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Before The
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Committee on Transportation and Infrastructure
U.S. House of Representatives

Implementation of SAFETEA-LU
June 7, 2006

Mr. Chairman and Members, we are pleased to appear before you today to report on the U.S. Department of Transportation's (DOT) implementation of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). Signed into law by President Bush on August 10, 2005, SAFETEA-LU authorizes \$244 billion for fiscal years (FY) 2005 through 2009 for highway infrastructure, public transportation, and highway and motor carrier safety programs--a record level of investment. Secretary Mineta has made implementation of this important legislation a top priority for DOT, and our agencies have worked aggressively to make the authorized funds available and issue guidance and regulations necessary to carry out programmatic modifications in SAFETEA-LU. Implementation is, in most cases, going smoothly, as you know from our frequent briefings for Congressional Members and staff. There is a lot of good news in today's status report.

Recently, we have had a number of opportunities to highlight the vital role of transportation for the Nation's economy and the quality of life of its citizens, and to celebrate some of DOT's achievements. On May 18, during National Transportation Week, the new span of the Woodrow Wilson Bridge was dedicated, and will open to the public later this month. The bridge project is now 53 percent completed, and it is on schedule and under budget. On the 29th of this month, we mark the 50th anniversary of the Dwight D. Eisenhower National System of Interstate and Defense Highways. Often called the greatest public works project in history, the Interstate System changed the face of America, giving our country a freedom of mobility unrivaled anywhere in the world.

In many respects, however, our transportation system has become the victim of its own success. Our growing economy and standard of living have created a demand for travel and movement of goods that is increasingly difficult to meet. Congestion and delays have become a fact of life on our highways and in our airports and seaports. During National Transportation Week, Secretary Mineta launched the *National Strategy*

to Reduce Congestion on America's Transportation Network--a national congestion relief initiative designed to address the challenges ahead for our surface transportation system. This dynamic plan will maximize valuable tools Congress provided in SAFETEA-LU to improve operation of our surface transportation system, encourage the development and deployment of new technologies and construction methods, and expand opportunities for private investment in transportation infrastructure.

As you know, we anticipate that traditional funding sources for highway programs, at all levels of government, may in the future no longer produce sufficient revenues to keep up with infrastructure needs. SAFETEA-LU established two commissions to address this issue. Secretary Mineta was designated Chairman of the National Surface Transportation Policy and Revenue Study Commission to explore options for the future direction of our surface transportation system and to review current methods of, and explore alternatives for, investing in and managing that system. On May 24, the Secretary convened the first meeting of this Commission. The Secretary has tasked the Commission with finding solutions not only to raising revenue for highway and transit projects, but also to reducing the costs of congestion. Additionally, the President's FY 2007 budget proposes funding the Open Roads Financing Pilot Program to identify new ways of financing highway investment, as well as improving highway performance and reducing congestion. The \$100 million of proposed Open Roads funding would assist up to five States to make practical tests of new ideas or ideas that have been successful in other countries for managing and charging for the use of major portions of their highway system.

While there are no easy solutions to the Nation's transportation challenges, the *National Strategy to Reduce Congestion*, the SAFETEA-LU commissions, and the Open Roads Financing Pilot, hold significant promise for new approaches, building on the authorities provided in SAFETEA-LU.

DOT appreciates all of the work of this Committee on the reauthorizing legislation and is pleased to update you on our progress in carrying out the law.

FEDERAL HIGHWAY ADMINISTRATION

The Federal Highway Administration (FHWA) is charged with the broad responsibility of ensuring the safety, reliability, and efficiency of America's highways, roads, and bridges. Although State, local, and tribal governments own most of the Nation's highways, FHWA provides financial and technical support to them for constructing, improving, and preserving the system and increasing the efficiency of its operation. SAFETEA-LU authorizes \$193.2 billion in guaranteed funding for the Federal-aid Highway program in FY 2005 through 2009. Moreover, the Act provides valuable tools for increasing highway safety, reducing traffic congestion, improving freight movement, and streamlining infrastructure construction. From the date of enactment, FHWA has worked to put SAFETEA-LU's funding into the hands of State, local, and tribal governments as quickly as possible, and to assist recipients in advancing their projects. FHWA has facilitated this primarily through issuance of guidance to take advantage of new programs and program modifications.

In FY 2005, \$39 billion in contract authority was made available to States and allocated programs according to the provisions of SAFETEA-LU (including \$100 million for the Emergency Relief permanent authorization). Under the obligation limitation enacted in SAFETEA-LU, total new resources available for obligation were \$35.1 billion (\$34.4 billion obligation limitation plus \$739 million in exempt contract authority). In FY 2006, \$38 billion in contract authority was available for States and allocated programs according to the provisions of SAFETEA-LU (after the FY 2006 Department of Defense one percent across-the-board rescission). The FY 2006 obligation limitation made a total of \$36.4 billion in new resources available for obligation (\$35.7 billion obligation limitation plus \$739 million in exempt contract authority).

SAFETEA-LU contains nine express provisions requiring the Secretary of Transportation to conduct a rulemaking affecting FHWA. All nine statutorily mandated rulemakings are well underway, as are actions on rulemakings and guidance for 16 additional sections that, based on FHWA's initial review of SAFETEA-LU, required formal implementation activities. FHWA program offices are posting guidance on their Web sites, with the FHWA SAFETEA-LU Web site providing a central linking site. A Federal Register notice on February 2, 2006, announced that guidance was being issued and would be available by accessing the consolidated SAFETEA-LU Web site--
<http://www.fhwa.dot.gov/safetealu/reference.htm>.

Safety

SAFETEA-LU significantly increases the national policy emphasis on safety and the resources available to reduce traffic fatalities and injuries on all public roads. SAFETEA-LU authorizes a new core Highway Safety Improvement Program (HSIP) and provides States more than \$5 billion over 4 years to implement the HSIP--almost double the amount of funds available for infrastructure safety under the Transportation Equity Act for the 21st Century (TEA-21). SAFETEA-LU also creates new safety programs such as the Safe Routes to School (SRTS) program to enable and encourage children, including those with disabilities, to walk and bicycle to school. SRTS is separately funded at \$612 million over 5 years.

Major new provisions of the HSIP call for development and implementation of Strategic Highway Safety Plans (SHSPs), dedicated use of set-aside funds for the High Risk Rural Roads program, new reporting requirements for the HSIP and Railway-Highway Crossings program, and reporting of the top 5 percent of locations with the most severe safety needs in each State.

To assist State and local partners in implementing these new programs and requirements, FHWA has issued six new guidance documents, meeting with key Federal, State and local safety stakeholders as the guidance was developed. FHWA has also issued a Request for Applications for another new program, the Work Zone Safety Grants program, with grants to be awarded this summer.

FHWA is providing direct assistance to States in developing their SHSPs by helping them convene the required safety stakeholders, analyzing data, determining critical emphasis areas, and providing assistance with initial SHSP drafts. At this time, virtually all of the States are in the process of developing SHSPs.

The safety-related reports to Congress required by SAFETEA-LU are underway. Selection of the SRTS Taskforce is also underway and a letter report has been delivered to Congress.

FHWA is providing direct assistance to States and others for cost-effective implementation of the SAFETEA-LU safety provisions. These efforts will result in lives saved and injuries prevented on America's highways.

Congestion Management

Addressing congestion is a top priority of DOT, as evidenced by the launching of the previously mentioned *National Strategy to Reduce Congestion*. SAFETEA-LU provides for a number of key programs and provisions that directly support this initiative by improving the day-to-day management and operation of the transportation system. FHWA is moving aggressively to advance these programs and provisions. The Value Pricing Pilot Program, Express Lanes Demonstration Program, and the high occupancy vehicle (HOV)/high occupancy toll (HOT) lane provisions all provide opportunities for States to relieve congestion by fully utilizing available capacity and using pricing to balance demand and capacity. Federal Register notices have been issued for these programs, solicitations of interest have been received, and FHWA is working with interested jurisdictions to implement these programs. FHWA is also working with the Environmental Protection Agency (EPA) on an EPA-required rulemaking to establish certification and labeling requirements for allowing low-emission and energy-efficient vehicles to use HOV lanes.

FHWA is addressing congestion management through the planning process in two significant ways as mandated by SAFETEA-LU: implementing a congestion management process in major metropolitan regions and incorporating operational and management strategies into metropolitan and statewide long-range plans. FHWA continues to hold workshops with metropolitan planning organizations (MPOs) and State departments of transportation on best practices for implementing this legislation and meeting Federal requirements while providing meaningful congestion relief. In the coming months, FHWA will publish proposed regulations and provide guidance on these provisions.

Through implementation of various SAFETEA-LU provisions, FHWA is ensuring that travelers will have the information they need to make informed decisions about the mode of transportation they use, and the route and time they travel. In May, FHWA published an announcement and request for information for the new Real Time System Management Information Program to provide, in all States, the capability to monitor the traffic and travel conditions on the major highways of the United States. Later this year, using the input received, the FHWA will develop and publish detailed guidance implementing the program. FHWA has also received nearly 30 expressions of interest in the new Transportation Technology Innovation and Demonstration Program for eligible metropolitan areas, in response to a notice published in October 2005, and is working with the 13 selected jurisdictions to establish public-private partnerships and deploy \$2 million in real-time traveler information infrastructure in each city.

Freight Mobility

With respect to freight transportation, our system faces significant capacity constraints at key international gateways, at major domestic freight hubs, and in major urban areas where transcontinental freight lanes intersect congested urban routes. Five SAFETEA-LU programs have a specific freight emphasis or will provide substantial benefits to freight transportation. FHWA has issued implementation guidance for the projects in Projects of National and Regional Significance (PNRS), the National Corridor Infrastructure Improvement Program, and the Freight Intermodal Distribution Pilot Grant Program. FHWA is preparing a Notice of Proposed Rulemaking (NPRM) for the PNRS program, as required by SAFETEA-LU. FHWA has apportioned FY 2005 and 2006 formula funds for the Coordinated Border Infrastructure (CBI) Program to the 15 land border States eligible to receive funding, and guidance for the Truck Parking Facilities Program will be issued shortly. SAFETEA-LU also invests in research, training, and education in freight professional capacity building to strengthen decisionmaking at State and local agencies, and FHWA's Freight Professional Development Program delivers this service. FHWA has been moving forward expeditiously on all of these provisions and now Secretary Mineta's *National Strategy to Reduce Congestion* will require even more ambitious schedules for implementation.

Highways for LIFE

Many provisions of SAFETEA-LU are directed at increasing the efficiency of our transportation system by improving its operations and by improving materials, contracting, and construction techniques. In particular, SAFETEA-LU includes \$75 million for the Highways for LIFE pilot program. The purpose of the program is to promote state-of-the-art technologies, elevated performance standards, and new business practices in the highway construction process. Last month, FHWA published guidance for the program and solicitation of grant applications, based on comments received from the earlier publication of an implementation plan.

Stewardship and Oversight

New requirements in SAFETEA-LU promote more effective stewardship of Federal funds and efficient project delivery. Section 1904 enhances title 23 requirements for value engineering or other cost-reduction analysis for certain projects. A Value Engineering NPRM will be published this summer. Section 1904 also requires that the Secretary establish an oversight program to monitor the effective and efficient use of Federal-aid funds, and a guidance memorandum is scheduled to be issued next month. In addition, FHWA is developing management tools that will provide information necessary for effective monitoring of funds in accordance with this provision, including Guidance for Stewardship/Oversight Agreements, a Risk Management Framework, and a Program Delivery Assessment Tool. Section 1904 requires the Secretary to perform annual reviews of the State transportation departments' financial management systems, and FHWA has implemented a financial oversight program -- the Financial Integrity Review and Evaluation Program -- that requires annual review of the States' financial systems affecting Federal-aid projects.

SAFETEA-LU lowered the threshold for defining a Major Project from \$1 billion to \$500 million, or one designated by the Secretary, almost doubling the number of Major

Projects across the country to a total of 37. More than 80 potential major projects are currently within the environmental phase of development. In addition to continuing requirements for annual finance plans, SAFETEA-LU established a requirement for Project Management Plans on all major projects. For projects between \$100 and \$500 million in cost that are not designated as major projects, SAFETEA-LU established a requirement for State transportation agencies to develop finance plans and make them available to FHWA upon request. On December 8, 2005, FHWA issued a memorandum providing preliminary guidance on SAFETEA-LU Finance Plan requirements, and is in the process of updating the existing Finance Plan Guidance document. FHWA issued Interim Major Project Guidance on January 27, 2006, for satisfying revised Major Project requirements under SAFETEA-LU, and Project Management Plan guidance is in the process of being revised to reflect SAFETEA-LU changes. In support of the amended Major Project requirements, FHWA will be conducting nine validations of project cost estimates, four cost-estimation training sessions, and two project management plan workshops within the next year.

Financing Innovations

SAFETEA-LU creates new opportunities for funding transportation infrastructure by increasing flexibility for tolling, expanding eligibility for Transportation Infrastructure Finance and Innovation Act (TIFIA) loans and private activity bonds, and extending the State Infrastructure Bank (SIB) program to all States. Moreover, there are other, non-finance related provisions that will assist in attracting private sector investment. For example, changes in the design-build provisions, under section 112 of title 23, United States Code, to allow certain actions related to entering into a design-build contract prior to the completion of the National Environmental Policy Act process should generate more interest from the private sector in design-build projects, since the private sector can be involved much earlier in the project definition stage of project development. An NPRM on the design-build contracting changes required under section 1503 of SAFETEA-LU was published on May 25.

The tolling provisions discussed under Congestion Management may also increase State or local government funding for transportation in addition to satisfying their primary goal of enhancing mobility. Other tolling programs and provisions within SAFETEA-LU are intended to generate funding support for specific projects and include the Interstate System Construction Toll Pilot Program, the Interstate System Reconstruction and Rehabilitation Pilot Program, and tolling permitted by agreements under section 129 of title 23, United States Code. FHWA has published two Federal Register notices to solicit participation in the six SAFETEA-LU programs that grant authority to toll Federal-aid facilities. Together, the two Federal Register notices are intended to explain all of the opportunities for States and other qualifying transportation agencies requesting permission to toll their respective facilities. The notices also describe the process used by FHWA to identify the most appropriate program under which the State could implement its project.

A Federal Register notice soliciting interest in Private Activity Bonds has been published and, together with the Office of the Assistant Secretary for Transportation Policy, FHWA has already met with several prospective applicants for private activity

bond allocations. In addition, FHWA is in the process of developing procedures for the new SIB program.

Innovative financing provisions of SAFETEA-LU will not increase revenues to the Highway Trust Fund. Rather, these provisions are intended to increase overall funding for transportation, including leveraging Trust Fund dollars to attract more private capital.

Planning and Environment

SAFETEA-LU includes a number of provisions aimed at improving efficiency in highway program and project delivery through better planning coordination and by streamlining the environmental review process. Cutting through red tape, reducing delays, and reaching timely decisions that are good for both the environment and for transportation will enhance mobility and advance DOT's congestion reduction efforts.

Some of the changes to planning and environmental provisions will require completed rulemaking for full implementation, and work on this is underway. For example, an NPRM with proposals for implementing section 6001 changes to the metropolitan and statewide planning processes is expected to be published in the Federal Register this week. Where appropriate, guidance has been issued to expedite use of new provisions. Within a month following enactment of the law, FHWA and the Federal Transit Administration (FTA) jointly issued initial guidance clarifying where changes for the metropolitan and statewide planning processes, and a number of issues related to planning, environment, and air quality, changes could take effect quickly. We have followed up with additional guidance and clarifying information on several planning process changes. In addition, FHWA and FTA have conducted informal outreach sessions on the new planning provisions with key stakeholder groups, including the American Association of State Highway and Transportation Officials (AASHTO), the Association of Metropolitan Planning Organizations (AMPO), the Surface Transportation Policy Project (STPP), the National Association of Regional Councils (NARC), the Institute of Transportation Engineers (ITE), the American Road and Transportation Builders Association (ARTBA), and others.

We also acted quickly on guidance for the new process requirements for projects advanced with environmental impact statements, pursuant to section 6002. Initial joint FHWA and FTA implementation guidance was issued on September 2, 2005. Interim guidance for use of the 180-day statute of limitations for lawsuits challenging Federal agency approvals, as provided in section 6002, issued on December 1, 2005, will encourage public-private partnerships by providing a level of comfort to the private sector.

On April 4, 2006, FHWA issued implementing guidance for section 6004, which allows States to assume DOT authority for projects categorically excluded under National Environmental Policy Act (NEPA) regulations, with FHWA in a programmatic monitoring role.

To further streamline environmental review and expedite project delivery, section 6005 of SAFETEA-LU established the Surface Transportation Project Delivery Pilot Program. This program allows five States to assume all DOT environmental responsibilities under NEPA and other environmental laws (excluding the Clean Air Act and transportation planning requirements) for one or more highway projects. On April 5,

2006, FHWA published an NPRM, which proposes the application requirements for the program, and we plan to supplement the final rule with guidance concerning audits, performance measures, legal responsibilities, and termination of the pilot program.

SAFETEA-LU, in section 6009, made a number of tightly circumscribed changes in the requirements for protections of parks and historical resources, commonly known as "Section 4(f)." These were the first substantive revisions to Section 4(f) in almost 40 years. FHWA and FTA jointly issued guidance on December 13, 2005, calling for collaboration among FHWA, States, and officials with jurisdiction over Section 4(f) resources to jointly determine when impacts are minimal (*de minimis*). This will simplify the processing and approval of projects that have only *de minimis* impacts on lands protected by Section 4(f). DOT has developed an NPRM on Section 4(f) that will be published in the Federal Register shortly. On January 13, 2006, FHWA also issued guidance for applying the Section 4(f) exemption for the Interstate Highway System.

SAFETEA-LU made a number of revisions to the Clean Air Act's transportation conformity provisions, designed to provide greater flexibility without reducing protection for air quality. On February 14, 2006, EPA and DOT issued joint guidance to address these revisions and explain how to implement these changes during the period before the EPA Federal transportation conformity rule is revised.

Federal Lands

As authorized under SAFETEA-LU, the Federal Lands Highways Program (FLHP) receives a 28-percent increase for the 5-year period of the Act compared to the last 5 years of TEA-21 -- a total of approximately \$4.5 billion over the life of the Act. Direct transfer of apportioned funds to a Federal agency upon State request is now allowed, and FLHP funds can also be used as the State/local match for most types of Federal-aid highway funded projects.

The Indian Reservation Roads (IRR) Program, in particular, received a substantial increase in funding. IRR Program levels range from \$300 million in FY 2005 to \$450 million in FY 2009, for a total of \$1.86 billion over the life of the reauthorization. There are significant IRR program changes as well. In the past, tribes worked directly with the Bureau of Indian Affairs (BIA) Regional Offices on IRR programs and projects, either through Direct Service Agreements, Self-Determination Act Contracts, or Self-Governance Agreements, and BIA and FHWA administered the IRR Program with FHWA oversight. Now, eligible tribes are able to enter into contracts or agreements directly with FHWA in accordance with the Indian Self-Determination and Education Assistance Act. While the BIA has retained its program management and oversight role on a national and regional level, the FHWA/tribal government relationship is expected to increase on both a program and project level. To date, seven tribes and a tribal consortium have indicated an interest in entering into direct funding agreements with FHWA. We are in the process of finalizing the first agreement with the Standing Rock Sioux Tribe -- a multiyear program agreement through the life of the reauthorization.

SAFETEA-LU also made changes to the IRR Bridge Program, and FHWA expects to have an NPRM reflecting the changes ready for publication next fall, with more tribal outreach in the interim period. In addition, SAFETEA-LU requires FHWA to complete a comprehensive national IRR inventory of eligible transportation facilities, with a report due to Congress in November 2007. FHWA has begun this extensive

activity and intends to utilize existing data, conduct samplings of current data, and address and correct regional and national deficiencies in the current inventory process. We are also working with BIA to eliminate roadblocks that have occurred on the current inventory system, to allow easier access to the system and clearer instructions on actual submission requirements.

Intelligent Transportation Systems

SAFETEA-LU authorizes \$110 million per year for Intelligent Transportation Systems (ITS) research and development. DOT's ITS Program continues to focus on the development and deployment of technology-based solutions to improve the safety, mobility, and global connectivity of our surface transportation system. SAFETEA-LU contains several specific requirements, including the establishment of an ITS Advisory Committee and the development of a 5-year ITS Program Plan. Both of these activities are well underway. An advisory committee charter has been developed and approved by the Secretary, and DOT has issued a Federal Register notice indicating the intent of the Department to establish such a committee and to seek interest in participation. Once the docket closes, the Secretary will select and invite candidate members. A 5-year Program Plan has been drafted and is being reviewed internally. SAFETEA-LU also contains some specific programmatic direction, including the establishment of a Road Weather Program; the conduct of a rural communication corridor study; and continued funding for the I-95 Corridor Coalition. The Department is actively pursuing all these directed activities.

Research

Although SAFETEA-LU provides \$196.4 million annually for Surface Transportation Research, Development, and Deployment (compared with \$153 million provided in the last year of TEA-21), certain structural problems within the funding for Research and Technology (R&T) challenge DOT's ability to carry out the program Congress envisioned under Title V of SAFETEA-LU. Because all of the Title V funding for FY 2006 through 2009 is designated in statute for specific programs and projects, there is no flexible Title V research funding remaining for certain activities that are authorized by Congress, and that are important for a national program. For example, no specific funding is provided for the Conditions and Performance (C&P) Report. Designations in statute for Title V funding actually exceed the authorized contract authority for each of FY 2006 through 2009. The result is that across-the-board reductions are required each fiscal year in order to stay within authorized contract authority, and many R&T activities underway in FY 2005 will be slowed or stopped. In response, the FY 2007 budget requests an additional \$37.5 million for the research limitation, which is within the Federal-aid obligation limitation. This additional limitation would apply to \$37.8 million in FY 2005 unobligated balances of contract authority authorized for Title V research programs. This is a 1-year solution to a multi-year problem, and DOT would like to work with this Committee on a longer-term solution for R&T funding.

FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

The Federal Motor Carrier Safety Administration (FMCSA) is pleased to report on its accomplishments in implementing the motor carrier provisions in SAFETEA-LU in the areas of the medical oversight of truck and bus drivers, improving the commercial driver's license (CDL) program, granting statutory relief from the hours-of-service rules, consumer protection in household goods shipments, the establishment of the Unified Carrier System Plan and Agreement, and research.

Medical Program

FMCSA's recently completed Large Truck Crash Causation Study, and previous research and data analyses, clearly emphasize the need to focus resources on the driver. In particular, FMCSA needs to ensure that truck and bus drivers meet appropriate medical qualification standards. SAFETEA-LU provides strong support for FMCSA's focus on driver qualification standards through the Agency's medical program.

Diabetes. In response to SAFETEA-LU's direction to revise the Diabetes Exemption Program to eliminate the requirement that drivers applying for an exemption must have 3 years of driving experience, on November 8, 2005, FMCSA published a notice announcing the revision to the program. We completed the revision to the program within 90 days, as required by SAFETEA-LU.

In addition, FMCSA notified each driver who previously had been denied a diabetes exemption because of the 3-year requirement that the program has been revised, and invited each of those drivers to reapply for an exemption. Since SAFETEA-LU's enactment, the number of diabetes exemptions has increased significantly, with 12 exemptions granted and 47 pending approval after the required public comment period. Currently, there are approximately 200 in review and we have mailed more than 3,000 application packets since August 2005. FMCSA will continue to ensure that each diabetes exemption granted results in the same level of safety that our current medical standards require.

In recognition of Congressional interest in the diabetes standard, FMCSA published an Advance Notice of Proposed Rulemaking (ANPRM) on March 17, 2006, announcing that the Agency is considering whether to amend its medical standard to allow individuals with insulin-treated diabetes mellitus (ITDM) to operate commercial motor vehicles (CMVs) in interstate commerce without having to obtain an exemption. Any revision to the current standard would conform to other changes in FMCSA's existing authority to establish, review, and revise physical qualification standards for drivers made by SAFETEA-LU. The reauthorization added a requirement that these standards be developed with the assistance of expert medical advice.

Medical Review Board. FMCSA has implemented the SAFETEA-LU requirement to establish a Medical Review Board (MRB) to provide FMCSA with expert medical advice in assessing the adequacy of the current medical standards for truck and bus drivers. In March, the Secretary announced his selection of five distinguished physicians to serve 2-year terms on the MRB. The MRB will greatly enhance FMCSA's ability to establish evidence-based medical standards that reflect the most up-to-date scientific data and research on the medical issues facing the truck and bus industry. The MRB will begin deliberations in August 2006.

National Registry of Medical Examiners. Another important step in improving FMCSA's medical oversight of truck and bus drivers is the implementation of the SAFETEA-LU provision requiring the establishment of a National Registry of Medical Examiners (the National Registry). In anticipation of the SAFETEA-LU mandate, FMCSA held a public meeting in June 2005 to announce its plans to establish the National Registry of healthcare professionals who perform physical examinations of truck and bus drivers. FMCSA described the concept of requiring that medical examiners complete training concerning FMCSA's medical regulations and the proper application of those standards in assessing driver medical fitness for duty. Upon completion of the rulemaking to prescribe the standards for including medical examiners in the registry and the offenses that would result in their being removed from the registry, FMCSA will have a means of ensuring that all healthcare professionals who certify driver medical fitness for duty do so in accordance with FMCSA's standards. We will hold additional public meetings in June and July of this year.

Commercial Driver's License (CDL) Program

In March, FMCSA published a Final Rule to implement the SAFETEA-LU provision concerning school bus driver qualifications. As a result, States that had not previously adopted rules to satisfy FMCSA's requirement for certain testing of applicants for a school bus endorsement were provided with additional time to achieve compliance with the Federal CDL standards.

On May 2, FMCSA announced its plans in the Federal Register to modernize the Commercial Driver's License Information System (CDLIS) in response to SAFETEA-LU. The notice explains how FMCSA's plan satisfies the statutory requirement to: comply with applicable Federal information technology security standards; provide for the electronic exchange of information, including the posting of convictions; contain self-auditing features to ensure data is being posted correctly; and integrate the CDL and medical certificate.

These are just two examples of our ongoing efforts to enhance our CDL program. Additionally, we continue to work with the States to finalize implementation of the provisions of the Motor Carrier Safety Improvement Act of 1999.

Regulatory Relief – Hours of Service

SAFETEA-LU includes several self-executing provisions concerning hours-of-service rules for truck drivers. To ensure that Federal and State enforcement officials are aware of the statutory exemptions to the hours-of-service rules, FMCSA has issued enforcement policy memoranda to provide guidance on how to apply the exemptions. The memoranda cover the following exemptions: operators of vehicles used to transport agricultural commodities and farm supplies, operators of ground water well drilling rigs, drivers of utility service vehicles, drivers providing transportation to movie production sites, and certain drivers transporting grapes in the State of New York.

Additionally, we have issued guidance concerning relief from the safety regulations for drivers used primarily in the transportation of propane winter heating fuel and drivers responding to a pipeline emergency if compliance with the rules would prevent them from responding to an emergency condition. While these provisions are

already in effect, FMCSA will issue a Final Rule at a later date to ensure our regulations reflect the statutory exemptions enacted in SAFETEA-LU.

Roadability of Intermodal Container Chassis

FMCSA has developed an NPRM to implement the roadability provision in SAFETEA-LU. This rulemaking proposes to establish a program to ensure that intermodal equipment used to transport containerized freight is systematically maintained to meet vehicle safety requirements. Equipment providers who offer intermodal equipment to interstate motor carriers will be required to establish maintenance programs and to keep records documenting inspection, repair, and maintenance activities. The NPRM is now under Departmental review and we expect the proposal to be published this summer.

Consumer Protection for Household Goods Shipments

As part of our program to enhance our outreach efforts to educate consumers about moving their household goods, we recently updated our pamphlet, “Your Rights and Responsibilities When You Move,” to comply with SAFETEA-LU’s requirement to display the publication more prominently on our Web site. Household goods movers are required to provide this publication to their customers to ensure that consumers understand what they have a right to expect from movers and what they should do to help ensure the move goes smoothly. The publication may be downloaded from the FMCSA Web site and through our new, separate Web site dedicated to consumers, at <http://www.protectyourmove.gov>.

Another way we have broadened our distribution of household goods outreach brochures to the general public is through a cooperative agreement with the U.S. General Services Administration’s (GSA) Federal Citizen Information Center. To date, GSA has distributed more than 43,000 copies of “Ready to Move – Tips for a Successful Interstate Move.” This publication helps to increase consumers’ awareness of the information about household goods moves, and the availability of FMCSA’s “Rights and Responsibilities” publication.

Section 4206 of SAFETEA-LU enabled State attorneys general and other State enforcement officials to enforce Federal household goods regulations through civil action against a carrier or broker in U.S. District Court. The FY 2006 Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies Appropriations Act placed limitations on State enforcement authority by permitting States to pursue civil actions only against carriers and brokers who meet specific statutory criteria. This limitation sunsets on September 30, 2006. To our knowledge, no State has pursued civil action on behalf of consumers based on the authority granted by SAFETEA-LU.

As required by SAFETEA-LU, FMCSA has been working with Federal, State, and local household goods enforcement agencies to better coordinate investigations, to optimize our resources, and to achieve the most effective enforcement results. As a result of these efforts, FMCSA has established a working group to assist the States with bringing their own civil actions on behalf of consumers against household goods carriers or brokers. Comprised of representatives from the DOT Office of Inspector General, the National Association of Attorneys General, and various State attorneys general and

United States Attorneys, the Florida Department of Agriculture, and the Maryland Office of Consumer Affairs, the group has opened a dialogue to develop practices and procedures to enhance the Federal/State partnership and make legislative and regulatory recommendations concerning these efforts. This group is designed to assist the States with bringing their own civil actions on behalf of consumers against household goods carriers or brokers.

Additionally, FMCSA has implemented six of the household goods sections of SAFETEA-LU through enforcement policy memoranda. These policy documents were distributed to FMCSA field offices and provide guidance on how to apply the self-executing provisions concerning household goods. The guidance documents include definitions, household goods carrier operations, liability of carriers under receipts and bills of lading, arbitration requirements, civil penalties relating to brokers and unauthorized transportation, and penalties for holding goods hostage. Like the hours-of-service exemptions described earlier, FMCSA will issue a Final Rule codifying these six household goods provisions.

Unified Carrier Registration System Plan and Agreement

On May 12, 2006, FMCSA announced the establishment of a Board of Directors for the Unified Carrier Registration Plan mandated by SAFETEA-LU. The Board will be responsible for issuing rules to govern the Unified Carrier Registration (UCR) Agreement. The UCR Agreement will replace the Single State Registration System (SSRS), which expires on January 1, 2007.

The UCR Agreement will govern the collection of fees paid by private and for-hire motor carriers, brokers, freight forwarders, and leasing companies. Including private motor carriers, brokers, freight forwarders, leasing companies, and exempt for-hire motor carriers in the UCR Agreement will lower the registration costs of for-hire motor carriers and ensure that SSRS States do not lose essential funding for safety services. Currently, 39 States participate in SSRS and use this registration system to generate revenues to supplement State general fund accounts and conduct safety-related activities.

Motor Carrier Research

In accordance with section 4111 of SAFETEA-LU, FMCSA has developed a multiyear research and technology plan. Our plan focuses on the following six strategic objectives:

- *Produce Safer Drivers:* Research techniques that help ensure drivers are physically qualified, trained to perform safely, and mentally alert.
- *Improve Safety of Commercial Motor Vehicles:* Improve truck and motorcoach performance through vehicle-based safety technologies.
- *Produce Safer Carriers:* Support efforts to improve carrier safety by applying safety management principles, compiling and communicating best practices, and supporting enforcement of carrier-related regulations.
- *Advance Safety Through Information-Based Initiatives:* Improve the safety and productivity of CMV operations through the application of information systems and technologies.
- *Improve Security Through Safety Initiatives:* Develop and implement safety initiatives that also have security benefits for motor carrier operations.

- *Enable and Motivate Internal Excellence:* Improve performance to serve the customers and stakeholders of FMCSA’s Motor Carrier Research and Technology Program more effectively and economically.

FMCSA is committed to applying the results from our research and technology program to support its regulatory and enforcement initiatives.

FEDERAL TRANSIT ADMINISTRATION

The Federal Transit Administration (FTA) has made timely implementation of SAFETEA-LU its top priority and is pleased to report substantial progress in implementing this important legislation.

In addition to historic funding levels, SAFETEA-LU added new programs, including New Freedom, Transit for Native Americans, and Alternative Transportation in the Parks and Public Lands, which began in FY 2006, and modified other programs, such as Job Access and Reverse Commute, and Clean Fuels. SAFETEA-LU also required that FTA promulgate 17 new regulations, more than any other DOT modal administration, as well as an unprecedented level of rulemaking. These include regulations to implement changes to planning requirements, New Starts (including the Small Starts program), Buy America, Charter Bus, and a joint rulemaking with the Department of Homeland Security (DHS) on transit security grants. In addition, SAFETEA-LU requires FTA to issue 29 other program guidance documents and 19 reports to Congress.

Implementation Process and Outreach

Immediately after enactment of SAFETEA-LU, FTA laid out a detailed, aggressive schedule for the over 60 deliverables needed to implement the new legislation, in an order consistent with the priorities set out by SAFETEA-LU. FTA has completed action on two-thirds of its top priority items and of the remainder, only two will not meet the original schedule. Delays have been the result of deliberate decisions to take more time to better accommodate the high degree of interest from stakeholders.

Outreach has been a key feature of FTA’s SAFETEA-LU implementation process, with a total of nearly 100 outreach events held. These include a Webinar, conducted jointly with the American Public Transportation Association, with nearly 1,000 participants, a series of five general outreach sessions conducted last December, with a total of about 700 participants, a series of three outreach sessions on New Starts and Small Starts with a total of nearly 500 participants, two national outreach sessions on Tribal Transit with a total of over 100 participants, and more targeted sessions at which small groups of 20 to 30 met to discuss specific program issues.

FTA has also worked to undertake its implementation process consistent with the requirement in SAFETEA-LU that calls for FTA to provide notice and an opportunity for comment on any FTA policy or guidance document that might produce a “binding obligation” on its grantees. While there may be additional time involved, comments received on draft guidance and policy statements are allowing FTA to assure that the documents are more complete, more responsive to stakeholder needs, and more likely to take account of on-the-ground realities. For example, of the nine changes in New Starts procedures proposed to take effect this year, only three were adopted as originally

proposed. Three were modified to take account of comments, and three were either not adopted or were deferred pending further analysis. This demonstrates FTA's willingness to listen to stakeholders, make changes when necessary, or even go back to the drawing board if the comments received make clear the need to do so.

Status of Regulatory Actions

FTA has been making good progress on rulemakings, including joint rulemakings with other agencies.

Buy America. FTA issued its NPRM on Buy America on November 28, 2005. In response, FTA received comments indicating that the issues were more complex than originally thought. As a result, FTA issued a Final Rule covering the non-controversial aspects of the rule, such as pre-award and post-delivery audits, on March 21, 2006. FTA now plans to issue a Supplemental NPRM covering the remaining issues, such as the definition of end product, by early fall. In addition, FTA plans to hold a public hearing to discuss the new proposal.

Charter Bus. To implement the SAFETEA-LU requirement for a Negotiated Rulemaking to amend FTA's Charter Bus Regulation, on January 31, 2006, FTA published an initial Notice in the Federal Register inviting comments on the proposed issues to be addressed, and asking for nominations for membership on the Advisory Committee. FTA published a Notice responding to these comments, and announcing the membership of the Committee, on April 10, 2006. The first meeting of the Committee was held on May 8-9, 2006, in Washington, DC. The next meeting is scheduled for June 19-20, 2006. FTA expects to hold a series of meetings over the next several months. The exact timing of the NPRM will depend on the deliberations of the Committee.

Security Grants. FTA and DHS are jointly finalizing an NPRM mandated by SAFETEA-LU that outlines requirements and characteristics of public transportation security grants, including funding priorities and eligible activities, methods for awarding grants, and limits on administrative expenses. It is anticipated that DHS will administer its security grants and DOT will provide technical assistance on development of the application and eligibility process. Also, as required by SAFETEA-LU, on September 8, 2005, FTA and DHS's Transportation Security Administration completed a transportation security Annex to the Memorandum of Understanding between DOT and DHS.

Metropolitan and Statewide Planning. As noted above, SAFETEA-LU made a number of changes to the Metropolitan and Statewide transportation planning and programming process, and FTA and FHWA have been working jointly to implement these changes. We expect to publish an NPRM by the end of this week, and issue a Final Rule by Spring 2007.

New Programs and Program Guidance

FTA has been working to implement several new programs and to change program guidance to reflect the changes made in program requirements.

General Program Guidance. On November 30, 2005, FTA issued a Federal Register Notice outlining the changes in all of its programs, and providing initial guidance on implementing these changes. This allowed FTA to make grants in FY 2006 in its continuing programs, most of which saw only minor changes in SAFETEA-LU, as soon as FY 2006 funds were appropriated. FTA is now proceeding with revising the

program guidance circulars on all of these programs to accommodate the changes that were made by SAFETEA-LU.

New Starts and Small Starts. SAFETEA-LU specifically required FTA to provide notice on any changes in policy or procedures in the New Starts program early in calendar year 2006 and at least every 2 years thereafter. Accordingly, on January 19, 2006, FTA issued a Federal Register Notice of Proposed New Starts Policy Guidance. Because of the wide range of issues that needed to be addressed in some detail on the new Small Starts program, on January 30, 2006, FTA issued an ANPRM on Small Starts.

FTA received over 70 written comments on the draft New Starts Policy Guidance and over 90 comments on the Small Starts ANPRM. In response, on May 22, 2006, FTA published final New Starts Policy Guidance and FY 2008 Reporting Instructions for the New Starts. As described earlier, FTA made several modifications to the proposals in the January 19, 2006, Notice. These changes will help make the process more effective in the short term and allow FTA to address other major changes during the rulemaking process.

FTA is concerned that it takes too long and costs too much to develop a New Starts project. While FTA has been able to address some of these concerns in the New Starts Policy Guidance, FTA is now beginning a process, using a contract with a major management consulting firm, to systematically reassess all that FTA, and its grantees, must do to move a project to the finish line. This quick, but intensive, effort will be undertaken in parallel with development of the New Starts NPRM.

With respect to Small Starts, FTA is now preparing Interim Guidance to develop and evaluate projects beginning this year until the Final Rule is in place. The demand for this program is great, as evidenced by a recent survey by the American Public Transportation Association that identified over 75 projects in various stages of project development. FTA's goal is to publish this Interim Guidance in draft form in the Federal Register for comment in the very near future. Once comments are received, FTA will modify the Interim Guidance and publish it later this summer in final form. This will allow grantees to assess projects and submit them to us for possible funding during FY 2007 and inclusion in the fiscal year 2008 New Starts report.

FTA plans to develop a single NPRM later this year covering both New Starts and Small Starts. FTA expects to issue the Final Rule on both programs during calendar year 2007. The Interim Guidance on Small Starts, planned for this summer, and the Policy Guidance on New Starts, recently issued, should provide FTA with the tools needed to assure that the New Starts and Small Starts programs can be effectively executed even while the rulemaking process is underway.

New Freedom, Job Access and Reverse Commute (JARC) and Elderly Individuals and Individuals with Disabilities (Section 5310) Programs. FTA has undertaken an extensive process of outreach and public involvement to implement the changes made in the JARC and section 5310 program and initiate the newly established New Freedom Program. The process began with the November 30, 2005, Federal Register Notice, which outlined the broad parameters of these programs and asked for input on several key issues. These issues were a major topic at outreach sessions held around the country in December 2005 and early in 2006. The process culminated with a Federal Register Notice on March 15, 2006, that responded to the comments received on the broad issues outlined in the November 30, 2005, Notice, laid out interim guidance to

allow the programs to proceed in FY 2006, and provided further proposals responding to major issues identified in the comments already received. FTA held an outreach meeting with over 150 participants on March 23, 2006, to discuss the issues in the Notice. FTA also held public conference calls and began to receive and review comments. While the comment period was originally set to end by April 21, 2006, FTA received a request for, and granted, an extension of the comment period through May 22, 2006. FTA is reviewing the comments received and is planning to issue final program guidance later this year. Meanwhile, the interim guidance included in the March 15, 2006, Notice allows each of these programs to be implemented during this fiscal year. The March 15 Federal Register Notice also included proposed strategies for implementation of the programs beginning in FY 2007.

Alternative Transportation in Parks and Public Lands. SAFETEA-LU established a new discretionary program, to be administered in concert with the Department of the Interior, for alternative transportation in federally managed parks and public lands. FTA has been working closely with land management agencies on implementation of this program. An interagency working group developed a Notice of Funding Availability, which was published in the Federal Register on March 23, 2006. This Notice laid out the parameters of the program, and invited proposals (due May 5, 2006) for projects for FY 2006 funding. Representatives of the participating agencies have been reviewing the proposals and are preparing a final program of projects for funding. FTA expects to award these funds later this fiscal year.

Grants to Indian Tribes. In a November 30, 2005, Federal Register Notice, FTA stated its basic intentions and solicited comment on its new program allowing direct grants to Indian Tribes as part of its Rural Transit Program. After extensive outreach, a Notice proposing specific program details and asking for comment on several key issues was issued on March 22, 2006. The comment period on that Notice has closed and FTA is reviewing the comments. FTA hopes to issue a final Notice of Funding Availability in June outlining program administration details and requesting applications for funding. FTA expects to be able to announce project selections by the end of this fiscal year in September.

Public-Private Partnership Pilot Program. On March 22, 2006, FTA issued a Notice asking for suggestions and proposals on how FTA might design the Public-Private Partnership Pilot Program established by SAFETEA-LU. The comment period, and period for initial statements of interest, closed on June 1, 2006. FTA is excited by the concept of public-private partnerships, and is looking forward to receiving input on the issues raised, and for candidate projects to participate.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

The National Highway Traffic Safety Administration's (NHTSA) mission is to save lives and prevent injuries. Motor vehicle crashes are responsible for 95 percent of all transportation-related deaths and 99 percent of all transportation-related injuries. They are the leading cause of death for Americans 3 years of age and every age from 5-33.

NHTSA's highway safety mission is to provide leadership and technical assistance to States and communities to solve their traffic safety problems. To accomplish this, NHTSA provides grants to States and local communities, together with supporting research, demonstration and countermeasure programs designed to prevent motor vehicle crashes and reduce their associated economic costs. NHTSA's programs have saved tens of thousands of lives since the Agency's inception in 1970. However, our recently released projections for highway fatalities and injuries in 2005 show much more needs to be done to improve safety on our roads.

After two consecutive years of decline in overall highway fatalities and impaired driving fatalities, and having achieved the lowest recorded fatality rate in history, we are projecting a setback in 2005, based upon our preliminary assessment of 2005 data announced on April 20. We are projecting total fatalities to be up by 1.3 percent over 2004, to a projected total of 43,200 in 2005. We also are projecting that 55 percent of passenger vehicle occupants who died in these crashes in 2005 were unbelted, despite the fact that safety belt use is at an historic high of 82 percent nationwide. Our preliminary assessment of 2005 data also projects that fatalities resulting from alcohol-involved crashes increased by 1.7 percent to a total of 16,972 in 2005. Of particular concern is the continuing increase in motorcycle fatalities, which our preliminary assessment projects increased by about 8 percent in 2005 to a total of 4,315, an increase of more than 100 percent since 1997. We expect the final 2005 data will be available late this summer.

DOT and NHTSA are disturbed by these numbers and have renewed our efforts to focus attention on those areas that can be most effective in reversing this result and getting the Nation back on the downward trend we experienced in 2003 and 2004. We cannot do it alone, however. Citizens also must help to reduce the tragic toll of loss on our highways by buckling up, not driving when impaired, wearing a motorcycle helmet that complies with NHTSA's motorcycle helmet standard and other protective gear when operating a motorcycle, observing posted speed limits, and not engaging in risky driver behavior. Traffic crashes come at an enormous cost to society. Our data show that highway crashes cost society \$230.6 billion a year, about \$820 per person.

SAFETEA-LU has provided the framework for addressing our highway safety problems and for driving down the numbers of crashes, injuries, and fatalities. The Act extended several highway grant programs and created several more that will serve to improve safety. Of critical importance to improving highway safety, title II of SAFETEA-LU authorizes seven grant programs, four of which are new—motorcycles, child safety and booster seats, safety belt performance, and data/information systems. The Act retains the core behavioral safety grant programs—section 402, occupant protection, and impaired driving. In addition, the Act reauthorizes the NHTSA research and development program, section 403, with 13 special mandates, and creates a new high-visibility enforcement program to fund national high-visibility enforcement campaigns.

Congress provided \$3.5 billion over a 4-year authorization period for NHTSA's highway safety programs. Among other things, SAFETEA-LU increased funding for the core behavioral safety grant program, section 402, to almost \$900 million cumulatively from FY 2006 through 2009 and provided almost \$500 million cumulatively from FY 2006 through 2009 for safety belt incentive grants.

Because of the key roles they play in improving safety, we now would like to highlight and briefly discuss three programs SAFETEA-LU added to NHTSA's mission, and one program it revised and reauthorized.

Safety Belt Performance Grants

The Act creates a new, powerful incentive program to increase safety belt use under section 406 of title 23, United States Code (section 2005 of SAFETEA-LU). Congress provided \$498 million over FY 2006 through 2009 to support this program. The provision will reward States with a one-time grant if they have enacted for the first time after December 31, 2002, a conforming primary safety belt use law for all passenger motor vehicles. The amount of the grant is 475 percent of the State's FY 2003 section 402 apportionment. With any excess grant amounts, a State that has enacted a safety belt law for passenger vehicles in effect before January 1, 2003, will receive a one-time grant that is 200 percent of the State's FY 2003 section 402 apportionment. Beginning in FY 2008, a State that has not enacted a primary safety belt use law may receive a 475 percent grant if it achieves a safety belt use rate of 85 percent for the preceding 2 calendar years.

A State may use section 406 grant funds for any safety purpose under title 23, United States Code, or for any project that corrects or improves a hazardous roadway location or feature or proactively addresses highway safety problems, provided that at least \$1 million of such amounts received by a State are obligated for behavioral highway safety activities.

This incentive is working and will save many lives. So far in FY 2006, the States of South Carolina, Delaware, Illinois, Tennessee, and Mississippi have received awards as new primary law States. One other State, Alaska, has also passed a primary safety belt use law this year and we expect to provide that award soon. After July 1, we anticipate that 22 jurisdictions will receive FY 2006 installment grants as pre-2003 primary law States. In FY 2007, Kentucky is expected to qualify as a new primary law State when it begins to enforce its primary belt use law.

No vehicle safety mandate, no elaborate rulemaking, no education campaign NHTSA could undertake would have the life-saving impact of States passing primary safety belt laws. Buckling up is not complex. It's simple, it works, and it saves lives. The fact that seven States passed conforming primary safety belt laws since the Administration first announced this program shows the tremendous impact this incentive has had in encouraging States to pass these laws.

NHTSA and DOT want to thank Congress for enacting an incentive grant program to encourage States to pass primary safety belt laws. Safety belt use cuts the risk of death in a severe crash in half. Most passenger vehicle occupants killed in motor vehicle crashes continue to be unrestrained. If safety belt use were to increase from the current national average of 82 percent to 90 percent—an achievable goal—over 2,000 lives would be saved each year. NHTSA estimates that for every 1 percentage point increase in safety belt use—that is 2.8 million more people buckling up—we would save 270 lives, suffer significantly fewer injuries, and reduce economic costs by hundreds of millions of dollars a year.

State Traffic Safety Information System Improvements

SAFETEA-LU also established a new \$138 million incentive grant program over FY 2006 through 2009 under section 408 of title 23 (section 2006 of SAFETEA-LU), to support improvements to State traffic records systems and data. NHTSA strives to ensure that our countermeasure programs are data-driven and science-based. State data collection and analysis systems form the basis of the national highway safety program. States may use the funds to improve the timeliness, accuracy, completeness, uniformity, integration, and accessibility of data. We believe improvements are needed in record systems related to police traffic crash reports, emergency medical services, driver licensing, vehicle registration, and citation/court data. Accurate State traffic safety data are critical to identifying and prioritizing local safety issues, applying focused countermeasures, and evaluating the effectiveness of countermeasures. A State may use these grant funds to implement data improvement programs.

To be eligible for a first-year grant under section 408 in a fiscal year, a State must demonstrate, among other requirements, that it has established a highway safety data and traffic records coordinating committee and developed a multiyear highway safety data and traffic records system strategic plan. To be eligible for a subsequent year section 408 grant, a State must, among other things, certify that an assessment or audit of the State's highway safety data and traffic records system has been conducted or updated within the preceding 5 years, and demonstrate measurable progress on projects identified in its previous grants.

Section 408 sets a \$300,000 grant minimum for each eligible State for the first year and a \$500,000 grant minimum for succeeding years. NHTSA published guidance for this program on February 2, 2006. The due date for State grant applications for the program is June 15, 2006.

Alcohol-impaired Driving Countermeasures

To help the States deter impaired driving, SAFETEA-LU authorized \$515 million for incentive grants from FY 2006 through 2009 under section 410 of title 23 (section 2007 of SAFETEA-LU). This represents a major increase over the amounts provided through FY 2005 to combat impaired driving. Reducing the number of impaired drivers on our roads is a complex task requiring interconnected strategies and programs. To be eligible for a grant, States must have an alcohol-related fatality rate of 0.5 or less per 100 million vehicle miles traveled or, in the alternative, meet--out of eight specified criteria--three criteria for FY 2006, four criteria for FY 2007, and five criteria for FY 2008 or 2009.

The programs States may select to become eligible for a grant include those concerning high visibility enforcement, prosecution and adjudication outreach, blood alcohol content testing, effective alcohol rehabilitation and driving while impaired courts, underage drinking, administrative license revocation, self-sustaining impaired driving prevention, and a law covering high risk drivers. Grants may be used for all programs and activities described in the section and also to defray certain costs, defined in the section.

Under this program, SAFETEA-LU mandates a separate grant to each of the 10 States with the highest impaired-driving related fatalities, and requires a State plan for the effective use of these funds. Not more than 15 percent of these impaired driving funds

may be used in a fiscal year for high fatality rate grants, and at least 50 percent of the amounts so allocated may be used only for checkpoint, saturation patrol programs.

NHTSA published a final rule for this program on April 21, 2006. The due date for State applications is August 1, 2006. We believe SAFETEA-LU's revised impaired driving incentive grant program and supporting activities, together with continued nationwide use of high-visibility enforcement, including paid media, have the potential to lead to a renewed downward trend in alcohol-related fatalities.

Motorcyclist Safety

SAFETEA-LU also established a new \$25 million incentive grant program over FY 2006 through 2009 under section 2010 to reduce the number of crashes involving motorcycles. We believe this program will be instrumental in efforts to stem the increase in motorcycle fatalities that has occurred over the last 10 years. States are required to meet one of six grant eligibility criteria for the first fiscal year in which they receive a grant, and two of six criteria for the second and subsequent fiscal years in which they receive a grant. These grant funds will support motorcycle safety training and motorcyclist awareness programs. NHTSA's NPRM for this program, published on May 24, 2006, has a 30-day comment period. The notice's proposed due date for State applications is August 15, 2006.

Also, the Act requires us to develop and provide States with model language they can use in educational programs instructing other motorists how to Share the Road with motorcyclists. This language must be provided to the States by August 10, 2006. We are now nearing completion of this work. Other provisions of SAFETEA-LU also address motorcycle safety, including studying activities targeted at reducing impaired motorcycle driving (section 403(a)(9) of title 23, United States Code); conducting a motorcycle crash causation study (section 5511 of SAFETEA-LU); and establishing a Motorcyclist Advisory Council (section 1914 of SAFETEA-LU).

Additional Information

We also note that in addition to our efforts on these four key SAFETEA-LU programs, NHTSA has updated the regulation for the Occupant Protection Incentive Grant program (section 405), and has made awards to 37 qualifying jurisdictions. We also have issued guidelines for the Child Booster Seat Incentive Grant program (section 2011 of SAFETEA-LU). And NHTSA has initiated work on all 13 mandates under the section 403 Highway Safety Research and Development program.

Finally, the President's budget request for DOT for FY 2007 is aligned with the SAFETEA-LU authorized funding levels. NHTSA requested \$583,750,000 for the Highway Safety Grant Programs, \$105,250,000 for the section 403 programs and activities, and \$4,000,000 for the National Driver Register program. This request funds NHTSA's entire State grant program at SAFETEA-LU's authorized levels.

RESEARCH AND INNOVATIVE TECHNOLOGY ADMINISTRATION

The Research and Innovative Technology Administration (RITA) was created to coordinate DOT's research, development, and technology (RD&T) portfolio, and to

advance the development and deployment of cross-modal technology solutions to America's transportation challenges. Through the implementation of SAFETEA-LU, RITA is working to provide effective strategic planning for DOT's research agenda, coordinate cross-modal RD&T programs, produce relevant data and analysis to inform decisionmaking, and work with public and private sector partners throughout the transportation community to facilitate the timely and efficient deployment of innovative technologies into our Nation's transportation system.

5-Year Research and Development Strategic Plan (Section 5208)

RITA is leading the Department's effort to prepare the 5-year Research and Development Strategic Plan, which will be reviewed by the National Research Council (Transportation Research Board) and submitted to Congress. The plan will describe the primary purposes of the Department's research and development program, including strategies for reducing congestion, improving mobility, promoting safety and security, protecting and enhancing the environment, preserving the existing transportation system, and improving the durability and extending the life of transportation infrastructure.

The 5-year Research and Development Strategic Plan builds on RITA's existing RD&T Planning process, which has been established through an RD&T Planning Council comprised of the Administrators from each mode and senior Departmental leadership, and an RD&T Planning Team of the research directors from each modal administration. During its first year in operation, RITA staff worked to build the institutional framework for effective coordination and planning, conducting departmentwide RD&T program reviews, reviewing modal research budget requests, and making recommendations to the Office of the Secretary. This process will continue to evolve over the next year as RITA works to build its technical and analytical capabilities, establish RD&T performance measures, and advance cross-modal research efforts.

University Transportation Research (Sections 3036 and 5401/5402)

RITA is working diligently to implement the expanded University Transportation Centers (UTC) program. SAFETEA-LU authorized up to \$76.7 million annually in Titles III and V for grants to establish and operate UTCs throughout the United States, and increased the number of Centers from 26 under TEA-21 to the current 60 Centers.

While all of the UTCs were designated for FY 2005 and 2006, 20 of these Centers are scheduled for competitive selection during 2006, to receive funding beginning in FY 2007. One of these competitions – for the Regional Centers – has just closed and the applications are being evaluated by a cross-modal review team. The second competition – for the Tier I centers – has just begun. Both competitions are scheduled to be completed by the end of the fiscal year.

RITA is moving swiftly to implement the expanded UTC program, processing grant awards as quickly as possible and establishing new grant requirements to encourage closer collaboration between university research programs and the strategic research goals of DOT. In April, RITA hosted a 2-day workshop in which representatives from more than 50 UTCs met with Departmental and modal officials to discuss Departmental research priorities and explore areas for joint research and collaboration.

RITA will continue to work with the UTCs to find areas for improved collaboration and partnership in order to leverage limited research dollars toward solving the Nation's toughest transportation challenges.

Other Research Priorities

RITA is also working to provide effective implementation of other SAFETEA-LU initiatives including the National Intermodal Transportation System Improvement Plan (section 4149), the Commercial Remote Sensing and Spatial Information Technologies program (section 5506), the National Cooperative Freight Research Program (section 5209), the statistical mandates assigned to the Bureau of Transportation Statistics (section 5601) including the National Transportation Information Needs Assessment, and numerous research grants in areas such as hydrogen and alternative fuels, advanced communications, space-based technologies, and advanced vehicle research.

RITA will continue to work aggressively to carry out the research, statistical, and technology programs as authorized in SAFETEA-LU and delegated by the Secretary.

CONCLUSION

Even as we implement SAFETEA-LU, we need to be thinking about the next reauthorization. Of necessity, the next authorization act will need both revolutionary and transitional components. Demands on the surface transportation system will continue to grow and, despite the record investment provided in SAFETEA-LU, these demands are expected to exceed the resources provided by current funding mechanisms. We want to work closely with Congress to find solutions to the imbalance. As Secretary Mineta has said, we must end the era of complacency about congestion. We will support the work of the Commissions created to study transportation policy and financing, and look forward to their recommendations. In the meantime, DOT will undertake endeavors such as the *National Strategy to Reduce Congestion on the Nation's Transportation Network* to improve the productivity of existing transportation assets and encourage investment of private-sector resources in transportation projects.

Thank you again for the opportunity to provide a status report on implementation of SAFETEA-LU. We look forward to continuing to work with you as we carry out this important legislation.