REQUIRED SUPPLEMENTARY STEWARDSHIP INFORMATION

NON-FEDERAL PHYSICAL PROPERTY
ANNUAL STEWARDSHIP INFORMATION, SEPTEMBER 30, 2006
TRANSPORTATION INVESTMENTS

Dollars in Thousands	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Surface Transportation					
Federal Highway Administration					
Federal Aid Highways (HTF)	$ 29,377,231	$ 29,258,796	$ 29,207,012	$ 29,750,120	$ 32,190,231
Other Highway Trust Fund Programs	211,883	243,874	300,493	445,083	452,022
General Fund Programs	31,616	73,046	962,370	330,790	14,240
Appalachian Development System	146,306	128,480	263,430	425,810	366,816
Federal Motor Carrier	149,091	159,628	299,450	195,740	117,004
Federal Transit Administration					
Discretionary Grants	$ 495,322	$ 291,889	$ 160,655	$ 119,277	$ 91,961
Formula Grants	4,283,634	4,390,965	4,723,674	4,521,288	3,376,068
Capital Investment Grants †	2,371,521	2,632,841	2,788,920	3,375,206	3,073,294
Washington Metro	89,227	11,252	12,409	1,719	4,255
Interstate Transfer Grants	8,155	9,459	1,479	1,411	206
Formula and Bus Grants	N/A	N/A	N/A	N/A	1,862,772
Surface Transportation Non-Federal Physical Property Investments	**$ 37,163,986**	**$ 37,200,230**	**$ 38,719,892**	**$ 39,166,444**	**$ 39,686,097**
Air Transportation					
Federal Aviation Administration					
Airport Improvement Program	$ 2,933,542	$ 2,786,717	$ 2,977,300	$ 3,712,423	$ 3,852,141
Air Transportation Non-Federal Physical Property Investments	**$ 2,933,542**	**$ 2,786,717**	**$ 2,977,300**	**$ 3,712,423**	**$ 3,852,141**
Total Non-Federal Physical Property Investments	**$ 40,097,528**	**$ 39,986,947**	**$ 41,697,192**	**$ 42,878,867**	**$ 43,538,238**

† Fiscal Year 2003 outlays are not net of Federal Emergency Management Administration (FEMA) collection of $2.75 billion.

The **Federal Highway Administration** reimburses States for construction costs on projects related to the Federal Highway System of roads. The main programs in which the States participate are the National Highway System, Interstate Systems, Surface Transportation Program, and Congestion Mitigation/Air Quality Improvement. The States' contribution is ten percent for the Interstate System and twenty percent for most other programs.

The **Federal Transit Administration** provides grants to State and local transit authorities and agencies.

Formula grants provide capital assistance to urban and nonurban areas and may be used for a wide variety of mass transit purposes, including planning, construction of facilities, and purchases of buses and railcars. Funding also includes providing transportation to meet the special needs of elderly individuals and individuals with disabilities.

Capital investment grants, which replaced discretionary grants in 1999, provide capital assistance to finance acquisition, construction, reconstruction, and improvement of facilities and equipment. Capital investment grants fund the categories of new starts, fixed guideway modernization, and bus and bus-related facilities.

Washington Metro provides funding to support the construction of the Washington Metrorail System.

Interstate Transfer Grants provided Federal financing from FY 1976 through FY 1995 to allow States and localities to fund transit capital projects substituted for previously withdrawn segments of the Interstate Highway System.

The **Federal Aviation Administration** (FAA) makes project grants for airport planning and development under the Airport Improvement Program (AIP) to maintain a safe and efficient nationwide system of public-use airports that meet both present and future needs of civil aeronautics. FAA works to improve the infrastructure of the Nation's airports, in cooperation with airport authorities, local and State governments, and metropolitan planning authorities.

HUMAN CAPITAL INVESTMENT EXPENSES
ANNUAL STEWARDSHIP INFORMATION, SEPTEMBER 30, 2006

Dollars in Thousands	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Surface Transportation					
Federal Highway Administration					
National Highway Institute Training	$ 9,146	$ 8,539	$ 4,069	$ 11,844	$ 14,123
Federal Motor Carrier Safety Administration					
California Highway Patrol		926	192	41	—
Idaho Video	199	593	344	208	—
Kentucky IT Conference					175
Massachusetts Training Academy	25	175	9	53	—
Minnesota Crash Investigation	18	57	21	—	1
Federal Transit Administration [†‡]					
National Transit Institute Training	3,946	4,292	4,667	3,318	3,961
National Highway Safety Administration					
Section 403 Highway Safety Programs	83,389	49,013	53,964	110,981	221,523
Highway Traffic Safety Grants	229,145	210,469	205,509	216,702	279,244
Pipeline and Hazardous Materials Safety Administration					
Hazardous Materials (Hazmat) Training	7,763	7,782	7,780	8,065	7,800
Surface Transportation Human Capital Investments	**$ 333,631**	**$ 281,846**	**$ 276,555**	**$ 351,212**	**$ 526,827**
Maritime Transportation					
Maritime Administration					
State Maritime Academies Training [‡]	$ 8,257	$ 8,363	$ 9,208	$ 9,215	$ 7,528
Additional Maritime Training	463	463	388	328	134
Maritime Transportation Human Capital Investments	**$ 8,720**	**$ 8,826**	**$ 9,596**	**$ 9,543**	**$ 7,662**
Total Human Capital Investments	**$ 342,351**	**$ 290,672**	**$ 286,151**	**$ 360,755**	**$ 534,489**

† FY 2002 outlay amounts are based on the enacted budget authority for FYs 1999, 2000, and 2001, and on the approved outlay rates for the National Transit Institute (5 %, 50%, 40%, and 5%).

‡ Does not include funding for the Student Incentive Payment Program, which produces graduates who are obligated to serve in a reserve component of the U.S. armed forces.

The National Highway Institute develops and conducts various training courses for all aspects of **Federal Highway Administration**. Students are typically from the State and local police, State highway departments, public safety and motor vehicle employees, and U.S. citizens and foreign nationals engaged in highway work of interest to the U.S. Types of courses given and developed are modern developments, technique, management, planning, environmental factors, engineering, safety, construction, and maintenance.

The California Highway Patrol educates the trucking industry for the **Federal Motor Carrier Safety Administration** about Federal and State commercial motor vehicle/carrier inspection procedures, and increased commercial motor vehicle driver awareness. The Idaho Video Program develops video training material utilized by FMCSA National Training Center for the purpose of training State and local law enforcement personnel. The Massachusetts Training Academy provides training to State law enforcement personnel located in the northeast region of Massachusetts. The Minnesota Crash Investigation program provides training and develops processes and protocols for commercial motor vehicle crash investigations.

The National Transit Institute of the **Federal Transit Administration** develops and offers training courses to improve transit planning and operations. Technology courses cover such topics as alternative fuels, turnkey project delivery systems, communications-based train controls, and integration of advanced technologies.

The **National Highway Traffic Safety Administration's** programs authorized under the Highway Trust Fund provide resources to State and local governments, private partners, and the public to effect changes in driving behavior on the Nation's highways to increase safety belt usage and reduce impaired driving. NHTSA provides technical assistance to all States on the full range of components of the impaired driving system as well as conducting demonstrations, training, and public information/education on safety belt usage.

The **Pipeline and Hazardous Materials Safety Administration** administers Hazardous Material Training (Hazmat). The purpose of Hazmat Training is to train State and local emergency personnel on the handling of hazardous materials in the event of a hazardous material spill or storage problem.

RESEARCH AND DEVELOPMENT INVESTMENTS
ANNUAL STEWARDSHIP INFORMATION, SEPTEMBER 30, 2006

Dollars in Thousands	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Surface Transportation					
Federal Highway Administration					
Intelligent Transportation Systems	$ 124,950	$ 126,256	$ 146,852	$ 183,634	$ 129,219
Other Applied Research & Development	183,142	115,368	142,557	114,315	105,336
Federal Railroad Administration					
Railroad Research & Development Program	9,600	2,402	9,342	6,032	11,681
Federal Transit Administration					
Applied Research and Development					
Transit Planning and Research †	1,931	3,895	3,483	2,546	6,543
Transit University Transportation Centers ‡	8,168	—	—	—	—
Office of the Secretary					
Applied Research and Development					
Emergency Transportation	137	650	8	—	—
Pipeline and Hazardous Materials Safety Administration					
Applied Research and Development					
Pipeline Safety	4,000	5,523	6,375	10,810	11,705
Hazardous Materials	233	1,755	1,489	1,638	2,204
Research and Innovative Technology Administration					
Applied Research and Development					
Research and Technology	1,608	1,454	1,134	1,564	1,110
Surface Transportation Research and Development Investments	**$ 333,769**	**$ 257,303**	**$ 311,240**	**$ 320,539**	**$ 267,798**
Air Transportation					
Federal Aviation Administration					
Research and Development Plant	$ 3,020	$ 2,903	$ 4,230	$ 5,287	$ 3,821
Applied Research	59,150	29,406	91,743	103,659	106,390
Development	603	251	478	547	587
Administration	44,480	31,669	28,643	29,163	30,566
Air Transportation Research and Development Investments	**$ 107,253**	**$ 64,229**	**$ 125,094**	**$ 138,656**	**$ 141,364**
Total Research and Development Investments	**$ 441,022**	**$ 321,532**	**$ 436,334**	**$ 459,195**	**$ 409,162**

† FY 2002 updated with Transit Cooperative Research Program estimate based on actual outlays.

‡ FY 2002 updated based on actual research and development related outlays.

The **Federal Highway Administration's** research and development programs are earmarks in the appropriations bills for the fiscal year. Typically these programs are related to safety, pavements, structures, and environment. Intelligent Transportation Systems were created to promote automated highways and vehicles to enhance the national highway system. The output is in accordance with the specifications within the appropriations act.

The **Federal Transit Administration** supports research and development in the following program areas:

- Research and development in Transit Planning and Research supports two major areas: the National Research Program and the Transit Cooperative Research Program. The National Research Program funds the research and development of innovative transit technologies such as safety-enhancing commuter rail control systems, hybrid electric buses, and fuel cell and battery-powered propulsion systems. The Transit Cooperative Research Program focuses on issues significant to the transit industry with emphasis on local problem-solving research.

- Transit University Transportation Centers, combined with funds from the Highway Trust Fund, provide continued support for research, education, and technology transfer.

- Capital investment grants, which replaced discretionary grants in FY 1999, provide capital assistance to finance acquisition, construction, reconstruction, and improvement of facilities and equipment. Capital investment grants fund the categories of new starts, fixed guideway modernization, and bus and bus-related activities.

The **Office of the Secretary's** Office of Emergency Transportation is involved in research and development in mapping software for the Crisis Management Center, transportation policy, and outreach efforts.

The **Pipeline and Hazardous Materials Safety Administration** funds research and development activities for the following organizations and activities:

- The Office of Pipeline Safety is involved in research and development in information systems, risk assessment, mapping, and non-destructive evaluation; and,

- The Office of Hazardous Materials is involved in research, development, and analysis in regulation compliance, safety, and information systems.

The **Research and Innovative Technology Administration's** Office of Research and Technology is involved in research and development for the University of Technology and Education.

The **Federal Aviation Administration** conducts research and provides the essential air traffic control infrastructure to meet increasing demands for higher levels of system safety, security, capacity, and efficiency. Research priorities include aircraft structures and materials; fire and cabin safety; crash injury-protection; explosive detection systems; improved in-flight icing and ground de-icing operations; better tools to predict and warn of weather hazards, turbulence and wake vortices; aviation medicine, and human factors.