Westcoast Florida Bus Coalition	8,000,000
Winter Haven transit terminal	1,000,000
Georgia:	
Atlanta, multimodal terminal	4,000,000
Chatham Area Transit	5,300,000
Georgia Regional Transportation Authority, regional express bus and bus facilities	2,000,000
Georgia Statewide bus replacement program	2,000,000
Gwinnett County operators and maintenance facility	2,500,000
Macon intermodal center	3,000,000
Metro Atlanta Rapid Transit Authority clean fuel buses	2,000,000
Hawaii:	
Bus transit centers—Waianae, Mililani, and Wahiawa	2,000,000
Idaho:	
Idaho Transit Coalition	2,635,000
Illinois:	
Illinois Statewide bus and buses facilities	20,000,000
Indiana:	
Fort Wayne Public Transportation Corporation (Fort Wayne Citilink)	1,200,000
Indiana Transit Consortium, Bloomington Public Transportation	1,060,000
Indianapolis Downtown transit facility	4,000,000
Iowa:	
Des Moines MTA bus purchase	2,100,000
Iowa City Transit System, intermodal facility	2,000,000
State of Iowa buses and bus facilities	8,000,000
Kansas:	
City of Wichita, mini-transfer station	800,000
Johnson County, transit vehicle life extension and improvement program	500,000
Kansas City Area Transportation Authority (KCATA)	1,000,000
Kansas, buses and bus facilities	3,000,000
Lawrence Transit System transfer center	2,500,000

Nolte Transit Center in Johnson County	250,000
Unified Government transit bus Replacement—Wyandotte County/Kansas City	350,000
Wichita Transit Authority	2,000,000
Kentucky:	
Fulton County Transit Authority cutaways	180,000
Henderson Area Rapid Transit buses	96,000
Kentucky statewide, buses and bus facilities	4,690,000
Kentucky Transportation Cabinet—Community Action groups	1,425,000
Laurel County intermodal facility	5,000,000
Paducah Area Transit Authority buses	480,000
Pennyrile Allied Community Services transit facility	372,000
Red Cross Wheels	2,000,000
Southern and Eastern Kentucky transit vehicles	6,000,000
Transit Authority of Northern Kentucky (TANK)	3,000,000
Transit Authority of River City	3,000,000
Lousiana:	
Louisiana Public Transit Association buses and bus facilities	10,000,000
Maine:	
Maine Statewide buses and bus facilities	2,500,000
Westbrook intermodal facility	1,000,000
Maryland	
Maryland Statewide buses and bus facilities	8,000,000
Massachusetts:	
Attleboro intermodal mixed-use garage facility	1,000,000
Brockton Area Transit (BTA) intermodal center	1,000,000
Cape Cod intermodal facilities (Cape and Island Transit Centers)	500,000
CTS Northern Tier buses	300,000
Essex County, City of Peabody, MA, buses	48,000
Essex County, Town of Danvers, MA, buses and senior citicens vans	66,372
Essex County, City of Lynn, MA, buses and senior citizen vans	320,000
Gallagher intermodal transportation center—Lowell regional transit authority	500,000
Merrimack Valley Regional Transit Authority, MA, facility improvements	500,000
Cities of Beverly & Salem, MA, facility improvements	500,000
Cape Ann Transit Authority, MA, buses and trolleys	265,628
Montachusett Area Regional Transit (MART) commuter park and ride facility—Leominster	1,500,000
Montachusett Area Regional Transit (MART) passenger and handicap vans	850,000
Montachusett commuter facilities in Fitchburg	3,200,000
Northern Tier intermodal center—Athol	350,000
Springfield Union Station intermodal redevelopment project	4,000,000
Worcester Regional Transit Authority (WRTA) maintenance facility	400,000
Michigan:	
Blue Water Area Transportation commission	1,000,000
Branch County Transit Authority	324,000
Caro Transit Authority	118,000
City of Alma—transportation center intermodal facility and replacement buses	1,553,000
Detroit Department of Transportation—transit facility	11,000,000
Flint Mass Transit buses	1,000,000
Grand Rapids, buses and bus facilities	1,000,000
Ionia Area Transportation Authority dial-a-ride	304,000
Jackson Transportation Authority, bus maintenance facility	1,000,000
Kalamazoo Metro Transit	1,000,000
Lansing, Capital Area Transit Authority	1,000,000
Livingston Essential Transportation Service	220,000
Ludington Mass Transportation Authority replacement facility	1,050,000
Milan Public Transit	180,000
Sanilac Transportation Corporation	500,000
State of Michigan, bus and bus facilities	1,000,000
Suburban Mobility Authority for Regional Transit (SMART)	5,000,000
Washtenaw County, Chelsa Area Transportation System (CATS)	264,000

Yates Township Transit System	904,000
Minnesota:	
Dakota, Cedar Avenue project	3,000,000
Duluth Transit Authority bus and bus facilities	1,000,000
Grand Rapids bus and bus facilities	212,000
La Crescent, public transfer hub	60,000
Metropolitan Light Rail Transit Joint Powers Board, Rush Line Corridor	1,000,000
Metro Transit	19,000,000
Minneapolis, 63rd Avenue North park and ride	1,000,000
Northwest corridor busway	4,000,000
Rochester, buses	917,600
St. Cloud MTC transit facilities	1,000,000
STEELE buses	48,000
Mississippi:	
Brookhaven multi-modal center	2,000,000
Harrison County multimodal facility and shuttle service	1,000,000
Missouri:	
Missouri bus and bus facilities—Dunklin County, Southeast Missouri Transporation Service, City of Houston, Scott County, Southeast Missouri State University	4,000,000
Southwest Missouri State University intermodal transfer facility	4,500,000
Springfield Public Utilities	1,000,000
St. Joseph buses	1,000,000
St. Louis Bi-State Development Agency buses	4,000,000
Montana:	
District IX—Bozeman Galavan	500,000
North Carolina:	
City of Charlotte buses and bus facilities	3,000,000
Piedmont Authority for Regional Transportation buses	2,000,000
State of North Carolina, bus and bus facilities	8,000,000
Triangle Transit Authority (TTA) maintenance facility	500,000
North Dakota:	
North Dakota Statewide Capital Transit	2,903,000
Nevada:	
Bus Rapid Transit on South Virginia Street, Reno	4,900,000
Regional Transportation Commission (RTC) BRT, North Las Vegas CIVIS Bus Stops	1,000,000
New Mexico:	
Albuquerque, transit revenue vehicles	2,000,000
Alvorado Transportation Center—Phase II	300,000
New Jersey:	
Bergen County Intermodal facilities and park-and-ride	4,500,000
Central New Jersey Raritan Valley Line park-and-ride	2,000,000
Harrison New Jersey PATH station rehabilitation	500,000
Montclair community wide bus system	1,000,000
Morris County, intermodal park-and-rides facilities	2,500,000
Newark Penn Station intermodal access enhancements	2,000,000
Route 80 Howard Boulevard, New Jersey park-and-ride	500,000
Trenton intermodal station	1,700,000
New York:	
Albany, Capital District Transportation Authority (CDTA) buses and bus facilities	4,400,000
Brooklyn, downtown intermodal transit district	1,000,000
Broome County, Binghamton intermodal terminal	2,000,000
Buffalo intermodal transportation center	2,000,000
Central New York Regional Transportation Authority	5,000,000
City of Schenectady buses and bus facilities	1,000,000
Jamaica intermodal facility	500,000
Lower Hudson Intercounty bus program	1,600,000
Nassau County's Long Island Bus	500,000
New Rochelle intermodal center	1,500,000
Niagara Transportation Authority (NFTA) buses and bus facilities	4,500,000
Oneonta Public Transit buses	1,500,000
Orange County buses	2,000,000
Rennselaer intermodal station	1,500,000

Rochester-Genessee Regional Transportation Authority (RGRTA), Rochester Central Station	5,000,000
Ulster County rural bus facility	1,800,000
Utica Transit Authority buses	1,800,000
Westchester County buses	3,500,000
Ohio:	
Statewide buses and bus facilities	15,500,000
Oklahoma:	
Central Oklahoma Transportation and Parking Authority (COPTA)	4,000,000
Metropolitan Tulsa Transit Authority (MTTA)	2,000,000
Oklahoma Transit Association	4,000,000
Oregon:	
Albany buses	220,000
Canby Transit	200,000
Eugene, Lane Transit District	2,000,000
Portland bus improvements	2,000,000
Rogue Valley Transit District	2,000,000
Wilsonville, South Metro Area Rapid Transit	500,000
Pennsylvania:	
Adams County, buses	400,000
Altoona (TEA–21)	3,000,000
AMTRAN bus and transit system improvements	1,000,000
Area Transit Authority (ATA) of North Central Pennsylvania	2,000,000
Berks Area Reading Transportation Authority, buses and facilities	8,000,000
Bucks County Intermodal facility improvement (SEPTA)	1,000,000
Butler Township/City Joint Municipal Transit multi-modal transfer center	849,000
Cambria County operations and maintenance facility	973,500
Capital Area Transit buses	4,800,000
Endless Mountain Transportation Authority	335,000
Fayette County transit facility	1,650,000
Frankford Transportation Center, Philadelphia	1,000,000
Harrisburg Intermodal facility	955,000
Indiana County Transit Authority	410,000
Mid-County Transit Authority facilities and equipment	1,000,000
Port Authority of Allegheny County buses (including clean fuels)	3,000,000
Schuylkill Transportation System buses	1,000,000
Somerset County Transportation System	160,000
Southeastern Pennsylvania Transportation Authority, paratransit vehicles	1,000,000
Westmoreland County Transit Authority	2,900,000
Williamsport Bureau of Transportation, Lycoming County (City bus)	2,000,000
Puerto Rico:	
Puerto Rico Metropolitan Bus Authority (MBA), buses and bus facilities	1,000,000
Rhode Island:	
Rhode Island buses and alternatively fueled infrastructure	3,000,000
South Carolina:	
Myrtle Beach Regional multimodal transit center	2,250,000
North Charleston regional intermodal transportation center	1,000,000
South Carolina DOT, vehicles and facilities	7,000,000
Union Station intermodal transportation center, City of Sumter	6,100,000
South Dakota:	
South Dakota Statewide, buses and bus facilities	2,000,000
Tennessee:	
Electric Transit intermodal center project, Knoxville	3,400,000
State of Tennessee, buses and bus facilities	10,000,000
Texas:	
Abilene buses and bus facilities, Citylink	1,400,000
Corpus Christi Regional Transportation Authority (RTA) buses and bus facilities	1,000,000
Fort Worth Transportation Authority	5,000,000
Galveston, buses	1,000,000
Houston Advanced Transit Program	5,000,000

Laredo, administrative, operations, and maintenance facility	3,500,000
Odessa and Midland, alternatively fueled buses	2,000,000
San Antonio, VIA Metropolitan Transit Authority	1,000,000
Texas Tech University park-and-ride, buses	3,750,000
Waco Transit maintenance and administration facility, buses	3,866,000
Woodlands District park-and-rides	2,400,000
Utah:	
State of Utah, bus and bus facilities	1,990,000
Vermont:	
Winooski Falls downtown multimodal transportation center	1,000,000
Virginia:	
Arlington bus transfer stations	600,000
Greater Roanoke Transit Company (GRTC) buses	2,104,000
Hampton Roads regional bus plan	1,000,000
Petersburg Area Transit	1,500,000
Potomac Rappahannock Transportation Commission buses	2,100,000
Potomac Yard Transitway	1,600,000
Virgin Islands:	
Virgin Islands Transit (VITRAN) buses	1,000,000
Washington:	
Clark County, C–TRAN Vancouver mall transit center	557,000
Grant Transit Authority	452,000
Grays Harbor Transportation minibuses	144,000
Intercity Transit (Thurston County) fare collection equipment	500,000
Issaquah Highlands park-and-ride	2,800,000
Jefferson Transit facilities	2,000,000
King Street Station multimodal facility	500,000
Lakewood SR 512 park-and-ride expansion	3,000,000
Mason County Transportation Authority facilities	360,000
Mercer Island transit center, park-and-ride	1,000,000
Mount Vernon multi-modal facility and buses	2,000,000
Pullman Transit buses	1,150,000
West Virginia:	
Huntington, Tri-State Transit Authority	1,000,000
Monongalia Courthouse Annex in Morgantown, intermodal parking facility	7,000,000
Wisconsin:	
Wisconsin Statewide bus and bus facilities	24,000,000
Wyoming:	
Wyoming Department of Transportation buses and bus facilities	2,500,000

Bevill State Community College transit project.—Funding provided to Bevill State Community College transit project may also be made available to Jasper, Alabama for work in conjunction with this project.

Dulles Corridor park-and-ride.—Funding provided to the Dulles Corridor park-and-ride express bus program in fiscal year 2000 can also be used for the Reston East park-and-ride project in Virginia.

Fort Worth intermodal center park and ride facility.—Funding provided to the Fort Worth intermodal center park and ride facility in 2002 shall be used to facilitate the finish out of the intermodal connections into downtown Fort Worth and to enhance the linkage of TRE with the T's bus operation and park and ride elements occurring at two locations: the ITC (and geographically related areas like the 7th Street parking lot and Alarm Supply Building) and a larger facility at the Texas and Pacific Station.

Kansas buses.—Funding provided for the Wyandotte County buses and the Kansas City Joblinks in fiscal year 2001 shall be made available to the Unified Government of Wyandotte County/Kansas City to replace buses.

Commonwealth of Kentucky.—Of the $4,690,000 provided for statewide bus and bus facilities, $628,160 shall be for the Bluegrass Community Action Services, $58,400 shall be for the City of

Frankfort; $760,000 shall be for Kentucky Rivers Foothills Development Council; $138,000 shall be for the Community Action Council of Fayette/Lexington, $639,000 shall be for the Lexington Red Cross, $66,000 shall be for East Kentucky Independent Service Organization, and $2,400,000 shall be for Lexington Transit Authority.

Mt. Sinai Intermodal Center.—Funding provided for the Mt. Sinai Intermodal Center in fiscal year 1992 shall also be made available to the Miami Beach, Florida intermodal facility.

State of Illinois.—Within the funding allocated to the State of Illinois, $2,000,000 should be provided to begin the refurbishment of the Dan Ryan station.

State of Michigan.—Of the $1,000,000 provided to the State of Michigan, $261,100 shall be for Alger County public transit, $350,100 shall be for Charlevoix County public transit, $124,900 shall be for Delta Area Transit Authority, $51,000 shall be for Houghton motor transit line, $38,900 shall be for Ontonogan County public transit, $47,000 shall be for the City of Sault Ste Marie dial-a-ride, and $127,000 shall be for Schoolcraft County public transportation.

Swampscott buses.—Funding provided for Swampscott buses in fiscal year 2000 may also be made available to Lynnfield, Massachusetts to replace buses.

State of Ohio.—Within the funding provided to the State of Ohio, $1,000,000 should be provided to the East Side transit center in Cleveland, $2,000,000 for the multimodal transportation center in Kent, and $4,000,000 for the Government Square transit center in Cincinnati.

Sierra Madre Villa Intermodal Center.—Funding provided for the Sierra Madre Villa Intermodal Center in fiscal year 2002 shall also be made available to the Los Angles County Metropolitan Transportation Authority (LACMTA) for bus and bus related facilities in the LACMTA's service area.

FIXED GUIDEWAY MODERNIZATION

The accompanying bill provides $1,214,400,000 from the capital investment grants program to modernize existing rail transit systems. These funds are to be distributed, consistent with the provisions of TEA–21, as follows:

SECTION 5309 FIXED GUIDEWAY MODERNIZATION APPORTIONMENTS

State	Fiscal year—		Change from fiscal year 2002
	2002	2003 Estimate	
Alaska	$8,974,767	$2,423,937	−$6,550,830
Arizona	1,607,863	1,845,317	237,454
California	125,266,567	139,151,518	13,884,951
Colorado	1,962,656	2,261,031	298,375
Connecticut	39,070,586	40,546,804	1,476,218
Delaware	931,285	0	[1] −931,285
District of Columbia	48,787,806	57,562,724	8,774,918
Florida	16,840,663	19,685,468	2,844,805
Georgia	23,114,533	27,042,153	3,927,620
Hawaii	1,094,132	1,304,537	210,405
Illinois	125,263,153	131,151,605	5,888,452
Indiana	8,429,345	8,972,016	542,671
Louisiana	2,881,274	2,972,818	91,544
Maryland	26,748,405	29,372,229	2,623,824

SECTION 5309 FIXED GUIDEWAY MODERNIZATION APPORTIONMENTS—Continued

State	Fiscal year—		Change from fiscal year 2002
	2002	2003 Estimate	
Massachusetts	71,701,594	75,767,529	4,065,935
Michigan	487,176	575,906	88,730
Minnesota	5,094,649	5,896,427	801,778
Missouri	4,265,676	5,008,671	742,995
New Jersey	99,960,024	104,313,737	4,353,713
New York	349,553,296	368,542,791	18,989,495
Ohio	17,355,872	18,427,652	1,071,780
Oregon	4,167,985	4,930,300	762,315
Pennsylvania	95,692,115	100,301,564	[1] 4,609,449
Puerto Rico	2,313,155	2,722,582	409,427
Rhode Island	84,705	98,373	13,668
Tennessee	329,166	406,222	77,056
Texas	7,887,580	9,197,893	1,310,313
Virginia	15,441,327	18,194,293	2,752,966
Washington	19,519,362	22,695,789	3,176,427
Wisconsin	756,488	884,114	127,626
Total Apportioned	1,125,583,205	1,202,256,000	76,672,975
Oversight (1 percent)	11,364,000	12,144,000	7,938,000
Grand Total	1,136,947,205	1,214,400,000	84,610,795

[1] The 1990 census urbanized areas of Wilmington, DE–NJ–MD–PA and Philadelphia, PA–NJ were merged to form the Philadelphia, PA–NJ–DE–MD under the 2000 census. The FY 2003 apportionment for this urbanized area was allocated to Pennsylvania.

NEW STARTS

The accompanying bill provides $1,214,400,000 for new starts. These funds are available for preliminary engineering, right-of-way acquisition, project management, oversight, and construction of new systems and extensions. TEA–21 requires that no more than eight percent of the funding provided for new starts be available for preliminary engineering and design activities. Funds made available in this Act for new starts are to be supplemented with $23,436,971 from projects included in previous appropriations Acts. The Committee is aware that these funds are not needed due to changing local circumstances or are in excess of project requirements. The bill, therefore, reallocates the following unexpended sums from previous appropriations Acts, the fiscal years of which are noted in parentheses:

Burlington-Essex, Vermont commuter rail project (1998, 1999)
Stamford, Connecticut fixed guideway connector (2000)
West Trenton, New Jersey rail project (2000)
Harrisburg, Pennsylvania, Capital Area Transit, Corridor One commuter rail project (2000)
Charleston, South Carolina Monobeam corridor project (1999)
Birmingham, Alabama transit corridor (2000)
Cleveland-Berea, Ohio red line extension to Hopkins International Airport (1999)
Dayton, Ohio light rail study (2000)
Albuquerque, New Mexico light rail project (1999)
Greater Albuquerque, New Mexico mass rail transit project (2000)

The Committee, however, directs the FTA not to reallocate funds provided in the fiscal year 2000 Department of Transportation and Related Agencies Appropriations Act or previous Acts for the following new start projects:

Roaring Fork Valley, Colorado project (2000)
Twin Cities, Minnesota, transitways project
Altamount, California commuter rail project

Dulles, Virginia corridor project
Kenosha-Racine-Milwaukee, Wisconsin rail extension project

The Committee makes these exceptions based on FTA information that these funds are likely to be awarded by the first quarter of fiscal year 2003 or soon thereafter.

For those projects where Congress extends the availability of funds that remain unobligated after three years and would otherwise be available for reallocation at the discretion of the administrator, such funds are extended only for one additional year, absent further congressional direction. The Committee will not extend projects again that have already been extended in previous Appropriations bills. Those projects have had four years to expend their balances, and if they still remain unable to do so, the Committee believes it is better to allocate these funds to projects that can obligate these funds in a more timely fashion.

New starts report.—The Committee was displeased with the untimely submission of FTA's annual report on new starts projects. TEA–21 required this report to be submitted in conjunction with the budget. Yet year after year, this report is not submitted until months after that date. For example, the 2002 new starts report was provided to the Committee in May, three months after release of the budget request. Without a timely submission of this information, the Committee cannot make well informed decisions about new starts projects. As a result, the Committee has included bill language that requires FTA to submit its annual new starts report with the initial submission of the President's budget request. If the report is not submitted, FTA's administrative expenses appropriation will be reduced by $100,000 per day.

Appropriations for full funding grant agreements.—Before passage of the 1991 Intermodal Surface Transportation Efficiency Act (ISTEA), which was the precursor to TEA–21, there were less than 10 new starts projects that had full funding grant agreements (FFGAs). Since 1993, a total of 47 FFGAs have been signed or recommended in Presidential budgets. Currently, there are 26 existing FFGAs. The total capital cost for these projects is $13.1 billion and the federal commitment is $6.9 billion.

To meet the increasing demand for transit, more communities than ever are planning and designing new starts and other transit projects to add capacity and replace their aging facilities and equipment. As of February 2002, in FTA's new starts pipeline, there are over 100 projects in alternatives analysis; another 39 have been approved for entry into preliminary engineering; and an additional 12 projects have been approved for entry into final design. Collectively, these projects reflect an estimated investment of $42 billion. Of that total, the project sponsors are planning to seek approximately $20 billion of new starts funds. Many of the projects in final design and preliminary engineering will be seeking an FFGA in the next two years. Currently, federal resources are not available to fund even a fraction of these projects.

In fiscal year 2003, of the $1,214,400,000 guaranteed for new starts projects, approximately $1,046,870,000 (86 percent) is allocated to projects that currently have an FFGA. In addition, approximately $10,296,000 is reserved for Alaska and Hawaii ferries. This leaves approximately $157,230,000 in truly discretionary funds that can be allocated to new starts projects without FFGAs.

Since demand has so quickly outstripped available resources, the Committee has had to make difficult decisions in this area. The Committee recommendation adheres to the following guidelines: First, the Committee has tried to fund every project that has a current FFGA at its funding schedule (commonly referred to as the schedule 6) unless the project is experiencing financial or construction problems. Second, the Committee has tried to complete as many current FFGA commitments as possible so that additional resources will be freed up for fiscal year 2004. Third, because of the limited dollars available for final design and preliminary engineering activities, no funding has been provided for projects currently in the alternatives analysis phase. Local project sponsors of new rail extensions or busways may use section 5307 formula funds or section 5303 metropolitan planning funds for alternatives analysis activities rather than seek section 5309 discretionary set-asides. Fourth, the Committee reiterates its direction originally agreed to in the fiscal year 2002 conference report that FTA should not sign any FFGAs after September 30, 2002 that have a maximum federal share higher than 60 percent. Based on this earlier direction, significant appropriations have been provided for those projects in final design or preliminary engineering that have a federal share of no more than 60 percent. Less, or in some instances no, funding has been provided for those projects that have a federal share above 60 percent. The Committee strongly encourages the impacted projects to revisit the amount of local funding being contributed and seek effective ways to increase their local share.

In total, the $1,238,818,050 provided in this Act, together with previous appropriations, are to be distributed as follows:

Project Name	*Recommend*
Alaska/Hawaii ferries	$10,296,000
Atlanta, GA, North Springs (North Line Extension)	16,110,000
Baltimore, MD, Central LRT Double Tracking Project	10,500,000
Boston, MA, South Boston Piers Transitway	681,824
Charlotte, NC, South Corridor Light Rail Transit Project	14,000,000
Chicago, IL, Douglas Branch Reconstruction	55,000,000
Chicago, IL, North Central Corridor Commuter Rail	20,000,000
Chicago, IL, Ravenswood Reconstruction	4,000,000
Chicago, IL, South West Corridor Commuter Rail	20,000,000
Chicago, IL, Union Pacific West Line Extension	12,000,000
Cleveland, OH, Euclid Corridor Transportation project	4,000,000
Dallas, TX, North Central Light Rail Extension	70,000,000
Denver, CO, Southeast Corridor LRT	70,000,000
Ft. Lauderdale, FL, Tri-County Commuter Rail Upgrades	39,689,213
Little Rock, AR, River Rail Streetcar Project	700,000
Los Angeles, CA, Eastside Corridor LRT	8,200,000
Los Angeles, CA, North Hollywood Red Line	40,485,912
Lowell, MA-Nashua, NH, Commuter Rail Extension	5,000,000
Maryland, MARC Commuter Rail Improvements	11,500,000
Memphis, TN, Medical Center Rail Extension	15,610,000
Minneapolis, MN, Hiawatha Corridor LRT	60,000,000
Minneapolis, MN, Northstar Corridor Commuter Rail	7,000,000
Nashville, TN, East Corridor Commuter Rail	6,000,000
New Jersey, Hudson-Bergen Light Rail—MOS1	19,200,000
New Jersey, Hudson-Bergen Light Rail—MOS2	50,000,000
New Orleans, LA, Canal Street Streetcar	22,000,000
New Orleans, LA, Desire Corridor	1,200,000
New York, NY, Long Island Rail Road, East Side Access Project	15,000,000
New York, NY, Second Avenue Subway	4,000,000
Newark-Elizabeth, NJ, Rail Link	60,000,000
Northern Indiana, South Shore Commuter Rail project	3,000,000
Oceanside-Escondido, CA, Rail Corridor	15,000,000
Orange County, CA, Centerline Light Rail Project	1,800,000

Project Name	*Recommend*
Phoenix, AZ, Central Phoenix/East Valley Light Rail	18,000,000
Pittsburgh, PA, North Shore Connector LRT	7,025,000
Pittsburgh, PA, Stage II LRT Reconstruction	26,250,000
Portland, OR, Interstate MAX LRT Extension	70,000,000
Puget Sound, WA, Sounder Commuter Rail	5,000,000
Raleigh, NC, Phase I Regional Rail Project	5,000,000
Salt Lake City, UT, CBD to University LRT	68,760,000
Salt Lake City, UT, Medical Center Extension	20,000,000
Salt Lake City, UT, North-South LRT	718,006
San Diego, CA, Mission Valley East LRT Extension	65,000,000
San Francisco, CA, BART Extension to San Francisco Airport	100,000,000
San Francisco, CA, Third Street Light Rail Project, phase II	1,750,000
San Jose, CA, Silicon Valley Rapid Transit Corridor Project	250,000
San Juan, PR, Tren Urbano	59,740,000
St. Louis, MO, Metrolink St. Clair Extension	3,368,422
Washington, D.C./MD, Largo Extension	60,000,000
Washington, D.C., Dulles Corridor Rapid Transit Project	35,000,000

Atlanta, Georgia, north line extension project.—The Metropolitan Atlanta Rapid Transit Authority (MARTA) is constructing a 2.3-mile, 2-station extension of the north line from the Dunwoody station to North Springs. This extension will serve the rapidly-growing area north of Atlanta, which includes Perimeter Center and north Fulton County, and will connect this area with the rest of the region by providing better transit service for both commuters and inner-city residents traveling to expanding job opportunities. On December 20, 1994, FTA issued an FFGA committing a total of $305,010,000 in new starts funding to this project. In the conference report to the fiscal year 2000 appropriations act, FTA was instructed to amend the FFGA for this project to incorporate a change in scope as authorized under Section 3030(d)(2) of TEA–21. On March 2, 2000, FTA amended the FFGA to include 28 additional railcars, a multilevel parking facility in lieu of a surface parking lot, and enhancements to customer security and amenity measures at the Sandy Springs and North Springs stations. These changes will increase the total project cost to $463,180,000, and the Federal share to $370,540,000. Of the $65,530,000 increase in Federal funding, $10,670,000 will be applied from unexpended funds identified from cost savings on the Dunwoody section of the north line extension. Including the prior years funds, a total of $354,340,000 has been appropriated for this project through fiscal year 2002. This leaves $16,110,000 million remaining in the amended FFGA for this project. The Committee has recommended $16,110,000 in fiscal year 2003 to complete the federal commitment to this project.

Baltimore, Maryland, central light rail transit double track project.—The Maryland Mass Transit Administration is upgrading 9.4 miles of track in designated areas of the Baltimore central corridor light rail line that are currently single track. The central corridor is 29 miles long and operates between Hunt Valley in the north to Cromwell/Glen Burnie in the south, serving Baltimore City and Baltimore and Anne Arundel Counties, with extensions providing direct service to the Amtrak Penn Station and the Baltimore-Washington International Airport. The proposed project will double-track eight sections of the central corridor between Timonium and Cromwell Station/Glen Burnie, for a total of 9.4 miles. Although no new stations are required, the addition of a second track will require construction of second station platforms at

four stations. Other elements included in the project are bridge and crossing improvements, a bi-directional signal system with traffic signal preemption on Howard Street, and catenary and other equipment and systems. The double tracking will be constructed almost entirely in existing right-of-way. The total cost of the double-tracking and related improvements is estimated at $153,700,000. The FFGA for this project was awarded in July, 2001, with a federal commitment of $120,000,000 (78 percent) in section 5309 new starts funds. A total of $21,490,000 in section 5309 new starts funds has been appropriated for this project through fiscal year 2002. For fiscal year 2003, the Committee recommends $10,500,000. Due to the volume of projects seeking an FFGA, the Committee cannot fully support those projects that are seeking such a high federal share from the new starts account.

Boston, Massachusetts, South Boston Piers transitway project.—The Massachusetts Bay Transportation Authority (MBTA) is developing an underground transitway to connect the existing transit system with the South Boston Piers area. The Piers area, which is connected to the central business district (CBD) by three local bridges, is undergoing significant development. A 1.5-mile tunnel, which is planned to be constructed in two phases, will extend from the existing Boylston Station to the World Trade Center; five underground stations will provide connections to the MBTA's red, orange and green lines. Dual-mode trackless trolleys will operate in the transitway tunnel and on surface routes in the eastern end of the Piers area. Phase 1 of this project consists of a 1-mile, three-station bus tunnel between South Station and the World Trade Center, with an intermediate stop at Fan Pier. Part of the construction is being coordinated with the Central Artery highway project. South Station serves the existing MBTA red line, as well as Amtrak and commuter rail and bus service. The total estimated cost of phase I is $601,000,000. Phase II would extend the transitway to Boylston Station on the green line and the Chinatown Station on the orange line. Section 3035(j) of ISTEA directed FTA to enter into an FFGA for this project. On November 5, 1994, an FFGA was issued for phase I, committing a total of $330,730,000 in section 5309 new starts funding. Through fiscal year 2002, a total of $330,050,000 has been provided for this project. For fiscal year 2003, the Committee has provided $681,924, which will fulfill the federal commitment to this project.

Charlotte, North Carolina, south corridor light rail transit project.—The Charlotte Area Transit System (CATS), in cooperation with the City of Charlotte, is proposing to design and construct an 11-mile light rail transit (LRT) line extending from Uptown Charlotte to the Town of Pineville, North Carolina, near the South Carolina border. The proposed project is currently planned to operate within portions of existing Norfolk-Southern (NS) railroad rights-of-way (ROW), including sharing ROW with the city's existing downtown trolley system. The South corridor is an area generally paralleling Interstate 77 along NS railroad ROW in the City of Charlotte and Mecklenburg County. A 3.7-mile portion of the proposed system—between Uptown and Scaleybark Road—would operate on abandoned NS ROW owned by the City of Charlotte. The remainder of the planned system (7.5 miles) would operate on separate tracks generally paralleling NS ROW. The proposed

project also includes construction of 16 stations, purchase of up to 15 light rail vehicles and the construction of a light rail vehicle maintenance and storage facility. The stations at the southern terminus of the line would include park-and-ride lots and serve as transfer points for local and feeder bus service. Total capital costs for the south corridor project are estimated at $348,200,000 million. The federal share is estimated to be $174,100,000 (50 percent). Through fiscal year 2002, Congress has appropriated $19,780,000 in section 5309 new starts funds for this effort. For fiscal year 2003, the bill includes $14,000,000 for this project.

Chicago, Illinois, Douglas branch reconstruction project.—The Chicago Transit Authority (CTA) is completing a reconstruction of the Douglas Branch heavy rail line. Part of CTA's blue line, the 11-station Douglas Branch extends 6.6 miles from Cermack Avenue to a point just west of downtown Chicago. Dating to the 19th century, the oldest segment on the line opened in 1896 and the "newest" in 1910, though numerous improvements and upgrades were made through the mid–1980s. Age-related deterioration has resulted in high maintenance and operating costs on the line, as well as declining service. The Douglas Branch is authorized by section 3030(a)(106) of TEA–21. The total capital cost of the Douglas branch reconstruction project is estimated at $482,600,000. In January 2001, FTA and CTA entered into an FFGA that commits a total of $320,100,000 in section 5309 new starts funds to this project. A total of $52,200,000 has been appropriated through fiscal year 2002. The Committee has included $55,000,000 for this project in fiscal year 2003.

Chicago, Illinois, North Central corridor commuter rail.—The North Central corridor extends from downtown Chicago to Antioch on the Illinois-Wisconsin border, and traverses suburban Lake County. Metra, the commuter rail division of the Regional Transportation Authority of northeastern Illinois, is seeking to add a second mainline track along 12 miles of the 53-mile North Central Service commuter rail line and a 2.3-mile stretch of third track. The proposed project also includes track and signal upgrades, construction of five new stations, parking facilities, rail yard expansion and purchase of one new diesel locomotive and eight bi-level passenger cars. Section 3030(a)(10) of TEA–21 authorized the North Central project. The major investment study for this project was completed in August 1998, and a locally preferred alternative was selected shortly thereafter. FTA approved the North Central corridor to initiate preliminary engineering and the environmental review process in December 1998. FTA issued a finding of no significant impact on the environmental assessment in May 2000 and allowed the project to enter into final design in October 2000. The total capital cost of this project is estimated at $235,532,216. FTA awarded Metra an FFGA on November 5, 2001 for a total of $135,319,330 in new starts funding. Through fiscal year 2002, a total of $51,260,000 has been appropriated for this project. The Committee recommends $20,000,000 in fiscal year 2003.

Chicago, Illinois, Ravenswood reconstruction project.—The Chicago Transit Authority is proposing to reconstruct existing platforms and stations on the existing Ravenswood (brown) line to accommodate eight-car trains. The brown line extends 9.3 miles from the north side of Chicago to the "loop elevated" in downtown Chi-

cago and includes 19 stations. The majority of the brown line is operated on an elevated structure (8.1 miles) except one portion near the north end of the line, which operates at grade (1.2 miles). The brown line was built between 1900 and 1907. The line currently carries approximately 104,000 average weekday boardings; however, current station and platform size prohibit CTA from increasing capacity on the line to handle increased demand. The proposed project would expand stations and platforms and straighten curves to allow CTA to operate longer trains, which would increase the capacity of the line. Section 3030(a)(11) of TEA–21 authorized the project. In November 1997, CTA included the Ravenswood line expansion project in the region's financially constrained long-range transportation plan. CTA is currently completing an examination of the environmental impacts and benefits related to the proposed project, including historical preservation issues related to several stations that would be reconstructed as part of this project. The environmental review process is scheduled for completion in 2002. Total capital costs are currently estimated at $476,000,000. To date, Congress has appropriated $7,890,000 in section 5309 new starts funds for the project. The Committee recommends $4,000,000 in fiscal year 2003.

Chicago, Illinois, Southwest corridor commuter rail.—Metra is planning to extend the existing Southwest commuter rail line. The 29-mile Southwest line provides service from Orland Park, Illinois, to downtown Chicago. This project would extend the line 11 miles from the existing 179th street station in Orland Park, southwest to Manhattan, Illinois. Also included in this project are the construction of three miles of a second mainline track, two additional stations and parking facilities, and multiple track, signal, and station improvements. The project also includes expansion of two existing rail yards, construction of a third rail yard, rehabilitation of several railroad bridges, and the purchase of two diesel locomotives and 13 bi-level passenger cars. Finally, the downtown Chicago terminal would be relocated from Union Station to the LaSalle street station as part of this project. Section 3030(a)(12) of TEA–21 authorized the "Southwest extension". The total cost of this project is estimated at $198,100,000. A FFGA was signed on November 5, 2001 authorizing $103,020,000 in section 5309 new starts funding. To date, Congress has appropriated $38,500,000 to the project. The Committee has provided $20,000,000 in fiscal year 2003.

Chicago, Illinois, Union Pacific West line extension project.—Chicago's Metra commuter rail division is planning additional extensions and improvements on its Union Pacific west commuter rail line. The Union Pacific west project, also known as the Central Kane corridor, is an extension of the existing 35-mile Union Pacific west line, which currently provides service between Geneva and downtown Chicago. This project would extend the line 8.5 miles west to Elburn, with two new stations serving Elburn and La Fox. The extension itself will use existing railroad track and right-of-way currently used by both Metra and the Union Pacific freight railroad. The scope of the project includes multiple track and signal improvements, construction of two new stations and associated parking facilities, a new train yard, and the purchase of one diesel locomotive and eight bi-level passenger cars. This project will link rapidly growing communities to the west of Chicago with the major

employment centers in Chicago. Section 3030(a)(13) of TEA–21 authorizes this project as the Chicago "west line expansion". The total capital costs of the Union Pacific west extension and improvements project is estimated at $134,600,000. An FFGA was issued on November 5, 2001 that will provide a total of $80,760,000 in federal new starts funding. Through fiscal year 2002, a total of $32,840,000 has been appropriated. A total of $12,000,000 has been recommended for fiscal year 2003.

Cleveland, Ohio, Euclid corridor transportation project.—The Greater Cleveland Regional Transit Authority (GCRTA) is proposing to design and construct a 9.8-mile transit corridor incorporating exclusive bus rapid transit lanes and related capital improvements on Euclid Avenue from Public Square in downtown Cleveland east to University Circle. The proposed project is known as the Euclid corridor transportation project (ECTP). The ECTP incorporates a series of transit improvements including an exclusive center median busway along Euclid Avenue from Public Square to University Circle, improvements to East 17th/East 18th Street, as well as a "transit zone" on St. Clair and Superior avenues utilizing exclusive transit lanes. The proposed busway will provide service to the University Circle area and continue into the city of East Cleveland, terminating at the Stokes/Windermere rapid transit station. GCRTA proposes to operate sixty-foot articulated hybrid-electric buses with both left and righthand side doors for access and egress of patrons on the corridor. The vehicles will have access to the entire length of the proposed corridor. However, conventional buses will not be able to access Euclid Avenue in the central business district. GCRTA estimates that 29,500 average weekday boardings will use the ECTP in the forecast year (2025).

Section 3035 of ISTEA authorized FTA to enter into a multiyear grant agreement for development of the Dual Hub Corridor, originally considered as a rail link between downtown and University Circle. In November 1995, the GCRTA Board of Trustees selected the ECTP as the locally preferred alternative (LPA), which included a busway and the rehabilitation and relocation of several existing rapid rail stations. In December 1995, the Northeast Ohio areawide coordinating agency (local metropolitan planning organization) adopted a resolution supporting the ECTP. In 1999, GCRTA reconfigured the scope of the ECTP to incorporate only the construction of a busway along Euclid Avenue. The rapid rail elements have been eliminated from the ECTP proposal for Section 5309 New Starts funding. The environmental review process is scheduled for completion in 2002. Total capital costs for the ECTP are estimated at $228,600,000 (escalated dollars), of which Cleveland is expected to seek $135,000,000 in new starts funding for the project (59 percent). Through fiscal year 2002, Congress has appropriated $19,390,000 in section 5309 new start funds for the Euclid corridor transportation project. Of this amount, $4,720,000 was rescinded or reprogrammed by Congress because of project delays. For fiscal year 2003, the Committee has provided $4,000,000 for final design and construction activities.

Dallas, Texas, north central light rail transit extension project.—Dallas Area Rapid Transit (DART) has initiated construction of the north central corridor light rail transit (LRT) extension to the region's 20.5 mile starter system. DART's starter system opened in

three phases from June 1996 to May 1997 (one underground station was opened in 2000). This extension, part of a 20-year, $4,800,000,000 transit capital program adopted in fiscal year 1998, measures 12.5 miles long from the current northern terminus at Park Lane station to the new terminal in Plano. The extension has nine stations. Although some single track sections were originally planned, the DART Board of Directors in 1997 approved the double tracking of the entire extension. DART estimates that over 17,000 daily riders, of which 6,800 will be new riders, are expected to use the extension in the year 2010. The project is estimated to cost $517,200,000. FTA entered into an FFGA with DART for the north central extension project on October 6, 1999 with a section 5309 new starts commitment of $333,000,000. The project is currently in the construction phase. An associated northeast LRT extension is being built solely with local funds. The project has been included in the regionally adopted metropolitan transportation plan and transportation improvement program that conforms with the state implementation plan for air quality. Through fiscal year 2002, Congress has appropriated $230,910,000 in section 5309 new start funds to this project. For fiscal year 2003, the bill includes $70,000,000 for this project.

Denver, Colorado, Southeast corridor light rail transit project.—The Regional Transportation District (RTD) and Colorado Department of Transportation (CDOT) are implementing a 19.12 mile, 13-station light rail line between downtown Denver and Lincoln Avenue in Douglas County, with a LRT spur line along I–225 to Parker Road in Arapahoe County. The double track system is proposed to operate on an exclusive, grade-separated right-of-way and connect with the existing 5.3-mile central corridor light rail line in downtown Denver at the existing Broadway station. At I–25 and Broadway, the southeast corridor would also connect with RTD's southwest corridor light rail line that is currently in operation. The total capital cost of this project is estimated at $879,300,000. Revenue service is projected to begin by June 30, 2008. Section 3030(a)(23) of TEA–21 authorized this project. FTA issued an FFGA for this project on November 17, 2000, which will provide a total of $525,000,000 in section 5309 new starts funds. A total of $60,860,000 has been appropriated to this project through fiscal year 2002. The Committee recommends $70,000,000 for this project in fiscal year 2003.

Dulles Corridor, Virginia, bus rapid transit project.—The Virginia Department of Rail and Public Transportation (VDRPT) proposes to construct, under the technical guidance of the Washington Metropolitan Area Transit Authority (WMATA), an approximately 23 mile bus rapid transit (BRT) system as an interim step to rail in the Dulles Corridor. The Dulles Corridor, a rapidly growing suburban area west of Washington, DC, contains major regional employment and residential centers, including Tysons Corner, Reston Town Center, Dulles International Airport, the town of Herndon, the Smithsonian Air and Space Museum annex, and new commercial and residential development in eastern Loudoun County. The BRT project is proposed as a minimum operating segment (MOS) of the Dulles Corridor rapid transit project, which will phase in implementation of rapid transit technologies throughout the corridor. The proposed BRT system will be developed as an interim step to

rail, using the reserved lanes of the Dulles airport access road (DAAR) as a fixed guideway for advanced technology buses. BRT service will be provided between the Metrorail orange line and the western regional park and ride lot located at Route 606 in Loudoun County. The proposed BRT system will include construction of at least three transit stations convertible to rail stations located in the median of the DAAR, stations at major park and ride lots within the corridor and Tysons Corner, and interface with Metrorail at Falls Church. BRT service is scheduled for operation in 2006 at an estimated cost of $389,100,000 (escalated). The fully built rail project is scheduled for operation in 2010 at an estimated cost of $3,500,000,000 (escalated). Average weekday boardings for the BRT are estimated to be 23,000 in 2020 with 13,600 daily new riders.

A major investment study (MIS) for the corridor was issued in 1996, recommending construction of a Metro-like rail system. The Dulles Corridor Task Force issued the Dulles Corridor MIS refinement in July 1999, reaffirming development of a rail system but with interim development of a BRT system. The phased BRT/rail system was adopted by the national capital region transportation planning board and included in the metropolitan Washington region constrained long range plan in October 1999. VDRPT and WMATA submitted a request to initiate preliminary engineering for the BRT MOS and to initiate the NEPA process for the full Dulles Corridor rapid transit project to FTA in November 1999.

The recently completed draft environmental impact statement identifies 5 alternatives for the project including a baseline/no-build alternative, bus rapid transit, metrorail, a combined BRT/Metrorail, or a phased implementation. The public hearings on the project were completed on August 28, 2002, with a final approval date set for late fall by the Virginia Commonwealth Transportation Board. Through fiscal year 2002, Congress has appropriated $115,680,000 for this project in section 5309 new starts funds. For fiscal year 2003, the bill provides $35,000,000 for preliminary engineering, final design and construction activities.

Fort Lauderdale, Florida, Tri-Rail commuter rail upgrades project.—The Tri-County Commuter Rail Authority (Tri-Rail) operates a 71.7-mile regional transportation system connecting Palm Beach, Broward and Miami-Dade counties in south Florida. This area has a population of over four million, nearly one-third of the total population of Florida. Tri-Rail is proposing improvements to enhance significantly the service reliability of commuter rail in the rail corridor owned by the Florida Department of Transportation (FDOT). Tri-Rail intends to construct a second mainline track, rehabilitate the signal system, and provide station and parking improvements. In addition, project costs include acquisition of new rolling stock, improvements to the Hialeah maintenance yard facility, and construction of a new, northern maintenance and layover facility. The proposed project will allow Tri-Rail to operate 20-minute headways during peak commuter hours, as opposed to the one-hour headways that now exist. On May 16, 2000, FTA issued an FFGA for segment 5 of the double track corridor improvement program, which includes construction of 44.31 miles of the second mainline track and upgrades to the existing grade crossing system along the entire 71.7-mile south Florida rail corridor. It is expected to open for revenue service in March, 2005. The first four seg-

ments, upgrading the Hialeah maintenance yard and replacing the New River bridge, while part of the overall double track corridor improvement program, are not included in the scope of this project. Total capital costs for the segment 5 project are estimated at $327,000,000. The FFGA will provide a total of $110,500,000 in section 5309 new starts funding. A total of $52,400,000 has been appropriated to this project through fiscal year 2002. The Committee recommends $39,689,213 in fiscal year 2003.

Largo, Maryland, Metrorail extension project.—The Maryland Mass Transit Administration (MTA) and the Washington Metropolitan Area Transit Authority (WMATA) are joint lead local agencies planning a proposed 3.1 mile heavy rail extension of the Metrorail blue line. The proposed Largo Metrorail Extension will be from the existing Addison Road Station to Largo town center, located just beyond the Capital beltway in Prince George's County, Maryland. The project follows an alignment that has been preserved as a rail transit corridor in the Prince George's County master plan. The 3.1 mile alignment, containing at-, above- and below-grade segments, has been modified to be underground or covered between Central Avenue and the Capital beltway to address concerns raised during public review of the DEIS. Two new stations will be provided at Summerfield and at the Largo town center station. The stations will provide 500 and 2,200 park-and-ride spaces, respectively, plus a hundred or more kiss-and-ride spaces and 11 bus bays each. A number of WMATA and Prince George's County bus routes will connect to the two new stations; shuttle bus service is proposed between both stations and the FedEx Field (formerly known as the Redskins Stadium). The project will also directly serve the USAir Arena, a former major sports complex planned for entertainment and retail uses. MTA will manage the project through preliminary engineering, with WMATA undertaking final design and construction. The project is anticipated to open for service by December 2004, with a total capital cost estimated at $433,900,000. Average weekday boardings are estimated to be 28,500 in 2020 with 16,400 daily new riders. The proposed Largo extension was approved by the WMATA Board as an addition to the 103-mile Metrorail adopted regional system in February 1997, applying WMATA compact funding arrangements, contingent upon requisite FTA approvals. The project is included in the national capital region's constrained long range plan. Preliminary engineering was initiated in February 1996. The draft environmental impact statement (DEIS) was completed and approved by FTA in October 1996. The draft final environmental impact statement (FEIS) was completed in September 1999. On December 15, 2000, FTA entered into an FFGA with WMATA that commits a total of $260,300,000 in section 5309 new starts funds to this project. This does not include $5,650,000 in prior year funds that were provided to the MTA for planning activities associated with the project, which would bring the total amount of new starts funding to $265,690,000. To date, Congress has appropriated $72,190,000 to this project. For fiscal year 2003, the bill includes $60,000,000.

Little Rock, Arkansas, river rail project.—The Central Arkansas Transit Authority (CATA) is planning the implementation of a vintage streetcar circulator system on existing right-of-way connecting the Alltel Arena, the River Market, and the Convention Center in

downtown Little Rock to the communities of North Little Rock and Pulaski County. CATA proposes that service be provided by four replica streetcars operating on a single track powered by overhead catenary. Phase I of the proposed system will include a 2.1 mile alignment, purchase of vehicles, and construction of a maintenance facility. Ridership projections estimate 1,000 to 1,200 average weekday boardings with an additional 1,000 to 1,800 riders on special event days. Phase II of the project includes a proposed 0.4 mile extension along existing right-of-way to the William Jefferson Clinton Presidential Library site. The project is estimated to cost $15,100,000 in escalated dollars, with a proposed section 5309 new starts share of $8,600,000 (57 percent). Because the proposed new starts share is less than $25,000,000, the project is exempt from the new starts criteria, and is thus not subject to FTA's evaluation and rating. A feasibility study was completed in 1997. No formal major investment study (MIS) was completed due to the limited scale of the proposed investment, the use of existing rail and street rights-of-way, and the estimated low cost. FTA approval to enter the preliminary engineering phase of project development was granted in May 1998. FTA approved project entrance into final design in September 1999. Through fiscal year 2002, Congress has appropriated $7,930,000 in section 5309 new starts funds to this project. For fiscal year 2003, $700,000 is provided to complete stage I of this project.

Los Angeles, California, Eastside corridor light rail transit project.—The Los Angeles County Metropolitan Transportation Authority is proposing to implement a 5.9 mile light rail transit (LRT) line in the Eastside Corridor, connecting downtown Los Angeles with low-to moderate-income communities in east Los Angeles. The proposed system would include 8 stations and will traverse eastward from Union Station along Alameda street through the City of Terrace, Belvedere, and East Los Angeles communities of unincorporated Los Angeles County. The project would terminate at Atlantic Boulevard, where a 200 space park-and-ride facility is planned. The project is primarily at grade, with a 1.8-mile mid-section underground in tunnel. The project is intended to improve mobility for residents and employees in the corridor, and provide improved access to employment opportunities throughout the MTA service area. By 2020, 15,000 average weekday boardings are forecasted, including 7,600 new riders.

On May 14, 1993, an FFGA was issued to the Los Angeles County Metropolitan Transportation Authority (LACMTA) for the third construction phase, MOS–3. MOS–3 was defined under ISTEA (Section 3034) to include three segments: the North Hollywood segment, a 6.3-mile, three-station subway extension of the Hollywood branch of MOS–2 to North Hollywood through the Santa Monica mountains; the Mid-City segment, a 2.3-mile, two-station western extension of the Wilshire Boulevard branch; and an undefined segment of the Eastside project, to the east from the existing red line terminus at Union Station. LACMTA later defined this eastern segment as a 3.7-mile, four-station extension under the Los Angeles River to First and Leona in East Los Angeles. On December 28, 1994, the FFGA for MOS–3 was amended to include this definition of the eastern segment, bringing the total commitment of Federal new starts funds for MOS–3 to $1,416,490,000. In January 1997,

FTA requested that the MTA submit a recovery plan to demonstrate its ability to complete MOS–2 and MOS–3, while maintaining and operating the existing bus system. On January 14, 1998, the LACMTA Board of Directors voted to suspend and demobilize construction on all rail projects other than MOS–2 and MOS–3 North Hollywood extension. The MTA submitted a recovery plan to FTA on May 15, 1998, which was approved by FTA on July 2, 1998. In 1998, the MTA undertook a regional transportation alternatives analysis (RTAA) to analyze and evaluate feasible alternatives for the Eastside and Mid-City corridors. The RTAA addressed system investment priorities, allocation of resources to operate existing transit services at a reliable standard, assessment and management of financial risk, countywide bus service expansion, and a process for finalizing corridor investments. On November 9, 1998, the LACMTA Board reviewed the RTAA and directed staff to reprogram resources previously allocated to the Eastside and Mid-City extensions to the implementation of RTAA recommendations. In June 1999, the MTA initiated a re-evaluation/major investment study on the Eastside corridor, and began a draft environmental impact statement on the corridor in March 2000. In June 2000, the MTA board formally selected a light rail transit technology in the Eastside corridor as the locally preferred alternative. FTA approved the initiation of preliminary engineering in August 2000. The MACMTA plans to begin final design in the fall of 2002, and begin construction in 2003. The total capital cost of this project is estimated to be $817,900,000, of which MTA will seek $490,700,000 (60 percent) in section 5309 new starts funding. Through fiscal year 2001, Congress has appropriated $76,480,000 for the original Eastside and Mid-City projects. Through fiscal year 2002, Congress appropriated $21,300,000 for the Eastside project. For fiscal year 2003, the Committee recommends $8,200,000.

Los Angeles, North Hollywood, California, extension project.—Continuing the discussion noted above under the Eastside corridor, on June 9, 1997, FTA and LACMTA negotiated a revised FFGA covering the North Hollywood segment (phase 1–A) of MOS–3, which opened in May 2000. The total capital cost of the North Hollywood project was estimated at $1,310,820,000, of which the revised FFGA commits $681,040,000 in section 5309 new starts funds. Through fiscal year 2002, a total of $640,350,000 has been appropriated for the North Hollywood segment of MOS–3. The Committee recommends $40,485,912 to complete the commitment under the revised FFGA for this project.

Lowell, Massachusetts-Nashua, New Hampshire, commuter rail extension project.—The New Hampshire Department of Transportation (NHDOT) is proposing to design and construct a 12-mile extension of an existing commuter rail line from Lowell, Massachusetts to Nashua, New Hampshire. The proposed project would extend existing commuter rail service provided by the Massachusetts Bay Transportation Authority (MBTA) on an anticipated schedule of six round trips per weekday and three roundtrips on Saturday. The proposed service extension would provide an alternative to a highly congested highway corridor and is also anticipated to provide traffic mitigation during the planned expansion of Route 3 in Massachusetts. The proposed project also includes the purchase of commuter rail equipment for use by the MBTA, rehabilitation of

existing track and the construction of new trackage (where necessary), and a park-and-ride lot with a boarding platform near Everett Turnpike (exit 2) in Nashua. MBTA anticipates 900 weekday boardings at the start of service. In 1999, the Nashua Regional Planning Commission (NRPC) completed a major investment study that analyzed the passenger rail market, required capital investments, operational issues, and several alternatives to the commuter rail extension option. In June 1999, NRPC and NHDOT selected the extension as the locally preferred alternative. FTA approved NHDOT's request to initiate preliminary engineering on the project in May 2000. NHDOT is currently undergoing the environmental review phase of the proposed project. The total capital cost for the commuter rail extension is estimated at $40,700,000 (escalated dollars), with a proposed section 5309 new starts share of $18,000,000 (44 percent). Since the proposed new starts share is less than $25,000,000, the project is exempt from the new starts criteria. Through fiscal year 2002, Congress has appropriated $5,930,000 in section 5309 new starts funds for this effort. For fiscal year 2003, the bill includes $5,000,000 for this project.

Maryland (MARC) commuter rail improvements project.—The Maryland Mass Transit Administration is proposing three projects for the Maryland Commuter Rail (MARC) system serving the Baltimore, MD and Washington, DC metropolitan areas. These projects are: (1) Mid-day storage facility, (2) Penn-Camden connection, and (3) Silver Spring intermodal transit center. The proposed Mid-Day storage facility would be used for daytime equipment layover, minor repair, daily servicing and inspections of commuter rail trains sets within the Amtrak yard at Washington D.C.'s Union Station. Platforms that are currently used to store these trains at Union Station are no longer available due to the introduction of high-speed Amtrak service, and the new facility will avoid the operating cost of sending trains back to Baltimore for mid-day storage. MTA will lease the five-acre site owned by Amtrak. The estimated capital costs for the project total $26,600,000. The Penn-Camden connection is a six-mile connection between the MARC Camden line and MARC Penn line/Amtrak Northeast corridor in southwest Baltimore. The connection of these two commuter rail lines is designed to achieve many benefits: the opportunity to remove trains from the congested Camden line for reverse peak movements; access to the planned MARC maintenance facility to be located along the connection; and increased operating flexibility on both commuter rail lines. Estimated capital costs for the project total $30,800,000. With the development of the Silver Spring intermodal transit center, MTA will relocate a transit center from the Silver Spring MARC station to the Silver Spring metrorail station. The transit center would allow convenient passenger transfers between several modes of travel. The center will also accommodate the proposed Georgetown branch trolley to operate between Silver Spring and Bethesda, Maryland. Estimated capital costs for the project total $33,300,000. The proposed MARC commuter rail improvements are in varying stages of planning and project development—the Mid-day storage facility is in final design; a finding of no significant impact was issued in November 1999 for the MARC Penn-Camden connection and final design is in process; an environmental assessment for the MARC Silver Spring intermodal center

has been completed; and FTA action is pending local decisions regarding joint development opportunities for the site. The total cost of the project is estimated at $90,700,000, with $37,800,000 (42 percent) to be derived from section 5309 new starts funds. Through fiscal year 2002, $26,360,000 has been appropriated for these improvements. The Committee recommends $11,500,000 for fiscal year 2003. This funding will complete the federal commitment to these three projects.

Memphis, Tennessee, Medical Center rail extension project.—The Memphis Area Transit Authority (MATA), in cooperation with the City of Memphis, is building a 2.5-mile light rail transit extension to the Main Street Trolley/Riverfront Loop village rail system. The extension would expand the central business district (CBD) rail circulation system to serve the Medical Center area east of the CBD. The project would operate on the city streets in mixed traffic and would connect with the Main Street trolley, sharing a lane with automobile traffic on Madison Avenue between Main Street and Cleveland Street. At the eastern terminus, near Cleveland Street, a bus transfer point and a small park-and-ride lot would be constructed to accommodate transfers with buses and cars. At the western terminus, existing stations on Main Street near Madison Avenue would be utilized for transfers to/from the Main Street trolley/riverfront loop system. Six new stations would be located along the route. The line will be designed to accommodate light rail vehicles but vintage rail cars would be utilized until a proposed regional LRT line is implemented and a fleet of modern LRT vehicles is acquired. The project is proposed as the last segment of the downtown rail circulation system as well as the first segment of a regional light rail line. The total capital cost of the 2.5-mile project is estimated at $74,580,000. On December 12, 2000, FTA issued an FFGA committing a total of $59,670,000 in section 5309 new starts funds to the Medical Center extension. Through fiscal year 2002, a total of $35,310,000 has been appropriated. For fiscal year 2003, the Committee recommends $15,610,000.

Miami Metromover Stage I.—As agreed to in the 1999 conference report, the Committee permits FTA to reprogram $5,834,000 in new starts funds, originally obligated for Miami-Dade Transit (MDT) Metromover Stage I, to the Metrorail Palmetto Extension project.

Minneapolis-St. Paul, Minnesota, Hiawatha corridor project.—Metro Transit and the Metropolitan Council (local metropolitan planning organization), in cooperation with the Minnesota Department of Transportation (MnDOT), Hennepin County and the Metropolitan Airports Commission (MAC), plan to implement a 11.6-mile, 17 station light rail line linking downtown Minneapolis, the Minneapolis-St. Paul international airport, and the Mall of America in Bloomington. The line will operate on the Hiawatha Avenue/Trunk Highway 55. The LRT is the transit component of a locally preferred alternative, which includes reconstruction of TH–55 as a four lane, at-grade arterial between Franklin Avenue and 59th Street and construction of an interchange between TH–55 and TH–63 (Crosstown Highway). Current plans call for the north end of the LRT to begin in the Minneapolis central business district (CBD) and operate on the existing transit mall along 5th Street. The LRT is planned to exit the CBD near the Hubert H. Humphrey

Metrodome, following the former Soo Line Railroad to Franklin Avenue, then parallel Hiawatha Avenue. The project will include a 1.8-mile tunnel to be constructed under the MSP airport runways and taxiways with the construction of one station. The line is then planned to emerge from the tunnel on the West side of the airport with a station located at the HHH Terminal. It then would continue south with three proposed stations in Bloomington, including a station near the Mall of America. The project is expected to serve 24,800 average weekday boardings by the year 2020; 19,300 average weekday boardings are projected in the opening year. The estimated capital cost for the 11.6-mile Hiawatha Avenue LRT, including 17 proposed stations, totals $675,400,000. In January 2001, FTA issued an FFGA that commits a total of $334,030,000 in section 5309 new starts funds to the Hiawatha Corridor LRT. Of this, $168,350,000 has been appropriated through fiscal year 2002. For fiscal year 2003, the Committee recommends $60,000,000.

Minneapolis-Rice, Minnesota, Northstar corridor commuter rail.—The Minnesota Department of Transportation (MnDOT) is proposing to design and construct an 82-mile commuter rail line within the Northstar corridor connecting the Minneapolis-St.Paul metropolitan area and Rice, Minnesota. The proposed project also includes a 0.3-mile extension of the proposed Hiawatha Corridor LRT project from its currently planned terminus in downtown Minneapolis to provide a direct link to the proposed commuter rail service. The project would also have a direct link to the 4th Street Transit Center and the downtown Minneapolis skyway system. The proposed commuter rail line would operate along existing Burlington-Northern Santa Fe (BNSF) railroad track. The commuter rail project also includes the purchase of five locomotives, 17 passenger rail cars, and construction of layover and vehicle storage facilities. In May 1998, the Northstar Corridor Development Authority undertook a major investment study and draft environmental impact statement to examine the transportation options in the Northstar Corridor. The MIS was completed in December 1999 with the selection of a locally preferred alternative. FTA approved MnDOT's request to initiate preliminary engineering in June 2000 on the commuter rail and light rail extension. A final EIS is scheduled for completion in mid to late 2002. Following completion of the final EIS, FTA's issuance of a record of decision, and the solidification of the state's financial commitment to the project, MnDOT is planning to request entry into final design in late 2002. Total capital costs for the project are $304,000,000, of which, $23,400,000 is for the Hiawatha light rail extension and $270,600,000 for the Northstar commuter rail segment. The anticipated federal share will be $147,000,000 (50 percent). Through fiscal year 2002, a total of $14,850,000 has been appropriated to this project. For fiscal year 2003, the Committee recommends $7,000,000.

Nashville, Tennessee, East corridor commuter rail project.—The Metropolitan Transit Authority (MTA) and the Regional Transportation Authority (RTA) of Nashville, Tennessee are proposing the implementation of a 31.1-mile, 5 station commuter rail line between downtown Nashville and the city of Lebanon in Wilson County. The east corridor commuter rail project is proposed to operate on an existing rail line owned by the Nashville and Eastern Railroad Authority (N&E), a governmental entity comprised of the

Tennessee Department of Transportation (TDOT), Wilson County, Lebanon, Mt. Juliet, and the Metropolitan Government of Nashville and Davidson County. Rolling stock and maintenance facilities will be leased from the N&E. In 1996, the MTA and RTA initiated a study to explore the potential of commuter rail in the Nashville region. From this study, six corridors were considered for further evaluation. A 1998 study analyzed the capital costs for the three most promising corridors. As the result of these studies and efforts of the Nashville area commuter rail task force—which includes the Nashville Chamber of Commerce, area business leaders, the MPO, MTA, RTA, the Tennessee Department of Transportation (TDOT), CSX Railroad and the Nashville and Eastern Rail Authority, and the Nashville congressional delegation—the east corridor was selected as the first corridor to be implemented in the Nashville area commuter rail system. The Nashville MPO included the east corridor commuter rail project in its fiscally constrained long range transportation plan in September 1999. FTA approved the project into preliminary engineering on November 30, 1999. The RTA completed an environmental assessment and received a finding of no significant impact for the project in May 2000. In June 2001, FTA approved the project to advance into final design. The MTA is currently considering moving to a minimum operating segment that would be exclusively within Davidson County. The project is estimated to cost $33,200,000 in escalated dollars, with a proposed section 5309 new starts share of $22,900,000 (69 percent). Because the proposed new starts share is less than $25,000,000, the project is exempt from the new starts criteria, and is thus not subject to FTA's evaluation and rating. Through fiscal year 2002, Congress has appropriated $11,870,000 for the project. For fiscal year 2003, the Committee recommends $6,000,000 for final design and construction. Due to the volume of projects seeking an FFGA, the Committee cannot fully support those projects that are seeking a high federal share from the new starts account. The Committee strongly encourages Nashville to revisit the amount of local funding they plan to contribute to this project, and find ways to increase the local share.

Newark-Elizabeth, New Jersey, rail link project.—The New Jersey Transit Corporation (NJ Transit) is developing a one mile, five station minimum operable segment (MOS) of an 8.8-mile, 16–station light rail transit (LRT) system which will eventually link Newark and Elizabeth, New Jersey. The MOS will function as an extension of the existing 4.3-mile Newark City subway light rail line, running from Broad Street Station in Newark to Newark Penn Station. NJ Transit estimates that the one mile MOS will cost $207,700,000 (escalated dollars), including associated stations, and will serve 13,300 average weekday boardings in 2015. NJ Transit estimates that the entire 8.8-mile project will have a capital cost of $694,000,000 (1995 dollars) and will carry 24,900 average weekday boardings per day in 2015. The Newark-Elizabeth rail link is being advanced in three stages: the MOS, a one mile connection between the Broad Street station and Newark Penn Station; the second segment, a one mile line from Newark Penn station to Camp Street in downtown Newark; and the third segment, a seven mile LRT line from downtown Newark to Elizabeth, including a station serving Newark International Airport. The draft environmental im-

pact statement (DEIS) covering all three stages of the full build alternative was completed in January 1997. The final environmental impact statement (FEIS), which addressed only the MOS, was completed in October 1998. The FTA signed the record of decision (ROD) for the MOS in November 1998. In August 2000, FTA and New Jersey Transit executed an FFGA for MOS–1, committing $141,950,000 in section 5309 new starts funds to construct the project. Environmental work on the other segments of the rail line awaits completion of ongoing planning efforts. Through fiscal year 2002, Congress has appropriated $59,390,000 in section 5309 new starts funds for the Newark rail link MOS–1 project, including funds from the Omnibus Consolidated Appropriations Act. For fiscal year 2003, the Committee recommends $60,000,000.

New Jersey Hudson Bergen light rail transit project (MOS–1).—The New Jersey Transit Corporation (NJ Transit) is constructing a 9.6-mile, 16-station light rail project along the Hudson River waterfront in Hudson County, from the Hoboken terminal to 34th Street Bayonne and Westside Avenue in Jersey City. The line is intended as the initial minimum operating segment (MOS–1) of an eventual 21-mile, 30-station light rail line extending from the Vince Lombardi park-and-ride lot in Bergen County to Bayonne, passing through Port Imperial in Weehauken, Hoboken, and Jersey City. The core of the system will serve the high density commercial and residential centers in Jersey City and Hoboken and connect to ferries, PATH, and NJ Transit commuter rail lines. MOS–1 is expected to cost $992,140,000 (escalated dollars) and to carry 31,300 riders per day. The full 21-mile system is expected to cost $2,000,000,000 (escalated dollars) and to carry 94,500 riders per day. A portion of the MOS–1 line, between 34th Street and Exchange Place, opened in April 2000, and the New Jersey Transit began revenue service from Exchange Place north to the Pavonia-Newport Station in November 2000. Full service to Hoboken terminal will begin in the fall, 2002.

In February 1993, NJ Transit initially selected, as its locally preferred alternative, a 26-station at-grade LRT line from the Vince Lombardi park-and-ride lot through Hoboken and Jersey City to Route 440 in Southwest Jersey City. A final environmental impact statement (FEIS) for the full project was completed in the summer of 1996. In October 1996, the FTA issued a record of decision (ROD) for the full project. In that same month, FTA signed a FFGA committing $604,090,000 of section 5309 new start funds to support the 9.6-mile MOS–1. In January 1997, the governor of New Jersey, in conjunction with the mayor and the City Council of Hoboken, agreed to shift the alignment in Hoboken to the west side of the city. An environmental assessment (EA) was completed on the impacts resulting from this proposed change and submitted to the FTA in August 1998. Public review of the EA has been completed. The shift from the east side alignment to the west side alignment in Hoboken places the station south and adjacent to the Hoboken terminal and raises the number of stations for the full project from 6 to 30 stations. The Hudson-Bergen LRT project is one of eight elements eligible for funding as part of the New Jersey Urban Core project. Through fiscal year 2002, Congress has appropriated $584,890,000 in section 5309 new starts funds to the Hud-

son-Bergen MOS–1. For fiscal year 2003, the bill provides $19,200,000 to complete the federal commitment to this project.

New Jersey, Hudson-Bergen (MOS–2).—The second minimum operable segment (MOS) of the New Jersey Transit Hudson-Bergen light rail transit system is a 5.1-mile, seven station segment running north from Hoboken terminal to the Tonnelle Avenue park-and-ride lot in North Bergen, and to south 22nd Street in Bayonne. The Hudson-Bergen MOS–2 line will serve an area with one of the highest residential densities in the region, and the downtown Jersey City area contains the largest concentration of office development in Hudson County. By providing ferry and commuter rail service, the line will also serve the Manhattan central business district. MOS–2 is scheduled for completion in 2005 and is anticipated to carry 39,400 average weekday boardings in 2010. Total costs for MOS–2 are estimated at $1,215,400,000. FTA issued an FFGA for this project on October 31, 2000, commiting a total of $500,000,000 in section 5309 new starts funds. The MOS–2 project did not require funding from the section 5309 new starts program until fiscal year 2003; however, the issuance of an FFGA in 2000 provided New Jersey Transit with the authority to borrow funds to begin construction while the MOS–1 is being completed, under the same turnkey contract. This permits the entire Hudson-Bergen project to be constructed at a lower cost by avoiding significant costs associated with stopping and then restarting a major construction project. No prior year funding has been appropriated for MOS–2. The Committee recommends $50,000,000 in fiscal year 2003.

New Orleans, Louisiana, Canal carline project.—The New Orleans Regional Transit Authority (RTA) is proposing to return streetcar service on Canal Street. The project is 5.5 miles in the downtown area, running along the median of Canal Street. The Canal Streetcar spine will extend from the Canal ferry at the Mississippi River in the central business district, through the Mid-City neighborhood to Carrolton Avenue, where one branch will continue on Canal street to the cemeteries and another will follow Carrolton Avenue to City Park/Beauregard Circle. The project also includes 37 stations: 26 stations on Canal Street, five stations on the City Park spur, and six stations on the Riverfront line. In addition, the project includes the assembly of 24 streetcars, real estate acquisition, utility relocation, power distribution, signals, communication systems, upgrades to power stations, track alignments on the Riverfront Line, construction of a paint/vehicle storage facility, and a new service/inspection/storage facility on the grounds of the existing Randolph Street facility on Canal Street. RTA completed a major investment study for this project in March 1995, fulfilling the requirement for an alternative analysis. FTA approved entry into preliminary engineering in September 1995, and RTA initiated final design in September 1997. Final design is essentially complete, contracts for vehicle assembly have been awarded, and construction contracts were awarded in mid-2001. Sufficient local funds are now committed to the project due to an extension of the RTA sales tax. The total capital cost of this project is estimated at $161,300,000, of which RTA is expected to seek $129,050,000 in section 5309 new starts funding (80 percent). To date, Congress has appropriated $70,030,000 for this project). For fiscal year 2003, the Committee recommends $22,000,000. While the Committee recog-

nizes that this project has a pending FFGA, the federal share for this project is at 80 percent, which is too high. Numerous discussions have occurred about ways to reduce the federal share from 80 percent but to no avail. Yet, New Orleans RTA is also requesting substantial bus and access to jobs funding from the Committee, which require a local match (20 percent and 50 percent respectively). Since local funds are available for bus and access to jobs projects, the Committee is dismayed that the RTA could not increase its local share for this streetcar project. As such, the Committee cannot fully support this project at the level requested in the budget.

New Orleans, Louisiana, Desire corridor streetcar project.—The Regional Transit Authority (RTA) is restoring a 2.9-mile traditional streetcar line in downtown New Orleans, as part of the locally preferred alternative for the Desire Corridor. The Desire Corridor streetcar project will operate along North Rampart Street and St. Claude Avenue between Canal Street and Poland Avenue. The proposed streetcar alignment will loop at Canal Street and use exclusive right-of-way in the median of city streets, as much as possible. The single-track loop will operate in the median of North Rampart and Canal Streets and in the traffic lanes of Basin and Toulouse Streets. The double track section will operate in the left traffic lanes of North Rampart Street, McShane Place, and St. Claude Avenue between Elysian Fields and Poland Avenues. The project will serve the communities of Iberville, Treme, Faubourg, Marigny, St. Roch, and Bywater. Six major bus transfer points with construction of center platforms, canopies, passenger benches, and landscaping will be provided: 16 intermediate stops with less elaborate center platforms are also planned. The project also includes the purchase of 13 new vehicles. RTA completed a major investment study for the Desire Corridor in September 1999. FTA approved initiation of preliminary engineering in August 2000. The capital cost estimate of the streetcar project is $93,500,000, of which RTA will be seeking an FFGA for $56,100,000 (60 percent). To date, $7,160,000 has been appropriated to the project. For fiscal year 2003, the Committee recommends $1,200,000.

New York Long Island Rail Road, New York, East Side access project.—The Metropolitan Transportation Authority (MTA) is the lead agency for the proposed Long Island Rail Road (LIRR) East Side access project. The project would provide increased capacity for the commuter rail lines of the Long Island Rail Road and direct access between suburban Long Island and Queens and a new passenger terminal in Grand Central Terminal (GCT) in east Midtown Manhattan, in addition to the current connection to Penn Station in Manhattan. The East Side Access (ESA) connection and increased LIRR capacity would be achieved by constructing a 4,600-foot tunnel from the LIRR Main Line in Sunnyside, Queens to the existing tunnel under the East River at 63rd Street. LIRR trains would use the lower level of this bi-level structure. A second 5,000-foot tunnel would carry LIRR trains from the 63rd Street Tunnel under Park Avenue and into a new LIRR terminal in the lower level of GCT. ESA will provide the LIRR with additional tunnel capacity across the East River. Increased capacity and headways would be introduced at most LIRR stations. For example, an additional 24 peak hour trains would operate through the existing 63rd

Street Tunnel to GCT. Ten new tracks and five platforms will be constructed for LIRR trains at GCT. In addition, a new LIRR station would be constructed at Sunnyside Yard to provide access between Long Island City and Penn Station in Manhattan. The East River tunnels in Manhattan are at capacity. ESA is anticipated to improve LIRR tunnel capacity constraints and enable the growth of the overall system. Total capital costs are approximately $4,350,000,000 (escalated dollars), including $3,880,000,000 for project management, design, construction and right-of-way, and $790,000,000 for rolling stock. MTA is expected to seek $2,172,000,000 in section 5309 new starts funding for this project (50 percent). In fiscal year 2020, MTA estimates that this project would serve approximately 167,000 average weekday boardings at Grand Central Terminal, including 15,400 daily new riders. MTA estimates an additional 161,000 daily LIRR boardings serving New York City's Penn Station.

A major investment study (MIS) on the Long Island Rail Road East Side access was completed in April 1998. In June 1998, the New York Metropolitan Transportation Council (NYMTC), the metropolitan planning organization, passed a resolution endorsing the recommended extension of the LIRR into Grand Central station. In September 1998, FTA approved preliminary engineering and preparation of an environmental impact statement (EIS) for the project. A DEIS for the LIRR ESA was completed in May 2000. MTA completed the final EIS in March 2001. A record of decision was issued in May 2001. Through fiscal year 2002, Congress has appropriated $68,250,000 in Section 5309 New Start funds for this project. For fiscal year 2003, the Committee recommends $15,000,000 for preliminary engineering, final design and construction.

New York, Second Avenue Subway.—The New York Metropolitan Transportation Authority/New York City Transit (NY MTA/NYCT) is the lead agency for the proposed Second Avenue Subway projects. The project would alleviate severe overcrowding conditions that currently occur on the East Side of Manhattan's only full north-south rapid transit line (Lexington Avenue, number 4, 5, and 6 lines). In addition, the project would reduce the overly long travel times and improve transit accessibility to the east side of Manhattan. The Second Avenue Subway would be constructed as an eight-mile subway extending from 125th Street (Harlem) to the Financial District in lower Manhattan. Two services are proposed, one on Manhattan's East Side from 125th Street to lower Manhattan via Second Avenue, and the other from 125th Street to 63rd Street via Second Avenue and then continuing south and to Brooklyn via the existing Broadway line. On the Second Avenue alignment, the line would enter lower Manhattan via either the existing Nassau Street subway or via Water Street, using existing tunnels that were constructed during the 1970s. The new eight-mile tunnel would include approximately 19.5 miles of trackage (double track and bellmouths) from 125th Street to lower Manhattan and 16 new stations. Total capital costs for the project are estimated at $16.8 billion (escalated dollars), including $16.18 billion for project management, design, construction, and right-of-way and $624,900,000 for rolling stock. Of this total, the federal share is estimated at $8.38 billion (50 percent). In December 2001, FTA approved entry into preliminary engineering for this project. A supplemental draft EIS

is anticipated for completion in the fall of 2002, with a final anticipated in the summer or fall of 2003. Through fiscal year 2002, Congress has appropriated $1,980,000 for this project. The Committee recommends $4,000,000 in fiscal year 2003.

Northern Indiana Commuter Rail, South Shore Service.—The Northern Indiana Commuter Transportation District is continuing a project of capital reinvestment. The capital reinvestment plan will provide greater operational reliability and will increase track capcity. The plan includes providing full Centralized Traffic Control (CTC) coverage of the line and installing the necessary signal and communication devices to support this type of operation. The CTC equipment will be state-of-the-art technology, utilizing microprocessor-based systems to support the signal network. The signal network will provide full reverse running capability on all tracks, including two-track territories. For fiscal year 2003 the Committee recommends $3,000,000 to continue to this plan.

Oceanside-Escondido, California, light rail extension project.—The North County Transit District (NCTD) is planning to convert an existing 22-mile freight rail corridor into a diesel multiple unit (DMU) transit system running east from the coastal city of Oceanside, through the cities of Vista, San Marcos, and unincorporated portions of San Diego County, to the city of Escondido. The alignment also includes 1.7 miles of new right-of-way to serve the campus of California State University San Marcos (CSUSM). The proposed project is located along the State Route 78 corridor, which connects Interstate Highways 5 and 15, the principal east-west corridor in northern San Diego County. The proposed project also includes the construction of fifteen stations; four of these stations would be located at existing transit centers. Average daily weekday boardings in 2015 are estimated at 15,100, with 8,600 daily new riders. An environmental impact report (EIR) for the Oceanside-Escondido rail project and an EIR for the CSUSM alignment were published and certified in 1990 and 1991 respectively. A major investment study was not required based on concurrence from FTA, FHWA, the San Diego Association of Governments (SANDAG), Caltrans, the city of San Marcos, and NCTD. Advanced planning for the Oceanside-Escondido rail project, which resulted in 30 percent design, was completed in December 1995. The environmental assessment/subsequent environmental impact report (EA/SEIR) was completed in early 1997. The North San Diego County Transit Development Board certified the SEIR in March 1997. FTA issued a finding of no significant impact in October 1997. FTA approved the NCTD's request to enter into final design in February 2000. The total capital cost for this project is estimated at $332,300,000; of which NCTD is expected to seek $152,100,000 in FTA new starts funds. Through fiscal year 2002, Congress has appropriated $24,280,000 to this project. For fiscal year 2003, the Committee recommends $15,000,000 for final design and construction.

Orange County, Centerline LRT project.—The Orange County Transportation Authority (OCTA) is undertaking preliminary engineering on an 18.7-mile rail corridor in central Orange County between Santa Ana and Irvine. The proposed project will connect major activity centers within the corridor, including downtown Santa Ana, John Wayne Airport, El Toro Marine Base (which is being converted to a civilian government center), and several hos-

pitals and regional shopping, employment, cultural and entertainment centers. Additionally, the proposed project would serve two major intermodal centers in Santa Ana and Irvine that will provide connections to Metrolink commuter trains, local buses, and Amtrak. OCTA completed a major investment study for the corridor in June 1997, which led to the selection of a rail/bus project consisting of a 28-mile rail corridor and a 49 percent increase in bus service. In February 2002, FTA approved entry into the preliminary engineering. In response to input from citizens and local elected officials, OCTA has revised the project. The proposed project alignment has shortened from 30 miles to 18.7 miles and will be an elevated LRT system, including 22 stations. OCTA estimates that in 2025, the project will have 42,400 average weekday boardings, with approximately 37,000 daily new riders. Project costs are estimated at $1,889,000,000 (escalated dollars), with $944,500,000 to be derived from the section 5309 new starts program. Through fiscal year 2002, Congress has appropriated $7,450,000 for this project. The Committee recommends $1,800,000 in fiscal year 2003.

Phoenix, Arizona, Central Phoenix/east valley corridor project.—The Regional Public Transportation Authority (RPTA) is proposed to implement a 25-mile at-grade light rail system to connect the cities of Phoenix, Tempe, and Mesa. As a first step, the RPTA is undertaking preliminary engineering on a 20.3-mile segment from the Christ-Town Mall area, through downtown Phoenix and downtown Tempe, to Mesa. The proposed project would have 28 stations and serve major activity centers including downtown Phoenix, the Sky Harbor airport, Papago Park Center, and downtown Tempe. The RPTA completed the Central Phoenix/East Valley (CP/EV) major investment study (MIS) in the spring of 1998. In September 1998, FTA granted RPTA permission to enter the preliminary engineering/environmental impact statement (PE/EIS) phase on 13 miles of the corridor. FTA has subsequently approved preliminary engineering on 20.3 miles of the proposed system. The RPTA plans to complete NEPA process and receive a record of decision in the fall of 2002, undertake final design in 2003, and begin construction in 2004. The proposed 20.3-mile LRT system is estimated to cost approximately $1,181,000,000 (escalated), of which the RPTA intends to seek $590,700,000 in new starts funding (50 percent). Through fiscal year 2002, Congress has appropriated $33,670,000 for the project. For fiscal year 2003, the Committee recommends $18,000,000 for preliminary engineering, final design and construction.

Pittsburgh, Pennsylvania, North Shore connector light rail transit project.—The Port Authority of Allegheny County (PAAC), proposes to construct a 1.6-mile light rail transit system extension connecting the Golden Triangle and the North Shore wholly within downtown Pittsburgh. The project would extend the existing LRT service from the Gateway center LRT station in Golden Triangle to the vicinity of the West End Bridge on the North Shore via a tunnel below the Allegheny River. On the North Shore, the project would be a mix of at-grade and elevated alignment. The project would also include a Convention Center connection, linking the existing Steel Plaza LRT station and the Convention Center. The North Shore connector LRT project would include the construction of four new LRT stations and modifications of the Gateway Center

and Steel Plaza stations, and the acquisition of 10 new light rail vehicles. The alternatives analysis was completed in early 1999 and the "gateway LRT alternative" was selected as the locally preferred alternative for the North Shore connector LRT project on August 16, 2000 by PAAC. FTA approval to initiate preliminary engineering was granted in January 2001. PAAC is currently developing the final EIS and anticipates FTA issuance of a record of decision in 2002. Project capital costs are estimated at $389,900,000 (escalated); the section 5309 new starts share is estimated at $272,900,000 (70 percent). Revenue service start-up is planned in 2007. Through fiscal year 2002, Congress has appropriated $23,670,000 in section 5309 new starts funds for this effort. For fiscal year 2003, the Committee has provided $7,025,000 for preliminary engineering, final design and construction. Due to the volume of projects seeking an FFGA, the Committee cannot fully support those projects that are seeking a high federal share from the new starts account. The Committee strongly encourages Pittsburgh to revisit the amount of local funding they plan to contribute to the North Shore Connector LRT project, and find ways to increase the local share.

Pittsburgh, Pennsylvania, stage II light rail transit reconstruction project.—The Port Authority of Allegheny County (PAAC) has undertaken reconstruction of the 25-mile Pittsburgh rail system to modern light rail standards. The stage I light rail transit (LRT) project resulted in the reconstruction of a 13-mile system to light rail standards during the 1980s. The stage II LRT project proposes reconstruction and double-tracking of the remaining 12 miles of the system consisting of the Overbrook, Library, and Drake trolley lines. The stage II LRT project would reconstruct these three lines to modern LRT standards, double track the single track segments, reopen the closed Overbrook and Drake Lines, add approximately 2,400 spaces in park and ride lots, and purchase 28 new light rail vehicles. During 1999, PAAC reconfigured its rail improvement program to prioritize program needs against available funding. The modified new starts project, the stage II LRT priority program, would reconstruct the Overbrook Line and a portion of the Library Line, and add the 2,400 park and ride spaces and 28 vehicles. The remainder of the stage II LRT program would be built as funds become available. The estimated cost of the priority program is $386,400,000. In January 2001, FTA issued an FFGA for this project that would commit a total of $100,200,000 in section 5309 new starts funding. Through fiscal year 2002, a total of $41,530,000 has been appropriated. The bill includes $26,250,000 for fiscal year 2003.

Portland, Oregon, Interstate MAX light rail transit extension project.—The Tri-County Metropolitan Transportation District of Oregon (Tri-Met) is planning a 5.8-mile, 10-station extension of its light rail transit (LRT) system known locally as the Metropolitan Area Express. The proposed Interstate Metropolitan Area Express (MAX) line will extend existing LRT service northward from the Rose Quarter Arena and the Oregon Convention Center, to North Portland neighborhoods, medical facilities, the Portland International Raceway, and the Metropolitan Exposition Center. Riders will be able to transfer between the Interstate MAX extension and the existing 33-mile East/West MAX line at Rose Quarter station.

This line will complement regional land use plans by connecting established residential, commercial, entertainment, and other major activity centers, and providing a key transportation link in the region's welfare to work programs. The LRT extension is estimated to cost $350,000,000 (escalated dollars) and carry 18,100 average weekday boardings (8,400 new riders) by 2020. On September 20, 2000, FTA and Tri-Met entered into an FFGA that commits a total of $257,500,000 in section 5309 new starts funds to the Interstate MAX project. This does not include funding appropriated in prior years that was allocated to Portland Metro for the 12-mile South-North light rail line originally proposed for this corridor. Through fiscal year 2002, $76,750,000 has been appropriated for the Interstate MAX extension. The Committee recommends $70,000,000 in fiscal year 2003.

Puget Sound, Washington, RTA Sounder commuter rail projects.—The Central Puget Sound Regional Transit Authority (Sound Transit) is proposing to implement two commuter rail projects: Everett to Seattle and Lakewood to Tacoma.

For the Everett to Seattle commuter rail project, the Central Puget Sound Regional Transit Authority is proposing to implement peak-hour commuter rail service in the 35-mile corridor linking Everett to Seattle, Washington. This service will be part of the overall 82-mile Sounder commuter rail corridor serving 14 stations from Lakewood, through the downtowns of Tacoma and Seattle, and terminating in Everett, Washington. Service from Tacoma to Seattle began in September 2000. The Everett-Seattle commuter rail segment would include three multimodal stations that provide connections to a variety of transportation services, including local and express bus service, the Washington State ferry system (connecting cities on the east and west sides of Puget Sound), the proposed Link light rail system, and Amtrak. Twelve trains per day will serve up to six stations. The draft environmental impact statement for this project was issued in June 1999 and a final EIS was published in November 1999. The record of decision was signed in February 2000. Sound Transit will be seeking FTA authorization to enter into final design in 2002. Sound Transit estimates total project costs for the Everett-Seattle segment of the Sounder system at $104 million in escalated dollars. The federal new starts share is $24.9 million (24%). Because the proposed new starts share is less than $25,000,000, the project is exempt from the new starts criteria, and is thus not subject to FTA's evaluations and ratings.

For the Lakewood to Tacoma commuter rail project, Central Puget Sound Regional Transit Authority is proposing to implement peak-hour commuter rail service for an eight-mile segment linking Tacoma and Lakewood, Washington. This service will be part of the overall 82-mile Sounder commuter rail corridor serving 14 stations from Lakewood, through the downtowns of Tacoma and Seattle, and terminating in Everett, Washington. Sound Transit proposes to run eighteen trains per day (including reverse commute service) to the cities along the alignment, including Lakewood, South Tacoma, and Tacoma, connecting to stations in Puyallup, Sumner, Auburn, Kent, Tukwila, and Seattle. Two trains will run from Lakewood to Everett. Service from Tacoma to Seattle began in September 2000. The Lakewood to Tacoma commuter rail service is scheduled to begin in operations in 2004. The final EIS was published in May

2000 and a record of decision was signed in June 2000. Sound Transit will be seeking final design authorization for this project in 2002. The total budget for this segment, including vehicle purchase, track and signal improvements, and station construction is $86,000,000 in escalated dollars. Sound Transit is proposing a section 5309 new starts share of $24,900,000 (29 percent). Because the proposed new starts share is less than $25,000,000, the project is exempt from the new starts criteria, and is thus not subject to FTA's evaluations and ratings.

Through fiscal year 2002, Congress has appropriated $79,320,000 to the 82-mile Sounder commuter rail system. Of this total, $10,226,431 was made available to the Lakewood to Tacoma commuter rail project and $10,877,131 was made available to the Everett to Seattle commuter rail project. For fiscal year 2003, the bill includes $5,000,000 for final design and construction activities.

Raleigh, North Carolina, Triangle transit project, phase I.—The phase I regional rail project is the first segment of a three-phased regional transit plan for linking the three counties—Wake, Durham, and Orange—in the Triangle Region of North Carolina. In phase I, the Triangle Transit Authority (TTA) intends to initiate regional rail service from Durham to downtown Raleigh and from downtown Raleigh to North Raleigh. TTA proposes to use diesel multiple unit (DMU) rail vehicles to serve the 16 phase I stations. TTA has proposed that the phase I regional rail project will use the existing North Carolina railroad and CSX rail corridors to connect Duke University, downtown Durham, Research Triangle Park, RDU Airport, Morrisville, Cary, North Carolina State University, downtown Raleigh, and North Raleigh. The proposed project is estimated to serve 31,700 average weekday boardings by the year 2025. The most recent capital cost estimate for Phase I is $754,800,000 (escalated dollars). The cost estimate includes final design, acquisition of right-of-way (ROW) and rail vehicles, station construction, park and ride lots, and construction of storage and maintenance facilities. The ROW proposed to be used by TTA for the project is shared among a number of operating railroads, thus TTA is considering a number of track realignments to accommodate inter-city and high-speed rail improvements. In 1995, TTA completed the Triangle Fixed Guideway Study. The Authority's Board of Trustees has adopted the study's recommendations to put into place a regional rail system, and resolutions of support have been received from all major units of local government, chambers of commerce, universities, and major employees in the Triangle area. The Durham-Chapel Hill, Carrboro MPO and the Capital Area MPO have each adopted the locally preferred alternative into their fiscally constrained long-range plans and the phase I regional rail project is included in their respective 1998–2004 TIPs and North Carolina STIP. In January 1998, TTA initiated preliminary engineering and the preparation of a draft environmental impact statement (DEIS). The DEIS was released in May 2001. Selection of the locally preferred alternative occurred in early 2002. TTA anticipates completion of the final EIS in the summer of 2002 and a record of decision in the fall/winter 2002. TTA rail alignment issues are currently being worked out with a number of participating agencies, including the North Carolina Railroad (NCRR), CSX Railroad, NCDOT Rail, and the Federal Railroad Administration. TTA

is expected to request an FFGA for $377,300,000, or 50 percent, of the costs of this project. Through fiscal year 2002, Congress has appropriated $55,550,000 in section 5309 new starts funds for this project. For fiscal year 2003, the Committee recommends $5,000,000 for preliminary engineering, final design and construction.

Salt Lake City, Utah, CBD to University LRT.—The Utah Transit Authority (UTA) has implemented a 2.5-mile, four-station light rail line in eastern Salt Lake City, from the downtown area to Rice-Eccles Stadium on the University of Utah campus. The line connects with the existing North/South line at Main Street and travels east along 400 South and 500 South to the stadium. Light rail vehicles operate on city streets and property owned by Salt Lake City, the Utah Department of Transportation, and the University. The CBD to University line was scaled back from the originally proposed 10.9-mile West/East line from the airport to the university. FTA issued an FFGA for the CBD to University LRT project on August 17, 2000, committing a total of $84,600,000 in section 5309 new starts funds. This does not include $4,960,000 in fiscal year 2000 and prior year funding, which brings the total amount of new starts funding for this project to $89,560,000. To date, $20,800,000 has been appropriated. The bill provides $68,760,000 in fiscal year 2003, completing the federal commitment to this project.

Salt Lake City, Utah, Medical Center extension.—The Utah Transit Authority has proposed the Medical Center extension project, a 1.5-mile light rail transit (LRT) system extending from the University Line station at Rice-Eccles Stadium to the University of Utah Health Science Complex (Medical Center). The proposed Medical Center LRT line includes three stations: Huntsman Center, Wasatch Drive, and Medical Center. The Medical Center LRT will connect to the University Line LRT and the existing North/South LRT corridor. Revenue operations are scheduled to begin in 2004. FTA and UTA signed a full funding grant agreement in August 2000 for the Central Business District to University LRT project. The University LRT project opened for service on December 15, 2001. In August 2001, FTA approved the initiation of final design for the Medical Center Extension. The total capital costs for this project are anticipated to be $89,400,000, of which $53,600,000 is from the section 5309 new starts funds. On May 17, 2002, FTA executed an FFGA for this project. To date, Congress has appropriated $2,970,000 for this project. For fiscal year 2003, the Committee recommends $20,000,000.

Salt Lake City, Utah, North South light rail transit extension project.—The Utah Transit Authority (UTA) has completed construction of a 15-mile LRT line from downtown Salt Lake City to the southern suburbs. The line opened for regular weekday service on December 6, 1999. The system operates on city streets downtown (2 miles) then follows a lightly used railroad alignment owned by UTA to the suburban community of Sandy (13 miles). The project is one component of the Interstate 15 corridor improvement initiative, which includes reconstruction of a parallel segment of I–15. Though original ridership projections for the South LRT were estimated at 14,000 daily passengers in 2000 and 23,000 passengers in 2010, current ridership has already exceeded 19,000 weekday passengers. Total cost for this project was $312,490,000,

of which the FFGA committed $237,390,000 in new starts funding, not including $6,600,000 in prior year funds that were provided before the FFGA was issued. To date, a total of $243,280,000 has been appropriated to the project. For fiscal year 2003, the bill includes $718,006 to fulfill the terms of the FFGA for this project.

San Diego, California, Mission Valley East light rail transit project.—The Metropolitan Transit Development Board (MTDB) is constructing a 5.9-mile Mission Valley East Light Rail Transit (LRT) extension of its Blue Line. The project would extend the existing system from its current termini east of Interstate 15 to the City of La Mesa, where it would connect to the existing Orange Line near Baltimore Drive. The line would serve four new stations at Grantville, San Diego State University (SDSU), Alvarado Medical Center and 70th Street, as well as two existing stations at Mission San Diego and Grossmont Center. The proposed project would include elevated, at-grade, and tunnel portions and provide two park-and-ride lots and a new access road between Waring Road and the Grantville Station. The project is expected to serve approximately 10,800 average weekday boardings in the corridor by 2015. The major investment study/draft environmental impact statement (DEIS) was completed in May 1997. The locally preferred alternative was selected by the Metropolitan Transit Development Board in October 1997 with concurrence from the San Diego Association of Governments (SANDAG, the local metropolitan planning organization). FTA approval to enter the preliminary engineering (PE) phase of project development was granted in March 1998. Preliminary engineering was completed in July 1998. This abbreviated schedule for PE was possible due to the extensive public involvement and detailed analyses undertaken during the planning stages, streamlining much of the work that would traditionally be undertaken in the PE phase. The final environmental impact statement (FEIS) was completed and the record of decision (ROD) was issued in August 1998. FTA approval to enter final design was granted in October 1998. The total project capital cost is $431,000,000 (escalated dollars). On June 22, 2000, FTA issued an FFGA committing a total of $329,960,000 in section 5309 new starts funding for the project. Through fiscal year 2002, Congress has appropriated $112,720,000 in section 5309 new starts funds to this project. The Committee recommends $65,000,000 for fiscal year 2003.

San Francisco, California, BART extension to the airport project.—The Bay Area Rapid Transit (BART) and San Mateo County Transit District (SamTrans) are constructing an 8.7-mile, 4-station, BART extension which proceeds southeast from the Colma BART Station through the cities of Colma, South San Francisco and San Bruno, and then continues south along the Caltrain right-of-way to the city of Millbrae. Approximately, 1.5 miles north of the Millbrae Avenue intermodal terminal, an east-west aerial "wye" (Y) stub will service the San Francisco International Airport (SFIA). Originally, this project was estimated to cost $1,054,000,000; however, total capital costs have risen to $1,510,200,000 (escalated dollars) due to higher than estimated construction costs. FTA's commitment of $750,000,000 to the project remains unchanged. Ridership is projected to be 73,600 trips per day by 2010, including approximately 17,800 daily trips

by air travelers and airport employees. An alternatives analysis/draft environmental impact statement (DEIS)/draft environmental impact report (DEIR) was completed in 1992, resulting in a locally preferred alternative. New alignments were later evaluated and, in April 1995, BART and SamTrans revised the preferred alternative. Due to MTC and Congressional direction to evaluate lower cost options, an aerial design option into the airport was evaluated in a focused re-circulated DEIR/supplemental #2 DEIS. The final EIS was completed in June 1996 and a record of decision (ROD) was issued in August 1996. On June 30, 1997, FTA entered into an FFGA for the BART/SFO Extension for $750,000,000 in Federal section 5309 new start funds. Through fiscal year 2002, $371,370,000 has been appropriated to the BART–SFO Extension. For fiscal year 2003, the Committee recommends $100,000,000.

San Francisco, Third Street Light Rail, phase II.—The San Francisco Municipal Railway (Muni) has proposed implementing a 7.1-mile light rail line that will link the southeast section of San Francisco to downtown San Francisco and Chinatown. Phase I will run 5.4 miles from an existing Caltrain Bayshore Station at the San Francisco County line to the south and connecting to the existing LRT system in downtown San Francisco via Third Street. This 5.4-mile segment is estimated to cost $557,900,000 and will be entirely funded through local sources. This phase will be open in 2005. The second phase, known as the new central subway, would extend the light rail line 1.7 miles into a subway terminating in Chinatown. According to FTA, the central subway phase is estimated to cost $763,900,000, with a federal share of $432,000,000 (or 57 percent).

In 1996, FTA authorized preliminary engineering and preparation of a draft environmental impact statement on the third street corridor. In November 1997, MUNI began preliminary engineering for phase 1 of the light rail alignment as well as the Metro East maintenance facility. In June 1998, the San Francisco Public Transportation Commission, which governs Muni, designated a two-phase light rail project as the locally preferred alternative. A record of decision was issued in April 1999. FTA approved the phase I's entrance into final design in April 2000 and it is currently under construction. FTA approved phase II's entrance into preliminary engineering in July 2002. No federal funding has been provided to this project yet. For fiscal year 2003, the Committee recommends $1,750,000 for phase II.

San Jose, California, Silicon Valley Rapid Transit Corridor.—The Silicon Valley rapid transit corridor is a 16.3-mile, seven station project that would extend BART south through the cities of Fremont, Milipitas, San Jose, and would terminate at a Caltrain commuter rail station in Santa Clara. The majority of the alignment would be at or above grade, although a portion would be underground (subway) in San Jose. This project will connect to a variety of rail systems in the region, including the Altamount Commuter Express service, the Caltrain commuter rail service, the Capitol Corridor intercity rail service, and Amtrak; Valley Transportation Authority buses; and to the peoplemover at the San Jose airport. The project is estimated to cost $3.7 billion, with a federal share of $834,000,000 (22 percent). The project is estimated to cost $3.7 billion, with a federal share of $834,000,000 (22 percent). The project is authorized by TEA21, section 3030(b)(19). In September

2002, FTA approved the project's entry into preliminary engineering. For fiscal year 2003, the Committee recommends $250,000 for preliminary engineering and design activities.

San Juan, Puerto Rico, Tren Urbano project.—The Puerto Rico Department of Transportation and Public Works (DTPW), through its Highway and Transportation Authority (PRHTA), is constructing a 10.7-mile (17.2 km) double-track guideway between Bayamon Centro and the Sagrado Corazon area of Santurce in San Juan. Approximately 40 percent of the alignment is at or near grade. The remainder, aside from a short below-grade segment in the Centro Medico area as well as an underground segment through Rio Piedras, is generally elevated above roadway rights-of-way. The project includes 16 stations and a vehicle and right of way maintenance/storage facility. The original capital cost for the project as specified in the FFGA totals $1,250,000,000 (escalated dollars). The cost of the project is now estimated at $1,653,600,000. The Tren Urbano project is expected to carry 113,300 riders per day in 2010. The Tren Urbano phase 1 environmental review process was completed in November 1995 and included 14 stations. The alignment design allowed for the future addition of two stations, one in Rio Piedras and one in Hato Rey. A record of decision (ROD) was issued in February 1996. In March 1996, FTA entered into an FFGA for the Tren Urbano project providing a Federal commitment of $307,400,000 in section 5309 new start funds out of a total project cost of $1,250,000,000. The cost of the project is now estimated at $1,653,000,000. Subsequent to the FFGA, three environmental assessments were prepared which revised the alignment at the Villa Nevarez station and added new stations, in Rio Piedras at the University of Puerto Rico, and in Hato Rey at Domenech Street. Findings of no significant impact (FONSI) by the FTA were issued for these three environmental assessments in November 1996, February 1997, and July 1997, respectively. An amendment to the FFGA signed in July 1999, added the two stations identified in the environmental process as well as 10 additional railcars. The amendment also added $141,000,000 in section 5307 funds and $259,900,000 in flexible funding. The new cost estimate for the project encompasses the cost for extended project management and construction management services, for advance design development activities and for anticipated costs for claims and contingencies. The local share funding for the project is being provided by local revenues from the Puerto Rico Highway and Transportation Authority (PRHTA). All operating costs, as well as debt service on PRHTA bonds, are included as part of the PRHTA annual budget, established in accordance with standard PRHTA budget procedures. The project was also awarded a TIFIA (Transportation Infrastructure Finance and Innovation Act of 1998) loan of $300,000,000. The project is well into the construction phase of development. During 1996 and 1997, seven design-build contracts were awarded for different segments of the Tren Urbano phase 1 system. The systems test track and turnkey contract, awarded in August 1996, provided for the purchase of rolling stock, design and installation of all systemwide components, construction of one of the civil segments, and operation and maintenance of Tren Urbano phase 1 for an initial period of five years.

Contractors for this project have had problems meeting construction milestones and quality standards. Significant problems include tunnel misalignments, inadequate protection of steel reinforcements, cracking in guideways, and Buy America issues. Because of the serious, and unresolved, nature of these problems, FTA withheld a total of $165,690,000 ($105,700,000 in fiscal years 2000 and 2001 appropriations, $20,000,000 in section 5307 urbanized formula funds in 2001, and $40,000,000 of flexible funds for fiscal year 2001) from the project until PRTHA submitted a recovery plan. The recovery plan has been submitted to FTA and in March 2002, FTA released the withheld funds. The project is now expected to enter revenue service in 2003 or 2004, a slip from May 2002. Through fiscal year 2002, Congress has appropriated $198,530,000 in section 5309 new start funds for the project, with an additional $4,960,000 appropriated to the project but not included in the scope of the FFGA. For fiscal year 2003, the Committee recommends $59,740,000.

St. Louis, Missouri, MetroLink St. Clair extension project.—The Bi-State Development Agency (Bi-State) is developing a 26-mile light rail line between downtown East St. Louis, Illinois, and the Mid America Airport in St. Clair County. The project will extend the MetroLink light rail project that opened in July 1993. The adopted alignment generally follows the former CSXT railroad right-of-way from East St. Louis to Belleville, Illinois, serving the Belleville Area College (now known as Southwest Illinois College), Scott Air Force Base and Mid America Airport. The "minimum operable segment" (MOS) includes 8 stations (seven with park and ride lots), 20 new light rail vehicles, and a new light rail vehicle maintenance facility in East St. Louis, Illinois. Revenue service began on May 5, 2001. The MOS is estimated to cost $339,200,000 (escalated dollars). On October 17, 1996, Bi-State and FTA entered into an FFGA that commits $243,930,000 in section 5309 new start funds contributing to the total estimated cost of $339,200,000 (escalated dollars). An additional $8,500,000 in section 5309 new start funds were previously appropriated but not included in the FFGA scope. Through fiscal year 2002, Congress has appropriated $249,040,000 in section 5309 new start funds for the FFGA covered minimum operable segment portion of the project. For fiscal year 2003, the bill provides $3,368,422.

Seattle, Sound Transit Central Link Light Rail.— The Committee has given special attention since January, 2001 to the Central Link Light Rail project in the Seattle region. Testimony from Sound Transit leadership and the Federal Transit Administration has assisted the Committee in evaluating the project and the management of it by its sponsor and by the FTA. The Inspector General issued an interim report on the project in April, 2001 which raised a number of issues to be addressed by Sound Transit and the FTA. The Committee takes note of the progress made in addressing these issues. Sound Transit's Board of Directors adopted a new initial segment in November, 2001. This 14-mile line will run from Downtown Seattle to just north of Sea-Tac Airport. The FTA has given its approval to the commencement of final design on this segment. In anticipation of further developments on this project, the Committee has asked the Inspector General to update his report on it. The Committee will evaluate any future request for funding and/

or review of a proposed Full Funding Grant Agreement in light of the IG report and additional information from the grantee and the Administration.

JOB ACCESS AND REVERSE COMMUTE GRANTS

	Appropriation (General fund)	Limitation on obligations (Trust fund)
Appropriation, fiscal year 2002	$25,000,000	($100,000,000)
Budget request, fiscal year 2003	30,000,000	(120,000,000)
Recommended in the bill	30,000,000	(120,000,000)
Bill compared to:		
Appropriation, fiscal year 2002	+5,000,000	(+20,000,000)
Budget request, fiscal year 2003		

Section 3037 of TEA–21 established the job access and reverse commute (JARC) grants program. The program is to make competitive grants to qualifying metropolitan planning organizations, local governmental authorities, agencies, and non-profit organizations. Grants may not be used for planning or coordination activities. No more than $10,000,000 may be provided for reverse commute grants.

For fiscal year 2003, the program is funded at a total level of $150,000,000, with $30,000,000 derived from the general fund and $120,000,000 derived from the mass transit account of the highway trust fund. These funds are guaranteed under the transit funding category.

The Committee recommends the following allocations of job access and reverse commute grant program funds in fiscal year 2003:

Ajo to Phoenix, Arizona, rural express bus service	$200,000
City of Phoenix, Arizona, Valley Metro	1,000,000
Southwest Transit, Arizona, bus route 131	300,000
AC Transit, California—CalWORKS Welfare to Work	3,000,000
County of Santa Clara, California, Guaranteed Ride Home Program	650,000
East Palo Alto, California, shuttle service	1,000,000
Los Angeles County, California, MTA	2,000,000
Sacramento, California	3,000,000
State of Colorado	1,524,471
State of Connecticut	3,500,000
Georgetown Metro Connection, Washington, DC	1,100,000
Washington Metropolitan Area Transit Authority	2,500,000
State of Delaware	750,000
Hillsborough, Florida (HART)	700,000
Key West, Florida	1,000,000
Jacksonville, Florida, ChoiceRide	2,500,000
Macon-Bibb County Transit Authority, Georgia, reverse commute program	1,000,000
DuPage County, Illinois, coordinated paratransit program	500,000
State of Illinois, ways to work	400,000
Ways-to-Work—Illinois and Missouri	2,000,000
Rock Island County Mass Transit District, Illinois, CityLINK	360,000
IndyGo Service, Indiana	1,000,000
Mid America Regional Council, Kansas	1,000,000
Topeka Metropolitan Transit Authority, Kansas	1,600,000
Unified Government of Wyandotte County/Kansas City, Kansas	1,000,000
Community Transit Association of America,	1,000,000
Northern Tier Dial-A-Ride, Massachusetts	400,000
Transportation Services of Northern Berkshire, Massachusetts	400,000
State of Maryland	5,000,000
Flint, Michigan, Mass Transportation Authority	1,000,000
Grand Rapids/Kent County, Michigan	1,200,000
Minneapolis/St. Paul, Minnesota	1,000,000
Metropolitan Kansas City Job Access Partnership, Missouri	1,000,000

St. Louis, Missouri, West Gateway Coordinating Council (Metrolink)	3,000,000
Community Transportation Association of America's Joblinks Employment Transportation Initiative, North Carolina	2,000,000
Wake County, North Carolina, Coordinated Transportation System	1,000,000
State of New Jersey	5,000,000
Binghamton, New York, Broome County Transit	250,000
Central New York Regional Transportation Authority	500,000
Columbia County, New York	100,000
Long Island, New York (MTA)	500,000
State of New York	1,000,000
Orange County, New York	100,000
Rochester-Genesee Regional Transportation Authority, New York	600,000
Tompkins Consolidated Area Transit—Tompkins County, New York	300,000
Central Ohio Transit Authority	600,000
Toledo, Ohio	500,000
Oklahoma Transit Association	5,000,000
Portland, Oregon	2,800,000
Salem Area Transit, Oregon	1,000,000
Port Authority of Allegheny County, Pennsylvania	4,000,000
Southeastern Pennsylvania Transportation Authority (SEPTA), Pennsylvania	6,000,000
Rhode Island Public Transit	2,000,000
Chattanooga, Tennessee	500,000
Abilene, Texas, (Citylink)	200,000
Capital Metropolitan Transportation Authority's Reverse Commute Transit Exchange Center, Texas	2,000,000
Lubbock, Texas, (Citibus)	230,000
Galveston, Texas	600,000
San Antonio, Texas, VIA Metropolitan Transit	1,250,000
Corpus Christi, Texas	1,700,000
Texas, Just Transportation Alliance	267,210
City of Charlottesville, Virginia	375,000
Fairfax County, Virginia	1,600,000
Washington State, WorkFirst Initiative	6,000,000
Yakima, Washington, Ways to Work	500,000
Community Transit Association of the Northwest, Washington	150,000
State of Wisconsin	5,200,000

Community Transit Association of America.—The Committee provides $1,000,000 for the Community Transit Association of America continuation of activities and programs to be used for demonstration projects, technical assistance for demonstration projects and technical assistance to small and urban and rural community providers. This assistance may include a toll-free hotline, on site technical assistance and training, preparation of technical manuals and related assistance.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The Saint Lawrence Seaway Development Corporation (the corporation) is a wholly owned Government corporation established by the Saint Lawrence Seaway Act of May 13, 1954. The corporation is responsible for the operation, maintenance, and development of the United States portion of the Saint Lawrence Seaway between Montreal and Lake Erie, including the two Seaway locks located in Massena, NY and vessel traffic control in areas of the St. Lawrence River and Lake Ontario. The mission of the corporation is to serve the United States intermodal and international transportation system by improving the operation and maintenance of a safe, secure, reliable, efficient, and environmentally responsible deep-draft waterway. The corporation's major priorities include: safety, reliability, environmental stewardship, trade development, manage-

ment accountability, and bi-national collaboration with its Canadian counterpart.

The Committee maintains a strong interest in maximizing the commercial use and competitive position of the Saint Lawrence Seaway. The general language under this heading is the same as the language provided in previous years. Continuation of this language in addition to that under the operations and maintenance appropriation will provide the corporation the flexibility and access to available resources needed to finance costs associated with unanticipated events, which could threaten the safe, secure, and uninterrupted use of the Seaway. The language permits the corporation to use sources of funding not designated for the harbor maintenance trust fund by Public Law 99–662—derived primarily from prior-years revenues received in excess of costs, unused borrowing authority, and miscellaneous income—for emergency purposes.

OPERATIONS AND MAINTENANCE

(HARBOR MAINTENANCE TRUST FUND)

Appropriation, fiscal year 2002	$13,345,000
Budget request, fiscal year 2003 [1]	14,086,000
Recommended in the bill [2 3]	15,486,000
Bill compared with:	
Appropriation, fiscal year 2002	+2,141,000
Budget request, fiscal year 2003	+1,400,000

[1] Does not reflect $702,000 in CSRS/FEHB accruals.
[2] Does not reflect reduction of $11,000 pursuant to Section 349 of Public Law 107–87.
[3] Does not reflect reduction of $10,000 pursuant to Section 1106 of Public Law 107–117.

The Committee recommends a total appropriation of $15,486,000 to fund the operations and maintenance of the corporation. Appropriations from the Harbor Maintenance Trust Fund and revenues from non-federal sources finance the operation and maintenance of the Seaway for which the corporation is responsible. The appropriation recommended in the bill provides sufficient funding for the corporation's capital priorities as well as for the recommendations of the U.S. Army Corps of Engineers' survey and evaluation of the corporation's lock and maintenance practices. Furthermore, the amount recommended in the bill includes funds for new and revised security measures that are based upon the results of an independent security assessment. The following summarizes the adjustments that were made to the budget request:

Additional security funds	+$1,431,000
Deny FECA administrative costs	−31,300

Security.—Following the events of September 11, 2001, the vulnerability of the Seaway's infrastructure became a significant concern. Given the economic value and strategic importance of the Seaway, the corporation took immediate steps to enhance security and assess future needs. The corporation conducted an independent security risk assessment to determine the extent of enhancements required to secure the waterway's facilities with minimal impact upon operations and commerce. The Committee applauds the corporation's efforts to improve the security of its infrastructure without impeding trade and vessel operations, and has provided an additional $1,431,000 for these activities. The corporation's efforts to mitigate the additional costs associated with security enhancements by seeking support from local entities that use common ac-

cess roads and land, such as the New York State Power Authority and New York State Office of Parks, Recreation, and Historic Preservation, is recognized. Further efforts to obtain support and fiscal contributions from such organizations are encouraged.

In addition to infrastructure enhancements, the corporation, in conjunction with its Canadian counterpart, established a protocol for addressing high risk inbound vessels. These efforts include early identification and a comprehensive inspection regimen coordinated between both the United States and Canadian Coast Guards. The efforts of the corporation are consistent with the U.S. Coast Guard's intention of identifying high interest vessels well before they enter U.S. waters. The Committee applauds these efforts and encourages the corporation to continue the development of this protocol with assistance from the U.S. Coast Guard and Transportation Security Administration.

FECA administrative costs.—The Committee has denied funding proposed in the budget for FECA administrative costs. This is consistent with actions taken DOT-wide.

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

The Research and Special Programs Administration (RSPA) was originally established by the Secretary of Transportation's organizational changes dated July 20, 1977. The agency received statutory authority on October 24, 1992. RSPA has a broad portfolio. Its diverse jurisdictions include hazardous materials, pipelines, international standards, emergency transportation, and university research. RSPA provides research, analytical and technical support for transportation programs through headquarters offices and the Volpe National Transportation Systems Center.

SUMMARY OF FISCAL YEAR 2003 PROGRAM

The Committee recommends $99,574,000 in new budget authority to continue the operations, research and development, and grants-in-aid administered by the Research and Special Programs Administration. This is an increase of $1,345,000 from the fiscal year 2002 enacted level, excluding supplemental amounts. The following table summarizes fiscal year 2002 program levels, the fiscal year 2003 program requests, and the Committee's recommendations:

Program	Fiscal year 2002 enacted [1]	Fiscal year 2003 estimate	Recommended in the bill
Research and special programs	[2] $39,779,000	[3] $44,378,000	$40,677,000
Hazardous materials user fee		−5,987,000	
Pipeline safety	58,250,000	[4] 63,857,000	58,697,000
Emergency preparedness grants	200,000	200,000	200,000
Total	98,229,000	102,448,000	99,574,000

[1] Does not reflect reduction of $348,000 pursuant to section 349 of Public Law 107–87 and section 1106 of Public Law 107–117.

[2] Includes $2,500,000 in fiscal year 2002 emergency supplemental funding.

[3] Does not reflect accruals of $1,316,000 in FY 2003 for the Civil Service Retirement System (CSRS) and the Federal Employee Health Benefits (FEHB).

[4] Does not reflect accruals of $653,000 in FY 2003 for the Civil Service Retirement System (CSRS) and the Federal Employee Health Benefits (FEHB).

RESEARCH AND SPECIAL PROGRAMS

Appropriation, fiscal year 2002 [1] [2]	$39,779,000
Budget request, fiscal year 2003 [3]	44,378,000
Recommended in the bill	40,677,000
Bill compared with:	
Appropriation, fiscal year 2002	+898,000
Budget request, fiscal year 2003	−3,700,000

[1] Does not reflect reduction of $210,000 pursuant to section 349 of Public Law 107–87 and section 1106 of Public Law 107–117.
[2] Includes $2,500,000 in fiscal year 2002 emergency supplemental funding.
[3] Does not reflect accruals of $1,316,000 for the Civil Service Retirement System (CSRS) and the Federal Employee Health Benefits (FEHB).

RSPA's research and special programs administers a comprehensive nationwide safety program to: (1) protect the nation from the risks inherent in the transportation of hazardous materials by water, air, highway and railroad; (2) oversee the execution of the Secretary of Transportation's statutory responsibilities for providing transportation services during national emergencies; and (3) coordinate the department's research and development policy, planning, university research, and technology transfer. Overall policy, legal, financial, management and administrative support for RSPA's programs is also provided under this appropriation. The total recommended program level for research and special programs is $40,677,000. Budget and staffing data for this appropriation are as follows:

	Fiscal year 2002 enacted	Fiscal year 2003 estimate	Recommended in the bill
Hazardous materials safety	$21,217,000	$23,079,000	$22,998,000
(Positions)	(135)	(137)	(137)
Hazardous materials safety user fees		−5,987,000	
Research and technology	$2,784,000	2,854,000	2,846,000
(Positions)	(9)	(9)	(9)
Emergency transportation	4,397,000	2,058,000	1,951,000
(Positions)	(9)	(10)	(9)
Program support	11,381,000	16,387,000	12,882,000
(Positions)	(53)	(67)	(57)
Total, Research and Special Programs	39,779,000	38,391,000	40,677,000
(Positions)	(206)	(223)	(212)

The Committee recommends the following changes to the budget request:

Reduce funding for reimbursement of prior year budget decisions	−$265,000
Deny funding for one emergency transportation detailee position	−100,000
Deny ten positions for program support	−1,093,000
Reduce funding for information technology infrastructure	−2,239,000
Deny FECA administrative costs	−3,200

Prior year funding decisions.—The budget included $265,000 for reimbursement of salary and administrative funding that Congress did not provide in the fiscal year 2002 appropriations bill. The Committee has made its decisions regarding fiscal year 2002 funding levels, and therefore deletes funding for this purpose.

New positions.—The budget included a request for two new personnel for the office of hazardous materials. This is to compensate for the two personnel provided for this purpose in 2002 that were transferred to other hazardous materials safety duties in the wake of September 11th. These new employees are part of the strategic

hazardous materials incident reduction team. The Committee has provided funding associated with these new positions.

The budget also requested a total of fourteen new positions for RSPA's information management program for information technology (IT) infrastructure (7), administrative support (3), and financial management (4). The Committee has provided a total of four of these new positions, two of which are accounting positions to establish proper accounting procedures. The Committee has also provided funding for one security officer and for one network administrator/computer analyst.

Although the Committee remains concerned that RSPA's information technology strategic plan did not adequately address a definitive order of infrastructure upgrades or a timeline of development for other large improvements, subsequent meetings and discussions indicate a need for some additional staff in the IT arena. The Government Information Security Reform Act requires RSPA to employ one security officer to develop, implement, and maintain a security program that assesses risk and maintains security.

Emergency transportation detailee.—RSPA requested $100,000 to pay for an existing detailee position from the Department of Defense to serve as a liaison officer in the office of emergency transportation. Because this position is filled by an employee of the Department of Defense, not RSPA, and detailees are customarily paid for by the sponsoring department, the Committee deletes funding for this purpose.

Research and technology.—The Committee has funded the request of $1,560,000 for research and development planning and transportation infrastructure assurance. The Committee encourages RSPA to continue to evaluate and streamline their research programs to eliminate duplicative programs within RSPA and among other modal administrations in DOT.

In addition, Section 352(b) of the Department of Transportation and Related Agencies Appropriations Act for FY 2002 directs DOT, in consultation with the Comptroller General, to conduct a study of the effects on public health and safety, the environment, and the economy association with the transportation of hazardous and radioactive materials. The Committee is disturbed to learn that DOT did not consult with the Comptroller General on the report that it submitted to the Congress. The GAO only received a draft report for review one week prior to its scheduled delivery date to Congress, although the GAO offered several times since January 2002 to consult with DOT on the scope and design of the study. DOT's report does not fully address all of the matters requested by the Committee and provides only a description of the transportation systems in the United States. The Committee understands that the issues to be studied are complex in nature, but it is clear that RSPA performed very little analysis in what it provided to Congress.

Therefore, the Committee directs the General Accounting Office (GAO) to provide a report by February 1, 2003, evaluating RSPA's research program. The report should address RSPA's effectiveness in coordinating with other modes of transport, including the avoidance of duplication; contain a description of how RSPA develops its research agenda and evaluates the outcomes; and include an over-

view of current RSPA projects, including challenges and successes of the program.

The Committee also directs the GAO to provide a separate report by February 1, 2003, on RSPA's transportation infrastructure assurance research initiative begun in fiscal year 2001. The report should address the status of the program, key vulnerabilities (both safety and security) of national transportation infrastructure, and a description of how the events of September 11, 2001, and the subsequent establishment of the Transportation Security Administration, may have changed the initial objectives of the program.

Information technology infrastructure.—The Committee has reduced funding by $2,239,000 from the request for computer infrastructure, for a total funding level of $1,500,000. The Committee notes that the funding provided is a significant increase from the $123,000 made available the previous year. The Committee directs RSPA to develop a spending plan by December 31, 2002, that details exactly how these funds will be spent and how the plan best addresses RSPA's needs. The Committee directs RSPA to focus its information technology investment funding on safety and security related mission critical areas, such as pipeline safety and hazardous materials areas, as well as on addressing the internal and external computer-related security threats identified by the March 2002 security posture assessment report. Further, the Committee directs RSPA to provide a detailed report to both the House and Senate Committees on Appropriations on the status of the infrastructure upgrades, including an itemization of spent resources and the sequence in which RSPA addresses security and infrastructure needs, by March 15, 2003.

FECA administrative costs.—The Committee has reduced funding by $3,200 from the budget request for workers compensation administrative costs as explained in this report.

User fees.—The Committee disagrees with the budget request to begin funding the hazardous materials safety program from user fees. On February 14, 2001, RSPA finalized a rule that changed the agency's registration and fee assessment program for persons who transport, or offer for transport, certain categories and quantities of hazardous materials. The rule increased the number of persons required to register and increased the annual registration fee for shippers and carriers which are not small businesses. These fees have raised additional funds to enhance support for the national hazardous materials emergency preparedness grant program.

To begin funding the hazardous materials safety program would require RSPA to initiate a rule to collect $5,987,000 in user fees in fiscal year 2003 and fully fund the office of hazardous materials beginning in fiscal year 2004. These fees would be above those already in place for emergency preparedness grants. Currently, this new fee is not authorized. Further, the Committee is concerned about raising fees twice on a small segment of the transportation industry. While the Committee supported fees to increase funding available for emergency preparedness training and grants, it is unwilling to have the same segment of the industry fully fund the Federal Government's entire hazardous materials safety program.

PIPELINE SAFETY

	(Pipeline safety fund)	(Oil spill liability trust fund)	Total
Appropriation, fiscal year 2002 [1]	$50,386,000	$7,864,000	$58,250,000
Budget estimate, fiscal year 2003 [2]	56,385,000	7,472,000	63,875,000
Recommended in the bill	51,225,000	7,472,000	58,697,000
Bill compared with:			
Appropriation, fiscal year 2002	+839,000	−392,000	+447,000
Budget estimate, fiscal year 2003	−5,160,000	.....	−5,160,000

[1] Does not reflect reduction of $138,000 pursuant to section 349 of Public Law 107–87 and section 1106 of Public Law 107–117.

[2] Does not reflect accruals of $653,000 for the Civil Service Retirement System (CSRS) and the Federal Employee Health Benefits (FEHB).

The pipeline safety program is responsible for a national regulatory program to protect the public against the risks to life and property in the transportation of natural gas, petroleum and other hazardous materials by pipeline. The enactment of the Oil Pollution Act of 1990 also expanded the role of the pipeline safety program in environmental protection and resulted in a new emphasis on spill prevention and containment of oil and hazardous substances from pipelines. The office develops and enforces federal safety regulations and administers a grants-in-aid program to state pipeline programs.

The bill includes $58,697,000 to continue pipeline safety operations, research and development, and state grants-in-aid in fiscal year 2003. This is a 1 percent increase from the level enacted for fiscal year 2002. The bill specifies that of the total appropriation, $7,472,000 shall be derived from the oil spill liability trust fund and $51,225,000 shall be from the pipeline safety fund.

The Committee recommends the following changes to the budget request:

Reduce funding reimbursement of prior year funding decisions	−$286,000
Deny twelve new positions	−1,152,000
Reduce requested research and development increase	−4,008,000
Deny FECA administrative costs	−15,000

Prior year funding decisions.—The budget included $286,000 for reimbursement of salary and administrative funding that Congress did not provide in the fiscal year 2002 appropriations bill. The Committee has made its decisions regarding fiscal year 2002, and therefore deletes funding for this purpose.

New positions.—The budget included a request for fifteen new pipeline safety-related positions, eight of which are specialists/inspectors to support the integrity management program, two are integrity support technical specialists and five are community assistance positions. The Committee notes that of the twenty-six pipeline safety related positions provided in fiscal year 2002, just over half have been filled. Therefore, the Committee has provided a total of three new positions—two specialists/inspectors to support the integrity assessment validation and enforcement and security preparedness work and one integrity support technical specialist.

Research and development.—RSPA requested a total increase of $4,008,000 over the fiscal year 2002 enacted level for research and development programs. This increase is due to the transfer of the Department of Energy's pipeline infrastructure research and development program into RSPA. The DOE's research program differs significantly from RSPA's as it focuses on pipeline materials and

structure research. The Committee does not support this transfer and deletes funding for this purpose.

Further, the Committee questions the dramatic increase in the R&D budget since fiscal year 2001, noting that the 2003 request would represent a 70 percent increase in the R&D budget in a span of two years. The Committee is concerned that these increases will not be effectively managed and utilized. The GAO is directed to provide a report to both the House and Senate Committees on Appropriations by January 15, 2003, on the effectiveness of RSPA's pipeline safety research and development program.

FECA administrative costs.—The Committee has reduced funding by $15,000 from the budget request for workers compensation administrative costs as explained in this report.

EMERGENCY PREPAREDNESS GRANTS

(EMERGENCY PREPAREDNESS FUND)

Appropriation, fiscal year 2002	$200,000
Budget request, fiscal year 2003	200,000
Recommended in the bill	200,000
Bill compared with:	
Appropriation, fiscal year 2002	
Budget request, fiscal year 2003	

The Hazardous Materials Transportation Uniform Safety Act of 1990 (HMTUSA) requires RSPA to: (1) develop and implement a reimbursable emergency preparedness grant program; (2) monitor public sector emergency response training and planning and provide technical assistance to states, political subdivisions and Indian tribes; and (3) develop and update periodically a mandatory training curriculum for emergency responders.

The bill includes $200,000, the same amount as requested, for activities related to emergency response training curriculum development and updates, as authorized by section 117(A)(i)(3)(B) of HMTUSA. The Committee has provided an obligation limitation of $14,300,000 for the emergency preparedness grant program.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

Appropriation, fiscal year 2002 [1]	$51,914,000
Budget request, fiscal year 2003	57,421,000
Recommended in the bill	57,421,000
Bill compared with:	
Appropriation, fiscal year 2002	+5,507,000
Budget request, fiscal year 2003	

[1] Includes $1,300,000 in supplemental emergency appropriations.

The Inspector General's office was established in 1978 to provide an objective and independent organization that would be more effective in: (1) preventing and detecting fraud, waste, and abuse in departmental programs and operations; and (2) providing a means of keeping the Secretary of Transportation and the Congress fully and currently informed of problems and deficiencies in the administration of such programs and operations. According to the authorizing legislation, the Inspector General (IG) is to report dually to the Secretary of Transportation and to the Congress.

The Committee recommendation provides $57,421,000 for activities of the Office of Inspector General, an increase of $5,507,000 (10.6 percent) above the fiscal year 2002 enacted level and the same as the administration's request. The Committee continues to value highly the work of the Office of Inspector General in oversight of departmental programs and activities. In addition, the OIG will receive $7,624,000 from other agencies in this bill, as noted below:

Federal Highway Administration	$3,524,000
Federal Transit Administration	2,000,000
Federal Aviation Administration	2,000,000
National Transportation Safety Board	100,000

The OIG's total funding of $65,045,000 represents an increase of 9.2 percent above the fiscal year 2002 level.

Backlog in criminal investigative cases.—Since the terrorist attacks of September 11, 2001, approximately 45 percent of OIG's criminal investigative resources have been diverted from other transportation investigations to perform aviation security requirements. As a result, important fraud investigations have suffered, particularly in the aviation safety, highway, and transit program areas. Since the increased funding provided in TEA–21 and AIR–21, the OIG has seen a sharp spike in investigations of contract and grant fraud. For example, in fiscal year 2001, OIG fraud investigations resulted in 72 indictments and 51 convictions. This was an increase of 33 percent in indictments and 42 percent in convictions over fiscal year 2000. While the additional resources for security activities has been important, over 250 investigations are currently either in a suspended status, not yet assigned, or have been delayed, impacting the statute of limitations in many cases. There are over 90 backlogged criminal contract and grant fraud cases involving bribery, collusion, kickback, or criminal conspiracy. The Committee believes it is crucial for the OIG to begin address these backlogged cases without further delay.

Support for homeland security agencies and activities.—The Committee understands that OIG audit and investigative costs in support of those agencies proposed for transfer to the Department of Homeland Security may be proposed for transfer to the new OIG for the Department of Homeland Security. The Committee notes that the recent workload of the Department of Transportation OIG for the Coast Guard and TSA is not indicative of a reasonable recurring level of effort. The high level of resources in these program areas is due to special Congressional requests in the area of Coast Guard search and rescue and the need for additional oversight during the start-up period for TSA. A large portion of these resources have been diverted from other critical audit and investigative activities, and cannot simply be transferred to a new department without serious impact on DOT operations. The Committee expects the administration to consider long-term resource trends, as well as the need to maintain a viable audit and investigative presence in DOT, as a part of internal planning for the new homeland security department.

Disadvantaged business enterprise program audit, New Orleans area, LA.—The Committee is aware of, and strongly concerned about, disadvantaged business enterprise (DBE) abuses that may have occurred under the administration of current DOT DBE pro-

grams at the Louis Armstrong International Airport, the New Orleans Regional Transit Authority, and the Orleans Levee Board. In August 2001, the Committee requested a thorough report on all instances in which federal DBE regulations may have been violated. The Committee requested that the IG specifically examine all firms certified under these programs and report any specific cases of improper certification. The Committee has not received the IG report, and requests its submission no later than June 1, 2003.

Unfair business practices.—The bill maintains language first enacted in fiscal year 2000 which authorizes the OIG to investigate allegations of fraud and unfair or deceptive practices and unfair methods of competition by air carriers and ticket agents.

Audit reports.—The Committee requests the Inspector General to continue forwarding copies of all audit reports to the Committee immediately after they are issued, and to continue to make the Committee aware immediately of any review that recommends cancellation of, or modification to, any major acquisition project or grant, or which recommends significant budgetary savings. The OIG is also directed to withhold from public distribution for a period of 15 days any final audit or investigative report which was requested by the House or Senate Committees on Appropriations.

SURFACE TRANSPORTATION BOARD

SALARIES AND EXPENSES

Appropriation, fiscal year 2002 [1]	$18,457,000
Budget request, fiscal year 2003 [2]	19,459,000
Recommended in the bill [3]	19,450,000
Bill compared with:	
Appropriation, fiscal year 2002	+993,000
Budget request, fiscal year 2003	−9,000

[1] Does not reflect a reduction of $5,000 pursuant to section 349 of Public Law 107–87 and a reduction of $4,000 pursuant to section 1106 of Public Law 107–117. Of this total, $950,000 is offset through the collection of user fees.

[2] Does not reflect accruals of $1,192,200 for the for the Civil Service Retirement System (CSRS) and the Federal Employee Health Benefits (FEHB) in the FY 2003 request.

[3] Assumes collection of $1,000,000 in user fees, to offset the appropriation as the fees are collected throughout the fiscal year.

The Surface Transportation Board was created on January 1, 1996 by P.L. 104–88, the Interstate Commerce Commission (ICC) Termination Act of 1995. Consistent with the continued trend toward less regulation of the surface transportation industry, the Act abolished the ICC; eliminated certain functions that had previously been implemented by the ICC; transferred core rail and certain other provisions to the Board; and transferred certain other motor carrier functions to the Federal Highway Administration (now under the Federal Motor Carrier Safety Administration). The Board is specifically responsible for regulation of the rail and pipeline industries and certain non-licensing regulations of motor carriers and water carriers. The law empowers the Board through its exemption authority to promote deregulation administratively on a case-by-case basis and continues intact the important rail reforms made by the Staggers Rail Act of 1980.

The Committee recommends a total appropriation of $19,450,000. Included in the recommended amount is an estimated $1,000,000 in fees, which will offset the appropriated funding. At this funding level, the Board will be able to accommodate 145 full-time equivalent positions.

The Committee recommends the following changes to the budget request:

Deny FECA administrative costs	−$9,100

FECA administrative costs.—The Committee has reduced funding by $9,100 from the budget request for workers compensation administrative costs as explained elsewhere in this report.

User fees.—Current statutory authority, under the Independent Offices Appropriations Act (31 U.S.C. 9701), grants the Board the authority to collect user fees. The Committee agrees with the budget request that $1,000,000 in user fees is reasonable.

Language is included in the bill allowing the fees to be credited to the appropriation as offsetting collections, and reducing the general fund appropriation on a dollar-for-dollar basis as the fees are received and credited. This language, continued from last year, simplifies the tracking of the collections and provides the Board with more flexibility in spending its appropriated funds.

Union Pacific/Southern Pacific merger.—On December 12, 1997, the Board granted a joint request of Union Pacific Railroad Company and the City of Wichita and Sedgwick County, KS (Wichita/Sedgwick) to toll the 18-month mitigation study pending in Finance Docket No. 32760. The decision indicated that at such time as the parties reach agreement or discontinue negotiations, the Board would take appropriate action.

By petition filed June 26, 1998, Wichita/Sedgwick and UP/SP indicated that they had entered into an agreement, and jointly petitioned the Board to impose the agreement as a condition of the Board's approval of the UP/SP merger. By decision dated July 8, 1998, the Board agreed and imposed the agreement as a condition to the UP/SP merger. The terms of the negotiated agreement remain in effect. If UP/SP or any of its divisions or subsidiaries materially changes or is unable to achieve the assumptions on which the Board based its final environmental mitigation measures, then the Board should reopen Finance Docket 32760 if requested by interested parties, and prescribe additional mitigation properly reflecting these changes if shown to be appropriate.

TITLE II

RELATED AGENCIES

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SALARIES AND EXPENSES

Appropriation, fiscal year 2002	$5,015,000
Budget request, fiscal year 2003 [1]	5,194,000
Recommended in the bill [2]	5,194,000
Bill compared with:	
Appropriation, fiscal year 2002	+179,000
Budget request, fiscal year 2003	

[1] Does not reflect $146,000 in CSRS/FEHB accruals.
[2] Does not reflect reduction of $146,000 pursuant to Section 301 of Public Law 106–113.

A total of $5,194,000 has been allocated for the operations of the Architectural and Transportation Barriers Compliance Board, the funding level requested by the administration. The recommended

appropriation total provides adequate funding to support two additional full time equivalent (FTE) positions as requested for a total of 32 FTEs.

The Architectural and Transportation Barriers Compliance Board (the Access Board) is the lead Federal Agency promoting accessibility for all handicapped persons. The Access Board was reauthorized in the Rehabilitation Act Amendments of 1992, Public Law 102–569. Under this authorization, the Access Board's functions are to ensure compliance with the Architectural Barriers Act of 1968, and to develop guidelines for and technical assistance to individuals and entities with rights or duties under titles II and III of the American with Disabilities Act. The Access Board establishes minimum accessibility guidelines and requirements for public accommodations and commercial facilities, transit facilities and vehicles, state and local government facilities, children's environments, and recreational facilities. The Access Board also provides technical assistance to Government agencies, public and private organizations, individuals, and businesses on the removal of accessibility barriers.

Electronic Resources.—Through the use of Internet and other electronic media, the Access Board has significantly expanded the dissemination of accessibility guidelines. The Committee commends this efficient use of electronic resources and encourages such innovative efforts to further promote accessibility for all persons with unique and special needs.

FECA administrative costs.—No funding has been provided for FECA administrative costs, as discussed earlier in the report.

NATIONAL TRANSPORTATION SAFETY BOARD

SALARIES AND EXPENSES

Appropriation, fiscal year 2002 [1]	$68,650,000
Budget request, fiscal year 2003 [2]	70,480,000
Recommended in the bill	71,270,000
Bill compared with:	
Appropriation, fiscal year 2002	+2,620,000
Budget request, fiscal year 2003	+790,000

[1] Includes $650,000 in supplemental emergency appropriations.
[2] Excludes $3,400,000 in CSRS/FEHB accruals.

Under the Independent Safety Board Act, the National Transportation Safety Board (NTSB) is responsible for improving transportation safety by investigating accidents, conducting special studies, developing recommendations to prevent accidents, evaluating the effectiveness of the transportation safety programs of other agencies, and reviewing appeals of adverse actions involving airman and seaman certificates and licenses, and civil penalties issued by the Department of Transportation.

The bill includes an appropriation of $71,270,000 for salaries and expenses, an increase of $2,620,000 (4 percent) above the fiscal year 2002 enacted level and $790,000 above the request. The additional funds shall be used to cover the safety academy's rental costs and necessary academy staffing in 2003. Of the funds provided, up to $2,000 may be used for official reception and representation expenses as requested. The Committee expects to be advised if the Board proposes to deviate in any way from the staff year alloca-

tions or by more than five percent from the funding allocations described in the budget justifications.

FECA administrative costs.—No funding has been provided for FECA administrative costs, as discussed earlier in the report.

TITLE III

GENERAL PROVISIONS

(INCLUDING TRANSFERS OF FUNDS)

The Committee concurs with the general provisions that apply to the Department of Transportation and related agencies as proposed in the budget with the following changes:

The Committee does not approve the requested deletion of the following sections, all of which were contained in the fiscal year 2002 Department of Transportation and Related Agencies Appropriations Act (section numbers may be different):

Section 320 prohibits funds in this Act unless the Secretary of Transportation notifies the House and Senate Committees on Appropriations not less than three full business days before any discretionary grant award, letter of intent, or full funding grant agreement totaling $1,000,000 or more is announced by the department or its modal administrations.

Section 321 prohibits funds for design or construction of a light rail system in Houston, Texas, without meeting the conditions listed.

Section 322 prohibits funds in this Act for engineering work related to an additional runway at New Orleans International Airport.

Section 326 prohibits funds for the Office of the Secretary of Transportation to approve assessments or reimbursable agreements pertaining to funds appropriated to the modal administrations in this Act, unless such assessments or agreements have completed the normal reprogramming process for Congressional notification.

The Committee included the following general provisions as requested with modifications:

Section 304 prohibits funds in this Act for salaries and expenses of more than 107 political and Presidential appointees in the Department of Transportation and includes a provision that prohibits political and Presidential personnel to be assigned on temporary detail outside the Department of Transportation or any independent agency funded in this Act.

Section 315 prohibits funds to compensate in excess of 350 technical staff years under the federally funded research and development center contract between the Federal Aviation Administration and the Center for Advanced Aviation Systems Development.

Section 323 prohibits funds in this Act to be used to adopt guidelines or regulations requiring airport sponsors to provide the Federal Aviation Administration or the Transportation Security Administration "without cost" buildings, maintenance or space for FAA or TSA services, including air traffic control, air navigation, aviation security or weather reporting. The prohibition does not apply to negotiations between FAA or TSA and airport sponsors concerning "below market" rates for such services or to grant as-

surances that require airport sponsors to provide land without cost to the FAA for air traffic control facilities or to the TSA for security checkpoints.

Section 324 amends the Transportation Equity Act for the 21st Century (112 Stat. 272) to increase the percentage take-down for FHWA administrative funds.

Section 325 allows States to use funds provided under section 402 of title 23, U.S.C., to produce and place highway safety public service messages.

The Committee included the following new provisions:

Section 327 prohibits funds in this Act from being used to issue, implement, or enforce a regulation that diminishes or revokes an exemption authorized under 345 of the National Highway System Designation Act of 1995.

Section 328 requires the Secretary of Transportation to make a grant from the Local Rail Freight Assistance program in the amount of $690,287 to the State of Iowa for a rail infrastructure rehabilitation project on the Iowa Northern Railway.

Section 329 requires payments into the Department of Defense Medicare-Eligible Retiree Health Care Fund for fiscal year 2003 to be from funds available in the Coast Guard Operating Expenses account.

Section 330 reallocates funds for the Wilmington, Delaware, downtown transit connector and for the Wilmington downtown corridor project.

Section 331 amends section 1602 of the Transportation Equity Act for the 21st Century (112 Stat. 272) to allow changes to projects in Pennsylvania, Louisiana, New York, and Texas; authorizes an eligibility change for Alaska under FTA's section 5309 program; transfers funds in California contained in P.L. 103–331; and includes the city of Norman, OK to be considered as part of the Oklahoma City Transportation Management Area.

Section 332 prohibits the use of funds in this Act for DOT to finalize or implement "Statewide Planning, Metropolitan Transportation Planning" rule published on June 19, 2002.

Section 333 prohibits the use of funds in this Act for DOT to develop or implement a pilot program allowing commercial drivers 18 to 20 years of age to operate commercial motor carriers in interstate commerce.

Section 334 amends the Intermodal Surface Transportation Efficiency Act of 1991 to extend the exemption from the federal axle weight restrictions to include over-the-road buses.

Section 335 subjects funds provided in this Act to the stipulations in Section 350 of Public Law 107–87, including the annual report on the safety and security of Mexico-domicited motor carriers operating in the United States.

Section 336 amends Section 11123 of title 49, United States Code, to ensure that emergency rail service is continued if Amtrak should cease operation.

Section 337 encourages the Secretary of Transportation and the FAA to implement a plan between the State of Illinois, the City of Chicago, and other parties for the purpose of modernizing O'Hare International Airport, continuing operation of Meigs Field, and utilizing existing airports to help relieve congestion.

Section 338 amends the Air Transportation Safety and System Stabilization Act by inserting into section 402 the definition of the term "air carrier."

Section 339 requires the FAA to report to Congress on the safety implications of allowing small airports to use AIP funds to build or equip a visual flight rule air traffic control tower that would be operated under the contract tower program and on whether small airports that have already built towers should be eligible for reimbursement from the AIP funds.

Section 340 prohibits funds provided in this Act to be transferred without expressed authority.

Section 341 requires Amtrak to submit an annual report to the appropriate Congressional Committees detailing their per passenger operating loss for each rail line.

Section 342 requires that any explosive detection system purchased pursuant to 49 U.S.C 44901(d) will be purchased by the Under Secretary of Transportation for Security.

Section 343 amends language in the Aviation and Transportation Security Act, so as to only require the use of law enforcement officers at airports, instead of designating the use of federal officers.

Section 344 limits the use of funds to terminate or limit restrictions imposed under Federal Aviation Administration Notices to Airmen FDC 1/3353 or 2/9583.

Section 345 restricts procurement of Coast Guard ships unless they are in compliance with the Buy American Act.

Section 346 amends section 13703, of title 49, United States Code, by allowing the STB to approve applications from truck rate bureaus seeking to publish national rates.

Section 347 restricts funds to apply or enforce a regulatory requirement for strengthening flight deck doors until further review by the TSA.

The Committee has not included provisions proposed in the budget: (1) limiting federal funds for new fixed guideway projects to no more than 50 percent; (2) allowing funds for construction of state border safety inspection facilities in Arizona, California, New Mexico, and Texas; (3) allowing Federal Highway Administration funds to purchase promotional items for employment recruiting and safety programs; (4) increasing fees charged for hazardous material registration and inspection and crediting such fees to the Research and Special Programs account; (5) authorizing collection of fees for railroad safety and crediting such fees to the Federal Railroad Administration account; (6) restricting eligibility for essential air service subsidies; and (7) authorizing the waiving of the matching requirements of the emergency fund under section 125 and the federal share of section 123, United States Code.

HOUSE OF REPRESENTATIVES REPORT REQUIREMENTS

The following items are included in accordance with various requirements of the Rules of the House of Representatives:

CONSTITUTIONAL AUTHORITY

Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives states:

> Each report of a committee on a bill or joint resolution of a public character, shall include a statement citing the specific powers granted to the Congress in the Constitution to enact the law proposed by the bill or joint resolution.

The Committee on Appropriations bases its authority to report this legislation from clause 7 of section 9 of Article I of the Constitution of the United States of America which states:

> No money shall be drawn from the Treasury but in consequence of Appropriations made by law . . .

Appropriations contained in this Act are made pursuant to this specific power granted by the Constitution.

TRANSFERS OF FUNDS

Pursuant to clause 3(f)(2) of rule XIII of the Rules of the House of Representatives, the following statement is submitted describing the transfers of funds provided in the accompanying bill.

The Committee recommends the following transfers:

Under Federal Transit Administration, Formula grants: Provided further, That notwithstanding section 3008 of Public Law 105–178, the $50,000,000 to carry out 49 U.S.C. 5308 shall be transferred to and merged with funding provided for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities under "Federal Transit Administration, Capital investment grants".

Under Federal Railroad Administration, under Grants to the National Railroad Passenger Corporation: Provided that up to $100,000,000 from capital grants shall be transferred to operating expenses if approved by the Secretary of the Department of Transportation.

Under the general provisions:

Sec. 313. Notwithstanding any other provision of law, and except for fixed guideway modernization projects, funds made available by this Act under "Federal Transit Administration, Capital investment grants" for projects specified in this Act or identified in reports accompanying this Act not obligated by September 30, 2005, and other recoveries, shall be available for other projects under 49 U.S.C. 5309.

Sec. 314. Notwithstanding any other provision of law, any funds appropriated before October 1, 2002, under any section of chapter 53 of title 49, United States Code, that remain available for expenditure may be transferred to and administered under the most recent appropriation heading for any such section.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the following is a statement of general performance goals and objectives for which this measure authorizes funding:

The Committee on Appropriations strongly considers program performance, including a program's success in developing and attaining outcome-related goals and objectives, in developing funding recommendations. This includes a review of agency and departmental performance plans, audits, and investigations of the U.S.

General Accounting Office and the Department of Transportation Office of Inspector General, and other performance-related information. The Committee's goal is to provide adequate, but not excessive, resources for the programs covered by this Act, consistent with funding allocations provided by the Congressional budget process.

COMPLIANCE WITH RULE XIII, CLAUSE 3(e) (RAMSEYER RULE)

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TRANSPORTATION EQUITY FOR THE 21st CENTURY

* * * * * * *

TITLE I—FEDERAL-AID HIGHWAYS

* * * * * * *

Subtitle F—High Priority Projects

* * * * * * *

SEC. 1602. PROJECT AUTHORIZATIONS.

Subject to section 117 of title 23, United States Code, the amount listed for each high priority project in the following table shall be available (from amounts made available by section 1101(a)(13) of the Transportation Equity Act for the 21st Century) for fiscal years 1998 through 2003 to carry out each such project:

No.	State	Project description	(Dollars in millions)
1.	Georgia	I–75 advanced transportation management system in Cobb County	1.7
*	*	* * * *	*
75.	New York	[Construct Edgewater Road Dedicated Truck Route] *Bronx, NY River Greenway*	9
*	*	* * * *	*
230.	New York	[Construct new exit 46A on I–90 at Route 170 in North Chili] *Monroe County transportation improvements on Long Pond Road, Pattonwood Road, and Leyll road*	6
*	*	* * * *	*
426.	Louisiana	Conduct feasibility study, design and construction of connector between Louisiana Highway [16] *1026* to I–12 in Livingston Parish	3.75
*	*	* * * *	*
696.	Pennsylvania	Gettysburg comprehensive road improvement study *and construction of projects identified in the study*	3

No.	State	Project description	(Dollars in millions)
*	*	* * * *	*
933.	New York	[Redesign Grand Concourse to enhance traffic flow and related enhancements between E. 161st Street and Fordham Road, New York City] *Design, construction, and related enhancement of the Grand Concourse between E. 161st St. and E. 166th St., New York City*	9.75
*	*	* * * *	*
1108.	Texas	[Construct 6th and 7th Street overpass over railroad yard, Brownsville] *Construct west Rail Project in or near Brownsville, including a new railroad international bridge crossing over the Rio Grande River*	0.375
*	*	* * * *	*
1269.	New York	[Implement Melrose Commons geographic information system] *Bronx, NY Center Transportation Project*	0.75
*	*	* * * *	*
1344.	New York	[Upgrade Frederick Douglas Circle, New York City] *Upgrade Frederic Douglas Circle and Manahattan Avenue from West 110th Street to West 125th Street, New York City*	9
*	*	* * * *	*
1735.	Pennsylvania	Construct new interchange at I–95 and PA Turnpike and related improvements, *including Type II noise abatement projects along Interstate 95 in Bensalem Township between Exit 25 and 26, Bucks County*	5
*	*	* * * *	*

TITLE III—FEDERAL TRANSIT ADMINISTRATION PROGRAMS

* * * * * * *

SEC. 3030. PROJECTS FOR NEW FIXED GUIDEWAY SYSTEMS AND EXTENSIONS TO EXISTING SYSTEMS.

(a) * * *

* * * * * * *

(d) EFFECT OF AUTHORIZATION.—

(1) * * *

* * * * * * *

(3) INTERMODAL CENTER AUTHORIZATIONS.—Notwithstanding any other provision of law, each of the following projects are eligible for funding under section 5309(m)(1)(C) of title 49, United States Code:

(A) * * *

* * * * * * *

[(D)] *(E)* Alabama State Docks intermodal passenger and freight facility.

(F) Port of Anchorage Intermodal passenger and freight facility.

* * * * * * *

ALASKA RAILROAD TRANSFER ACT OF 1982

(Title VI of Public Law 97–468)

TITLE VI—ALASKA RAILROAD TRANSFER

* * * * * * *

TRANSFER AUTHORIZATION

SEC. 604. (a) * * *

(b)(1) On the date of transfer, the Secretary shall simultaneously:

(A) * * *

* * * * * * *

Prior to taking the action specified in subparagraphs (A) through (D) of this paragraph, the Secretary shall consult with the Secretary of the Interior. The exclusive-use easement granted pursuant to subparagraph (D) of this paragraph and all rights afforded by such easement shall be exercised only for railroad purposes, and for such other transportation, transmission, or communication purposes for which lands subject to such easement were utilized as of the date of enactment of this Act. [In the event of reversion to the United States, pursuant to section 610 of this title, of the State's interests in all or part of the lands subject to such easement, such easement shall terminate with respect to the lands subject to such reversion, and no new exclusive-use easement with respect to such reverted lands shall be granted except by Act of Congress.]

* * * * * * *

FUTURE RIGHTS-OF-WAY

SEC. 609. (a) * * *

* * * * * * *

[(c) Reversion to the United States of any portion of any right-of-way or exclusive-use easement granted to the State or State-owned railroad shall occur only as provided in section 610 of this title. For purposes of such section, the date of the approval of any such right-of-way shall be deemed the "date of transfer".

[REVERSION

[SEC. 610. (a) If, within ten years after the date of transfer to the State authorized by section 604 of this title, the Secretary finds that all or part of the real property transferred to the State under this title, except that portion of real property which lies within the boundaries of the Denali National Park and Preserve, is converted to a use that would prevent the State-owned railroad from continuing to operate, that real property (including permanent improvements to the property) shall revert to the United States Gov-

ernment, or (at the option of the State) the State shall pay to the United States Government an amount determined to be the fair market value of that property at the time its conversion prevents continued operation of the railroad.

[(b) If, after the date of transfer pursuant to section 604 of this title, the State discontinues use of any land within the right-of-way, the State's interest in such land shall revert to the United States. The State shall be considered to have discontinued use within the meaning of this subsection and subsection (d) of this section when:

[(1) the Governor of the State of Alaska delivers to the Secretary of the Interior a notice of such discontinuance, including a legal description of the property subject to the notice, and a quitclaim deed thereto; or

[(2) the State has made no use of the land for a continuous period of eighteen years for transportation, communication, or transmission purposes. Notice of such discontinuance shall promptly be published in the Federal Register by the Secretary, the Secretary of the Interior, or the Secretary of Agriculture, and reversion shall be effected one year after such notice, unless within such one-year period the State brings an appropriate action in the United States District Court for the District of Alaska to establish that the use has been continuing without an eighteen-year lapse. Any such action shall have the effect of staying reversion until exhaustion of appellate review from the final judgment in that action or termination of the right to seek such review, whichever first occurs.

[(c) Upon such reversion pursuant to subsection (b) of this section, the Secretary of the Interior shall immediately convey by patent to abutting landowners all right, title and interest of the United States. Where land abutting the reverted right-of-way is owned by different persons or entities, the conveyance made pursuant to this subsection shall extend the property of each abutting owner to the centerline of the right-of-way.

[(d) If use is discontinued (as that term is used in subsection (b) of this section) of all or part of those properties of the Alaska Railroad transferred to the State pursuant to this title which lie within the boundaries of the Denali National Park and Preserve or the Chugach National Forest, such properties or part thereof (including permanent improvements to the property) shall revert to the United States and shall not be subject to subsection (c) of this section. Upon such reversion, jurisdiction over that property shall be transferred to the Secretary of the Interior or the Secretary of Agriculture, as appropriate, for administration as part of the Denali National Park and Preserve or the Chugach National Forest.

[(e) Except as provided in subsections (a) through (d) of this section, if, within five years after the date of transfer to the State pursuant to section 604 of this title, the State sells or transfers all or substantially all of the State-owned railroad to an entity other than an instrumentality of the State, the proceeds from the sale or transfer that exceed the cost of any rehabilitation and improvement made by the State for the State-owned railroad and any net liabilities incurred by the State for the State-owned railroad shall be paid into the general fund of the Treasury of the United States.

[(f) The Attorney General, upon the request of the Secretary, the Secretary of the Interior, or the Secretary of Agriculture, shall institute appropriate proceedings to enforce this section in the United States District Court for the District of Alaska.]

* * * * * * *

SECTION 1023 OF THE INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT OF 1991

SEC. 1023. GROSS VEHICLE WEIGHT RESTRICTION.

(a) * * *

* * * * * * *

(h) *OVER-THE-ROAD BUSES AND* PUBLIC TRANSIT VEHICLES.—

(1) TEMPORARY EXEMPTION.—The second sentence of section 127 of title 23, United States Code, relating to axle weight limitations for vehicles using the Dwight D. Eisenhower System of Interstate and Defense Highways, shall not apply, for the period beginning on October 6, 1992, and ending on October 1, 2003, [to any vehicle which] *to—*

(A) any over-the-road bus (as defined in section 301 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12181)); or

(B) any vehicle that is regularly and exclusively used as an intrastate public agency transit passenger bus.

* * * * * * *

TITLE 49, UNITED STATES CODE

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SUBTITLE IV—INTERSTATE TRANSPORTATION

* * * * * * *

PART A—RAIL

* * * * * * *

CHAPTER 111—OPERATIONS

* * * * * * *

SUBCHAPTER II—CAR SERVICE

* * * * * * *

§ 11123. Situations requiring immediate action to serve the public

(a) When the Board determines that shortage of equipment, congestion of traffic, unauthorized cessation of operations, *failure of existing commuter passenger transportation operations caused by a cessation of service by the National Railroad Passenger Corporation,* or other failure of traffic movement exists which creates an emergency situation of such magnitude as to have substantial adverse

effects on shippers, or on rail service in a region of the United States, or that a rail carrier providing transportation subject to the jurisdiction of the Board under this part cannot transport the traffic offered to it in a manner that properly serves the public, the Board may, to promote commerce and service to the public, for a period not to exceed 30 days—

(1) * * *

* * * * * * *

(3) prescribe temporary through routes; **[**or**]**

(4) give directions for—

(A) * * *

* * * * * * *

(C) movement of traffic under permits**[**.**]***; or*

(5) in the case of a failure of existing freight or commuter rail passenger transportation operations caused by a cessation of service by the National Railroad Passenger Corporation, direct the continuation of the operations and dispatching, maintenance, and other necessary infrastructure functions related to the operations.

(b)(1) * * *

* * * * * * *

(3) **[**When**]** *(A) Except as provided in subparagraph (B), when* a rail carrier is directed under this section to operate the lines of another rail carrier due to that carrier's cessation of operations, compensation for the directed operations shall derive only from revenues generated by the directed operations.

(B) In the case of a failure of existing freight or commuter rail passenger transportation operations caused by a cessation of service by the National Railroad Passenger Corporation, the Board may provide funding, to the extent provided in advance in appropriations acts, to support activities directed under subsection (a), including the payment of increased insurance premiums. The Board may order complete indemnification against any and all claims associated with the provision of service to which the directed rail carrier may be exposed.

* * * * * * *

(e) For purposes of this section, the National Railroad Passenger Corporation and any entity providing commuter rail passenger transportation shall be considered rail carriers subject to the Board's jurisdiction.

(f) For purposes of this section, the term "commuter rail passenger transportation" has the meaning given that term in section 24102(4).

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SUBTITLE V—RAIL PROGRAMS

* * * * * * *

PART C—PASSENGER TRANSPORTATION

* * * * * * *

CHAPTER 243—AMTRAK

* * * * * * *

§ 24301. Status and applicable laws

(a) * * *

* * * * * * *

(c) APPLICATION OF SUBTITLE IV.—Subtitle IV of this title shall not apply to Amtrak, except for sections *11123,* 11301, 11322(a), 11502, and 11706. Notwithstanding the preceding sentence, Amtrak shall continue to be considered an employer under the Railroad Retirement Act of 1974, the Railroad Unemployment Insurance Act, and the Railroad Retirement Tax Act.

* * * * * * *

SUBTITLE VII—AVIATION PROGRAMS

* * * * * * *

PART A—AIR COMMERCE AND SAFETY

* * * * * * *

SUBPART III—SAFETY

* * * * * * *

CHAPTER 449—SECURITY

* * * * * * *

SUBCHAPTER I—REQUIREMENTS

* * * * * * *

§ 44920. Security screening opt-out program

(a) * * *

* * * * * * *

(e) SUPERVISION OF SCREENED PERSONNEL.—The Under Secretary shall provide Federal Government supervisors to oversee all screening at each airport at which screening services are provided under this section and provide [Federal Government] law enforcement officers at the airport pursuant to this chapter.

* * * * * * *

AIR TRANSPORTATION SAFETY AND SYSTEM STABILIZATION ACT

* * * * * * *

TITLE IV—VICTIM COMPENSATION

* * * * * * *

SEC. 402. DEFINITIONS.

In this title, the following definitions apply:

[(1) AIR CARRIER.—The term "air carrier" means a citizen of the United States undertaking by any means, directly or indirectly, to provide air transportation and includes employees and agents of such citizen. The term "air carrier" does not include a person, other than an air carrier, engaged in the business of providing air transportation security.]

(1) AIR CARRIER.—The term "air carrier" means a citizen of the United States undertaking by any means, directly or indirectly, to provide air transportation and includes employees and agents (including persons engaged in the business of providing air transportation security and their affiliates) of such citizen. For purposes of the preceding sentence, the term "agent", as applied to persons engaged in the business of providing air transportation security, shall only include persons that have contracted directly with the Federal Aviation Administration and commenced services no later than February 17, 2002, to provide such security, and had not been debarred for any period within 6 months from that date.

* * * * * * *

SEC. 408. LIMITATION ON AIR CARRIER LIABILITY.

(a) * * *

* * * * * * *

(c) EXCLUSION.—Nothing in this section shall in any way limit any liability of any person who is a knowing participant in any conspiracy to hijack any aircraft or commit any terrorist act. Subsections (a) and (b) do not apply to civil actions to recover collateral source obligations. [Nothing in this section shall in any way limit any liability of any person who is engaged in the business of providing air transportation security and who is not an airline or airport sponsor or director, officer, or employee of an airline or airport sponsor.]

* * * * * * *

SECTION 110 OF THE AVIATION AND TRANSPORTATION SECURITY ACT

SEC. 110. SCREENING.

(a) * * *

* * * * * * *

(c) DEADLINE FOR DEPLOYMENT OF FEDERAL SCREENERS.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Under Secretary of Transportation for Security shall deploy at all airports in the United States where screening is required under section 44901 of title 49, United States Code, a sufficient number of Federal screeners, Federal Security Managers, Federal security personnel, and [Federal] law enforcement officers to conduct the screening of all passengers and property under section 44901 of such title at such airports.

* * * * * * *

TITLE 49, UNITED STATES CODE

* * * * * * *

SUBTITLE IV—INTERSTATE TRANSPORTATION

* * * * * * *

CHAPTER 137—RATES AND THROUGH ROUTES

* * * * * * *

§ 13703. Certain collective activities; exemption from antitrust laws

(a) * * *

* * * * * * *

[(d) LIMITATION.—The Board shall not take any action that would permit the establishment of nationwide collective rate-making authority.]

[(e)] (*d*) EXISTING AGREEMENTS.—

(1) * * *

* * * * * * *

[(f)] (*e*) LIMITATIONS ON STATUTORY CONSTRUCTION.—

(1) * * *

* * * * * * *

[(g)] (*f*) INDUSTRY STANDARD GUIDES.—

(1) * * *

* * * * * * *

[(h)] (*g*) SINGLE LINE RATE DEFINED.—In this section, the term "single line rate" means a rate, charge, or allowance proposed by a single motor carrier that is applicable only over its line and for which the transportation can be provided by that carrier.

* * * * * * *

CHANGES IN THE APPLICATION OF EXISTING LAW

Pursuant to clause 3(f)(1)(A) of rule XIII of the Rules of the House of Representatives, the following statements are submitted describing the effect of provisions in the accompanying bill which directly or indirectly change the application of existing law.

The bill provides that appropriations shall remain available for more than one year for a number of programs for which the basic authorizing legislation does not explicitly authorize such extended availability.

The bill includes limitations on official entertainment, reception and representation expenses for the Secretary of Transportation and the National Transportation Safety Board. Similar provisions have appeared in many previous appropriations Acts.

The bill includes a number of limitations on the purchase of automobiles, motorcycles, or office furnishings. Similar limitations have appeared in many previous appropriations Acts.

Language is included in several instances permitting certain funds to be credited to the appropriations recommended.

Language is included under Office of the Secretary, "Salaries and expenses" which would allow crediting the account with up to $2,500,000 in user fees.

Language is included under the Office of the Secretary, "Salaries and expenses" limiting the use of funds available for the position of Assistant Secretary for Public Affairs.

Language is included that limits operating costs and capital outlays of the Transportation Administrative Service Center of the Department of Transportation and limits special assessments or reimbursable agreements levied against any program, project or activity funded in this Act to only those assessments or reimbursable agreements that are presented to and approved by the House and Senate Appropriations Committees.

Language is included under the Transportation Security Administration, "Aviation security" which would allow crediting the account with security service fees, estimated at not more than $1,712,726,000.

Language is included under the Transportation Security Administration, "Aviation security" limiting the full-time staffing level to 45,000.

Language is included under the Transportation Security Administration, "Aviation security" requiring funds spent on TSA's Credentialing Project to include pilot projects at locations on both the East and West Coasts and requiring that those projects should include a variety of technologies.

Language is included under the Coast Guard, "Operating expenses" which specifies that none of the funds appropriated shall be available for pay or administrative expenses in connection with shipping commissioners.

Language is included under the Coast Guard, "Operating expenses" that limits the use of funds for yacht documentation to the amount of fees collected from yacht owners.

Language is included under the Coast Guard, "Operating expenses" that limits the funds spent for increased staffing, training, revising of policies and modernizing equipment.

Language is included under the Coast Guard, "Operating expenses" that instructs the Inspector General to report to the House and Senate Appropriations Committee on the above funding.

Language is included under the Coast Guard, "Acquisition, construction, and improvements" that credits funds from the disposal of surplus real property by sale or lease.

Language is included under the Coast Guard, "Acquisition, construction, and improvements" requiring the Secretary to submit to Congress a comprehensive capital investment plan for the Coast Guard with the submission of their fiscal year 2004 budget.

Language is included under the Coast Guard, "Acquisition construction, and improvements" requiring the OMB director to submit to the Congress the budget request for certain subheadings of the IDS integration contract.

Language is included under the Coast Guard, "Alteration of bridges" requiring that certain projects must use steel, iron, and manufactured products produced only in the United States.

Language is included under the Coast Guard, "Research, development, test, and evaluation" that credits funds received from state

and local governments and other entities for expenses incurred for research, development, testing, and evaluation.

Language is included under the Federal Aviation Administration, "Operations" limiting funds for certain aviation program activities.

Language is included under the Federal Aviation Administration, "Operations" that prohibits funds to plan, finalize, or implement any regulation that would promulgate new aviation user fees not specifically authorized by law after the date of enactment of this Act.

Language is included under the Federal Aviation Administration, "Operations" that credits funds received from States, counties, municipalities, foreign authorities, other public authorities, and private sources for expenses incurred in the provision of agency services.

Language is included under the Federal Aviation Administration, "Operations" that provides $6,000,000 for the contract tower cost-sharing program.

Language is included under the Federal Aviation Administration, "Operations" permitting the use of funds to enter into a grant agreement with a nonprofit standard-setting organization to develop aviation safety standards.

Language is included under the Federal Aviation Administration, "Operations" that prohibits the use of funds for new applicants of the second career training program.

Language is included under the Federal Aviation Administration, "Operations" that prohibits the use of funds for Sunday premium pay unless an employee actually performed work during the time corresponding to the premium pay.

Language is included under the Federal Aviation Administration, "Operations" that prohibits funds from being used to operate a manned auxiliary flight service station in the contiguous United States.

Language is included under the Federal Aviation Administration, "Operations" that prohibits funds for conducting and coordinating activities on aeronautical charting and cartography through the Transportation Administrative Service Center.

Language is included under Federal Aviation Administration, "Facilities and equipment" that allows certain funds received for expenses incurred in the establishment and modernization of air navigation facilities to be credited to the account.

Language is included under Federal Aviation Administration, "Facilities and equipment" that requires the Secretary of Transportation to transmit a comprehensive capital investment plan for the Federal Aviation Administration.

Language is included under Federal Aviation Administration, "Research, engineering, and development" that allows certain funds received for expenses incurred in research, engineering and development to be credited to the account.

Language is included under Federal Aviation Administration, "Grants-in-aid for airports" that limits funds available for the planning or execution of programs with delegations in excess of $3,400,000,000.

Language is included under Federal Aviation Administration, "Grants-in-aid for airports" that provides not more than $62,820,000 for administration.

The bill includes limitations on administrative expenses of the Federal Highway Administration and the Federal Motor Carrier Safety Administration. The bill also includes a limitation on transportation research of the Federal Highway Administration.

Language is included under National Highway Traffic Safety Administration, "Operations and research" prohibiting the planning or implementation of any rulemaking on labeling passenger car tires for low rolling resistance.

Language is included under National Highway Traffic Safety Administration, "Highway traffic safety grants" limiting obligations for certain safety grant programs.

Language is included under the National Highway Traffic Safety Administration, "Highway traffic safety grants" prohibiting the use of funds for construction, rehabilitation or remodeling costs or for office furniture for state, local, or private buildings.

Language is included under the National Highway Traffic Safety Administration, "Highway traffic safety grants" limiting the amount of funds available for technical assistance to the states under section 410.

Language is included under Federal Railroad Administration, "Railroad rehabilitation and improvement program" authorizing the Secretary to issue fund anticipation notes necessary to pay obligations under sections 511 through 513 of the Railroad Revitalization and Regulatory Reform Act.

Language is included under Federal Railroad Administration, "Railroad rehabilitation and improvement program" that prohibits new direct loans or loan guarantee commitments using federal funds for credit risk premium under section 502 of the Railroad Revitalization and Regulatory Reform Act.

Language is included under Federal Railroad Administration, "Grants to the National Railroad Passenger Corporation" that provides quarterly apportionment for capital funding and requires non-federal entities to provide payments on lines that have a greater than $200 passenger loss based on procedures developed by the Secretary of Transportation.

Language is included under Federal Transit Administration, "Administrative expenses" that reimburses $2,000,000 to the Department of Transportation's Inspector General for costs associated with the audit and review of new fixed guideway systems.

Language is included under Federal Transit Administration, "Administrative expenses" that allows funds to remain available until expended for the National transit database.

Language is included under Federal Transit Administration, "Administrative expenses" that the Secretary of Transportation will transmit to Congress the annual report on new starts.

Language is included under the Federal Transit Administration, "Formula grants" reducing funds for each day that the annual report on new starts is not submitted to Congress.

Language is included under Federal Transit Administration, "Formula grants" that transfers $50,000,000 to be transferred to "Federal Transit Administration, Capital investment grants".

Language is included under Research and Special Programs Administration, "Research and special programs" which would allow up to $1,200,000 in fees collected under 49 U.S.C. 5108(g) to be deposited in the general fund of the Treasury as offsetting receipts.

Language is included under Research and Special Programs Administration, "Research and special programs" that credits certain funds received for expenses incurred for training and other activities.

Language is included under Research and Special Programs Administration, "Emergency preparedness grants" specifying the Secretary of Transportation or his designee may obligate funds provided under this head.

Language is included under Office of Inspector General, "Salaries and expenses" that provides the Inspector General with all necessary authority to investigate allegations of fraud by any person or entity that is subject to regulation by the Department of Transportation.

Language is also included under Office of Inspector General, "Salaries and expenses" that authorizes the office of Inspector General to investigate unfair or deceptive practices and unfair methods of competition by domestic and foreign air carriers and ticket agents.

Language is included under Surface Transportation Board, "Salaries and expenses" allowing the collection of $1,000,000 in fees established by the Chairman of the Surface Transportation Board; and providing that the sum appropriated from the general fund shall be reduced on a dollar-for-dollar basis as such fees are received.

Language is included under Architectural and Transportation Barriers Compliance Board, "Salaries and expenses" that provides that funds received for publications and training may be credited to the appropriation.

The bill contains a number of general provisions that place limitations or funding prohibitions on the use of funds in the bill and which might, under some circumstances, be construed as changing the application of existing law.

The bill contains a number of general provisions that allow for the redistribution of previously appropriated funds.

Section 304 prohibits political and Presidential appointees in the Department of Transportation and independent agencies funded in this Act from being assigned on temporary detail outside the Department or such independent agency.

Section 312 allows airports to transfer to the Federal Aviation Administration instrument landing systems which conform to FAA specifications and the purchase of such equipment was assisted by a federal airport aid program.

Section 316 provides that funds received for training from States, counties, municipalities, other public authorities, and private sources by the Federal Highway Administration, Federal Transit Administration, and Federal Railroad Administration to be credited to each respective agency except for State rail safety inspectors participating in training pursuant to 49 U.S.C. 20105.

Section 317 allows funds received by the Bureau of Transportation Statistics from the sale of data products to be credited to the Federal-aid highways account for the purpose of reimbursing the Bureau for such expenses.

Section 319 authorizes the Secretary of Transportation to allow issuers to redeem or repurchase preferred stock sold to the Department of Transportation.

Section 320 prohibits funds in this Act unless the Secretary of Transportation notifies the House and Senate Committees on Appropriations not less than three full business days before any discretionary grant award, letter of intent, or full funding grant agreement totaling $1,000,000 or more is announced by the department or its modal administrations.

Section 325 allows States to use funds provided in this Act under section 402 of title 23, United States Code, to produce and place highway safety public service messages in accordance with guidance issued by the Secretary of Transportation, and requires such States to submit a report describing and assessing the effectiveness of the messages. It also allows States to use section 157 and 163 grants to purchase advertising to be used during seat belt and alcohol mobilizations and permits the Administrator to evaluate the effectiveness of purchased advertising on seat belt and alcohol-impaired driving programs.

Section 327 prohibits funds in this Act from being used to issue, implement, or enforce a regulation that diminishes or revokes an exemption authorized under 345 of the National Highway System Designation Act of 1995.

Section 329 requires payments into the Department of Defense Medicare-Eligible Retiree Health Care Fund to come from funds in Coast Guard, "Operating expense".

Section 331 allows changes to be made to the table in section 1602 of the Transportation Equity Act for the 21st Century with regard to plans in Louisiana, Pennsylvania, New York, and Texas; allows changes to be made to section 3030(d)(3) of the Transportation Equity Act for the 21st Century (P.L. 105–78) with regard to plans in Alaska; allows changes to be made under "Surface Transportation Projects" (P.L. 103–331) with regard to California; allows changes to be made under "Surface Transportation Projects" (P.L. 103–331) with regard to Texas; and includes the city of Norman, OK to be considered as part of the Oklahoma City Transportation Management Area.

Section 334 permits over-the-road buses to be included under the Intermodal Surface Transportation Efficiency Act of 1991.

Section 336 permits continued operation of freight and commuter rail services if a cessation of service by the National Railroad Corporation should occur.

Section 338 amends the Air Transportation Safety and System Stabilization Act (49 U.S.C. 40101 note) by inserting into section 402 the definition of the term "air carrier."

Section 342 requires that any explosive detection system purchase must be made by the Under Secretary of Transportation for Security.

Section 343 amends language in the Aviation and Transportation Security Act, so as to only require the use of law enforcement officers at airports, instead of designating the use of federal officers.

Section 344 prohibits funds in this Act from terminating or limiting restrictions imposed under FAA Notices to Airmen FDC 2/0199, issued on September 27, 2002.

Section 345 prohibits the procurement of Coast Guard ships, including main diesel engines, unless such procurement is in compliance with the Buy American Act, 41 U.S.C. 10(a)–10(d). The Com-

mittee does not seek to amend the Act to apply content standards to individual components of vessels.

Section 346 amends section 13703, of title 49, United States Code, by allowing the STB to approve applications from truck rate bureaus seeking to publish national rates.

APPROPRIATIONS NOT AUTHORIZED BY LAW

Pursuant to clause 3(f)(1) of rule XIII of the Rules of the House of Representatives, the following table lists the appropriations in the accompanying bill that are not authorized by law:

APPROPRIATIONS NOT AUTHORIZED BY LAW

[In thousands of dollars]

Agency and Appropriation	Last year of authorization	Authorization level	Appropriations in last year of authorization	Appropriations recommended in this bill
Coast Guard:				
Operating Expenses	1999	[1] 3,006,200	3,013,506	4,305,456
Acquisition, Construction and Improvement	1999	[2] 1,140,600	625,465	725,000
Research, Development, Test, and Evaluation	1999	18,300	17,000	21,000
Environmental Compliance and Restoration	1999	26,000	21,000	17,000
Federal Aviation Administration:				
Research, Engineering and Development	2002	249,000	195,000	138,000
National Highway Traffic Safety Administration:				
Operations & Research	2001	116,976	126,445	131,433
Federal Railroad Administration:				
Safety and Operations [3] Railroad Safety	1998	90,739	57,050	117,363
Grants to Amtrak—Capital	2002	955,000	[4] 826,476	762,476
Research & Special Programs Administration:				
Pipeline Safety	2000	37,718	30,447	58,697
Hazardous Materials	1997	19,670	15,472	22,998
Surface Transportation Board:				
Salaries and Expenses	1998	12,000	13,850	19,450

[1] Includes $151.5 million authorized in the Western Hemisphere Drug Elimination Act through FY 2001.
[2] Includes $630.3 million authorized in the Western Hemisphere Drug Elimination Act through FY 1999.
[3] Was formerly the Office of the Administrator and Railroad Safety Accounts. The Office of the Administrator had general authority under 49 U.S.C. Section 103, however, no specific amount was authorized.
[4] Includes $205,000,000 is FY 2002 emergency supplemental funding.

COMPARISON WITH THE BUDGET RESOLUTION

Clause 3(c)(2) of rule XIII of the Rules of the House of Representatives requires an explanation of compliance with section 308(a)(1)(A) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344), as amended, which requires that the report accompanying a bill providing new budget authority contain a statement detailing how that authority compares with the reports submitted under section 302 of the Act for the most recently agreed to concurrent resolution on the budget for the fiscal year from the Committee's section 302(a) allocation. This information follows:

[In millions of dollars]

Full committee data	302(b) allocation		This bill	
	Budget authority	Outlays	Budget authority	Outlays
Comparison with Budget Resolution:				
Discretionary [1]	19,411	60,369	19,413	62,358
Mandatory	889	914	889	914

[In millions of dollars]

Full committee data	302(b) allocation		This bill	
	Budget authority	Outlays	Budget authority	Outlays
Total [2]	20,300	61,283	20,302	63,272

[1] Budget authority in this bill excludes $1,445,000 for the mass transit category.
[2] Prior to House consideration of the bill, the Committee intends to adjust the 302(b) allocations to eliminate any breach.

FIVE-YEAR OUTLAY PROJECTIONS

In compliance with section 308(a)(1)(B) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344), as amended, the following table contains five-year projections associated with the budget authority provided in the accompanying bill as provided to the Committee by the Congressional Budget Office:

	In millions of dollars
Budget authority	21,727
Outlays [1]:	
2003	24,313
2004	19,482
2005	7,820
2006	3,531
2007 and future years	4,160

[1] Excludes outlays from prior year budget authority.

FINANCIAL ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

In accordance with section 308(a)(1)(C) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344), as amended, the Congressional Budget Office has provided the following estimates of new budget authority and outlays provided by the accompanying bill for financial assistance to state and local governments:

	In millions of dollars
Budget Authority	1,618
Fiscal year 2003 outlays	8,795

RECISSIONS

Pursuant to clause 3(f)(2) of rule XIII of the Rules of the House of Representatives, the following table is submitted describing the rescissions recommended in the accompanying bill:

Federal Highway Administration	$5,609,337.46

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the Rules of the House of Representatives, the results of each rollcall vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLLCALL NO. 1

Date: September 26, 2002.

Measure: Department of Transportation and Related Agencies Appropriations Bill, FY 2003.

Motion by: Mr. Sabo.

Description of motion: To raise funding for the National Railroad Passenger Corporation from $762,476,000 to $1,200,000,000 and change the distribution of those funds.

Results: Rejected 25 yeas to 35 nays.

Members Voting Yea	*Members Voting Nay*
Mr. Boyd	Mr. Aderholt
Mr. Clyburn	Mr. Bonilla
Mr. Cramer	Mr. Cunningham
Ms. DeLauro	Mr. DeLay
Mr. Dicks	Mr. Doolittle
Mr. Edwards	Mrs. Emerson
Mr. Fattah	Mr. Frelinghuysen
Mr. Hinchey	Mr. Goode
Mr. Hoyer	Ms. Granger
Mr. Jackson	Mr. Hobson
Mr. Kennedy	Mr. Istook
Ms. Kilpatrick	Mr. Kingston
Mrs. Lowey	Mr. Knollenberg
Mr. Meek	Mr. Kolbe
Mr. Moran	Mr. LaHood
Mr. Obey	Mr. Latham
Mr. Olver	Mr. Lewis
Mr. Pastor	Mr. Miller
Ms. Pelosi	Mr. Nethercutt
Mr. Price	Mrs. Northup
Mr. Rothman	Mr. Peterson
Ms. Roybal-Allard	Mr. Regula
Mr. Sabo	Mr. Rogers
Mr. Serrano	Mr. Sherwood
Mr. Visclosky	Mr. Skeen
	Mr. Sununu
	Mr. Sweeney
	Mr. Taylor
	Mr. Tiahrt
	Mr. Vitter
	Mr. Walsh
	Mr. Wamp
	Mr. Wicker
	Mr. Wolf
	Mr. Young

ROLLCALL NO. 2

Date: October 1, 2002.

Measure: Department of Transportation and Related Agencies Appropriations Bill, FY 2003.

Motion by: Mr. Edwards.

Description of motion: To increase the obligation limitation under "Federal-aid highways" from $27,653,143,000 to $31,800,000,000.

Results: Rejected 26 yeas to 29 nays.

Members Voting Yea	*Members Voting Nay*
Mr. Boyd	Mr. Aderholt
Mr. Cramer	Mr. Bonilla
Ms. DeLauro	Mr. Callahan
Mr. Dicks	Mr. Cunningham
Mr. Edwards	Mr. Doolittle
Mr. Farr	Mrs. Emerson
Mr. Hinchey	Mr. Frelinghuysen
Mr. Hoyer	Mr. Goode
Mr. Jackson	Mr. Granger
Ms. Kaptur	Mr. Hobson
Mr. Kennedy	Mr. Istook
Ms. Kilpatrick	Mr. Kingston
Mrs. Meek	Mr. Knollenberg
Mr. Mollohan	Mr. Kolbe
Mr. Moran	Mr. Lewis
Mr. Murtha	Mr. Miller
Mr. Obey	Mr. Nethercutt
Mr. Olver	Mr. Regula
Mr. Pastor	Mr. Rogers
Ms. Pelosi	Mr. Sherwood
Mr. Price	Mr. Skeen
Mr. Rothman	Mr. Sweeney
Ms. Roybal-Allard	Mr. Tiahrt
Mr. Sabo	Mr. Vitter
Mr. Serrano	Mr. Walsh
Mr. Visclosky	Mr. Wamp
	Mr. Wicker
	Mr. Wolf
	Mr. Young

BUDGET AUTHORITY FOR 2002 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2003
(Amounts in thousands)

	FY 2002 Enacted	FY 2003 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE I - DEPARTMENT OF TRANSPORTATION					
Office of the Secretary					
Salaries and expenses	67,778	92,460	82,474	+14,696	-9,986
Immediate Office of the Secretary	(1,929)	---	---	(-1,929)	---
Immediate Office of the Deputy Secretary	(619)	---	---	(-619)	---
Immediate office of the Secretary and Deputy Secretary	---	(4,410)	(4,355)	(+4,355)	(-55)
Office of the General Counsel	(13,355)	(15,657)	(14,950)	(+1,595)	(-707)
Office of the Assistant Secretary for Policy	(3,058)	---	---	(-3,058)	---
Office of the Assistant Secretary for Aviation and International Affairs	(7,421)	---	---	(-7,421)	---
Office of the Under Secretary for Transportation Policy	---	(12,452)	(12,024)	(+12,024)	(-428)
Office of the Assistant Secretary for Budget and Programs	(7,728)	(8,375)	(7,415)	(-313)	(-960)
Office of the Assistant Secretary for Governmental Affairs	(2,282)	(2,453)	(2,453)	(+171)	---
Office of the Assistant Secretary for Administration	(19,250)	(29,285)	(27,686)	(+8,436)	(-1,599)
Office of Public Affairs	(1,723)	(1,926)	(1,926)	(+203)	---
Executive Secretariat	(1,204)	---	---	(-1,204)	---
Board of Contract Appeals	(507)	(611)	(611)	(+104)	---
Office of Small and Disadvantaged Business Utilization	(1,240)	(1,304)	(1,304)	(+64)	---
Office of Intelligence and Security	(1,321)	---	---	(-1,321)	---
Office of the Chief Information Officer	(6,141)	(15,987)	(9,750)	(+3,609)	(-6,237)
Subtotal	(67,778)	(92,460)	(82,474)	(+14,696)	(-9,986)

BUDGET AUTHORITY FOR 2002 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2003
(Amounts in thousands)

	FY 2002 Enacted	FY 2003 Request	Bill	Bill vs. Enacted	Bill vs. Request
Office of civil rights	8,500	8,700	8,500	---	-200
Transportation security administration	1,250,000	---	---	-1,250,000	---
Offsetting collections	-1,250,000	---	---	+1,250,000	---
Transportation planning, research, and development	11,993	10,700	11,157	-836	+457
Transportation Administrative Service Center	(125,323)	---	(131,766)	(+6,443)	(+131,766)
2002 Supplemental (PL 107-206)	(2,800)	---	---	(-2,800)	---
Subtotal, TASC	(128,123)	---	(131,766)	(+3,643)	(+131,766)
Minority business resource center program	900	900	900	---	---
(Limitation on guaranteed loans)	(18,367)	(18,367)	(18,367)	---	---
Minority business outreach	3,000	3,000	3,000	---	---
New headquarters building	---	25,000	25,000	+25,000	---
Payments to air carriers (Airport & Airway Trust Fund)	13,000	---	50,000	+37,000	+50,000
Emergency supplemental (PL 107-117)	50,000	---	---	-50,000	---
Total, Office of the Secretary	1,405,171	140,760	181,031	-1,224,140	+40,271
Offsetting collections	-1,250,000	---	---	+1,250,000	---
Net total	155,171	140,760	181,031	+25,860	+40,271
Transportation Security Administration					
Salaries and expenses	---	5,346,000	5,146,000	+5,146,000	-200,000
Aviation Security	---	---	(4,355,726)	(+4,355,726)	(+4,355,726)
Maritime and Land Security	---	---	(206,864)	(+206,864)	(+206,864)
Research and Development	---	---	(129,519)	(+129,519)	(+129,519)
Support Services	---	---	(453,891)	(+453,891)	(+453,891)
Subtotal	---	---	(5,146,000)	(+5,146,000)	(+5,146,000)
Facilities and equipment (reimbursement)	---	-124,000	-176,691	-176,691	-52,691
Offsetting collections	---	-2,650,000	-2,650,000	-2,650,000	---
Emergency supplemental (PL 107-117)	94,800	---	---	-94,800	---

BUDGET AUTHORITY FOR 2002 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2003
(Amounts in thousands)

	FY 2002 Enacted	FY 2003 Request	Bill	Bill vs. Enacted	Bill vs. Request
2002 Supplemental (PL 107-206) (emergency).....	3,370,000	---	---	-3,370,000	---
Total, Transportation Security Administration...	3,464,800	2,572,000	2,319,309	-1,145,491	-252,691
Coast Guard					
Operating expenses.....	2,942,000	3,978,456	3,005,456	+63,456	-973,000
Defense function.....	440,000	340,000	1,300,000	+860,000	+960,000
Offset for new user fees.....	---	-165,000	---	---	+165,000
Emergency supplemental (PL 107-117).....	209,150	---	---	-209,150	---
2002 Supplemental (PL 107-206) (emergency).....	189,000	---	---	-189,000	---
Subtotal, OE.....	3,780,150	4,153,456	4,305,456	+525,306	+152,000
Acquisition, construction, and improvements.....	636,354	725,000	725,000	+88,646	---
2002 Supplemental (PL 107-206) (emergency).....	66,000	---	---	-66,000	---
Vessels.....	(115,740)	(13,600)	(11,715)	(-104,025)	(-1,885)
Aircraft.....	(9,500)	---	(2,700)	(-6,800)	(+2,700)
Other equipment.....	(107,022)	(117,700)	(114,200)	(+7,178)	(-3,500)
Shore facilities & aids to navigation facilities..	(85,271)	(28,700)	(31,385)	(-53,886)	(+2,685)
Personnel and related support.....	(64,631)	(65,000)	(65,000)	(+369)	---
Integrated Deepwater Systems.....	(320,190)	(500,000)	(500,000)	(+179,810)	---
Subtotal, A C & I.....	(702,354)	(725,000)	(725,000)	(+22,646)	---
Environmental compliance and restoration.....	16,927	17,000	17,000	+73	---
Alteration of bridges.....	15,466	---	17,000	+1,534	+17,000
Retired pay.....	876,346	889,000	889,000	+12,654	---

BUDGET AUTHORITY FOR 2002 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2003
(Amounts in thousands)

	FY 2002 Enacted	FY 2003 Request	Bill	Bill vs. Enacted	Bill vs. Request
Reserve training	83,194	86,522	86,522	+3,328	---
Research, development, test, and evaluation	20,222	22,000	21,000	+778	-1,000
Total, Coast Guard	5,494,659	6,057,978	6,060,978	+566,319	+3,000
Offset for new user fees	---	-165,000	---	---	+165,000
Net total, CG	5,494,659	5,892,978	6,060,978	+566,319	+168,000
Federal Aviation Administration					
Operations	6,886,000	7,077,203	7,060,203	+174,203	-17,000
Air traffic services	(5,452,871)	---	---	(-5,452,871)	---
Aviation regulation and certification	(768,769)	---	---	(-768,769)	---
Civil aviation security	(150,154)	---	---	(-150,154)	---
Research and acquisition	(195,799)	---	---	(-195,799)	---
Commercial space transportation	(12,456)	---	---	(-12,456)	---
Financial services	(50,284)	---	---	(-50,284)	---
Human resources	(69,516)	---	---	(-69,516)	---
Regional coordination	(85,943)	---	---	(-85,943)	---
Staff offices	(109,208)	---	---	(-109,208)	---
Undistributed	(-9,000)	---	---	(+9,000)	---
Subtotal, Operations	(6,886,000)	---	---	(-6,886,000)	---
Emergency supplemental (PL 107-117)	200,000	---	---	-200,000	---
2002 Supplemental (PL 107-206) (Transfer authority)	(33,000)	---	---	(-33,000)	---
Subtotal, Operations (incl supplemental)	7,119,000	---	---	-7,119,000	---
Facilities & equipment (Airport & Airway Trust Fund)	2,914,000	2,981,022	2,981,022	+67,022	---
Rescission (Airport and Airway Trust Fund)	-15,000	---	---	+15,000	---
Emergency supplemental (PL 107-117)	108,500	---	---	-108,500	---

BUDGET AUTHORITY FOR 2002 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2003
(Amounts in thousands)

	FY 2002 Enacted	FY 2003 Request	Bill	Bill vs. Enacted	Bill vs. Request
Subtotal, F&E (incl supplemental)	3,007,500	2,981,022	2,981,022	-26,478	---
Research, engineering, and development (Airport and Airway Trust Fund)	195,000	124,000	138,000	-57,000	+14,000
Emergency supplemental (PL 107-117)	50,000	---	---	-50,000	---
Subtotal, RE&D	245,000	124,000	138,000	-107,000	+14,000
Grants-in-aid for airports (Airport and Airway Trust Fund):					
(Liquidation of contract authorization)	(1,800,000)	(3,100,000)	(3,100,000)	(+1,300,000)	---
(Limitation on obligations)	(3,300,000)	(3,400,000)	(3,400,000)	(+100,000)	---
(Small community air service pilot program)	(20,000)	---	---	(-20,000)	---
Rescission of contract authority	-301,720	---	---	+301,720	---
Emergency supplemental (PL 107-117)	175,000	---	---	-175,000	---
Subtotal, Grants-in-aid	(3,173,280)	(3,400,000)	(3,400,000)	(+226,720)	---
Aviation insurance revolving fund	---	---	---	---	---
Small community air service development	---	---	20,000	+20,000	+20,000
Total, Federal Aviation Administration	10,528,500	10,182,225	10,199,225	-329,275	+17,000
(Limitations on obligations)	(3,300,000)	(3,400,000)	(3,400,000)	(+100,000)	---
Total budgetary resources	(13,828,500)	(13,582,225)	(13,599,225)	(-229,275)	(+17,000)
Rescissions	-15,000	---	---	+15,000	---
Rescissions of contract authority	-301,720	---	---	+301,720	---
Net total, FAA	(13,511,780)	(13,582,225)	(13,599,225)	(+87,445)	(+17,000)

BUDGET AUTHORITY FOR 2002 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2003
(Amounts in thousands)

	FY 2002 Enacted	FY 2003 Request	Bill	Bill vs. Enacted	Bill vs. Request
Federal Highway Administration					
Limitation on administrative expenses	(311,000)	(317,732)	(370,042)	(+59,042)	(+52,310)
Federal-aid highways (Highway Trust Fund):					
(Limitation on obligations)	(27,280,000)	(27,573,787)	(32,022,143)	(+4,742,143)	(+4,448,356)
Revenue aligned budget authority (RABA)	(4,543,000)	(-4,369,000)	(-4,369,000)	(-8,912,000)	---
RABA transfer to FMCSA	(-23,896)	---	---	(+23,896)	---
Subtotal, limitation on obligations	(31,799,104)	(23,204,787)	(27,653,143)	(-4,145,961)	(+4,448,356)
(Exempt obligations)	(965,308)	(892,767)	(892,767)	(-72,541)	---
(Liquidation of contract authorization)	(30,000,000)	(29,000,000)	(30,000,000)	---	(+1,000,000)
2002 Supplemental (PL 107-206) (Rescission of contract authority)	-320,000	---	---	+320,000	---
Miscellaneous appropriations (rescission)	---	---	-5,609	-5,609	-5,609
Appalachian development highway system	200,000	---	100,000	-100,000	+100,000
State infrastructure banks (rescission)	-5,750	---	---	+5,750	---
Value pricing project (rescission)(Highway Trust Fund) (sec. 318)	-9,231	---	---	+9,231	---
TIFIA (rescission) (Highway Trust Fund) (sec. 318)	-43,742	---	---	+43,742	---
Miscellaneous appropriations (Highway Trust Fund) (emergency supplemental) (PL 107-117)	100,000	---	---	-100,000	---
Emergency Relief (Highway Trust Fund)	---	---	55,000	+55,000	+55,000
Emergency relief program (emergency sup)(PL 107-117)	75,000	---	---	-75,000	---
2002 Supplemental (PL 107-206) (emergency)	167,000	---	---	-167,000	---
Total, Federal Highway Administration	542,000	---	155,000	-387,000	+155,000
(Limitations on obligations)	(31,799,104)	(23,204,787)	(27,653,143)	(-4,145,961)	(+4,448,356)
(Exempt obligations)	(965,308)	(892,767)	(892,767)	(-72,541)	---
Total budgetary resources	(33,306,412)	(24,097,554)	(28,700,910)	(-4,605,502)	(+4,603,356)
Rescissions	-58,723	---	-5,609	+53,114	-5,609
Rescissions of contract authority	-320,000	---	---	+320,000	---
Net total, FHWA	(32,927,689)	(24,097,554)	(28,695,301)	(-4,232,388)	(+4,597,747)

BUDGET AUTHORITY FOR 2002 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2003
(Amounts in thousands)

	FY 2002 Enacted	FY 2003 Request	Bill	Bill vs. Enacted	Bill vs. Request
Federal Motor Carrier Safety Administration					
Motor carrier safety (limitation on administrative expenses) (limitation on obligations)	(110,000)	(117,464)	(92,857)	(-17,143)	(-24,607)
Rescission	-6,665	---	---	+6,665	---
Additional admin/safety/research program funds	---	---	24,587	+24,587	+24,587
National motor carrier safety program (Highway Trust Fund):					
(Liquidation of contract authorization)	(205,896)	(190,000)	(190,000)	(-15,896)	---
(Limitation on obligations)	(182,000)	(190,000)	(190,000)	(+8,000)	---
RABA transfer from FHWA:					
Border-State grants	(18,000)	---	---	(-18,000)	---
State commercial driver's license	(5,896)	---	---	(-5,896)	---
Subtotal, RABA	(23,896)	---	---	(-23,896)	---
Subtotal, limitation on obligations	(205,896)	(190,000)	(190,000)	(-15,896)	---
Border enforcement program (Highway Trust Fund)	25,866	59,967	59,967	+34,101	---
2002 Supplemental (PL 107-206) (emergency)	19,300	---	---	-19,300	---
Total, Federal Motor Carrier Safety Admin	45,166	59,967	84,554	+39,388	+24,587
(Limitations on obligations)	(315,896)	(307,464)	(282,857)	(-33,039)	(-24,607)
Total budgetary resources	(361,062)	(367,431)	(367,411)	(+6,349)	(-20)
Rescissions	-6,665	---	---	+6,665	---
Net total, FMCSA	(354,397)	(367,431)	(367,411)	(+13,014)	(-20)

BUDGET AUTHORITY FOR 2002 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2003
(Amounts in thousands)

	FY 2002 Enacted	FY 2003 Request	Bill	Bill vs. Enacted	Bill vs. Request
National Highway Traffic Safety Administration					
Operations and research	127,780	126,445	131,433	+3,653	+4,988
Operations and research (Highway trust fund):					
(Liquidation of contract authorization)	(72,000)	(72,000)	(72,000)	---	---
(Limitation on obligations)	(72,000)	(72,000)	(72,000)	---	---
Rescission of contract authority	-1,516	---	---	+1,516	---
National Driver Register (Highway trust fund)	2,000	2,000	2,000	---	---
Subtotal, Operations and research	(200,264)	(200,445)	(205,433)	(+5,169)	(+4,988)
Highway traffic safety grants (Highway Trust Fund):					
(Liquidation of contract authorization)	(223,000)	(225,000)	(225,000)	(+2,000)	---
(Limitation on obligations):					
Highway safety programs (Sec. 402)	(160,000)	(165,000)	(165,000)	(+5,000)	---
Occupant protection incentive grants (Sec. 405)	(15,000)	(20,000)	(20,000)	(+5,000)	---
Alcohol-impaired driving countermeasures grants (Sec. 410)	(38,000)	(40,000)	(40,000)	(+2,000)	---
State highway safety data grants (Sec. 411)	(10,000)	---	---	(-10,000)	---
Subtotal, limitation on obligations	(223,000)	(225,000)	(225,000)	(+2,000)	---
Total, National Highway Traffic Safety Admin.	129,780	128,445	133,433	+3,653	+4,988
(Limitations on obligations)	(295,000)	(297,000)	(297,000)	(+2,000)	---
Total budgetary resources	(424,780)	(425,445)	(430,433)	(+5,653)	(+4,988)
Rescissions of contract authority	-1,516	---	---	+1,516	---
Net total, NHTSA	(423,264)	(425,445)	(430,433)	(+7,169)	(+4,988)

BUDGET AUTHORITY FOR 2002 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2003
(Amounts in thousands)

	FY 2002 Enacted	FY 2003 Request	Bill	Bill vs. Enacted	Bill vs. Request
Federal Railroad Administration					
Safety and operations	110,857	118,264	117,363	+6,506	-901
Offset for new user fees	---	-45,000	---	---	+45,000
Emergency supplemental (PL 107-117)	6,000	---	---	-6,000	---
Railroad research and development	29,000	28,325	27,325	-1,675	-1,000
Offset for new user fees	---	-14,000	---	---	+14,000
Pennsylvania Station Redevelopment project (advance appropriations, FY 2001, FY 2002, FY 2003) 1/	20,000	20,000	20,000	---	---
Next generation high-speed rail	32,300	23,200	30,450	-1,850	+7,250
Alaska Railroad rehabilitation	20,000	---	---	-20,000	---
Grants to the National Railroad Passenger Corporation	521,476	521,476	762,476	+241,000	+241,000
Emergency supplemental (PL 107-117)	100,000	---	---	-100,000	---
2002 Supplemental (PL 107-206) (emergency)	205,000	---	---	-205,000	---
Subtotal, Amtrak	826,476	521,476	762,476	-64,000	+241,000
Total, Federal Railroad Administration	1,044,633	711,265	957,614	-87,019	+246,349
Offset for new user fees	---	-59,000	---	---	+59,000
Net total, FRA	1,044,633	652,265	957,614	-87,019	+305,349
Federal Transit Administration					
Administrative expenses	13,400	14,600	14,600	+1,200	---
Administrative expenses (Highway Trust Fund, Mass Transit Account) (limitation on obligations)	(53,600)	(58,400)	(58,400)	(+4,800)	---
Subtotal, Administrative expenses	(67,000)	(73,000)	(73,000)	(+6,000)	---

1/ Funding provided in Public Law 106-113.

BUDGET AUTHORITY FOR 2002 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2003
(Amounts in thousands)

	FY 2002 Enacted	FY 2003 Request	Bill	Bill vs. Enacted	Bill vs. Request
Formula grants	718,400	767,800	767,800	+49,400	---
Emergency supplemental (PL 107-117)	23,500	---	---	-23,500	---
Formula grants (Highway Trust Fund) (limitation on obligations)	(2,873,600)	(3,071,200)	(3,071,200)	(+197,600)	---
Subtotal, Formula grants	(3,615,500)	(3,839,000)	(3,839,000)	(+223,500)	---
University transportation research	1,200	1,200	1,200	---	---
University transportation research (Highway Trust Fund, Mass Transit Acct) (limitation on obligations)	(4,800)	(4,800)	(4,800)	---	---
Subtotal, University transportation research	(6,000)	(6,000)	(6,000)	---	---
Transit planning and research	23,000	24,200	24,200	+1,200	---
Transit planning and research (Highway Trust Fund, Mass Transit Account) (limitation on obligations)	(93,000)	(97,800)	(97,800)	(+4,800)	---
Subtotal, Transit planning and research	(116,000)	(122,000)	(122,000)	(+6,000)	---
Rural transportation assistance	(5,250)	(5,250)	(5,250)	---	---
National transit institute	(4,000)	(4,000)	(4,000)	---	---
Transit cooperative research	(8,250)	(8,250)	(8,250)	---	---
Metropolitan planning	(55,422)	(60,386)	(60,386)	(+4,964)	---
State planning	(11,578)	(12,614)	(12,614)	(+1,036)	---
National planning and research	(31,500)	(31,500)	(31,500)	---	---
Subtotal, Transit planning and research	(116,000)	(122,000)	(122,000)	(+6,000)	---
Trust fund share of expenses (Highway Trust Fund) (liquidation of contract authorization)	(5,397,800)	(5,781,000)	(5,781,000)	(+383,200)	---

BUDGET AUTHORITY FOR 2002 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2003
(Amounts in thousands)

	FY 2002 Enacted	FY 2003 Request	Bill	Bill vs. Enacted	Bill vs. Request
Capital investment grants	568,200	607,200	607,200	+39,000	---
Emergency supplemental (PL 107-117)	100,000	---	---	-100,000	---
2002 Supplemental (PL 107-206) (emergency)	1,800,000	---	---	-1,800,000	---
Capital investment grants (Highway Trust Fund, Mass Transit Account) (limitation on obligations)	(2,272,800)	(2,428,800)	(2,428,800)	(+156,000)	---
Subtotal, Capital investment grants	(4,741,000)	(3,036,000)	(3,036,000)	(-1,705,000)	---
Fixed guideway modernization	(1,136,400)	(1,214,400)	(1,214,400)	(+78,000)	---
Buses and bus-related facilities	(568,200)	(607,200)	(607,200)	(+39,000)	---
New starts	(1,136,400)	(1,214,400)	(1,214,400)	(+78,000)	---
Subtotal	(2,841,000)	(3,036,000)	(3,036,000)	(+195,000)	---
Job access and reverse commute grants	25,000	30,000	30,000	+5,000	---
(Highway Trust Fund, Mass Transit Account) (limitation on obligations)	(100,000)	(120,000)	(120,000)	(+20,000)	---
Subtotal, Job access and reverse commute grants	(125,000)	(150,000)	(150,000)	(+25,000)	---
Total, Federal Transit Administration	3,272,700	1,445,000	1,445,000	-1,827,700	---
(Limitations on obligations)	(5,397,800)	(5,781,000)	(5,781,000)	(+383,200)	---
Total budgetary resources, FTA	(8,670,500)	(7,226,000)	(7,226,000)	(-1,444,500)	---
Saint Lawrence Seaway Development Corporation					
Operations and maintenance (Harbor Maintenance Trust Fund)	13,345	14,086	15,486	+2,141	+1,400

BUDGET AUTHORITY FOR 2002 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2003
(Amounts in thousands)

	FY 2002 Enacted	FY 2003 Request	Bill	Bill vs. Enacted	Bill vs. Request
Research and Special Programs Administration					
Research and special programs:					
Hazardous materials safety	21,217	23,079	22,998	+1,781	-81
Offset for new user fees	---	-6,000	---	---	+6,000
Emergency transportation	1,897	2,058	1,951	+54	-107
Research and technology	2,784	2,854	2,846	+62	-8
Program and administrative support	11,381	16,387	12,882	+1,501	-3,505
Subtotal, Research and special programs	37,279	38,378	40,677	+3,398	+2,299
Emergency supp (emergency trans) (PL 107-117)	2,500	---	---	-2,500	---
Pipeline safety:					
Pipeline Safety Fund	50,386	56,385	51,225	+839	-5,160
Oil Spill Liability Trust Fund	7,864	7,472	7,472	-392	---
Subtotal, Pipeline safety program (incl reserve)	58,250	63,857	58,697	+447	-5,160
Emergency preparedness grants:					
Emergency preparedness fund	200	200	200	---	---
Limitation on emergency preparedness fund	(14,300)	(14,300)	(14,300)	---	---
Total, Research and Special Programs Admin	98,229	108,435	99,574	+1,345	-8,861
Offset for new user fees	---	-6,000	---	---	+6,000
Office of Inspector General					
Salaries and expenses	50,614	57,421	57,421	+6,807	---
Emergency supplemental (PL 107-117)	1,300	---	---	-1,300	---
Total, Office of Inspector General	51,914	57,421	57,421	+5,507	---

BUDGET AUTHORITY FOR 2002 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2003
(Amounts in thousands)

	FY 2002 Enacted	FY 2003 Request	Bill	Bill vs. Enacted	Bill vs. Request
Surface Transportation Board					
Salaries and expenses	18,457	19,459	19,450	+993	-9
Offsetting collections	-950	-1,000	-1,000	-50	---
Total, Surface Transportation Board	17,507	18,459	18,450	+943	-9
Bureau of Transportation Statistics					
Office of airline information (Airport & Airway Trust Fund)	---	3,965	---	---	-3,965
General Provisions					
Amtrak Reform Council (Sec. 329)	225	---	---	-225	---
Surface transpo projects (Sec. 1106)	148,300	---	---	-148,300	---
Total, General provisions	148,525	---	---	-148,525	---
Net total, title I, Department of Transportation	24,303,305	21,270,006	21,721,466	-2,581,839	+451,460
Appropriations	(17,894,879)	(21,270,006)	(21,727,075)	(+3,832,196)	(+457,069)
Emergency	(7,112,050)	---	---	(-7,112,050)	---
Offsets for new user fees	(-1,250,000)	(-230,000)	---	(+1,250,000)	(+230,000)
Rescissions	(-80,388)	---	(-5,609)	(+74,779)	(-5,609)
Rescission of contract authority	(-623,236)	---	---	(+623,236)	---
(Transfer authority)	(33,000)	---	---	(-33,000)	---
(Limitations on obligations)	(41,107,800)	(32,990,251)	(37,414,000)	(-3,693,800)	(+4,423,749)
(Exempt obligations)	(965,308)	(892,767)	(892,767)	(-72,541)	---
Net total budgetary resources	(66,376,413)	(55,153,024)	(60,028,233)	(-6,348,180)	(+4,875,209)

BUDGET AUTHORITY FOR 2002 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2003
(Amounts in thousands)

	FY 2002 Enacted	FY 2003 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE II - RELATED AGENCIES					
Architectural and Transportation Barriers Compliance Board					
Salaries and expenses	5,015	5,194	5,194	+179	---
National Transportation Safety Board					
Salaries and expenses	68,000	70,480	71,270	+3,270	+790
Emergency supplemental (PL 107-117)	650	---	---	-650	---
Total, National Transportation Safety Board	68,650	70,480	71,270	+2,620	+790
Total, title II, Related Agencies	73,665	75,674	76,464	+2,799	+790
Grand total	24,376,970	21,345,680	21,797,930	-2,579,040	+452,250
Appropriations	(17,967,894)	(21,345,680)	(21,803,539)	(+3,835,645)	(+457,859)
Emergency	(7,112,700)	---	---	(-7,112,700)	---
Offset for new user fees	(-1,250,000)	(-230,000)	---	(+1,250,000)	(+230,000)
Rescissions	(-80,388)	---	(-5,609)	(+74,779)	(-5,609)
Rescission of contract authority	(-623,236)	---	---	(+623,236)	---
(Transfer authority)	(33,000)	---	---	(-33,000)	---
(Limitation on obligations)	(41,107,800)	(32,990,251)	(37,414,000)	(-3,693,800)	(+4,423,749)
(Exempt obligations)	(965,308)	(892,767)	(892,767)	(-72,541)	---
Net total budgetary resources	(66,450,078)	(55,228,698)	(60,104,697)	(-6,345,381)	(+4,875,999)

BUDGET AUTHORITY FOR 2002 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2003
(Amounts in thousands)

	FY 2002 Enacted	FY 2003 Request	Bill	Bill vs. Enacted	Bill vs. Request
Scorekeeping adjustments:					
Pipeline safety (OSLTF)	-50,000	-57,000	-51,000	-1,000	+6,000
TASC adjustments (Sec. 1106) (S/Sec. 349)	-9,300	---	---	+9,300	---
OMB retirement accurals	---	838,000	---	---	-838,000
Total, adjustments	-59,300	781,000	-51,000	+8,300	-832,000
Grand total (including scorekeeping)	24,317,670	22,126,680	21,746,930	-2,570,740	-379,750
Appropriations	(17,908,594)	(22,126,680)	(21,752,539)	(+3,843,945)	(-374,141)
Emergency	(7,112,700)	---	---	(-7,112,700)	---
Offset for new user fees	(-1,250,000)	(-230,000)	---	(+1,250,000)	(+230,000)
Rescissions	(-80,388)	---	(-5,609)	(+74,779)	(-5,609)
Rescission of contract authority	(-623,236)	---	---	(+623,236)	---
(Transfer authority)	(33,000)	---	---	(-33,000)	---
(Limitations on obligations)	(41,107,800)	(32,990,251)	(37,414,000)	(-3,693,800)	(+4,423,749)
(Exempt obligations)	(965,308)	(892,767)	(892,767)	(-72,541)	---
Net grand total budgetary resources	(66,390,778)	(56,009,698)	(60,053,697)	(-6,337,081)	(+4,043,999)

BUDGET AUTHORITY FOR 2002 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2003
(Amounts in thousands)

	FY 2002 Enacted	FY 2003 Request	Bill	Bill vs. Enacted	Bill vs. Request
RECAP BY FUNCTION					
Mandatory	876,346	889,000	889,000	+12,654	---
Discretionary:					
Highway category:					
(Limitation on obligations)	(32,410,000)	(23,809,251)	(28,233,000)	(-4,177,000)	(+4,423,749)
Mass Transit category	1,349,200	1,445,000	1,445,000	+95,800	---
(Limitation on obligations)	(5,397,800)	(5,781,000)	(5,781,000)	(+383,200)	---
General purpose discretionary:					
Defense discretionary	440,000	340,000	1,300,000	+860,000	+960,000
Nondefense discretionary	21,652,124	19,452,680	18,112,930	-3,539,194	-1,339,750
Total, General purpose discretionary	22,092,124	19,792,680	19,412,930	-2,679,194	-379,750
Total, Discretionary	23,441,324	21,237,680	20,857,930	-2,583,394	-379,750
Total, mandatory and discretionary	24,317,670	22,126,680	21,746,930	-2,570,740	-379,750

ADDITIONAL VIEWS OF HON. DAVID R. OBEY AND HON. MARTIN OLAV SABO

The creation of the Transportation Security Administration (TSA), requiring billions of general taxpayer dollars, has put a strain on funding for traditional transportation infrastructure programs. The Amtrak funding proposed in the bill is a prime example of this strain. Both Amtrak and TSA should be adequately funded. Unfortunately, Amtrak is shortchanged.

Amtrak is funded at $762 million—$438 million, or 36%, less than the $1.2 billion both Amtrak and the DOT Inspector General say that Amtrak needs in fiscal year 2003. Amtrak President David Gunn has said ". . . that should $762 million be the final amount enacted. Amtrak will run out of money early in 2003, and we will again be faced with another shutdown crisis."

The DOT Inspector General has written. "Without changes to the structure of the system or additional capital funding from other sources, the reliability of Amtrak service in 2003 is likely at risk, and this risk will rise as the level of Federal or other funding declines [below the $1.2 billion].

In 2002, Amtrak's appropriations totaled $831 million from the Federal Government (the regular appropriation of $521 million, a $100 million loan from DOT that must be paid back, and $205 million and $5 million in the emergency supplemental). Amtrak also had use of $313 million, appropriated in 2001, but not available until 2002.

The funding that is provided to Amtrak in 2003 in the committee bill is 8% less than what was appropriated in 2002 and 25% less than what was available to Amtrak from the Federal government in 2002. And Amtrak's maintenance needs have grown.

Unfortunately, the Bush Administration has not shown leadership on Amtrak. The Administration has asked for meaningful reforms for Amtrak, but has yet to submit any specific legislative proposals to the Congress. The President's appointees in the Department of Transportation have also admitted that if the President's Budget request of $521 million were enacted Amtrak would cease to exist.

At the $762 million funding level contained in the committee bill, the Congress will be back next February needing to provide more funding to Amtrak to get it through the year, just as it did last July when the emergency supplemental was enacted.

A manager's amendment adopted in full committee deleted a provision in the bill that would have provided no federal funding, beginning in July, to all routes where the per passenger subsidy is over $200. Instead, the bill now caps the federal funding that can be provided for long distance trains at $150 million. As the old saying goes, a hose of another color is still a horse.

The fact is that Amtrak cannot run all existing long distance trains on $150 million. So some, if not all, long distance trains will have to be discontinued. Some have estimated that this will impact 13 of the 18 long distance Amtrak trains, including:

The Sunset Limited from Orlando to Los Angeles via Jacksonville, Tallahassee, Pensacola, Mobile, New Orleans, Houston, San Antonio and Tucson;

The Pennsylvania from Philadelphia to Chicago via Harrisburg, Cleveland, Toledo, and Pittsburgh;

The Texas Eagle from Chicago to Los Angeles via Springfield, St. Louis, Little Rock, Dallas, Austin, San Antonio, and Tucson;

The Three Rivers from New York to Chicago via Philadelphia, Harrisburg, and Pittsburgh;

The Southwest Chief from Chicago to Los Angeles via Kansas City, Topeka, Albuquerque, and Flagstaff;

The Kentucky Cardinal from Chicago to Louisville via Indianapolis;

The Cardinal from Washington to Chicago via Charleston, WV, Cincinnati, and Indianapolis;

The Capitol Limited from Washington to Chicago via Pittsburgh, Cleveland, and Toledo;

The California Zephyr from Chicago to Oakland via Omaha, Lincoln, Denver, Salt Lake City, Reno, and Sacramento;

The Lake Shore Limited from New York to Chicago via Albany, Syracuse, Buffalo, Cleveland, and Toledo;

The Crescent from New York to New Orelans via Philadelphia, Wilmington, Baltimore, Washington, D.C., Greensboro, Charlotte, Greenville, Atlanta, and Birmingham;

The Silver Palm from New York to Miami via Philadelphia, Wilmington, Baltimore, Washington, D.C., Richmond, Charleston, SC, Savannah, Jacksonville, Tampa, and Ft. Lauderdale; and

The City of New Orleans from Chicago to New Orleans via Memphis.

It is also a fact that a $762 million funding level could negatively impact other Amtrak service. Amtrak's maintenance backlog will grow, more trains will be put out of service and scheduled service will be delayed or canceled.

This is not the kind of train service that the American people expect and deserve, and such a prospect flies in the face of the ridership gains that Amtrak has made over the past five years.

It also ignores the critical role that Amtrak played following the September 11 attacks. After September 11, travelers turned to Amtrak as an alternative to flying. If Amtrak had not existed on September 11, just think of the transportation nightmare we would have experienced. Further, many of the travelers on the Northeast Corridor who used Amtrak after September 11 continue to do so.

Congress is now faced with the decision of whether to fund Amtrak properly or eliminate it. It's really as simple as that. We think that the choice is clear: Amtrak should be funded at $1.2 billion.

DAVID OBEY.
MARTIN O. SABO.

ADDITIONAL VIEWS OF THE HONORABLE CHET EDWARDS

The Administration's 2003 budget request for highways totaled $23.2 billion, as $8.6 billion reduction from 2002. This committee was able to raise the guaranteed funding level—the budget floor, not the budget limit—for highways to $27.7 billion in the supplemental by waiving the automatic funding adjustment in the Transportation Equity Act for the 21st Century (TEA21) called "revenue aligned budget authority." However, the committee voted against an amendment I offered to raise 2003 highway funding to the 2002 level of $31.8 billion.

This $4.1 billion highway funding reduction will result in job loss and increased congestion. It will affect the quality of life of our people and the profitability of our businesses.

In years like this one, when the economy is troubled, we should be debating how the federal government can spur economic growth and put more people to work. The Republicans would do this all with tax cuts. However, since the days of Roosevelt, and even before, construction programs have been excellent vehicles for job creation. In fact, the states and the highway construction industry estimate that for every $1 billion put into highway construction and reconstruction, over 47,500 jobs are created.

Not continuing highway funding at the fiscal 2002 level, will result in the loss of almost 200,000 jobs over a seven-year period, as is seen in the table that follows. It will also hamper improvements to the conditions of our nation's highways and bridges; 21% of the bridges on our National Highway System are below standard. It will also increase highway congestion, where now in urban areas travelers spend an average of 32 hours a year, or a total of 4 working days, in traffic.

Highway congestion not only affects our personal lives, it affects our businesses by making products more expensive. The Texas Transportation Institute found that traffic congestion costs America $75 billion annually in wasted time and fuel. Investment in our highway infrastructure is also an investment in safety of our roads, on which 42,000 people die annually in traffic accidents.

It is unfortunate the Committee defeated the amendment to maintain highway funding at the 2002 level to meet the needs of our nation's highway system. This was an opportunity missed, and the American people will pay the price.

CHET EDWARDS.

HIGHWAY FUNDING AND JOBS
FY2003 OBLIGATIONS
($ in thousands)

STATE	Total in Bill[1]	Total in Amendment[1]	Amount Increased	Employment Loss if Funding Not Increased[2]
Alabama	462,071	535,086	+73,015	-2,833
Alaska	269,881	304,333	+34,452	-997
Arizona	417,313	480,282	+62,969	-2,427
Arkansas	298,564	345,371	+46,807	-1,634
California	2,099,225	2,436,992	+337,767	-12,069
Colorado	303,307	352,255	+48,948	-1,731
Connecticut	344,420	395,539	+51,119	-1,678
Delaware	106,137	122,997	+16,860	-540
Dist. of Col.	92,250	108,099	+15,849	-630
Florida	1,088,329	1,248,647	+160,318	-6,110
Georgia	824,780	948,728	+123,948	-4,741
Hawaii	117,264	135,717	+18,453	-714
Idaho	167,887	193,445	+25,558	-971
Illinois	763,840	888,333	+124,493	-4,861
Indiana	535,012	616,420	+81,408	-2,795
Iowa	276,163	322,033	+45,870	-1,639
Kansas	268,723	313,671	+44,948	-1,771
Kentucky	401,984	465,952	+63,968	-2,489
Louisiana	361,148	419,318	+58,170	-1,889
Maine	122,071	141,682	+19,611	-766
Maryland	379,305	440,205	+60,900	-1,994
Massachusetts	421,857	490,042	+68,185	-2,471
Michigan	739,248	853,723	+114,475	-4,412
Minnesota	336,093	390,624	+54,531	-1,903
Mississippi	297,819	345,354	+47,535	-1,680
Missouri	535,002	621,703	+86,701	-3,093
Montana	235,434	270,072	+34,638	-1,052
Nebraska	185,989	216,984	+30,995	-1,230
Nevada	168,716	194,607	+25,891	-999
New Hampshire	114,938	133,035	+18,097	-589
New Jersey	592,956	689,417	+96,461	-3,764
New Mexico	226,456	261,767	+35,311	-1,221
New York	1,157,356	1,341,876	+184,520	-6,715
North Carolina	647,869	746,929	+99,060	-3,810
North Dakota	156,222	181,296	+25,074	-882
Ohio	800,339	927,839	+127,500	-4,516
Oklahoma	358,274	417,470	+59,196	-2,331
Oregon	273,695	318,423	+44,728	-1,583
Pennsylvania	1,102,587	1,280,963	+178,376	-6,918
Rhode Island	140,817	163,043	+22,226	-806
South Carolina	392,616	452,440	+59,824	-2,085
South Dakota	163,953	189,952	+25,999	-907
Tennessee	526,577	610,031	+83,454	-2,673
Texas	1,808,525	2,083,394	+274,869	-10,579
Utah	178,091	207,445	+29,354	-1,150
Vermont	107,986	125,417	+17,431	-567
Virginia	605,578	699,166	+93,588	-2,935
Washington	404,016	470,527	+66,511	-2,602
West Virginia	246,805	286,356	+39,551	-1,339
Wisconsin	454,164	523,260	+69,096	-2,653
Wyoming	165,692	192,609	+26,917	-836
Subtotal	**23,245,344**	**26,900,869**	**+3,655,525**	**-133,583**
Special Limitation:				
High Priority Projects	1,778,372	1,845,950	+67,578	
Woodrow Wilson Bridge	202,275	233,550	+31,275	
Allocation Reserve	2,427,152	2,819,631	+392,479	-63,357
Total Limitation	**27,653,143**	**31,800,000**	**+4,146,857**	**-196,940**

[1] *Source: Federal Highway Administration*

[2] *Source: American Road and Transportation Builders Association (ARTBA). Employment loss is spread over 7 years, with most loss occurring in 2003 and 2004. Assumes 47,500 jobs per $1 billion of federal highway program investment.*

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