9. TRANSPORTATION

Table 9–1. Federal Resources in Support of Transportation
(Dollar amounts in millions)

Function 400	1993 Actual	2001 Estimate	Percent Change: 1993–2001
Spending:			
Discretionary budget authority	13,973	19,058	36%
Obligation limitation	20,391	38,475	89%
Mandatory outlays	1,746	2,169	24%
Credit Activity:			
Direct loan disbursements	34	669	NA
Guaranteed loans	....	546	NA
Tax expenditures	1,815	2,220	22%

NA = Not applicable.

Effective and safe transportation is an indispensable component of our economy and society. The Nation's prosperity and growing standard of living over the past eight years is due in no small part to the growing strength of our transportation system and the policies that have supported it. Our system is now safer, more accessible, and better prepared to meet the challenges and opportunities presented by economic success, technological innovation, and environmental preservation needs. The Clinton-Gore Administration has provided a strong, effective foundation on which to shape the transportation system in the 21st Century.

The Federal Government funded transportation programs at $37 billion in 1993. Over the past eight years, transportation funding increased by $22 billion, or 59 percent. Funding for roads, bridges, transit, and railroads has increased by 75 percent, and for aviation, 42 percent. Funding for the safety, security, and efficiency of our Nation's waterways has risen 14 percent. These increases were secured particularly because of bipartisan efforts to enact highway and aviation reauthorization laws. The Transportation Equity Act for the 21st Century (TEA-21) and the Ford Aviation Investment and Reform Act for the 21st Century (AIR-21) are laws that will ensure increasing transportation resources as needs continue to grow.

Through transportation investments, the Administration has positively influenced transportation safety, mobility, economic growth, the human and natural environment, and national security. These strategic areas have been the focus of the Department of Transportation's (DOT) multi-year Strategic Plan and annual Performance Plans in managing for results. DOT's 1999 performance report showed that the Department met or saw positive trends in 77 percent of its performance goals.

Safer Operations

Improving transportation safety has been the number one transportation objective of this Administration. Highway fatality and injury rates have been pushed to all time lows, even with an increasing amount of traffic. Seat belt use is up and the percent of highway fatalities that are alcohol-related is down. If the highway fatality rate of 1992 had held steady, instead of declining as it has, approximately 4,000 more people would have died last year. The commercial aviation fatal accident rate has declined from the beginning of the decade. Recreational boating fatalities have declined despite a steady increase in the number of boats on the water. The rail-related fatality rate has fallen significantly since 1993.

Highways: The Administration has strengthened Federal programs that reach out to State and local partners, industry, and health care professionals to identify the causes of crashes and develop new strategies to reduce deaths, injuries, and resulting medical costs. These partnerships have yielded results—in 1999, for example, the Nation's safety belt use rate was 19 percent higher than in 1991.

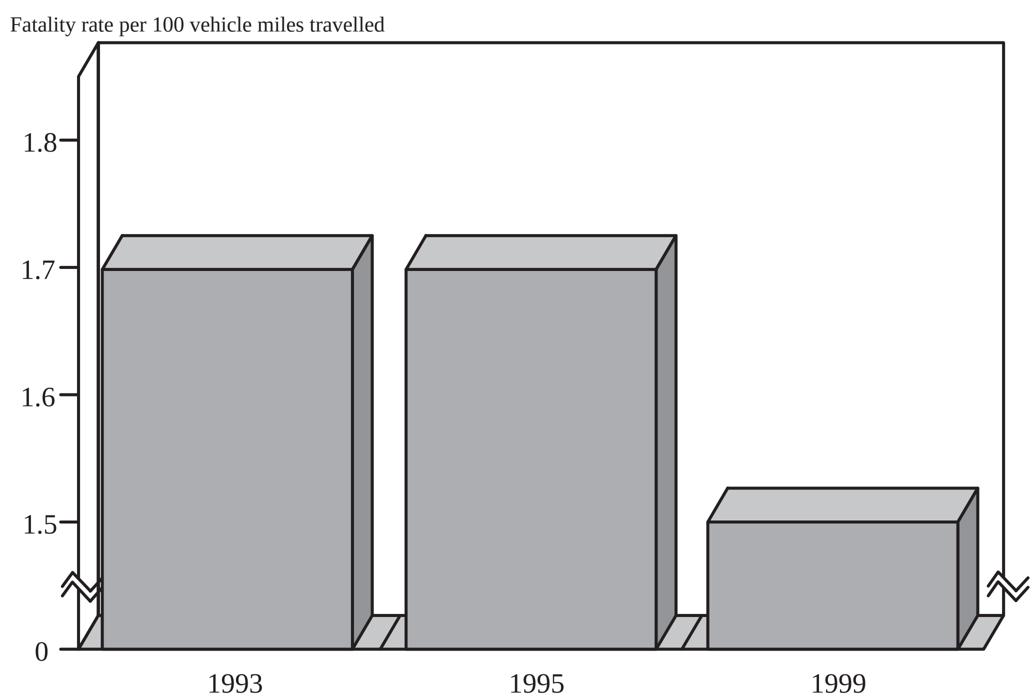
Alcohol related highway fatalities in 1999 represented 38 percent of all highway deaths—more than a 12-percent reduction from the 1993 level. Success in reducing alcohol related deaths was recently reinforced by securing a .08 Blood Alcohol Content sanction that will encourage States to adopt this stronger threshold standard for drunk driving. The .08 standard is 20 percent more stringent than the prior .10 Blood Alcohol Content standard.

Overall, highway-related fatalities have reached record lows. In 1993, the rate of highway-related fatalities and injuries per 100 million vehicle miles traveled was 1.7 for fatalities and 137 for injuries. In 1999, the fatality rate had fallen to 1.5 and the injury rate was 120. (See Chart 9–1.)

The Administration has laid a strong foundation for further improvements in road safety. The National Highway Traffic and Safety Administration issued a final rule aimed at making child safety seat restraint systems safer and easier for parents. Future motor vehicles will include child restraint systems that are standardized and independent of vehicle seat belts.

Improving the safety of commercial trucking has also been a key safety focus. The newly-established Federal Motor Carrier Safety Administration (FMCSA), created in 1999 with

Chart 9-1. Highway Fatality Rate has Dropped



bipartisan support, is increasing motor carrier enforcement, improving data, and expanding roadside inspections. States are now receiving dedicated funding to heighten enforcement of commercial drivers (e.g., truck and bus drivers) licenses in an effort to keep improperly registered vehicles and drivers off our Nation's highways. FMCSA develops uniform standards that improve commercial motor vehicle and driver safety, helps coordinate law enforcement activities, and aligns interstate trucking safety requirements.

FMCSA is currently engaged in dialogue with interested parties and the public regarding proposed changes to its motor carrier hours-of-service regulation. Proposed stronger rules based on the latest scientific data on driver fatigue were developed and promoted by the Administration.

Transit: The Federal Transit Administration has focused resources on safety and security technologies, establishing a compliance audit program, and providing training and technical assistance to help transit agencies increase the safety and security of their riders and employees. In 1993, the rate of transit-related fatalities and injuries per 100 million passenger miles traveled was 0.61 and 129, respectively. By 1999, the fatality rate had fallen to 0.53, and the injury rate to 115.

Aviation: The Federal Government's most visible transportation safety function is air traffic control and navigation. The Federal Aviation Administration (FAA) handles over two flights a second, moving 1.8 million passengers safely each day. In 2000, the FAA performed over 293,000 aviation safety inspections.

The Administration devoted considerable attention to improving aviation safety over the last eight years. The White House Commission on Aviation Safety and Security produced a comprehensive set of policy, regulatory, and research-based recommendations aimed at improving the aviation system over the long term. Most of these recommendations have been implemented by the Administration, such as the development and dissemination of improved aviation safety data, development and deployment of explosives and weapons detection technology, and expanded research into aging aircraft.

In addition, FAA has significantly expanded the safety inspector workforce to meet the demands of growing air traffic. Since 1993, the FAA has added 681 safety inspectors to its workforce. FAA inspectors are also better equipped with the skills and technology needed to identify safety issues, and have that information better disseminated to assess trends and make more informed, risk-mitigating decisions.

Efforts to improve aviation safety have yielded results. The commercial aviation fatal accident rate has fallen by 47 percent since 1992.

Waterways: The Coast Guard also plays a key safety role on our waterways. In an average year, through its search and rescue operations, the Coast Guard saves thousands of lives and approximately $2.5 billion dollars in property. In addition, the Coast Guard guides vessels through busy ports, operates reliable and safe navigation systems, regulates vessel design and operation, enforces U.S. and international safety standards, provides boating safety grants to States, and supports a 35,000-member voluntary auxiliary that provides safety education and assists regular Coast Guard units.

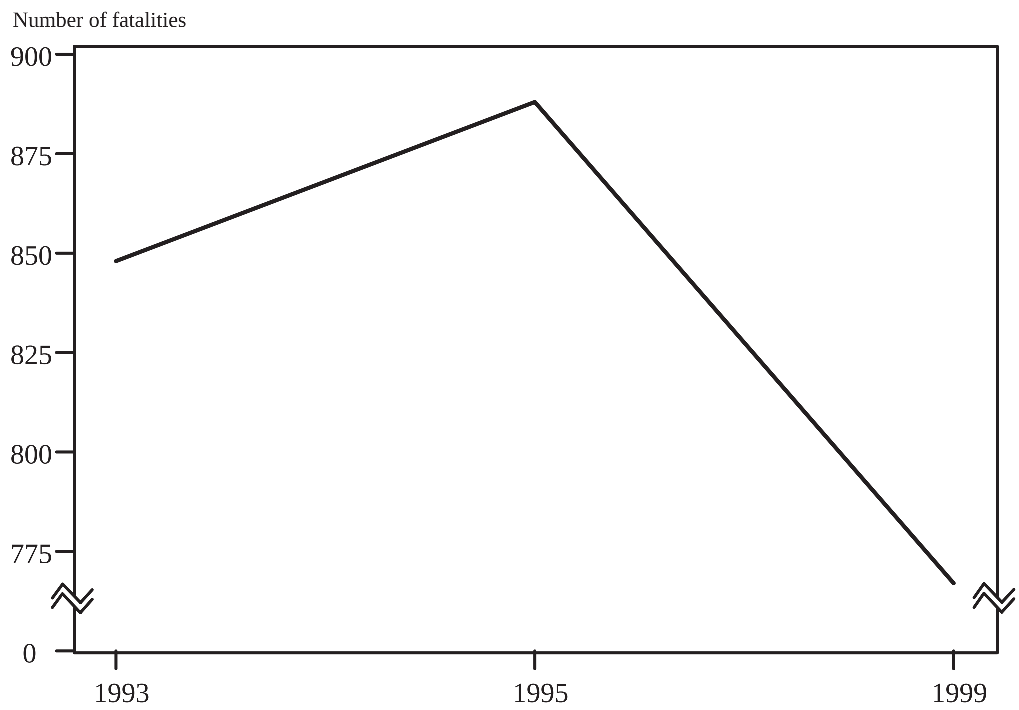
A key measure of the Administration's success in waterway safety is the reduction in the number of recreational boating fatalities. From 1993 through 1999, recreational boating fatalities have fallen even though the number of boats has increased. (See Chart 9–2.)

Railroads: The Federal Railroad Administration has improved railroad safety, in particular by strengthening the Safety Assurance and Compliance program. The program brings together rail labor, management and the Federal Government to determine root safety problems. From 1993 through 1999, the railroad-related fatality rate fell by 37 percent.

Effective Infrastructure and Efficiency Investment

In 1999, the U.S. transportation system served more than 260 million people and six million businesses. It supported 4.6 trillion passenger-miles and 3.9 trillion cargo ton-miles. The Administration pursued policies

Chart 9-2. Reduced Boating Fatalities



over the last eight years aimed at maintaining and improving the condition of the system to support this tremendous volume, while at the same time advancing the quality, efficiency, and the intermodal character of the Nation's infrastructure. Federal investments have ensured that the Nation will meet commerce transportation needs and ultimately advance economic growth and international competitiveness through improved economic efficiency.

Innovative Financing: The Administration implemented a number of new transportation financing innovations designed to streamline procedures, improve existing programs, and implement new ideas for improving the Nation's transportation infrastructure. In total, these initiatives are helping advance over 200 projects, representing a total capital investment of $24 billion. For example, the new Transportation Infrastructure Finance and Innovation Act (TIFIA) program provides Federal credit assistance to major transportation investments of critical national importance, such as: intermodal facilities; bridges; highway trade corridors; and transit and passenger rail facilities with regional and national benefits. In 2000, $37 million of TIFIA funding supported $638 million in credit assistance.

The Administration also implemented other innovative financing tools during the past eight years, such as Grant Anticipation Revenue Vehicle bonds (GARVEEs) and the Railroad Rehabilitation and Improvement Financing program (RRIF). With GARVEE bonds, a State can pledge its future Federal highway apportionments as a source of revenue for repayment of the bonds. Five States have issued highway GARVEE bonds totaling $942 million. A final rule implementing the RRIF program, which can provide up to $3.5 billion in loans and loan guarantees for rail projects, became effective in September of 2000.

Highways and Bridges: More than 957,000 miles of roads and bridges are eligible for Federal-aid Highway support, including the National Highway System and Federal lands roads. The Administration has recognized and supported a strong partnership between the Federal, State, and local governments in improving our road and bridge infrastructure to achieve national transportation goals. In 1999, State and local governments provided 63 percent of highway and bridge infrastructure spending, most of which is generated through their own fuel and vehicle taxes. From 1993 through 2001, the Administration will provide $211 billion to maintain and expand roads and bridges with funding from Federal motor fuels taxes. Annual investments of these dollars have risen significantly. The Administration utilized nearly $26 billion of motor fuel taxes in 2000 for highways and bridges compared to $18 billion in 1993. As a result, almost 5,000 miles of the National Highway System that were in unacceptable condition in 1993 are now in acceptable condition, and the percentage of our Nation's bridges deemed structurally deficient has fallen.

Transit: As with highways, the Federal Government assists State and local governments to improve mass transit. A portion of the Federal motor fuels tax goes to the Highway Trust Fund's Mass Transit Account, which funds transit grants to States and urban and rural areas. Federal capital grants comprise about half of the total spent each year to maintain and expand the Nation's 6,000 bus, rail, trolley, van, and ferry systems. Together, States and localities invest over $3.5 billion a year on transit infrastructure and equipment above funding provided by the Federal Government.

The Administration has led efforts to increase investments in the Nation's transit systems. In 2000, the Federal Transit Administration spent $5.6 billion on improving and expanding transit infrastructure. This compares with $2.8 billion in 1993. The Federal Government's role has been important in financing new urban bus and rail transit systems, as well as rural bus and van networks. Millions of Americans choose transit for their daily commute, easing roadway congestion and reducing air pollution. Others depend on public transportation due to age, disability, or income. (See Chart 9–3.)

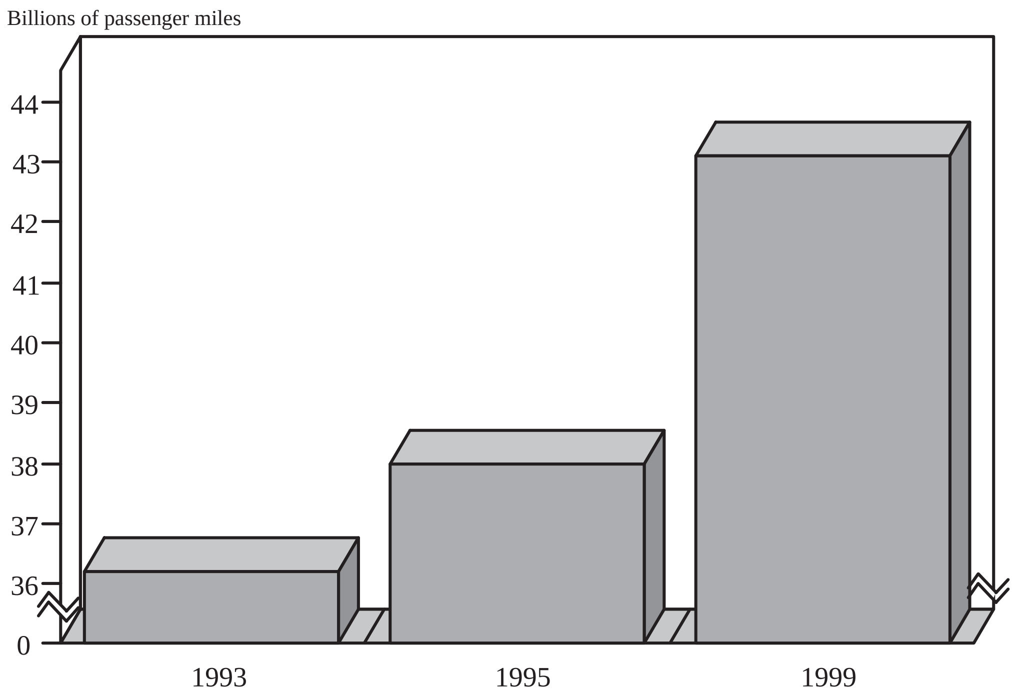
Our leadership in transit has expanded economic opportunity. The Job Access and Reverse Commute program is assisting welfare recipients and low income individuals reach employment opportunities. By the end of 1999, 1,742 new employment sites had been reached, giving dedicated workers access to an unprecedented number of jobs nationwide. Overall, transit ridership has grown significantly in recent years, from 36.2 billion passenger miles in 1993 to 43.1 billion in 1999. Nearly 300 miles of new rail transit service have been opened since 1993, and another 150 miles is under construction or has a Federal commitment for construction. The new lines under development will serve over 500,000 riders per day.

Passenger Rail: Rail service plays an important role in improving transportation mobility, and it offers an environmentally sound alternative to adding highway capacity to congested corridors. The Administration has worked with Amtrak to improve its financial position to ensure intercity passenger rail service is an integral part of our intermodal transportation system. Both the Taxpayer Relief Act of 1997 and the Amtrak Reform and Accountability Act of 1997 have provided critical resources to address its capital needs and place Amtrak on a glide path to self-sufficiency.

Amtrak has substantially improved its capital infrastructure and the quality of its services. Federal funding has been targeted to those investments which make good financial sense for the long-term health of the company and generate substantial benefits for the general public. For example, Amtrak successfully introduced Acela Express high-speed rail service along the Northeast Corridor. This service has reduced train travel time between Boston and New York by 29 percent. The Administration has supported legislation that authorizes Amtrak to issue $10 billion in tax credit bonds over ten years for capital improvement purposes.

However, Amtrak faces a number of challenges to its long term financial viability. In a recent report to the Congress, the General Accounting Office (GAO) concludes that Amtrak will need to continue to work

Chart 9-3. Transit Ridership is Up Significantly



to reduce system-wide operating losses, increase labor productivity, and improve passenger service. GAO indicates that Amtrak has capital needs exceeding $9 billion through 2015. These needs include safety improvements on tunnels and bridges in the Northeast Corridor.

Aviation and Airports: The Administration has made important progress in modernizing our aviation infrastructure through the FAA: modern workstations for air traffic controllers are being deployed; technologies to improve separation of aircraft are substantially increasing aviation capacity; and, efficiency and safety-enhancing global position system (GPS)-based navigation systems are nearing final development to reduce dependency on older ground-based systems.

Progress has also been made in improving the condition and capacity of our airports. While the Federal Government contributes a relatively small portion of money spent on airport infrastructure, Federal investment has nevertheless helped improve airport runway conditions since 1993, and therefore access and capacity. Airport Improvement Program funds augment other airport funding sources, such as bond proceeds, State and local grants, and passenger facility charges, which airports are permitted to assess on passengers. With 98 percent of the U.S. population living within 20 miles of a public-use airport, most citizens now have excellent access to air transportation.

To ensure the effective and efficient use of aviation resources, the Administration led efforts to implement acquisition, financial and personnel reforms at the FAA. Procurement reforms have enabled the FAA to pre-screen contractors to ensure that firms have the capabilities and experience to deliver technology systems that improve air traffic control. Personnel reform has resulted in a pay-for-performance system focusing employees on key agency goals. Financial reform is helping the agency better understand its costs.

While these reforms are critical, they do not go far enough to address more fundamental problems in the management of our air traffic control system. This past December, the Administration announced the creation of a performance-based organization, or "PBO", within the FAA to focus solely on the efficient operation of the air traffic control system. The PBO will be run by a Chief Operating Officer, with oversight provided by an Air Traffic Services Subcommittee of the FAA's Management Advisory Council. The Administration also directed DOT to assess impediments to market mechanisms for promoting more effective and efficient use of airport runway capacity, such as congestion pricing. Market mechanisms must also encourage better use of FAA services and efficient agency management, and the Administration called on the Congress to replace ticket taxes with cost-based fees on commercial users for FAA services.

The Administration has succeeded in improving aviation access and economic growth through "open skies" agreements with other nations. Through the efforts of the DOT, the United States has open skies agreements with over 50 countries. More of our citizens now have improved access to the world, at a lower cost.

National Security and Maritime Transportation: A commitment to marine transportation infrastructure has led to improved national competitiveness and strengthened our national security. Due to steps taken by the Maritime Administration and the Military Traffic Management Command, the percentage of DOD-designated ports able to meet DOD readiness requirements increased from 57 percent in 1997 to 93 percent in 1999. Federal loan guarantees issued by the Maritime Administration have made it easier to build and renovate vessels in U.S. shipyards. In 1999, loan guarantees were awarded for the construction of two large cruise passenger vessels, the first to be built in the United States in 50 years. The Maritime Administration and the Coast Guard are co-leading a new effort to develop more comprehensive coordination, leadership, and cooperation among Federal, State, and local agencies and private sector owners and operators of the Marine Transportation System.

Investments in the Coast Guard have made a difference in our Nation's war on drugs. The Coast Guard has invested in measures to improve its military readiness through fleet modernization, increased maintenance resources, improved logistics and expanded training levels. As a result, the maritime cocaine seizure rate has doubled since 1993. The Coast Guard has made the largest annual drug seizure in its history in each of the past two years—about 51 and 57 metric tons in 1999 and 2000, respectively. Nonetheless, the Coast Guard's fleet is aging and will require additional investment in order to maintain its effectiveness.

Expanded Transportation Access

Progress has also been made in areas of the country, such as Appalachia and the Mississippi Delta region, where accessibility is limited. Between 1993 and 1999, 349 miles of the Appalachian Development Highway System were built, bringing the total miles completed to 80 percent of the goals. In the Mississippi Delta region, $2.1 billion in discretionary grants have been made available since 1993 to facilitate investment in highways, transit and job access.

The Administration has also worked to improve transportation along critical borders and corridors where traffic is rapidly growing due to expanded trade in the Western Hemisphere. Since 1993, over $360 million has been provided through the Borders and Corridors Program for the planning, design, construction and related activities of projects that develop the 43 corridors identified by the Congress, and for other significant corridors and projects along the Canadian and Mexican borders.

Improved Environmental Protection

Undesirable environmental consequences can be an unfortunate by-product of our transportation system. The Administration has sought to avoid or mitigate transportation's adverse effects on the environment. Reducing air pollution from vehicles has been a focal point. Since 1993, programs such as Congestion Mitigation and Air Quality Improvement have contributed to reducing vehicular emissions. Minimizing water pollution through the prevention of oil spills has also been a priority. More than half of the oil used in the United States is imported, most of it arrives by tanker. Since 1993, the Coast Guard has helped reduce the amount of oil spilled into the Nation's coastal waters by over 50 percent.

Aircraft noise also has substantially decreased in recent years. Progress has been achieved through mandated replacement of older aircraft with newer, quieter models, and phase-out of older, noisier airplanes is now complete. Compared with 1993, about two-thirds fewer people are exposed to high levels of aircraft noise around our Nation's airports.

Significant progress has also been made in the protection of our Nation's wetlands. Occasionally, transportation projects, particularly the construction of highway bridges, affect wetlands. This Administration has avoided adversely affecting wetlands wherever possible. When impacts were unavoidable, wetlands were replicated at a ratio of 2.3 acres per acre affected.

Successful Research, Development and Technology

The Administration has invested heavily in important transportation research through the Department of Transportation and NASA to enable the continual evolution of our transportation system into one that is growing in efficiency, safety, and environmental compatibility.

Investments in Intelligent Transportation Systems (ITS) are improving mobility, productivity and safety. For example, the installation of ramp meters has increased freeway capacity in Seattle by 10 percent and reduced accident rates on freeways in Minneapolis by over 20 percent. Automatic vehicle location technology on buses in Baltimore improved on-time performance by 23 percent. Incorporating ITS into new roadways saves an estimated 35 percent of the cost of providing the same capacity through traditional highway construction alone.

The Administration has sought to develop cutting-edge technologies to take advantage of the transportation opportunities of the GPS. The Coast Guard developed and implemented the Differential GPS system used by mariners worldwide, and began expanding the system for nationwide use. Similarly, FAA developed the Wide-Area Augmentation System, which improves the accuracy and integrity of the GPS signal for aviation and other uses.

Through the National Research Plan for Aviation Safety, Security, Efficiency, and Environmental Compatibility, NASA and the FAA coordinate closely on the development of new technologies to meet the challenges of the Nation's growing air system. For example, NASA has developed technologies that could safely increase airport runway capacity by five percent. The FAA is using a NASA-developed system to improve aircraft sequencing at one of the world's busiest airports, Dallas-Fort Worth, preventing an estimated $9 million annually in aircraft delay costs. Another NASA system is improving the efficiency of ground operations at six high-volume airports.

This Administration has strongly supported the Advanced Vehicle Technologies Program, which combines the best in transportation technologies and innovative program management to produce new vehicles, components, and infrastructure to respond to medium- and heavy-duty transportation needs, performance requirements, and environmental standards. This program improves the overall energy efficiency and U.S. competitiveness while reducing emissions and transportation dependence on petroleum. Since 1993, this public/private partnership initiated over 300 projects with 450 companies and helped develop technologies such as hybrid electric transmissions, auxiliary power units and motors, and advanced battery and charger systems.