

No. 15

July 18, 2001

S. 1178 — Department of Transportation and Related Agencies Appropriation Bill, FY 2002

Calendar No. 88

Reported July 13, 2001, as an original bill without amendment from the Senate Committee on Appropriations, by unanimous roll call vote. S. Rept. 107-38.

NOTEWORTHY

- Following completion of floor action on the Energy and Water Development Appropriations bill, the Senate may turn this week to consideration of S. 1178, the transportation appropriations bill.
- As reported to the Senate, S. 1178 makes available a total of \$60.06 billion for the Department of Transportation and related agencies for fiscal year 2002. This total is \$2.15 billion more than the FY 2001 enacted level, and is \$1.04 billion more than the President's budget request.
- Of the \$60.06 billion made available in the Senate bill, \$17.89 billion consists of new budget (obligational) authority, and \$41.22 billion is estimated obligation limits on contract authority for items such trust-funded programs for Federal-aid highways, for mass transit, and for airport development grants.
- The Senate bill includes a provision (Section 343) submitted by Subcommittee Chairman Senator Murray (D-WA) barring the use of funds to process applications for Mexican trucks to operate in the United States beyond the U.S.-Mexico border area until a number of safety and compliance measures are put in place. Funds in the amount of \$103.2 million are appropriated by the bill to support those measures. This measure is considered less restrictive than an amendment adopted by the House by a vote of 285 to 143 on June 26, 2001.

[NOTE: Based on NAFTA obligations, the Bush Administration "remains strongly opposed to any amendment that would require Mexican motor carrier applicants to undergo safety audits prior to being granted authority to operate beyond commercial zones on the U.S.-Mexico border." (From the June 25, 2001 Statement of Administration Policy on H.R. 2299 as reported to the House)]

- The House of Representatives passed H.R. 2299 on June 26, 2001, by a vote of 426 to 1.

HIGHLIGHTS

Title I: Department of Transportation Program Funding Levels

The Senate bill provides for the following funding levels under the Department of Transportation:

- **Office of the Secretary** — \$95.3 million (FY 2001 enacted — \$87.3 million).
- **Coast Guard** — \$5.1 billion for operating expenses, capital acquisitions, research, retired pay, reserve training, and boat safety (FY 2001 enacted — \$4.51 billion).
- **Federal Aviation Administration** — \$13.35 billion in total budgetary resources (FY 2001 enacted — \$12.59 billion). FAA operations (\$6.92 billion); facilities and equipment (\$2.91 billion); research (\$195.8 million); and an Airport Improvement Program level of \$3.3 billion. Included is \$23.8 million for hiring an additional 600 air traffic controllers, as requested by the President.
- **Federal Highway Administration** — \$33.22 billion in total budgetary resources (FY 2001 enacted \$31.66 billion). This program includes Federal-aid to highways, highway research, and administration.
- **Federal Motor Carrier Safety Administration** — \$310.9 million for the Federal Motor Carrier Safety Administration (FY 2001 enacted — \$269.2 million). This total includes \$105 million in limitation on administrative expense obligations and \$204.8 million in liquidating cash for the National Motor Carrier Safety Program, which provides grants and project funding to states to develop and implement national programs for the uniform enforcement of motor safety rules and regulations. This Department of Transportation agency, which was created in 1999, administers the motor carrier safety grants program formerly housed within the Federal Highway Administration.
- **National Highway Traffic Safety Administration** — \$429 million for NHTSA operations and research, and highway safety grants to states (FY 2001 enacted — \$403.9 million).
- **Federal Railroad Administration** — \$755.2 million for railroad safety and operations, research, high-speed rail programs, and Amtrak (capital grants for the National Railroad Passenger Corporation comprise \$521.5 million of this amount, which is the same as last year). This figure also includes \$40 million for research and development on the Next Generation High-Speed Rail program, which is \$14.9 million more than the budget request and last year's funding level.
- **Federal Transit Administration** — \$6.85 billion for formula grants, research, capital discretionary transit programs, job access and reverse commute grants, and administrative expenses. This funding is comprised of \$1.45 billion in direct appropriations and \$5.4 billion in limitations on contract authority.

- **Saint Lawrence Seaway Development Corporation** — \$13.3 million (FY 2001 enacted — \$13 million).
- **Research and Special Programs Administration** — \$100.9 million for hazardous materials transportation safety programs, research, and pipeline safety programs (FY 2001 enacted — \$80.5 million). This figure includes funds for pipeline safety (\$58.8 million) and emergency preparedness grants (\$14.5 million in total budgetary resources).
- **Office of Inspector General** — \$50.6 million for transportation-related audits and investigations (FY 2001 enacted — \$48.5 million).
- **Surface Transportation Board** — \$18.5 million, of which \$950,000 is to be recovered by already established offsetting collections (FY 2001 enacted — \$18 million).

Title II: Related Agencies

- **Architectural and Transportation Barriers Compliance Board** — \$5 million (FY 2001 enacted — \$4.8 million).
- **National Transportation Safety Board** — \$70 million (FY 2001 enacted — \$62.9 million).

Title III: General Provisions

Section 343 bars the use of funds to review or process applications by Mexican motor carriers (i.e., trucks) for authority to operate beyond United States municipalities and commercial zones on the U.S.-Mexico border until —

- (1) the Federal Motor Carrier Safety Administration performs a full safety compliance review of the carrier consistent with U.S. federal regulations and gives the carrier a satisfactory rating, plus meets other requirements; and
- (2) the DOT Inspector General certifies in writing that a number of administrative measures for conducting inspections is in place.

This section, submitted by Senator Patty Murray (Chairman of the Transportation Appropriations Subcommittee), is funded in the Committee bill in the amount of \$103.2 million. Of this amount, \$13.9 million is provided to the Federal Motor Safety Administration to hire 80 new truck safety inspectors and \$18 million to the same agency for enhanced Motor Carrier Safety Grants for the border. Funds for the construction and improvement of Motor Carrier Safety Inspection facilities along the U.S.-Mexico border receive \$71.3 million under the Federal Highway Administration, (See page 74 of the Committee Report under “Border Inspection Stations” (\$56.3 million) and “State border safety inspection facilities, Texas,” (\$15 million).)

The Murray language is less restrictive than the provision adopted during House consideration. The House language reads:

“None of the funds in this Act may be used to process applications by Mexico-domiciled motor carriers for conditional or permanent authority to operate beyond the United States municipalities and commercial zones adjacent to the United States-Mexico border.”

The House provision would effectively halt the Bush Administration’s announced plans to comply with NAFTA obligations and allow Mexican trucks to operate throughout the United States beginning on January 1, 2002. The day before the House vote, the Statement of Administration Policy indicated President Bush’s position as follows:

“The Administration remains strongly opposed to any amendment that would require Mexican motor carrier applicants to undergo safety audits prior to being granted authority to operate beyond commercial zones on the U.S.-Mexico border, as this would violate the NAFTA agreement and the President’s strong commitment to open the U.S.-Mexico border to free and fair trade.”

It is understood that the House-approved language, if included in the final bill, would draw a presidential veto. No specific Administration position on the Murray language in S. 1178 had been received by press time.

ADMINISTRATION POSITION

At press time, no official position on the Senate bill had been received. The Administration on June 25, 2001, issued a Statement of Administration Policy on the House-reported bill, itemizing its concerns on several matters, including the Mexican truck provision (see discussion, above).

POSSIBLE AMENDMENTS

Several amendments on the Mexican truck issue may be offered.

Dorgan	Similar to his bill, S. 965, which prohibits the Secretary of Transportation from approving any application of a Mexico-domiciled motor carrier to transport cargo in foreign commerce across the U.S.-Mexico border until 30 days after the President certifies to Congress that: (1) such application shall not be approved unless such carrier demonstrates awareness of, and compliance with, U.S. requirements relating to drivers and motor carriers including safety, environmental, weight, insurance, and hazardous materials; (2) a full-time enforcement program with respect to such requirements, fully implementing certain recommendations, is in place, including the ability to enforce them at the U.S.-Mexico border and in each State; and (3) the
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cumulative impact of the approval of such application shall not endanger the health, safety, and welfare of U.S. citizens. Declares that the requirements of this Act shall not apply to an application with respect to operations by such carrier to provide service solely in a commercial zone along the U.S.-Mexico border.

Durbin Same language as the House-passed provision on Mexican trucks (see pp. 3-4 of this Notice)

McCain Relevant to Mexican trucks.

Bond Relevant to Mexican trucks.

Gramm Relevant to Mexican trucks.

Rockefeller Increase essential air service program by \$13 million.

Boxer Related to out-of-perimeter slots at Ronald Reagan Washington National Airport.

Wyden Airline passenger bill of rights.

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Attachment: Comparative Statement