

Fiscal Year 2018 Budget Highlights



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TECHNICAL NOTES:

At the time the Budget was developed, the FY 2017 Appropriation legislation had not yet been enacted. This document includes both the FY 2017 Annualized CR column, which was used to develop the Budget, as well as a column for the FY 2017 Enacted Levels.

The Department is currently analyzing the impact of the FY 2017 Enacted Appropriations upon its FY 2017 Full Time Equivalent levels. All indications of increase or decreases use a baseline of the FY 2017 Annualized Continuing Resolution amount.

ACRONYMS:

CR	Continuing Resolution
FAST	Fixing America's Surface Transportation Act of 2015 (P.L. 114-94)
FTE	Full Time Equivalent
GF	General Fund
SF	Special Fund
TF	Trust Fund

OVERVIEW OF THE PRESIDENT'S FY 2018 BUDGET DEPARTMENT OF TRANSPORTATION

- ▶ The FY 2018 President's Budget request is **\$76 billion**.
- ▶ In total this is about the **same funding level as FY 2016**.
- ▶ The Department's discretionary programs are funded at **\$16.3 billion**.
- ▶ The mandatory programs are funded at **\$59.6 billion**.
- ▶ The FY 2018 resources support about **55,229 personnel**.
- ▶ The President's Budget includes \$200 billion to support his Infrastructure proposal. This funding is not included with the Department of Transportation funding recommendations but is included in the President's overall request.
- ▶ The President's Budget also proposes to begin a multiyear effort to modernize the Federal Aviation Administration.

FEDERAL AVIATION ADMINISTRATION

FEDERAL AVIATION ADMINISTRATION

Dollars in Millions

Account	FY 2016 Actual	FY 2017 Annualized CR	FY 2017 Enacted	FY 2018 President's Budget
Operations	\$9,909.7	\$9,890.9	\$10,025.9	\$9,890.9
General Fund (non-add)	[1,987.7]	[1,983.9]	[852.9]	[1,790.9]
Trust Fund (non-add)	[7,922.0]	[7,906.9]	[9,173.0]	[8,100.0]
Facilities and Equipment (TF)	2,855.0	2,849.6	2,855.0	2,766.2
Research, Engineering, and Development (TF)	166.0	165.7	176.5	150.0
Grants-in-Aid for Airports (TF)	3,350.0	3,343.6	3,350.0	3,350.0
Cancellation of Prior Year Balances—Facilities and Equipment	0.0	0.0	0.0	[31.2]
Total	\$16,280.7	\$16,249.8	\$16,407.4	\$16,125.9
FTE	45,313	46,020	**	45,657

** The Department is currently analyzing the impact of the FY 2017 enacted appropriations on its FY 2017 FTE levels.

OVERVIEW

The Federal Aviation Administration (FAA) is the principal Federal agency responsible for providing the safest and most efficient aerospace system in the world. Since 1958, the FAA has regulated and overseen all aspects of civil aviation in the United States, running the largest and safest air traffic control system

in the world and ensuring the safety of the traveling public. Today, the breadth of the FAA's mission and capabilities is dedicated to achieving new levels of safety and efficiency, with about 46,000 permanent and part-time employees supporting the Nation's air travel.

HIGHLIGHTS OF THE FY 2018 PRESIDENT'S BUDGET

The President is requesting **\$16.1 billion for FY 2018** to invest in the safest, most efficient aerospace system in the world. This request provides necessary investments in critical capital infrastructure and the ongoing deployment of NextGen technologies. At the same time, the resources requested will enable the safe integration of new entrants into the National Airspace such as Unmanned Aircraft Systems (UAS) and commercial space transportation. The request also provides the funding necessary to support critical workforces at the FAA—air traffic controllers and aviation safety inspectors.

The President's Budget furthers these goals while keeping operational costs below FY 2016 levels.

FAA is proposing new efficiencies that optimize our services at a lower cost to the traveling public. FAA is also streamlining some services, and is considering new ways to be more efficient and effective.

Today, our aviation system is stronger and safer than ever, and so this represents the right time to be asking critical questions about the future. The FAA's current authorization expires on September 30, 2017, and the President will initiate a multiyear reauthorization proposal to shift the air traffic control function of the FAA to an independent nongovernmental organization. This proposal will make the Nation's aviation system more efficient and innovative while continuing to safeguard the safety of our system.

Key Components of the Request Include

Operations: \$9.9 billion is requested for the operation, maintenance, communications, and logistical support of the air traffic control and air navigation systems. This is the same level as annualized under the FY 2017 Continuing Resolution. The request accommodates funding increases for work related to Unmanned Aircraft Systems; to cover pay and inflationary cost increases; and to transition maintenance costs for new equipment from the Facilities and Equipment account. These increases are offset by \$49 million in savings by reducing the FAA's workforce through attrition, as well as additional operating and cost saving measures detailed below.

- ▶ **Air Traffic Organization (ATO): \$7.5 billion** is requested to provide safe, secure, and cost-effective air traffic services to commercial and private aviation. ATO assumes \$75 million in savings by modernizing the delivery of flight services and weather services, \$5.5 million through

strategic management of two programs designed to share data with the FAA's industry partners, \$4.4 million due to fewer training requirements for a reduced workforce, and \$39 million through other program service reductions and efficiencies.

- ▶ **Aviation Safety (AVS): \$1.3 billion** is requested to ensure the continued safety of the air transportation system. This includes a \$7 million increase over the annualized level under the FY 2017 Continuing Resolution to develop the policies, procedures and standards for safe UAS operations in the National Airspace System (NAS).
- ▶ **Commercial Space Transportation (AST): \$17.9 million** is requested to ensure the protection of the public, property, and national security of the United States during commercial launch and reentry activities.

- ▶ Security and Hazardous Materials Safety (ASH): **\$100.9 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.
- ▶ NextGen (ANG): **\$59.0 million** is requested to provide management and direction to the FAA's NextGen portfolio and to manage the day-to-day operations and maintenance of the FAA's William J. Hughes Technical Center (WJHTC) campus in Atlantic City, N.J.
- ▶ Finance and Management (AFN): **\$758.2 million** is requested to provide centralized management and delivery of core services to FAA's lines of business and staff offices.
- ▶ Staff Offices: **\$204.9 million** is requested to provide executive leadership, policy and planning, legal counsel, security services, and other administrative services in support of FAA's mission.
- ▶ Transition from Facilities and Equipment 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 2018 include System Wide Information Management (SWIM), Terminal Automation Modernization/Replacement (TAMR), and Time Based Flow Management (TBFM). This funding is necessary for continued operation and maintenance of the systems at sites where they have been deployed.

Facilities and Equipment (F&E): \$2.76 billion is requested to meet the challenge of both maintaining the capacity and safety of the current National Airspace while continuing its comprehensive system modernization and transformation. This level is \$83.4 million less than the annualized level under the FY 2017 Continuing Resolution.

Within these funds, the FY 2018 President's Budget requests **\$868 million** for NextGen capital investments to enable FAA to continue its ongoing modernization efforts. Examples of specific projects include:

- ▶ Air-to-Ground Data Communications: **\$154 million** is requested 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.
- ▶ Automatic Dependent Surveillance Broadcast: **\$139 million** is requested for the continued implementation of satellite-based surveillance capabilities in the Continental U.S., 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.
- ▶ Terminal Flight Data Manager (TFDM): **\$90 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 Air Traffic Control Tower, the En Route Air Traffic Control, Approach Control, Traffic Flow Management, and Flight/Airline Operations domains.
- ▶ En Route Automation Modernization System Enhancements and Technology Refresh: **\$77 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.

- ▶ System-Wide Information Management (SWIM): **\$50 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: **\$40 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.
- ▶ Performance Based Navigation: **\$20 million** is requested to optimize the use of airspace and procedures in the metroplex areas.
- ▶ Unmanned Aircraft Systems: **\$19 million** is requested to help develop an Unmanned Traffic Management system, a separate but complementary system to the Air Traffic Management system. This system will process airspace notifications and authorizations for UAS operators that are flying below FAA-controlled airspace.

The remainder of the investment, **\$1.9 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 Sustainment Plan: **\$490 million** is requested to advance the state of good repair of FAA 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: **\$153 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: \$150 million is requested to support environmental and safety research including fire research, propulsion and fuel systems, unmanned aircraft, advanced materials research, and weather research. This level is \$26.5 million less than the annualized level under the FY 2017 Continuing Resolution. Highlighted research programs include:

- ▶ Fire Research and Safety: **\$7.0 million** is requested to support research activities to increase aircraft fire safety, including fire tests for interior materials, fire detection and suppression systems, firefighting procedures and guidance material, and safeguards to protect against fires involving lithium batteries, fuel cells, and hazardous materials.

- ▶ Unmanned Aircraft System Research: **\$6.8 million** is requested to continue research to evaluate operational concepts, technologies and methods for the safe integration of UAS into our national airspace. Research will focus on the subjects of control and communications, training devices and detect and avoid, and will include efforts to determine qualification criteria for UAS training devices, establish design standards for UAS control stations and further develop minimum standards and requirements for detect-and-avoid technology.
- ▶ Commercial Space Transportation Safety: **\$1.8 million** is requested to continue to investigate improvements for the safe integration of commercial space operations into the NAS. The FY 2018 research will focus on the safe and efficient integration of launch and reentry activity into the NAS, advanced safety assessment methods, advanced vehicle safety methodologies, and human spaceflight safety, and will include efforts to develop methods for automatically declaring aircraft hazard areas in real-time during launch or re-entry, and to develop recommended practices for crew in suborbital winged commercial spaceflight vehicles.
- ▶ NAS Information Security: **\$1.0 million** is requested to research disruptive cyber incidents that affect the air traffic control mission and to improve resiliency in the event an incident does

occur. While current measures for NAS information security are robust, the rapidly evolving capabilities of our potential adversaries and the sharply decreasing costs of exploits require the FAA to explore advanced detection and defense capabilities.

Grants-in-Aid for Airports (sometimes called Airport Improvement Program) (AIP): The FY 2018 President's Budget is requesting \$3.35 billion obligation limitation for AIP, an increase of \$6.4 million from the annualized level under the FY 2017 Continuing Resolution.

- ▶ The request supports our continued focus on safety-related development projects as well as increased capacity and improving infrastructure conditions through a combination of grant funding and revenue generated through Passenger Facility Charges (PFCs).
- ▶ The request includes an overall reduction in workforce through attrition while maintain staffing levels for aviation safety inspectors to ensure airport compliance with safety regulations and to support the safe integration of UAS into the NAS.
- ▶ The Budget request includes \$4.5 million to develop upgrades to airports' national data systems and an increase of \$2 million to the Airports Technology Research Program for pavement advance material testing.

FACILITIES AND EQUIPMENT RESOURCES

Dollars in Millions

	FY 2016 Enacted	FY 2017 Annualized CR	FY 2017 Enacted	FY 2018 President's Budget
Activity 1—Engineering, Development, Test and Evaluation	\$156.1	\$150.0	\$157.0	\$145.6
Advanced Technology Development and Prototyping	21.3	27.9	24.8	26.8
William J. Hughes Technical Center Programs	32.3	32.2	32.2	29.0
NextGen Pre-Implementation Portfolios	102.5	90.0	100.0	74.8
Unmanned Aircraft Systems (UAS)	—	—	—	15.0
Activity 2—Air Traffic Control Facilities and Equipment	\$1,832.2	\$1,800.7	\$1,791.7	\$1,718.8
Data Communications in Support of NG Air Transportation System	234.9	232.0	232.0	154.1
ADS-B NAS Wide Implementation	184.6	154.8	154.8	139.2
En Route Automation Modernization (ERAM)—Tech Refresh & Enhancements	79.4	78.0	78.0	76.7
Next Generation Very High Frequency Air/Ground Communications (NEXCOM)	43.6	53.0	50.5	53.0
System-Wide Information Management	37.4	28.8	43.8	50.1
Time Based Flow Management Portfolio	42.6	50.6	50.6	40.5
NextGen Weather Processors	7.0	27.8	27.8	35.5
Oceanic Automation System	20.0	24.0	24.0	23.1
Tower Flight Data Manager (TFDM)	—	42.2	42.2	90.4
Terminal Automation	248.2	180.8	180.8	161.3
National Airspace System Voice System (NVS)	53.6	48.4	48.4	68.8
Collaborative Air Traffic Management Technologies	14.8	13.8	13.8	9.0
Wide Area Augmentation System (WAAS) for GPS	107.2	111.6	111.6	102.3
Facilities Infrastructure Sustainment	417.9	417.1	406.3	430.5
Improve Automation Systems	50.5	44.3	44.3	33.3
Sustain Communication Systems	43.2	34.1	34.1	54.5
Sustain Flight Services for General Aviation	5.7	5.7	5.7	16.7
Navigation and Landing	33.5	36.5	38.5	58.0
Runway Safety Areas—Navigational Mitigation	30.0	14.0	14.0	1.6
Sustain Surveillance Systems	43.5	62.9	62.9	35.5
Improve Weather Systems	31.0	29.0	29.0	22.6
Other	103.8	111.5	98.8	62.6
Activity 3—Non-Air Traffic Control Facilities and Equipment	\$171.0	\$182.9	\$182.9	\$193.0
Hazardous Materials Management	26.4	31.0	31.0	35.3
Information Security	12.0	25.0	25.0	20.7
Facility Security Risk Management	15.0	21.0	21.0	20.4
National Air Space (NAS) Recovery Communications (RCOM)	12.0	12.0	12.0	12.0
Aeronautical Center Infrastructure Modernization	15.2	14.0	14.0	14.0
Safety Database and Computer Systems	66.6	61.7	61.7	72.0
Other	23.8	18.3	18.3	18.6
Activity 4—Facilities and Equipment Mission Support	\$225.7	\$237.4	\$237.4	\$225.0
Center for Advanced Aviation System Development (CAASD)	60.0	60.0	60.0	57.0
Facility Leases	65.5	65.9	65.9	66.7
Technical Support Contracts	77.2	82.1	82.1	78.6
Aeronautical Information Management Program	5.0	10.4	10.4	4.7
Logistics and Acquisition Support Services	11.0	11.0	11.0	11.0
Other	7.0	8.0	8.0	7.0
Activity 5—Personnel and Related Expenses	\$470.0	\$478.5	\$486.0	\$483.8
Total Facilities and Equipment	\$2,855.0	\$2,849.6	\$2,855.0	\$2,766.2

NEXTGEN PROGRAMS

Dollars in Millions

	FY 2016 Enacted	FY 2017 Annualized CR	FY 2017 Enacted	FY 2018 President's Budget
Facilities and Equipment	\$854.5	\$877.4	\$900.4	\$867.9
NextGen—Separation Management Portfolio	31.5	25.8	32.8	13.5
NextGen—Traffic Flow Management Portfolio	—	—	—	10.8
NextGen—Improved Surface	17.0	2.0	2.0	—
NextGen—On Demand NAS Portfolio	11.0	8.5	11.5	12.0
NextGen—Environment Portfolio	1.0	—	—	—
NextGen—Improved Multiple Runway Operations Portfolio	8.0	6.5	6.5	—
NextGen—NAS Infrastructure Portfolio	11.0	17.7	17.7	17.5
NextGen—Support (NIEC, Test Bed) Portfolio	10.0	12.0	12.0	12.0
NextGen—System Safety Management Portfolio	17.0	17.0	17.0	16.2
NextGen—Unmanned Aircraft Systems (UAS)	—	—	—	15.0
NextGen—Enterprise, Concept Development, Human Factors, & Demonstrations Portfolio	—	—	—	9.0
Performance Based Navigation and Metroplex Portfolio	13.0	17.5	17.5	20.0
NextGen—Communications in Support of NextGen	234.9	232.0	232.0	154.1
En Route Automation Modernization (ERAM)—System Enhancements	79.4	78.0	78.0	76.7
System-Wide Information Management (SWIM)	37.4	28.8	43.8	50.1
ADS-B NAS Wide Implementation	184.6	154.8	154.8	139.2
Collaborative Air Traffic Management (CATMT) Portfolio	14.8	13.8	13.8	9.0
NextGen—Improved Surface/TFDM	—	42.2	42.2	90.4
Tactical Time Based Flow Management (TBFM)	42.6	50.6	50.6	40.5
Next Generation Weather Processor (NWP)	7.0	27.8	27.8	35.5
NAS Voice System (NVS)	53.6	48.4	48.4	68.8
Reduced Oceanic Separation	—	—	—	4.4
Flight Interfacility Data Interface (FIDI) Modernization	9.0	15.0	13.0	—
Aeronautical Information Management Program (AIM)	5.0	10.4	10.4	4.7
Cross Agency NextGen Management	3.0	2.0	2.0	1.0
Activity 5 F&E PCBT—NextGen Staffing*	63.8	66.6	66.6	67.9
Research Engineering and Development (RE&D)	\$71.0	\$70.9	\$76.5	\$54.1
NextGen—Alternative Fuels for General Aviation	7.0	7.0	7.0	5.9
NextGen—Information Security	—	—	1.0	1.0
NextGen—Wake Turbulence	8.5	8.5	8.6	6.8
NextGen—Air Ground Integration	8.0	8.0	8.6	6.8
NextGen—Weather in the Cockpit	4.0	4.0	4.1	3.6
NextGen—Environmental Research, Aircraft Technologies, Fuels and Metrics	25.8	25.8	27.2	23.2
Unmanned Aircraft Systems Research	17.6	17.6	20.0	6.8
Operations	\$54.6	\$58.3	\$78.3	\$66.0
NextGen Staffing	29.5	33.0	33.0	33.6
NextGen Unmanned Aircraft System	11.7	11.7	31.7	18.7
Performance Based Navigation (PBN) Activities	13.5	13.7	13.7	13.8
Total NextGen Programs	\$980.2	\$1,006.6	\$1,055.2	\$988.0

FEDERAL HIGHWAY ADMINISTRATION

FEDERAL HIGHWAY ADMINISTRATION

Dollars in Millions

Account	FY 2016 Actual	FY 2017 Annualized CR	FY 2017 Enacted	FY 2018 President's Budget
Federal-Aid Highways Obligation Limitation (TF) ^{1,2}	\$42,361.0	\$42,280.5	\$43,266.1	\$44,234.2
Federal-Aid Highways Exempt From Obligation Limitation (TF) ³	639.0	639.0	639.0	639.0
Emergency Relief (TF)	100.0	100.0	100.0	100.0
Limitation on Admin Expenses (non-add) ⁴	[429.0]	[428.2]	[435.8]	[442.7]
Emergency Relief Supplemental (GF) ⁵	0.0	1,004.0	1,532.0	0.0
Total⁶	\$43,100.0	\$44,023.5	\$45,537.1	\$44,973.2
FTE	2,693	2,732	**	2,723

¹ Does not include flexible funding transfers to FTA of approximately \$1.3 billion in FY 2016, FY 2017 and FY 2018.

² Does not reflect penalty transfers to NHTSA, which were \$91 million in FY 2016 and \$101 million in FY 2017.

³ FY 2016 and FY 2017 amounts are shown before reductions due to sequestration.

⁴ FY 2016 and FY 2017 include FHWA General Operating Expenses (GOE) and transfers to the Appalachian Regional Commission. FY 2018 includes FHWA GOE only.

⁵ Public Law 114-254 provided \$1,004 million for the Emergency Relief Program. Public Law 115-31 provided \$528 million for the Emergency Relief Program.

⁶ FY 2017 Enacted total does not reflect the \$857.0 million rescission of contract authority.

** The Department is currently analyzing the impact of the FY 2017 Omnibus upon its FY 2017 FTE levels.

OVERVIEW

The Federal Highway Administration (FHWA) supports State and local governments in the design, construction, and maintenance of the Nation's highway system (Federal Aid Highway Program) and various Federally and Tribal owned lands (Federal Lands Highway Program). Through financial and technical assistance to State and local governments,

FHWA is responsible for ensuring that America's roads and bridges continue to be among the safest and most technologically sound in the world. In addition to its headquarters office, FHWA has personnel in each of the 50 States, the District of Columbia, and Puerto Rico that work with State, local, and other Federal transportation agencies.

HIGHLIGHTS OF THE FY 2018 PRESIDENT'S BUDGET

The President is requesting **\$45 billion for the Federal-aid Highway Program in FY 2018 to invest in the Nation's highway and bridge infrastructure.** This request, which reflects the third year of the Fixing America's Surface Transportation (FAST) Act, will enable FHWA to further streamline project delivery while investing in projects that improve roadway

safety, repair aging bridges and highways, and promote the movement of freight. Further, the Budget will provide States and localities flexibility to invest in the projects that best meet local needs while improving the performance of the national infrastructure network.

Key Components of the Request Include

Highway Safety Improvement Program (HSIP): \$2.56 billion is requested for the HSIP. **Safety continues to be FHWA's top priority.** In 2015, 35,092 people died in motor vehicle crashes on our Nation's highways. Through a data-driven and performance-based strategic approach, this request will focus on reducing traffic fatalities and serious injuries on all public roads.

National Highway Performance Program (NHPP): \$23.26 billion is requested for the NHPP to **preserve and modernize the National Highway System (NHS).** The NHS is composed of 220,000 miles of rural and urban roads serving major population centers, border crossings, intermodal transportation facilities, and major travel destinations. This includes the Interstate Highway System, all principal arterials, intermodal connectors, and roads important to mobility, commerce, national defense, and intermodal connectivity.

Freight Transportation: \$1.19 billion is requested for the formula National Highway Freight Program and **\$900 million for the Nationally Significant Freight and Highway Projects discretionary grant program.** FHWA will **advance nationally significant freight projects that will improve the safety, efficiency, and reliability of the movement of**

freight and people. Through the advancement of construction ready projects, FHWA will enhance our Nation's freight movement.

Surface Transportation Block Grant Program (STBGP): \$11.67 billion for the STBGP. FHWA's request provides **flexibility to States and localities to target funding to priority areas and areas of greatest need.** Funding is available for the approximately 1,000,000 miles of the Federal-aid highway system. This includes projects to improve or preserve condition and performance on any Federal-aid highway; bridge and safety projects on any public road; and facilities for nonmotorized transportation.

Federal Lands and Tribal Programs: \$1.10 billion is requested to **improve access to and within Federal and Tribal lands.** These projects will provide multimodal access to basic community services for Federally-recognized sovereign Tribes, improve multimodal access to recreational areas on public lands, and expand economic development and transportation accessibility in and around Federal and Tribal lands.

Congestion Mitigation and Air Quality Improvement Program (CMAQ): \$2.41 billion is requested for the CMAQ program to help States, local governments, and private-sector sponsors reduce highway congestion and harmful emissions.

Other Critical Highway Programs: The request will ensure that investment continues in other vital areas such as **emergency relief following disasters or catastrophic failures (\$100 million)**; metropolitan

planning (\$343 million); highway programs in Puerto Rico and United States Territories (\$200 million); and research, technology, and education programs (\$417.5 million).

FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

Dollars in Millions

Account	FY 2016 Actual	FY 2017 Annualized CR	FY 2017 Enacted	FY 2018 President's Budget
Motor Carrier Safety Operations and Programs (TF)	\$267.4	\$266.9	\$277.2	\$283.0
Motor Carrier Safety Grants (TF)	313.0	313.0	367.0	367.0
Total	\$580.4	\$579.3	\$644.2	\$657.8
FTE	1,136	1,202	**	1,202

** The Department is currently analyzing the impact of the FY 2017 Omnibus upon its FY 2017 FTE levels.

OVERVIEW

The Federal Motor Carrier Safety Administration's (FMCSA) primary mission is to prevent commercial motor vehicle-related crashes, fatalities, and injuries. Activities of the Agency contribute to ensuring safety in motor carrier operations through strong enforcement of safety regulations; targeting high-risk carriers and commercial motor vehicle drivers; improving safety information systems and commercial motor vehicle technologies; strengthening commercial motor vehicle equipment and operating standards; and increasing safety awareness. To accomplish

these activities, FMCSA works with Federal, State, and local enforcement agencies, the motor carrier industry, labor and safety interest groups, and others.

In carrying out its safety mandate, FMCSA:

- (1) Develops and enforces data-driven regulations that balance motor carrier (truck and bus companies) safety with efficiency;
- (2) Harnesses safety information to focus on high-risk carriers in enforcing the safety regulations;
- (3) Targets educational messages to carriers, commercial drivers, and the public; and
- (4) Establishes partnerships with

stakeholders including Federal, State, and local enforcement agencies, the motor carrier industry, safety groups, and organized labor on efforts to reduce bus and truck-related crashes.

To execute its mission FMCSA has approximately 1,200 employees, of whom 28 percent are located at headquarters and 72 percent are located at field offices in each of the 50 States, the District of Columbia, and Puerto Rico.

HIGHLIGHTS OF THE FY 2018 PRESIDENT'S BUDGET

The President is requesting \$657.8 million to invest in motor carrier and commercial motor vehicle safety outreach, enforcement and research operations.

Key Components of the Request Include

Motor Carrier Safety Operations and Programs: \$283 million is requested 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.

- ▶ **General Operations: \$239.1 million is requested** to carry out FMCSA's primary safety mission and required support functions. This includes:
 - **\$4.9 million** to fund FMCSA's increasing FAST Act requirements for innovation, technology, and research to improve FMCSA data transparency and collaboration with industry, and overall safety of motor carrier operations on America's Highways.
 - **\$5 million** to continue investments in States along the southern border and high priority domestic offices improving FMCSA's ability to collaborate with other border agencies,

and ensure safe operating conditions for FMCSA personnel and the truck and bus drivers that are served.

- ▶ **Research & Technology: \$9.1 million** is requested for multiyear Research and Technology programs focused on producing safer drivers and carriers, as authorized by 49 U.S.C. 31108. This year's request includes pilot programs that will allow drivers under the age of 21 to operate a Commercial Motor Vehicle (CMV) in interstate commerce if they received specialized military vehicle operator training. There will also be research into the delays faced by those attempting to obtain a commercial driver's license.
- ▶ **Information Management (IM): \$34.8 million is requested** for multiyear Information Management programs focused on providing the stable, secure, Information Technology backbone required to carry out the FMCSA mission.
 - **\$3 million** to further develop the National Registry of Certified Medical Examiners and the Training Provider Registry.

- **\$25.7 million** for the Office of the Chief Information Officer's IM funding to advance projects such as increasing the resilience and capacity of the overall Information Technology (IT) infrastructure to include an IT environment that is supportive of Electronic Logging Devices and Inspection modernization efforts.
- **\$6 million** for the Office of Enforcement's programs for the development of the Drug and Alcohol Clearinghouse. This includes significant personally identifiable information and requires a system that provides security and protection of information from those without a need to know.

Motor Carrier Safety Grants: \$374.8 million is requested 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 Safety Assistance Program (MCSAP): \$298.9 million is requested** for formula grants to support State CMV safety programs, including roadside inspections, new entrant safety audits, investigations, and targeted traffic enforcement.
- ▶ **High Priority Activities Program: \$43.1 million is requested** to support safety programs that improve motor carrier compliance and safety through State and local law enforcement programs. FMCSA's High Priority program encourages best practices and innovative enforcement of safety initiatives at the State and local level.
- ▶ **Commercial Driver's License (CDL) Program Implementation: \$31.8 million** is requested to provide grant funding to States and others to ensure that only safe and qualified commercial drivers receive and retain a commercial driver's license (CDL). The requested increase will assist States to achieve compliance with the CDL regulations.
- ▶ **Commercial Motor Vehicle Operator Safety Training: \$1 million** is requested to continue this grant program that provides funding for training of individuals to become commercial operators, with a focus on providing training support to veterans and their families.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

Dollars in Millions

Account	FY 2016 Actual	FY 2017 Annualized CR	FY 2017 Enacted	FY 2018 President's Budget
Operations and Research (GF)	\$152.8	\$152.5	\$180.1	\$152.5
Operations and Research (TF)	142.9	142.6	145.9	149.0
Highway Traffic Safety Grants (TF) ¹	573.3	572.2	585.4	597.6
Total	\$869.0	\$867.4	\$911.3	\$899.1
FTE	538	562	**	626

¹ Does not reflect penalty transfers from FHWA, which were \$91 million in FY 2016 and \$101 million in FY 2017.

** The Department is currently analyzing the impact of the FY 2017 Omnibus upon its FY 2017 FTE levels.

OVERVIEW

The National Highway Traffic Safety Administration (NHTSA) works every day to help Americans drive, ride, and walk safely. NHTSA does this by promoting vehicle safety innovations, identifying and addressing

vehicle defects, setting safety standards for cars and trucks, and educating Americans to help them make safer choices when driving, riding, or walking.

HIGHLIGHTS OF THE FY 2018 PRESIDENT'S BUDGET

The FY 2018 President's Budget requests \$899.1 million for the National Highway Traffic Safety Administration to invest in initiatives that reduce traffic crashes and fatalities, and improve safety for American motorists. This request will continue to

support the agency's ongoing programs and activities, while ensuring that it keeps pace with emerging roadway safety trends, such as driver distraction, vehicle technology, and fuel economy.

Key Components of the Request Include

Operations and Research: The FY 2018 President's Budget is requesting \$301.5 million in Operations and Research activities including:

- ▶ **Office Defect Investigations (ODI): \$9.1 million** is requested to identify safety defects quickly, work with manufacturers to ensure remedies are implemented promptly, and inform the public of critical information in a timely manner.
- ▶ **New Car Assessment Program (NCAP): \$13.0 million** is requested to maintain test coverage of 85 percent of the new model year fleet while incorporating more advanced crash avoidance technologies into the program. The requested funding will enable NHTSA to update its current overall 5-star rating system to include crashworthiness and crash avoidance. This program helps consumers make more informed purchasing decisions and incentivizes vehicle manufacturers to voluntarily improve vehicle safety.
- ▶ **Corporate Average Fuel Economy (CAFE): \$7.4 million** is requested to support future rule-making programs including 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.
- ▶ **Vehicle Electronics and Emerging Technologies: \$3.5 million** is requested to support agency decisions and advance the safe testing and deployment of highly automated vehicles. In addition, this program performs research on emerging vehicle technologies specifically, electronics systems safety and vehicle cybersecurity. These activities aim to enhance the safety and security of automotive electronic control systems, which are heavily reliant on the use of complex systems, software, and artificial intelligence. This program will also closely coordinate NHTSA's advanced crash avoidance and human factors research programs.
- ▶ **Vehicle Safety Systems Research: \$7.1 million** is requested to fund research to evaluate new vehicle designs, safety countermeasures, and equipment to make occupants safe in a crash. Research conducted in FY 2018 will focus on vehicle automation, frontal, side, and rear crash safety, occupant containment, and occupant restraint designs for a wide range of occupants. The request will also fund acquisition and testing of advanced crash test dummies.
- ▶ **Highway Safety Programs: \$62.2 million** is requested to support NHTSA's safety efforts through behavioral research, demonstrations, and technical assistance to States. NHTSA provides 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, States, local government safety associations, and other organizations.

- ▶ **National Center for Statistics and Analysis: \$40.0 million** is requested to continue critical crash data collection activities: NHTSA's Fatality Analysis Reporting System, the State Data Systems, the Special Crash Investigations systems as well as the newly modernized Crash Report Sampling System and the Crash Investigation Sampling System. NHTSA will also analyze data and take steps to increase its quality and reliability.

Highway Traffic Safety Grants: The FY 2018 President's Budget is requesting **\$597.6 million** for Highway Traffic Safety Grants. The President's request funds Section 402 Formula Grants, Section 405 National Priority Safety Programs, and High Visibility Enforcement campaigns. This includes:

- ▶ **State and Community Highway Safety Grants (Section 402): \$261.2 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 provide 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): \$280.2 million** is requested to address occupant protection and impaired driving, improve State traffic safety information systems, and oversee grant programs aimed at incentivizing States to adopt Graduated Driver Licensing laws and the Distracted Driving laws. The FAST Act authorized a pedestrian and bicycle safety grant program and amended NHTSA programs on distracted driving, ignition interlock, and graduated driver licensing grants to make more States eligible for funding.
- ▶ **High Visibility Enforcement: \$29.9 million** is requested to promote and administer the highly successful annual *Click It or Ticket* mobilizations in an effort to increase seatbelt use around Labor Day and in December, and the *Drive Sober or Get Pulled Over* impaired driving initiatives.

FEDERAL TRANSIT ADMINISTRATION

FEDERAL TRANSIT ADMINISTRATION

Dollars in Millions

Account	FY 2016 Actual	FY 2017 Annualized CR	FY 2017 Enacted	FY 2018 President's Budget
Transit Formula Grants (TF) ¹	\$9,347.6	\$9,329.8	\$9,733.7	\$9,733.3
Administrative Expenses (GF)	108.0	107.8	113.2	110.8
Capital Investment Grants (GF) ²	2,177.0	2,172.9	2,412.6	1,232.0
Washington Metropolitan Area Transit Authority (GF)	150.0	149.7	150.0	149.7
Technical Assistance and Training (GF)	0.0	0.0	5.0	0.0
Rescission of Prior Year Balances	[25.4]	[13.3]	0.0	0.0
Total	\$11,757.2	\$11,746.9	\$12,414.5	\$11,225.9
FTE	558	564	**	563

¹ Does not include flexible funding transfers from FHWA of approximately \$1.3 billion in FY 2016, FY 2017 and FY 2018.

² In FY 2016, \$24.2 million was rescinded from the Capital Investment Grant account and \$1.2 million was rescinded from the Job Access and Reverse Commute (JARC) account.

** The Department is currently analyzing the impact of the FY 2017 Omnibus upon its FY 2017 FTE levels.

OVERVIEW

The Federal Transit Administration (FTA) provides financial and technical assistance to more than 1,000 local public transit systems that operate buses, subways, light rail, commuter rail, trolleys, and ferries. FTA also oversees transit safety measures and conducts next-generation technology research.

Since 1964, FTA has partnered with State and local governments to create and enhance

public transportation systems, and now invests approximately \$12 billion annually to support and expand transit services. This investment helps modernize the Nation's public transportation network and extends service into small cities and rural communities that previously lacked any transit options. Last year, more than 10.2 billion annual trips were taken on public transit nationwide.

HIGHLIGHTS OF THE FY 2018 PRESIDENT'S BUDGET

The FY 2018 President's Budget request is **\$11.2 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 a net reduction of \$521 million or 4 percent below the

FY 2017 annualized Continuing Resolution level. The President's request makes strategic investments in public transportation infrastructure through both formula-driven and competitive funding opportunities to help address the capital needs of both urban and rural transit systems.

Key Components of the Request Include

Administrative Expenses: The FY 2018 President's Budget requests \$110.8 million and 501 FTE to support FTA's core operations—namely the staff needed to manage and oversee its 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. Included in the request is an increase of \$3 million and 20 safety positions to implement the new transit safety requirements.

Transit Formula Grants: The FY 2018 President's Budget is requesting \$9.7 billion and 20 FTE 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.

Capital Investment Grants: The FY 2018 President's Budget requests \$1.2 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. Continued funding is proposed for transit projects that have existing grant agreements under the Capital Investment Grant Program. Future investments in new transit projects would be funded by the localities that use and benefit from these localized projects.

Washington Metropolitan Area Transit Authority (WMATA): The FY 2018 President's Budget requests \$149.7 million to address WMATA's highest safety priorities and its maintenance backlog to improve the safety of the system and the reliability of service. 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.

THE LIST OF CAPITAL INVESTMENT GRANTS PROJECTS WILL BE PROVIDED SEPARATELY

FEDERAL RAILROAD ADMINISTRATION

FEDERAL RAILROAD ADMINISTRATION

Dollars in Millions

Account	FY 2016 Actual	FY 2017 Annualized CR	FY 2017 Enacted	FY 2018 President's Budget
Safety & Ops (GF)	\$199.0	\$198.6	\$218.3	\$199.0
Research and Development (GF)	39.1	39.0	40.1	39.1
Amtrak (GF)	1,390.0	1,390.0	1,495.0	760.0
Consolidated Rail Infrastructure and Safety Improvements (GF)	0.0	0.0	68.0	25.0
Federal-State Partnership for State of Good Repair (GF)	0.0	0.0	25.0	25.9
Restoration and Enhancement Grants (GF)	0.0	0.0	5.0	0.0
Rail Safety Grants (GF)	50.0	49.9	0.0	0.0
Northeast Corridor Improvement Program (GF)	19.1	19.1	0.0	0.0
Railroad Rehabilitation and Improvement Financing Program (GF)	2.0	2.0	0.0	0.0
Rescissions Of Prior Year Balances ¹	[21.1]	[19.7]	0.0	0.0
Total²	\$1,678.1	\$1,678.9	\$1,851.4	\$1,049.0
FTE	909	931	**	928

¹ FY 2016 rescissions are in multiple accounts.

² Does not include mandatory Budget authority from Credit Reform reestimates.

** The Department is currently analyzing the impact of the FY 2017 Omnibus upon its FY 2017 FTE levels.

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. FRA executes this mission through development and enforcement of safety regulations, data-driven analysis, stakeholder coordination

and management of investments to advance nationally and regionally significant passenger and freight rail infrastructure and services, and research and development of emerging technologies and other innovative solutions that benefit rail safety, operational performance, and development.

HIGHLIGHTS OF THE FY 2018 PRESIDENT'S BUDGET

The FY 2018 President's Budget requests \$1.05 billion to invest in railroad safety oversight and programs that advance rail safety and the long-term economic growth of the country.

Key Components of the Request Include

Safety and Operations: The President's Budget requests \$199 million to support FRA's core safety mission. The request includes resources to monitor railroads' compliance with the implementation of **positive train control**, as required by the Positive Train Control Enforcement and Implementation Act of 2015. Requested funding will also enable FRA to improve its **Automated Track Inspection Program**, which is deployed on routes over which passengers or hazardous materials are transported.

Research and Development: The President's Budget requests \$39.1 million for FRA's research and development activities, which advance rail safety enforcement and technology innovation, as well as operating efficiency and performance gains. FRA will continue **priority safety initiatives to examine root causes of grade crossing accidents and improve the safety culture of short line railroads.**

Amtrak: The President's Budget requests \$760 million for Amtrak capital, operating, and debt service needs. Funding is requested under the new account structure authorized by the FAST Act—**Northeast Corridor (NEC) Grants (\$235 million) and National Network Grants (\$525**

million). The President's Budget proposes to **terminate Federal funding for Amtrak's inefficient and expensive Long Distance routes**, which suffer from poor on-time performance, account for only 4.6 million of Amtrak's annual passengers, and incur annual operating losses of nearly \$500 million. This approach will allow Amtrak to focus its resources on better managing its successful corridor services on the NEC and 29 State-Supported routes.

Consolidated Rail Infrastructure and Safety Improvements: The President's Budget requests \$25 million for grants to **improve the safety, efficiency, and reliability of passenger and freight rail systems.** These competitive funds will support a wide range of freight and passenger projects, including safety efforts like reducing grade crossing incidents.

Federal-State Partnership for State of Good Repair: The President's Budget requests \$25.9 million for grants to help **reduce the state of good repair backlog** on publicly-owned or Amtrak-owned infrastructure. On the NEC alone, a backlog of more than \$38 billion has accumulated, including 13 major bridges and tunnels that require replacement to maintain existing service levels and meet future demand.

PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION

PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION

Dollars in Millions

Account	FY 2016 Actual	FY 2017 Annualized CR	FY 2017 Enacted	FY 2018 President's Budget
Pipeline Safety (SF/TF)	\$146.6	\$146.3	\$156.3	\$154.3
Hazardous Materials Safety (GF)	55.6	55.5	57.0	55.5
Emergency Preparedness Grants (SF) ¹	28.3	28.3	28.3	28.3
Operational Expenses (GF)	21.0	21.0	22.5	21.0
Total	\$251.6	\$251.1	\$264.1	\$259.1
FTE	508	558	**	578

¹ FY 2016 and FY 2017 amounts are shown before reductions due to sequestration.

** The Department is currently analyzing the impact of the FY 2017 Omnibus upon its FY 2017 FTE levels.

OVERVIEW

The mission of the Pipeline and Hazardous Materials Safety Administration (PHMSA) is to protect people and the environment by advancing the safe transportation of energy products and hazardous materials. PHMSA's safety management reviews and safety standards promote the growth of America's energy industry by ensuring safe movement of energy products by pipeline, rail, road, and waterways. PHMSA assists packagers and shippers

who face the challenges of moving hazardous chemicals and volatile products safely to the homes and businesses that use them.

Promoting safety first, PHMSA's oversight and safety standards enable the safe transport of energy and hazardous products to market, helping avoid the dangerous and costly impacts of incidents and accidents.

HIGHLIGHTS OF THE FY 2018 PRESIDENT'S BUDGET

PHMSA will carry out the legislative requirements in the FAST Act to improve the safe movement of liquefied natural gas and crude oil by rail and test the packaging of lithium batteries often shipped by air. This includes research with the U.S. Department of Energy and Transport Canada on moving crude oil by rail to production from new, remote drilling sites.

As called for in the *Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2016 (PIPES Act)*, PHMSA will adopt standards and inspect for the safe operation of underground natural gas storage facilities in response to the growing industry practice of pumping natural gas into abandoned mines and salt caverns while it awaits market demand. The President's request includes funding for Federal and State oversight of approximately 400 storage facilities.

The President is requesting **\$259.1 million** in FY 2018 to invest in the **safe transportation of hazardous materials** including energy products. This is an increase of \$9.9 million and 3 FTEs above the FY 2017 full year Continuing Resolution estimate. This funding will support Pipeline Safety, Hazardous Materials Safety, Emergency Preparedness Grants, and Operational Expenses as follows:

- ▶ **Pipeline Safety:** The FY 2018 President's Budget pipeline safety request of **\$154.3 million** would allow PHMSA to carry out activities to **reduce pipeline failures and their consequences**. Increases include:
 - **\$8.0 million** for a new safety program for Underground Natural Gas Storage. As called for in the *PIPES Act*, PHMSA will adopt standards and inspect for the safe operation of underground natural gas storage facilities.
- ▶ **Hazardous Materials Safety:** The FY 2018 President's Budget hazardous materials safety request of \$55.5 million sustains the essential safe and efficient **movement of hazardous materials** and responds to emerging trends such as transport of energy products by rail, storage and movement of liquefied natural gas, and the proper packaging and movement of new products such as lithium batteries by air.
- ▶ **Emergency Preparedness Grants:** The FY 2018 President's Budget requests **\$28.3 million** for communities developing hazardous materials emergency response plans and training first responders to incidents involving the spill or burning of hazardous materials near communities and businesses. This grant program is entirely funded by shipper registration fees.
- ▶ **Operational Expenses:** The President's FY 2018 Budget requests **\$21 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.

MARITIME ADMINISTRATION

MARITIME ADMINISTRATION

Dollars in Millions

Account	FY 2016 Actual	FY 2017 Annualized CR	FY 2017 Enacted	FY 2018 President's Budget
Operations and Training (GF)	\$171.2	\$170.8	\$175.6	\$171.8
Assistance to Small Shipyards (GF)	5.0	5.0	10.0	0.0
Ship Disposal Program (GF)	5.0	5.0	34.0	9.0
Maritime Security Program (GF)	210.0	209.6	300.0	210.0
Maritime Guaranteed Loan (Title XI) Program (GF)	8.1	8.1	3.0	0.0
Total	\$399.3	\$398.5	\$522.6	\$390.8
FTE	754	789	**	812

** The Department is currently analyzing the impact of the FY 2017 Omnibus upon its FY 2017 FTE levels.

OVERVIEW

The Maritime Administration's (MARAD) programs promote the economic competitiveness, efficiency, and productivity of the U.S. maritime transportation system, to ensure sealift capability and capacity is available to support the national and economic security needs of the Nation. MARAD works in a variety of areas involving ships and shipping, port operations, vessel operations, national security and strategic mobility, ship disposal, and environment and education. MARAD is responsible for maintaining the health of the Merchant Marine including commercial mariners, vessels, and intermodal facilities

which are vital for supporting national security. Through the United States Merchant Marine Academy (USMMA) and support for six State Maritime Academies (SMAs), MARAD educates the majority of the Nation's highly skilled Merchant Marine officers who serve the Nation during times of war and peace.

MARAD also partners with the Department of Defense (DoD) to maintain a fleet of cargo ships in reserve to provide surge sealift during war and national emergencies, and is responsible for disposing of the ships in that fleet, as well as other noncombatant Government ships, as they become obsolete.

HIGHLIGHTS OF THE FY 2018 PRESIDENT'S BUDGET

The FY 2018 President's Budget request is **\$390.8 million** to invest in MARAD's programs and initiatives.

Key Components of the Request Include

Operations and Training: The FY 2018 President's Budget is requesting **\$171.8 million** to support the USMMA, the SMAs, and MARAD Operations and Programs. This funding will ensure sufficient highly trained merchant mariners are available to support the economical and national security needs of the Nation and will provide for Agency infrastructure, staff, and programs.

- ▶ **United States Merchant Marine Academy:** **\$84.4 million and 288 FTE are requested for the USMMA** to support the highest standards of **excellence in education** for the Midshipmen, including \$66.4 million for operating expenses and \$18 million for major capital repairs and improvements to the Academy's buildings and infrastructure.
- ▶ **State Maritime Academies:** **\$27.4 million is requested to support the State Maritime Academies (SMAs)** including \$22 million for maintenance and repair of the schools' training ships, \$3 million for direct support payments to each of the six schools, and \$2.4 million for student tuition support.
- ▶ **Operations and Programs:** **\$60 million and 197 FTE** are requested 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 **\$4 million** to

support the **Short Sea Transportation (America's Marine Highways) Program** to improve national port infrastructure and maritime transportation.

Maritime Security Program: The President's Budget requests **\$210 million** for the Maritime Security Program (MSP) to ensure the **maintenance of a commercial fleet** of militarily useful vessels. MSP provides assured access to sealift and logistics capability during times of war, national emergencies, and other contingency situations. The MSP fleet has the capacity to move and sustain the heaviest armored units to support DoD operational requirements. The MSP fleet provides employment for 2,400 highly trained, qualified U.S. Merchant Mariners, who are critical to manning the U.S. surge sealift fleet during national contingency situations. Additionally, the MSP program supports more than 5,000 shoreside maritime industry jobs.

Ship Disposal: The President's Budget requests **\$9 million** for the Ship Disposal Program which includes **\$4 million** for disposal of the worst condition nonretention vessels from the National Defense Reserve Fleet and other Federal sites and **\$3 million** in funding to maintain the **Nuclear Ship SAVANNAH (NSS)** in accordance with Nuclear Regulatory Commission (NRC) license requirements. The request also includes \$2 million for administrative salaries and overhead.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

Dollars in Millions

Account	FY 2016 Actual	FY 2017 Annualized CR	FY 2017 Enacted	FY 2018 President's Budget
Operations and Maintenance (TF)	\$28.4	\$28.3	\$36.0	\$28.3
Total	\$28.4	\$28.3	\$36.0	\$28.3
FTE	128	139	**	144

** The Department is currently analyzing the impact of the FY 2017 Omnibus upon its FY 2017 FTE levels.

OVERVIEW

The Saint Lawrence Seaway Development Corporation (SLSDC) is primarily responsible for maintaining and operating the two U.S. Seaway locks located in Massena, N.Y., and controlling commercial vessel traffic in areas of the St. Lawrence River and Lake Ontario. Primary activities include U.S. lock operations and maintenance, vessel traffic control,

vessel safety and environmental inspections, trade promotion and economic development, and capital infrastructure renewal. In addition, the SLSDC performs trade and economic development functions designed to enhance Great Lakes St. Lawrence Seaway System utilization.

HIGHLIGHTS OF THE FY 2018 PRESIDENT'S BUDGET

The FY 2018 President's Budget requests \$28.3 million from the Harbor Maintenance Trust Fund to support the continued safe, reliable, and efficient operation of the U.S. portion of the St. Lawrence Seaway, including the two U.S. Seaway locks in Massena, New York.

Key Components of the Request Include

Operations and Maintenance: The FY 2018 President's Budget request includes \$18.8 million for operations and maintenance of the U.S. portion of the binational St. Lawrence Seaway.

- **Asset Renewal Program (ARP):** \$9.5 million is requested to infrastructure-related capital

expenses as part of the SLSDC's Asset Renewal Program (ARP). Major ARP projects include maintenance dredging on the St. Lawrence River (\$5 million) and completing the hands-free mooring system at the U.S. Snell Lock (\$3 million).

OFFICE OF THE INSPECTOR GENERAL

OFFICE OF THE INSPECTOR GENERAL

Dollars in Millions

Account	FY 2016 Actual	FY 2017 Annualized CR	FY 2017 Enacted	FY 2018 President's Budget
Salaries and Expenses	\$87.5	\$87.3	\$90.2	\$87.3
Total	\$87.5	\$87.3	\$90.2	\$87.3
FTE	395	410	**	403

** The Department is currently analyzing the impact of the FY 2017 Omnibus upon its FY 2017 FTE levels.

OVERVIEW

Office of Inspector General (OIG) remains committed to fulfilling its statutory responsibilities under The Inspector General Act of 1978, as amended (IG Act), while supporting the Secretary, senior DOT officials, OMB, members of Congress, and the American public in achieving a safe, efficient, and effective transportation system.

OIG fulfills a unique role as the Department's only in-house source for objective examination of its programs and is dedicated to

providing independent and objective reviews regarding the efficiency and effectiveness of DOT programs and operations in order to detect and prevent fraud, waste, and abuse.

OIG audit recommendations lead to substantial financial and program improvements, including those that enhance safety. In addition, OIG investigations enhance safety by thwarting criminal activities that put lives at risk, and protect taxpayer investments through fines, restitutions, and recoveries.

OIG has consistently demonstrated a commitment to achieving a significant return on investment (ROI). For every dollar appropriated to OIG in FY 2016, \$54 was returned—a cumulative result of the following body of work: 118 audit reports containing 341

recommendations, and investigations resulting in 93 indictments and 72 convictions. This work also led to five Congressional testimonies in FY 2016. From FY 2012 through FY 2016, OIG achieved an average ROI of \$35 for every appropriated dollar.

HIGHLIGHTS OF THE FY 2018 PRESIDENT'S BUDGET

Salaries and Expenses: The President's Budget is requesting **\$87.3 million** to support the Office of Inspector General. These funds will be used to support the OIG's independent and objective oversight

of the Department's programs and activities to provide the Secretary, Congress and the Public with relevant analyses necessary to improve the efficiency and effectiveness of the Department's operations.

OFFICE OF THE SECRETARY

OFFICE OF THE SECRETARY

Dollars in Millions

Account	FY 2016 Actual	FY 2017 Annualized CR	FY 2017 Enacted	FY 2018 President's Budget
Salaries and Expenses (GF)	\$108.8	\$108.5	\$114.0	\$111.9
Office of Civil Rights (GF)	9.7	9.7	9.8	9.5
Transportation Planning, Research, and Development (GF)	8.5	8.5	12.0	8.5
Minority Business Resource Center (GF)	0.9	0.9	0.9	0.5
Small and Disadvantaged Business Utilization and Outreach (GF)	3.1	3.1	4.6	4.0
Payments to Air Carriers/Essential Air Service/Transportation Aviation Assistance to Remote Areas (TF/SF)	288.4	296.4	271.7	119.1
Financial Management Capital (GF)	5.0	5.0	4.0	3.0
Cyber Security (GF)	8.0	8.0	15.0	10.0
Research and Technology (GF)	13.0	13.0	13.0	8.5
National Surface Transportation and Innovative Finance Bureau (GF)	0.0	0.0	3.0	3.0
Transportation Investments Generating Economic Recovery Grants (GF)	500.0	499.1	500.0	0.0
Total	\$945.3	\$952.0	\$948.0	\$278.0
FTE	1,412	1,482	**	1,593

OVERVIEW

The Office of the Secretary (OST) oversees the formulation of national transportation policy and promotes intermodal transportation and manages significant Departmental grant programs. Other responsibilities

range from negotiation and implementation of international transportation agreements, assuring the fitness of U.S. airlines, executing programs for airline service to rural communities, diplomatic outreach to foreign

governments on transportation issues, enforcing airline consumer protection regulations, issuance of regulations to prevent alcohol and illegal drug misuse in transportation systems, and preparing transportation legislation. OST also implements key infrastructure grant

and loan programs, including the Nationally Significant Freight and Highway Projects program. In addition, OST provides research, analysis, technical and statistical information, and assessments to inform policy development and decisionmaking.

HIGHLIGHTS OF THE FY 2018 PRESIDENT'S BUDGET

The FY 2018 President's request is \$278.0 million to invest in programs and activities of the Office of the Secretary. The request includes funding for core oversight and policy activities as well as investment

in the National Surface Transportation and Innovative Finance Bureau, cyber security initiatives, and research and technology programs.

Key Components of the Request Include

- ▶ **Operations (Salaries and Expenses): \$111.9 million** is requested for salaries and expenses of the Office of the Secretary. This request will allow proper oversight, policy development, and administration of Department-wide management to occur.
- ▶ **Financial Management Capital: \$3 million** is requested for completion of its "eInvoicing" project, which will eliminate current manual processes surrounding vendor invoices, increase timeliness of payments, and improve data quality.
- ▶ **Small and Disadvantaged Business Utilization: \$4 million** is requested for the Office of Small and Disadvantaged Business Utilization and Outreach. This request reflects the merger of the Salaries and Expenses appropriation and Minority Business Outreach appropriation that was enacted in FY 2017 and further reflects a savings from consolidating the two appropriations. The Budget also includes an additional request for **\$500 thousand** to create a new financial assistance program while discontinuing the Short Term Lending Program that is duplicative of resources the Small Business Administration provides.
- ▶ **Transportation Planning, Research and Development (TPR&D): \$8.5 million** is requested for activities and studies to support the Secretary's responsibilities in the formulation of national transportation policy. The request includes \$1.5 million to continue the work of the Infrastructure Permitting Improvement Center including the continuation of the Permitting Dashboard to improve the transparency and accountability of the permitting process.
- ▶ **Cyber Security Initiatives: \$10 million** is requested to continue the work towards strengthening the Department's ability to identify and remediate cybersecurity risks through advanced

data collection, integration, and reporting, and correlation with continuous monitoring information produced through improvements to the cybersecurity program.

- ▶ **Research and Technology: The FY 2018 President's Budget requests \$8.5 million** for the Office of the Assistant Secretary for Research and Technology to strengthen research functions across the Department through a centralized focus on coordinating research, technology and other work across the Department's Operating Administrations. This office also receives \$26 million for the Bureau of Transportation Statistics and \$75 million for the University Transportation Centers grant program through the Highway Trust Fund.
- ▶ **National Surface Transportation and Innovative Finance Bureau: The FY 2018 Budget requests \$3 million** for the Bureau that was established by the FAST Act. The funding will build on the initial progress made by consolidating work across the Department on credit programs.
- ▶ **Transportation Aviation Assistance to Remote Areas (TAARA):** No discretionary appropriation is requested for the Essential Air Service (EAS). Instead, the President's Budget proposes a new program that would rely on an estimated \$119 million of FAA overflight fees that would be transferred to support the new Transportation Aviation Assistance to Remote Areas (TAARA) program. The TAARA program will continue the original intent of the EAS program by focusing on transportation assistance for the neediest communities.

SUPPORTING SUMMARY TABLES

BUDGETARY RESOURCES: APPROPRIATIONS, OBLIGATION LIMITATIONS, AND FHWA EXEMPT OBLIGATIONS

Dollars in Millions

Administration	FY 2016 Actual	FY 2017 Annualized CR	FY 2017 Enacted	FY 2018 President's Budget
Federal Aviation Administration	\$16,280.7	\$16,249.8	\$16,407.4	\$16,125.9
Federal Highway Administration	43,100.0	44,023.5	45,537.1	44,973.2
Federal Motor Carrier Safety Administration	580.4	579.3	644.2	657.8
National Highway Traffic Safety Administration	869.0	867.4	911.3	899.1
Federal Transit Administration	11,757.2	11,746.9	12,414.5	11,225.9
Federal Railroad Administration	1,678.1	1,678.9	1,851.4	1,049.0
Pipeline and Hazardous Materials Safety Administration	251.6	251.1	264.1	259.1
Maritime Administration	399.3	398.5	522.6	390.8
Saint Lawrence Seaway Development Corporation	28.4	28.3	36.0	28.3
Office of the Secretary	945.3	952.0	948.0	278.0
Office of Inspector General	87.5	87.3	90.2	87.3
Total DOT Budgetary Resources	\$75,977.5	\$76,863.1	\$79,626.8	\$75,974.5

Totals may not add due to rounding.

BUDGET AUTHORITY

Dollars in Millions

Administration	FY 2016 Actual	FY 2017 Annualized CR	FY 2017 Enacted	FY 2018 President's Budget
Federal Aviation Administration	\$16,283.2	\$16,256.1	\$16,407.4	\$16,125.9
Federal Highway Administration	43,384.7	45,051.1	44,722.1	45,009.6
Federal Motor Carrier Safety Administration	580.4	644.2	644.2	657.8
National Highway Traffic Safety Administration	869.0	883.8	911.3	899.1
Federal Transit Administration	11,757.2	12,150.7	12,414.5	11,225.9
Federal Railroad Administration	1,678.7	1,679.9	1,852.4	1,049.0
Pipeline and Hazardous Materials Safety Administration	251.6	251.1	264.1	259.1
Maritime Administration	538.3	401.9	526.0	393.8
Saint Lawrence Seaway Development Corporation	28.4	28.3	36.0	28.3
Office of the Secretary	945.3	952.0	948.0	278.0
Office of Inspector General	87.5	87.3	90.2	87.3
Offsetting Receipts	[1,007.3]	[946.0]	[949.8]	[739.8]
Total DOT Budget Authority	\$75,396.9	\$77,440.6	\$77,866.4	\$75,274.2

Totals may not add due to rounding.

SUPPORTING SUMMARY TABLES

OUTLAYS

Dollars in Millions

Administration	FY 2016 Actual	FY 2017 Annualized CR	FY 2018 President's Budget
Federal Aviation Administration	\$15,561.2	\$16,481.0	\$16,544.0
Federal Highway Administration	44,055.3	42,554.4	43,190.3
Federal Motor Carrier Safety Administration	550.7	575.0	608.0
National Highway Traffic Safety Administration	846.0	1,013.0	1,055.0
Federal Transit Administration	12,421.2	12,471.0	12,728.0
Federal Railroad Administration	3,764.9	4,704.0	1,430.1
Pipeline and Hazardous Materials Safety Administration	255.3	286.2	272.7
Maritime Administration	544.8	540.4	482.5
Saint Lawrence Seaway Development Corporation	29.3	38.3	35.3
Office of the Secretary	927.3	1,112.0	887.0
Office of Inspector General	83.6	88.3	88.3
Office of the Secretary	4.0	0.0	0.0
Offsetting Collections	[1,007.3]	[946.1]	[739.8]
Total DOT Outlays	\$78,036.3	\$78,917.6	\$76,581.4

Totals may not add due to rounding.

FULL TIME EQUIVALENT EMPLOYMENT

Administration	FY 2016 Actual	FY 2017 Annualized CR	FY 2018 President's Budget
Federal Aviation Administration	45,313	46,020	45,657
Federal Highway Administration	2,693	2,732	2,723
Federal Motor Carrier Safety Administration	1,136	1,202	1,202
National Highway Traffic Safety Administration	538	562	626
Federal Transit Administration	558	564	563
Federal Railroad Administration	909	931	928
Pipeline and Hazardous Materials Safety Administration	508	558	578
Maritime Administration	754	789	812
Saint Lawrence Seaway Development Corporation	128	139	144
Office of the Secretary	1,195	1,248	1,322
Office of Inspector General	395	410	403
Working Capital Fund	217	234	271
Total DOT Full Time Equivalent Employment	54,344	55,389	55,229



U.S. Department of Transportation