



U.S. Department
of Transportation

BUDGET HIGHLIGHTS

FISCAL YEAR 2014



STATE OF THE UNION ADDRESS

FEBRUARY 12, 2013

Tonight, I propose a “Fix-It-First” program to put people to work as soon as possible on our most urgent repairs, like the nearly 70,000 structurally deficient bridges across the country. And to make sure taxpayers don’t shoulder the whole burden, I’m also proposing a Partnership to Rebuild America that attracts private capital to upgrade what our businesses need most: modern ports to move our goods; modern pipelines to withstand a storm; modern schools worthy of our children. Let’s prove that there is no better place to do business than the United States of America.

And let’s start right away.

PRESIDENT BARACK OBAMA

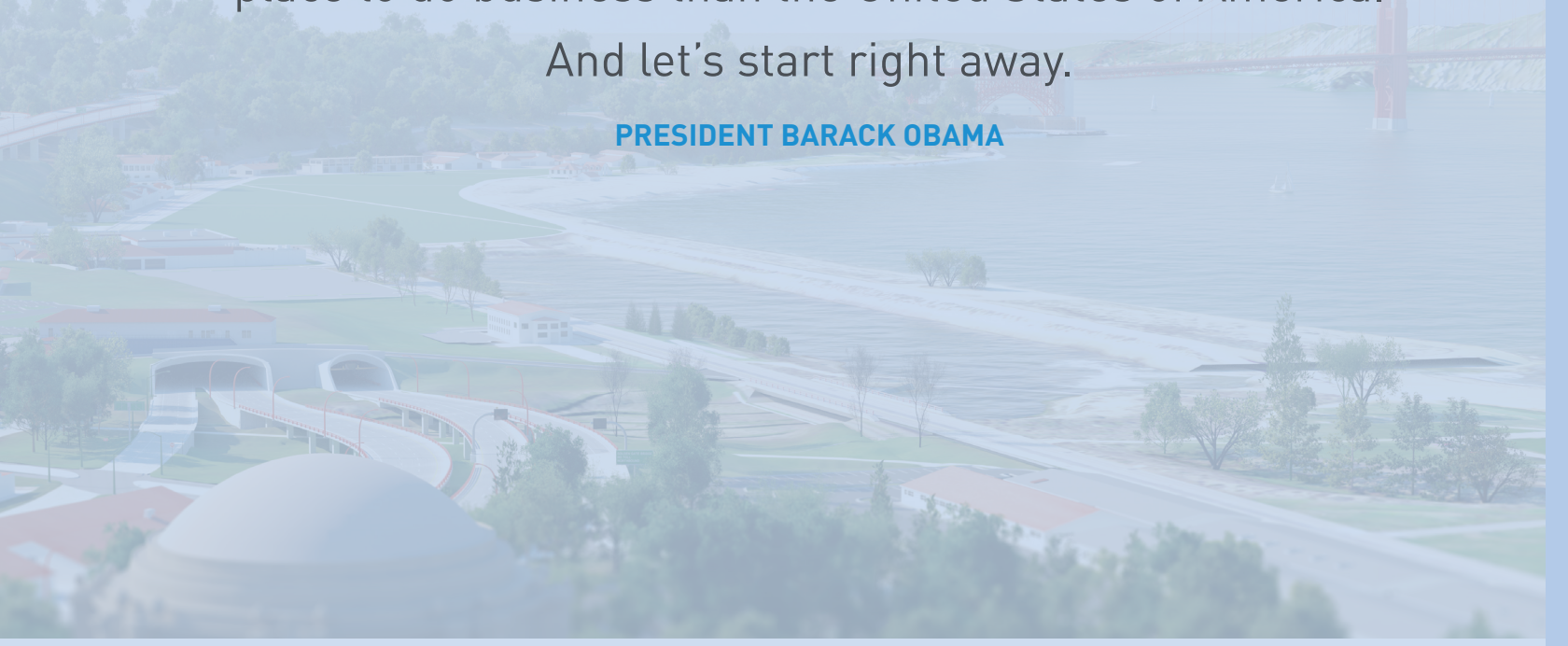


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THE FY 2014 PRESIDENT'S REQUEST FOR THE DEPARTMENT OF TRANSPORTATION

The President's FY 2014 budget request for the Department of Transportation is **\$77 billion – 6% above the FY 2012 enacted levels. The President's Budget also includes a \$50 billion program to provide immediate transportation investments** in key areas. These resources will fund needed investments in our vital transportation systems while at the same time creating jobs and strengthening our Nation's economy.

HIGHLIGHTS OF THE FY 2014 PRESIDENT'S BUDGET REQUEST INCLUDE:

- ▶ **A bold reauthorization proposal to strengthen Rail in America.** Rail transportation plays a vital part in our surface transportation network. The President's Budget request includes a **five-year \$40 billion reauthorization program** for rail that sustains our commitment to the President's vision of establishing a world-class High Speed Intercity Passenger Rail system for America. In FY 2014, **\$6.4 billion** is proposed to continue construction of a national high performance rail network. This will allow us to invigorate our investment in our current passenger rail services, while also focusing our attention on developing high speed passenger rail corridors, improving freight rail capacity, and enhancing safety and system reliability.
- ▶ **Full support of *Moving Ahead for Progress in the 21st Century Act (MAP-21)*.** The President's Budget request fully supports the program structure and performance based investment approach outlined in the *Moving Ahead for Progress in the 21st Century Act (MAP-21)*, the first multi-year surface transportation authorization enacted since 2005. In FY 2014, we will **direct \$53 billion in resources towards our highway, transit, and highway safety programs.** We will provide States and communities with a steady source of funds to maintain and expand their roads, bridges, and transit systems. This request also builds on our aggressive safety efforts, including our fight against distracted driving and our

push to improve transit and motor carrier safety. With these funds, we will be able to strengthen our transportation system, create jobs and grow our economy.

- ▶ **Continued investment in the FAA’s on-going NextGen efforts to modernize our National Airspace system.** The President’s Budget request maintains the commitment to our Nation’s future aviation needs. Nearly **\$1 billion** is proposed to continue our emphasis on the modernization of the Nation’s air traffic system (**NextGen**) initiative – which remains one of the Department’s highest priorities. Already, we are starting to see the benefits of NextGen, including improvements in efficiency, safety and capacity of our aviation system. Our FY 2014 budget request continues work to modernize our Nation’s airspace, enhance safety, and improve the way people and aircraft fly.
- ▶ **Enhanced pipeline safety initiatives.** The President’s Budget request also includes a total of **\$155 million** in funding to ensure that we maintain the **highest safety standards for our**

Nation’s pipeline system. We will add 40 Federal pipeline safety inspectors, as part of a multi-year effort to more than double the number of inspectors nationwide. We will also modernize pipeline data collection and analysis, and direct more grants to States to address pipeline safety concerns.

- ▶ **Invests in Infrastructure Critical for Long Term Growth.** The President’s Budget requests **\$50 billion for Immediate Transportation Investments** to spur job growth and enhance our Nation’s infrastructure. These investments would create jobs and invest in transportation assets most in need of repair.

U.S. DEPARTMENT OF TRANSPORTATION \$50 BILLION FOR IMMEDIATE TRANSPORTATION INVESTMENTS

The FY 2014 President's Budget requests **\$50 billion** to spur **economic investment** and to rebuild America. These resources will be targeted towards projects that will quickly create American jobs here at home, while improving our transportation infrastructure for the next generation. Funds will be used for airport, highway, transit, and rail programs.

\$40 BILLION FOR "FIX-IT-FIRST" INVESTMENTS THAT IMPROVE OUR EXISTING TRANSPORTATION SYSTEM:

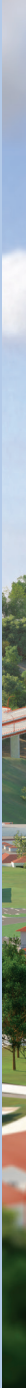
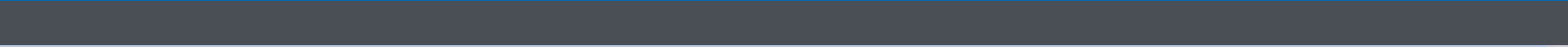
- ▶ **\$25 BILLION FOR CRITICAL HIGHWAY INFRASTRUCTURE:** This initiative will fund critical infrastructure investment on all Federal-aid highways, bridges on any public road, as well as other Federal, tribal, and territorial roads and bridges.
- ▶ **\$9 BILLION FOR CRITICAL TRANSIT INFRASTRUCTURE IMPROVEMENTS INCLUDING:**
 - **\$500 million for New Starts Core Capacity Improvements:** This category of Capital Investment Grants established in MAP-21 will increase the capacity of the Nation's existing transit infrastructure.
 - **\$6 billion for Transit State of Good Repair:** This funding will pay for capital asset renewal and vehicle/equipment replacement at local bus and rail transit systems nationwide with a focus on the oldest and largest systems with the greatest need.
 - **\$2.5 billion for Urban and Rural Transit Programs:** This funding will support over 1,300 local transit agencies nationwide with capital assistance, including routine maintenance, and limited operating assistance for certain small urban and rural systems.
 - ▶ **\$2 BILLION FOR CURRENT PASSENGER RAIL SERVICES:** This funding will allow Amtrak to make critical investments in its assets and infrastructure.
 - ▶ **\$2 BILLION FOR GRANTS-IN-AID FOR AIRPORTS:** This funding will construct runways and other airport improvements such

as runway safety area improvement projects and noise mitigation projects.

- ▶ **\$2 BILLION FOR CROSS-BORDER TRANSPORTATION:** This funding will significantly improve the condition of Land Port of Entry (LPOEs) facilities that link directly to the transportation infrastructure at border crossing locations.

\$10 BILLION FOR INVESTMENTS THAT SPUR REFORM THROUGH COMPETITION:

- ▶ **\$4 BILLION FOR TRANSPORTATION INFRASTRUCTURE GRANTS AND FINANCING:** This program, similar to the Transportation TIGER program, will provide grants and credit assistance to State and local governments and transit agencies for capital investments in the Nation's surface transportation infrastructure, including roads and highways, public transportation facilities, freight and passenger rail, and port infrastructure.
- ▶ **\$2 BILLION FOR TRANSPORTATION LEADERSHIP AWARDS:** \$2 billion is proposed for a program that encourages States and regions to implement innovative strategies to address pressing transportation needs.
- ▶ **\$3 BILLION FOR THE RAIL SERVICE IMPROVEMENT PROGRAM:** This funding will support capital projects to significantly improve existing intercity passenger rail services, or to develop new intercity passenger rail corridors. Grants made available under the section would have a 100 percent Federal share.
- ▶ **\$1 BILLION TO ADVANCE NEXTGEN:** These funds will improve airports and support NextGen modernization efforts. We will also invest in infrastructure projects that will accelerate NextGen capabilities. These construction projects will directly benefit the local communities and will be located throughout the Nation. Within this amount, \$225 million is requested for a new NextGen future facility in the New York area.





FEDERAL AVIATION ADMINISTRATION

OVERVIEW

The Federal Aviation Administration (FAA) maintains and operates the Nation's airspace system and regulates its safety. The FY 2014 President's Budget request of \$15.6 billion supports FAA's current programs in the

areas of air traffic controller and safety staffing, research and development, and capital investment. The Budget also advances the modernization of our air traffic system through "NextGen" – the next generation of air traffic control technology currently underway. NextGen will enable the FAA to build upon current capabilities and lay the groundwork for future technologies that will improve the safety, capacity, and efficiency of air travel by replacing ground-based radar surveillance with a modern satellite-based system. NextGen also capitalizes on the latest in aircraft technology. The advances provided by NextGen are helping the FAA move from a system of air traffic control to a system of modern air traffic management.

FEDERAL AVIATION ADMINISTRATION

DOLLARS IN MILLIONS

ACCOUNTS	FY 2012 ACTUAL	FY 2014 PRES. BUD.
Operations	\$9,653.4	\$9,707.2
General Fund	[4,592.7]	[3,223.0]
Trust Fund	[5,060.7]	[6,484.0]
Facilities & Equipment (TF)	\$2,730.7	\$2,777.8
Research, Engineering & Dev. (TF)	\$167.6	\$166.0
Grants-in-Aid for Airports (TF)	\$3,350.0	\$2,900.0
Subtotal	\$15,901.7	\$15,551.0
Immediate Transportation Investments:		
NextGen (M)	\$0.0	\$1,000.0
Airport Improvement Program (M)	\$0.0	\$2,000.0
Total	\$15,901.7	\$18,551.0
Proposed Rescission	0	-\$450.0
Direct FTE	45,567	45,665

[Brackets indicate non-adds]

SUMMARY OF REQUEST

The FY 2014 President's Budget requests **\$15.6 billion to invest in the safest, most efficient aerospace system in the world.** This is a decrease of \$350.9 million from the FY 2012 enacted funding level. This overall reduction is due largely to the proposed change to the Grants-in-Aid for Airports program. This proposal will focus Federal grant funding on smaller commercial and general aviation airports that do not have access to additional revenue or other outside sources of capital. Larger airports would have the option of generating funding by increasing Passenger Facility Charges. Major program highlights of the FAA's budget request include:

- ▶ **OPERATIONS:** The FY 2014 President's Budget is requesting **\$9.7 billion for the operation, maintenance, communications, and logistical support of the air traffic control and air navigation systems.** This represents an increase of 0.6 percent from the FY 2012 enacted level.
 - The President's Budget requests **\$7.3 billion and 31,017 full time equivalent positions for the Air Traffic Organization** to provide the safe and secure air traffic control services to commercial and private aviation and in support of the military.
 - Also included is **\$1.2 billion and 7,246 full time equivalent positions in aviation safety resources** to continue to promote aviation safety by regulating and overseeing the civil aviation industry and continued air worthiness of aircraft, as well as certification of pilots, mechanics, and others in safety management positions.
- Included in the Operations request is an **additional \$30 million to maintain and operate new En Route Automation Modernization (ERAM) systems** that became operational during FY 2012 and FY 2013. The ERAM system is replacing the forty-year old main computer software (known as HOST) used by air traffic controllers to guide airplanes flying at high altitudes at 20 en route control centers across the country. ERAM is at the heart of NextGen, helping to advance our transition to the new systems.
- ▶ **FACILITIES AND EQUIPMENT (F&E):** The FY 2014 President's Budget requests **\$2.8 billion to enable FAA** to meet the challenge of both **maintaining the capacity and safety** of the current National Airspace while keeping a comprehensive asset modernization and transformation effort on track.
 - Within these funds, the FY 2014 Budget requests **\$928 million for NextGen**, an increase of \$65 million or 7 percent over FY 2012 enacted levels. This funding will enable FAA to continue its ongoing modernization efforts in key areas. Examples of specific projects include:
 - **Area Navigation/Required Navigation Performance:** \$32 million is requested to fund the consolidation of databases used to improve and develop new arrival and departure procedures at airports and to optimize the use of airspace and procedures in complex metropolitan areas with multiple airports.
 - **Automatic Dependent Surveillance Broadcast:** \$282 million is requested for the implementation of satellite-based surveillance capabilities.

This will provide a more complete picture of airspace conditions and more accurate position data.

- **Air-to-Ground Data Communications:** \$115 million is requested for data communications, to accelerate the implementation of a text-based data communication system.
 - **NextGen Systems Development:** \$62 million is requested to conduct system level engineering reviews of human factors, safety, environment, wake turbulence, future ATC communications and surveillance requirements.
- The **\$1.8 billion balance** of the President's Facilities and Equipment request will be **used to sustain current systems**, including maintaining aging infrastructure, power systems, information technology, navigational aids, communications, surveillance, and weather systems. Examples of specific projects include:
- **Terminal Automation Modernization/ Replacement:** \$137 million is requested to modernize and standardize the automation systems at the FAA's Terminal Radar Approach Control (TRACON) facilities and their associated Airport Traffic Control Towers (ATCT) throughout the National Airspace System.
 - **Electrical Power Systems Sustainment and Support:** \$85 million is requested to maintain the current Air Traffic Control system capacity by replacing aging, unreliable power system equipment to avoid power outages and service interruptions.
- **RESEARCH, ENGINEERING AND DEVELOPMENT:** The FY 2014 President's Budget requests **\$166 million for Research, Engineering, and Development** in FY 2014 to support the continuation of work in both NextGen and other research areas such as environmental research, safety research in areas such as fire research, propulsion and fuel systems, unmanned aircraft, advanced materials research, and weather research. This is a decrease of \$1.6 million from FY 2012 enacted levels.
- The President's Budget requests **\$12 million for the Joint Planning and Development Office (JPDO)** to ensure the efficient coordination between all Federal partners whose decisions impact NextGen. The JPDO facilitates collaboration with the Federal partners (including FAA, Department of Commerce, Department of Defense, Department of Homeland Security, and NASA) in order to best prioritize multi-agency concerns in the development of NextGen, including the integration of Unmanned Aircraft Systems (UAS) into the National Airspace System.
- **GRANTS-IN-AID FOR AIRPORTS (AIP):** The FY 2014 President's Budget requests a **\$2.9 billion obligation limitation for AIP**, a decrease of \$450 million from the FY 2012 enacted level.
- The budget proposes focusing Federal grant funding on smaller commercial and general aviation airports that do not have access to additional revenue or other outside sources of capital.
 - At the same time, the budget proposes to increase the Passenger Facility Charge (PFC) limit from \$4.50 to \$8.00 and eliminates guaranteed funding for airports. The

budget envisions giving airports greater flexibility to generate their own revenue while providing an increased PFC level for all other commercial service airports.

► **IMMEDIATE TRANSPORTATION**

INVESTMENTS: The FY 2014 President's Budget requests \$50 billion in Immediate Transportation Investments above current law spending for immediate investments in highway, highway safety, transit, passenger rail, and aviation activities. Of this amount, **\$3 billion is for FAA programs (\$1 billion for NextGen capabilities and \$2 billion for Grants-in-Aid to Airports).**

- The **\$1 billion** in funding to advance **NextGen** will support multiple infrastructure projects and other investments that are designed to accelerate NextGen capabilities, reduce delays, expand air traffic system capacity, and ensure the highest levels of safety. The request includes \$235 million for a new air traffic control facility for the future which will fully leverage NextGen capabilities to improve traffic flow, ensure user community cost savings, reduce the environmental impacts of aviation, and reduce operating costs.
- The **\$2 billion** in funding for Grants-in-Aid to Airports will be used for **runway construction and other airport improvements** aimed at increasing overall system efficiency in the future. The funds will also be used to honor existing long-term funding commitments, Runway Safety Area improvement projects, and for noise mitigation projects.

FAA HISTORY – DID YOU KNOW?...

- ▶ *On May 21, 1958, Senator A. S. “Mike” Monroney (D-OK) introduced a bill to create an independent Federal Aviation Agency to provide for the safe and efficient use of national airspace. Two month later, on August 23, 1958, the President signed the Federal Aviation Act, which transferred the Civil Aeronautics Authority’s functions to a new independent Federal Aviation Agency (FAA) responsible for civil aviation safety.*
- ▶ *On November 1, 1958, retired Air Force General Elwood “Pete” Quesada became the first FAA Administrator. Sixty days later, on December 31, FAA began operations.*
- ▶ *President Johnson, concerned about the lack of a coordinated transportation system, believed a single department was needed to develop and carry out comprehensive transportation policies and programs across all transportation modes.*
- ▶ *In 1966, Congress authorized the creation of a cabinet department that would combine major Federal transportation responsibilities. This new Department of Transportation (DOT) began full operations on April 1, 1967.*
- ▶ *On that day, the Federal Aviation Agency became one of several modal organizations within DOT and received a new name, the Federal Aviation Administration. At the same time, Civil Aeronautics Board’s accident investigation function was transferred to the new National Transportation Safety Board.*

FACILITIES & EQUIPMENT PROGRAMS

DOLLARS IN MILLIONS

	FY 2012 ENACTED	FY 2014 REQUEST
Activity 1 - Engineering, Development, Test and Evaluation	436	392
Data Communications for NextGen	143	115
NextGen Demonstrations and Concepts	156	163
NextGen System Development	85	61
Advanced Technology	29	33
Other	23	20
Activity 2 - Air Traffic Control Facilities and Equipment	1,407	1,523
En Route Automation	157	93
System-wide Information Management (SWIM)	66	71
Automatic Dependent Surveillance–Broadcast (ADS-B) implementation	285	282
Oceanic Automation System	4	5
Infrastructure Improvements	166	195
Airport Surface Detection Equipment – Model X	2	12
Terminal Automation	136	185
Terminal Digital Radar	4	19
Runway Status Lights	30	35
Air Traffic Management	7	14
Wide Area Augmentation System	95	109
Improve Weather Systems	19	37
Improve Voice Communications	83	83
Replace Fuel Tanks	5	9
Power Systems	78	85
Collaborative Air Traffic Management	41	29
Time Based Flow Management	39	10
Landing and Navigation	84	95
Other	106	155
Activity 3 - Non-Air Traffic Control Facilities and Equipment	173	149
Hazardous Materials Clean-Up	20	20
NAS Recovery Communications	12	12
Safety Database and Computer Systems	81	58
Facility Risk Management	16	15
Information Security	16	14
Aeronautical Center Infrastructure Modernization	16	12
Other	12	18
Activity 4 - Facilities and Equipment Mission Support	240	232
Center for Advanced Aviation System Development (CAASD)	78	70
Facility Leases	57	60
Technical Support Contracts	68	77
Logistics	12	11
Other	25	14
Activity 5 - Personnel and Related Expenses	475	482
Total	2,731	2,778

NEXTGEN PROGRAMS

DOLLARS IN
MILLIONS

	FY 2012 ACTUAL	FY 2014 REQUEST
FACILITIES AND EQUIPMENT		
NextGen Network Enabled Weather	0	0
NextGen - Communications in Support of NextGen	143	115
NextGen - Demonstration and Infrastructure Development	15	25
NextGen - System Development	85	62
NextGen - Trajectory Based Operations	7	18
NextGen - Reduce Weather Impact	16	6
NextGen - High Density Arrivals/Departures	12	7
NextGen - Collaborative ATM	24	41
NextGen - Flexible Terminals and Airports	33	15
NextGen - Safety, Security and Environment	0	0
NextGen - System Network Facilities	5	9
NextGen - Future Facilities	15	10
Performance Based Navigation - Optimization of Airspace and Procedures for Metroplex (OAPM)	29	32
En Route Automation Modernization (ERAM) - D Position Upgrade and System Enhancements	0	65
System - Wide Information Management (SWIM)	66	71
ADS - B NAS Wide Implementation	285	282
Collaborative Air Traffic Management Technology (CATMT)	42	29
Colorado ADS - B WAM Cost Share	4	3
Tactical Flow Time Based Flow Management (TBFM)	39	11
Next Generation Weather Processor* (NWP)	0	24
NAS Voice System (NVS)	9	16
Terminal Flight Data Manger (TFDM)	0	24
Aviation Safety Information Analysis and Sharing (ASIAS)	0	15
Aeronautical Information Management Program (AIM Segment 2)	8	9
Activity 5 F&E PCBT - NextGen Staffing (ANG 85 EOY/85 FTE)	13	13
Activity 5 F&E PCBT - NextGen Staffing (ATO 132 EOY/132 FTE)	14	21
Activity 5 F&E PCBT - NextGen Staffing (AVS 40 EOY/40 FTE)	0	7
Total NextGen F&E	863	928
RESEARCH ENGINEERING AND DEVELOPMENT (RE&D)		
NextGen - Alternative Fuels for General Aviation	2	6
NextGen - Advanced Systems and Software Validation	0	1
Joint Planning and Development Office	5	12
NextGen - Wake Turbulence	11	9
NextGen - Air Ground Integration	7	10
NextGen - Self Separation**	4	0
NextGen - Weather in the Cockpit	8	4
NextGen - Environmental Research, Aircraft Technologies, Fuels and Metrics	24	19
Total NextGen RE&D	60	61
OPERATIONS		
Integrate Environmental Performance into NextGen (APL 5 EOY/5 FTE)	1	1
NextGen Environmental/Noise Studies (APL 5 EOY/5 FTE)	2	2
NextGen Staffing (ANG 24 EOY/24 FTE)	3	3
NextGen Staffing (ATO 51 EOY/51 FTE)	7	7
Total NextGen Operations	12	13
Total NextGen Programs	935	1,002

Note: * New BLI in FY 2014 migration of pre-implementation to implementation, ** BLI merged into NextGen Air/Ground Integration in FY 2014

FEDERAL HIGHWAY ADMINISTRATION

OVERVIEW

The Federal Highway Administration (FHWA) promotes the development, operation, and management of an intermodal surface transportation system that is economically efficient, environmentally sound, provides a foundation for the Nation to compete in the global economy, and moves people and goods safely. The FY 2014 President's Budget request of \$41 billion provides FHWA with the resources necessary for State, local and other Federal transportation agencies to improve the condition and performance of their highway and roadway systems, in ways that protect the environment, provide user access and choices, and take advantage of advances in technology and innovation. The FY 2014 President's Budget request reflects funding levels and the program structure contained in MAP-21, the first long-term surface transportation reauthorization enacted since 2005.

FEDERAL HIGHWAY ADMINISTRATION

DOLLARS IN
MILLIONS

ACCOUNTS	FY 2012 ACTUAL	FY 2014 PRES. BUD.
Federal-Aid Highways Obligation Limitation ¹ (TF)	\$39,143.6	\$40,256.0
Exempt Mandatory Federal-Aid Highways (TF)	\$739.0	\$739.0
Limitation on Admin Expenses ²	[\$415.2]	[\$433.1]
Subtotal	\$39,882.6	\$40,995.0
Emergency Relief (GF)	\$1,662.0	–
Immediate Transportation Investments:	–	–
Critical Highway Infrastruct. (M)	–	\$25,000.0
Cross Border Transportation (M)	–	\$2,000.0
Total	\$41,544.6	\$67,995.0
Direct FTE	2,681	2,750

[Brackets indicate non-adds]

¹ Flexible fund transfers to/from FTA were \$1.5 billion in FY 2012 and the Department estimates flex fund transfers of \$1.3 billion for FY 2014.

² Reflects limitation for FHWA general operating expenses and the Appalachian Regional Commission.

SUMMARY OF REQUEST

The President is requesting **\$41 billion in FY 2014 to invest in our Nation's highway and bridge infrastructure.** The President's request reflects the program structure and performance-based investment approach laid out by MAP-21. This request will improve the safety, condition, and performance of the National Highway System and target investments to guide the growth and development of the country's vital transportation infrastructure.

- ▶ **HIGHWAY SAFETY IMPROVEMENT PROGRAM:** The FY 2014 President's Budget requests **\$2.4 billion to fund efforts to reduce traffic fatalities and serious injuries on all public roads.** The program provides a data- and performance-driven approach to improving traffic safety that ties decisions to State-developed Strategic Highway Safety Plans. Each State's safety plan will provide a comprehensive framework for establishing state-wide goals, objectives, and performance targets.
- ▶ **NATIONAL HIGHWAY PERFORMANCE PROGRAM:** The FY 2014 President's Budget requests **\$21.9 billion to support the condition and performance of the National Highway System (NHS),** for the construction of new facilities on the NHS, and to ensure that investments of Federal-Aid funds in highway projects are directed to support progress toward the achievement of performance targets established in State asset management plans. The NHS is a 220,000-mile network that includes the Interstate System, all principal arterials, intermodal connectors, and roads important to national defense. It provides mobility to the vast majority of the Nation's population and almost all of its commerce; it carries 55 percent

of vehicular traffic and 97 percent of truck-borne freight. Additionally, the NHS comprises 53 percent of highway border crossings and carries 98 percent of the value of truck trade with Canada and Mexico.

- ▶ **SURFACE TRANSPORTATION PROGRAM:** The FY 2014 President's Budget requests **\$10.1 billion to provide flexible funding** that may be used by States and localities for projects to preserve or improve conditions on any Federal-Aid highway, bridge projects on any public road, facilities for non-motorized transportation, transit capital projects, and public bus terminals and facilities. This program gives transportation agencies the ability to target funds toward State and local priorities.
- ▶ **CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT (CMAQ) PROGRAM:** The FY 2014 President's Budget requests **\$2.3 billion** to help States, local governments, and private sponsors **reduce highway congestion and harmful emissions** and assist areas in reaching attainment of the National Ambient Air Quality Standards. The CMAQ program provides a flexible funding source for States and local governments for transportation projects and programs that help meet the requirements of the Clean Air Act and help reduce regional congestion on transportation networks.
- ▶ **TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION ACT (TIFIA) PROGRAM:** The FY 2014 President's Budget requests **\$1.0 billion to provide Federal credit assistance funding to support nationally or regionally significant transportation projects.** The TIFIA Program leverages Federal dollars in a time of limited budgetary resources, facilitating private participation in

transportation projects and encouraging innovative financing mechanisms that help advance projects. This program offers flexible terms and attracts private capital to facilitate transportation projects that would otherwise go unfunded.

- ▶ **METROPOLITAN TRANSPORTATION PLANNING PROGRAM:** The FY 2014 President's Budget requests **\$314 million to provide resources for the improvement of metropolitan and statewide transportation planning processes.** Metropolitan planning activities include: transportation data collection and analysis; identification and prioritization of transportation system improvement needs; and, coordination of the planning and decision-making process with the public, elected officials, and stakeholder groups.
- ▶ **TRANSPORTATION ALTERNATIVES PROGRAM:** The FY 2014 President's Budget requests **\$820 million** to support the Department's strategic goal **to foster livable communities through policies and investments that increase transportation choices and access to transportations services.** The program creates safe, accessible, attractive and environmentally-sensitive communities where people want to live, work, and relax.
- ▶ **FEDERAL LANDS AND TRIBAL TRANSPORTATION PROGRAMS:** The FY 2014 President's Budget requests **\$1.0 billion to support projects on Federal and Tribal lands including** projects that will provide multi-modal access to basic community services such as safer all-weather access to schools and healthcare facilities for 565 federally-recognized sovereign tribal governments; multi-modal access improvements to recreational areas on public lands; and, projects

that promote economic development in and around Federal and Tribal lands while preserving the environment and reducing congestion.

- ▶ **RESEARCH, TECHNOLOGY, AND EDUCATION PROGRAM:** The FY 2014 President's Budget requests **\$400 million to provide a comprehensive, nationally-coordinated research, technology, and education program** that addresses fundamental, long-term highway research needs; significant research gaps; emerging issues with national implications; and, research related policy and planning. Program activities include highway research and development; technology and innovation deployment; and, training and education activities. The entire innovation lifecycle is covered under this program from agenda setting to the deployment of technologies and innovation.
- ▶ **OTHER PROGRAMS:** The FY 2014 President's Budget requests **\$357 million to support three programs: Emergency Relief; Territorial and Puerto Rico Highway Program; and, Construction of Ferry Boats and Ferry Terminal Facilities.** Emergency Relief funding assists Federal, State, Tribal, and local governments with the expense of repairing serious damage to Federal-Aid, Tribal, and Federal Lands highways resulting from natural disasters or catastrophic failures. The Territorial and Puerto Rico Highway Program funds highway programs specifically in United States territories and Puerto Rico. The Construction of Ferry Boats and Ferry Terminal Facilities funding is used to construct ferry boats and ferry boat terminal facilities which will improve connectivity between NHS segments, provide travel mode options, and reduce congestion.

▶ **IMMEDIATE TRANSPORTATION INVESTMENTS:** The President’s Budget proposes \$50 billion in Immediate Transportation Investments for highway, highway safety, transit, passenger rail, and aviation activities. Of this amount, **\$27 billion is proposed for FHWA programs.**

➤ **\$25 billion for Critical Highway Infrastructure:** This funding will fund critical infrastructure investment on all Federal-aid highways, bridges on any public road, as well as other Federal, tribal, and territorial roads and bridges.

➤ **\$2 billion for Cross-Border Transportation:** This funding will significantly improve the condition of Land Port of Entry (LPOEs) facilities that link directly to the transportation infrastructure at border crossing locations.

FHWA HISTORY – DID YOU KNOW?...

▶ *FHWA was established in 1966 as the successor to a series of earlier organizations dating back to the 1893 that had worked to improve our Nation’s public roads.*

▶ *The mission of FHWA is to improve mobility on our Nation’s highways through national leadership, innovation, and program delivery.*

▶ *FHWA supports State and local governments in the design, construction, and maintenance of our Nation’s highway system (Federal Aid Highway Program) and various federally and tribal owned lands (Federal Lands and Tribal Transportation Programs).*

▶ *In addition to its headquarters office, FHWA has offices in each of the 50 States, the District of Columbia, and Puerto Rico that work with State, local and other Federal transportation agencies.*

▶ *The Highway Trust Fund – established in 1956 as part of the Highway Revenue Act – provides the resources for FHWA to accomplish its mission.*

▶ *Through financial and technical assistance to State and local governments, FHWA is responsible for ensuring that America’s roads and highways continue to be among the safest and most technologically sound in the world.*

▶ *The strategic priorities of FHWA are leadership in transportation policy, effective delivery of the Federal highway programs, improved performance and safety of our Nation’s highway systems, and enhancement of FHWA’s corporate capacity to achieve its mission.*

FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

DOLLARS IN
MILLIONS

ACCOUNTS	FY 2012 ACTUAL	FY 2014 PRES. BUD.
Motor Carrier Safety Operations and Programs (TF)	\$247.7	\$259.0
Motor Carrier Safety Grants (TF)	\$307.0	\$313.0
Total	\$554.7	\$572.0
Direct FTE	1,049	1,088

OVERVIEW

The Federal Motor Carrier Safety Administration (FMCSA) promotes safety and efforts to reduce severe and fatal commercial motor vehicles crashes. FMCSA accomplishes its mission by raising the bar to enter into the commercial motor vehicle industry, by requiring operators to maintain standards to remain in the industry, and by removing high-risk carriers, vehicles, drivers and service providers from operation. The FY 2014 President's Budget request of \$572 million provides the resources necessary to support nationwide motor carrier safety and consumer enforcement efforts, including the continuation of the Compliance, Safety and Accountability (CSA) Program; household goods regulation and enforcement; and, Federal safety enforcement activities at the borders to ensure that foreign-domiciled carriers entering the United States are in compliance with FMSCA Regulations. Resources are also provided to fund regulatory development and implementation; information management; research and technology; grants to State and local partners; safety outreach and education; and, the safety and consumer telephone hotline. The request reflects funding levels contained in MAP-21.

SUMMARY OF REQUEST

The President is requesting **\$572 million in FY 2014 to invest in safe motor carrier, and commercial motor vehicle (CMV) operations and to reduce large truck and bus crashes, injuries, and fatalities.** The Budget also requests an increase of 26 FTEs to support Safety Intervention programs, Border Crossing programs, other MAP-21 requirements, and the Grants Management Office (GMO). The President's request proposes to implement the final year of the MAP-21 authorizations to improve the safety and security of motor carriers, CMVs, and drivers.

▶ **FEDERAL MOTOR CARRIER SAFETY OPERATIONS AND PROGRAMS:** The President's Budget requests **\$259 million in FY 2014 to fund research, technology, and programs that reduce serious injuries and deaths resulting from commercial motor vehicle crashes.** Funds will also be used for administrative expenses in support of FMCSA's efforts to develop, implement, and enforce safety programs. The following programs are funded accordingly:

➤ **Research:** \$9.9 million is requested for multi-year Research and Technology programs focused on producing safer drivers and carriers. In FY 2014, FMCSA will collaborate with the National Institute of Health on three fatigue related research projects: 1) a Roadside Administered Driver Fatigue Test; 2) Identifying Commercial Drivers Vulnerable to Fatigue; and, 3) a Drowsy Driver Monitoring System Incorporating Sleep Data.

➤ **Information Technology (IT) Development and Sustainment:** \$37.8 million is requested for the operations, maintenance and logistical support of the safety mission critical systems, and to continue building out the modernized IT architecture. This funding will streamline the registration process and deliver IT system capability to address the problem of reincarnated or "chameleon" carriers who attempt to evade regulation and civil penalties by reincarnating as another carrier with a different name.

➤ **Enforcement & Intervention:** \$143.8 million is requested for Compliance, Safety, and Accountability (CSA) to sustain increased interventions and resulting enforcement actions. The Budget includes funding for Border Programs Management and Oversight initiatives that provide cross-border inspections and administering the Mexican long-haul trucking pilot program. The Budget also proposes to dedicate \$4.5 million of these funds to initiate a multi-year strategy for improving facilities along the U.S. – Mexico border.

➤ **Safety Mission Support:** \$67.5 million is requested for general operating expenses, outreach and education programs and \$1 million is requested for the CMV Operator Safety Training Grants program.

▶ **MOTOR CARRIER SAFETY GRANTS:** The FY 2014 President's Budget requests **\$313 million for the Motor Carrier Safety Grants program.** This request will provide the necessary resources to award grants that are used to support investigations and interventions in States, identify and apprehend traffic violators, conduct roadside inspections, support safety audits on new entrant carriers, and ensure that technology and data are leveraged for optimum effectiveness and efficiency.

- **Motor Carrier Safety Assistance Program:** \$218 million is requested for both formula and discretionary funding to support programs that improve motor carrier compliance and safety through State and local law enforcement programs. Formula grants fund roadside inspections, interventions, compliance reviews, and targeted enforcement. Discretionary funding supports the completion of new entrant safety audits by each State and FMCSA's High Priority program which encourages best practices and innovative enforcement of safety initiatives at the State and local level.
- **Commercial Driver's License Program Improvement:** \$30 million is requested to provide discretionary funding for grant programs to States that focus on the operator's role in commercial vehicle safety and commercial driver's license improvement programs.
- **Border Enforcement Grants:** \$32 million is requested to provide for enforcement efforts and special initiatives specific to the U.S.-Mexico and U.S.-Canada border crossings and the movement of international vehicles, drivers, and freight.
- **Performance Registration and Information Systems Management (PRISM):** \$5 million is requested to help States link their CMV registration and licensing systems to the Federal Motor Carrier Safety Information Systems. This enables States to determine the safety fitness of a motor carrier or registrant when licensing or registering or while the license or registration is in effect.
- **Commercial Vehicle Information Systems and Networks (CVISN):** \$25 million is requested for the CVISN Program, including commercial vehicle, commercial driver, and carrier-specific information systems and networks. Currently, 28 States are CVISN Core Compliant. In 2009, FMCSA completed an independent evaluation of the National CVISN Deployment Program that showed significant safety benefits, productivity, and mobility benefits could be realized with nationwide CVISN deployment.
- **Safety Data Improvement Program (SaDIP):** \$3 million is requested to encourage local law enforcement efforts to improve the quality and reliability of the safety data they collect.

FMCSA HISTORY – DID YOU KNOW?...

- ▶ *Until 2000, FMCSA was part of FHWA.*
- ▶ *FMCSA was established in 2000 pursuant to the Motor Carrier Safety Improvement Act of 1999 (49 U.S.C. 113).*
- ▶ *FMCSA is responsible for establishing safety regulations on commercial vehicle operators and drivers. Enforcement of those regulations is done in partnership with and through financial and technical assistance to State and local governments.*
- ▶ *FMCSA has four strategic Focused Safety Activities: Targeting high-risk carriers, vehicles and drivers for enforcement actions; Improving safety information systems and CMV technologies; Strengthening CMV equipment and operating standards; and Increasing CMV safety awareness.*
- ▶ *FMCSA has field offices in each of the 50 States, the District of Columbia, and Puerto Rico that work with State, local and other Federal transportation agencies.*

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

DOLLARS IN
MILLIONS

BUDGET AUTHORITY/OB. LIM/ EXEMPT OBS.	FY 2012 ACTUAL	FY 2014 PRES. BUD.
Operations and Research-Vehicle Safety (GF)	\$140.1	\$148.3
Operations and Research-Highway Safety Research and Development (TF)	\$109.5	\$118.5
Highway Traffic Safety Grants (TF)	\$550.3	\$561.5
Total	\$800.0	\$828.3
Direct FTE	589	653

OVERVIEW

The National Highway Traffic Safety Administration (NHTSA) is charged with reducing traffic crashes, and related deaths and injuries resulting from traffic crashes. The FY 2014 President's Budget requests \$828 million to enable NHTSA to continue to establish safety standards for motor vehicles and motor vehicle equipment; conduct research and development on vehicle safety and driver behavior; set and enforce fuel economy standards; operate the National Driver Register; and administer a comprehensive program of safety grants to the States. The FY 2014 President's Budget request reflects funding levels and the program structure contained in MAP-21.

SUMMARY OF REQUEST

The President is requesting **\$828.3 million** for the National Highway Traffic Safety Administration (NHTSA) **to invest in initiatives that reduce traffic crashes and related deaths and injuries resulting from traffic crashes.** The President's Budget request proposes this increased level to address emerging traffic and vehicle safety issues, new technologies, and the hard-to-reach populations and constituents that still account for over 30,000 deaths per year.

The FY 2014 President's request will support NHTSA's on-going effort to improve traffic safety issues. Pedestrian safety will continue to be a priority area for the Agency. NHTSA plans to work with the States to implement education and enforcement components of the Pedestrian Safety Action Plans.

NHTSA also recognizes the enormous role technology can play in vehicle safety. The President's Budget request will support NHTSA's plans to expand the Agency's focus on technology, specifically on crash avoidance technologies and distracted driving issues.

The President's Budget request reflects a number of changes to the Agency's program consistent with MAP-21. These changes include streamlining State grant application processes; establishing a robust data-driven traffic safety enforcement program; funding Distracted Driving grants to promote enactment and enforcement of State distracted-driving laws; increasing civil penalty limits; and, clarifying a number of vehicle-related provisions to strengthen the oversight and enforcement of safety regulations.

► OPERATIONS AND RESEARCH:

The FY 2014 President's Budget requests **\$266.8 million in Operations and Research activities.** Specific initiatives include:

- **Highway Safety Research and Analysis:** \$118.5 million is requested to support NHTSA's safety goals through behavioral research, demonstrations, and technical assistance to States. NHTSA activities emphasize national leadership relating to alcohol and drug countermeasures; occupant protection; distraction, traffic law enforcement; motorcycle riders; pedestrian and bicycle safety; and, young and older driver safety programs. NHTSA coordinates these efforts with numerous Federal partners, State and local governments and other organizations and safety associations.
- **Crash Data Collection:** \$30.2 million is requested to support NHTSA's crash data collection activities, including the Fatality Analysis Reporting System (FARS), National Automotive Sampling System (NASS), State Data Systems (SDS), and Special Crash Investigations (SCI), to increase data reliability and expand data sampling as well as support the initial implementation of the modernized NASS system.
- **New Car Assessment Program (NCAP):** \$14 million is requested to maintain test coverage at 85 percent of the new model year fleet and for the new Vehicle-Child Restraint System (CRS) Fit program.
- **Corporate Average Fuel Economy (CAFE):** \$7.9 million is requested to support future rulemaking programs, including the 2019 and beyond Medium- and Heavy-Duty Commercial Vehicles and Work Truck Fuel Efficiency program, and comprehensive rulemaking activity for the CAFE program for FY 2022 and beyond.

- **Alternative Fuels, Electronics, and Emerging Technologies:** \$5 million is requested to conduct research on advanced and emerging technologies and alternative fuel vehicles that require thorough testing to ensure their level of safety, and the safety of vehicle occupants is comparable to that of other vehicles.
- **Vehicle Research and Test Center (VRTC):** \$2.5 million is requested to enable NHTSA to fund emerging research and testing requirements, and to include the acquisition of additional testing equipment for test center facilities.
- **An additional 40 Safety related FTEs:** 33 FTEs are requested for Vehicle Safety and 7 FTEs for Highway Safety. This request includes electrical and systems engineers to conduct research on emerging issues including battery and hybrid technologies and new vehicle propulsion systems. This FTE level will also support of the identification of unsafe vehicles to be recalled, developing safety and fuel economy standards, addressing emerging safety issues, such as distraction, electronic control and developing and implementing behavioral countermeasures to encourage safe driving.
- ▶ **HIGHWAY TRAFFIC SAFETY GRANTS:** The FY 2014 President's Budget requests **\$561.5 million for Highway Traffic Safety Grants.** The request aligns with MAP-21, which authorizes Section 402 Formula Grants, the consolidated Section 405 National Priority Safety Programs (NPSP) that now include additional programs such as distracted driving grants and state graduated driver licensing laws.
 - **State and Community Highway Safety Grants (Section 402):** \$235 million is requested for the State and Community Highway Safety grants program that is the backbone of NHTSA's State highway safety initiatives. These formula grants directly support the Department's safety goals by providing flexibility to States to address highway safety problems. This program also provides funding for a comprehensive State traffic safety enforcement program critical to maintaining State traffic safety improvements.
 - **National Priority Safety Programs (Section 405):** \$272 million is requested to continue NHTSA's focus on occupant protection and impaired driving, implement the two new MAP-21 authorized grant programs aimed at incentivizing Graduated Driver Licensing Laws and the Distracted Driving laws. This request will also allow the States to increase the deployment of ignition interlocks, establish driving while intoxicated (DWI) Courts, expand the use of Traffic Safety Resource Prosecutors, and expand Advanced Roadside Interdiction and Detection training and drug recognition expert (DRE) training for law enforcement.
 - **High Visibility Enforcement:** \$29 million is requested to continue to promote and administer the highly successful annual *Click It or Ticket* mobilizations in an effort to increase seatbelt use, and the Labor Day and December anti-distracted driving campaigns, including the *Drive Sober or Get Pulled Over* initiative.

NHTSA HISTORY – DID YOU KNOW?...

- ▶ *NHTSA was established by the Highway Safety Act of 1970, as the successor to the National Highway Safety Bureau, to carry out safety programs under the National Traffic and Motor Vehicle Safety Act of 1966 and the Highway Safety Act of 1966.*
- ▶ *NHTSA is responsible for reducing deaths, injuries and economic losses resulting from motor vehicle crashes. This is accomplished by setting and enforcing safety performance standards for motor vehicles and motor vehicle equipment, and through grants to State and local governments to enable them to conduct effective local highway safety programs.*
- ▶ *NHTSA investigates safety defects in motor vehicles, sets and enforces fuel economy standards, helps States and local communities reduce the threat posed by drunk drivers, promotes the use of safety belts, child safety seats and air bags, investigates odometer fraud, establishes and enforces vehicle anti-theft regulations and provides consumer information on motor vehicle safety topics.*
- ▶ *NHTSA recognizes that technology can play an enormous role in improving vehicle safety. The full range of new crash avoidance technologies – including advanced braking systems, warning systems relating to lane departure and blind spots and pedestrian collision avoidance systems – are capable of saving thousands of lives when completely implemented.*

FY 2014 HIGHWAY TRAFFIC SAFETY GRANTS

(DOLLARS IN MILLIONS)

GRANT PROGRAMS		FY 2014 REQUEST
Section 402	Formula Grants	\$235.0
Section 405	Occupant Protection	43.5
Section 405	State Traffic Safety Information Systems Grants	39.5
Section 405	Impaired Driving Countermeasures Grants	142.8
Section 405	Distracted Driving Grants	23.1
Section 405	Motorcyclist Safety Grants	4.1
Section 405	State Graduated Driver Licensing Laws	13.6
Section 403h*	In-Vehicle Alcohol Detection Device Research	5.4
Section 406	Safety Belt Performance Grant	-
Section 406	Repurposed Safety Belt Performance Grant - for Data Modernization (NASS)	-
Section 2009	High Visibility Enforcement	29.0
	Administrative Expenses	25.5
		\$561.5

**Please note Section 403h is funded from Section 405 as authorized in MAP-21.*

FEDERAL TRANSIT ADMINISTRATION

OVERVIEW

The Federal Transit Administration (FTA) provides grant funding to State, local, and Tribal governments, public and private transit operators, and other recipients to support public transit infrastructure and operations. The FY 2014 President's budget request of \$10.9 billion will be used for grants to construct new public transit systems; oversee transit safety; purchase and maintain transit vehicles and equipment; support regional transportation planning efforts; and, improve the technology and service methods used in the delivery of public transportation services.

FEDERAL TRANSIT ADMINISTRATION

DOLLARS IN
MILLIONS

ACCOUNTS	FY 2012 ACTUAL	FY 2014 PRES. BUD.
Formula and Bus (TF) ¹	\$8,360.6	\$8,595.0
Capital Investment Grants (GF) ^{2/3}	\$1,955.0	\$1,981.5
Washington Metropolitan Area Transit Authority (WMATA) (GF)	\$150.0	\$150.0
Administrative Expenses (GF)	\$98.7	\$109.9
Research and University Research Centers (GF) ⁴	\$44.0	–
Research, Development, Demonstration, and Deployment (GF)	–	\$30.0
Transit Cooperative Research (GF)	–	\$7.0
Technical Assistance and Standards Development (GF)	–	\$7.0
Human Resources and Training (GF)	–	\$5.0
Public Transportation Emergency Relief (GF)	–	\$25.0
Subtotal	\$10,608.3	\$10,910.4
Immediate Transportation Investments:		
Transit Capital Assistance (M)	–	\$2,500.0
Transit Core Capacity Improvement (M)	–	\$500.0
State of Good Repair (M)	–	\$6,000.0
Total	\$10,608.3	\$19,910.4
Rescission	–\$58.5	–
Direct FTE	562	596

TF=Trust Fund, GF=General Fund

¹ Does not include flexible funding from Federal Highways of approximately \$1.5 billion in FY 2012 and is estimated to total \$1.3 billion in FY 2014.

² Does not include the Denali Commission transfer (\$5 million), or the Alaska and Hawaii transfer to MARAD (\$5.1 million).

³ Does not include \$151 million of prior year unobligated balances proposed in the budget for Capital Investment Grants for a FY 2014 total of \$2.132 billion.

⁴ Under MAP-21 the Research and University Research Centers account was restructured into four accounts.

SUMMARY OF REQUEST

The President requests **\$10.9 billion in FY 2014 to strengthen transit safety oversight, bring bus and rail transit infrastructure into a state of good repair, and provide new and expanded transit systems in communities nationwide.** This is an increase of the \$302.1 million above the FY 2012 enacted level. The President's request is a strong commitment to effective implementation of the new surface transportation authorization law MAP-21. MAP-21 places new emphasis on improving the efficiency of grant program operations through consolidation of some programs; streamlines some grant processes; and renews focus on improved public transportation access, conditions, and safety.

- ▶ **FORMULAGRANTS:** The FY 2014 President's Budget requests \$8.6 billion to provide grants that support capital investment, state of good repair, safety, planning, bus and railcar purchases and maintenance, facility repair and construction, and operating expenses. FTA's formula grant programs are funded from the Mass Transit Account of the Highway Trust Fund.
- ▶ **CAPITAL INVESTMENT GRANTS:** The FY 2014 President's Budget requests about \$2 billion in new budget authority to support the construction of major capital projects that provide new and expanded transit service. This funding, coupled with \$151 million in prior year unobligated balances, will provide approximately \$2.1 billion for Capital Investment Grants projects in FY 2014. MAP-21 creates a new category of projects, Core Capacity grants. These projects improve the capacity of existing fixed-guideway transit services.
- ▶ **WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY (WMATA):** The FY 2014 President's Budget requests \$150 million to address WMATA's reinvestment and maintenance backlog to improve the

safety and reliability of service and to expand existing system capacity to meet growing demand. This funding is a continuation of the ten-year \$3 billion capital improvement program in which federal funding is matched by local and state support.

- ▶ **ADMINISTRATIVE EXPENSES:** The FY 2014 President's Budget requests \$109.9 million to provide financial resources to fund FTA's ongoing core operations that support its grant making and related activities, implement FTA's new safety authority through its Office of Safety and Oversight, and bring transit systems into a state of good repair through the Transit Asset Management activities required by MAP-21.
- ▶ **RESEARCH, DEVELOPMENT, DEMONSTRATION, AND DEPLOYMENT:** The FY 2014 President's Budget requests \$30 million to support research activities that improve the safety, reliability, efficiency, and sustainability of the public transportation industry by investing in the development, testing, and deployment of innovative technologies, materials, and processes. FTA's research program includes activities related to low and no emission buses and bus facilities.
- ▶ **TRANSIT COOPERATIVE RESEARCH:** The FY 2014 President's Budget requests \$7 million to provide funds to the National Academy of Sciences to conduct investigative research on subjects related to public transportation.
- ▶ **TECHNICAL ASSISTANCE AND STANDARDS DEVELOPMENT:** The FY 2014 President's Budget requests \$7 million to provide technical assistance to the public transportation industry and sponsor the development of voluntary and consensus-based standards.

- ▶ **HUMAN RESOURCES AND TRAINING:** The FY 2014 President’s Budget requests \$5 million to carry out human resource and training activities, as well as establish a competitive workforce development grant program.
- ▶ **PUBLIC TRANSPORTATION EMERGENCY RELIEF:** The FY 2014 President’s Budget requests \$25 million to provide capital and operating assistance to help transit agencies restore needed transportation services immediately following disaster events. Through this new program authorized by MAP-21, FTA administers the \$10.9 billion in Hurricane Sandy relief and recovery grants provided by the Disaster Relief Appropriations Act, 2013 (Public Law 113-2). This was a one-time appropriation related to Hurricane Sandy.
- ▶ **IMMEDIATE TRANSPORTATION INVESTMENTS:** The President’s Budget proposes \$50 billion in Immediate Transportation Investments for highway, highway safety, transit, passenger rail, and aviation activities. **Of this amount, \$9 billion is proposed for FTA programs.**
- ▶ **\$500 million for Core Capacity Improvements:** This category of Capital Investment Grants established in MAP-21 will increase the capacity of the Nation’s existing transit infrastructure.
- ▶ **\$6 billion for Transit State of Good Repair:** This funding will pay for capital asset renewal/vehicle equipment replacement at local bus and rail transit systems nationwide with a focus on the oldest and largest systems with the greatest need.
- ▶ **\$2.5 billion for Urban and Rural Transit Programs:** This funding will support over 1,300 local transit agencies nationwide with capital assistance, including routine maintenance, and limited operating assistance for certain small urban and rural systems.

FTA HISTORY – DID YOU KNOW?...

- ▶ *FTA provides grant funding to State and local governments, public and private transit operators, and other recipients to enhance public transportation across the United States.*
- ▶ *FTA programs fund construction of new public transit systems, purchase and maintain transit vehicles and equipment, subsidize public transit operations, support regional transportation planning efforts, and improve technology and service methods.*
- ▶ *In 2013, FTA’s programs were significantly changed by passage of MAP-21, the new surface transportation authorization law. The FY 2014 President’s Budget reflects the program changes authorized in MAP-21.*
- ▶ *MAP-21 provides new authority to strengthen public transportation safety and places a renewed focus on reinvesting in and modernizing transit assets to help bring transit systems throughout the country into a state of good repair.*

FEDERAL TRANSIT ADMINISTRATION

PROPOSED FY 2014 SECTION 5309 CAPITAL INVESTMENT PROGRAM PROJECTS

(DOLLARS IN MILLIONS)

EXISTING NEW STARTS FULL FUNDING GRANT AGREEMENTS (FFGAS)			FY 2014 ¹
CA	South Sacramento Corridor Phase 2	Sacramento	\$3
CA	Third Street Light Rail Phase 2 - Central Subway	San Francisco	\$150
CA	San Jose, Silicon Valley Berryessa Extension Project	San Jose	\$150
CO	Denver Eagle Commuter Rail	Denver	\$150
CT	Hartford-New Britain—Hartford Busway	Hartford	\$59
FL	Central Florida Commuter Rail Transit, Initial Op Segment	Orlando	\$4
HI	Honolulu, High Capacity Transit Corridor Project	Honolulu	\$250
MN	St. Paul-Minneapolis, Central Corridor LRT	Minneapolis	\$98
NC	LYNX Blue Line Extension-Northeast Corridor	Charlotte	\$100
NY	Long Island Rail Road East Side Access	New York	\$215
NY	Second Avenue Subway, Phase 1	New York	\$15
OR	Portland-Milwaukie Light Rail Project	Portland	\$100
TX	Northwest/Southeast LRT MOS	Dallas	\$9
TX	North Corridor LRT	Houston	\$88
TX	Southeast Corridor LRT	Houston	\$88
VA	Dulles Corridor Metrorail Project Extension to Wiehle Ave.	Washington	\$96
WA	University Link LRT Extension	Seattle	\$110
Total, Existing New Starts Full Funding Grant Agreements			\$1,685
RECOMMENDED NEW STARTS PROJECTS FOR FFGAS			
CA	Regional Connector Transit Corridor	Los Angeles	\$65
CA	Westside Subway Extension	Los Angeles	\$65
WA	Columbia River Crossing	Vancouver	\$65
Total, Recommended New Starts Projects for FFGAs			\$195
EXISTING SMALL STARTS CONSTRUCTION GRANTS - PROJECTS UNDER CONSTRUCTION			
AZ	Central Mesa LRT Extension	Mesa	\$21
MI	Silver Line BRT	Grand Rapids	\$4
Total, Existing Small Starts Construction Grants			\$25
SMALL STARTS PROJECTS FOR CONSIDERATION			
CA	Fresno Area Express Blackstone/Kings Canyon BRT	Fresno	\$10
FL	JTA BRT North Corridor	Jacksonville	\$19
FL	JTA BRT Southeast Corridor	Jacksonville	\$19
OR	West Eugene EmX Extension	Eugene	\$24
TX	Dyer Corridor BRT	El Paso	\$15
Total Small Starts			\$88
Core Capacity			\$120
Oversight Activities			\$20
Grand Total			\$ 2,132

FEDERAL RAILROAD ADMINISTRATION

OVERVIEW

The Federal Railroad Administration (FRA) is the principal Federal agency responsible for planning, researching, developing, and administering passenger and freight rail safety programs. The FY 2014 President's Budget requests \$6.6 billion to implement a multi-year, high-speed and intercity passenger rail program that began with the Passenger Rail Investment and Improvement Act in 2008 and advanced in the Recovery Act of 2009 and the FY 2010 Appropriations Act. Since then, FRA has obligated over

\$9.9 billion for high performance rail and intercity rail corridors, projects and planning. For FY 2014, FRA proposes reauthorizing FRA's rail safety and passenger rail development assistance programs, including establishing a National High Performance Rail System (NHPRS) program. The NHPRS will prepare the Nation's rail system for future population growth by offering a transportation alternative for travelers. The program will use an integrated approach to improve rail safety promote economic competitiveness, ensure cost-effective rail investments, and support domestic manufacturing and jobs.

FEDERAL RAILROAD ADMINISTRATION

DOLLARS IN MILLIONS

ACCOUNTS	FY 2012 ACTUAL	FY 2014 PRES. BUD.
Safety and Operations (GF)	\$178.6	\$184.5
Railroad Research and Development (GF)	\$35.0	\$35.3
Operating Grants to Amtrak ¹ (GF)	\$466.0	\$0.0
Capital and Debt Service Grants to Amtrak ¹ (GF)	\$952.0	\$0.0
National High Performance Rail System		
Current Passenger Rail Service (TF) ¹	\$0.0	\$2,700.0
Rail Service Improvement Program (TF) ¹	\$0.0	\$3,660.0
Railroad Research, Development and Technology (TF)	\$0.0	\$54.8
Subtotal	\$1,631.6	\$6,634.5
IMMEDIATE TRANSPORTATION INVESTMENTS		
Current Passenger Rail Service (M)	\$0.0	\$2,000.0
Rail Service Improvement Program (M)	\$0.0	\$3,000.0
Subtotal	\$0.0	\$5,000.0
Total FRA	\$1,631.6	\$11,634.5
Direct FTE	860	889

¹The FY 2014 Budget request realigns all passenger rail activities and resources including replacing the existing Operating Grants to Amtrak and Capital and Debt Service Grants to Amtrak with the Current Passenger Rail Service Program account.

SUMMARY OF REQUEST

The FY 2014 President's Budget requests **\$6.6 billion to invest in rail safety and passenger and freight rail programs.** This is an increase of \$5 billion above the FY 2012 enacted funding level. The President's Budget request proposes \$6.4 billion to establish a National High Performance Rail System (NHPRS) program to support current passenger service and to improve the rail system for the future. Underpinning FRA's organization is a strong safety program and the budget requests additional 22.5 FTE and 45 positions to implement rail safety and development.

► **NATIONAL HIGH PERFORMANCE RAIL SYSTEM:**

The FY 2014 President's Budget requests **\$6.4 billion for this major new initiative. FY 2014 is the first year of a proposed five-year \$40 billion reauthorization proposal** that includes: (1) Current Passenger Rail Service; (2) Rail Service Improvement Program; and (3) Research, Development, and Technology. All three activities will be funded from a proposed new Rail Account of the Transportation Trust Fund.

► **Current Passenger Rail Service:** The FY 2014 President's Budget requests \$2.7 billion to return public rail assets to a state of good repair and to implement positive train control (PTC) on Amtrak routes. To improve cost management and performance improvement, FRA proposes providing grant assistance according to existing lines of business:

- **Northeast Corridor:** \$675 million is requested to bring Amtrak's Northeast Corridor infrastructure and equipment into a state of good repair to enable future growth and service improvements.

- **State Corridors:** \$300 million is requested to provide grants to States to transition State-supported routes from Amtrak to State control, as required by existing passenger rail legislation. Funding will be phased out by FY 2018.
- **Long-Distance routes:** \$800 million is requested to continue operations of Amtrak long-distance routes.
- **National Assets:** \$925 million is requested to improve efficiency of the Amtrak's "backbone" rail facilities and operations, implement PTC on Amtrak routes, and bring stations into compliance with requirements of the Americans with Disabilities Act (ADA).

► **Rail Service Improvement Program:** The President's Budget requests \$3.7 billion to develop new key passenger rail corridors, substantially improve existing corridors, as well as to improve the Nation's freight network by adding capacity and removing bottlenecks. The program will also fund PTC for transit commuter railroads, and support network development planning.

- **Passenger Corridors:** \$3.25 billion is requested to develop high Performance passenger rail networks with new and substantially improved corridors. This also includes funding to implement PTC systems on commuter railroads.
- **Congestion Mitigation:** \$150 million is requested to address major bottlenecks and congestion issues that reduce freight and passenger train reliability on shared-use infrastructure.

- **Freight Capacity:** \$190 million is requested to improve the competitiveness of the Nation's intermodal freight rail system by upgrading facilities and adding capacity in the public interest.
 - **Planning:** \$70 million is requested to develop comprehensive plans that will guide future investments in the Nation's passenger and freight rail systems.
- **Railroad Research, Development, and Technology:** The President's Budget requests \$54.7 million to stimulate innovation and technological advances in the rail industry. This new trust fund program supports high performance rail research and development; partnerships to advance rail cooperative research; and workforce development to advance U.S. rail technical capabilities.
 - **Safety and Operations:** The President's Budget requests \$184.5 million to fund FRA's portfolio of rail safety and development programs including administrative expenses, such as personnel, information technology costs, and safety inspector travel. For FY 2014, FRA requests 22.5 additional FTE to support rail safety and development activities.
 - **Research and Development:** The President's Budget requests \$35.3 million for safety-related research and development activities.
- ▶ **IMMEDIATE TRANSPORTATION INVESTMENTS:** The President's Budget proposes \$50 billion in Immediate Transportation Investments for highway, highway safety, transit, passenger rail, and aviation activities. Of this amount, **\$5 billion is proposed for FRA programs.**
 - **\$2 billion for Current Passenger Rail Services:** This proposal would fund repair, rehabilitation and upgrade of Amtrak assets and infrastructure, including Americans with Disabilities Act.
 - **\$3 billion for Rail Service Improvement Program:** This proposal would support multiple capital projects and other investments that are designed to continue our development of passenger and freight rail.

FRA HISTORY – DID YOU KNOW?...

- ▶ *The Federal Railroad Administration was established by the Department of Transportation Act of 1966 as the successor organization to a group of disparate agencies housed within the Departments of Commerce and Interior as well as the Interstate Commerce Commission.*
- ▶ *Its mission is to ensure the safe, reliable, and efficient rail transportation of people and goods for a strong America, now and in the future.*
- ▶ *FRA accomplishes this through the establishment and enforcement of safety regulations.*
- ▶ *FRA employs more than 500 field based safety staff who oversee railroads across the Nation.*
- ▶ *FRA's regulatory agenda and safety work is supported by its research and technology development program.*
- ▶ *Additionally, FRA administers and oversees grants to the National Railroad Passenger Corporation (Amtrak), which was established by Congress in 1970.*
- ▶ *More recently, with the passage of the American Reinvestment and Recovery Act in FY 2009 and subsequent appropriations, FRA is providing a strong federal role in developing high-speed rail service across the Nation.*

PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION

PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION

DOLLARS IN
MILLIONS

ACCOUNTS	FY 2012 ACTUAL	FY 2014 PRES. BUD.
Pipeline Safety (GF/TF)	\$110.3	\$155.1
Hazardous Materials Safety (GF)	\$42.3	\$51.8
Emergency Preparedness Grants (TF)	\$18.1	\$28.3
Operational Expenses (GF)	\$20.4	\$20.2
Total	\$191.1	\$255.3
Direct FTE	438	502

OVERVIEW

The Pipeline and Hazardous Materials Safety Administration (PHMSA) oversees the safe transportation of hazardous liquids and natural gas through the network of 2.6 million miles of pipelines, serving over 69 million residential and commercial customers. PHMSA also oversees the safe and secure shipment of up to one million daily movements of hazardous materials carried by other forms of transportation. The FY 2014 President's Budget request of \$255.3 million supports PHMSA's mission to ensure safe movement of these materials.

SUMMARY OF REQUEST

The President is requesting **\$255.3 million to invest in the safe transportation of petroleum products and hazardous materials.** This is an increase of \$54.1 million above the FY 2012 enacted funding level. The President's request proposes technological enhancements and the tools for upgrading the sophistication PHMSA wants and needs to meet the requirements spelled out in two laws he signed in 2012, the *Pipeline Safety, Regulatory Certainty, and Job Creation Act (PSA)*, and MAP-21.

- ▶ **PIPELINE SAFETY:** The 2014 President's Budget requests **\$155.1 million** for **Pipeline Safety**, an increase of \$44.8 million above the FY 2012 enacted level. This account funds the safe and reliable operation of the Nation's network of 2.6 million miles of hazardous liquid and gas pipelines.
 - An additional 27 FTEs are requested to help improve oversight to the nation's pipeline systems as part of PHMSA's Pipeline Safety Reform initiative.
 - An additional \$18.8 million is requested for State pipeline safety programs to raise safety standards among State programs while delivering consistency to the oversight of interstate and intrastate pipeline facilities.
 - \$10 million is requested for a National Pipeline Information Exchange to enable PHMSA to continue developing a comprehensive database of pipeline safety information that integrates information from PHMSA, States, industry, and other Federal sources.
 - A total of \$12.2 million is requested for pipeline safety Research and Development, an increase of \$5.3 million over the FY 2012 enacted level.
- Within these amounts, \$2 million is estimated for a Pipeline Safety Design Review user fee that will allow PHMSA to recover the costs associated with conducting pipeline facility design safety reviews.
- ▶ **HAZARDOUS MATERIALS SAFETY:** The FY 2014 President's Budget requests **\$51.8 million, or \$9.5 million above the enacted FY 2012 level, to safeguard hazardous materials transported through the air and over roads, water, and rails.** This includes:
 - A \$5.7 million increase for continued information technology modernization, development of the Risk Management Framework, and to enhance investigations and enforcement activities.
 - \$1.5 million is requested to evaluation hazardous materials programs as authorized by MAP-21.
 - \$1.1 million is requested to strengthen training and outreach efforts to hazardous materials shippers.
- ▶ **EMERGENCY PREPAREDNESS GRANTS:** The FY 2014 President's Budget requests **\$28.3 million**, the same amount as the FY 2012 enacted level.
 - More than 2.57 million emergency responders and nearly 2,700 hazardous materials emergency response instructors have been trained with these funds.
 - More than 57,000 emergency plans have been updated since the inception of the program, reinforcing unprecedented community preparedness.
- ▶ **OPERATIONAL EXPENSES:** The FY 2014 President's Budget requests **\$20.2 million for the agency's administrative operations**, a decrease of \$206,000 from the FY 2012 enacted levels.

PHMSA HISTORY – DID YOU KNOW?...

- ▶ *Established in 2004 as part of the Norman Y. Mineta Research and Special Programs Improvement Act, the Pipeline and Hazardous Materials Safety Administration (PHMSA) oversees the safe transportation of hazardous materials and liquids as well as natural gas.*
- ▶ *The Office of Pipeline Safety and the Office of Hazardous Materials Safety are PHMSA's two main units charged with protecting the safety of people, property, and the environment. Pipelines transport and supply more than two-thirds of the fuel used to heat, cool, and operate American homes, cars, and businesses. In addition to its pipeline safety role, PHMSA*
- oversees the safe and secure shipment of close to one million daily movements of hazardous materials carried by other modes of transportation. These materials are essential to the American economy for their use in farming, medical applications, manufacturing, mining, and other industrial processes.*
- ▶ *PHMSA also educates and trains firefighters and first responders across the country to prevent, prepare for, and reduce the consequences of pipeline and hazardous materials incidents.*

MARITIME ADMINISTRATION

OVERVIEW

The Maritime Administration (MARAD) oversees programs that promote the viability of the U.S. merchant marine and strengthen the U.S. maritime transportation system to meet the economic and security needs of the Nation. The FY 2014 President's Budget requests \$364.8 million to support MARAD activities in ships and shipping, port operations, vessel operations, national security and strategic mobility, ship disposal, the environment, safety, and education. Through the United States Merchant Marine Academy and support for six state Maritime schools, MARAD educates most of the new skilled merchant mariner officers committed to national service in peace or war. Funding for the Ready Reserve Fleet administered by MARAD is provided separately by the Department of Defense.

MARITIME ADMINISTRATION

DOLLARS IN
MILLIONS

ACCOUNTS	FY 2012 ACTUAL	FY 2014 PRES. BUD.
Operations and Training (GF)	\$156.3	\$152.2
Assistance to Small Shipyards (GF)	\$10.0	\$0.0
Ship Disposal Program (GF)	\$5.5	\$2.0
Maritime Security Program (GF)	\$174.0	\$183.0
New Food Aid Proposal	\$0.0	\$25.0
Maritime Guaranteed Loan Program (GF)	\$3.7	\$2.7
Total	\$349.5	\$364.8
Direct FTE	475	507

SUMMARY OF REQUEST

The President is requesting **\$364.8 million in FY 2014 to invest in continued support for the Maritime Administration's (MARAD)** coordinated program of activities and initiatives advancing Departmental and national objectives for Economic Competitiveness, Environmental Sustainability, and Organizational Excellence.

This is an increase of \$15.3 million above the FY 2012 enacted level. This request provides for a new port infrastructure development initiative within the Operations and Training account and new food aid shipping reform funding within the Maritime Security Program for FY 2014.

► **OPERATIONS AND TRAINING:** The FY 2014 President's Budget requests **\$152.2 million to support the United States Merchant Marine Academy (USMMA), the State Maritime Academies (SMAs) and Maritime Administration (MARAD) Operations and Programs.**

➤ **United States Merchant Marine Academy:** \$81.3 million is requested to continue to support the highest standards of excellence in education for the midshipmen and to make critical capital improvements to the Academy's physical campus.

➤ **State Maritime Academies:** \$17.1 million is requested to support the SMAs, including \$3.6 million for direct support payments to each of the six schools, \$2.4 million for student tuition support and \$11.1 million for maintenance and repair of the school ships.

➤ **MARAD Operations and Programs:** \$53.8 million is requested to provide operational support for the agency's programs. This includes \$2 million to maintain environmental program activities and \$2 million to advance a new port infrastructure development program. This new program will

establish port investment plan guidelines, and initiate port planning grants. The budget request also includes \$2.8 million for the continued preservation and licensed activities associated with the retention vessel N.S. (Nuclear Ship) SAVANNAH previously funded under the Ship Disposal account.

► **SHIP DISPOSAL PROGRAM:** The FY 2014 President's Budget requests **\$2 million to support continued obsolete vessel disposal actions**, with priority emphasis on the worst condition non-retention vessels in MARAD's three reserve fleet sites.

► **MARITIME SECURITY PROGRAM:** **\$208 million is requested in FY 2014 for the Maritime Security Program (MSP).**

➤ The request includes \$183 million to ensure the maintenance of a commercial fleet capable of supporting a U.S. presence in foreign commerce, while also ensuring the military's ability to obtain assured access to these commercial vessels, intermodal facilities and mariners. This amount, plus \$3 million in estimated carryover balances, will fully fund the \$186 million authorized level of \$3.1 million for each of the 60 ships enrolled in the program.

➤ \$25 million is also included for a new initiative aimed at mitigating the impact on sealift capacity and mariner jobs resulting from food aid program reform. This new initiative will seek to preserve mariner employment on U.S.-flag militarily-useful vessels and identify other innovative means to encourage retention of U.S. mariners and vessels, separate from the Maritime Security Program.

- ▶ **MARITIME GUARANTEED LOAN PROGRAM (TITLE XI):** The President’s Budget requests \$2.6 million to maintain staff salaries and benefits for administration of the Maritime Guaranteed Loan Program (Title XI) loan portfolio.

MARAD HISTORY – DID YOU KNOW?...

- ▶ *Established in 1950 under the auspices of President Harry S Truman’s Reorganization Plan No. 21, the Maritime Administration (MARAD) traces its origins to the Shipping Act of 1916, which established the U.S. Shipping Board, the first Federal agency tasked with promoting a U.S. merchant marine and regulating U.S. commercial shipping.*
- ▶ *Congress passed the Merchant Marine Act of 1936, creating the U.S. Maritime Commission, which governs many of the programs that support the American maritime industry to this day.*
- ▶ *In 1981, MARAD was transferred to the Department of Transportation from the Department of Commerce, completing the consolidation of all Federal transportation programs into one cabinet-level department.*
- ▶ *MARAD’s statutory mission is to promote and strengthen the U.S. marine transportation system - including infrastructure, industry and labor - to meet the economic and security needs of the Nation.*
- ▶ *The 1936 Merchant Marine Act also established the U.S. Merchant Marine Cadet Corps. The U.S. Merchant Marine Academy’s permanent site at Kings Point, NY was dedicated by President Franklin D. Roosevelt on September 30, 1943, who noted that “the Academy serves the Merchant Marine as West Point serves the Army and Annapolis the Navy.”*

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

DOLLARS IN
MILLIONS

ACCOUNTS	FY 2012 ACTUAL	FY 2014 PRES. BUD.
Operations and Maintenance (Harbor Maintenance TF)	\$32.3	\$32.9
Total	\$32.3	\$32.9
Direct FTE	127	144

OVERVIEW

The Saint Lawrence Seaway Development Corporation (SLSDC) is responsible for operating and maintaining the U.S. portion of the bi-national St. Lawrence Seaway, including two U.S. Seaway locks. The St. Lawrence Seaway, connecting the Great Lakes to the Atlantic Ocean for commercial trade, is jointly operated by the United States (SLSDC) and Canada (St. Lawrence Seaway Management Corporation). The President's budget request of \$32.9 million will provide funds necessary for the SLSDC to perform its core mission of serving the U.S. intermodal and international transportation system while providing a safe, reliable, efficient, and environmentally responsible deep-draft waterway.

SUMMARY OF REQUEST

The President is requesting **\$32.9 million as an investment towards the continued safe and efficient operation of the U.S. portion of the St. Lawrence Seaway**, including the two U.S. Seaway locks in Massena, N.Y. This request provides an increase of \$600,000 above the FY 2012 enacted levels.

- ▶ The FY 2014 President's budget request will **continue the SLSDC's multi-year Asset Renewal Program (ARP) at a level of \$15.9 million** and fund expenses associated with operating and maintaining the U.S. portion of the bi-national St. Lawrence Seaway at \$17 million.
- ▶ Major projects proposed include maintenance dredging of the U.S. waters of the St. Lawrence Seaway (\$5.2 million), the upgrade of miter gate machinery at the Seaway locks (\$1.8 million), concrete rehabilitation at Eisenhower Lock (\$1.5 million), and the continued resurfacing and repairs to the Corporation roadways and paved areas (\$1.3 million).

SLSDC HISTORY – DID YOU KNOW?...

- ▶ *The SLSDC is a wholly government-owned corporation within the U.S. Department of Transportation responsible for the operations and maintenance of the U.S. portion of the St. Lawrence Seaway between Montreal and mid Lake Erie.*
- ▶ *SLSDC primary responsibilities include managing vessel traffic control in areas of the St. Lawrence River and Lake Ontario as well as maintaining and operating the two U.S. Seaway locks located in Massena, N.Y.*
- ▶ *The SLSDC coordinates its activities with its Canadian counterpart, the St. Lawrence Seaway Management Corporation, to ensure that the U.S. portion of the St. Lawrence Seaway is available for commercial transit during the navigation season (typically late March to late December each year).*
- ▶ *Commercial trade on the Great Lakes St. Lawrence Seaway System impacts 128,000 U.S. jobs with associated benefits of \$18.1 billion in annual business revenue from transportation firms and \$9.7 billion in annual wages and salaries. In addition, the Great Lakes Seaway System provides \$3.6 billion in annual transportation cost savings compared to rail and highway routes.*

OFFICE OF THE SECRETARY

OVERVIEW

The Office of the Secretary (OST) provides policy development, oversight, and coordination for the overall planning, and direction of the Department. The FY 2014 President's Budget request of \$921 million includes \$500 million for the National Infrastructure Investments (NII) program and a total program level of \$246 million for the Essential Air Service program. The President's request proposes to convert the Research and Innovative Technology Administration (RITA) into the Office of the Assistant Secretary for Research and Technology within the Office of the Secretary.

OFFICE OF THE SECRETARY

DOLLARS IN MILLIONS

ACCOUNTS	FY 2012 ACTUAL	FY 2014 PRES. BUD.
Salaries and Expenses (GF)	\$102.5	\$113.1
Office of Civil Rights (GF)	\$9.4	\$9.6
Transportation Planning, Research and Development (GF)	\$9.0	\$9.8
Minority Business Resource Center (GF)	0.9	0.9
Minority Business Outreach (GF)	3.1	3.1
Payments to Air Carriers/ Essential Air Service (estimated obligations) ¹ (GF/TF)	\$193.0	\$246.0
Financial Management Capital (GF)	\$5.0	\$10.0
Cyber Security (GF)	\$10.0	\$6.0
National Infrastructure Investments (GF)	\$500.0	\$500.0
Aviation Consumer Call Center (GF)	\$0.0	\$7.5
Research and Development (GF)	\$16.0	\$14.8
Subtotal	\$848.8	\$920.7
IMMEDIATE TRANSPORTATION INVESTMENTS:		
Transportation Infrastructure Grants and Financing (M)	\$0.0	\$4,000.0
Transportation Leadership Awards (M)	\$0.0	\$2,000.0
Total	\$848.8	\$6,920.7
Rescission of Compensation for General Aviation Operations	-\$3.3	\$0.0
Transportation Planning, Research and Development (Cancellation of Budget Authority)	\$0.0	-\$2.8
Direct FTE	604	681

¹The Payments to Air Carriers/Essential Air Service estimated obligations reflect the FY 2014 program level needed to continue this program.

SUMMARY OF REQUEST

The FY 2014 President's budget requests **\$921 million for the programs and activities of the Office of the Secretary (OST)**. This is an increase of \$72 million above the FY 2012 actual funding level. A total of \$820 million of discretionary funding is requested for OST programs, including funds to continue the National Infrastructure Investments program, improve cyber security, update the Department's financial system, and establish an Aviation Consumer Call Center and meet other requirements of the FAA Modernization and Reform Act. The President's request also assumes **obligations of \$100 million in mandatory funding from overflight fees for the Essential Air Service program**.

The FY 2014 budget **proposes to elevate the Research and Innovative Technology Administration (RITA) into the Office of the Assistant Secretary for Research and Technology within the Office of the Secretary**. This proposal will strengthen research functions across the Department by providing a prominent centralized focus on research and technology, which will improve collaboration and coordination among operating administrations.

- ▶ The President is requesting **\$921 million in FY 2014**, which is **\$72 million** above the FY 2012 actual.
- ▶ **NATIONAL INFRASTRUCTURE INVESTMENTS (NII): \$500 million** of discretionary funding is requested to continue the **NII program** to fund infrastructure projects of national and regional significance, planning grants, and award and oversight expenses.
- ▶ **OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY: \$15 million** is requested for the Office of the Assistant Secretary for Research and Technology. The FY 2014 budget proposes to **elevate the vital role of research**

in transportation decision-making by moving the Research and Innovative Technology Administration (RITA) into the Office of the Secretary.

- ▶ **Bureau of Transportation Statistics:** The FY 2014 President's Budget includes \$26 million for the Bureau of Transportation Statistics.
- ▶ **SALARIES AND EXPENSES: \$113 million is the total requested for Salaries and Expenses.** Within in this amount, the following initiatives are being requested in FY 2014:
 - ▶ **Credit Oversight Office:** \$2.3 million is requested for a new Credit Oversight Office that will provide oversight and review of credit transactions for all of the Department's credit programs. The growth of the Department's credit programs in both volume and complexity requires a coordinated effort by the Department to maintain the proper oversight and review of credit transactions.
 - ▶ **Office of the Chief Information Officer:** \$1.3 million is requested to address recognized vulnerabilities and program deficiencies as reported in the OIG Enterprise Architecture audit and to manage effectively the Records Management and Privacy posture.
 - ▶ **Office of Administration:** \$1.9 million is requested to fund two (2) FTEs associated with full-time permanent positions previously authorized in the Departmental Office of the Senior Procurement Executive; implement the Diversity and Inclusion Strategic Plan in accordance with Executive Order 13583; complete Phase II of the DOT Strategic Sourcing Plan, implement Acquisition Program Management Reviews, and provide acquisition training for acquisition professionals; help the Department

meet executive order and legislative energy, environmental and sustainability requirements; and support the increases in centrally funded services in the OST.

- **Office of the General Counsel:** \$500 thousand is requested for increased staff to conduct other significant additional consumer protection work required by the FAA Modernization and Reform Act.
- ▶ **ESSENTIAL AIR SERVICE (EAS) PROGRAM:** \$246 million is requested for EAS, including a \$146 million of discretionary appropriation (Payments to Air Carriers) and \$100 million of mandatory obligations.
- ▶ **AVIATION CONSUMER CALL CENTER:** \$7.5 million is requested to establish an OST Aviation Consumer Call Center required by the FAA Modernization and Reform Act. The Call Center will respond to complaints and comments from the public about airline service.
- ▶ **FINANCIAL MANAGEMENT CAPITAL (FMC):** \$10 million is requested to continue the multi-year project to **upgrade the Department's financial system.**

▶ **CYBER SECURITY:** \$6 million is requested to continue building out and modernizing the Wide Area Network (WAN) and build on the accomplishments achieved with the FYs 2012 and 2013 cyber security funding.

▶ **IMMEDIATE TRANSPORTATION INVESTMENTS:** The President's Budget proposes \$50 billion in Immediate Transportation Investments for highway, highway safety, transit, passenger rail, and aviation activities. **Of this amount, \$6 billion is proposed for:**

- **\$2 billion for Transportation Leadership Awards:** This program encourages States and regions to **implement innovative strategies** to addressing pressing transportation needs.
- **\$4 billion for Transportation Infrastructure Grants and Financing:** This will provide grants and credit assistance to State and local governments and transit agencies for capital investments in the Nation's surface transportation infrastructure, including roads and highways, public transportation facilities, freight and passenger rail, and port infrastructure.

OST HISTORY – DID YOU KNOW?...

- ▶ *Since the Department's inception in 1966, the Office of the Secretary has provided oversight and direction to the other Operating Administration's throughout the Department.*

RITA HISTORY – DID YOU KNOW?...

- ▶ *In 2004, Congress passed the Norman Y. Mineta Research and Special Programs Improvement Act, which created the Research*

and Innovative Technology Administration (RITA) within the U.S. Department of Transportation (DOT).

- ▶ *RITA coordinates the Department's multimodal research and education programs, advances the deployment of crossmodal technologies into the transportation system, supplies comprehensive transportation statistics research and analysis, and supports education and training in transportation and transportation related fields.*

OFFICE OF THE INSPECTOR GENERAL

OFFICE OF THE INSPECTOR GENERAL

DOLLARS IN
MILLIONS

ACCOUNTS	FY 2012 ACTUAL	FY 2014 PRES. BUD.
Salaries and Expenses (GF)	\$ 79.6	\$ 85.6
Total	\$ 79.6	\$ 85.6
FTE:		
Direct FTE	443	422

OVERVIEW

The Office of the Inspector General (OIG) operates as an independent organization within the Department of Transportation under the authority of The Inspector General Act of 1978, as amended. The FY 2014 President's budget request of \$85.6 million supports the OIG's independent and objective oversight of the Department's programs and activities. This oversight provides the Secretary, Congress and the public with relevant analyses necessary to improve the efficiency and effectiveness of the Department's operations. OIG's work yields valuable recommendations and findings that lead to better uses of limited budgetary resources and supports the Department in its objectives to achieve and maintain a safe, efficient and effective transportation system.

SUMMARY OF REQUEST

The President's is requesting **\$85.6 million to invest in the Office of Inspector General**. This is \$6.0 million above FY 2012 enacted. The FY 2013 estimate includes the carryover of FTE associated with the American Recovery and Reinvestment Act of 2009 as well as oversight funds to implement the OIG's responsibilities under the Disaster Relief Appropriations Act of 2013 for Hurricane Sandy recovery and restoration activities. A portion of the FY 2013 FTE funded by the American Recovery and Reinvestment Act of 2009 will be moved to the FY 2014 Salaries and Expenses account.

OIG HISTORY – DID YOU KNOW?...

- ▶ *On October 12, 1978, the Inspector General (IG) Act established twelve Federal Offices of Inspector General (OIG), including the Department of Transportation OIG.*
- ▶ *President Jimmy Carter signed the IG Act into law and described the new statutory IGs as “perhaps the most important new tools in the fight against fraud.” The President charged the IGs to always remember that their ultimate responsibility is not to any individual but to the public interest.*

SURFACE TRANSPORTATION BOARD

SURFACE TRANSPORTATION BOARD

DOLLARS IN
MILLIONS

ACCOUNTS	FY 2012 ACTUAL	FY 2014 PRES. BUD.
Salaries and Expenses (GF)	\$ 28.1	\$ 29.5
Fees	\$ 1.2	\$ 1.2
Total	\$ 29.3	\$ 30.8
Direct FTE	129	144

OVERVIEW

The Surface Transportation Board (STB) is charged with promoting substantive and procedural regulatory reform in the economic regulation of surface transportation, providing an efficient and effective forum for the resolution of disputes, and the facilitation of appropriate business transactions.

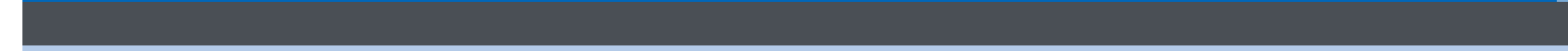
The FY 2014 President's Budget request of \$31 million will enable STB to continue its economic oversight of the rail industry and the transportation of commodities by pipeline other than oil and gas. The STB is also responsible for certain non-licensing regulation of motor and water carriers.

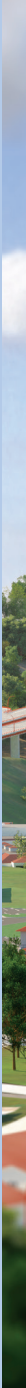
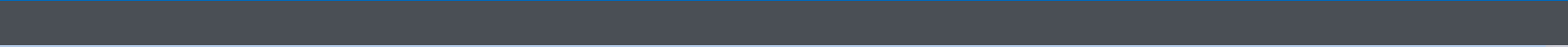
SUMMARY OF REQUEST

The FY 2014 President's Budget requests **\$31 million for STB**, to be financed by appropriations and the offsetting collection of user fees. The major of these funds support the STB's workforce and facilities.

STB HISTORY – DID YOU KNOW?...

- ▶ *The STB was established in 1996 pursuant to the Interstate Commerce Commission Termination Act of 1995.*
- ▶ *It is an independent organization administratively housed within the Department of Transportation.*
- ▶ *STB has sole jurisdiction over rail mergers and consolidations, exempting such transactions from Federal anti-trust laws and State and municipal laws.*







BUDGETARY RESOURCES

APPROPRIATIONS, OBLIGATION LIMITATIONS, USER FEES, ASSET SALES, AND FHWA EXEMPT OBLIGATIONS

DOLLARS IN
MILLIONS

ADMINISTRATION	FY 2012 ACTUAL	FY 2014 REQUEST
Federal Aviation Administration	15,902	15,551
Federal Highway Administration	41,545 ¹	40,995
Federal Motor Carrier Safety Administration	555	572
National Highway Traffic Safety Administration	800	828
Federal Transit Administration	10,608 ¹	10,910
Federal Railroad Administration	1,632	6,635
Pipelines and Hazardous Materials Safety Administration	191	255
Maritime Administration	350	365
Saint Lawrence Seaway Development Corporation	32	33
Office of the Secretary ²	849	937
Inspector General	80	86
Surface Transportation Board	29	31
Total DOT Budgetary Resources	72,571	77,197
	FY 2012 ACTUAL	FY 2013 REQUEST
Immediate Transportation Investments	0	50,000
Grand Total DOT Budgetary Resources	72,571	127,197

¹ Does not include a net \$1.211 billion flexible funding transfer from the Federal Highway Administration to the Federal Transit Administration.

² The FY 2014 budget proposes to convert the Research and Innovative Technology Administration (RITA) into the Office of the Assistant Secretary for Research and Technology within the Office of the Secretary (OST). For presentation purposes, RITA budgetary resources are included under OST in FY 2012 and FY 2014.

BUDGETARY AUTHORITY

APPROPRIATIONS, OBLIGATION LIMITATIONS, USER FEES, ASSET SALES, AND FHWA EXEMPT OBLIGATIONS	DOLLARS IN MILLIONS	
ADMINISTRATION	FY 2012 ACTUAL	FY 2014 REQUEST
Federal Aviation Administration	15,902	15,551
Federal Highway Administration	41,871 ¹	56,171 ^{1/2}
Federal Motor Carrier Safety Administration	550	572
National Highway Traffic Safety Administration	803	828
Federal Transit Administration	10,540 ¹	10,910
Federal Railroad Administration	1,648	6,634
Pipelines and Hazardous Materials Safety Administration	191	255
Maritime Administration	363	416
Saint Lawrence Seaway Development Corporation	32	33
Office of the Secretary ³	846	934
Inspector General	80	86
Surface Transportation Board	28	30
Subtotal	72,851	92,424
Offsetting Collections	-2,965	-15,571 ²
Total DOT Budgetary Authority	69,886	76,853
	FY 2012 ACTUAL	FY 2013 REQUEST
Immediate Transportation Investments	0	50,000
Grand Total DOT Budgetary Resources	69,886	126,853

¹ Does not include net flexible funding transfers from the Federal Highway Administration to the Federal Transit Administration.

² Includes a \$15.152 billion payment to the new Transportation Trust Fund (TTF), with an offsetting adjustment in the TTF receipt accounts. For presentation purposes, TTF payments and receipts are included under the Federal Highway Administration for all three accounts of the TTF (Highway Account, Mass Transit Account, and Rail Account).

³ The FY 2014 budget proposes to convert the Research and Innovative Technology Administration (RITA) into the Office of the Assistant Secretary for Research and Technology within the Office of the Secretary (OST). For presentation purposes, RITA budget authority amounts are included under OST in FY 2012.

OUTLAYS

APPROPRIATIONS, OBLIGATION LIMITATIONS, USER FEES, ASSET SALES, AND FHWA EXEMPT OBLIGATIONS

DOLLARS IN MILLIONS

ADMINISTRATION	FY 2012 ACTUAL	FY 2014 REQUEST
Federal Aviation Administration	15,838	16,407
Federal Highway Administration	44,370 ¹	57,792 ¹
Federal Motor Carrier Safety Administration	518	547
National Highway Traffic Safety Administration	756	722
Federal Transit Administration	12,269 ¹	16,137
Federal Railroad Administration	2,295	4,363
Pipelines and Hazardous Materials Safety Administration	174	227
Maritime Administration	442	481
Saint Lawrence Seaway Development Corporation	28	35
Office of the Secretary ²	1,084	1,103
Inspector General	86	88
Surface Transportation Board	28	29
Subtotal	77,887	97,930
Delta between CR and FY 2013 Request	0	70
Offsetting Collections	-2,965	-15,571 ¹
Total DOT Outlays	74,921	82,430
	FY 2012 ACTUAL	FY 2013 REQUEST
Immediate Transportation Investments	0	5,600
Grand Total DOT Budgetary Resources	74,921	88,030

¹ Includes a \$15.152 billion payment to the new Transportation Trust Fund (TTF), with an offsetting adjustment in the TTF receipt accounts. For presentation purposes, TTF payments and receipts are included under the Federal Highway Administration for all three accounts of the TTF (Highway Account, Mass Transit Account, and Multimodal Account).

² The FY 2014 budget proposes to convert the Research and Innovative Technology Administration (RITA) into the Office of the Assistant Secretary for Research and Technology within the Office of the Secretary (OST). For presentation purposes, RITA outlays are included under OST in FY 2012.

FULL TIME EQUIVALENT EMPLOYMENT

FULL TIME EQUIVALENT EMPLOYMENT-TOTAL		DOLLARS IN MILLIONS	
ADMINISTRATION	FY 2012 ACTUAL	FY 2014 REQUEST	
Federal Aviation Administration	47,563	47,753	
Federal Highway Administration	2,898	2,967	
Federal Motor Carrier Safety Administration	1,092	1,149	
National Highway Traffic Safety Administration	592	657	
Federal Transit Administration	562	596	
Federal Railroad Administration	860	889	
Pipelines and Hazardous Materials Safety Administration	440	513	
Maritime Administration	796	840	
Saint Lawrence Seaway Development Corporation	127	144	
Office of the Secretary ¹	1,190	1,287	
Working Capital Fund	222	241	
Inspector General	443	422	
Surface Transportation Board	134	153	
Total DOT Full Time Equivalent Employment	56,919	57,611	

¹The FY 2014 budget proposes to convert the Research and Innovative Technology Administration (RITA) into the Office of the Assistant Secretary for Research and Technology within the Office of the Secretary (OST). For presentation purposes, RITA full time equivalent employment (FTE) amounts are included under OST in FY 2012.

FULL TIME EQUIVALENT EMPLOYMENT

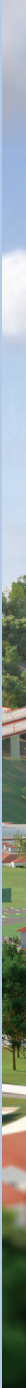
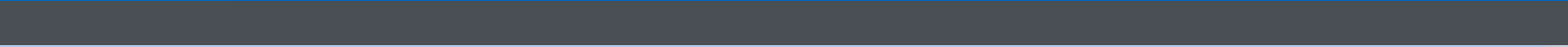
FULL TIME EQUIVALENT EMPLOYMENT-DIRECT	DOLLARS IN MILLIONS	
	FY 2012 ACTUAL	FY 2014 REQUEST
ADMINISTRATION		
Federal Aviation Administration	45,567	45,665
Federal Highway Administration	2,681	2,750
Federal Motor Carrier Safety Administration	1,049	1,088
National Highway Traffic Safety Administration	589	653
Federal Transit Administration	562	596
Federal Railroad Administration	860	889
Pipelines and Hazardous Materials Safety Administration	438	502
Maritime Administration	475	507
Saint Lawrence Seaway Development Corporation	0	0
Office of the Secretary ¹	604	681
Working Capital Fund	0	0
Inspector General	443	422
Surface Transportation Board	129	144
Total DOT Full Time Equivalent Employment	53,397	53,897

¹The FY 2014 budget proposes to convert the Research and Innovative Technology Administration (RITA) into the Office of the Assistant Secretary for Research and Technology within the Office of the Secretary (OST). For presentation purposes, RITA full time equivalent employment (FTE) amounts are included under OST in FY 2012.

TECHNICAL NOTES:

1. The \$77 billion referenced on page 4 represents gross discretionary resources.
2. Totals may not add due to rounding.
3. TF refers to Trust Fund.
4. GF refers to General Fund.
5. M refers to Mandatory Fund.









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