



DOT R&D Climbs 11 Percent in Senate Plan

AAAS R&D Funding Update on DOT R&D in FY 2009 Senate Appropriations

Highlights

- The Senate Appropriations Committee has endorsed the **Department of Transportation's (DOT) proposal to increase its R&D funding, by 11.2 percent or \$92 million to \$912 million in fiscal year (FY) 2009** (see Table) because of large requested increases for aviation R&D and highway R&D.

DOT R&D in FY 2009 Senate Appropriations

On July 10, the Senate Appropriations Committee approved its version of the FY 2009 Transportation-HUD appropriations bill (S 3261) providing funding for the Departments of Transportation (DOT) and Housing and Urban Development (HUD), for possible consideration by the full Senate in July. The Senate would spend nearly \$3 billion more on the bill's programs in 2009 than the President's request for a total of \$53 billion in discretionary funding, in addition to other resources for transportation programs. The Senate would use the additional dollars to spend far more than DOT requested for the entire range of transportation programs, especially rail and highway spending.

The Department of Transportation (DOT) funds a broad range of highway, aviation, traffic safety, rail, transit, and marine transportation programs. **R&D is a relatively small part of a \$68 billion DOT budget but would increase 11.2 percent to \$912 million in the latest Senate plan, slightly more than the DOT request, with most of the increase going to aviation programs (see Table).** R&D funding would increase faster than the Senate's proposal for the total DOT budget, which would grow \$2.1 billion or 3.2 percent to \$67.6 billion (see Table).

Transportation funding is unusual in that although funds are appropriated, as they are for other discretionary programs, minimum funding levels each year are guaranteed by transportation authorization bills. Transportation appropriators must provide the funds necessary to meet these guarantees, occasionally adding to them or modifying them, before appropriating funds for programs outside the authorization bills. DOT programs are operating under a transportation authorization bill signed into law in August 2005 that dramatically increases highway R&D funding beginning in 2006 and extending through 2009. Nearly all the funds from the transportation authorization bill go to the Federal Highway Administration (FHWA) for state and local road projects, mostly in formula distributions but also in congressionally designated earmarked projects. The highway bill helped FHWA R&D climb in 2006 and 2007 to record highs. The FY 2009 budget, still based on the multi-year highway bill, would sustain those increases with a \$393 million R&D investment, an increase of \$20 million or 5.4 percent that the Senate would sustain. The surface transportation research portfolio on highway safety, pavement technologies, highway operations, environmental impacts, and other road topics would increase \$23 million to \$167 million in FY 2009 with increases across the board. The Intelligent Transportation Systems (ITS) portfolio of innovative technologies to improve traffic flow would also increase to \$51 million, up \$7 million. The FHWA budget also includes state highway R&D, distributed to state and local governments to support their R&D efforts, but funding for these state funds would decline \$11 million or 6.4 percent to \$156 million in 2009.

Federal Aviation Administration (FAA) R&D would receive a large increase of 24 percent in 2009 to \$335 million, a reversal of the past three DOT budget requests which proposed cuts in FAA R&D. The Senate would approve this requested increase mostly unchanged. The FAA funds a number of R&D efforts on aviation-related topics, including weather research, aircraft safety technology, human factors research, and development of next-generation technologies to improve aviation system capacity. The FY 2009

request focuses its increases on the Next Generation Air Transportation System (NextGen), a suite of technologies and operating systems envisioned to transition the U.S. civil aviation system from radar-based to satellite-based navigation and to boost capacity while preserving safety. Increases related to NextGen would boost funding for both FAA's main Research, Engineering, and Development (RE&D) account and also the Facilities and Equipment portfolio of advanced technology development for next-generation aviation systems. The RE&D NextGen increases would focus on environmental research, especially on aircraft technologies that would reduce emissions and noise.

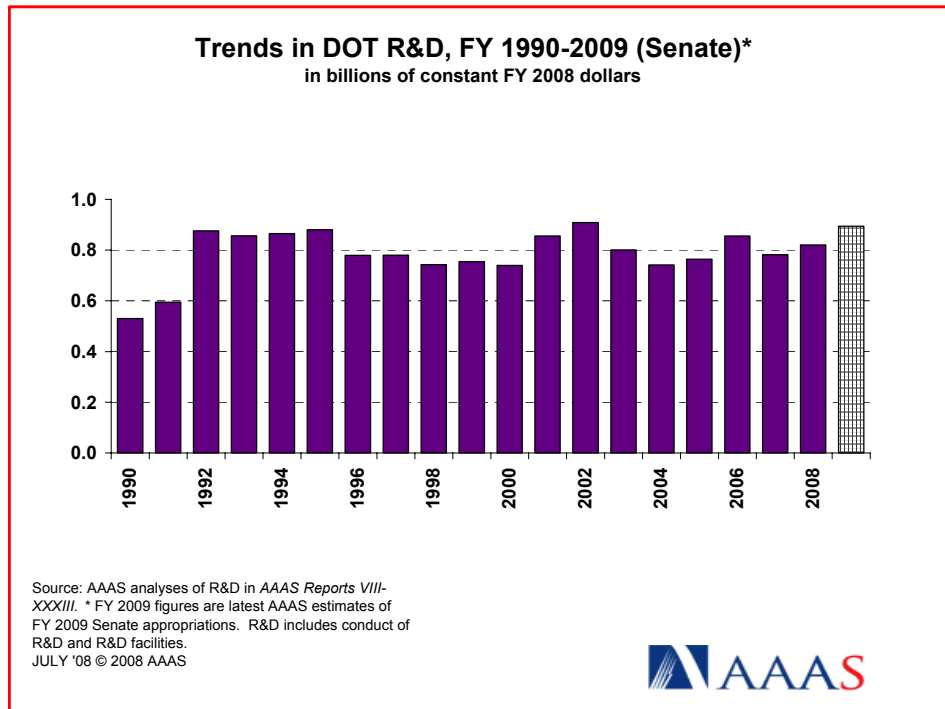


Figure 1. (click on the image for PDF)

Because of large increases for DOT R&D in FY 2001 and FY 2002 responding to the September 11 terrorist attacks on U.S. aviation, DOT's support for R&D reached a peak in FY 2002 (see Figure 1). But with the transfer of aviation security R&D to the Department of Homeland Security (DHS), reductions in key programs, and the transfer of the Coast Guard and its R&D program to DHS, DOT R&D declined sharply in FY 2003 and 2004 before rebounding, nearly reaching the peak funding level in 2006. The 2006 budget actually exceeded previous highs, however, after adjusting for the Coast Guard and FAA transfers to DHS. The 2007 and 2008 budgets retreated slightly from the 2006 peak, but the 2009 Senate appropriation would be the largest DOT R&D budget in history for the programs that are currently a part of DOT.

Outlook and Next Steps

The full Senate could debate and approve the Transportation-HUD bill in July, but could also choose not to debate it at all before the November elections. There is now almost no chance that Congress will send a final version of the bill to President Bush before the October 1 start of FY 2009. The President has threatened to veto any 2009 appropriations bill that exceeds his request; since the Senate version of the bill does so and since Congress is not inclined to do the heavy lifting of negotiating a House-Senate compromise bill only to see it vetoed, the bill has a long way to go before its funding levels become final.

(This analysis is one of a series of AAAS R&D Funding Updates on FY 2009 congressional appropriations. The complete series of AAAS R&D Funding Updates, including continually updated analyses of R&D in FY

2009 appropriations, is available on the AAAS R&D Web Site (<http://www.aaas.org/spp/rd>) in the “FY 2009 R&D” or the “What’s New” sections.)

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Table. Dept. of Transportation R&D in FY 2009 Senate Appropriations

**Table. Department of Transportation
Senate Appropriations Committee Action on R&D in the FY 2009 Budget
(budget authority in millions of dollars)**

	FY 2008 Estimate	FY 2009 Request	FY 2009 Senate	Action by Senate			
				Chg. from Request Amount	Percent	Chg. from FY 2008 Amount	Percent
Federal Aviation Administration	271	335	335	0	0.0%	64	23.7%
- Research, Eng. & Development	147	171	171	0	0.0%	24	16.5%
- Facilities and Equipment	114	161	161	0	0.0%	47	41.3%
- All Other	10	2	2	0	0.0%	-7	-74.4%
Federal Highway Administration	373	393	393	0	0.0%	20	5.4%
- Surface Transportation Res.	144	167	167	0	0.0%	23	16.0%
- Intelligent Transportation Sys.	44	51	51	0	0.0%	7	17.0%
- State Planning and Research	167	156	156	0	0.0%	-11	-6.4%
- All Other	18	18	18	0	0.0%	0	2.3%
Federal Transit Administration	13	18	18	0	0.0%	5	42.1%
Nat'l High. Traffic & Safety Adm.	83	83	89	5	6.3%	5	6.5%
Federal Railroad Administration	39	37	37	0	0.1%	-2	-4.7%
Office of the Secretary	14	10	13	3	26.2%	-1	-8.2%
Pipeline and Hazardous Materials	11	9	9	0	0.0%	-2	-21.2%
Research and Innov. Tech.	10	10	10	0	0.0%	1	6.3%
Federal Motor Carrier Safety Admin.	8	6	9	3	42.4%	1	18.7%
Total DOT R&D 1/	820	902	912	11	1.2%	92	11.2%
DOT Budget (includes R&D components) 1/ :							
Federal Aviation Administration	14,524	14,643	15,431	788	5.4%	906	6.2%
Federal Highway Administration	38,068	36,253	38,033	1,780	4.9%	-35	-0.1%
Federal Transit Administration	9,358	10,135	10,126	-10	-0.1%	768	8.2%
Federal Railroad Administration	1,561	1,091	1,816	725	66.5%	255	16.3%
All Other 2/	1,963	2,140	2,158	18	0.8%	194	9.9%
Total DOT Budget	65,475	64,262	67,563	3,301	5.1%	2,088	3.2%

AAAS estimates based on FY 2009 appropriations bills. Includes conduct of R&D and R&D facilities.
FY 2008 and FY 2009 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 resources.

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

2/ Includes Office of Secretary, NHTSA, Maritime Admin., RITA, Bureau of Transportation Statistics, and others.

July 16, 2008 - AAAS estimates of Senate Appropriations Committee-approved appropriations.

These figures may be amended or rejected by the full Senate.