

## House Boosts DOT R&D By 14.4 Percent

(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 House 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 May 19, the House of Representatives approved (395-13) its version of the FY 2001 Transportation appropriations bill (HR 4475) for the Department of Transportation (DOT). The Transportation bill is generous with increases because funding for most of its programs increases automatically with increasing gasoline and other transportation tax revenues. The House would provide **\$694 million for DOT's R&D in FY 2001, an increase of \$87 million or 14.4 percent** (see Table). This increase, 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 would reach \$55.2 billion, an increase of \$5.1 billion or 10.2 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 21<sup>st</sup> 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 especially 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 20.1 percent or \$2.0 billion to \$12.0 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 the House bill because these programs deal primarily with transportation safety, a high priority for the House Appropriations Committee.

**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. The House 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.

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The **Federal Aviation Administration (FAA)**, because of the increased guaranteed funding in AIR21, would receive \$291 million for R&D activities, a substantial increase of \$64 million or 28.5 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 increase would be concentrated in weather research, aircraft safety technology, and further development of free flight technologies and other new commercial aviation technologies.

The **National Highway Traffic Safety Administration (NHTSA)** would receive \$55 million for R&D in FY 2001, up \$4 million from 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 the Transportation bill made it easy to draft and pass in the House, and the Senate should also find drafting and approving its version easy. Because so much of DOT funding is already set by TEA-21 and AIR21, the Senate bill should contain increases similar to the House bill both for DOT's R&D and overall DOT spending.

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

	FY 2000 Estimate	FY 2001 Request	Action by House				
			<b>FY 2001 House</b>	Chg. from Request Amount	Percent	Chg. from FY 2000 Amount	Percent
Federal Aviation Administration	226	284	<b>291</b>	6	2.2%	64	28.5%
Federal Highway Administration	257	314	<b>273</b>	-42	-13.3%	15	6.0%
Federal Transit Administration	17	14	<b>14</b>	0	0.0%	-3	-16.9%
Nat'l Highway Traffic Safety Admin.	51	95	<b>55</b>	-40	-42.3%	4	8.7%
Federal Railroad Administration	25	29	<b>29</b>	-1	-1.7%	4	15.8%
Coast Guard	20	23	<b>21</b>	-2	-7.2%	1	3.5%
Research and Special Programs	7	13	<b>8</b>	-5	-36.6%	1	20.1%
Office of Secretary	3	5	<b>3</b>	-2	-32.5%	0	0.0%
<b>Total DOT R&amp;D</b>	<b>606</b>	<b>778</b>	<b>694</b>	<b>-84</b>	<b>-10.8%</b>	<b>87</b>	<b>14.4%</b>
DOT Budget (includes R&D components): <sup>1</sup>							
Federal Aviation Administration	9,997	11,222	<b>12,006</b>	785	7.0%	2,009	20.1%
Federal Highway Administration	28,727	30,358	<b>30,701</b>	343	1.1%	1,975	6.9%
Federal Transit Administration	5,785	6,321	<b>6,271</b>	-50	-0.8%	486	8.4%
Coast Guard	4,022	4,609	<b>4,617</b>	8	0.2%	594	14.8%
Federal Railroad Administration	735	1,056	<b>689</b>	-366	-34.7%	-46	-6.2%
All Other <sup>2</sup>	811	1,001	<b>894</b>	-107	-10.6%	84	10.3%
<b>Total DOT Budget</b>	<b>50,077</b>	<b>54,566</b>	<b>55,179</b>	<b>613</b>	<b>1.1%</b>	<b>5,102</b>	<b>10.2%</b>

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.

<sup>1</sup> 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.

<sup>2</sup> Includes Office of Secretary, NHTSA, RSPA, Bureau of Transportation Statistics, and others.

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

**May 22, 2000 - House-approved appropriations.**