



*U.S. Department  
of Transportation*

# TRANSFORMING COMMUNITIES *in the* 21<sup>st</sup> CENTURY

SAFETY • OPPORTUNITY • INNOVATION

*Budget Highlights | Fiscal Year 2017*



“We live in a time of extraordinary change—  
change that’s reshaping the way we live,  
the way we work, our planet, our place in the world.  
It’s change that promises amazing medical breakthroughs,  
but also economic disruptions that strain working families...  
It’s change that can broaden opportunity, or widen inequality.  
And whether we like it or not, the pace of this change will only accelerate.”

President Barack Obama  
State of the Union Address  
January 12, 2016

“Everywhere I go, I see incredible examples of communities that have a vision  
for transportation and how it will impact the quality of life,  
mobility, economics, and opportunity.”

Secretary Anthony Foxx  
September 30, 2014

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<sup>1</sup> Tables presented in this document may not add due to differences in rounding.

<sup>2</sup> The use of brackets in tables indicates a “non-add” entry.

<sup>3</sup> Time frames in this document represent fiscal years (FY).

<sup>4</sup> Full time equivalent employment is identified as FTE throughout this document.

<sup>5</sup> FTE shown in tables throughout this document reflect Direct FTE with the exception of the Saint Lawrence Seaway Development Corporation.

<sup>6</sup> The Department of Transportation has both General Funds (GF) and Trust Funds (TF). Tables in this document use GF and TF indicators to specify the source of funds in each appropriation account. References to a new proposed Transportation Trust Fund (TTF) are also included where appropriate. Tables for the Pipeline and Hazardous Materials Safety Administration also include the Pipeline Safety Fund (PSF).

# A MESSAGE FROM SECRETARY FOXX

The cover of this Budget Highlights depicts the Long Street bridge in Columbus, Ohio, which restored connection between the King-Lincoln District, a neighborhood that was cut off in the 1960s by construction of an interstate highway from the city's center and economic opportunity. This effort to reconnect and revitalize a community divided by past transportation policies is a compelling example of how transportation can create or eliminate opportunity gaps in our Nation. We need to bring people, neighborhoods, communities, and regions together by design and we must recognize the important role transportation can play in doing so. We are transforming government for the 21st Century, harnessing innovation and technology that will improve people's lives, and connecting people to opportunities in ways that reflect the demographics and economy of America in the 21st Century.

The Department of Transportation's Budget advances an ambitious vision to take the United States "Beyond Traffic" and towards proactive, forward-looking transportation networks that match the changing demographics of where people in this country live and work, that fosters innovation and remains nimble as technology evolves, and that provides access to opportunity for people and communities across America. Our population is expected to grow by 70 million over the next three decades, with growth in areas like the South and the West fueling the growth of emerging "megaregions" that could absorb three quarters of our population. Freight volumes are on the rise, with their trajectory sensitive to factors

ranging from online shopping to airline mergers to strong domestic energy production. This growth is creating pressures that cut across modes of infrastructure—roads, rails, airspace, ports, and pipelines. These pressures are compounded by and will compound our environmental challenges as the transportation sector accounts for roughly 30 percent of greenhouse gas emissions.

Meeting these challenges will require nothing less than a long-term transformation of the transportation sector, to provide the public and the economy with transportation services decoupled from fossil fuel consumption and carbon dioxide emissions. This shift is already underway. The Administration has raised fuel economy standards, making the transportation networks more resilient to natural disasters, and has taken a more comprehensive, lifecycle view managing infrastructure assets. But more needs to be done. Part of doing more is recognizing the benefits of cleaner alternatives such as good public transportation, passenger rail, maritime transportation, and smart land use and regional planning practices that shorten our trips to walkable distances. We need an approach that recognizes the need to expand our choices and an alignment of resources to support those choices. This Budget charts a series of steps to get us closer to that vision.

Across the Department's programs, safety is the highest priority. This is reflected across every element of our FY 2017 Budget request—from cybersecurity to pipeline safety. The Budget invests in the work that is needed to ensure that new technologies like

autonomous vehicles that have the potential to revolutionize our system and reduce climate emissions can be incorporated quickly and safely into our transportation networks, and supports capacity for rigorous regulatory development and enforcement across the Department's safety agencies.

With respect to aviation, this Budget underscores the need to keep America's aviation system the safest in the world, to invest in modernizing our air traffic system, and to foster a culture of innovation and efficiency within the Federal Aviation Administration (FAA). The pace of technological change in the aerospace industry requires that the FAA have the resources and authorities needed to embrace preventative approaches to safety oversight, to be nimble in identifying risks and evaluating and integrating new

technology and systems, and to remain competitive amidst changing economic conditions and increasing global competition.

And importantly, this Budget charts a path towards fundamental changes in the way that we think about, balance, and integrate our surface transportation options. As the Department works to implement the recent surface transportation authorization, the *Fixing America's Surface Transportation (FAST) Act*, rigorously and expeditiously, this Budget takes important steps towards a modernized approach to transportation funding that recognizes the importance of a regionally-focused approach that reflects the changing shape of the Nation's communities, and prioritizes spending on projects that will yield options and impact the American people.

# EXECUTIVE SUMMARY

## BUDGETARY RESOURCES

### U.S. DEPARTMENT OF TRANSPORTATION

Dollars in Millions

	FY 2015 Actual	FY 2016 Enacted	FY 2017 President's Budget
<b>Federal Aviation Administration</b>	\$15,847.5	\$16,280.7	\$15,899.9
Operations	9,740.7	9,909.7	9,994.4
Facilities & Equipment	2,600.0	2,855.0	2,838.0
Research, Engineering & Development	156.8	166.0	167.5
Grants-In-Aid for Airports (Oblim)	3,350.0	3,350.0	2,900.0
<b>Federal Highway Administration</b>	<b>40,941.1</b>	<b>43,049.7</b>	<b>51,505.1</b>
Federal-Aid Highways (Oblim)	40,256.0	42,361.0	43,266.1
Exempt Obligations	685.1	688.7	739.0
21st Century Clean Transportation Plan Investments	0.0	0.0	7,500.0
LAE (Total) (Non-Add)	426.1	425.8	433.3
<b>Federal Motor Carrier Safety Administration</b>	<b>572.0</b>	<b>580.4</b>	<b>794.2</b>
Motor Carrier Safety Operations & Programs (Oblim)	259.0	267.4	277.2
Motor Carrier Safety Grants (Oblim)	313.0	313.0	367.0
21st Century Clean Transportation Plan Investments—Safety Investments	0.0	0.0	150.0
<b>National Highway Traffic Safety Administration</b>	<b>810.0</b>	<b>869.0</b>	<b>1,181.3</b>
Operations and Research	248.5	295.7	395.9
Highway Traffic Safety Grants (Oblim)	561.5	573.3	585.4
21st Century Clean Transportation Plan Investments—Autonomous Vehicle Development	0.0	0.0	200.0
<b>Federal Transit Administration</b>	<b>11,008.4</b>	<b>11,782.6</b>	<b>19,883.7</b>
Capital Investment Grants	2,120.0	2,177.0	3,500.0
Washington Metro	150.0	150.0	150.0
Administrative Expenses	105.9	108.0	115.0
Transit Research	33.0	0.0	0.0
Technical Assistance & Training	4.5	0.0	0.0
21st Century Clean Transportation Plan Investments—Rapid-Growth Area Transit Program	0.0	0.0	525.0
Transit Formula Grants (Oblim)	8,595.0	9,347.6	9,733.7
21st Century Clean Transportation Plan Investments—Transit Formula Grants	0.0	0.0	5,860.0
<b>Federal Railroad Administration</b>	<b>1,626.0</b>	<b>1,699.2</b>	<b>6,266.8</b>
Intercity Passenger Rail (Capital & Operating)	1,390.0	1,390.0	0.0
Railroad Research & Development	39.1	39.1	53.5
Safety & Operations	186.9	199.0	213.3
21st Century Clean Transportation Plan Investments—Rail Service Improvement Program	0.0	0.0	3,700.0
Current Passenger Rail Services	0.0	0.0	2,300.0
Railroad Safety Grants	10.0	50.0	0.0
Northeast Corridor Grants	0.0	19.2	0.0
Grants to Class II and Class III Railroads	\$ 0.0	\$ 2.0	\$ 0.0

**U.S. DEPARTMENT OF TRANSPORTATION (continued)**

Dollars in Millions

	FY 2015 Actual	FY 2016 Enacted	FY 2017 President's Budget
<b>Pipeline &amp; Hazardous Materials Safety Administration</b>	\$ 244.5	\$ 249.6	\$ 295.2
Operational Expenses	20.7	21.0	22.2
Hazardous Materials Safety	52.0	55.6	68.2
Emergency Preparedness Grants	26.3	26.4	28.3
Pipeline Safety	145.5	146.6	176.4
<b>Maritime Administration</b>	<b>341.2</b>	<b>399.3</b>	<b>428.1</b>
Operations and Training	148.1	171.2	194.1
Ship Disposal	4.0	5.0	20.0
Assistance to Small Shipyards	0.0	5.0	0.0
Maritime Security Program	186.0	210.0	186.0
Food Aid Reform	0.0	0.0	25.0
Maritime Guaranteed Loans (Title XI)	3.1	8.1	3.0
<b>Saint Lawrence Seaway Development Corporation</b>	<b>32.0</b>	<b>28.4</b>	<b>36.0</b>
<b>Office of the Secretary</b>	<b>898.0</b>	<b>935.4</b>	<b>1,696.0</b>
Salaries and Expenses	105.0	108.8	114.4
National Surface Transportation and Innovative Finance Bureau	0.0	0.0	3.0
Data Act Compliance	0.0	0.0	4.0
U.S. Digital Services	0.0	0.0	1.0
Transportation Planning, Research & Development	6.0	8.5	17.0
Office of Civil Rights	9.6	9.7	9.8
Financial Management Capital	5.0	5.0	4.0
Essential Air Service/Payments to Air Carriers	250.3	278.5	254.2
National Infrastructure Investments	500.0	500.0	1,250.0
Research and Technology	13.0	13.0	18.0
Cyber Security Initiative	5.0	8.0	15.0
Small and Disadvantaged Business Utiliz. & Outreach/MBRC	4.0	4.0	5.6
Small Communities Air Service Development (SCASDP) ( <i>Non-Add</i> )	5.5	5.0	0.0
BTS (Fed-Aid Hwy Drawdown) ( <i>Non-Add</i> )	26.0	26.0	26.0
UTC (Fed-Aid Hwy Drawdown) ( <i>Non-Add</i> )	68.1	72.5	75.0
<b>Office of Inspector General</b>	<b>86.2</b>	<b>87.5</b>	<b>90.2</b>
<b>Total Budgetary Resources</b>	<b>\$72,406.8</b>	<b>\$75,962.0</b>	<b>\$98,076.5</b>

# THE FISCAL YEAR (FY) 2017 PRESIDENT'S REQUEST FOR THE DEPARTMENT OF TRANSPORTATION

## OVERVIEW

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The FY 2017 President's Budget request for the Department of Transportation is **\$98.1 billion**. The resources supporting the Department of Transportation programs come from a combination of Trust Fund and General Fund spending, covering surface transportation, aviation, pipelines, maritime transportation, and oversight of the Department through the Office of the Inspector General.

With respect to surface transportation programs, the investments in the FY 2017 Budget build on the recently enacted *Fixing America's Surface Transportation (FAST) Act*, which President Obama signed into law on December 4, 2015. The *FAST Act* is an important down-payment for building 21st Century surface transportation systems. It includes a series of important changes, such as a National Surface Transportation and Innovation Finance Bureau, codifying the Administration's changes to improve the efficiency of permitting and project delivery, including a number of provisions fostering ladders of opportunity; and making changes to a number of the Department's safety programs, including creating a new grant program and enhancing authority with respect to recalls, civil penalties, the collection of safety data, and establishes new freight-focused funding programs.

However, the *FAST Act* largely maintains current programs—including the traditional funding and program distribution between highway and transit funding, with limited support for multimodal plans

and projects. And while the *FAST Act* included authorization for rail programs, rail funding will continue to be determined on an annual basis, without the certainty provided by the multi-year trust fund structure that currently supports highway and some transit programs. Thus, the FY 2017 Budget builds on the *FAST Act*, taking the next steps to reform funding streams and encourage better planning and projects at the State and regional levels through increased investment in areas such as rail and transit, and in a series of new, multimodal programs that increasingly cut across traditional siloes, in support of more comprehensive regional strategies that connect communities and support climate and greenhouse gas reduction goals.

Moreover, with the reauthorization of aviation programs pending, the FY 2017 Budget is focused on advancing a series of funding proposals for aviation that are in line with the Administration's core principles for aviation authorization and will support ongoing debate. The Budget also offers a series of innovative proposals across areas of Departmental jurisdiction—including introducing a new organizational proposal to strengthen research and regulatory development within the Pipeline and Hazardous Materials Safety Administration (PHMSA).

Specifically, the FY 2017 Budget request includes **an average of more than \$30 billion over 10 years** to support the following initiatives:

## INVESTS IN CLEAN, 21ST CENTURY SURFACE TRANSPORTATION OPTIONS THAT REFLECT AMERICA'S CHANGING DEMOGRAPHICS AND ECONOMY, AND PROVIDE ACCESS TO OPPORTUNITY, BY:

**Enhancing clean transportation options for American families:** Over a 10-year period, the Budget invests an average of nearly \$20 billion per year in new investments to reduce greenhouse gas emissions and provide new ways for families to get to work, to school, and to the store. The Budget would expand transit systems in cities, fast-growing suburbs, and rural areas; make high-speed rail a viable alternative to flying in major regional corridors; modernize our freight system; and expand the successful Transportation Investment Generating Economic Recovery (TIGER) program to support high-impact, innovative local projects.

**Supporting investment decisions towards a “21st Century Regions” approach that reflects a changing demographics and economy:** Increasingly, Americans are choosing to live in metropolitan areas and megaregions that often cross State lines, yet the majority of Federal transportation funding flows, via formula, through the States. This Budget balances that funding stream, by directing billions of dollars through regional governments such as Metropolitan Planning Organizations, empowering them to play a stronger role in decision-making. Over a 10-year period, the Budget invests an average of \$10 billion a year towards a series of new, innovative programs that improve the balance of funding and decision-making and will accelerate the move towards smarter, cleaner, and more integrated communities. These include:

- ▶ A ‘21st Century Regions’ grant program to implement regional-scale transportation and land use strategies: This grant program would achieve a fundamental shift in the planning and delivery of transportation dollars, by rewarding

Metropolitan Planning Organizations or Regional Planning Organizations that can achieve meaningful environmental benefits through smarter and more comprehensive regional approaches that reflect and connect the Nation’s changing demographics and transportation challenges. The program would empower regional governments with control of dollars comparable to what many States currently receive through the traditional highway formula programs, creating a powerful incentive for more performance-based, regional, and equitable decision-making.

- ▶ Climate-Smart Performance Formula Funds to reward States that use Federal infrastructure funds to cut greenhouse gas emissions: These funds are designed to accelerate fundamental reform of Federal formula funds across transportation modes in a way that will help mitigate transportation’s contribution to climate change and improve outcomes for communities.
- ▶ New ‘Clean Communities’ grant program aimed at creating more livable cities and towns with expanded transportation choices: Grants would support projects such as Transit Oriented Development; reconnecting downtowns divided by freeways; bicycle and pedestrian networks, brownfield cleanup, and more.
- ▶ A “Resilient Transportation” grant program to spur local innovation for resilient transportation infrastructure: This recurring competition, based on the National Disaster Resilience Competition (NDRC), would encourage local and State governments to propose specific projects that address the impacts of climate change on transportation systems and surrounding communities.

## ADVANCES PUBLIC AND PRIVATE SECTOR COLLABORATION TO ACCELERATE COST-COMPETITIVE, LOW-CARBON TECHNOLOGIES AND INTELLIGENT TRANSPORTATION SYSTEMS, BY:

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**Continues the transition to the Next Generation Air Transportation System (NextGen):** The President's Budget requests a total of \$1 billion to support NextGen. This includes \$877 million for NextGen Capital investments, an increase of \$22 million above FY 2016, to advance modernization efforts such as performance-based navigation to optimize the use of airspace; enhancements to automation that improve the efficiency and effectiveness of air traffic management and reduce operational errors; implementation of satellite-based surveillance capabilities; improvements to data communication practices and technology that can increase productivity and capacity with little overhead; and improvements to maximize traffic flow efficiently, with commensurate time and environmental benefits. The Budget also requests nearly \$63 million for Research, Engineering & Development, to support both NextGen and other areas such as environmental and unmanned aircraft safety research.

**Funding \$200 million in FY 2017—and nearly \$3.9 billion over 10 years—in pilot deployments**

of safe and climate-smart autonomous vehicles to create better, faster, cleaner urban and corridor **transportation networks:** To accelerate the development and adoption of autonomous vehicles, this program would fund large-scale deployment pilots to test connected vehicle systems in designated corridors throughout the country; and work with industry to ensure a common multi-state interoperability framework for connected and autonomous vehicles.

**Funding research and regulatory activities that support fuel economy and advanced vehicle technology:** The FY 2017 Budget includes more than \$60 million, through the National Highway Traffic Safety Administration (NHTSA), to conduct research on advanced and emerging technologies and alternate fuel vehicles, and to support future rulemaking under the Corporate Average Fuel Economy (CAFE) program, including post-2018 Medium- and Heavy Duty Vehicle fuel efficiency standards, as well as CAFE rulemaking for model years 2022 and beyond.

## ENSURES TRANSPORTATION SAFETY KEEPS PACE WITH CHANGING TECHNOLOGY AND ORGANIZATIONAL NEEDS, BY:

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**Integrating surface transportation technologies safely into the transportation system with \$400 million per year in investment:** Technology is fundamentally changing our transportation system, from driverless cars to electric trains to traffic demand management systems, and these technologies must be incorporated safely. High impact investments will support activities such as NHTSA's New Car Assessment Program (NCAP), to test vehicle safety through state-of-the-art equipment such as more realistic crash

dummies and the Federal Motor Carrier Safety Administration's (FMCSA) work in expanding lifesaving safety programs.

**Strengthening regulatory enforcement agencies across the Department through resources and organizational changes:** Across the Department, agencies are taking action to strengthen the regulatory and enforcement capabilities that are key to protecting the safety of travelers and movement of goods. Investments include:

- ▶ Over \$47 million to enable NHTSA's Office of Defects Investigation to improve its effectiveness and meet growing challenges to identify safety defects quickly, ensure remedies are implemented promptly, and the public is informed of critical information in an effective manner. Another roughly \$30 million supports "high visibility enforcement" efforts around areas such as seatbelt use and the *Drive Sober or Get Pulled Over* initiatives.
- ▶ Investing in organizational changes at the Pipeline and Hazardous Materials Safety Administration (PHMSA) to elevate the role of economic and data analysis in support of regulatory development and enforcement, and to be more predictive and proactive in response to rapidly changing safety needs. In order to ensure the safety of the pipeline network and hazardous materials transportation, the FY 2017 Budget requests \$295 for PHMSA, including more than \$176 million for pipeline safety and more than \$68 million to sustain essential safe and efficient movement of hazardous materials across the country and respond to emerging threats.

**Supporting rail safety through research and development and implementation of Positive Train Control (PTC):** The Budget requests \$213 million to support FRA's rail safety and development programs, an increase of \$14 million from FY 2016 enacted. Funding will support railroads' implementation of PTC,

as well as PTC enforcement, in addition to track and bridge safety activities. Further, the Budget requests \$53 million for rail safety research and development, \$12.5 million to analyze and demonstrate the safety and environmental benefits of Electronically Controlled Pneumatic brakes, and \$2 million to expand research ways to reduce the risks of transporting crude oil and other energy products by rail.

#### **Maintaining the safest aviation system in the world:**

The Budget includes \$1.3 billion for the Federal Aviation Administration's (FAA) Aviation Safety Organization to ensure the continued safety of the air transportation system. This includes an increase of \$2.9 million for critical work related to the safe integration of Unmanned Aircraft Systems (UAS) and an increase of \$500,000 to enhance safety data capabilities within the Hazard Tracking System for the collection of safety information within the Hazard Tracking Tool.

**Protecting our maritime interests:** The Budget provides over \$428.1 million for the Maritime Administration to implement programs that promote the economic competitiveness, efficiency, and productivity of U.S. Maritime transportation. This includes \$186 million for the Maritime Security Program, which maintains a modern U.S. flag fleet, as well as \$20 million to support the responsible disposal of obsolete vessels, including \$8 million to begin decommissioning the former *Nuclear Ship SAVANNAH*.

## **INVESTS IN 21ST CENTURY GOVERNMENT AND PROJECT DELIVERY:**

From cybersecurity to project delivery, the FY 2017 Budget supports investments to ensure that we are making 21st Century investments through 21st Century delivery mechanisms, by:

**Modernizing Permitting and Project Delivery processes:** In order to accelerate economic growth and improve the competitiveness of the American economy, the Budget expands the Administration's

progress to expedite permitting and approval processes while protecting safety and the environment. The Budget includes \$4 million to focus on activities such as expanding and deploying the President's Permitting Dashboard and providing assistance to project sponsors, consistent with new requirements in the *FAST Act*. The FHWA Budget request will also support codification of the agency's "Every Day Counts" initiative—also required by the *FAST Act*—which helps to identify, accelerate, and deploy proven innovations that shorten the project delivery process and improve safety and environmental sustainability.

**Implementing a new National Surface Transportation and Innovative Finance Bureau:** Building on the Administration's successful Build America Investment Initiative, the *FAST Act* created the National Surface Transportation and Innovative Finance Bureau, a new office intended to help streamline and improve the application process for the Department's credit assistance programs, and will promote innovative financing best practices for Public Private Partnerships (PPP) across all modes. The FY 2017 Budget requests

\$3 million in targeted, new resources to support implementation of this high priority effort. **The Budget also requests \$275 million to cover the costs of providing credit subsidy through the Transportation Infrastructure Finance and Innovation Act (TIFIA) Program**, along with flexibility to also use resources from a range of new multimodal programs to cover subsidy costs.

**Protecting cybersecurity and data integrity:** The Budget includes \$15 million to continue improvements to the Department's cybersecurity posture, planned security enhancements to the Department's infrastructure, planned upgrades to the Department's Wide Area Network, and maintenance and operation of the Department's Continuous Monitoring solution. In addition, the Budget includes \$4 million to assist the Department in meeting the requirements of the Digital Accountability and Transparency Act of 2014 (DATA Act), which includes establishing and implementing Government-wide data standards for financial data to provide consistent, reliable, and searchable data for easy public consumption.

# PREPARING FOR A NEW FEDERAL AVIATION ADMINISTRATION AUTHORIZATION ACT

The FAA's current authorization expires March 31, 2016. The following core principles provide a framework for deliberations about the FAA's next authorization:

- ▶ Maintain the safest aviation system in the world;
- ▶ Modernize the FAA's air traffic control system;
- ▶ Secure appropriate funding for the Nation's airports;
- ▶ Enable the integration of new users into the National Airspace System;
- ▶ Foster an FAA culture of innovation and efficiency;
- ▶ Allow the better alignment of resources with the needs of the National Airspace System;
- ▶ Strengthen the Department of Transportation's global leadership in aviation;
- ▶ Ensure a strong consumer protection regime for the flying public; and,
- ▶ Foster competition, new entry, and connectivity to the National Air Transportation System.

These principles are intended to guide reauthorization to improve safety, make the National Airspace System more efficient, and improve service for air travelers and other stakeholders. These principles are also based on the need for stable and adequate funding for core air traffic control operations, NextGen investments, and efficient recapitalization of aging facilities. The FAA is still recovering from the budget cuts imposed by sequestration in FY 2013 and the resulting impact to controller staffing. These principles are a critical part of avoiding such disruptions in the future. To augment stability, the President's Budget requests added flexibility by proposing the authority to transfer up to 10 percent across budget accounts, subject to approval by both Congressional Committees on Appropriations.

We look forward to working with all of our stakeholders to bring to fruition an FAA authorization that is reflective of these core principles and continues to improve the safest and most efficient aviation system in the world.

# FEDERAL AVIATION ADMINISTRATION

## FEDERAL AVIATION ADMINISTRATION

Dollars in Millions

Account	FY 2015 Actual	FY 2016 Enacted	FY 2017 President's Budget
Operations	\$ 9,740.7	\$ 9,909.7	\$ 9,994.4
General Fund (non-add)	[1,145.7]	[1,987.7]	[2,386.4]
Trust Fund (non-add)	[8,595.0]	[7,922.0]	[7,608.0]
Facilities & Equipment (TF)	2,600.0	2,855.0	2,838.0
Research, Engineering & Development (TF)	156.8	166.0	167.5
Grants-in-Aid for Airports (TF)	3,350.0	3,350.0	2,900.0
<b>Total</b>	<b>\$15,847.5</b>	<b>\$16,280.7</b>	<b>\$15,899.9</b>
<b>Direct FTE</b>	<b>43,355</b>	<b>43,870</b>	<b>44,044</b>

## OVERVIEW

The Federal Aviation Administration (FAA) maintains, operates, and ensures the safety of the National Airspace System (NAS). **The FY 2017 President's Budget request of \$15.9 billion** supports FAA's plans for air traffic controller and safety staffing, research and development, capital investment, and the modernization of our air traffic system through NextGen. NextGen is improving 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 needs of the NAS and the aviation community it serves continue to evolve. New users such as Unmanned Aircraft Systems (UAS) and commercial space vehicles are entering our Nation's airspace in increasing numbers, and will need to be accommodated in the NAS of the future.

## SUMMARY OF REQUEST

The FY 2017 President's Budget requests \$15.9 billion to invest in the safest, most efficient aerospace system in the world. This request is a responsible and necessary investment in critical capital infrastructure and the ongoing deployment of NextGen technologies. The proposal will advance the delivery of NextGen benefits to the user community while decreasing FAA's overall Budget by transforming the airport financing system. This transformation focuses Federal grant dollars on airports that need it most, while providing for increased investment opportunity in airport infrastructure. The Budget also allows FAA to safely integrate new entrants such as unmanned vehicles and increasing numbers of commercial space launches into the NAS.

The FAA's current authorization expires in March 2016. While no specific proposals to overhaul FAA financing or governance structures are introduced in the budget, the following core principles provide a framework for deliberations about the FAA's next authorization:

- ▶ Maintain the safest aviation system in the world;
- ▶ Modernize the FAA's air traffic control system;
- ▶ Secure appropriate funding for the Nation's airports;
- ▶ Enable the integration of new users into the NAS;
- ▶ Foster an FAA culture of innovation and efficiency;
- ▶ Allow the better alignment of resources with the needs of the NAS;
- ▶ Strengthen the DOT's global leadership in aviation;
- ▶ Ensure a strong consumer protection regime for the flying public; and
- ▶ Foster competition, new entry, and connectivity to the National Air Transportation System.

These principles are based on the need for stable and adequate funding for core air traffic control operations, NextGen investments, and efficient recapitalization of aging facilities. The FAA is still recovering from the budget cuts imposed by sequestration in FY 2013 and the resulting impact to controller staffing, and these principles are a critical part of avoiding such disruptions in the future. To augment stability, the budget provides added flexibility by proposing the authority to transfer up to 10 percent across budget accounts, subject to approval by both Congressional Committees on Appropriations. We look forward to working with all of our stakeholders to bring to fruition an FAA authorization that is reflective of these core principles and continues to improve the safest and most efficient aviation system in the world.

Major program highlights of the FAA's budget request include:

**Operations:** The FY 2017 President's Budget is requesting **\$10.0 billion for the operation, maintenance, communications, and logistical support of the air traffic control and air navigation systems.** This represents an increase of 1 percent above the FY 2016 enacted level to accommodate uncontrollable pay and inflationary increases, transition from F&E of maintenance costs for new equipment, and discretionary increases. Offsetting these increases are \$47 million in cost savings achieved through the Contract Weather program, Lean Maintenance, and other administrative efficiencies. Included in the Operations request are the following:

- ▶ Air Traffic Organization (ATO): \$7.5 billion is requested to provide safe, secure, and cost-effective air traffic services to commercial and private aviation. This includes \$27 million to transition projects from the capital program to

- Operations and **\$2.8 million** to support the **Lean Maintenance and Revalidation Program (LMRP)**, which analyzes cost and performance data, maintenance activities, and sustainment and support requirements. The Budget **assumes a total of \$37 million in savings for ATO including \$6.5 million in savings** from LMRP.
- **Aviation Safety Oversight (AVS)**: \$1.3 billion is requested to ensure the continued safety of the air transportation system. This includes **\$2.9 million and 9 FTEs for increases in staffing** for safety inspectors, engineers, and other safety critical staff for integration of Unmanned Aircraft Systems (UAS) and **\$500 thousand for increasing data capabilities** within the Hazard Tracking System for the collection of safety information within the Hazard Tracking Tool. The staffing request is aligned with the forecasted staffing requirements included in the AVS Workforce Plan.
- **Commercial Space Transportation (AST)**: \$19.8 million is requested to ensure the protection of the public, property, and national security of the United States during commercial launch and reentry activities. This includes an increase of **\$723 thousand and 7 new FTEs to enhance mission critical operational staffing** to support launch and reentry integration as well as an increased demand in license and permit determinations, certifications, and other authorizations required by this growing industry.
- **Finance & Management (AFN)**: \$771 million is requested to provide centralized management and delivery of core services to FAA's lines of business and staff offices. Within this amount, an increase of **\$4.0 million and 2 new FTEs are requested for Information System Security (ISS)** to improve FAA's cybersecurity detection, response, and recovery capabilities.

- **Security and Hazardous Materials Safety (ASH)**: \$107 million is requested to protect FAA's critical infrastructure, deliver emergency operations and contingency planning, and ensure the safe transportation of hazardous materials in air commerce. As a result of the comprehensive security review conducted after the Chicago Air Route Traffic Control Center (ZAU) fire incident on September 26, 2014, FAA is requesting an increase of **\$1.7 million and 10 FTEs to implement facility and personnel security recommendations** for FAA's critical operational facilities. The request also includes an increase of **\$1.8 million and 2 FTEs for the FAA's Insider Threat Detection and Mitigation Program (ITDMP)** to deter, detect, and mitigate potential employee threats to national security and/or aviation safety and provide a turnkey solution to integrate network monitoring capability.
- **Transition from F&E to Operations**: **\$37.3 million is requested to transition operating and maintenance costs of new systems from F&E to Operations**. Systems transitioning in FY 2017 include System-Wide Information Management (SWIM) at \$10.9 million, System Approach for Safety Oversight (SASO) at \$7.6 million, Integrated Display System Replacement (IDSR) at \$4.2 million, Runway Status Lights (RWSL) at \$1.4 million, and other programs totaling \$13 million. This funding is necessary for continued operation and maintenance of the systems at sites where they have been deployed.

**Facilities & Equipment (F&E)**: The FY 2017 President's Budget is requesting **\$2.8 billion** to enable FAA to meet the challenge of both **maintaining the capacity and safety of the current National Airspace while continuing its comprehensive system modernization and transformation**.

- Within these funds, the FY 2017 President's Budget requests **\$877 million for NextGen capital investments**, an increase of \$22 million above FY 2016. This will enable FAA to continue its ongoing modernization efforts. Examples of specific projects include:
    - *Performance Based Navigation:* \$18 million is requested to optimize the use of airspace and procedures in the metroplex areas.
    - *En Route Automation Modernization System Enhancements and Technology Refresh:* \$78 million is requested to provide enhancements to the automation system that are based upon user experience as well as to refresh technology that was installed over 10 years ago. Improvements in the efficiency and effectiveness of air traffic management and reduction in operational errors are the expected outcomes of this investment.
    - *Automatic Dependent Surveillance Broadcast:* \$31 million is requested for the continued implementation of satellite-based surveillance capabilities in the Continental U.S., in the Gulf of Mexico, and Alaska. This will provide a more complete picture of airspace conditions and more accurate position data that will result in increased capacity, fewer delays, and more optimal routing for aircraft. \$124 million will provide the funding for the satellite subscription services.
    - *Air-to-Ground Data Communications:* \$232 million is requested for data communications, to deploy a text-based data communication system in both the Terminal and En Route domains. This program will enable air traffic controller productivity improvements, and will permit capacity growth without requisite cost growth associated with equipment, maintenance, and labor.
  - *System-Wide Information Management (SWIM):* \$29 million is requested to continue the implementation of an information management and data sharing system for improved data sharing for FAA's internal and external stakeholders. This program will provide policies and standards to support data management, secure its integrity, and control its access and use.
  - *Time Based Flow Management:* \$51 million is requested to maximize traffic flow and airport usage by improving flow management into and out of the busy metropolitan airspaces and corresponding airports. Operations will achieve maximum throughput while facilitating efficient arrival and departure.
  - *Traffic Flow Data Management (TFDM):* \$42 million is requested to provide an integrated approach to maximize the efficient collection, distribution, and update of data supporting flight information in the terminal area (airspace around an airport and airport surface data). The TFDM program will automate the manual flight data processes to enable enhanced data sharing between the Tower Air Traffic Control, the En Route Air Traffic Control, Approach Control, Traffic Flow Management, and Flight/Airline Operations domains.
  - *Flight and Interfacility Data Interface (FIDI) Modernization:* \$15 million is requested to modernize the exchange of flight data between the En Route Automation System and other Terminal and Oceanic systems. The program will enable continued air traffic control operations in the event of a facility outage.
- The remainder of the investment, **\$2.0 billion, will be in legacy areas to sustain current systems**, including maintaining aging infrastructure,

power systems, information technology, navigational aids, communications, surveillance, and weather systems. Examples of specific projects include:

- *Air Traffic Control Facilities Strategic Sustainability Plan:* **\$483 million** is requested for an effort that will advance the **state of good repair for FAA infrastructure facilities**. This undertaking will target funding toward a portfolio of programs that include FAA Air Route Traffic Control Centers (ARTCCs), Air Traffic Control Facilities (ATCTs), and Terminal Radar Approach Control Facilities (TRACONs). Electrical Power Systems, Unmanned Infrastructure Facilities, Employee Protection, Environmental Programs at FAA Facilities, and temporary facilities used for responses to emergency and heavy air traffic situations are also included. The funding under this portfolio of programs will improve and maintain the facility condition index ratings at FAA facilities that provide the backbone for the NAS systems and functionality.
- *Terminal Automation Modernization/Replacement:* **\$173 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 NAS.

**Research, Engineering & Development (RE&D):** The FY 2017 President's Budget is requesting **\$167.5 million** to support the continuation of work in both NextGen and other research areas such as environmental and safety research including fire research, propulsion and fuel systems, unmanned aircraft, advanced materials research, and weather research. This is an increase of 0.9 percent over the FY 2016 enacted level. Highlighted research programs include:

- ▶ **NextGen Alternative Fuels for General Aviation:** **\$5.8 million is requested** to support continued efforts and industry partnerships **to transition from current aviation 100 low lead fuel to an unleaded replacement fuel** that will have the least impact on the General Aviation Fleet.
- ▶ **Unmanned Aircraft System Research:** **\$8.4 million is requested to support research on UAS technologies** which directly impact the safety of the national airspace. As detailed in the UAS Roadmap for Integration and the interagency UAS Integration Comprehensive Plan, FAA's 2017 research will be focused on sense and avoid, control and communications, systems safety criteria, modeling and simulation requirements, and research that will support the safe, efficient, and timely integration of UAS in the NAS.
- ▶ **NextGen—Environmental Research—Aircraft Technologies, Fuels, and Metrics:** **\$26.2 million is requested to achieve NextGen goals of increased mobility by reducing environmental impacts of aviation** in absolute terms, including those relating to community noise, air quality and global climate change. The program is focused on maturing aircraft technologies that can reduce aircraft noise, emissions that degrade air quality, greenhouse gas emissions, and energy use and advancing alternative jet fuels.
- ▶ **Commercial Space Transportation Safety:** **\$3 million is requested to continue to investigate improvements for the safe integration of commercial space operations into the NAS**, with an emphasis on reducing the amount of airspace affected by launch and reentry operations, responding more effectively to operational contingencies, and more expeditiously releasing affected airspace to other NAS users. **Advanced safety assessment methods will be furthered** by refining approaches to estimate failure probabilities for reusable vehicles

and improving public safety assessments during off-nominal incidents. **Advanced vehicle safety technology and methodologies will be studied** to isolate priority areas of concern for repetitive use of spaceflight vehicles and identify draft recommended practices for autonomous flight safety systems. **Human space flight safety and physiologic factors studies** will determine draft recommended practices for crew human factors for suborbital winged commercial spaceflight vehicles.

**Grants-in-Aid for Airports (AIP):** The FY 2017 President's Budget is requesting **\$2.9 billion obligation limitation for AIP**, a decrease of \$450 million from the FY 2016 enacted level.

- ▶ To assist those airports that are in most critical need, the Budget proposes **focusing Federal grants to support 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 for all commercial service airports** and eliminate guaranteed AIP entitlement funding for large hub airports, giving them greater flexibility to generate their own revenue.
- ▶ The combination of these two proposed changes to the AIP and PFC programs will allow for higher levels of infrastructure funding at our Nation's airports.

**FACILITIES & EQUIPMENT PROGRAMS**

Dollars in Millions

	<b>FY 2015 Enacted</b>	<b>FY 2016 Enacted</b>	<b>FY 2017 President's Budget</b>
<b>Activity 1—Engineering, Development, Test and Evaluation</b>	\$ 177.9	\$ 156.1	\$ 147.0
Advanced Technology Development and Prototyping	29.9	21.3	24.8
William J. Hughes Technical Center Programs	25.2	32.3	32.2
Separation Management Portfolio	13.0	31.5	25.8
Performance Based Navigation & Metroplex Portfolio	26.5	13.0	17.5
Other NextGen Portfolios	83.3	58.0	46.7
<b>Activity 2—Air Traffic Control Facilities and Equipment</b>	<b>1,578.0</b>	<b>1,832.2</b>	<b>1,631.4</b>
En Route Automation Modernization (ERAM)	10.5	0.0	0.0
En Route Automation Modernization (ERAM)—System Enhances & Tech Refresh	45.2	79.4	78.0
Oceanic Automation System	3.5	20.0	24.0
System-Wide Information Management	60.3	37.4	28.8
ADS-B NAS Wide Implementation	254.7	184.6	31.1
Facilities Infrastructure Sustainment	335.9	417.9	406.3
Terminal Automation	198.5	248.2	180.8
Air Traffic Management (ATM)—including Commercial Space	5.7	13.7	20.0
Data Communications in Support of NG Air Transportation System	150.3	234.9	232.0
Improved Voice Communications	60.7	74.3	78.6
National Airspace System Voice System (NVS)	20.6	53.6	48.4
Runway Status Lights	41.7	24.2	4.8
Traffic Flow Data Management (TFDM)	0.0	0.0	42.2
Wide Area Augmentation System (WAAS) for GPS	98.6	107.2	85.0
Runway Safety Areas—Navigational Mitigation	35.0	30.0	14.0
Collaborative Air Traffic Management Technologies	13.5	14.8	13.8
Time Based Flow Management Portfolio	21.0	42.6	50.6
Surveillance Interface Modernization	4.0	23.0	26.8
Flight and Interfacility Data Interface (FIDI) Modernization	0.0	9.0	15.0
NextGen Weather Processors	23.3	7.0	27.8
Improve Weather Systems	28.7	33.7	31.7
Improve Surveillance Systems	49.2	44.5	63.9
VHF Omnidirectional Radio Range (VOR) with Distance Measuring Equipment (DME)	8.3	4.5	7.0
Improve Navigation Systems	42.9	47.4	40.9
Other	65.8	80.6	80.0
<b>Activity 3—Non-Air Traffic Control Facilities and Equipment</b>	<b>158.3</b>	<b>171.0</b>	<b>182.9</b>
Hazardous Materials Management	22.0	26.4	31.0
National Air Space (NAS) Recovery Communications (RCOM)	12.0	12.0	12.0
Facility Security Risk Management	14.3	15.0	21.0
Information Security	12.0	12.0	25.0
Aeronautical Center Infrastructure Modernization	13.2	15.2	14.0
Safety Database and Computer Systems	47.6	49.6	44.7
Other	18.5	23.8	18.3
<b>Activity 4—Facilities and Equipment Mission Support</b>	<b>225.8</b>	<b>225.7</b>	<b>237.4</b>
Support Contracts	85.6	88.2	93.1
Center for Advanced Aviation System Development (CAASD)	60.0	60.0	60.0
Leases	61.6	65.5	65.9
Aeronautical Information Management Program	12.7	5.0	10.4
Other	6.0	7.0	8.0
<b>Activity 5—Personnel and Related Expenses</b>	<b>460.0</b>	<b>470.0</b>	<b>489.0</b>
<b>Activity 6—Sustain ADS-B services &amp; WAAS GEOs</b>	<b>0.0</b>	<b>0.0</b>	<b>150.3</b>
<b>Total</b>	<b>\$2,600.0</b>	<b>\$2,855.0</b>	<b>\$2,838.0</b>

**NEXTGEN PROGRAMS**

Dollars in Millions

	FY 2015 Enacted	FY 2016 Enacted	FY 2017 President's Budget
<b>Facilities and Equipment</b>	<b>\$792</b>	<b>\$855</b>	<b>\$ 877</b>
NextGen—Separation Management Portfolio	13	32	26
NextGen—Improved Surface Portfolio	39	17	2
NextGen—On Demand NAS Portfolio	6	11	9
NextGen—Environment Portfolio	6	1	—
NextGen—Improved Multiple Runway Operations Portfolio	6	8	7
NextGen—NAS Infrastructure Portfolio	14	11	18
NextGen—Support (NIAC, Test Bed) Portfolio	13	10	12
NextGen—System Safety Management Portfolio	19	17	17
Performance Based Navigation and Metroplex Portfolio	27	13	18
Collaborative Air Traffic Management Technology (CATMT) Portfolio	13	15	14
Tactical Flow Time Based Flow Management (TBFM) Portfolio	21	43	51
NextGen—Communications in Support of NextGen	150	235	232
En Route Automation Modernization (ERAM)—System Enhance & TR	45	79	78
System-Wide Information Management (SWIM)	60	37	29
ADS-B NAS Wide Implementation	255	185	31
Next Generation Weather Processor (NWP)	23	7	28
NAS Voice System (NVS)	21	54	48
Traffic Flow Data Management (TFDM)	—	—	42
Aeronautical Information Management Program (AIM Segment 2)	13	5	10
Cross Agency NextGen Management	2	3	2
Flight and Interfacility Data Interface (FIDI) Modernization	—	9	15
Activity 5 F&E PCB&T—NextGen Staffing	47	64	67
Activity 6 Sustain ADS-B Services	—	—	124
<b>Research Engineering and Development (RE&amp;D)</b>	<b>51</b>	<b>71</b>	<b>63</b>
Unmanned Aircraft Systems Research	—	18	8
NextGen—Alternative Fuels for General Aviation	6	7	6
NextGen—Wake Turbulence	9	9	9
NextGen—Air Ground Integration	10	8	9
NextGen—Weather in the Cockpit	4	4	4
NextGen—Environmental Research, Aircraft Technologies, Fuels & Metrics	23	26	26
NextGen—Information Security	—	—	1
<b>Operations</b>	<b>14</b>	<b>55</b>	<b>60</b>
Performance Based Navigation (PBN) Metroplex Activities	—	14	14
Unmanned Aircraft System Certification and Integration	—	12	14
NextGen Staffing	14	29	33
<b>Total NextGen Programs</b>	<b>\$857</b>	<b>\$980</b>	<b>\$1,000</b>

## ADVANCING OUR PRIORITIES...

### FEDERAL AVIATION ADMINISTRATION MAJOR ACCOMPLISHMENTS (2009–2015)

The FAA is proud of the accomplishments achieved in recent years, which include:

- ▶ **Safety Record:** Aviation has never been safer. The U.S. Commercial Aviation Industry is one of the safest in the world. Since 2009, the U.S. has made dramatic reductions to general aviation fatalities. Key to this was the implementation of new rules for pilot training and certification, qualifications, and minimum rest requirements.
- ▶ **NextGen Implementation:** The FAA and the aviation community achieved the safest period for commercial and general aviation in history. At the same time, the agency also worked with aviation stakeholders to transform our air traffic system with the Next Generation Air Transportation System, or NextGen. This transformation included a transition from ground-based radar to satellite-enabled technology to track aircraft in flight, modernizing the underlying air traffic control automation systems, and vast improvements in the way controllers and pilots share critical safety information.
- ▶ **Risk-Based Compliance:** Safety is the FAA's primary mission and the agency is implementing a new, risk-based compliance philosophy that will continuously improve upon an unprecedented aviation safety record. We are using this risk-based approach for decision-making as we oversee the safe integration of Unmanned Aircraft Systems (UAS) into the airspace system. In the spring of 2015, we released the small UAS Notice of Proposed Rulemaking and will be finalizing that rule in 2016. On December 21, 2015, we launched a streamlined, web-based registry system for small unmanned aircraft. As we oversee the regulatory framework for the safe introduction of new technologies such as UAS and commercial space into our Nation's airspace, we also are working to ensure these new users are trained to operate safely.
- ▶ **Improving the Flying Experience:** Over this period, we also implemented new rules for pilot training and certification, qualifications, and minimum rest requirements to ensure the flying public that we see the best set of skills in the cockpit. Another significant improvement to the passenger experience was the authorization for airlines to safely expand passenger use of Portable Electronic Devices (PEDs) during all phases of a flight.
- ▶ **Implementing Modern Technology:** Passengers will also benefit from many of the NextGen technologies and procedures we put in place over the last few years. Through the Metroplex initiative, we implemented new Performance Based Navigation procedures that use satellite technology to enable controllers and flight crews to know exactly when to reduce aircraft thrust, reducing flying time, fuel consumption, and noise. The combination of new GPS-based procedures and Wake Turbulence Re-categorization has saved millions of dollars in fuel costs for the airlines and reduced greenhouse gas emissions for the environment. And, we have invested over \$28 billion in new runways, airport surface infrastructure, and other safety improvements since 2009.
- ▶ **Creating a Modern Organization:** We have implemented organizational changes at the FAA to be more efficient at accomplishing our mission. We remain agile in crisis and quickly mobilized to provide financial, acquisition, logistical relief and support when damaging storms and floods have impacted transportation infrastructure in our Nation's cities and communities.

# FIXING AMERICA'S SURFACE TRANSPORTATION (FAST) ACT

## FIXING AMERICA'S SURFACE TRANSPORTATION (FAST) ACT

Dollars in Millions

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	2016–2020	FY Annual Average
<b>Federal Highway Administration</b>							
Federal-Aid Highways:							
Administrative Expenses	453	460	467	474	481	2,334	467
<i>General Operating Expenses [non-add]</i>	429	436	443	450	457	2,214	443
Apportioned Programs	39,728	40,548	41,424	42,359	43,373	207,432	41,486
<i>Freight (As part of Apportioned Programs) [non-add]</i>	1,150	1,100	1,200	1,350	1,500	6,300	1,260
<i>MAP-21 Base Apportioned Programs [non-add]</i>	38,578	39,448	40,224	41,009	41,873	201,132	40,226
Federal Lands and Tribal Transportation Programs	1,050	1,075	1,100	1,125	1,150	5,500	1,100
Research, Technology, and Education Programs (Trust Funded)	415	418	418	420	420	2,090	418
Federal Allocation Programs (Includes \$100M exempt)	380	380	380	380	380	1,900	380
TIFIA	275	275	285	300	300	1,435	287
Nationally Significant Freight and Highway Projects	800	850	900	950	1,000	4,500	900
Nationally Significant Federal Lands and Tribal Projects (General Funded)	100	100	100	100	100	500	100
Regional Infrastructure Accelerator Demonstration Program (General Funded)	12	—	—	—	—	12	2
<b>Total, FHWA</b>	<b>43,212</b>	<b>44,105</b>	<b>45,073</b>	<b>46,108</b>	<b>47,204</b>	<b>225,702</b>	<b>45,104</b>
Subtotal General Funded	112	100	100	100	100	512	102
Subtotal Trust Funded	43,100	44,005	44,973	46,008	47,104	225,190	45,038
<b>Federal Transit Administration</b>							
Formula Grants (Trust Funded)	9,348	9,535	9,733	9,939	10,150	48,705	9,741
Positive Train Control (Trust Funded)	—	199	—	—	—	199	40
Research Development Demonstration Deployment Projects (General Funded)	20	20	20	20	20	100	20
Technical Assistance/Standards Development (General Funded)	5	5	5	5	5	25	5
Capital Investment Grants (General Funded)	2,302	2,302	2,302	2,302	2,302	11,509	2,302
Administrative Expenses (General Funded)	115	115	115	115	115	575	115
<b>Total, FTA</b>	<b>11,789</b>	<b>12,176</b>	<b>12,175</b>	<b>12,381</b>	<b>12,592</b>	<b>61,113</b>	<b>12,223</b>
Subtotal General Funded	2,442	2,442	2,442	2,442	2,442	12,209	2,442
Subtotal Trust Funded	9,348	9,734	9,733	9,939	10,150	48,904	9,781
<b>Federal Motor Carrier Safety Administration</b>							
Safety Operations & Programs	267	277	283	284	288	1,399	280
Motor Carrier Safety Grants	313	367	375	382	388	1,825	365
<b>Total, FMCSA</b>	<b>580</b>	<b>644</b>	<b>658</b>	<b>666</b>	<b>676</b>	<b>3,224</b>	<b>645</b>
Subtotal General Funded	—	—	—	—	—	—	—
Subtotal Trust Funded	580	644	658	666	676	3,224	645
<b>Pipeline and Hazardous Materials Safety Administration</b>							
Transportation of Hazardous Materials	53	55	57	58	60	283	57
Hazardous Material Emergency Preparedness Fund Programs	28	28	28	28	28	140	28
<b>Total, PHMSA</b>	<b>81</b>	<b>83</b>	<b>85</b>	<b>86</b>	<b>88</b>	<b>423</b>	<b>85</b>
Subtotal General Funded	53	55	57	58	60	283	57
Subtotal Hazardous Materials Emergency Preparedness Fund	28	28	28	28	28	140	28

## FIXING AMERICA'S SURFACE TRANSPORTATION (FAST) ACT (continued)

Dollars in Millions

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	2016–2020	Annual Average
<b>National Highway Traffic Safety Administration</b>							
Highway Safety Programs (Sec 402) (Trust Funded)	244	252	261	270	280	1,307	261
Highway Safety Research and Development (Sec 403) (Trust Funded)	138	141	144	147	150	719	144
National Priority Safety Programs (Sec 405) (Trust Funded)	275	278	280	283	286	1,401	280
National Driver Register (Trust Funded)	5	5	5	5	6	27	5
High Visibility Enforcement Program (Trust Funded)	29	30	30	30	31	149	30
Administrative Expenses (Trust Funded)	26	26	26	27	27	132	26
Vehicle Safety (Trust Funded)	—	—	—	—	—	—	—
Vehicle Safety (General Funded)	133	136	138	141	144	692	138
Vehicle Safety (Subject to Certification) (General Funded)	46	52	57	63	70	288	58
<b>Total, NHTSA</b>	<b>895</b>	<b>918</b>	<b>942</b>	<b>967</b>	<b>992</b>	<b>4,715</b>	<b>943</b>
<b>Subtotal General Funded</b>	<b>179</b>	<b>187</b>	<b>196</b>	<b>204</b>	<b>214</b>	<b>980</b>	<b>196</b>
<b>Subtotal Trust Funded</b>	<b>716</b>	<b>731</b>	<b>747</b>	<b>762</b>	<b>778</b>	<b>3,735</b>	<b>747</b>
<b>Federal Railroad Administration</b>							
Grants to Amtrak (General Funded)	1,450	1,500	1,600	1,700	1,800	8,050	1,610
Consolidated Rail Infrastructure and Safety Improvements	98	190	230	255	330	1,103	221
Federal-State Partnership for State of Good Repair	82	140	175	300	300	997	199
Restoration and Enhancement Grants	20	20	20	20	20	100	20
Amtrak Office of Inspector General (General Funded)	20	21	21	22	22	105	21
<b>Total, FRA</b>	<b>1,670</b>	<b>1,871</b>	<b>2,046</b>	<b>2,297</b>	<b>2,472</b>	<b>10,355</b>	<b>2,071</b>
<b>Subtotal General Funded</b>	<b>1,670</b>	<b>1,871</b>	<b>2,046</b>	<b>2,297</b>	<b>2,472</b>	<b>10,355</b>	<b>2,071</b>
<b>Subtotal Trust Funded</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total Authorizations</b>	<b>58,228</b>	<b>59,797</b>	<b>60,980</b>	<b>62,504</b>	<b>64,025</b>	<b>305,532</b>	<b>61,106</b>
<b>General/Other Funded Bill Total</b>	<b>4,484</b>	<b>4,682</b>	<b>4,868</b>	<b>5,129</b>	<b>5,316</b>	<b>24,479</b>	<b>4,896</b>
<b>Trust Funded Bill Total</b>	<b>53,744</b>	<b>55,114</b>	<b>56,111</b>	<b>57,375</b>	<b>58,709</b>	<b>281,053</b>	<b>56,211</b>

On December 4, 2015, President Obama signed into law the *Fixing America's Surface Transportation (FAST) Act*. Overall, the *FAST Act* largely maintains current program structures and funding shares between highways and transit. It is a down-payment for building a 21st Century transportation system.

**National Surface Transportation and Innovative Finance Bureau:** The *FAST Act* creates the National Surface Transportation and Innovative Finance Bureau, a new office intended to help streamline and improve the application process for the Department's credit assistance programs and will promote innovative financing best practices for Public Private Partnerships (PPP) across all modes. The *FAST Act* also increases flexibility for the Transportation Infrastructure Finance

and Innovation Act (TIFIA), helping to leverage Federal dollars by facilitating private participation in transportation projects.

**Project Delivery:** The *FAST Act* builds on existing Administration efforts by requiring an online platform to make publicly available the status and progress of a broader variety of projects undergoing environmental review, including projects receiving innovative financing. Among other changes to accelerate reviews, the *FAST Act* codifies the Federal Highway Administration's (FHWA) "Every Day Counts" initiative that helps identify, accelerate, and deploy proven innovations that shorten the project delivery process and improve environmental sustainability.

**Safety:** The *FAST Act* makes a number of changes to the Department's safety programs, including creating new grant programs, and making changes to the Department's authorities to protect the traveling public.

- ▶ **Recalls:** The law improves the National Highway and Traffic Safety Administration's (NHTSA) ability to recall unsafe vehicles and prohibits rental companies from renting out motor vehicles subject to safety recalls until they are fixed.
- ▶ **Civil penalties:** The *FAST Act* increases the maximum civil penalty that may be imposed against automakers for safety-related motor vehicle defects.
- ▶ **Grant programs:** The law streamlines the Federal Motor Carrier Safety Administration's (FMCSA) truck and bus safety grant programs and establishes a new competitive grant program for passenger and freight rail safety projects.
- ▶ **Safety data:** The *FAST Act* requires certain truck company safety performance data to be removed from the Department's website pending the results of a review of that data.

**National Multimodal Freight Policy:** The *FAST Act* establishes a National Multimodal Freight Policy that includes national goals to guide decision-making and creates a new discretionary freight-focused grant program that will invest \$4.5 billion over 5 years on multimodal freight projects. In addition, the *FAST Act* provides \$6.3 billion in formula funds over 5 years for States to invest in freight projects on the National Highway Freight Network.

**Ladders of Opportunity:** The *FAST Act* includes provisions that are intended to improve transportation options, redevelop communities, and to expand employment opportunities, particularly for low-income individuals, minorities, and persons with disabilities. Specifically, the *FAST Act* expands access to public transportation workforce opportunities through training, educational programs, technical assistance grants, and increases design flexibility and local control by creating an option for certain local governments to use a design guide for their street network that differs from their State's adopted design guide.

# FEDERAL HIGHWAY ADMINISTRATION

## FEDERAL HIGHWAY ADMINISTRATION

Dollars in Millions

Account	FY 2015 Actual	FY 2016 FAST	FY 2016 Enacted	FY 2017 FAST	FY 2017 President's Budget
Federal-Aid Highways Obligation Limitation (TF) <sup>1,2</sup>	\$40,256.0	\$42,361.0	\$42,361.0	\$43,266.1	\$43,266.1
Exempt Mandatory Federal-Aid Highways (TF) <sup>3</sup>	685.1	739.0	688.7	739.0	739.0
Limitation on Admin Expenses (non-add) <sup>4</sup>	[415.0]	[429.0]	[429.0]	[435.8]	[435.8]
<b>Subtotal</b>	<b>40,941.1</b>	<b>43,100.0</b>	<b>43,049.7</b>	<b>44,005.1</b>	<b>44,005.1</b>
21st Century Clean Transportation Plan Invest (TF)	0	0	0	0	7,500.0
<b>Total</b>	<b>\$40,941.1</b>	<b>\$43,100.0</b>	<b>\$43,049.7</b>	<b>\$44,005.1</b>	<b>\$51,505.1</b>
Cancellation of Federal-Aid Highways Unobligated Balances	0	0	0	0	[2,436.0]
<b>Direct FTE</b>	<b>2,559</b>			<b>2,546</b>	<b>2,546</b>

<sup>1</sup> Flexible funding transfers to/from FTA were \$1.4 billion in FY 2015 and the Department estimates flexible funding transfers of \$1.3 billion for FY 2016 and FY 2017.

<sup>2</sup> Does not reflect penalty transfers to NHTSA, which were \$83 million in FY 2015 and \$91 million in FY 2016.

<sup>3</sup> FY 2015 Actual and FY 2016 Enacted exempt amounts are shown after reductions due to sequestration.

<sup>4</sup> FY 2015 annual appropriations (PL 113-235) provided \$429,348,000 of obligation limitation for administrative expenses; however, the contract authority level provided by the authorization extension through September 30, 2015 (PL 114-41) was \$415,000,000.

## OVERVIEW

The Federal Highway Administration (FHWA) promotes the development, operation, and management of a safe, economically efficient, and environmentally sound intermodal surface transportation system that provides a foundation for the Nation to compete in the global economy. **The FY 2017 President's Budget request includes \$44.0 billion** to provide FHWA with the resources necessary for State, local, and other Federal transportation agencies to improve the safety, condition, and

performance of their highway and roadway systems in ways that protect the environment, provide user access and choices, and benefit from advances in technology and innovation. In addition to base funds, the Budget includes **\$7.5 billion in new funding through the 21st Century Clean Transportation Plan Investments** for a series of new, multi-modal programs that reflect America's changing and increasingly regional demographics.

## SUMMARY OF REQUEST

The President is requesting **\$51.5 billion as part of FHWA's Budget request. This includes \$44.0 billion** for base programs, which is consistent with the level authorized in the *FAST Act* for FY 2017, and an increase above the FY 2016 enacted funding levels. **The request also includes \$7.5 billion for new, multimodal programs**, described below and detailed in the introduction to this Budget in Brief.

- ▶ **21st Century Clean Transportation Plan Investments:** A series of new, multimodal programs would provide \$7.5 billion in crucial investments. A total of \$5.5 billion would focus on supporting investment decisions in a “**21st Century Regions**” approach that reflects the Nation’s changing demographics and transportation challenges and improved outcomes for communities and the environment. Increasingly, Americans are choosing to live in metropolitan areas and megaregions that often cross State lines, yet the majority of Federal transportation funding flows, via formula, through the States. This Budget would balance that funding stream. It would direct billions of dollars through regional governments via the *21st Century Regions Grant Program* to Metropolitan Planning Organizations, empowering them to play a stronger role in decision-making and build multimodal projects. The Budget further supports a *Climate-Smart Performance Formula Funds Program* to reward States that use Federal infrastructure funds to cut carbon pollution and improve energy efficiency, as well as a new *Clean Communities Grant Program* aimed at creating cities and towns with expanded multimodal transportation choices. Further, a recurring *Resilient Transportation Grant Program* would encourage local and State governments to propose specific projects that address the impacts of climate change on transportation

systems and surrounding communities. The Budget also includes **\$2.0 billion for the Future Freight System Program** which is discussed below.

- ▶ **Highway Safety Improvement Program:** The President’s Budget requests **\$2.51 billion** for the performance-based Highway Safety Improvement Program to provide funding to significantly **reduce traffic fatalities and serious injuries on all public roads** for all road users including pedestrians and bicyclists. FHWA, through National leadership and innovation, focuses on improving the safety of roadway infrastructure on all public roads, including non-State-owned public roads and roads on Tribal land, using a data- and performance-driven strategic approach. The Highway Safety Improvement Program includes a **\$230 million** targeted set-aside, the **Railway-Highway Crossings Program**, to fund safety improvements to reduce the number of fatalities, injuries, and crashes at public grade crossings.
- ▶ **Supporting Freight Transportation, Nationwide:** The President’s Budget supports a series of programs which, taken together, will significantly enhance the Nation’s ability to move goods efficiently and safely. These investments include:
  - **\$850 million for the Nationally Significant Freight and Highway Projects Program**, a new discretionary grant program established by the *FAST Act*, for major highway and freight projects that will achieve national transportation and commerce objectives. The NSFHP will be led by the newly created National Surface Transportation and Innovative Finance Bureau. Large NSFHP grants must be at least \$25 million for projects with a total project cost of \$100 million or more. Small NSFHP projects have a minimum grant size of \$5 million.

- \$2 billion in additional funds for FY 2017 to further modernize the Nation's freight system and fund other critical multimodal modernization projects, as part of the *Administration's 21st Century Clean Transportation Plan Investments* described above. The goal of these funds is to make the U.S. a leader in freight efficiency and services, while decreasing pollution by providing for a multimodal discretionary freight program that strengthens America's exports and trade by funding innovative rail, highway, port, and intermodal projects.
  - \$1.1 billion for the National Highway Freight Program, a new core Federal-aid Highway program established by the *FAST Act*. This formula program provides **States with necessary funds for vital projects that will improve the movement of freight on the National Highway Freight Network (NHFN)**. The NHFN consists of the 41,500-mile Primary Highway Freight System (PHFS), all other Interstates not on the PHFS, and other State-identified critical rural and urban corridors. The *FAST Act* requires all States using formula dollars to complete a multimodal State Freight Plan, either as a stand-alone product or as part of a State's long-range plan, by October 1, 2017.
- **National Highway Performance Program (NHPP):** The President's Budget requests **\$22.8 billion** for the performance-based National Highway Performance Program, which **focuses significant Federal resources on the National Highway System (NHS)**. The 220,000-mile NHS provides mobility to the vast majority of the Nation's population and almost all of its commerce, carrying 55 percent of all vehicular traffic, serving 53 percent of U.S. highway border-crossings, and handling 98 percent of total truck trade with Canada

and Mexico. The NHPP will improve the **condition and performance** of the NHS; support the **construction of new facilities** on the NHS; and help ensure that investments of Federal-aid Highway funds in highway construction support progress toward the achievement of performance targets. The program includes performance management features, holds States accountable for achieving performance targets, and provides flexibility to States for making transportation investment decisions.

- ▶ **Surface Transportation Block Grant Program (STBG):** The President's Budget requests **\$11.4 billion** for the Surface Transportation Block Grant Program which provides flexible funding that may be used by States and localities for projects **to preserve and improve the condition and performance on Federal-aid highways, bridges on any public road, transit capital projects (including intercity bus terminals), and bicycle and pedestrian facilities**. The flexible nature of this program ensures States are able to direct funding to areas of greatest need while also fostering innovation. This program will give transportation agencies the ability to target funding to State and local priorities. States will identify projects for STBG funding in consultation with local transportation officials in rural areas and in cooperation with the Metropolitan Planning Organization (MPO) in metropolitan areas.
- ▶ **Congestion Mitigation and Air Quality Improvement Program (CMAQ):** The President's Budget requests **\$2.4 billion** for the Congestion Mitigation and Air Quality (CMAQ) Improvement Program to help States, local governments, and private-sector sponsors **reduce highway congestion and harmful emissions**, and assist many areas in reaching attainment of the National Ambient Air Quality Standards (NAAQS), a strong

environmental priority. The CMAQ program provides a flexible funding source for State and local governments to fund transportation projects and programs that are designed to help States meet the requirements of the Clean Air Act and its amendments, and helps reduce regional congestion on transportation networks.

- ▶ **Metropolitan Transportation Planning Program:** The President's Budget requests **\$336 million** for the Metropolitan Transportation Planning Program to provide funds for use by Metropolitan Planning Organizations (MPOs) for multimodal transportation planning and programming in metropolitan areas. Metropolitan planning activities include: the collection and analysis of data on demographics, trends, and system performance; travel demand and system performance forecasting; identification and prioritization of transportation system improvement needs; and coordination of the planning process and decision-making with the public, elected officials, and stakeholder groups.
- ▶ **Federal Lands and Tribal Programs:** The President's Budget requests **\$1.1 billion** for transportation construction and engineering projects on Federal and Tribal Lands. This funding will be used for construction and engineering projects that will provide multimodal access to basic community services including safer all-weather access to schools and healthcare facilities for 566 Federally recognized sovereign Tribal governments, improve multimodal access to recreational areas on public lands/national treasures, and expand economic development in and around Federal and Tribal lands while preserving the environment and reducing congestion.
- ▶ **Transportation Infrastructure Finance and Innovation Act Program (TIFIA):** The President's Budget requests **\$275 million** for the TIFIA

Program to cover the subsidy cost of providing **credit assistance for nationally or regionally significant transportation projects**. The TIFIA Program leverages \$275 million in Federal funds to stimulate up to \$8 billion in infrastructure investment. The TIFIA Program facilitates private participation in transportation projects and encourages innovative financing mechanisms that help advance projects more rapidly. The TIFIA loan portfolio is currently about \$23 billion. Under the *FAST Act*, States can use NHPP, STBG, and NSFHP funds for TIFIA subsidy costs. The *FAST Act* calls for the TIFIA application process to be managed by a new National Surface Transportation and Innovative Finance Bureau within the Office of the Secretary. The Act also makes Transit Oriented Development activities eligible for TIFIA support.

- ▶ **Research, Technology, and Education Program (RT&E):** The President's Budget requests **\$418 million** for the RT&E Program to provide for a **comprehensive, nationally coordinated research, technology, and education program**. The request includes a highway research and development program, a technology and innovation deployment program, an intelligent transportation systems program, and a training and education activities program. Research supporting innovative finance efforts and a competitive grants program to establish model deployment sites for the large scale implementation and operation of advanced transportation technologies are also included.
- ▶ **Other Highway Programs:** The President's Budget requests **a total of \$404 million for six important programs**: Emergency Relief, Territorial and Puerto Rico Highways Program, Construction of Ferry Boats and Ferry Terminal Facilities, On-the-Job Training, Disadvantaged Business Enterprise, and Highway Use Tax Evasion.

## ADVANCING OUR PRIORITIES...

### FEDERAL HIGHWAY ADMINISTRATION MAJOR ACCOMPLISHMENTS (2009–2015)

- ▶ **Safer Roads:** The number of highway-related fatalities decreased by 13 percent between 2008 and 2014. The decrease aligns with the continued growth and success of the data-driven, strategic, and collaborative approach to highway safety investments led by FHWA.
- ▶ **Economic Recovery and Growth:** Under the American Recovery and Reinvestment Act of 2009, FHWA worked with State departments of transportation and Federal partners to successfully deliver nearly 13,000 projects, improving more than 42,000 miles of road, and more than 2,700 bridges across the Nation. These projects put tens of thousands of Americans back to work and made American communities safer, more livable, and economically stronger.
- ▶ **Champions for Innovation:** In 2010, FHWA launched the Every Day Counts (EDC) initiative—a partnership with State and local agencies to aggressively advance deployment of innovative technologies and procedures at every stage of the highway project lifecycle to improve project delivery times. Since then, every State transportation agency has used these innovations, and Congress acknowledged EDC's success by including it in the FAST Act.
- ▶ **More Rapid Delivery of Projects:** The pace of the Federal environmental review process has accelerated during this Administration. Through efforts such as the EDC initiative, the median time to complete an environmental impact statement dropped from 68 months (pre-SAFETEA-LU) to a median of 45 months as of 2015. For projects initiated during the Obama Administration and completed as of 2015, the median timeframe is 41 months.
- ▶ **Improved State of Good Repair for Roads and Bridges:** The number of bridges in service increased by more than 9,000 between 2008 and 2014. This represents an increase of 1.5 percent. The percentage of bridges in fair or better condition also improved by 2 percent during those years. Similarly, despite the number of vehicle miles traveled increasing by approximately 2 percent over the same timeframe, the share of NHS travel occurring on pavements with good ride quality has increased 1 percentage point per year, on average, to reach 59 percent in 2014.
- ▶ **Ladders of Opportunity:** FHWA has strongly supported the President's efforts to create "ladders of opportunity" that help communities across the Nation, increase their transportation options, and connect residents to jobs and essential services. The agency worked to revisit and update design policies and to encourage a greater focus on flexibility to address the social, economic, and environmental impacts of design. FHWA also provided grants to States to promote innovative highway construction workforce development programs that invest in America's economic growth and build ladders of opportunity into the middle class for American workers.
- ▶ **System Resilience and Adaptation:** FHWA has worked to help make the Nation's transportation system more resilient to climate change and extreme weather events. Since 2013, FHWA has partnered with States, Metropolitan Planning Organizations, and Federal Land Management Agencies to pilot approaches for conducting vulnerability assessments of transportation infrastructure and for analyzing options to improve resiliency.

# FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

## FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

Dollars in Millions

Account	FY 2015 Actual	FY 2016 <i>FAST</i>	FY 2016 Enacted	FY 2017 <i>FAST</i>	FY 2017 President's Budget
Motor Carrier Safety Operations and Programs (TF)	\$259.0	\$267.4	\$267.4	\$277.2	\$277.2
Motor Carrier Safety Grants (TF)	313.0	313.0	313.0	367.0	367.0
Multimodal Safety Investments (TF)	0	0	0	0	150.0
<b>Total</b>	<b>\$572.0</b>	<b>\$580.4</b>	<b>\$580.4</b>	<b>\$644.2</b>	<b>\$794.2</b>
<b>Direct FTE</b>	<b>1,058</b>		<b>1,114</b>		<b>1,117</b>

## OVERVIEW

The Federal Motor Carrier Safety Administration (FMCSA) promotes safety and provides resources to support State 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 2017 President's Budget**

**request of \$794.2 million** provides the resources necessary to support nationwide motor carrier safety and consumer enforcement efforts. This includes 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 American regulations.

## SUMMARY OF REQUEST

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The President is requesting **\$794.2 million** in FY 2017 to invest in safe motor carrier and commercial motor vehicle (CMV) operations, and to reduce large truck and bus crashes, injuries, and fatalities; supporting the effective implementation of FMCSA's safety and enforcement programs and information technology tools.

► **Motor Carrier Safety Operations and Programs:**

The President's Budget requests **\$277.2 million** in FY 2017 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:

- **General Operations:** The President's Budget requests **\$264.0 million and 1,116.5 FTE** to carry out FMCSA's primary safety mission and required support functions. This includes \$3.8 million to fund FMCSA's requirements for critical safety and operational facility improvements at border and domestic posts. Another \$2.0 million is requested to fund important safety and safety mission support training for FMCSA staff. To support the effective implementation of FMCSA's programs, \$1.2 million is requested to fund FMCSA's Program Integration Office.
- **Research:** **\$9.2 million** is requested for multi-year Research and Technology programs focused on producing safer drivers and carriers.
- **Outreach:** **\$4.0 million** is requested to fund FMCSA's Outreach and Education Program to further the agency's mission of reducing CMV related fatalities and injuries.

► **Motor Carrier Safety Grants:** The FY 2017 President's Budget requests **\$367.0 million** for the Motor Carrier Safety Grants program. The requested funding implements the *FAST Act*'s restructuring of the agency's grant programs, reducing the application and compliance burden on our grantees, and reducing the Federal Government's costs to administer agency grant programs. This request increases the resources available to award grants that are used to support investigations and interventions in States, identify and apprehend traffic violators, and conduct roadside inspections.

► **Motor Carrier Compliance:** FMCSA requests **\$334.8 million** for the Motor Carrier Safety Assistance Program, including \$292.6 million for formula grants and \$42.2 million for High Priority projects. This is \$51.8 million more than comparable programs in FY 2016. The requested funds are 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 support roadside inspections, interventions, compliance reviews, and targeted enforcement, while discretionary funds support 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 (CDL) Program Improvement:** **\$31.2 million** is requested to provide funding for grants to States that focus on the operator's role in commercial vehicle safety and CDL improvement programs. The requested increase will assist States to create CDL compliance plans.

- **Multimodal Safety Investments:** The FY 2017 President's Budget requests **\$150.0 million** to expand FMCSA's safety programs, a crucial tool for FMCSA to continue its life-saving work of keeping the Nation's highways safe for the motor- ing public by working to reduce the more than 4,000 fatalities each year in crashes involving commercial trucks and buses. FMCSA uses its budget resources to invest in staffing, cutting- edge technology, and grants to its State law

enforcement partners who conduct more than 3.5 million roadside inspections of vehicles and drivers each year. \$125 million is requested to expand FMCSA's direct safety programs and right- size the information technology and administra- tive programs which support it. \$25 million is requested to expand support for the State and local agency partners which are critical to safety improvements.

## ADVANCING OUR PRIORITIES...

### FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION MAJOR ACCOMPLISHMENTS (2009–2015)

- ▶ **Quick Strike Campaign:** Conducted the Quick Strike investigative campaign on passenger motor carriers resulting in a significantly increased enforcement rate and the issuance of 52 out-of-service orders to passenger motor carriers.
- ▶ **Enhanced Investigative Training:** Developed and delivered Enhanced Investigative Training (EIT) to Federal staff and State partners that focuses on innovative strategies for investigating poor on-highway safety performance; following leads and verifying records through a wider range of information sources; and, investigative techniques.
- ▶ **Identification of High Risk Carriers:** Improved FMCSA's prioritization approach including the identification of High Risk carriers with a crash rate that is 4 times higher than the national average. This rate is 35 percent higher than the crash rate of those carriers targeted under the previous prioritization approach. The first 1,000 carriers investigated and prioritized under the new approach resulted in a 48 percent enforcement rate.
- ▶ **Enforcing Motor Carrier Safety:** Investigated and shutdown 26 bus operations along the I-95 corridor due to their serious violations of safety regulations. These companies carried almost 2,000 people per day using drivers without valid commercial driver's licenses, medical qualification certificates, and those who were not properly drug-tested. These drivers had exceeded the maximum number of hours they could drive and operated buses that were mechanically unsafe and in disrepair.
- ▶ **Cracking Down on Distracted Driving:** Campaigned against distracted driving, based on FMCSA's research which involved a significant naturalistic driving study generating a wealth of information on Commercial Motor Vehicle (CMV) drivers' activities in the cab. This served as a basis for FMCSA's regulatory actions to prohibit CMV drivers from texting and using handheld wireless phones.
- ▶ **Cross-border Activities Efforts:** Supported cross-border activities to promote free trade between the U.S. and Mexico, and to discourage Mexico from imposing significant sanctions/tariffs that would have hurt U.S. businesses.
- ▶ **Streamlining Drive-vehicle Inspection Reports:** Elimination of unnecessary paperwork burdens for driver-vehicle inspection reports—the biggest accomplishment under the President's Regulatory Retrospective Review, saving the private sector \$1.7 billion annually without compromising safety.
- ▶ **New National Registry of Certified Medical Examiners:** FMCSA established a National Registry of Certified Medical Examiners to ensure that each interstate truck and bus driver is examined by a health-care professional, who has completed a minimum level of training and testing on the Federal standards. With the establishment of the National Registry, more than 45,000 examiners are currently certified and more than 7.7 million examinations have been completed. In addition, more than 66,000 medically unqualified individuals have been identified.
- ▶ **New Unified Registration System:** The FMCSA launched the Unified Registration System (URS), a new online registration system that will streamline and simplify the registration process and serve as a clearinghouse and depository of information on all entities regulated by the agency. The URS will combine multiple registration processes, information technology systems, and forms into a single online registration process.

# NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

## NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

Dollars in Millions

Account	FY 2015 Actual	FY 2016 FAST	FY 2016 Estimate	FY 2017 FAST	FY 2017 President's Budget
Operations and Research—Vehicle Safety (GF)	\$130.0	\$132.7 <sup>1</sup>	\$152.8	\$135.5 <sup>1</sup>	\$ 0
Operations and Research—Vehicle Safety (TF)	0	0	0	0	250.0
Operations and Research—Highway Safety Research and Development (TF)	118.5 <sup>2</sup>	142.9	142.9	145.9	145.9
<b>Subtotal Operations and Research</b>	<b>248.5</b>	<b>275.6</b>	<b>295.7</b>	<b>281.4</b>	<b>395.9</b>
Highway Traffic Safety Grants (TF)	561.5	573.3	573.3	585.4	585.4
Autonomous Vehicle Development (TF)	0	0	0	0	200.0
<b>Total</b>	<b>\$810.0</b>	<b>\$848.9</b>	<b>\$869.0</b>	<b>\$866.8</b>	<b>\$1,181.3</b>
<b>Direct FTE</b>	<b>558</b>		<b>639</b>		<b>674</b>

<sup>1</sup> Vehicle Safety funding in the FAST Act does not include the additional funding subject to certification.

<sup>2</sup> This amount does not include the \$20 million in expired authority, which was made available in the FY 2015 Omnibus Appropriations Act to fund Highway Safety Research and Development.

## OVERVIEW

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The National Highway Traffic Safety Administration (NHTSA) is charged with reducing traffic crashes and the related deaths and injuries. The **FY 2017 President's Budget request is \$1.2 billion** to enable NHTSA to address priorities to improve management of recalls and defects investigations, expanded capabilities for the New Car Assessment Program (NCAP), and increased efforts on researching behavioral issues. This request will continue to establish and enforce safety

standards for motor vehicles and motor vehicle equipment, conduct research and development on vehicle safety and driver behavior, conduct public awareness campaigns to combat safety risks, provide consumers with independent and reliable information about the crash-worthiness and safety features of new vehicles, operate the National Driver Register, and administer a comprehensive program of safety grants to the States.

## SUMMARY OF REQUEST

The FY 2017 President's Budget requests **\$1.2 billion** for the National Highway Traffic Safety Administration (NHTSA) to invest in initiatives that reduce traffic crashes and fatalities each year. This request will continue to support the agency's ongoing and new safety programs and activities, while ensuring that we keep pace with emerging roadway safety trends, such as driver distraction, vehicle electronics, and fuel economy. Major program highlights of NHTSA's Budget request include:

- ▶ **Operations and Research:** The FY 2017 President's Budget is requesting **\$395.9 million** in Operations and Research activities. Specific initiatives include:
  - Office of Safety Defect Investigation (ODI): **\$47.5 million** is requested to enable ODI to improve its effectiveness and meet growing challenges to identify safety defects quickly, ensure remedies are implemented promptly, and the public is informed of critical information in an effective manner.
  - Research and Analysis: **\$124.4 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, local governments, other organizations, and safety associations.
  - Crash Data Collection: **\$36.6 million** is requested to support NHTSA's crash data

collection activities in these major areas: the continuation of the existing Fatality Analysis Reporting System (FARS), the State Data Systems (SDS), and the Special Crash Investigations (SCI) systems as well as the implementation of the newly modernized Crash Report Sampling System (CRSS) and the Crash Investigation Sampling System (CISS). These system improvements will increase data reliability, expand data collection, and improve information technology.

- New Car Assessment Program (NCAP): **\$35.0 million** is requested to maintain test coverage at 85 percent of the new model year fleet and to plan and implement updates including expansion of the advanced crash avoidance technologies included in the program. The requested funding will enable NHTSA to revolutionize the NCAP program by incorporating new, world-leading, more realistic crash test dummies, using new and more stringent injury criteria, conducting new tests; and updating our current overall 5-star rating system to include crashworthiness, crash avoidance, and pedestrian ratings that will help consumers make more informed choices.
- Corporate Average Fuel Economy (CAFE): **\$8.8 million** is requested to support future rulemaking programs including rulemaking activity for the post-2018 Medium- and Heavy-Duty Vehicle Fuel Efficiency program and comprehensive rulemaking for the CAFE program for model year 2022 and beyond. Because of the success of the CAFE program, combined with the efforts of the Environmental Protection Agency, industry is on track to roughly double fuel efficiency and

cut greenhouse gas emissions in half by 2025. Fuel economy remains at an all-time high, while the auto industry is also achieving record sales.

- Alternative Fuels, Electronics, and Emerging Technologies: **\$55.6 million** is requested to conduct research and testing in support of the safe deployment and operation of autonomous vehicles, providing a common understanding of the performance characteristics necessary for fully autonomous vehicles to realize their safety potential.
- ▶ **Highway Traffic Safety Grants:** The FY 2017 President's Budget is requesting **\$585.4 million** for Highway Traffic Safety Grants. The President's request funds Section 402 Formula Grants, and the consolidated Section 405 National Priority Safety Programs. These funds now include additional programs such as distracted driving grants and State graduated driver licensing laws. This account also includes funding for a Heat Stroke Media Campaign.
- State and Community Highway Safety Grants (Section 402): **\$252.3 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 pervasive and emerging 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): **\$277.5 million** is requested to continue NHTSA's focus on occupant protection and impaired driving, improve State traffic safety information systems, and oversee authorized grant programs aimed at incentivizing Graduated Driver Licensing laws and the Distracted Driving laws. The *FAST Act* includes a new provision to provide grant funds to States for pedestrian and bicycle safety through a dedicated grant program. The *FAST Act* also makes amendments to distracted driving, ignition interlock, and graduated driver licensing grants to make more States eligible for funding.
- High Visibility Enforcement: **\$29.5 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 during the Labor Day and December anti-impaired driving campaigns, and the *Drive Sober or Get Pulled Over* impaired driving initiatives.
- ▶ **21st Century Clean Transportation Plan Investments:** The *21st Century Clean Transportation Plan Investments* builds on the *FAST Act*, taking the next steps to reform funding streams and encourage better planning and projects at the State and regional levels. This plan provides increased investment in areas such as rail and transit, and in a series of new, multimodal programs that increasingly cut across traditional siloes, in support of more comprehensive regional strategies that connect communities and support climate and greenhouse gas reduction goals.
- Autonomous Vehicle Pilot Program: Funds **\$200 million** in FY2017—and **\$3.9 billion over 10 years**—in pilot deployments of safe and climate smart autonomous vehicles to create better, faster, cleaner urban and corridor transportation networks. To

accelerate the development and adoption of autonomous vehicles, this program would fund large-scale deployment pilots to test connected vehicle systems in designated

corridors throughout the country; and work with industry to ensure a common multistate interoperability framework for connected and autonomous vehicles.

## ADVANCING OUR PRIORITIES...

### NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

The National Highway Traffic Safety Administration (NHTSA) works to help Americans drive, ride, and walk safely. In 2015, NHTSA built on decades of roadway safety progress, by:

#### *Innovating To Make Vehicles Safer*

- ▶ **Sped the Advancement of Automated and Crash Avoidance Technologies:** Announced a series of steps to speed lifesaving innovations, such as vehicle-to-vehicle (V2V) crash avoidance technology.
- ▶ **Improved Safety of Heavy Trucks, Buses with Electronic Stability Control (ESC):** Finalized requirement for ESC on heavy trucks and large buses, which will save up to 49 lives and prevent up to 1,759 crashes each year.
- ▶ **Automatic Emergency Braking (AEB):** Announced commitment from 10 major vehicle manufacturers to make automatic emergency braking (AEB) a standard feature on all new vehicles built; agency also added automatic emergency braking systems to its New Car Assessment Program (NCAP) 5-star rating system program.

#### *Improving Efforts To Identify and Recall Vehicles and Equipment*

- ▶ **Investigations Help to Safeguard Public:** Investigated various automotive manufacturers and secured agreements to improve safety commitments and levied penalties totaling \$691 million. Formed Safety Systems Team of outside experts to assist NHTSA evaluation and oversight.

- ▶ **Gaining New Tools to Combat Safety Defects:** Secured passage of new provisions in the new 5-year transportation law including: an increase in the maximum civil penalties for violations of the motor vehicle safety from \$35 million to \$105 million; new funding to help identify and recall unsafe vehicles; and a prohibition on companies renting vehicles that have unaddressed safety recalls.

- ▶ **Authoritative Vehicle Reference Data for Improved Communication and Analysis:** Launched the Product Information Catalog and Vehicle Listing (vPIC), to serve as a centralized source for basic Vehicle Identification Number (VIN) decoding, Manufacturer Information Database (MID), Manufacturer Equipment Plant Identification and associated data.

#### *Strengthening Core Safety Programs*

- ▶ **Broadened our research on Impaired Driving:** Offered two new studies aimed at supporting efforts to combat drunk and drugged driving. These studies found a one-third drop in drivers with alcohol in their system since 2007 and assessed the risk of marijuana use to driver safety.
- ▶ **Taking School Bus Safety to a New Level:** Convened the School Bus Occupant Protection meeting to assess the current state of school bus occupant safety. In response to the Summit, NHTSA announced on November 8, 2015 that it would pursue ways to make seat belts standard on school buses.

# FEDERAL TRANSIT ADMINISTRATION

## FEDERAL TRANSIT ADMINISTRATION

Dollars in Millions

Account	FY 2015 Actual	FY 2016 FAST	FY 2016 Enacted	FY 2017 FAST	FY 2017 President's Budget <sup>1</sup>
<b>Transit Formula Grants</b>					
Transit Formula Grants (TF)	\$ 8,595.0	\$ 9,347.6	\$ 9,347.6	\$ 9,733.7	\$ 9,733.7
Transit Formula Grants/21st Century Clean Transportation Plan Investments (TF)	0	0	0	0	5,860.0
<b>Administrative Expenses</b>					
Administrative Expenses (GF) <sup>2</sup>	105.9	115.0	108.0	0	0
Administrative Expenses/21st Century Clean Transportation Plan Investments (TF)	0	0	0	115.0	115.0
<b>Capital Investment Grants</b>					
Capital Investment Grants (TF) <sup>3</sup>	2,120.0	2,301.8	2,177.0	0	0
Capital Investment Grants/21st Century Clean Transportation Plan Investments (TF)	0	0	0	0	3,500.0
Washington Metropolitan Area Transit Authority (WMATA) (GF)	150.0	0	150.0	0	150.0
Transit Research (GF) <sup>4</sup>	33.0	20.0	0	20.0	0
Technical Assistance and Training (GF) <sup>4</sup>	4.5	5.0	0	5.0	0
Rapid Growth Area Transit (TF)—21st Century Clean Transportation Plan Investments	0	0	0	0	525.0
<b>Total</b>	<b>\$11,008.4</b>	<b>\$11,789.4</b>	<b>\$11,782.6</b>	<b>\$12,175.5</b>	<b>\$19,883.7</b>
Rescission of Prior Year Balances—Unobligated Multiple Accounts	[121.5]	0	[25.4]	0	0
<b>Direct FTE</b>	<b>551</b>		<b>585</b>		<b>611</b>

<sup>1</sup> In the FY 2017 Request, except for WMATA, the Administration proposes to reclassify all surface transportation budget authority and outlays as mandatory and to also move a number of current General Funded (GF) programs into the Trust Fund (TF).

<sup>2</sup> The FY 2017 Budget proposes to fund Administrative Expenses from the Trust Fund. In FY 2015 and 2016, the Administrative Expenses account received appropriations from the General Fund (GF).

<sup>3</sup> In the FY 2016 Enacted Budget, \$25.4 million of prior year unobligated balances were rescinded of which \$24.2 million was derived from the CIG account and \$1.2 million from the previously repealed JARC account.

<sup>4</sup> \$37.5 million was appropriated for two accounts: Transit Research (\$30 million for Section 5312 & \$3 million for Section 5313) and Technical Assistance and Training (\$0.5 million for Section 5322 and \$4 million for Section 5314). No funding was appropriated in the FY 2016 Omnibus and the FY 2017 Budget reclassifies all budget authority and outlays as mandatory. Funding is included under the Transit Formula Grants account (\$28 million for Public Transportation Innovation (new name for Section 5312 & 5313) and \$9 million for Technical Assistance and Workforce Development (new name for Section 5314) for both FY 2016 and FY 2017.

## 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 2017 President's Budget request of \$19.9 billion** builds on the successes of the previous authorization, MAP-21, and includes the new features of the *FAST Act*, while significantly increasing funding to support critical *21st Century Clean Transportation Plan Investments* in our Nation's public transportation system. The \$6.4 billion in additional resources

in the President's *21st Century Clean Transportation Plan Investments* package are needed to fund new transit systems and extensions to existing systems in many communities nationwide that demand them because of population increases and congestion or to address environmental concerns related to climate change. The President's Budget also supports the most critical investments needed to sustain transit systems' infrastructure nationwide by reinvesting in state of good repair improvements and expanding programs for capital assistance in many communities nationwide.

## SUMMARY OF REQUEST

**The FY 2017 President's request is \$19.9 billion** to strengthen transit safety oversight, bring our Nation's bus and rail transit infrastructure into a state of good repair, and provide new and expanded transit systems in many communities. This is an increase of \$8.1 billion, or 69 percent above the FY 2016 enacted level. The President's Budget request aims to complement the vision of investing in our transit infrastructure that is guided by the recently enacted *Fixing America's Surface Transportation (FAST) Act* as well as to request additional funding to support the most critical investments needed to sustain transit systems' infrastructure nationwide. These funds will also help FTA address our Nation's aging transit infrastructure and the significant rail and bus repair and replacement backlog that will continue to grow unless there is a commitment to higher funding levels at all government levels (Federal, State, and local governments). Strategic

investments in public transportation can help ensure that communities are well equipped to face these pressures so they can provide ladders of opportunity for all Americans to get to work, school, shopping, and services like medical care without depending on a personal automobile. The President's Budget request supports the following programs:

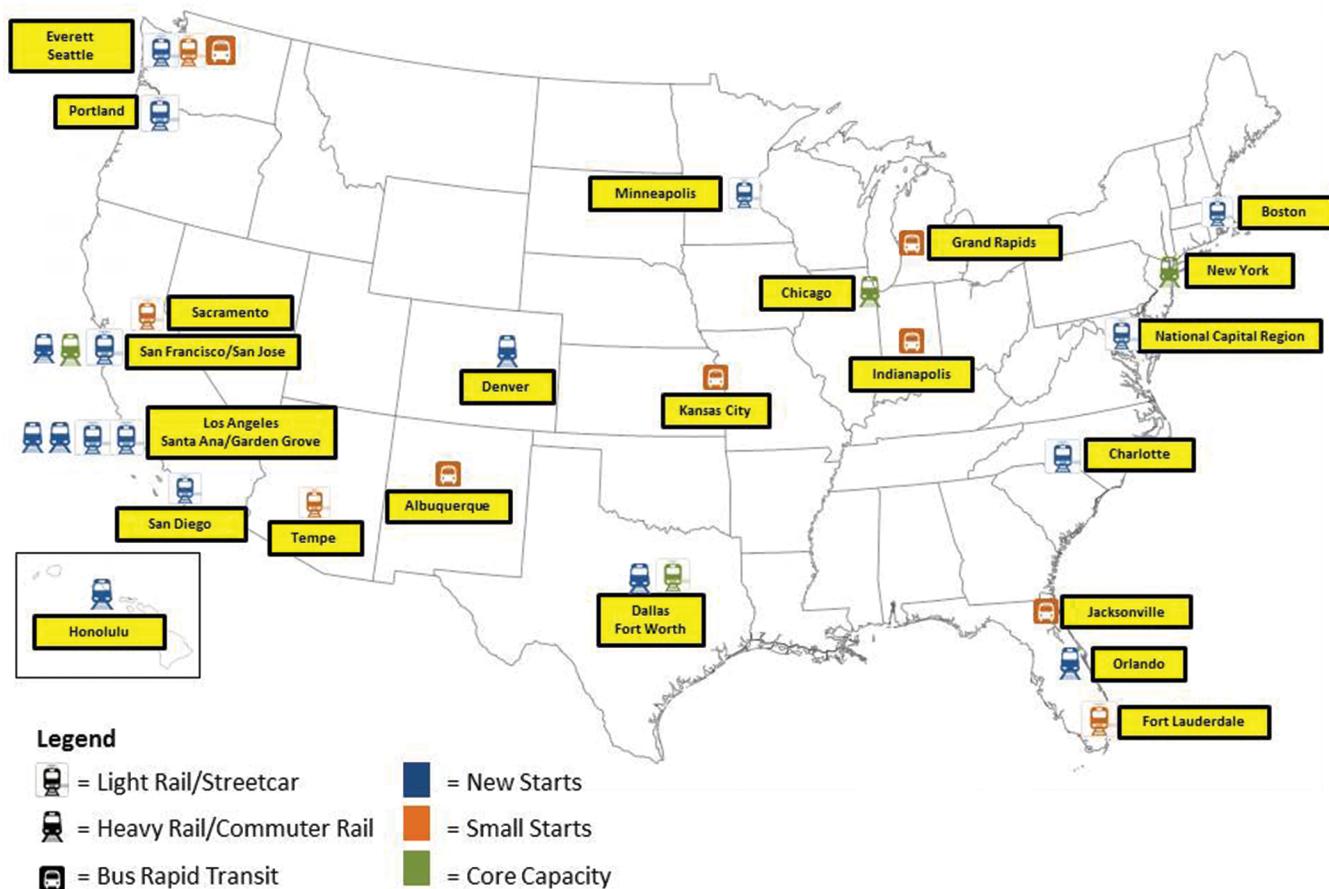
- ▶ **Administrative Expenses:** The FY 2017 President's Budget requests **\$115 million and 560 FTE** to support FTA's core operations—namely the staff needed to manage and oversee its \$75 billion grantmaking and related activities, implement FTA's new safety oversight mandates, and bring transit systems into a state of good repair through the Transit Asset Management activities required by MAP-21 and continued under the *FAST Act*.

- ▶ **Transit Formula Grants:** The FY 2017 President's Budget is requesting **\$9.7 billion to provide grants** that support transit capital investment, state of good repair, safety, planning, research, technical assistance and workforce development, bus and railcar purchases and maintenance, and transit operations in small and rural areas.
- Supplementary Transit Formula Grants: In addition, as part of the *21st Century Clean Transportation Plan Investments*, the FY 2017 President's Budget requests **\$5.9 billion to provide additional grants** to further support transit capital investment, state of good repair, and bus and railcar purchases and maintenance.
- ▶ **Capital Investment Grants:** The FY 2017 President's Budget requests **\$3.5 billion to support the construction of major capital projects** that provide new and expanded transit service, important economic benefits to communities, and help address existing fixed-guideway transit corridors that are at or near capacity. The Budget supports 31 high-impact projects in 18 States. A full list follows.
- ▶ **Washington Metropolitan Area Transit Authority (WMATA):** The FY 2017 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 continues the 10-year, \$3 billion capital improvement program in which Federal funding is matched dollar-for-dollar by local and State support.
- ▶ **Rapid Growth Area Bus Rapid Transit Corridor Program:** The FY 2017 President's Budget requests **\$525 million for a new Bus Rapid Transit discretionary grant program** to help communities with fast-growing populations. While population growth spurs economic development, it can also stress and strain existing infrastructure, cause congestion, and result in poor air quality. This program will help ease the stress and strain of rapid growth in communities and encourage multimodal development along corridors which will be aided by allowing Federal-aid Highway funding to be used as part of the local funding match.

## PROPOSED FY 2017 FUNDING FOR FTA CAPITAL INVESTMENT GRANT PROGRAM

Dollars in Millions

			FY 2017
<b>Existing New Starts Full Funding Grant Agreements—Projects Under Construction or Open for Service</b>			
CA	Regional Connector	Los Angeles	\$ 125
CA	Westside Subway Section 1	Los Angeles	125
CA	Third Street Light Rail Phase 2-Central Subway	San Francisco	173
CA	Silicon Valley Berryessa Extension Project	San Jose	125
CO	Eagle Commuter Rail	Denver	175
FL	SunRail Phase II South	Orlando	16
HI	High Capacity Transit Corridor Project	Honolulu	244
MA	Green Line Extension	Boston	150
NC	LYNX Blue Line Extension-Northeast Corridor	Charlotte	125
OR	Portland-Milwaukie Light Rail Project	Portland	125
<b>Total Existing New Starts Full Funding Grant Agreements</b>			<b>1,383</b>
<b>New Starts Not Yet Under Construction Grant</b>			
CA	Westside Subway Extension Section 2	Los Angeles	125
CA	Mid-Coast Corridor Transit Project	San Diego	125
CA	Santa Ana and Garden Grove Streetcar	Santa Ana/Garden Grove	125
MD	Maryland National Capital Purple Line	Washington, DC area	125
MN	Southwest LRT	Minneapolis	125
TX	TEX Rail	Fort Worth	125
WA	Lynnwood Link Extension	Seattle	125
Other New Starts Projects That May Become Ready During FY 2017			75
<b>Total New Starts Not Yet Under Construction Grants</b>			<b>950</b>
<b>Core Capacity Not Yet Under Construction Grant</b>			
CA	Caltrain Peninsula Corridor Electrification Project	San Carlos	125
IL	Red and Purple Line Modernization Project Phase 1	Chicago	125
NY	Canarsie Power Improvements	New York	84
TX	DART Red and Blue Lines Platform Extension	Dallas	49
Other Core Capacity Projects That May Become Ready During FY 2017			75
<b>Total Core Capacity Not Yet Under Construction Grant</b>			<b>458</b>
<b>Small Starts Not Yet Under Construction Grants</b>			
AZ	Tempe Streetcar	Tempe	75
CA	Downtown Riverfront Streetcar	Sacramento	75
FL	Wave Streetcar	Fort Lauderdale	11
FL	East Corridor	Jacksonville	17
IN	Red Rapid Transit Line	Indianapolis	75
MI	Laker Line BRT	Grand Rapids	57
MO	Prospect MAX Bus Rapid Transit	Kansas City	30
NM	Rapid Transit Project	Albuquerque	69
WA	Swift II BRT	Everett	43
WA	Seattle Center City Connector	Seattle	75
Other Small Starts Projects That May Become Ready During FY 2017			72
<b>Total Small Starts Not Yet Under Construction Grants</b>			<b>599</b>
Expedited Delivery Pilot Program			
Oversight Activities			
<b>Grand Total</b>			<b>\$3,500</b>

**CAPITAL INVESTMENT GRANT PROJECTS RECOMMENDED FOR FUNDING IN FY 2017**

## ADVANCING OUR PRIORITIES...

### **FEDERAL TRANSIT ADMINISTRATION MAJOR ACCOMPLISHMENTS (2009–2015)**

- ▶ **Implementing New Safety Oversight Authority to Keep a Safe Mode of Travel Safer:** For decades, the Federal Transit Administration (FTA) had been prohibited by law from overseeing the safety of our Nation's transit systems. The Obama Administration fought to change that, and FTA has used the new safety authority provided in MAP-21 and strengthened by the FAST Act to help ensure the safety and reliability of transit systems nationwide. FTA produced new guidelines on bus safety and state of good repair, strengthened the ability of state safety oversight authorities to ensure the safety of rail systems, published safety directives to address transit worker safety and the potential for incidents of smoke in subway tunnels, and has taken a direct hand in the oversight of transit safety in the National Capital Region.
- ▶ **Streamlining to Get Projects Started more Quickly and Finished Faster:** Ridership on public transportation continues to grow and FTA helped meet that growing demand by working with local partners across the country to build essential public transportation projects. A record number of these essential projects began during the Obama Administration and were made possible through FTA's Capital Investment Grant (CIG) program. Responding to the President's call for greater government efficiency, FTA streamlined its CIG program requirements and cut "red tape" to get projects started more quickly and finished faster. The changes are estimated to cut the delivery time of projects by up to 6 months and save project sponsors almost \$500,000 annually.
- ▶ **Strengthening the "Buy America" Program:** FTA successfully reduced the number of "Buy America" waivers issued (to purchase components and supplies from non-U.S. sources) from 37 in FY 2008 to just seven in FY 2014, and only six in FY 2015. These efforts keep jobs in America while expanding opportunities for U.S. companies to produce the goods needed to support transportation projects.
- ▶ **Better Connecting Americans to Healthcare Services with the "Rides to Wellness" Initiative:** The Affordable Care Act expanded the number of people who now have health insurance, but it is estimated that 3.6 million Americans already miss or delay non-emergency medical treatment every year simply because they lack transportation options. Under the Obama Administration, FTA started an initiative called "Rides to Wellness" that brings together Federal agencies and stakeholders from the transit and healthcare industries to overcome the transportation barriers that prevent individuals from accessing medical services. The "Rides to Wellness" planning grant program awarded \$400,000 in competitive grants to projects in 16 communities to create real solutions that improve healthcare access, and help overcome persistent transportation challenges.
- ▶ **Responding in Record Time to Help the Northeast Recover from Hurricane Sandy:** When Hurricane Sandy struck the Northeast in October 2012, it created the worst disaster for transit in our Nation's history. FTA was able to respond quickly, using its new Public Transportation Emergency Relief Program to help transit agencies in the midst of disaster. Soon after the storm made landfall, FTA staff were on the ground with local authorities to assess the damage. When Congress appropriated nearly \$11 billion in emergency funds for public transit in early 2013 to help the region recover, FTA worked to get the funds to grantees quickly, while providing rigorous oversight to make sure that taxpayer dollars would be used wisely. The Administration also set aside a portion of the funding for projects that make transit infrastructure more resilient in the face of future storms.

# FEDERAL RAILROAD ADMINISTRATION

## FEDERAL RAILROAD ADMINISTRATION

Dollars in Millions

Account	FY 2015 Actual	FY 2016 Enacted	FY 2017 President's Budget
Safety and Operations (GF)	\$ 186.9	\$ 199.0	\$ 213.3
Research and Development (GF)	39.1	39.1	53.5
Operating Grants to the National Railroad Passenger Corporation (GF)	250.0	288.5	0
Capital and Debt Service Grants to the National Railroad Passenger Corporation (GF)	1,140.0	1,101.5	0
Railroad Safety Grants (GF)	10.0	50.0	0
Railroad Rehabilitation and Improvement Financing Program (GF)	0	2.0	0
Northeast Corridor Improvement Program (GF)	0	19.2	0
<b>High-Performance Rail</b>			
Current Passenger Rail Service—FAST Act Sections 11101 & 11103 (TF)	0	0	2,300.0
Rail Service Improvement Program—FAST Act Sections 11102 & 11104 (TF)	0	0	3,700.0
<b>Total</b>	<b>\$1,626.0</b>	<b>\$1,699.2</b>	<b>\$6,266.8</b>
Rescission of Prior Year Unobligated Balances—Multiple Accounts (GF)	0	[21.1]	0
<b>Direct FTE</b>	<b>842</b>	<b>934</b>	<b>972</b>

## OVERVIEW

The Federal Railroad Administration's (FRA) mission is to enable the safe, reliable, and efficient movement of people and goods for a strong America, now and in the future. To advance this mission, the **FY 2017 President's Budget requests nearly \$6.3 billion** to improve rail safety and to invest in high-performance rail initiatives. The Budget requests predictable,

dedicated funding for this investment that will increase access to opportunities for American workers and companies and will provide a strong foundation to support our 21st Century economy. Moreover, it will ensure that rail continues to be a safe, cost-effective, and environmentally friendly mode to move people and freight.

## SUMMARY OF REQUEST

The FY 2017 President's Budget requests nearly \$6.3 billion to invest in rail safety and development programs, an increase of nearly \$4.6 billion above FY 2016 enacted levels. Major program highlights of the FRA's Budget request include:

- ▶ **High-Performance Rail:** The FY 2017 Budget introduces the President's comprehensive surface transportation proposal to expand opportunities for rail service. As part of the proposal, the President requests **\$6 billion for high-performance rail for FY 2017**, building on the funding authorized in the recently enacted *Fixing America's Surface Transportation (FAST) Act*. The *FAST Act* incorporates several provisions proposed in the Administration's *GROW AMERICA Act* to improve the planning, delivery, and transparency of taxpayer investments in Amtrak by better aligning costs, revenues, and Federal grants to Amtrak's business lines. The *FAST Act* also creates new programs to improve the condition of aging rail assets, invest in railroad safety, and improve passenger rail corridors. The FY 2017 Budget groups *FAST Act* authorities under two broad programs: **Current Passenger Rail Service and Rail Service Improvement Program**. To fund this investment, the Administration proposes to modify the current Highway Trust Fund into an overall Transportation Trust Fund that would have a new Rail Account in addition to the existing Highway and Transit accounts.
- ▶ **Current Passenger Rail Service—*FAST Act* (Sections 11101 & 11103):** The President's Budget requests **\$2.3 billion to support existing rail services, return public rail assets to a state of good repair**, and to make other critical investments to maintain current rail services.
- Grants to Amtrak (Section 11101): **\$1.9 billion** is requested to fund Amtrak's operating, capital, and debt service requirements. The *FAST Act* provides separate authorizations for the Northeast Corridor and National Network (which includes Amtrak's State-supported routes, long-distance routes, and other Amtrak costs not allocated to the Northeast Corridor). The President's Budget requests \$700 million for the Northeast Corridor and \$1.2 billion for the National Network.
- Federal State Partnership for State of Good Repair (Section 11103): **\$400 million** is requested to bring publicly owned or Amtrak-owned infrastructure, equipment, and facilities into **a state of good repair**. This will enable future growth and service improvements.
- ▶ **Rail Service Improvement Program—*FAST Act* (Sections 11102 & 11104):** The President's Budget requests **\$3.7 billion to expand and improve the rail networks throughout the United States**. The program will also fund critical safety priorities, such as the implementation of **Positive Train Control (PTC)** by resource-constrained commuter railroads, short line railroads, States, and improvements to highway-rail grade crossings.
- Consolidated Rail Infrastructure and Safety Improvement (Section 11102): **\$3.7 billion** is requested for this comprehensive new program. This includes nearly \$1.5 billion to develop **high-performance passenger rail networks** through construction of new corridors, substantial improvements to existing corridors, enhancements to multi-modal connections, and mitigation of train

congestion at critical chokepoints. In addition, this program will provide \$1.3 billion for the implementation of PTC and \$520 million to help mitigate the impacts of rail in local communities through rail line relocation, grade crossing enhancements, and other railroad safety initiatives, as well as investments in short line railroad infrastructure. The program includes \$250 million in competitive funds to help Amtrak, localities, and transit agencies bring Amtrak-served stations into **compliance with the Americans with Disabilities Act**. The program will also provide \$110 million to support comprehensive **rail planning** processes and **research and development** related to **workforce technology**, and other areas of **innovation** necessary to advance America's rail industry. The planning program includes funding to stand up a **Southeast Corridor Rail Commission**, similar to the Northeast Corridor Commission that has proven highly successful in promoting mutual cooperation and planning among NEC States and stakeholders. The new Southeast Corridor Rail Commission would develop a regional rail plan and advance other discrete, consensus rail planning and capital projects in the region.

- **Restoration and Enhancement Grants**  
**(Section 11104):** **\$20 million** is requested for operating assistance to initiate, restore, or enhance intercity passenger rail service.

- ▶ **Safety and Operations:** The President's Budget requests **\$213 million** to support FRA's rail safety and development programs, **an increase of \$14 million** from FY 2016 enacted. The requested increase will allow FRA to support railroads' implementation of PTC as required by the Positive Train Control Enforcement and Implementation Act of 2015. FRA will also expand its oversight of railroad bridges by doubling the number of its existing bridge safety staff and creating a national bridge inventory. In addition, FRA would continue to extend track inspection capabilities through its Automated Track Inspection Program.
- ▶ **Research and Development:** The President's Budget requests **\$53 million** for safety-related research and development activities, including continued support for the Short Line Safety Institute, and research on the safe transportation of liquefied natural gas. The request includes \$12.5 million to analyze the safety and environmental benefits of Electronically Controlled Pneumatic brakes, and \$2 million to research ways to reduce the risks of transporting crude oil and other energy products by rail.

## ADVANCING OUR PRIORITIES...

### **FEDERAL RAILROAD ADMINISTRATION MAJOR ACCOMPLISHMENTS (2009–2015)**

- ▶ **Improving Rail Safety:** Safety is FRA's top priority. FRA's comprehensive safety strategy and its implementation of the Rail Safety Improvement Act of 2014 have led to continuous safety improvements. This legislation included an unprecedented 43 specific tasks. Today, more than 75 percent of those are complete. All these efforts have helped reduce total train accidents by 46 percent, total derailments by 47 percent, and total highway-rail grade crossing accidents by 24 percent since FY 2009.
- ▶ **Increasing the Safety of Transporting Crude Oil and Other Energy Products by Rail:** During the last 2 years, the Department of Transportation has taken action to increase the safety of transporting energy products such as crude oil and ethanol by rail. These actions include requiring stronger tank cars that are less likely to puncture, a new modern braking system that reduces stopping distances and the severity of a derailment, and reduced speed limits.
- ▶ **Building Partnerships to Drive Down Accidents and Fatalities at Highway-Rail Grade Crossings:** FRA has partnered with police across the country to step up enforcement. In June 2015, Google agreed to integrate FRA's grade crossing data to add audio and visual alerts on Google maps.
- ▶ **Pushing Railroads to Implement Life-Saving Positive Train Control (PTC):** FRA has provided more than \$650 million to commuter railroads to implement PTC that prevents accidents and saves lives. This is in addition to the approximately \$1 billion loan FRA awarded to the New York Metropolitan Transportation Authority to fund PTC on Long Island Rail Road and Metro-North (two of the largest commuter railroads in the country). In addition, FRA has provided hundreds of hours of technical assistance to all railroads required to install PTC.
- ▶ **Improving Passenger Rail Service:** Since 2009, FRA's High-Speed and Intercity Passenger Rail Program has invested more than \$10 billion in nearly 150 projects in 35 States and the District of Columbia. Nearly 85 percent of these investments are concentrated in 6 key corridors: San Francisco-Los Angeles; Boston-New York City-Washington, D.C.; Seattle-Portland-Eugene; Charlotte-Washington, D.C.; Chicago-St. Louis; and, Chicago-Detroit. Because of FRA's investments, thousands of **rail corridor miles are being improved, more than 30 stations are being upgraded, and hundreds of new passenger cars and locomotives are being built.** These projects are also enhancing rail safety through track and bridge improvements, grade crossing protection enhancements and separations, PTC, and signal system upgrades. These projects will reduce trip times, improve reliability, add frequencies, and make stations and equipment more comfortable and accessible to all users. Half of the nearly 150 projects funded to date are complete and more than 20 more projects are scheduled for completion in calendar year 2016.
- ▶ **Identifying Innovative Solutions through Research and Development (R&D):** FRA's R&D program has identified innovative solutions to improve rail safety and efficiency. It drove early development of PTC and now supports deployment. Freight railroads are improving their internal safety cultures with the help of FRA safety programs, such as the Confidential Close Call Reporting System and the Short Line Safety Institute, which both originated as FRA's R&D projects. Further, the program developed track safety standards and new ways to monitor track conditions, which have led to a significant reduction of track-caused accidents. Modeling and full-scale testing by FRA's R&D program has improved the crashworthiness of locomotives, tank cars, and passenger cars.

# PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION

## PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION

Dollars in Millions

Account	FY 2015 Actual	FY 2016 Enacted	FY 2017 President's Budget
Operational Expenses (GF)	\$ 20.7	\$ 21.0	\$ 22.2
Pipeline Safety (PSF/GF/TF)	145.5	146.6	176.4
Hazardous Materials Safety (GF)	52.0	55.6	68.2
Emergency Preparedness Grants (TF)	26.3	26.4	28.3
<b>Total</b>	<b>\$244.5</b>	<b>\$249.6</b>	<b>\$295.2</b>
Direct FTE	444	575	651

## OVERVIEW

The Pipeline and Hazardous Materials Safety Administration (PHMSA) protects people and the environment by advancing the safe transportation of energy and other hazardous materials that are essential to our daily lives. To advance this mission, the **FY 2017 President's Budget requests \$295.2 million** for PHMSA to safeguard the movement of these materials. PHMSA's Pipeline Safety program regulates the safe movement of liquids and natural gas traveling through a network of 2.6 million miles of pipelines, serving over 69 million residential and commercial customers. PHMSA's Hazardous Materials Safety program regulates the safe and secure shipment

of approximately 1 million daily movements of dangerous hazardous materials carried by rail, air carriers, and other modes of transportation. On any given day, more than 6 million tons of hazardous materials safely move millions of miles across the Nation's land, water, and air transportation corridors. The FY 2017 Budget also proposes a series of cross-cutting organizational enhancements to support PHMSA's efforts to improve safety performance, build public trust, and invest in economic and data analysis, that strengthens the Agency's ability to develop and enforce pipeline and hazardous materials safety regulations.

## SUMMARY OF REQUEST

The FY 2017 President's Budget request is **\$295.2 million**, an increase of \$45.6 million and 75 FTE above the FY 2016 enacted level. This includes important changes in the way PHMSA manages safety overall as well as support for Pipeline Safety, Hazardous Materials Safety, Emergency Preparedness Grants, and Operational Expenses as follows:

- ▶ **Improving the way PHMSA makes informed safety decisions:** The Budget request supports important changes in PHMSA's organization and the way they conduct their business. Through a new Office of Data and Analytics, PHMSA will conduct economic research and analysis, complete strategic planning and performance, and perform advanced data analytics. This office will gather the most reliable and relevant information to inform: where best to conduct inspections and enforcement; what regulations will best encourage operators and shippers to move hazardous materials safely; and how to invest research and development funds to identify innovative technological solutions to address PHMSA's safety risks.

This new office will operate from existing staff from PHMSA's Operational Expenses, Hazardous Materials Safety, and Pipeline Safety as well as newly requested funding.

- **Using Data to Improve Safety:** PHMSA's FY 2017 request includes new staffing and resources to improve the timeliness and quality of regulations, increase public awareness and engagement in the regulatory process as well as provide the economic and analytical skills to predict and prepare for emerging safety challenges. With this investment, PHMSA's rulemaking process will be more inclusive, transparent, and data driven. This investment will enable PHMSA to advance needed

safety information to communities and first responders, and collect relevant safety data and increased stakeholder input.

- ▶ **Investing in Pipeline Safety:** The FY 2017 President's Budget is requesting **\$176.4 million** for PHMSA to carry out activities to reduce pipeline failures and their consequences including the following increases:
  - **Rightsizing Pipeline Safety Programs:** **\$5.5 million** is requested for three essential Pipeline Safety program areas: \$3.6 million for Pipeline Safety Grants that support State pipeline inspections, \$1.5 million for Information Grants to Communities that help communities prepare for pipeline incidents and \$433,000 for Research & Development that informs pipeline safety regulations.
  - **Completing Pipeline Safety Reform:** **\$7.6 million** is requested to fund the full-year cost of **34.5 FTE**. These FTE are primarily inspectors and other staff hired under the *Pipeline Safety Reform* initiative.
  - **Adding a Needed Pipeline Safety Information Sharing System:** **\$5.8 million** is requested to fund communication efforts that will enable Federal and State inspectors and pipeline operators to share critical information such as the results of inspections and the condition of our Nation's aging network of pipelines. This includes sharing of information on the location, condition, and use of an expanding network of pipelines. PHMSA proposes to gather inspection, enforcement, and geospatial location data from the States to prevent incidents causing harm to communities and the environment.

- Adding a Pipeline Design Review: **\$2.0 million** is requested for a new fee that will enable PHMSA to assess pipeline operators and developers the cost associated with conducting pipeline facility design reviews. This would apply on those projects with design and construction costs of at least \$2.5 billion, or when projects use new or novel technologies or design.
- ▶ **Investing in Hazardous Materials Safety:** The FY 2017 President's Budget requests **\$68.2 million** to sustain the essential safe and efficient movement of hazardous materials across the country and to respond to emerging threats. These threats include the transport of energy products by rail, disposal of medical waste such as that from the Ebola epidemic, and the containment and safe passage of other dangerous and often highly volatile products. The President's Budget includes the following increases:
  - Bettering Risk and Data Management systems: **\$2.8 million** is requested to enhance PHMSA's risk management data and analytical capabilities, utilize data to inform PHMSA's rigorous research and development agenda, and reform PHMSA's grant programs in order to address current and emerging safety risks.
  - Completing Important Research, Development and Innovation: **\$1.6 million** for PHMSA to conduct expanded research, including work with the Department of Energy on test methods for crude oil, carrying out combustion experiments, and modeling to develop hazard profiles of different crude oils.
  - Advancing Field Enforcement Activities: **\$1.6 million** will address the inspections gap resulting from the demands from expansion of domestic energy production.
- Safe Transport of Energy Products: **\$5.3 million** will support current efforts to address the safe transportation of energy products. A primary focus will be on preventing accidents involving flammable liquids release and addressing findings by the National Transportation Safety Board and the Canadian Transportation Safety Board from recent incidents in North Dakota, Quebec, and Alabama. This initiative also will increase the inspection and enforcement workforce to manage the workload from the increasing volume of hazardous materials being transported across our Nation. It also provides needed subject matter experts to facilitate rulemakings, and to improve assessments of the benefits and costs of regulations.
- ▶ **Emergency Preparedness Grants:** The President's Budget requests **\$28.3 million** for Emergency Preparedness Grants for first responders engaged in reducing the risks of incidents involving the transport of hazardous materials through our communities.
- ▶ **Operational Expenses:** The President's Budget requests \$22.2 million for operational expenses to support the administrative functions that assist both the pipeline safety and hazardous materials safety programs in their day-to-day activities including the following increases:
  - Improving Program Evaluation: \$605,000 is requested to enable PHMSA to conduct program evaluations and to forecast emerging risks and opportunities for safety improvement.

## ADVANCING OUR PRIORITIES...

### PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION MAJOR ACCOMPLISHMENTS (2009–2015)

#### Pipeline Safety

- **Worked with Industry to Adopt Better Pipeline Safety Standards:** In June 2015, The Pipeline Safety Management System Standard was adopted and published. This new standard was developed collaboratively with the National Transportation Safety Board and pipeline operators. When fully implemented, it will ensure a comprehensive, process-oriented approach to safe operation of our Nation's pipelines.
- **Advanced New Rules to Prevent Pipeline Accidents:** In July 2015, PHMSA issued its Pipeline Damage Prevention Programs Final Rule. Among other things, this rule strengthens our enforcement actions against those who operate pipelines in an unsafe manner. Further, in October 2015, PHMSA published its Hazardous Liquid Notice of Proposed Rulemaking to improve the safety of hazardous liquid pipelines.
- **Integrated Pipeline Inspection and Enforcement Improvements:** In 2008, PHMSA began a more data-informed, risk-focused inspection system. This approach has enabled inspection staff to better target weak and damaged areas of pipeline systems and to identify those operators that allow unsafe conditions. As a result, from 2009 to 2014, PHMSA reversed a years-long trend of increasing times between opening and closing enforcement cases. In fact, average times decreased 54 percent. More importantly, PHMSA has recorded a decrease in deaths, severe injuries, and environmental damage from major pipeline spills.

#### Hazardous Materials Safety

- **Ensured Safe Transport of Crude by Rail with Rulemaking:** In May 2015, PHMSA, in coordination with the Federal Rail Administration, published the "High-Hazard Flammable Trains" (HHFT) Final Rule that adopted requirements reducing the consequences and in some instances, reducing the probability of accidents involving trains transporting large quantities of flammable liquids. This is one of the most significant accomplishments in PHMSA's history and it promises to reduce the likelihood of injury from the derailment of long rail cars carrying highly flammable materials through our communities. In conjunction with this final rule, PHMSA also announced a separate rulemaking action to require rail carriers to develop comprehensive oil spill emergency response plans in the event of a derailment.
- **Met the Requirements of Moving Ahead for Progress in the 21st Century Act (MAP-21):** In July 2012, MAP-21 required PHMSA to address 32 major reforms. PHMSA developed an implementation strategy and action plan, and as a result, met nearly all the deadlines for MAP-21's requirements.
- **Managed the Ebola Response for Transporting Certain Deadly and Hazardous Waste:** In partnership with the Centers for Disease Control and Prevention, PHMSA reviewed proposed methods and issued a special permit authorizing the transportation of Ebola-contaminated waste generated anywhere in the country. PHMSA also developed a procedural guidance document for hospitals and transporters.

# MARITIME ADMINISTRATION

## MARITIME ADMINISTRATION

Dollars in Millions

Account	FY 2015 Actual	FY 2016 Enacted	FY 2017 President's Budget
Operations and Training (GF)	\$148.1	\$171.2	\$194.1
Assistance to Small Shipyards	0	5.0	0
Ship Disposal Program (GF)	4.0	5.0	20.0
Maritime Security Program (GF)	186.0	210.0	186.0
Food Aid Reform	0	0	25.0
Maritime Guaranteed Loan Program (GF)	3.1	8.1	3.0
<b>Total</b>	<b>341.2</b>	<b>399.3</b>	<b>428.1</b>
Cancellation of Maritime Guaranteed Loan Program (Title XI) from Consolidated Appropriations Act, 2016	0	0	[5.0]
<b>Direct FTE</b>	<b>452</b>	<b>507</b>	<b>515</b>

## OVERVIEW

The Maritime Administration (MARAD) implements programs that promote the economic competitiveness, efficiency, and productivity of the U.S. maritime transportation system and ensures sealift capability and capacity is available to support the national and economic security needs of the Nation. **The FY 2017 President's Budget requests \$428.1 million** to support MARAD activities in ships and shipping, port operations, vessel

operations, national security and strategic mobility, ship disposal, the environment and education. Through the United States Merchant Marine Academy (USMMA) and support for six State Maritime Academies (SMAs), MARAD educates the majority of the Nation's new generation of highly skilled Merchant Marine officers who through service obligations are committed to national service in both peace and war.

## SUMMARY OF REQUEST

The FY 2017 President's Budget requests **\$428.1 million to invest in continued support for MARAD's programs and initiatives**. Major program highlights include:

- ▶ **Operations and Training:** The FY 2017 President's Budget is requesting **\$194.1 million** to support the USMMA, the SMAs, and MARAD **Operations and Programs**. This funding will ensure sufficient highly trained merchant mariners are available to serve the economic and national security needs of the Nation and will provide for agency infrastructure, staff, and programs.
- **United States Merchant Marine Academy:** The President's Budget requests **\$99.9 million and 288 FTE for the USMMA** to continue to support the highest standards of **excellence in education** for the Midshipmen, including \$74.9 million for operating expenses and \$25.1 million for major capital repairs and improvements to the Academy's buildings and infrastructure.
- **State Maritime Academies:** The President's Budget requests **\$29.6 million to support the SMAs** including \$22 million for maintenance and repair of the training ships, \$3 million for direct support payments to each of the six schools, \$2.4 million for student tuition support, \$1.8 million for training ship fuel assistance payments, and \$350 thousand for Mariner Service Compliance System.
- **National Security Multi-Mission Vessel/School Ship Replacement Program:** The President's Budget requests **\$6 million** to fund an independent requirements and alternatives analysis for cadet training needs. MARAD provides 6 training ships for the 6 SMAs that are used to educate, train, and develop the next generation of merchant mariners who will be responsible for leading and supporting the U.S. Marine Transportation System.
- **Staff Support:** The President's Budget requests **\$58.7 million** to support MARAD Operations and Programs and provide the Agency infrastructure and professional staff for its operating mission, support programs, and program initiatives. This request includes **\$3 million** to support the **Strong Ports Pilot Program** to improve port infrastructure, and **\$3 million** to maintain the **Maritime Environment and Technology Assistance Program** to address emerging marine transportation environment issues.
- ▶ **Ship Disposal Program:** The FY 2017 President's Budget is requesting **\$20 million to support continued obsolete vessel disposal actions** with priority emphasis on the removal of the three **remaining** ships in the Suisan Bay Reserve Fleet to meet a California Court Consent Decree. This request includes **\$8.0 million to begin dismantlement and decontamination of the defueled nuclear power plant on board the former Nuclear Ship SAVANNAH**. Funding will support ship disposal in an environmentally responsible manner that further reduces the risk of environmental contamination while contributing to the domestic recycling industrial base.
- ▶ **Maritime Security Program:** The FY 2017 President's Budget requests **\$186 million** for the Maritime Security Program (MSP) to ensure the **maintenance of a commercial fleet** of militarily useful vessels of the United States 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 to globally deploy and sustain our Armed Forces. **The \$186 million will fund \$3.1 million for each of the 60 ships expected to be enrolled in the program.**

- ▶ **Food Aid Proposal:** The FY 2017 President's Budget proposes to modify the current P.L. 480 Title II Food Assistance Program to **change the way food aid is delivered** around the world, specifically to allow flexibility (25 percent of total budget) for local and regional purchase to reduce the cost of the program and make it more efficient. **The \$25 million is included as a component of the food aid proposal to mitigate the impact these changes could have on sealift capacity**

**and the availability of U.S.-citizen mariners to support the Nation's sealift requirements.** If enacted, this new initiative would provide funds to preserve mariner employment on commercial vessels of the United States and to identify other innovative means to encourage retention of U.S. mariners and vessels.

- ▶ **Maritime Guaranteed Loan Program (Title XI):** The FY 2017 President's Budget requests **\$3 million to maintain staff salaries and benefits for 15 FTE to administer the Title XI loan portfolio.** The Budget proposes cancellation of \$5 million from the FY 2016 Maritime Guaranteed Loan Program (Title XI) funds to offset a number of priority initiatives within MARAD.

## ADVANCING OUR PRIORITIES...

### MARITIME ADMINISTRATION MAJOR ACCOMPLISHMENTS (2009–2015)

- ▶ **The Maritime Security Program (MSP):** MSP is a cost-effective program that provides assured access to sealift and logistics capability during times of war, national emergencies, and other contingency requirements. The program provides access to over \$52 billion of assets that the U.S. Government would be required to replicate to achieve comparable sealift capability. Additionally, the MSP fleet provides employment for 2,400 merchant mariners and 5,000 shore side maritime professionals each year.
- ▶ **MARAD's U.S. Merchant Marine Academy (USMMA) and the State Maritime Academies (SMAs):** Since 2009, the six SMAs have graduated 4,372 and the USMMA has graduated 1,447 mariners. All are qualified to serve as officers aboard commercial and U.S. Government-owned vessels. Approximately 23 percent of these USMMA graduates and 4 percent of SMA graduates receive active duty commissions in the U.S. Armed Forces. Since 2009 the USMMA has invested \$95 million in capital improvement projects and has achieved significant improvements to modernize the campus infrastructure.
- ▶ **The Ship Disposal Program:** The program provides for the timely and environmentally sound recycling of Government-owned, obsolete ships. Timely recycling of obsolete ships lessens public environmental risk and reduces costly environmental cleanup. The program has successfully removed 101 obsolete vessels from MARAD's reserve fleet sites for disposal since 2009, including the removal of 54 of 57 vessels from the Suisun Bay Reserve Fleet (SBRF) required by a California Court Consent Decree. MARAD is currently ahead of the SBRF vessel removal schedule required by the court-ordered settlement.
- ▶ **Ready Reserve Force (RRF):** MARAD cargo ship fleet provides surge sealift capability for the Department of Defense during war and national emergencies. RRF vessels were activated for the transport of military cargo for Operation ENDURING FREEDOM and Operation IRAQI FREEDOM (renamed Operation NEW DAWN in 2010). RRF vessels also supported humanitarian relief efforts for the 2010 Haiti earthquake, disaster response capability for the 2012 Superstorm Sandy, and support for the 2014 medical mission to Liberia to assist the global effort to respond to the Ebola pandemic. Additionally, in 2014, the CAPE RAY was mobilized for the international effort to destroy the Syrian Government's declared chemical weapons inventory.
- ▶ **Strong Ports:** MARAD initiated the new Strong Ports Program to support efforts to improve the state of good repair of America's maritime infrastructure in ports throughout the United States. Strong Ports helps to ensure our Nation's ports are capable of meeting future freight transportation needs.
- ▶ **Small Shipyards Program:** Since 2009, MARAD has provided more than \$164 million to help U.S. shipyards and their workers reap the benefits of increased production capabilities delivered by emerging technologies and a highly skilled workforce.
- ▶ **The America's Marine Highways (AMH) Program:** AMH expands the use of waterway transportation routes to relieve landside congestion, reduce air emissions, and generate other public benefits that increase the economic competitiveness and efficiency of the transportation system. Since August 2010, MARAD designated 24 Marine Highway Routes that serve as extensions of the surface transportation system.

# SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

## SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

Dollars in Millions

Account	FY 2015 Actual	FY 2016 Enacted	FY 2017 President's Budget
Operations and Maintenance ( <i>Harbor Maintenance Trust Fund</i> )	\$32.0	\$28.4	\$36.0
<b>Total</b>	<b>\$32.0</b>	<b>\$28.4</b>	<b>\$36.0</b>
<b>FTE</b>	<b>131</b>	<b>144</b>	<b>144</b>

## OVERVIEW

The Saint Lawrence Seaway Development Corporation (SLSDC) is responsible for operating and maintaining the U.S. portion of the binational St. Lawrence Seaway, including two U.S. Seaway locks, while also performing environmental management activities and promoting regional economic development. The Great Lakes region is the world's third largest economy with annual economic output of nearly \$5 trillion. In addition, Great Lakes Seaway System ships remain more fuel-efficient and emit fewer greenhouse gases per thousand cargo-ton miles than land-based alternatives. The Great Lakes/Seaway fleet is nearly 7 times

more fuel-efficient than trucks and 1.14 times more fuel-efficient than rail. 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 FY 2017 President's Budget request of \$36 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 and promoting a safe, reliable, efficient, and environmentally responsible deep-draft waterway.

## SUMMARY OF REQUEST

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The **FY 2017 President's Budget requests \$36 million** to support 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, New York. This request provides an increase of \$7.6 million above the FY 2016 enacted level.

- ▶ **Asset Renewal Program (ARP):** The FY 2017 President's Budget request will continue at the level of \$17.4 million and fund expenses associated with operating and maintaining the U.S. portion of the binational St. Lawrence Seaway at \$18.6 million.

Major ARP projects proposed in this Budget include the second year of a multi-year project to replace the SLSDC's operational tugs Robinson Bay and Performance (\$10 million) and the installation of a hands-free vessel mooring system at the U.S. Snell Lock that will mirror the system used at all the other U.S. and Canadian Seaway locks, including the SLSDC's U.S. Eisenhower Lock (at a cost of \$6.65 million).

## ***ADVANCING OUR PRIORITIES...***

### ***SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION MAJOR ACCOMPLISHMENTS (2009–2015)***

- ▶ **Asset Renewal Program (ARP):** SLSDC launched its Asset Renewal Program in 2009 to rehabilitate and modernize the SLSDC's lock infrastructure, vessels, facilities, and equipment in Massena, N.Y. The start of the program marked the first time in the Seaway's 50-year history that a coordinated effort to repair and modernize the U.S. Seaway infrastructure had taken place. Through the first 7 years of ARP funding (FYs 2009–2015), the SLSDC obligated \$109 million on 50 separate projects.
- ▶ **Invasive Species Monitoring:** The SLSDC, in conjunction with the U.S. Coast Guard, the U.S. Environmental Protection Agency, and the eight Great Lakes States, has continued working to mitigate and prevent the introduction of aquatic invasive species by ships' ballast water discharged in the Great Lakes. There have been no detections of new invaders introduced via shipping since 2006. This is an indication that the current regulatory regime is working to protect the Great Lakes from new aquatic invaders via the shipping vector.
- ▶ **International Liner Service:** The SLSDC's trade and economic development activities were instrumental in the launch of the first regularly scheduled international liner service to a U.S. port on the Great Lakes in decades. In April 2014, the SLSDC joined the Port of Cleveland and the Dutch carrier company, The Spliethoff Group, in announcing and

promoting the launch of the new Cleveland-Europe Express monthly liner service. The new service runs between the Port of Cleveland and Antwerp, Belgium, via the St. Lawrence Seaway. In 2015, The Spliethoff Group added a second monthly vessel to the program.

- ▶ **Ballast Water Collaboration:** In FY 2009, the SLSDC initiated the Great Lakes Ballast Water Collaborative (BWC), in conjunction with the International Joint Commission, to bring together industry and regulators (Federal and State) on the issue of ballast water and invasive species in the region. One of the primary goals of the BWC is to share relevant, useful, and accurate information and foster better communication and collaboration among the key stakeholders engaged in the effort to reduce the risk of the introduction and spread of aquatic nuisance species. A particular emphasis of the BWC has been to bring State representatives together with marine industry representatives and respected scientists to share information and find workable and effective solutions to the aquatic invasive species challenge. The SLSDC has co-hosted seven BWC meetings to include representatives from State and provincial governments (Minnesota, Wisconsin, Illinois, Ohio, Michigan, New York, and Ontario); U.S. and Canadian regulatory agencies; senior executives from the U.S.-flag laker, Canadian-flag laker, and international fleets; and leading academic ballast water researchers from Canada and the United States.

# OFFICE OF THE SECRETARY

## OFFICE OF THE SECRETARY

Dollars in Millions

Account	FY 2015 Actual	FY 2016 Estimate	FY 2017 President's Budget
Salaries and Expenses (GF)	\$105.0	\$108.8	\$ 114.4
Office of Civil Rights (GF)	9.6	9.7	9.8
Transportation Planning, Research and Development (GF)	6.0	8.5	17.0
Minority Business Resource Center (GF)	1.0	1.0	1.0
Small and Disadvantaged Business Utilization and Outreach (GF) (formerly Minority Business Outreach)	3.1	3.1	4.6
Payments to Air Carriers/Essential Air Service (estimated obligations) (GF/TF)	250.3	278.5	254.2
Financial Management Capital (GF)	5.0	5.0	4.0
Cyber security (GF)	5.0	8.0	15.0
Research and Technology (GF)	13.0	13.0	18.0
National Surface Transportation and Innovative Finance Bureau (GF)	0	0	3.0
U.S. Digital Services (GF)	0	0	1.0
DATA Act Compliance (GF)	0	0	4.0
Transportation Investments Generating Economic Recovery Grants (TIGER) (GF/TF)	500.0	500.0	1,250.0
<b>Total</b>	<b>\$898.4</b>	<b>\$935.4</b>	<b>\$1,696.0</b>
<b>Direct FTE</b>	<b>576</b>	<b>693</b>	<b>728</b>

## OVERVIEW

The Office of the Secretary (OST) is responsible for overall policy development, planning, direction, and oversight of the Department as well as administration of a broad array of programs, ranging in size from the Transportation Investments Generating Economic

Recovery (TIGER) grant program to the Minority Business Resource Center loan guarantee program. **The FY 2017 President's Budget of \$1.7 billion** includes funding for all existing OST programs as well as several new ones.

## SUMMARY OF REQUEST

The FY 2017 President's request is \$1.7 billion to invest in programs and activities of the Office of the Secretary (OST). The request assumes \$1.35 billion of mandatory funding, including contract authority for the National Infrastructure Investments grant program (TIGER) that previously has been funded with discretionary appropriations. It also requests \$342 million of discretionary funding, including funding for infrastructure permitting process improvements and the National Surface Transportation and Innovative Finance Bureau, as well as establishment of a new Safety Oversight Office.

- ▶ **National Infrastructure Investments Grant Program (TIGER):** The FY 2017 President's Budget is requesting **\$1.25 billion** of mandatory contract authority included in the Administration's *21st Century Clean Transportation Plan Investments* proposal for the National Infrastructure Investments grant program, commonly known as TIGER. The program will continue to fund infrastructure projects of national and regional significance, planning grants and awards, and oversight expenses. Since 2009, TIGER has provided nearly \$4.6 billion to 381 projects in all 50 States, the District of Columbia, and Puerto Rico, including 134 projects to support rural and Tribal communities. Demand for TIGER has been overwhelming, with the Department receiving more than 6,700 applications requesting more than \$134 billion through the program's seven rounds.
- ▶ **Research and Technology:** The FY 2017 President's Budget requests **\$18 million** for the Office of the Assistant Secretary for Research and Technology to strengthen research functions across the Department by providing a prominent centralized focus on research and technology to improve collaboration and coordination among Operating Administrations.

- The *FAST Act* (P.L. 114-94) includes \$26 million for the Bureau of Transportation Statistics, which is housed within this Office, as well as \$75 million for the University Transportation Centers grant program, which is administered by this Office.

- ▶ **National Surface Transportation and Innovative Finance Bureau:** Building on the Administration's successful Build America Investment Initiative, the *FAST Act* created the National Surface Transportation and Innovative Finance Bureau, a new office intended to help streamline and improve the application process for the Department's credit assistance programs and will promote innovative financing best practices for Public Private Partnerships (PPP) across all modes. The FY 2017 Budget requests **\$3 million** in targeted, new resources to support implementation of this high priority effort. **The Budget also requests \$275 million to cover the costs of providing credit subsidy through the Transportation Infrastructure Finance and Innovation Act (TIFIA) Program**, along with flexibility to also use resources from a range of new multimodal programs to cover subsidy costs.

- ▶ **Transportation Planning, Research and Development:** The FY 2017 President's Budget requests **\$17 million** for activities and studies to support the Secretary's responsibilities in the formulation of national transportation policy. Included within in this request are:

- **\$4 million** to continue focusing on **reducing infrastructure permitting and review timelines** by producing a faster, more efficient process with better, measurable outcomes. This funding builds on resources that the

Department received as part of FY 2016 Appropriations to establish an Interagency Infrastructure Permitting Improvement Center, which will support a range of activities including significant expansion of IT tools to accommodate broader tracking requirements. Importantly, the *FAST Act* codified and expanded upon significant Administration progress over recent years, including requiring widespread use of online dashboard tools to track and expedite project milestones.

- **\$5 million for Clean Energy Research and Development** which will identify specific emissions-reducing maritime-related projects with benefits that exceed costs that are suitable for funding diverse private, State, local or Federal sources. As part of this program, the Department will provide grants to fund a few site-specific feasibility studies or small matching grants to co-finance pilot hardware deployments to demonstrate emerging technologies, or catalyze projects stymied by institutional barriers.
- ▶ **Salaries and Expenses:** The FY 2017 President's Budget requests **\$114.4 million** for salaries and expenses of the Office of the Secretary. This request includes:
  - **\$1 million** for a new Office of Safety Oversight within the Office of the Under Secretary for Transportation Policy that will have oversight over all safety-related activity in the Department's Operating Administrations, with a particular focus on better integrating their safety activities.
  - ▶ **Essential Air Service:** \$150 million is requested of discretionary funding for the Essential Air Service program to supplement \$104 million of mandatory funding from overflight fees collected

by FAA. The Essential Air Service program ensures rural and isolated communities have access to the national air transportation system.

- ▶ **Cybersecurity:** The FY 2017 President's Budget is requesting **\$15 million** to continue improvements to the Department's cybersecurity posture, planned security enhancements to the Department's infrastructure, planned upgrades to DOT's Wide Area Network, and maintenance and operation of the Department's Continuous Monitoring solution.
- ▶ **Strengthening Financial Reporting and Linking Critical Systems by Uniquely Identifying Federal Awards:** The FY 2017 Budget provides **\$4 million** through the Financial Management Capital Account. \$2 million will be used to accelerate the award ID implementation to comply with the OMB's M-15-12, "Increasing Transparency of Federal Spending by Making Federal Spending Data Accessible, Searchable, and Reliable." The remaining \$2 million will be used to deploy existing **eInvoicing** capabilities to the vendor community, which is currently being used by DOT grantees. This funding will assist DOT and other Federal agencies that use the Department's shared service provider to comply with OMB's M-15-19, "Improving Government Efficiency and Saving Taxpayer Dollars Through Electronic Invoicing."
- ▶ **Compliance with the Digital Accountability and Transparency Act (DATA Act):** The FY 2017 Budget provides **\$4 million** for necessary expenses to support the Department's activities related to the implementation of the *DATA Act*. Given the number of DOT systems that will require modification, as well as the complexity and variety of DOT award management workflows; a coordinated, central investment approach is required. This funding is necessary for DOT to be able to comply with *DATA Act* reporting requirements.

- ▶ **U.S. Digital Services:** The FY 2017 President's Budget is requesting **\$1 million** to fund the cost of hiring digital service experts from outside the Government to form a digital services team to focus on transforming the Department's digital services with the greatest impact on citizen and businesses so they are easier to use and more cost-effective to build and maintain.
- ▶ **Small and Disadvantaged Business Utilization and Outreach:** The FY 2017 President's Budget is requesting **\$4.6 million** for the activities of the Office of Small and Disadvantaged Business Utilization (OSDBU). This request reflects the merger of \$1.4 million previously included with the Salaries and Expenses appropriation and the \$3.2 million Minority Business Outreach appropriation, both of which are administered by OSDBU.
- ▶ **Improving Transportation through an Advanced Research Focus:** The Department of Transportation has been exploring new forms of transportation-systems intelligence and planning that holds the potential to bring transformative efficiencies in the transportation system in a manner that is both environmentally and economically sustainable. Over the next few months, the Department plans to further develop an advanced research program to take the lead in this area.

This new program could bring a sea-change to the transportation sector by helping develop, deploy, and integrate many critical emerging areas including vehicle connectivity, charging infrastructure, the shared economy, innovative finance, resilience of infrastructure materials, optimization of multi-modal networks, cybersecurity, and transformative safety for vehicle and pedestrian interactions. Similar advanced research project programs at the Departments of Defense and Energy have been effective at developing breakthrough technologies for those agencies and could provide a model for this initiative.

While a specific proposal for such a program is not included within the FY 2017 Budget request, the Department of Transportation will, over the course of FY 2016 and using existing resources, undertake an expedited evaluation of the feasibility of this concept, how it would integrate with the Department's current organizational structure, and how it could further support its research priorities. This review will include exploration of potential implementation challenges, such as where it would sit structurally within the Department, and what personnel and hiring authorities might be necessary for the program to operate effectively.

## ADVANCING OUR PRIORITIES...

### OFFICE OF THE SECRETARY MAJOR ACCOMPLISHMENTS (2009–2015)

- ▶ **Implementing the Recovery and Reinvestment Act of 2009:** The Office of the Secretary successfully implemented the requirements of the Recovery Act ensuring that \$48.1 billion was provided for transportation-related projects in cities and neighborhoods throughout the Nation.
- ▶ **Ebola Response:** Coordinate requests for information and the Department's interagency activities undertaken during the Ebola pandemic and provided subject matter expertise to PHMSA in the development of a special permit for the movement of Ebola-contaminated waste. Other efforts including developing interagency guidance documents and plans for category A waste, prehospital patient movement, medical evacuation of patients with highly contagious diseases, interim movement and monitoring, emergency repatriation, and Ebola crisis action.
- ▶ **Cybersecurity:** The Department of Transportation has made enormous progress to improve the Department's cybersecurity posture. Significant progress has been made toward the White House Cross Agency Priority (CAP) goals, most notably in the area of increasing the use of personal identity verification (PIV) cards. During the FY 2015 Cyber Sprint, the Department made exponential improvements in secure access and system management resulting in a more secure environment. We have made a lot of progress over the past several years, but we still have much more to do. To meet this ever-changing challenge, nothing short of re-imagining and rearchitecting our IT infrastructure will position us to respond adequately. We have to streamline and optimize our network, investing in tools and technologies that allow us to address these issues as an enterprise.
- ▶ **IT Governance:** Over the past 8 years, the Department has made extraordinary progress in reforming IT management to create the groundwork for successfully implementing the Federal Information Technology Reform Act (FITARA). The Department reinvigorated the Investment Review Board (IRB) to create an effective, efficient, outcome-oriented governance structure for IT infrastructure, business support and mission investments. For the first time, the Office of the Chief Information Officer (OCIO) worked with the Office of the Chief Financial Officer (CFO) to incorporate common focus areas directly into the budget formulation process and established a strong partnership with the Senior Procurement Officer (SPE) to ensure high value expenditures are assessed by the Department CIO and align with Departmental Enterprise Architecture strategies.
- ▶ **Digital Government:** The Department developed an enterprise web content management platform in a cloud environment to improve usability for all stakeholders and leverage common tools for improved management and reduced cost. The new website supports mobile users through responsive design with a focus on the user experience and stakeholder engagement. Over the past 8 years, many sites have been consolidated and more than six major websites have been incorporated into the platform. Additional Operating Administrations are undergoing a migration this Fiscal Year. The Department has also established a data management program that ensures stakeholders have access to valuable Departmental information.

# OFFICE OF THE INSPECTOR GENERAL

## OFFICE OF THE INSPECTOR GENERAL

Dollars in Millions

Account	FY 2015 Actual	FY 2016 Enacted	FY 2017 President's Budget
Salaries and Expenses	\$86.2	\$87.5	\$90.2
<b>Total</b>	<b>\$86.2</b>	<b>\$87.5</b>	<b>\$90.2</b>
Salaries & Expenses, Full-time Equivalents (FTE)	398	394	397
Students/Experts, FTE	10	13	13
<b>Direct FTE</b>	<b>408</b>	<b>407</b>	<b>410</b>

## OVERVIEW

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The Office of 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. OIG's independent and objective oversight of the Department's programs and activities 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. **The FY 2017 President's Budget is requesting \$90.2 million for the OIG.**

## SUMMARY OF REQUEST

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The **FY 2017 President requests \$90.2 million** to support the Office of Inspector General. This request is \$2.7 million above the enacted level for FY 2016. These additional funds will be used to cover anticipated increases in base costs, including inflation and mandated pay adjustments. The amount requested

for FY 2017 will support 397 FTE and an estimated 13 FTE student interns and experts, for a total of 410 FTE. Carryover balances from the Disaster Relief Appropriations Act of 2013, a temporary funding source, are estimated to support an additional 6 FTE.

## ADVANCING OUR PRIORITIES...

### OFFICE OF THE INSPECTOR GENERAL MAJOR ACCOMPLISHMENTS (2009–2015)

- ▶ **Oversight of Financial Information:** Since President Obama's first term, we have reported significant results from our oversight of Department programs. From FY 2009 through FY 2015, we testified a total of 53 times before Congress. In that time period, we issued 986 reports containing 3,036 recommendations. These recommendations have had a financial impact to the Department's programs in excess of \$10.7 billion. During the same time period, our investigative efforts have produced 621 indictments with 570 convictions. OIG investigations led to fines, penalties, restitutions, and forfeitures totaling more than \$3 billion. The combined financial impact of our audit and investigative oversight work is more than 25 times the amount of budgetary resources appropriated to our office over the same time period.
- ▶ **Oversight of Non-Monetary Matters:** In addition to monetary benefits, our audits and investigations produce significant nonfinancial benefits. These include identifying efficiencies, recommending improvements to programs, and conducting criminal, civil, and administrative investigations of fraud and other allegations affecting Department programs. Our audits and investigations support the Department's strategic goals, including transportation safety, the Department's number one priority.
- ▶ **Safety Assessments:** Our audit work includes the assessment of key safety areas, including the Federal Aviation Administration's oversight of suspected unapproved parts, unmanned aviation systems, and commercial airline flight decks; the National Highway Traffic Safety Administration's processes for collecting vehicle safety data and determining when to investigate safety defects; the Federal Railroad Administration's oversight of hazardous materials transport by rail; the Federal Motor Carrier Safety Administration's investigative practices for high risk carriers; the Pipeline and Hazardous Materials Safety Administration's progress in addressing significant safety issues identified by the National Transportation Safety Board and reflected in numerous congressional mandates; and the Maritime Administration's oversight of the U.S. Merchant Marine Academy efforts to address sexual assault and harassment.
- ▶ **Investigations:** Our investigations support improved transportation safety by pursuing cases of suspected reincarnated motor carriers attempting to evade commercial trucking out-of-service orders, substandard aviation parts, falsification of aviation maintenance records, and transportation of hazardous materials. Our investigations also continue to engage in a number of multimodal outreach efforts. These include working with the Pipeline and Hazardous Materials Safety Administration and its State partners to ensure timely referrals regarding violations of the Pipeline Safety Act; conducting air bag deployment casework on the falsification of reports to the National Highway Traffic Safety Administration; conducting interagency casework involving counterfeit lithium batteries shipped from China; and coordinating with the Federal Aviation Administration in the criminal enforcement of unmanned aviation systems, taking into consideration the new requirements for registration of these systems.

# BUDGETARY RESOURCES

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

Dollars in Millions

<b>Administration</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Enacted</b>	<b>FY 2017 President's Budget</b>
Federal Aviation Administration	\$15,847.5	\$16,280.7	\$15,899.9
Federal Highway Administration	40,941.1	43,049.7	51,505.1
Federal Motor Carrier Safety Administration	572.0	580.4	794.2
National Highway Traffic Safety Administration	810.0	869.0	1,181.3
Federal Transit Administration	11,008.4	11,782.6	19,883.7
Federal Railroad Administration	1,626.0	1,699.2	6,266.8
Pipeline and Hazardous Materials Safety Administration	244.5	249.6	295.2
Maritime Administration	341.2	399.3	428.1
Saint Lawrence Seaway Development Corporation	32.0	28.4	36.0
Office of the Secretary	898.0	935.4	1,696.0
Office of Inspector General	86.2	87.5	90.2
<b>Total DOT Budgetary Resources</b>	<b>\$72,406.8</b>	<b>\$75,962.0</b>	<b>\$98,076.5</b>

Totals may not add due to rounding.

# BUDGET AUTHORITY

Dollars in Millions

<b>Administration</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Enacted</b>	<b>FY 2017 President's Budget</b>
Federal Aviation Administration	\$15,733.8	\$16,280.7	\$15,899.9
Federal Highway Administration	47,675.7	112,026.2	66,789.5
Federal Motor Carrier Safety Administration	572.0	580.4	794.2
National Highway Traffic Safety Administration	892.6	869.0	1,181.3
Federal Transit Administration	12,316.8	13,057.2	21,183.7
Federal Railroad Administration	1,657.4	1,678.1	6,266.8
Pipeline and Hazardous Materials Safety Administration	244.5	249.6	295.2
Maritime Administration	345.9	539.4	425.1
Saint Lawrence Seaway Development Corporation	32.0	28.4	36.0
Office of the Secretary	898.1	935.4	1,696.0
Office of Inspector General	86.2	87.5	90.2
Offsetting Collections	[8,826.9]	[70,795.9]	[19,626.4]
<b>Total DOT Budget Authority</b>	<b>\$71,628.2</b>	<b>\$75,536.1</b>	<b>\$95,031.5</b>

Totals may not add due to rounding.

# OUTLAYS

Dollars in Millions

<b>Administration</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Enacted</b>	<b>FY 2017 President's Budget</b>
Federal Aviation Administration	\$15,643	\$16,361	\$16,581
Federal Highway Administration	50,674	112,713	64,558
Federal Motor Carrier Safety Administration	531	581	646
National Highway Traffic Safety Administration	890	906	1,202
Federal Transit Administration	11,908	11,812	14,207
Federal Railroad Administration	2,723	3,597	5,977
Pipeline and Hazardous Materials Safety Administration	205	285	302
Maritime Administration	377	653	535
Saint Lawrence Seaway Development Corporation	31	37	46
Office of the Secretary	908	1,324	987
Office of Inspector General	86	90	92
Offsetting Collections	[8,827]	[70,796]	[19,626]
<b>Total DOT Outlays</b>	<b>\$75,149</b>	<b>\$77,563</b>	<b>\$85,507</b>

Totals may not add due to rounding.

# FULL TIME EQUIVALENT EMPLOYMENT

## TOTAL

<b>Administration</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Enacted</b>	<b>FY 2017 President's Budget</b>
Federal Aviation Administration	45,302	45,988	46,162
Federal Highway Administration	2,795	2,782	2,782
Federal Motor Carrier Safety Administration	1,111	1,175	1,178
National Highway Traffic Safety Administration	559	639	674
Federal Transit Administration	551	585	611
Federal Railroad Administration	842	934	969
Pipeline and Hazardous Materials Safety Administration	444	575	651
Maritime Administration	770	835	843
Saint Lawrence Seaway Development Corporation	131	144	144
Office of the Secretary	1,185	1,284	1,351
Office of Inspector General	411	413	416
Working Capital Fund	222	385	392
<b>Total DOT Full Time Equivalent Employment</b>	<b>54,324</b>	<b>55,739</b>	<b>56,173</b>

## DIRECT

<b>Administration</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Enacted</b>	<b>FY 2017 President's Budget</b>
Federal Aviation Administration	43,355	43,870	44,044
Federal Highway Administration	2,559	2,546	2,546
Federal Motor Carrier Safety Administration	1,058	1,114	1,117
National Highway Traffic Safety Administration	558	639	674
Federal Transit Administration	551	585	611
Federal Railroad Administration	842	934	972
Pipeline and Hazardous Materials Safety Administration	444	575	651
Maritime Administration	452	507	515
Saint Lawrence Seaway Development Corporation	0	0	0
Office of the Secretary	576	693	728
Office of Inspector General	411	413	416
<b>Total DOT Full Time Equivalent Employment</b>	<b>50,806</b>	<b>51,876</b>	<b>52,274</b>



**U.S. Department of Transportation**

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