

Senate Agrees on 13.1 Percent Increase for DOT R&D

(This analysis is part of a series of AAAS R&D Funding Updates on the FY 2001 congressional appropriations process. This analysis includes information on R&D in Senate appropriations for DOT. The complete series of AAAS R&D Funding Updates, including continually updated analyses of R&D by agency in FY 2001 appropriations, is available on the AAAS R&D Web Site (<http://www.aaas.org/spp/R&D>) in the "FY 2001 R&D" or the "What's New" sections.)

On June 15, the full Senate approved by a unanimous 99-0 vote its version of the FY 2001 Transportation appropriations bill (S. 2720) for the Department of Transportation (DOT). The House approved its own version of the bill on May 19. Both Transportation bills are generous with increases because funding for most of its programs increases automatically with increasing gasoline and other transportation tax revenues. **The Senate would provide \$686 million for DOT's R&D in FY 2001, an increase of \$79 million or 13.1 percent** (see Table). The House would provide even more, for a total of \$694 million. (For details of House appropriations for DOT R&D, please see the May 22 AAAS R&D Funding Update on DOT.) Both increases, though substantial, would still be well below the President's request for \$778 million. DOT's R&D would grow slightly faster than the DOT budget as a whole, which in the Senate bill would reach \$54.7 billion, an increase of \$4.7 billion or 9.3 percent.

Much of the spending in the Transportation bill is exempt from limits on discretionary spending set out in spending caps and the annual budget resolution because of two new categories of discretionary spending created in the Transportation Equity Act for the 21st Century (**TEA-21**) of 1998. TEA-21, a six-year reauthorization bill for most highway and transit programs, dedicates all highway and transit trust fund receipts to transportation and creates two new categories of discretionary spending (highways and transit programs) for that purpose. Spending in these two categories is determined by receipts from transportation taxes and not by legislative limits. (Previously, Congress had diverted a substantial portion of transportation receipts to other discretionary programs, which had the effect of limiting transportation spending.)

Because transportation revenues have been rising and all these revenues are required to be spent on transportation, the Transportation bill is generous toward the two primary beneficiaries of TEA-21 spending, the Federal Highway Administration (FHWA; \$30.7 billion, up 6.9 percent) and the Federal Transit Administration (FTA; \$6.3 billion, up 8.4 percent). In FY 2001, the Federal Aviation Administration (FAA) would receive an even larger percentage increase (up 18.1 percent or \$1.8 billion to \$11.8 billion) because the recently-enacted Aviation Investment and Reform Act for the 21st Century (**AIR21**) would provide TEA21-like guarantees of increased funding for many FAA programs beginning in FY 2001.

Most other DOT agencies, which are funded primarily or partially from general discretionary funds, also increase in both the House and Senate bills because these programs deal primarily with transportation safety, a high priority for congressional appropriators.

FHWA's R&D programs would receive \$273 million, a gain of \$15 million or 6.0 percent over FY 2000, mostly because of the guaranteed funding in TEA-21. The Administration's request was for \$314 million. In the budget request, DOT had proposed to reallocate a portion of unexpected additional revenues from the highway trust fund toward uses not specified in TEA-21, including a significant diversion of funds to R&D. Both the House and Senate bill would reject this proposal and would distribute all the additional revenue to the states according to the TEA-21 distribution formula, just as Congress rejected a similar proposal in last year's budget request. The FHWA total includes \$49 million for R&D in the **Intelligent Transportation**

Systems (ITS) program, up from \$41 million in FY 2000. There would be increases for most FHWA R&D programs, though not as significant as those proposed by the Administration.

The **Federal Aviation Administration (FAA)**, because of the increased guaranteed funding in AIR21, would receive \$288 million for R&D activities, a substantial increase of \$62 million or 27.5 percent. FAA's R&D, however, totaled over \$300 million annually in the early 1990s until FY 1995, and then declined sharply due to budget cuts. The Senate would assign especially high priority to aircraft safety technology, particularly research on aging aircraft, and system security technology, but most FAA research areas would receive substantial increases.

The **National Highway Traffic Safety Administration (NHTSA)** would receive \$51 million for R&D in FY 2001, the same amount as this year. Most of NHTSA's R&D involves highway safety research and the development of new safety-related technologies. R&D in the Federal Transit Administration (FTA) would decline to \$14 million from \$17 million.

The majority of DOT's R&D is performed by intramural laboratories and industrial performers. Universities and colleges perform about a tenth of DOT's R&D, and a similar proportion is performed by state and local governments.

Nearly two-thirds of DOT's research (excluding development and R&D facilities) is in the engineering sciences, particularly in civil engineering, but DOT also is a key federal funding source for research in psychology and physics. DOT is only the fifth-largest supporter of engineering research despite its importance in the DOT portfolio, funding 5 percent of all federal support for engineering. The major sponsors of engineering research are the Department of Defense and the National Aeronautics and Space Administration, with about a third each of total federal support, followed by the Department of Energy and National Science Foundation. FAA funds 5 percent of total federal support for psychology, mostly into the role of human factors in aviation safety.

The generous funding increases in both the House and Senate Transportation bills, and the fact that so much of DOT funding is already set by TEA-21 and AIR21, should make the House-Senate conference on this bill relatively easy. The final Transportation bill may be one of the first of the FY 2001 appropriations bills to be signed into law.

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**Table. Department of Transportation
Senate Action on R&D in the FY 2001 Budget
(budget authority in millions of dollars)**

	FY 2000 Estimate	FY 2001 Request	FY 2001 House	Action by Senate		
				FY 2001 Senate	Chg. from FY 2000 Amount	Percent
Federal Aviation Administration	226	284	291	288	62	27.5%
Federal Highway Administration	257	314	273	273	15	6.0%
Federal Transit Administration	17	14	14	9	-8	-45.3%
Nat'l Highway Traffic Safety Admin.	51	95	55	51	0	0.0%
Federal Railroad Administration	25	29	29	27	2	9.5%
Coast Guard	20	23	21	23	2	11.5%
Research and Special Programs	7	13	8	10	3	47.3%
Office of Secretary	3	5	3	5	2	49.4%
Total DOT R&D	606	778	694	686	79	13.1%
DOT Budget (includes R&D components): ¹						
Federal Aviation Administration	9,997	11,222	12,006	11,811	1,814	18.1%
Federal Highway Administration	28,727	30,358	30,701	30,701	1,974	6.9%
Federal Transit Administration	5,785	6,321	6,271	6,271	486	8.4%
Coast Guard	4,022	4,609	4,617	4,359	337	8.4%
Federal Railroad Administration	735	1,056	689	705	-30	-4.0%
All Other ²	811	1,001	894	894	84	10.3%
Total DOT Budget	50,077	54,566	55,179	54,742	4,665	9.3%

AAAS estimates based on FY 2001 appropriations bills. Includes conduct of R&D and R&D facilities.

FY 2000 and FY 2001 request figures based on OMB R&D data and supplemental agency budget data.

Figures are rounded to the nearest million. Changes calculated from unrounded figures.

¹ Includes budget authority from appropriations, limitation on obligations from trust funds, and other budgetary resc

Figures are rounded to the nearest million. Percentage changes calculated from unrounded figures.

² Includes Office of Secretary, NHTSA, RSPA, Bureau of Transportation Statistics, and others.

Does not include Maritime Administration (funded in the Commerce-Justice bill).

June 16, 2000 - House and Senate approved appropriations.