DEPARTMENT OF TRANSPORTATION

The President's Proposal:

- Sets up the new Transportation Security Administration to improve aviation security by accelerating deployment of explosive detection systems and other airport security equipment, facilitating airport passenger and baggage inspection, and hiring and deploying more Federal Air Marshals;
- Improves the Federal Aviation Administration's air traffic control and airline safety performance through the reduction of runway incidents, and ties budget resources to airspace modernization program performance goals;
- Expands investment in the Coast Guard's effort to replace aging ships, aircraft, and related systems to increase its effectiveness in securing the homeland, saving lives, and enforcing fisheries, immigration and drug laws at sea;
- Continues to fund highway, bridge, transit and safety programs at the levels guaranteed by the Transportation Equity Act for the 21st Century;
- Supports the President's commitment to expand transportation opportunities for individuals with disabilities through the New Freedom Initiative; and
- Discontinues federal subsidies in an effort to encourage a stronger private ship construction financing market.

Department of Transportation

Norman Y. Mineta, Secretary

www.dot.gov 202–366–4000

Number of Federal Employees: 118,447 (including military)

2002 Funding: $60.8 billion

Offices: 12 operating administrations, including the Transportation Security Administration, Federal Aviation Administration, Federal Highway Administration, and U.S. Coast Guard.

The Department of Transportation (DOT) is responsible for the nation's freedom of movement—ensuring there are sufficient and safe roads, rails, airways and seaways to keep the country in motion and its economy growing. Established in 1967, DOT sets federal transportation policy and works with state, local, and private sector partners to promote a safe, secure, efficient, and interconnected national transportation system. DOT's operating administrations have wide-ranging duties related to operating or overseeing various transportation sectors, but they share a common commitment to fulfill these national objectives.

Overview

The Transportation Security Administration (TSA), the newest DOT organization, was established to enhance security for the traveling public. Other DOT agencies are organized by mode of transportation, including two large and well-known agencies, the Federal Aviation Administration (FAA) and the Coast Guard.

FAA's responsibilities range from controlling the nation's air traffic system to regulating the safety and maintenance standards of U.S.-operated airlines. The Coast Guard acts as the fifth branch of the armed services and its missions extend from enforcing the fisheries laws, to cleaning up oil spills, to guarding the nation's maritime borders from illegal migrants and drugs.

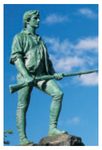
Several DOT agencies manage grant programs that will provide over $34 billion in 2003 to state and local transportation agencies for airports, roads, highways and transit systems. These infrastructure programs help reduce congestion and expand travel options. DOT also regulates highway, rail, and pipeline safety to reduce accidents and fatalities.

The laws authorizing surface and aviation transportation programs will expire after 2003. The Administration will work with various stakeholders and the Congress to develop legislative proposals to continue the nation's investment in air, highway and transit systems.

Ensuring Transportation Security

The events of September 11, 2001, underscore the importance of transportation security as part of America's homeland security. Protecting airports, seaports, bridges, highways, and mass transportation against the threat of terrorism is an imperative. In 2003, added emphasis on this mission will be reflected in resources for personnel, technology and equipment to meet transportation security challenges. The President signed the Aviation and Transportation Security Act, establishing the Transportation Security Administration, into law on November 19, 2001. TSA's main mission is to increase airline and airport security. TSA will play a critical role, coordinating with the White House Office of Homeland Security, federal, state, local, and private partners, to enhance the safety of the nation's transportation infrastructure.

> *…[T]he President has asked our Department to help protect the integrity of our nation's entire transportation infrastructure. And that is what we are doing…We will have to take precautions in transportation that we have never taken before, and we will have to do the same in virtually every aspect of American life. … As we move forward from September 11th, we must increase our vigilance, and we must take new steps to move people and goods safely and efficiently, recognizing that the nature of the threat has changed.*
>
> Secretary Mineta
> October 2001



Transportation Security	Funding (in billions of dollars)
Aviation Security	4.8
Maritime Security	2.9

The Aviation and Transportation Security Act imposed tight deadlines and stringent aviation security requirements for DOT to implement. TSA was created to be responsible for airport passenger screening at every U.S. airport with commercial air service. Its staff includes law enforcement officers, Federal Air Marshals, and passenger and baggage screeners. The TSA will continue to improve baggage screening processes to enhance the safety of passengers, while facilitating travel. In addition to aviation, TSA will be the focal point for the security of the entire national transportation system; a system administered in large part by states and localities. This budget meets these challenges, and the Administration has embarked on an aggressive effort to gauge progress constantly.

Explosive detection systems are just one technology to ensure that passenger bags are properly screened.

In 2003, the TSA will continue implementing a comprehensive aviation security program. Funding is being provided to accelerate deployment of an array of explosive detection technology so that all baggage loaded into aircraft is safe. The TSA will continue efforts to improve security at airport screening locations and speed the flow of passengers at these checkpoints. During the year, the TSA will complete the hiring of over 30,000 Federal airport security personnel, including screeners, armed guards, and supervisors for every screening checkpoint. To upgrade aviation security, the TSA will hire, train, and deploy an enhanced team of Federal Air Marshals. The budget provides $4.8 billion in funding for the TSA, with an estimated $2.2 billion of the 2003 costs to be raised through passenger and air carrier fees.

The TSA and the Coast Guard will jointly develop and execute the maritime component of homeland security. This work is crucial because 95 percent of the nation's international trade moves by water. The Coast Guard will maintain the viability and integrity of marine transportation security by providing additional personnel to increase port security and assess the needs of critical seaports throughout the nation. The budget provides $5.7 billion in discretionary funding for the Coast Guard, including $406 million for increased port security. The budget also proposes a commercial navigational user fee to help pay for increased port security needs.

The Coast Guard conducting a patrol to ensure port security in San Francisco harbor.

Improving Transportation Safety

> DOT's mission is to promote the public health and safety of the nation by working toward the elimination of transportation related deaths and injuries.
>
> DOT Performance Plan

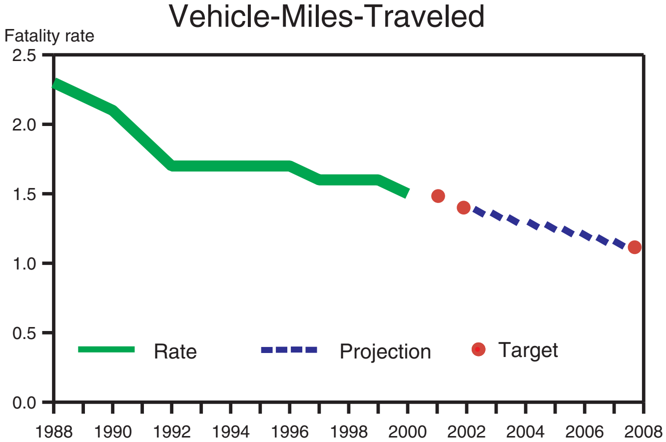
Most Americans rely on some combination of car, transit, and airplane travel to carry out daily personal and business activities. Much of the effort of promoting and increasing transportation safety centers on raising safety awareness. The economic cost of motor vehicle crashes alone is more than $150 billion annually. The human toll on victims and their families is catastrophic.

Just as important as transportation security is DOT's goal to increase safety for the traveling public. To achieve this, the Department works with communities to educate the public about safety requirements and establishes safety standards for transportation industries. The 2003 Budget proposes nearly $8 billion for transportation safety programs to meet the Department's safety goals.

Aviation Safety

FAA aims to prevent aviation fatalities by preventing accidents. For example, accidents are prevented by reducing air traffic controller and pilot errors and by minimizing aircraft incidents (such as engine failures). Of particular concern is pilot or controller error resulting in "runway incursions" on or near active airport runways. Runway incursions happen when aircraft on or near runways do not maintain required distance from each other or from a vehicle or other object on the ground. A resulting collision could mean a catastrophic loss of life, and there have been a disturbing number of close calls in recent years. In 2001, there were 52 serious runway incursions, an improvement from the 67 incidents in 2000. But continued vigilance is needed. The budget provides $107 million for the development and use of new technologies and systems to help prevent incursion-related accidents. An additional $122 million is provided to improve pilot and controller training and increase visibility through improved runway surface markings.

Highway Fatalities per 100 Million Vehicle-Miles-Traveled



Source: National Center for Statistics and Analysis, DOT.

Surface Transportation Safety

Traffic crashes claimed a total of 41,800 lives in 2000, accounting for over 90 percent of transportation-related deaths. Fatalities declined from 47,100 in 1988, but have remained relatively flat since 1992 despite significant increases in the number of vehicles on the country's roads. The Federal Motor Carrier Safety Administration (FMCSA) and the National Highway Traffic Safety Administration (NHTSA) are charged with regulating highway safety under DOT's umbrella.

FMCSA, created in 1999, oversees the safety of the commercial truck industry. It seeks to reduce the number of highway deaths resulting from truck and bus crashes. The agency is committed to helping reduce fatalities by 50 percent, from 5,380 in 1999 to less than 2,700 in 2009. To achieve this goal, FMCSA will concentrate on improving its federal oversight program by increasing federal and state inspections on the roadside and at motor carriers' facilities, and improving the Commercial Driver Licensing program. In 2003, $190 million will go to states to help them implement highway safety programs.

In 2003, the Administration will pay special attention to FMCSA's southern border safety enforcement program. The United States will fulfill its commitment to Mexico under the North American Free Trade Agreement and allow travel by Mexican trucks to begin in 2002. Some $68 million will be devoted to conduct on-site safety inspections in Mexico of motor carrier facilities by U.S. inspectors. A renewable 90-day decal with monitoring systems to ensure compliance with truck safety rules will be instituted. Another $47 million is provided in 2003 for border safety infrastructure under a program to fund highway projects along the U.S. borders.

NHTSA aims to reduce highway fatalities and injuries by decreasing alcohol-related highway fatalities from 17,219 in 1997 to 11,000 in 2005, and by increasing seat belt usage from 69 percent in 1997 to 90 percent in 2005. To achieve these goals, the budget provides $200 million for NHTSA's safety research and information programs, and $225 million for grants to states for their highway safety programs.

Maritime Safety

The Coast Guard aims to minimize boating accidents while striving to rescue as many people as possible when accidents occur. Overall, recreational boating fatalities have declined since the 1970s. In 2000, the Coast Guard recorded 742 fatalities—the lowest number of deaths to date. This marks a 50 percent reduction from the 1970s, even as the number of recreational boats more than doubled. In 2001, the Coast Guard answered more than 39,000 calls for help, saving 4,184 lives of mariners in imminent danger. To improve on this in 2003, the Coast Guard will increase staff and modernize equipment. The budget funds a $90 million initiative to modernize a "maritime 911" system. It will improve existing Coast Guard capabilities through broader coverage, ensuring that emergency calls get through and adding high quality location finding technology to speed Coast Guard response.

Intercity Passenger Rail Service

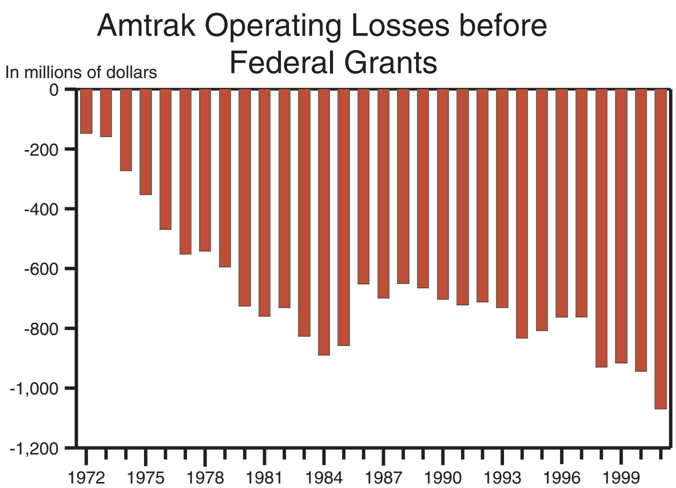
> Of the 41 train routes Amtrak ran in 2001, 14 lost more than $110 per passenger and six lost more than $210 per passenger. Operating losses on the Sunset Limited, which runs between Orlando and Los Angeles, were $347 per passenger. Only two routes turned an operating profit in 2001.

The Congress created the National Rail Passenger Corporation (Amtrak) in 1971 as a for-profit corporation to provide a national rail passenger system. Although it initially received federal subsidies, the intent was for Amtrak to graduate from requiring federal financial support. Amtrak has utterly failed to meet this expectation. The federal government has provided about $24.2 billion to Amtrak since its creation (see accompanying table). Since 1979, Amtrak has failed to increase significantly the number of passengers it carries. Currently, Amtrak's share of the nation's intercity passenger market amounts to only one-half of one percent of all passenger miles, compared to more popular means of transportation such as auto (50 percent), air (48 percent), and intercity buses (1.5 percent).

Federal Subsidies for Amtrak, 1971–2002

Type of Funding	Years Provided	Total Funding	Annual Average
Federal Operating Grants	1971-2002	$14.3 billion	$455 million
Federal Capital Grants	1976-2002	$3.7 billion	$127million
Northeast Corridor Improvement Program	1976-1998	$4.0 billion	$171 million
Taxpayer Relief Act Funds	1998-1999	$2.2 billion	$1.1 billion
Total	1971-2002	$24.2 billion	$760 million

On November 9, 2001, the Amtrak Reform Council (ARC), an oversight board set up by the Congress, concluded that Amtrak would fail to achieve its statutorily mandated goal to run its business profitably and without federal operating assistance by December 2, 2002. As a result, the ARC will announce an Amtrak restructuring plan on February 7, 2002, in accordance with the Amtrak Reform and Accountability Act of 1997.



Source: Department of Transportation.

In its 31-year history, Amtrak has never posted a profit. It has accumulated about $20.4 billion in operating losses over that same period, for an average annual operating loss of approximately $660 million, excluding federal grants. It recently mortgaged Pennsylvania Station in New York over a 16-year period to cover approximately three months of operating expenses, a financial absurdity equivalent to a family taking out a second mortgage on its home to pay its grocery bills. Other recent efforts to infuse new cash into this futile system include:

- A $2 billion tax credit for Amtrak in 1997, although it has never paid income taxes; and,
- Legislative proposals to subsidize $12 billion in new borrowing through tax credits, provide up to $28 billion in new borrowing through federal loan guarantees, and up to $36 billion in state tax-exempt bonds.

Amtrak is clearly in desperate financial condition. In May 2001, Amtrak president George Warrington stated that Amtrak could not continue indefinitely under current circumstances, a conclusion shared by the Amtrak Reform Council in its November finding. The Administration agrees.

The Administration believes that passenger train service should be founded on a partnership between the federal government, the states, and the private sector. Such a partnership would encourage the operation of passenger trains offering high-quality, cost-effective service on viable routes or where the states have declared a public need they are willing to fund. The Administration is eager to work with the Congress to develop solutions that result in a cost-effective, financially stable system that can help meet the public's travel needs. Pending development of a new paradigm for passenger rail service, the budget requests the same level of funding as provided in 2002.

An Amtrak California train. The state of California owns the trains and assists in their operation.

Improving Transportation Mobility

Another major DOT strategic priority is to enhance the free flow of passengers and goods. Over the last 20 years, travel for all modes of transportation, especially highway and air, has increased significantly.

Surface Travel

Between 1980 and 1999, highway passenger miles traveled increased almost 60 percent. Federal spending on highway projects also increased significantly, from $15.5 billion in 1992 to $28.5 billion in 2003. Under the Transportation Equity Act for the 21st Century (TEA–21), highway spending is adjusted each year according to a formula in law that reflects the most recent data on highway-related receipts. In 2000, 2001, and 2002 highway spending was increased significantly by these annual adjustments. However, for 2003 this formula will produce a reduction in the amount of new commitments of highway spending, due in large part to a previous overestimate of actual receipts in 2001. Even so, in 2003 actual spending on highway construction, including the continuation of prior-year projects, will fall less than three percent from its all-time high in 2002. 2003 highway spending will be 40 percent higher than in 1998, the first year of TEA–21.

The downside of growth in travel is increased road congestion. For example, in 1987 a trip during peak travel periods took 16 percent longer than it would have taken in uncongested conditions (about 10 minutes more for a one-hour trip). In 1999, a trip taken during peak travel period took 15 minutes more for a one-hour trip. Traffic delays also lead to increased fuel consumption and higher levels of vehicle emissions. In 1999, the nationwide cost of wasted time and extra fuel consumption alone was estimated to be $78 billion.

Without efforts to reduce congestion, it is projected that congestion will increase by 0.5 percent each year. DOT's goal is to slow the projected growth of congested travel by 0.2 percent each year. The Federal Highway Administration (FHWA) has implemented a range of strategies to address traffic jams. These include development and deployment of Intelligent Transportation Systems (ITS), which provide more information to drivers faster, enabling them to take the most efficient route of travel. The 2003 Budget proposes $23.5 billion in federal funding for highways to identify and construct a mix of locally preferred road projects to reduce congestion and add new capacity to the highway system.

Transit also contributes to reducing road congestion. Transit passenger miles traveled increased 23 percent from 1980 to 1999. In 2000, transit ridership increased to 9.4 billion trips, the highest ever. In 2003, the budget provides $7.2 billion for the Federal Transit Administration (FTA) to help congested regions buy more buses and build new rail systems. Within this amount, the Administration will seek authorization of $145 million for the President's New Freedom Initiative to make transportation more accessible for the disabled.

Air Travel

DOT has faced significant growth in demand for air travel, with air passenger miles increasing 123 percent from 1980 to 1999. As the aviation system adjusts to new security protocols, flight delays could return to pre-September 11th levels. DOT must continue expanding aviation capacity by more rapidly modernizing our airspace infrastructure and cutting red tape to speed construction of planned airport runway projects. The budget provides over $1.3 billion in FAA system modernization to improve mobility, and $3.4 billion for airport improvement activities. In 2003, FAA seeks to improve airport efficiency rates (an indicator that gauges how many aircraft move through these airports against capacity levels) for our busiest airports to 95 percent.

To create a business-like aviation environment, by 2003 the DOT and FAA intend to implement a performance-based organization (PBO) that would focus on improved management and coordination of air traffic services and capital investments. This organization will be headed by a Chief Operating Officer and combine resources and staff from FAA's air traffic control, research, and acquisition lines of business, all of which contribute to FAA's ability to provide efficient air traffic control services.

Current measures of performance—such as delays and runway incursions—point to management challenges in improving the operation of the current air traffic system. The new organization is intended to address some of these weaknesses by establishing performance goals for individual staff, and the organization as a whole, so that progress and advancements can be measured. The Administration plans to evaluate the effectiveness of the PBO after a year of operation. If significant improvements in air traffic services are not achieved, the Department will look to other options, including partial privatization and franchise operation of components of the air traffic system.

Status Report on Select Programs

The 2003 Budget provides a total $53.6 billion in discretionary resources, including a variety of management initiatives, to improve the performance of DOT programs. The budget increases funding for core programs, cuts unnecessary subsidies and proposes reforms to strengthen program management. It seeks to identify weaknesses, showcase effective programs, and present and meet performance goals.

Program	Assessment	Explanation
Efficiency of Air Traffic Control	Ineffective	FAA management needs improvement as evidenced by serious delays in air traffic during periods of high demand.
Highway Grants Project Management	Moderately Effective	In the past, federal highway project oversight had been problematic (e.g., Boston's "Big Dig" which overran its cost estimates by 465 percent, or $12 billion, compared to the original 1985 proposal). However, FHWA has taken several steps to improve management oversight for large highway projects.
Public Transit Grants Management	Effective	GAO has reported that FTA's project management oversight program improves quality controls, resulting in benefits for grantees and the government. FTA has implemented a streamlined, web-based grants program that permits 800 grantees to submit electronic requests and FTA to electronically disburse payments.
Coast Guard Deepwater Project	Unknown	This multiyear project begins to replace aging ships, aircraft, and related systems. The Coast Guard is using an innovative approach to replace its capital assets, aiming to enhance performance while limiting total cost.
Hazardous Material and Pipeline Safety	Moderately Effective	The Research and Special Programs Administration continues to increase oversight, inspection, and research to reduce the likelihood of pipeline and hazardous material accidents.

Congressional Earmarks and Corporate Subsidies

Across the spectrum of transportation programs, congressional earmarks undercut the Department's ability to fund projects that have successfully proved their merits. In many cases, these earmarks divert funds to lower priority projects. This can result in the disruption of construction schedules for higher priority projects and increase the financing costs for the sponsors of these projects. In 2002, the Congress earmarked over 1,400 projects in the Department of Transportation, totaling $3.2 billion.

Congressional Earmarks

2000............	over 700 earmarks totaling $2.1 billion
2001............	over 1,100 earmarks totaling $3.4 billion
2002............	over 1,400 earmarks totaling $3.2 billion

Transit Projects

The FTA is authorized by law to provide over $3 billion a year in competitive grants for local transit projects, including new bus purchase, new rail line construction, and assistance to maintain existing rail infrastructure in older systems. However, for 2002, the Congress earmarked every dollar of FTA's bus and new rail starts programs. As a result, worthy projects cannot compete on their merits and funding does not go to areas with the greatest needs. For example, in 2001, DOT requested $50 million to assist the Los Angeles County Metropolitan Transportation Authority (LACMTA) purchase 523 buses to relieve overcrowding and meet the requirements of a consent decree. Instead, LACMTA got only $4.5 million, delaying the purchase of the buses.

For 2002, Congress earmarked $218 million for 44 transit rail new start projects that the President did not recommend. Within this total, $40 million was earmarked for 18 projects that are in the very early planning stage. Several do not appear to meet eligibility requirements. For example, $2.5 million is allocated to the Northern Indiana South Shore commuter rail rehabilitation project, which may be ineligible because it is not for new construction. Consequently, Congress did not provide sufficient funds to complete prior federal commitments to three existing projects in St. Louis, Los Angeles, and Salt Lake City.

Intelligent Earmarking?

Since 1998, the Congress has earmarked 100 percent of the funding for Intelligent Transportation Systems (ITS) technology deployment. These systems provide technological solutions to congestion and safety problems and improve operations on the nation's highways and transit systems. FHWA would like to award this funding based on merit. Earmarks include:

- $1 million for ITS in Moscow, Idaho, a city with a population under 25,000; and
- $1.8 million over three years for a research program in New Mexico that is currently unable to comply with the law or obtain required matching funds.

Highway Projects

The FHWA administers over $300 million in authorized competitive grant programs. States submit applications for funding and FHWA awards funding based on merit. Since 2000, almost all of the funds have been earmarked for specific projects. This practice eliminates the competitive aspect of these programs and leaves aside many meritorious projects that went through the application process.

Elimination of Unnecessary Corporate Subsidies

The Department's Maritime Administration provides federally guaranteed loans to U.S. shipyards and shipbuilding companies. In many cases, these loan guarantees expose taxpayers to substantial risk. For example, a recent bankruptcy risks defaults on federally guaranteed loans of over $350 million in 2002.

The Administration believes that this program represents an unnecessary federal subsidy. The budget requests no funding for this program in 2003. Shipbuilders and shipyards could and should seek to improve their competitiveness without relying on federal subsidies or exposing taxpayers to the costs of their failures.

Strengthening Management

In addition to the Administration's focus on improving the performance of specific government programs, the Department also seeks to make substantial progress on the five government-wide management priorities.

Initiative	2001 Status
Human Capital—DOT is working on comprehensive workforce planning and restructuring to reduce management layers, make DOT more citizen-centered, and better match staff to the Department's missions and goals. This work is particularly critical since 45 percent of current senior executives in DOT and over 50 percent of staff in many critical occupations are anticipated to retire by 2006.	
Competitive Sourcing—DOT has not completed public-private or direct conversion competition on the government positions working in commercial functions. DOT also has not demonstrated that support service agreements between agencies are competed with the private sector on a recurring basis. DOT will meet the 2002 goal and is moving forward with an overall competitive sourcing program.	
Financial Management—DOT's financial systems fail to meet financial management requirements and standards. Auditors could only issue a "qualified" opinion on DOT's 2000 financial statements. They cited material control weakness, primarily for FAA's property accounting. DOT also does not have integrated financial and performance management systems. However, senior management is addressing these shortfalls, has submitted a new plan to comply with financial management standards, and is implementing a new, integrated financial system.	
E-Government—DOT needs to strengthen its business cases for major information technology projects. In addition, some major projects, particularly those within FAA, are not operating within cost, schedule, and performance targets. However, DOT is implementing e-business process initiatives that will improve agency operations. The Department has an e-government leadership role for on-line rulemaking management.	
Budget/Performance Integration—DOT's annual performance plan is clear and sets forth annual goals. However, accounts, staff, and activities are not sufficiently aligned with program targets, and resources are not requested in the context of past results. Cost of program outputs is not integrated with performance and DOT lacks a systematic performance management process to improve effectiveness. DOT is working to improve its decision making process to base program management and resource decisions on costs and results.	

Department of Transportation

(In millions of dollars)

	2001 Actual	Estimate 2002	Estimate 2003
Spending:			
Discretionary Budgetary Resources:			
Office of the Secretary	90	108	145
Coast Guard	4,143	4,491	5,523
Federal Aviation Administration	12,908	13,691	14,012
Transportation Security Administration	—	1,250	4,676
Federal Highway Administration [1]	31,100	32,113	22,633
Federal Motor Carrier Safety Administration	273	339	371
National Highway Traffic Safety Administration	408	427	429
Federal Transit Administration	7,554	6,751	7,230
Federal Rail Administration	758	738	715
Research and Special Programs Administration	85	97	110
Maritime Administration	214	223	212
All other programs	82	86	98
User Fees	–37	–1,301	–2,510
Subtotal, Discretionary budgetary resources adjusted [2]	57,578	59,013	53,644
Remove contingent adjustments	–757	–797	–839
Total, Discretionary budgetary resources	56,821	58,216	52,805
Emergency Response Fund, Budgetary Resources:			
Coast Guard	18	209	—
Federal Aviation Administration	123	1,072	—
Transportation Security Administration	—	95	—
All other programs	—	418	—
Total, Emergency Response Fund, Budgetary resources	141	1,794	—
Mandatory Outlays:			
Coast Guard	807	868	921
Federal Highway Administration	1,218	1,275	1,154
Office of the Secretary	2,386	2,704	26
All other programs	–9	375	–292
Subtotal, Mandatory outlays	4,402	5,222	1,809
Contingent adjustments	—	—	310
Total, Mandatory outlays	4,402	5,222	2,119
Credit activity:			
Direct Loan Disbursements:			
Transportation Infrastructure Finance and Innovation Program (TIFIA).	—	430	830
Railroad Rehabilitation and Improvement Program	—	150	100
All other programs	11	10	10
Total, Direct loan disbursements	11	590	940
Guaranteed Loans:			
Transportation Infrastructure Finance and Innovation Program (TIFIA).	—	160	183
Maritime Guaranteed Loan (Title XI)	729	800	—
Minority Business Resource Center	7	18	18
Total, Guaranteed loans	736	978	201

[1] FHWA funding decreases by more than $9 billion between 2002 and 2003 due to a provision in the Transportation Equity Act for the 21st Century that requires that highway spending be tied to highway receipts.

[2] Adjusted to include the full share of accruing employee pensions and annuitants health benefits. For more information, see Chapter 14, "Preview Report," in *Analytical Perspectives.*