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SENATE

{ REPORT
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TRANSPORTATION, TREASURY AND GENERAL
GOVERNMENT APPROPRIATIONS BILL, 2004

SEPTEMBER 8, 2003.—Ordered to be printed

Mr. SHELBY, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany S. 1589]

The Committee on Appropriations reports the bill (S. 1589) making appropriations for the Departments of Transportation and the Treasury; the Executive Office of the President; and certain independent agencies for the fiscal year ending September 30, 2004, and for other purposes, reports favorably thereon and recommends that the bill do pass.

Amounts of new budget (obligational) authority for fiscal year 2004

Amount of bill as reported to Senate	\$45,276,508,000
Amount of budget estimates, 2004	45,507,343,000
Fiscal year 2003 enacted	44,782,592,000

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TOTAL OBLIGATIONAL AUTHORITY PROVIDED—GENERAL FUNDS AND TRUST FUNDS

The accompanying bill contains recommendations for new budget (obligational) authority for the Department of Transportation, Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies for the fiscal year ending September 30, 2004.

The Committee considered budget estimates for new budget authority for fiscal year 2004 in the aggregate amount of \$45,507,343,000. Compared to that amount, the accompanying bill recommends new budget authority totaling \$45,219,498,000. In addition to new budget authority for fiscal year 2004, large amounts of contract authority are provided by law, the obligation limits for which are contained in the annual appropriations bill. The principal items in this category are the trust funded programs for Federal-aid highways, for mass transit, and for airport development grants. For fiscal year 2004, estimated obligation limitations and exempt obligations total \$44,751,309,000.

PROGRAM, PROJECT, AND ACTIVITY

During fiscal year 2004, for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99–177), as amended, with respect to appropriations contained in the accompanying bill, the terms “program, project, and activity” shall mean any item for which a dollar amount is contained in appropriations acts (including joint resolutions providing continuing appropriations) or accompanying reports of the House and Senate Committees on Appropriations, or accompanying conference reports and joint explanatory statements of the committee of conference. This definition shall apply to all programs for which new budget (obligational) authority is provided, as well as to discretionary grants and discretionary grant allocations made through either bill or report language. In addition, the percentage reductions made pursuant to a sequestration order to funds appropriated for facilities and equipment, Federal Aviation Administration, shall be applied equally to each budget item that is listed under said accounts in the budget justifications submitted to the House and Senate Committees on Appropriations as modified by subsequent appropriations acts and accompanying committee reports, conference reports, or joint explanatory statements of the committee of conference.

TEA21 AUTHORIZATIONS EXPIRATION

The Transportation Equity Act for the 21st Century [TEA21] provides authorizations for most Federal highway, transit and highway safety programs, and most of those authorizations provide con-

tract authority. The role of the appropriations process with respect to contract authority programs generally is to set obligation limitations so that overall Federal spending stays within legislated targets and to appropriate liquidating cash to cover the outlays associated with obligations that have been made.

TEA21 authorized these Federal surface transportation programs through fiscal year 2003, and the Congress must reauthorize these programs in order to create new contract authority for fiscal year 2004 and later years. The Congress has begun the process to reauthorize TEA21, but neither the Senate nor the House has passed reauthorization legislation. Until such legislation is enacted, there will not be new contract authority to fund such surface transportation programs as the Federal-aid highway program, transit discretionary grants, or highway safety grants, although any unobligated balances from prior years will carry over and be available for obligation.

In developing the fiscal year 2004 appropriations recommendations for the Federal surface transportation programs authorized by TEA21, the Committee has generally assumed continuation of current law.

AGENCY FEES FOR FECA ADMINISTRATION

The President's budget included a legislative proposal under the jurisdiction of the Senate Committee on Health, Education, Labor, and Pensions to charge individual agencies, starting in fiscal year 2003, the administrative cost of the Federal Employees' Compensation Act [FECA] program. Currently Federal agencies are budgeted for and billed each year for monetary and medical benefits that have been paid to their employees under FECA, while the program's discretionary administrative costs are financed in the Department of Labor [DOL].

The authorizing committee has not acted on this legislation; therefore, the Senate Appropriations Committee will continue to fund this administrative cost through the Department of Labor, Employment Standards Administration Salaries and Expenses Account.

TITLE I—DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

Appropriations, 2003 ^{1 2}	\$88,865,594
Budget estimate, 2004	108,931,000
Committee recommendation	91,276,000

¹ Reflects reduction of \$581,406 pursuant to section 601 of Public Law 108–7.

² Does not reflect reduction of \$508,594 pursuant to section 362 of Public Law 108–7.

Section 3 of the Department of Transportation Act of October 15, 1966 (Public Law 89–670) provides for establishment of the Office of the Secretary of Transportation [OST]. The Office of the Secretary is composed of the Secretary and the Deputy Secretary immediate offices, the Office of the General Counsel, the Office of Under Secretary for Transportation Policy, and four assistant secretarial offices for aviation and international affairs, budget and programs, governmental affairs, and administration. These secretarial offices have policy development and central supervisory and coordinating functions related to the overall planning and direction of the Department of Transportation, including staff assistance and general management supervision of the counterpart offices in the operating administrations of the Department.

The Committee recommends a total of \$91,276,000 for the Office of the Secretary of Transportation including \$60,000 for reception and representation expenses. The budget request proposes a consolidated appropriation for the various offices comprising the Office of the Secretary. The Committee does not approve the request and has continued to provide appropriations for each office.

Furthermore the Committee recommendation does not reflect a consolidated budget activity for the Immediate Office of the Secretary, the Immediate Office of the Deputy Secretary, and the Executive Secretariat, as requested.

The following table summarizes the Committee’s recommendation in comparison to the budget estimate:

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2003 enacted ¹	2004 estimate	
Immediate Office of the Secretary and Deputy Secretary		5,149	.....
Immediate Office of the Secretary	2,197	.....	2,500
Immediate Office of the Deputy Secretary	804	.....	706
Office of the Executive Secretariat	1,382	.....	1,458
Board of Contract Appeals	607	730	700
Office of Small and Disadvantaged Business Utilization	1,296	1,268	1,268
Office of Intelligence and Security .....	.....	2,225	1,792
Office of the Chief Information Officer	13,101	23,369	13,327
Office of the Assistant Secretary for Governmental Affairs	2,437	2,518	2,477
Office of the General Counsel	15,555	15,992	15,403
Office of the Under Secretary for Transportation Policy	12,371	12,717	12,312

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2003 enacted ¹	2004 estimate	
Office of the Assistant Secretary for Budget and Programs	8,321	8,630	8,536
Office of the Assistant Secretary for Administration	28,882	34,351	28,882
Assistant to the Secretary and Director of Public Affairs	1,913	1,982	1,915
Transfer of functions to Department of Homeland Security	1,292	.....	.....
Total	88,866	108,931	91,276

¹ Reflects reductions of \$581,406 pursuant to section 601 of Public Law 108-7; and \$508,594 pursuant to section 362 of Public Law 108-7.

IMMEDIATE OFFICE OF THE SECRETARY

The Secretary of Transportation provides leadership and has the primary responsibility to provide overall planning, direction, and control of the Department. The Committee recommends \$2,500,000 for fiscal year 2004 for the Immediate Office of the Secretary, an increase of \$303,000 above the fiscal year 2003 enacted level.

IMMEDIATE OFFICE OF THE DEPUTY SECRETARY

The Committee has recommended a total of \$706,000 for the Immediate Office of the Deputy Secretary which has the primary responsibility of assisting the Secretary in the overall planning and direction of the Department.

OFFICE OF THE GENERAL COUNSEL

The Office of the General Counsel provides legal services to the Office of the Secretary including the conduct of aviation regulatory proceedings and aviation consumer activities and coordinates and reviews the legal work in the chief counsels' offices of the operating administrations. The General Counsel is the chief legal officer of the Department of Transportation and the final authority within the Department on all legal questions.

The Committee recommends \$15,403,000 for expenses of the Office of the General Counsel for fiscal year 2004. The Committee is aware of the current and persistent number of vacancies in the office and is confident that the level of resources provided will be sufficient. The Committee recommendation includes \$3,641,000 for the Department's "Accessibility for all America" initiative, which represents an increase of \$208,000 from the fiscal year 2003 enacted level and is \$250,000 less than the budget request. The Committee defers funds that exceed those necessary to annualize the costs to operate and maintain the hotline.

Aviation Stabilization Act Administration.—The Committee is concerned with the report of the Department relating to air carrier claims and unprocessed applications for claims and amounts that was required by the Fiscal Year 2003 Transportation Appropriations Act. The report states that the Department is engaged in a continuing review of some, but not all, claims by all-cargo carriers, citing factors common to those carriers. It is the Committee's expectation that the Department would administer funds made available by the Air Transportation Safety and System Stabilization Act to pay compensation under Title I of that Act without discrimination among directly competitive air carriers and to ensure that

competitive air carriers receive comparable percentages of the maximum amount of compensation payable under section 103(b)(2) of that Act. The conference report to the Federal Aviation Administration reauthorization legislation directs the Comptroller General to review the criteria and procedures used by the Secretary to compensate air carriers under the Act. Therefore, the Committee directs the Secretary to defer any final determination on disputed claims until the Comptroller General's review is completed, and thereafter refer any remaining disputed claims to an Administrative Law Judge for resolution, consistent with the procedures of the Debt Collection Act. As a separate matter, the report also notes that the Department is a respondent in a proceeding for judicial review of the regulations implementing the Act, on both substantive and procedural grounds. The Committee also directs the Department to report to the House and Senate Committees on Appropriations on the outcome of that proceeding, including its potential effects on the funds and balances still available under the Act.

OFFICE OF THE UNDER SECRETARY OF TRANSPORTATION FOR POLICY

The position of the Under Secretary of Transportation for Policy in the Department was established by section 215 of the Maritime Transportation Security Act of 2002 and consolidated the Offices of Policy, Aviation and International Affairs, and Intermodalism. The Under Secretary for Policy is the chief policy officer of the Department and is responsible to the Secretary for the analysis, development, and review of policies and plans for domestic and international transportation. The Office administers the economic regulatory functions regarding the airline industry and is responsible for international aviation programs, the essential air service program, airline fitness licensing, acquisitions, international route awards, computerized reservation systems, and special investigations such as airline delays.

For fiscal year 2004, the Committee recommendation includes \$12,312,000 for the Office of the Under Secretary for Policy.

OFFICE OF THE ASSISTANT SECRETARY FOR BUDGET AND PROGRAMS

The Assistant Secretary for Budget and Programs is the principal staff advisor to the Secretary on the development, review, presentation, and execution of the Department's budget resource requirements, and on the evaluation and oversight of the Department's programs. The primary responsibilities of this office are to ensure the effective preparation and presentation of sound and adequate budget estimates for the Department, to ensure the consistency of the Department's budget execution with the action and advice of the Congress and the Office of Management and Budget, to evaluate the program proposals for consistency with the Secretary's stated objectives, and to advise the Secretary of program and legislative changes necessary to improve program effectiveness.

The Committee recommends a total of \$8,586,000 for the Office of the Assistant Secretary for Budget and Programs. The amount provided is \$265,000 more than the comparable fiscal year 2003 appropriated level. The Committee recommendation includes \$60,000 for reception and representation expenses for the Secretary.

The Committee directs the Office of the Secretary to report at the beginning of each fiscal quarter on the status of all outstanding reports and reporting requirements, including how delinquent congressionally mandated or requested reports are and an estimated date for delivery. The Committee expects that the Department will constitute this responsibility in the Office of the Assistant Secretary for Budget and Programs.

OFFICE OF THE ASSISTANT SECRETARY FOR GOVERNMENTAL AFFAIRS

The Assistant Secretary for Governmental Affairs advises the Secretary on all congressional and intergovernmental activities and on all departmental legislative initiatives and other relationships with Members of Congress. The Assistant Secretary promotes effective communication with other Federal agencies and regional Department officials, and with State and local governments and national organizations for development of departmental programs; and ensures that consumer preferences, awareness, and needs are brought into the decision-making process.

The Committee recommends \$2,477,000 for the Office of the Assistant Secretary for Governmental Affairs. The amount provided is slightly more than the comparable fiscal year 2003 enacted level. The Committee has carried a provision requiring the 3-day notification for certain discretionary awards. The Committee directs the Assistant Secretary to submit to the House and Senate Committees on Appropriations options for providing grant notification to the Committees in an electronic format.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

The Assistant Secretary for Administration is responsible for establishing policies and procedures, setting guidelines, working with the Operating Administrations to improve the effectiveness and efficiency of the Department in human resource management, security and administrative management, real and personal property management, and acquisition and grants management.

The Committee is concerned about the growth in the level of funding assumed in the budget request. If the budget request were approved, expenses and programs in the office would have roughly doubled in 2 years even though its responsibilities have diminished due to the transfer of two large operating agencies—the United States Coast Guard and Transportation Security Administration—to the new Department of Homeland Security.

The Committee recommends \$28,882,000 for the Office of the Assistant Secretary for Administration, which is the same as fiscal year 2003 enacted level. The Committee is aware that the staffing level is far below the budget request estimated number of employees and believes that the recommended level provides sufficient funding for pursuing the Department's priority programs and policy initiatives.

OFFICE OF PUBLIC AFFAIRS

The Director of Public Affairs is the principal advisor to the Secretary and other senior Departmental officials and news media on public affairs questions. The Office issues news releases, articles,

fact sheets, briefing materials, publications, and audiovisual materials. It also provides information to the Secretary on opinions and reactions of the public and news media on transportation programs and issues. It arranges news conferences and provides speeches, talking points, and byline articles for the Secretary and other senior departmental officials, and arranges the Secretary's scheduling. The Committee recommends \$1,915,000 for the Office of Public Affairs.

EXECUTIVE SECRETARIAT

The Executive Secretariat assists the Secretary and Deputy Secretary in carrying out their management functions and responsibilities by controlling and coordinating internal and external written materials.

The Committee recommends an appropriation of \$1,458,000 for the expenses of the Executive Secretariat. The amount provided is \$76,000 more than the comparable fiscal year 2003 enacted level and the same level assumed in the budget request.

BOARD OF CONTRACT APPEALS

The primary responsibility of the Board of Contract Appeals is to provide an independent forum for the trial and adjudication of all claims by, or against, a contractor relating to a contract of any element of the Department, as mandated by the Contract Disputes Act of 1978, 41 U.S.C. 601.

The Committee has provided \$730,000 for the Board of Contract Appeals Board. The amount provided is the same as the amount requested.

OFFICE OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION

The Office of Small and Disadvantaged Business Utilization has primary responsibility for providing policy direction for small and disadvantaged business participation in the Department's procurement and grant programs, and effective execution of the functions and duties under sections 8 and 15 of the Small Business Act, as amended. The Committee recommends \$1,268,000, the full amount requested.

OFFICE OF INTELLIGENCE AND SECURITY

With the transfer of the Transportation Security Administration to the new Department of Homeland Security, the Office of Intelligence and Security has been reconstituted in the Office of the Secretary to keep the Secretary and his advisors informed on intelligence and security issues pertaining to transportation.

The Committee recommends \$1,792,000 for the Office of Intelligence and Security for fiscal year 2004. The budget request assumes an ambitious staffing level for the office. The Committee recommendation does not reflect those staffing levels and has reduced funding for personnel compensation and benefits accordingly. In addition, the Committee has not provided funds to annualize the new FTE because that position is vacant. The Committee recommendation, however, is adequate to allow for the hire of additional personnel beyond the current staffing level.

OFFICE OF THE CHIEF INFORMATION OFFICER

The Office of the Chief Information Officer serves as the principal adviser to the Secretary on matters involving information resources and information systems management.

The budget request assumes a funding level that is almost 80 percent more than the fiscal year 2003 enacted level. The Committee recommends an appropriation of \$13,327,000. The Committee is disinclined to provide funding for programmatic increases of this magnitude due to the high level of generality and vagueness presented in the budget justification and is concerned that adequate measures are not in place to assure effective planning and coordination throughout the Department. It is unclear to the Committee, for example, how the CIO's initiative to develop an electronic grants office are related to the request of the Federal Transit Administration for funding to improve that agency's electronic grant system. The Committee directs the Office of Inspector General to submit to the House and Senate Committees on Appropriations a report on plans and progress made by the DOT to improve information technology security, E-government services, and information technology investment management. The Committee also directs that the Inspector General evaluate the effectiveness of the office of the CIO to coordinate these actions with respective officials from the operating agencies that have acquired and operate the majority of the Department's information technology systems.

OFFICE OF CIVIL RIGHTS

Appropriations, 2003 ^{1 2}	\$8,643,450
Budget estimate, 2004	8,569,000
Committee recommendation	8,569,000

¹ Reflects reduction of \$56,550 pursuant to section 601 of Public Law 108-7.

² Does not reflect reduction of \$129,450 pursuant to section 362 of Public Law 108-7.

The Office of Civil Rights is responsible for advising the Secretary on civil rights and equal employment opportunity matters, formulating civil rights policies and procedures for the operating administrations, investigating claims that small businesses were denied certification or improperly certified as disadvantaged business enterprises, and overseeing the Department's conduct of its civil rights responsibilities and making final determinations on civil rights complaints. In addition, the Civil Rights Office is responsible for enforcing laws and regulations which prohibit discrimination in federally operated and federally assisted transportation programs. The Committee has provided a funding level of \$8,569,000 for the Office of Civil Rights, the full amount requested.

NEW HEADQUARTERS BUILDING

Appropriations, 2003 .....	.....
Budget estimate, 2004	\$45,000,000
Committee recommendation .....	.....

The administration requested \$45,000,000 for the new Department of Transportation headquarters project to consolidate all of the department's headquarters operating administration functions (except FAA), from various locations into leased buildings within the central employment area of the District of Columbia.

The Committee believes that it is premature to provide funding for this project. The Department is still in a state of flux due to the transition of certain operating agencies to the new Department of Homeland Security and the overwhelming majority of its remaining programs and agencies by size and resources are currently undergoing reauthorization. Given the sweeping changes proposed in many of the administration's proposals for those reauthorizations, the nature and the scope of the Department's grant making and oversight, administrative, and regulatory functions could change substantially. In addition, given current budgetary constraints, it would be imprudent to commit this level of resources to a new building for the Department as it is undergoing significant transition.

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

Appropriations, 2003 ^{1 2}	\$20,863,500
Budget estimate, 2004	10,836,000
Committee recommendation	15,836,000

¹ Reflects reduction of \$136,500 pursuant to section 601 of Public Law 108-7.

² Does not reflect reduction of \$400,500 pursuant to section 362 of Public Law 108-7.

The Office of the Secretary performs those research activities and studies which can more effectively or appropriately be conducted at the departmental level. This research effort supports the planning, research and development activities needed to assist the Secretary in the formulation of national transportation policies. The program is carried out primarily through contracts with other Federal agencies, educational institutions, nonprofit research organizations, and private firms. The Committee recommends \$15,836,000 for transportation planning, research, and development, \$5,027,500 more than the fiscal year 2003 enacted level and \$5,000,000 more than the President's budget request. The recommendation assumes no more than \$2,250,000 for aviation and international policy studies. The Committee directs funding to be allocated to the following projects that are listed below:

Project name	Amount
Center for Integrated Transportation & Traffic Systems, AZ	\$750,000
Center for Spatial Technologies, MS	750,000
Circumpolar Infrastructure Task Force of the Arctic Council and Northern Forum, AK	1,000,000
Integrated data query sharing system for Maritime Domain Awareness, WA	1,250,000
Regional Interstate Commerce and Transportation Policy Harmonization Project, SD	250,000
UA Transportation Hybrid Electric Vehicle and Fuel Cell Research Program, AL	1,250,000
WestStart Vehicular Flywheel Project—Pacific Northwest, WA	1,000,000
Worcester Polytechnic University Center for Human Impact Protection Systems, MA	500,000

WORKING CAPITAL FUND

Limitation, 2003 ^{1 2}	(\$130,991,421)
Budget estimate, 2004 ³ .....	.....
Committee recommendation	(116,715,000)

¹ Reflects reduction of \$774,579 pursuant to section 601 of Public Law 108-7.

² Does not reflect reduction of \$12,600,000 pursuant to section 342 of Public Law 108-7.

³ Proposed without limitations.

In fiscal year 1997 the Working Capital Fund was renamed the Transportation Administrative Service Center [TASC] to reflect the expanded level of services and the new TASC organization. In fiscal

year 2003 the functions of TASC were realigned to place service providers in the same organization as the office responsible for service policies. The Department claimed that the realignment would promote greater program efficiency, make the best use of employee expertise, allow the Department to identify and eliminate redundancies and reduce organizational layers, and provide the best possible value to the Government by consolidating and delivering services more efficiently. During fiscal year 2003 the TASC account was renamed to the previously titled Working Capital Fund.

The Working Capital Fund finances common administrative services that are centrally performed in the interest of economy and efficiency of the Department. The fund is financed through negotiated agreements with the Department of Transportation operating administrations and other customers, which are billed on a fee-for-service basis to the maximum extent possible.

The budget request proposes to remove the obligation limitation on the Working Capital Fund on services to the operating administrations of the Department. The Committee believes that the discipline of an annual limitation is necessary to keep assessments and services of the Working Capital Fund in line with costs. The accompanying bill provides a limitation of \$116,715,000 on activities financed through the Working Capital Fund. As in past years, the limitation shall apply only to the Department and not to other entities. The Committee directs that services shall be provided on a competitive basis to the maximum extent possible.

MINORITY BUSINESS RESOURCE CENTER PROGRAM

Appropriations, 2003 ¹	\$894,150
Budget estimate, 2004	900,000
Committee recommendation	900,000

¹ Reflects reduction of \$5,850 pursuant to section 601 of Public Law 108-7.

Office of Small and Disadvantaged Business Utilization [OSDBU]/Minority Business Resource Center [MBRC].—The OSDBU/MBRC provides assistance in obtaining short-term working capital for disadvantaged, minority, and women-owned businesses [DBE/MBE/WBE's]. In fiscal year 2001, the short-term lending program was converted from a direct loan program to a guaranteed loan program. In fiscal year 2004, the program will continue to focus on providing working capital to DBE/MBE/WBE's for transportation-related projects in order to strengthen their competitive and productive capabilities.

Since fiscal year 1993, the short-term lending program has been a separate line item appropriation, which segregated such activities in response to changes made by the Federal Credit Reform Act of 1990. The limitation on guaranteed loans under the Minority Business Resource Center is at the administration's requested level of \$18,367,000.

Of the funds appropriated, \$500,000 covers subsidy costs and \$400,000 is for administrative expenses to carry out the Guaranteed Loan Program.

MINORITY BUSINESS OUTREACH

Appropriations, 2003 ^{1 2}	\$2,980,500
Budget estimate, 2004	3,000,000
Committee recommendation	3,000,000

¹ Reflects reduction of \$19,500 pursuant to section 601 of Public Law 108-7.

² Does not reflect reduction of \$31,456 pursuant to section 362 of Public Law 108-7.

This appropriation provides contractual support to assist small, women-owned, Native American, and other disadvantaged business firms in securing contracts and subcontracts arising out of projects that involve Federal spending. It also provides support to historically black and Hispanic colleges. Separate funding is requested by the administration since this program provides grants and contract assistance that serves DOT-wide goals and not just OST purposes.

PAYMENTS TO AIR CARRIERS

(AIRPORT AND AIRWAY TRUST FUND)

	Appropriations ²	Mandatory ³	Total
Appropriations, 2003 ¹	\$15,761,000	\$50,000,000	\$101,761,000
Budget estimate, 2004	50,000,000	50,000,000	50,000,000
Committee recommendation	52,000,000	50,000,000	102,000,000

¹ Reflects reduction of \$338,650 pursuant to section 601 of Public Law 108-7.

² Payments to Air Carriers (Airport and Airway Trust Fund).

³ From overflight fees.

The Essential Air Service [EAS] and Rural Airport Improvement Program provides funds directly to commuter/regional airlines to provide air service to small communities that otherwise would not receive air service and for rural airport improvement as provided by the 1996 Federal Aviation Reauthorization Act.

The Federal Aviation Reauthorization Act of 1996 authorizes user fees for flights that fly over, but do not land in, the United States. The first \$50,000,000 of each year's fees were to go directly to carry out the Essential Air Service Program and, to the extent not used for essential air service, to improve rural airport safety. If \$50,000,000 in fees is not available, then the funds must be made available from appropriations otherwise made available to the FAA Administrator.

For fiscal year 2004, the administration has proposed a \$50,000,000 EAS program to be fully funded from aviation overflight fees. The administration is also proposing major revisions to the program that would repeal the statutory entitlement that certain communities have to receiving at least a minimum level of scheduled air service. Specifically, the Department has proposed to eliminate minimum service requirements for eligible communities and the provision would allow service to consist, among other things, of ground transportation, single-engine, single-pilot operations, air taxi, charter service, or regionalized service. In addition, all communities would be required to contribute either 10 or 25 percent of the total subsidy required: communities farther than 210 driving miles from the nearest large or medium hub would have to contribute 10 percent while communities within 210 miles would pay 25 percent. Communities would be ranked in order of isolation, with the most isolated having the highest priority if there are not sufficient funds for all communities.

The Committee recommendation provides a total of \$102,000,000 for fiscal year 2004, which is \$52,000,000 more than the budget request. These funds, along with available carryover balances in the program from previous appropriations, are sufficient to continue subsidies for all current points receiving the service. The Committee has not included the requested general provision to restructure the EAS program. Although concerned about increases in program costs, the Committee notes that the aviation reauthorization legislation, which is awaiting conference committee deliberations, passed both bodies of the Congress without any reform to the EAS program.

The following table reflects the points currently receiving service and the annual rates as of February 1, 2003 in the continental United States and Hawaii.

SUBSIDIZED EAS COMMUNITIES AS OF FEBRUARY 1, 2003

States/Communities	Estimated miles to nearest hub (S.M. or L)	Average daily enplanements at EAS point (YE 6/30/02)	Annual subsidy rates at Feb 1, 2003	Subsidy per passenger	Total passengers (YE 6/30/02)
ALABAMA: Muscle Shoals	69	19.3	\$1,284,408	\$106.32	12,081
ARIZONA:					
Kingman	101	4.9	541,502	177.89	3,044
Page	280	11.1	1,251,977	180.61	6,932
Prescott	102	12.4	541,502	69.79	7,759
Show Low	168	(1)	538,432	(1)	(1)
ARKANSAS:					
El Dorado/Camden	108	4.2	828,438	315.00	2,630
Harrison	88	9.3	989,018	169.44	5,837
Hot Springs	53	7.7	989,018	206.09	4,799
Jonesboro	79	6.9	828,438	192.57	4,302
CALIFORNIA:					
Crescent City	362	33.8	333,717	15.78	21,143
Merced	114	16.3	844,479	82.91	10,186
COLORADO:					
Alamosa	162	12.2	925,045	121.00	7,645
Cortez	258	22.3	403,311	28.91	13,950
Pueblo	43	6.4	527,185	131.50	4,009
HAWAII:					
Hana	32	17.5	1,048,555	95.90	10,934
Kamuela	39	8.5	781,270	146.50	5,333
Kalaupapa	.....	7.4	514,093	111.69	4,603
ILLINOIS:					
Decatur	120	27.9	917,077	52.44	17,487
Marion/Herrin	122	36.3	794,031	34.97	22,704
IOWA:					
Burlington	163	29	929,085	51.23	18,136
Fort Dodge	94	26.5	1,088,354	65.54	16,605
Mason City	128	45.3	1,088,354	38.42	28,329
KANSAS:					
Dodge City	149	9.7	1,159,886	190.71	6,082
Garden City	201	23.1	1,159,886	80.07	14,485
Great Bend	120	2.9	298,799	163.01	1,833
Hays	180	19.1	1,330,824	111.32	11,955

SUBSIDIZED EAS COMMUNITIES AS OF FEBRUARY 1, 2003—Continued

States/Communities	Estimated miles to nearest hub (S.M. or L)	Average daily enplanements at EAS point (YE 6/30/02)	Annual subsidy rates at Feb 1, 2003	Subsidy per passenger	Total passengers (YE 6/30/02)
Silver City/Hurley/Deming	133	6.4	935,667	235.09	3,980
NEW YORK:					
Massena	118	8	635,144	126.65	5,015
Ogdensburg	123	6.3	635,144	161.74	3,927
Saranac Lake	63	7.8	631,353	129.93	4,859
Watertown	65	8.6	635,144	118.39	5,365
NORTH DAKOTA:					
Devils Lake	405	7.4	793,867	171.35	4,633
Dickinson	528	9.8	1,540,089	251.73	6,118
Jamestown	332	7.5	793,867	168.33	4,716
OKLAHOMA:					
Enid	84	10.4	977,302	150.70	6,485
Ponca City	81	9.9	977,302	158.06	6,183
PENNSYLVANIA:					
Altoona	108	35.8	546,159	24.37	22,408
Johnstown	82	55.6	301,417	8.66	34,825
Oil City/Franklin	86	13	510,261	62.46	8,169
PUERTO RICO: Ponce	77	13.2	337,551	40.84	8,265
SOUTH DAKOTA:					
Brookings	206	2.7	849,386	494.69	1,717
Huron	279	4	394,585	157.64	2,503
Pierre	397	18.9	318,861	26.93	11,839
Watertown	207	19.1	1,871,825	156.27	11,978
TENNESSEE: Jackson	85	25.3	1,077,812	67.95	15,862
TEXAS: Brownwood	147	6.2	964,677	247.35	3,900
UTAH:					
Cedar City	178	28.9	836,102	46.22	18,089
Moab	240	4	971,444	384.58	2,526
Vernal	174	5.8	1,102,967	304.94	3,617
VERMONT: Rutland	69	7.3	1,205,855	263.17	4,582
VIRGINIA: Staunton	113	34.9	514,211	23.52	21,862
WASHINGTON: Ephrata/Moses Lake	108	17.3	1,132,911	104.78	10,812
WEST VIRGINIA: Beckley	181	8.1	1,033,847	202.75	5,099

Princeton/Bluefield	145	6	1,033,847	273.72	3,777
WISCONSIN: Oshkosh	49	6.6	1,034,085	248.46	4,162
WYOMING:					
Laramie	144	27.4	297,633	17.35	17,151
Rock Springs	184	25.7	465,023	28.86	16,115
Worland	398	7	353,345	80.58	4,385

¹ Service hiatus.

² Rate under negotiation.

GENERAL PROVISIONS—OFFICE OF THE SECRETARY

Limitation on Political and Presidential Appointees.—The Committee recommendation includes a provision (sec. 504) similar to those carried in previous Department of Transportation and Related Agencies Appropriations Acts, which limits the number of political and Presidential appointees within the Department of Transportation. The recommended ceiling for fiscal year 2004 is 106 personnel. Further, the bill specifies that no political or Presidential appointee may be detailed outside the Department of Transportation or any other agency funded in this bill.

Discretionary Grants.—The Committee continues to be concerned by the Department's oversight and review of the modal administrations discretionary grants, letters of intent, or full funding grant agreements. The Department is directed to comply with the letter, the spirit, and the intent of the 3-day notification language included in the bill (sec. 512) which has been carried in previous Department of Transportation and Related Agencies Appropriations Acts with respect to all discretionary grants totaling \$1,000,000 or more of the Federal Highway Administration (excluding the emergency relief program), any program of the Federal Transit Administration (excluding the formula grants and fixed guideway modernization programs), and the airport improvement program of the Federal Aviation Administration. Further, no notification or announcement should involve funds that are not available for obligation.

FEDERAL AVIATION ADMINISTRATION

SUMMARY OF FISCAL YEAR 2004 PROGRAM

The Federal Aviation Administration traces its origins to the Air Commerce Act of 1926, but more recently to the Federal Aviation Act of 1958 which established the independent Federal Aviation Agency from functions which had resided in the Airways Modernization Board, the Civil Aeronautics Administration, and parts of the Civil Aeronautics Board. FAA became an administration of the Department of Transportation on April 1, 1967, pursuant to the Department of Transportation Act (October 15, 1966).

The total recommended program level for the FAA for fiscal year 2004 amounts to \$13,970,587,000, which is \$457,009,000 more than the fiscal year 2003 enacted level. The following table summarizes the Committee's recommendations:

[In thousands of dollars]

Program	Fiscal year 2003 enacted ¹	Fiscal year 2004 budget estimate	Committee rec- ommendation
Operations	7,026,548	7,590,648	7,535,648
General fund appropriation ²	3,251,965	1,590,648	1,535,648
Trust fund appropriation	3,774,583	6,000,000	6,000,000
Facilities and equipment ³	2,961,645	2,916,000	2,916,000
Research, engineering and development	147,485	100,000	118,939

[In thousands of dollars]

Program	Fiscal year 2003 enacted ¹	Fiscal year 2004 budget estimate	Committee rec- ommendation
Grants-in-Aid for airports	3,377,900	3,400,000	3,400,000
Total available budget resources	13,513,578	14,006,648	13,970,587

¹ Reflects reduction of \$88,412,942 pursuant to section 601 of Public Law 108-7.² Does not reflect reduction of \$3,900,000 pursuant to section 362 of Public Law 108-7; includes \$3,477,250 for Midway Island Airfield per General Provisions, section 371, less its share of the reduction in footnote 1.³ Does not reflect fiscal year 2003 rescission of \$20,000,000 of unobligated balances.

OPERATIONS

Appropriations, 2003 ^{1 2}	\$7,026,547,626
Budget estimate, 2004	7,590,648,000
Committee recommendation	7,535,648,000

¹ Does not reflect reduction of \$3,900,000 pursuant to section 362, Public Law 108-7. Reflects reduction of \$45,971,374 pursuant to section 601 of Public Law 108-7.² Includes \$3,477,250 for Midway Island Airfield per General Provisions, section 371, Public Law 108-7.

FAA's Operations appropriation provides funds for the operation, maintenance, communications, and logistic support of the air traffic control and navigation systems and activities. It also covers the administration and management of the regulatory, commercial space, medical, engineering, and development programs.

The bill includes \$6,000,000,000 for the operations activities of the Federal Aviation Administration from the airport and airway trust fund. The balance of the operations appropriation will come from the general fund.

As in past years, FAA is directed to report immediately to the House and Senate Committees on Appropriations in the event resources are insufficient to operate a safe and effective air traffic control system.

The following table summarizes the Committee's recommendation in comparison to the budget estimate:

[In thousands of dollars]

	Fiscal year—		Committee recommendations
	2003 enacted ¹	2004 budget estimate	
Air Traffic Services	5,668,196	6,096,800	6,047,300
Regulation and Certification	829,932	873,374	873,374
Research and Acquisitions	205,079	218,481	218,481
Commercial Space Transportation	12,196	12,601	12,601
Regions and Center Coordination	78,714	84,749	84,749
Human Resources	68,686	82,029	77,029
Financial Services	48,410	49,783	49,783
Staff Offices	82,418	143,150	142,650
Information Services/CIO	29,439	29,681	29,681
Midway Island Airfield	3,477	.....	.....
TOTAL OPS	7,026,548	7,590,648	7,535,648

¹ Reflects reduction of \$45,971,374 pursuant to section 601, but does not reflect reduction of \$3,900,000 pursuant to section 362 of Public Law 108-7. Includes \$3,477,250 for Midway Island Airfield per General Provision, section 371, Public Law 108-7.

Air Traffic Services.—The Committee recommends \$6,047,300,000 for the operation and maintenance of the national air traffic control and flight service system. The recommended level is \$379,104,000 more than the fiscal year 2003 enacted level. The Committee is confident that although constrained, the rec-

ommended funding level is sufficient to continue safe and efficient management of the National Airspace System [NAS]. The recommendation gives the Administrator great flexibility to manage the reduction below the budget request, and the Committee notes that the changes to the budget request can be accommodated by adjusting controller staffing levels consistent with the FAA staffing standard, by controlling overtime staffing hours, and by reducing NAS handoff costs.

Contract Tower Program.—The Committee continues to support the contract tower program and the cost-sharing program as a cost-effective way to enhance air traffic safety at smaller airports. The Committee's recommendation includes \$82,500,000 to fund the existing contract tower program, the remaining eligible non-Federal towers not currently operated by the FAA, and other non-towered airports eligible for the program. Of the funds provided for the contract tower program, \$500,000 is to deploy computer-based interactive training systems for controllers at FAA contract towers. In designing the system, the FAA should utilize existing interactive computer-based training and testing systems in use at airports. In addition to these resources, the Committee has provided \$6,500,000 for the contract tower cost-sharing program.

Walla Walla Regional Airport Control Tower.—The Committee has recently learned about potential changes to the local cost share requirements of the Walla Walla Regional Airport Control Tower. Recognizing the important safety role that the control tower plays for the area's flying public, the Committee encourages the FAA to work with the Walla Walla Regional Airport to ensure that the control tower remains an air traffic service available to the community.

Medallion Program.—The Committee recommends \$4,000,000 to continue the Medallion Program, a key safety initiative that has been embraced in the FAA's future strategic plan. The Committee recommendation is \$2,500,000 more than the fiscal year 2003 level to allow for additional participation in the program.

Alien Species Action Plan [ASAP].—The Committee provides \$3,000,000 out of available funds to continue the implementation of the Alien Species Action Plan which was adopted by the FAA as part of its August 26, 1998, Record of Decision approving certain improvements at Kahului Airport on the Island of Maui. These funds will be used to complete capital projects that were started in fiscal year 2002 and continue the operational requirements imposed by the ASAP.

Air Operations.—The Committee directs the FAA to take into account Naknek River landings in its decision on air traffic services at King Salmon Airport.

National Airspace Redesign.—Of the funds provided, \$6,500,000 shall be for the NY/NJ Airspace Redesign effort and shall not be reprogrammed by the FAA for other activities, including airspace redesign activities outside the NY/NJ metro area. As the FAA moves forward with its redesign program in the New York/New Jersey and Philadelphia area, the Committee encourages the FAA, where appropriate, to consider air noise impacts as part of the redesign effort.

Non-Precision GPS Approaches.—The Committee recommendation includes \$5,000,000 to continue work associated with increasing the number of non-precision GPS instrument approaches developed and published for airports that are not Part 139 certificated.

Human Resources.—The Committee recommends \$77,029,000 for Human Resources, an increase of \$8,343,000 above the fiscal year 2003 enacted level. The recommendation denies the budget request for five staff positions that were eliminated during fiscal year 2003 and reduces discretionary increases without prejudice.

Staff Offices.—The Committee recommends a reduction of \$500,000 to reflect that the current staffing levels in several offices are below the estimate included in the budget request. The Committee is confident that this reduction will not impact current services.

BILL LANGUAGE

Second Career Training Program.—The Committee has included bill language which was included in the President’s budget request which prohibits the use of appropriated funds for the second career training program. This prohibition has been carried in annual appropriations Acts for a number of years.

Sunday Premium Pay.—The bill retains a provision, first included in the fiscal year 1995 appropriations Act, which prohibits FAA from paying Sunday premium pay, except in those cases where the individual actually worked on a Sunday. This provision is identical to that which was in effect for fiscal years 1995–2002. It was requested by the administration for fiscal year 2004.

Manned Auxiliary Flight Service Stations.—The Committee has retained bill language that was requested by the administration to prohibit the use of funds for operating a manned auxiliary flight service station in the contiguous United States. There is no funding provided in the Operations account for such stations in fiscal year 2004.

Aeronautical Charting and Cartography.—The bill prohibits funds in this Act from being used to conduct aeronautical charting and cartography [AC&C] activities through the working capital fund [WCF]. Public Law 106–181 authorized the transfer of these activities from the Department of Commerce to the FAA.

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

Appropriations, 2003 ¹	\$2,961,645,357
Budget estimate, 2004	2,916,000,000
Committee recommendation	2,916,000,000

¹ Reflects reduction of \$19,376,643 pursuant to section 601 of Public Law 108–7. Does not reflect rescission of \$20,000,000 of unobligated balances pursuant to Public Law 108–7.

Under the Facilities and Equipment appropriation, safety, capacity and efficiency of the Federal airway system are improved by the procurement and installation of new equipment and the construction and modernization of facilities to keep pace with aeronautical activity and in accordance with the Federal Aviation Administration’s comprehensive capital investment plan [CIP], formerly called the national airspace system [NAS] plan.

The Federal Aviation Administration's most recent estimate projects expenditures of approximately \$41,901,000,000 on the Air Traffic Control Modernization effort from 1981 through 2004.

The bill includes an appropriation of \$2,916,000,000 for the Facilities and Equipment of the Federal Aviation Administration. The Committee recommendation is the same as the budget estimate and is \$45,645,367 less than the fiscal year 2003 enacted level. The bill provides that \$2,480,520,000 is available for obligation until September 30, 2006, and \$435,480,000 is available until September 30, 2004.

The Committee is concerned about the inconsistent composition of budget activities within the Facilities and Equipment account. The Terminal Business Unit, in particular, consolidates separate acquisition programs into a single budget line that totals several hundred million dollars while other activities with relatively modest funding levels receive separate lines. The Committee believes that the programs funded within the Terminal Business Unit should be requested as individual budget lines. Such treatment will provide greater budget discipline and enhance the level of internal and external oversight warranted by budget activities or budget items of this magnitude. The Committee expects that future budget requests will consolidate similar, relatively smaller requests and provide individual budget lines for the larger requests currently consolidated within Terminal Business Unit lines.

The Committee's recommended distributions of the funds for each of the projects funded by the appropriation:

FACILITIES AND EQUIPMENT

	Fiscal year—		Committee recommendation
	2003 enacted ¹	2004 estimate	
Category 1, Improve Aviation Safety:			
Terminal Business Unit	150,200,311	137,600,000	112,500,000
Aviation Weather Services Improvements	23,287,640	13,200,000	22,200,000
Low Level Windshear Alert System (LLWAS)—Upgrade	1,589,600	3,900,000	2,700,000
Aviation Safety Analysis System (ASAS)	14,902,500	13,900,000	6,900,000
Integrated Flight Quality Assurance (IFQA)	496,750	2,100,000	500,000
Safety Performance Analysis Subsystem (SPAS)	2,086,350	.....	.....
Performance Enhancement Systems (PENS)	2,583,100	.....	.....
System Approach for Safety Oversight (SASO) .....	.....	12,000,000	.....
Aviation Safety Knowledge Management Environment (ASKME) .....	.....	2,500,000	.....
Total, Reduce Commercial Aviation Fatalities	195,146,251	185,200,000	144,800,000
Safe Flight 21	39,740,000	30,300,000	30,300,000
Total, Reduce General Aviation Fatalities	39,740,000	30,300,000	30,300,000
Advanced Technology Development and Prototyping	56,828,200	42,800,000	76,600,000
Aircraft Related Equipment Program	15,896,000	13,700,000	9,200,000
National Aviation Safety Data Analysis Center (NASDAC)	1,987,000	1,900,000	1,900,000
Explosive Detection Technology	143,064,000	.....	.....
Technology Demonstration—Louisville KY	9,935,000	.....	.....
Volcano Monitoring	2,980,500	.....	4,000,000
Total, Other Aviation Safety Programs	230,690,700	58,400,000	91,700,000
Total Category 1, Safety Programs	465,576,951	273,900,000	266,800,000

FACILITIES AND EQUIPMENT—Continued

	Fiscal year—		Committee recommendation
	2003 enacted ¹	2004 estimate	
Category 2, Improve Efficiency of the Air Traffic Control System:			
Terminal Business Unit	491,812,603	458,128,300	479,978,300
Aeronautical Data Link (ADL) Applications	29,506,950	23,150,000	13,000,000
Free Flight Phase 2	69,545,000	113,100,000	105,100,000
Air Traffic Management (ATM)	12,915,500	13,000,000	37,500,000
Free Flight Phase 1	36,362,100	37,400,000	37,400,000
Automated Surface Observing System (ASOS)	12,021,350	11,800,000	11,800,000
Aviation Weather Sensor System	526,555	.....	.....
Information Display System (IDS)—Flight Service Station .....	.....	2,000,000	.....
Information Display System (IDS)—SAIDS .....	.....	5,000,000	5,000,000
Total, Increase Number of Flights Handled by Airports	652,163,503	663,578,300	689,778,300
Next Generation Very High Frequency Air/Ground Communications System (NEXCOM)			
En Route Automation Program	65,670,350	85,850,000	85,850,000
Weather and Radar Processor (WARP)	70,588,175	173,900,000	223,575,000
Long Range Radar Sustainment	13,511,600	8,500,000	8,500,000
.....	7,451,250	.....	.....
Total, Improve Routing Efficiency for Flights En Route	157,221,375	268,250,000	317,925,000
ATOMS Local Area/Wide Area Network			
NAS Management Automation Program (NASMAP)	1,092,850	1,100,000	1,100,000
.....	993,500	1,200,000	1,200,000
Total, Overall NAS Efficiency Improvement	2,086,350	2,300,000	2,300,000
Total Category 2, Efficiency Programs	811,471,228	934,128,300	1,010,003,300
Category 3, Increase Capacity of the NAS:			
Navigation and Landing Aids	327,134,713	222,700,000	278,835,000
Oceanic Automation System	86,831,900	69,000,000	69,000,000
Gulf of Mexico Offshore Program	2,285,050	.....	.....
Voice Switching and Control System (VSCS)	13,909,000	32,800,000	32,800,000
Instrument Approach Procedures Automation (IAPA) .....	.....	4,000,000	4,000,000
Aircraft Fleet Modernization	14,902,500	.....	.....
Transponder Landing Systems	17,883,000	.....	6,300,000
Total, Capacity Programs	445,063,163	328,500,000	390,935,000
Category 4, Improve Reliability of the NAS:			
Guam Center Radar Approach Control (CERAP)—Relocate	4,967,500	2,600,000	2,600,000
Terminal Voice Switch Replacement/Enhancement Terminal Voice Switch	14,107,700	12,000,000	18,500,000
Airport Cable Loop Systems—Sustained Support	5,464,250	5,000,000	6,500,000
Total, Replace Terminal Equipment to Prevent Decreased Performance	24,539,450	19,600,000	27,600,000
En Route Automation Program			
ARTCC Building Improvements/Plant Improvements	149,025,000	173,800,000	.....
Air Traffic Management (ATM)	34,772,500	34,200,000	34,200,000
.....	24,340,750	29,000,000	.....
Total, Replace En Route Equipment to Prevent Decreased Performance	208,138,250	237,000,000	34,200,000
Critical Telecommunication Support	993,500	1,500,000	1,500,000
FAA Telecommunications Infrastructure	41,727,000	51,200,000	51,200,000
Air/Ground Communication Infrastructure	22,651,800	24,100,000	24,100,000
Voice Recorder Replacement Program (VRRP)	4,967,500	3,300,000	3,300,000
NAS Infrastructure Management System (NIMS)	15,896,000	22,100,000	22,100,000
Flight Service Station (FSS) Modernization	5,662,950	5,800,000	5,800,000

FACILITIES AND EQUIPMENT—Continued

	Fiscal year—		Committee recommendation
	2003 enacted ¹	2004 estimate	
FSAS Operational and Supportability Implementation System (OASIS)	19,581,885	19,710,000	19,710,000
Weather Message Switching Center Replacement (WMSCR)	1,987,000	1,500,000	1,500,000
Flight Service Station Switch Modernization	13,114,200	5,400,000	5,400,000
Alaskan NAS Interfacility Communications System (ANICS)	3,974,000	900,000	900,000
Electrical Power Systems—Sustain/Support	44,707,500	51,000,000	45,000,000
NAS Recovery Communications (RCOM)	9,338,900	12,000,000	11,600,000
Aeronautical Center Infrastructure Modernization	11,623,950	13,000,000	11,700,000
Frequency and Spectrum Engineering	2,583,100	3,600,000	2,600,000
NAS Interference, Detection, Location and Mitigation		1,000,000	
Total, Replace Supporting Systems that Impact Overall NAS Performance	198,809,285	216,110,000	206,410,000
Total, Reliability Programs	431,486,985	472,710,000	268,210,000
Category 5, Improve the Efficiency of Mission Support:			
NAS Improvement of System Support Laboratory	2,682,450	2,700,000	
Technical Center Facilities	11,922,000	14,000,000	3,300,000
Technical Center Building and Plant Support	2,980,500	3,500,000	3,500,000
En Route Communications and Control Facilities Improvements	1,299,448	1,203,390	1,203,390
DOD/FAA Facilities Transfer	3,179,200	1,200,000	3,250,000
Terminal Communications—Improve	1,241,180	1,012,000	112,000
Flight Service Facilities Improvement	1,215,289	1,276,890	476,890
Navigation and Landing Aids—Improve	5,001,299	5,929,420	5,929,420
FAA Buildings and Equipment	10,928,500	11,200,000	11,200,000
Air Navigational Aids and ATC Facilities (Local Projects)	2,086,350	2,200,000	2,200,000
Computer Aided Engineering and Graphics (CAEG) Modernization	2,781,800	2,000,000	1,000,000
Information Technology Integration	1,589,600	1,600,000	1,600,000
Operational Data Management System (ODMS)—NAIMES	2,980,500	10,300,000	10,300,000
Logistics Support Systems and Facilities (LSSF)	4,967,500	5,000,000	5,000,000
Test Equipment—Maintenance Support for Replacement	1,688,950	4,000,000	4,000,000
Facility Security Risk Management	24,837,500	41,600,000	36,900,000
Information Security	7,948,000	11,500,000	11,500,000
Distance Learning	1,291,550	1,400,000	1,400,000
National Airspace System (NAS) Training Facilities	2,285,050	4,200,000	4,200,000
System Engineering and Development Support	23,645,300	28,300,000	25,800,000
Program Support Leases	36,163,400	41,100,000	41,100,000
Logistics Support Services (LSS)	7,451,250	7,900,000	7,900,000
Mike Monroney Aeronautical Center—Leases	14,505,100	14,600,000	14,600,000
In-Plant NAS Contract Support Services	2,881,150	2,800,000	
Transition Engineering Support	34,772,500	39,800,000	35,000,000
FAA Corporate Systems Architecture	993,500	1,000,000	
Technical Support Services Contract (TSSC)	41,428,950	47,600,000	46,700,000
Resource Tracking Program (RTP)	2,483,750	3,600,000	3,600,000
Center for Advanced Aviation System Development	80,835,134	90,800,000	82,000,000
Operational Evolution Plan (OEP)	993,500	2,000,000	26,000,000
Total, Increase Efficiency of Investment Management	339,060,200	405,321,700	389,771,700
NAS Facilities OSHA and Environmental Standards Compliance	28,215,400	28,300,000	28,300,000
Fuel Storage Tank Replacement and Monitoring	8,444,750	5,600,000	7,500,000
Hazardous Materials Management	20,366,750	19,000,000	19,000,000
Total, Minimize Environmental Impact of Aviation Facilities	57,026,900	52,900,000	55,600,000
Category 5 Total	396,087,100	458,221,700	445,371,700
Category 6, PCB&T:			
Personnel and Related Expenses	402,024,981	448,540,000	435,480,000

FACILITIES AND EQUIPMENT—Continued

	Fiscal year—		Committee recommendation
	2003 enacted ¹	2004 estimate	
Category 6 Total	402,024,981	448,540,000	435,480,000
Subtotal	2,951,710,408	2,916,000,000	2,816,000,000
NAS Handoff-Transfer to Operating Expenses/Accountwide Adjustment	9,934,949	.....	.....
Airport grants .....	.....	.....	100,000,000
TOTAL FACILITIES AND EQUIPMENT	2,961,645,357	2,916,000,000	2,916,000,000

IMPROVE AVIATION SAFETY

Terminal Business Unit—Terminal Doppler Weather Radar [TDWR].—The Committee recommendation provides \$2,700,000 for procurement of spare antenna drive motors, elevation drive bearings and additional replacement part costs. The \$4,500,000 requested for initiation of the service life extension program is denied without prejudice pending a more detailed articulation of the projected out-year costs.

Terminal Business Unit—Airport Surface Detection Equipment—Model X [ASDE-X].—The Committee recommends \$93,000,000 for procurement of 10 ASDE-X production systems, a reduction of \$21,400,000 from the budget request. The Committee is concerned that this procurement's cost per unit as reflected in the budget request has grown by over 30 percent above the fiscal year 2003 requested level. The cost per production unit of this 'low-cost' system is headed in the wrong direction over a fiscal year 2003 production cost that was already too high. The Committee recommendation provides growth over the fiscal year 2003 enacted level consistent with the negotiated inflation rate associated with the underlying contract. The reductions the program can be accommodated in activity tasks 1, 2, and 5.

Terminal Business Unit.—The Committee recommendation includes an increase of \$800,000 for installation and calibration of two remote transmitter/receiver sites at Las Vegas-McCarran International Airport.

Aviation Weather Services Improvements.—The Committee recommends an additional \$4,000,000 to continue wake turbulence research that utilizes pulsed laser Doppler radar technology and \$5,000,000 to expand the weather camera monitoring system in Alaska.

Low Level Wind Shear Alert System [LLWAS]—Upgrade/Sustain.—The Committee recommendation provides \$2,700,000, a reduction of \$1,200,000 below the budget request for this project. No funds are provided for activity task 2 which can be accommodated out of Operations funding.

Aviation Safety Analysis System [ASAS].—The Committee recommendation reduces the request for ASAS by 50 percent. These activities are more appropriately funded out of the Operations account. The Committee expects that these activities will be requested in Operations in subsequent fiscal years.

Integrated Flight Quality Assurance.—The Committee recommends \$500,000 for this budget item, the same level appropriated in fiscal year 2003.

Systems Approach for Safety Oversight.—The Committee recommendation denies the requested funding without prejudice and would consider a reprogramming request from within the funding for FAA Operations for this budget item.

Aviation Safety Knowledge Management Environment [ASKME].—The Committee recommendation denies the request for this new initiative as an activity appropriately funded out of the FAA Operations account.

Advanced Technology Development and Prototyping.—The Committee recommends \$29,600,000 for these research activities. No funding is provided in this budget item for activity tasks 4, 7, 10, and 13 which are more appropriately funded out of the Operations account. In addition, the Committee has provided \$3,500,000 for the demonstration of a prototype rapid response capability to transmit flight data from a commercial type aircraft using data management and communications equipment already installed on most modern commercial aircraft through software modifications. The recommendation includes \$6,000,000 to continue the wind profiling and associated weather activities for Juneau, Alaska. The recommended funding level includes \$8,500,000 for the cabin air quality demonstration program which implements key civilian aircraft safety plans developed by the Airliner Cabin Environment Response Team at the FAA to identify, analyze, and study incidents of cabin air contamination associated with typical flight operations monitored with onboard sensors and demonstrate decontamination of aircraft by adapting proven technologies such as vapor hydrogen peroxide. Of the funding for air cabin air quality demonstration, \$3,750,000 shall support operational activities related to testing and validating decontamination procedures and technologies at the Center for Domestic Preparedness. The Committee recommendation also provides \$7,500,000 to demonstrate Pulsed Fast Neutron Analysis [PFNA] non-intrusive inspection of air cargo at George Bush Intercontinental Airport.

Airport Technology Research.—The budget request included \$15,000,000 for airport technology research within the limitation for “Grants-in-Aid for Airports” and that funding is provided within this budget item because research is not an authorized use of airport improvement funds. Within the amount provided, \$1,000,000 is for the deployment of lithium technologies to prevent and mitigate alkali-silica reactivity. Of the additional funds provided for airport technology research, \$4,000,000 is to continue the airfield pavements research program and to expand the scope of pavement research to include asphalt, and \$1,500,000 is to continue an evaluation of the runway obstruction warning system at Gulfport-Biloxi Airport.

Aircraft Related Equipment Program.—The Committee recommends \$9,200,000 for the Aircraft Related Equipment Program. Funding is not provided for activity tasks 1 and 5.

Volcano Monitoring.—The Committee recommendation includes \$4,000,000 for volcano monitoring, which is \$1,000,000 more than amount appropriated in fiscal year 2003.

IMPROVE THE EFFICIENCY OF THE AIR TRAFFIC CONTROL SYSTEM

Terminal Business Unit—Airport Traffic Control Facilities—Replace.—The Committee recommendation includes \$138,700,000 for new and replacement facilities. The Committee recommendation includes funding for the following Air Traffic Control Tower [ATCT] and ATCT/TRACON consolidation projects:

Atlanta, GA	\$4,159,909
Cleveland, OH	4,000,000
Morristown, NJ	1,300,000
Dayton, OH	975,000
Wilkes Barre, PA	920,000
Oshkosh, WI	385,000
Toledo, OH	975,000
Abilene, TX	1,760,000
Cahokia, IL	625,000
Memphis, TN	5,000,000
Baltimore, MD	600,000
Deer Valley, AZ	5,658,300
Oakland, CA	21,636,600
Manchester, NH	8,300,000
St. Louis, MO	1,195,500
Dallas, TX	2,005,000
Reno, NV	2,000,000
Seattle, WA [ATCT]	2,000,000
Fort Wayne, IN	1,220,000
Newark, NJ	500,000
Pt. Columbus, OH	700,000
Billings, MT	3,000,000
Savannah, GA	1,000,000
Newburgh, NY	1,500,000
Richmond, VA	1,000,000
Vero Beach, FL	750,000
Everett, WA	2,000,000
Roanoke, VA	1,500,000
Merrimack, NH	3,217,700
Seattle, WA [TRACON]	5,280,000
Phoenix, AZ	3,027,000
Warrenton, VA	4,110,000
Chantilly, VA	4,500,000
Topeka, KS	1,500,000
Newport News, VA	2,000,000
Battle Creek, MI	1,000,000
Mathis, CA	4,300,000
Spokane, WA	6,000,000
Provo, UT	1,000,000
Missoula, MT	4,000,000
Boise, ID	4,000,000
Las Vegas, NV	4,000,000
Las Cruces, NM	1,100,000
Traverse City, MI	2,000,000
Huntsville, AL	8,000,000
Long Island, NY	1,000,000
Palm Beach County, FL	2,000,000

Morristown, NJ Tower Replacement.—The Committee is concerned that the FAA has not adhered to direction it received from the fiscal year 2001 conferees concerning the construction of a replacement air traffic control tower in Morristown, NJ. The existing tower continues to deteriorate, and it is critical that construction of the replacement facility be undertaken expeditiously. Specifically, the FAA was provided \$2,500,000 in the fiscal year 2001 conference committee report to be applied to the construction of a re-

placement air traffic control tower, and was directed to enter into an agreement with the airport to reimburse the airport over the next several years for construction of the tower. We understand that FAA has only obligated approximately \$500,000 of the \$2,500,000 provided, which it has applied toward site and design work for the tower. Although the site and design work is nearly completed, FAA apparently has not established concrete plans to immediately proceed with tower construction. The Committee is disappointed that FAA has not addressed this project in a more timely manner, and expects construction to be initiated shortly. If entering into a reimbursable agreement has contributed to the agency's delay or would be expected to create additional delay in starting construction, the FAA should undertake the construction directly. The Committee also expects the FAA to report to the House and Senate Committees on Appropriations by December 1, 2003, with the projected tower construction schedule, including specific milestones to be accomplished.

Terminal Business Unit—Airport Traffic Control Tower [ATCT]/Tracon Facilities—Improve.—The Committee recommendation includes \$45,500,000 for ATCT improvements, of which \$7,000,000 is for facilities upgrades required to deploy STARS. The reduction of the STARS deployment funding is manageable given the schedule delays to the STARS waterfall. In addition, the Committee recommendation includes funding for the projects listed below:

Des Moines, IA	Install loading dock	\$272,030
Waterloo, IA	Install new tower cab consoles	172,414
Erie, PA	STARS Modernize, Scope II	1,204,104
Burlington, VT	Replace HVAC equipment	370,315
Raleigh, NC	Modernize tower, Phase I	220,000
Jacksonville, FL	Expand base building, Phase I	880,000
Brownsville, TX	engineering and drafting	299,450
DAL-Ft. Worth, TX	Modernize Ops areas, Phase I	110,000
Camarillo, CA	In-service upgrade to tower cab	603,064
Lancaster, CA	In-service upgrade to tower cab	395,637
Santa Barbara, CA	Provide 2 new positions	550,000
Denver, CO (TRACON)	Correct structural problems	3,400,000
AGL various	Various projects	144,000
AEA various	Various projects	117,000
ASW various	Various projects	108,000
74 TRACON's and/or associated ATCT	Fiscal year 2006 STARS installation design	5,000,000
Sarasota, FL	Replace HVAC and modernize facility, Phase II	828,300
Bellevue, NE	Replace hydronic water pumps	246,532
St. Louis, MO	Replace consoles	550,000
Burlington, VT	Extend east wall of base building	255,750
Falmouth, MA	Modernize operating quarters	311,410
Daytona Beach, FL	Expand base building, Phase I	506,000
AAL various	Various projects	27,000
DAL-Ft. Worth, TX	Modernize Ops areas, Phase I	220,000
DAL-Ft. Worth, TX	Modernize Ops areas, Phase I	110,000
Van Nuys, CA	In-service upgrade to tower cab	196,592
Scottsdale, AZ	Rehab consoles, new a/c & water heater	220,400
Camp Springs, MD (Andrews AFB)	Redesign administrative space, Phase II	2,283,300
Kenai, AK	Modernization	940,942
AWP various	Various projects	162,000
ACE various	Various projects	45,000
ASO various	Various projects	171,000
ANE various	Various projects	45,000
ANM various	Various projects	81,000
Anchorage, AK	Tower cab modification	151,200
Fairbanks, AK	Tower cab modification	74,700
Central Region	Continue carpet replacement	107,760

Cedar Rapids, IA	Smoking room with ventilation	6,650
Morgantown, WV	Paint and seal exterior	116,750
Milwaukee, WI	Replace base building roof	81,000
Huntington, WV	Install radar scope	99,500
Lancaster, PA	Communication switch	19,950
Sioux Falls, SD	Renovate third floor conference room	62,675
Providence, RI	Replace duct system	100,550
Portland, OR	Repace center console	60,220
Salt Lake City, UT	Replace card swipe system	17,600
Lincoln, NE	LLWAS to IDS interface	27,500
W. Palm Beach, FL	Add ops position	303,804
Baton Rouge, LA	Install remote start capability	275,875
DAL-Ft. Worth, TX	Replace roof	88,810
Western Pacific	Various projects	100,000
Scottsdale, AZ	Replace tower a/c	185,356
Anchorage, AK	Install humidification system	66,027
Wichita, KS	Data display system	57,325
Omaha, NE	Renovate elevator lobby	2,200
Albany, NY	Procure 2 SAIDS displays	52,840
Houma, LA	Paint exterior	107,050
Jacksonville, FL	Replace elevator	84,478
Parkersburg, WV	Lighting, carpeting, ceiling improvements	34,800
Charlottesville, VA	Data display system	11,600
Chicago, IL	Repair outside louvers on roof	299,000
Charleston, SC	Replace elevator	84,478
Yakima, WA	Replace transformer/breaker panel	74,200
New Orleans, LA	Data displays	17,400
New Orleans, LA	HVAC replace	224,600
Las Vegas, NV	Replace 3 a/c units	54,902
Tucson, AZ	Rehab restroom	179,400
Napa, CA	Replace a/c system	74,500
Long Beach, CA	Move wall	73,600

Terminal Business Unit—Terminal Digital Radar (ASR-11).—The Committee recommendation for the ASR-11 radar provides \$75,000,000, a reduction of \$25,000,000 from the budget request. The Committee is alarmed at the continued difficulty in this program and will consider further reductions to this budget item unless a compelling recovery plan is submitted. Furthermore, the Committee continues to be concerned about the lack of radar coverage around central Oregon; Jackson Hole, Wyoming; and Eagle County, Colorado and directs the Administrator to provide to the Committee a process and timetable for addressing these radar gaps.

Terminal Business Unit—Airport Surveillance Radar (ASR-9).—The Committee provides \$24,000,000 for the ASR-9/Mode S Service Life Extension Program [SLEP], which is \$8,050,000 more than the budget request of \$15,950,000 to accelerate this program. The Committee notes that the FAA has made good use of previously appropriated funds to complete an ASR-9/Mode S Service Life Extension Design Study and a prototype proof of design system. The Committee also notes the ASR-9/Mode S systems are extremely critical to aviation operations and to homeland security as these high performance assets are deployed at the most important airports in the NAS in major metropolitan areas. Several recent failures, with associated delays of hundreds of flights, have shown the importance of accelerating this modernization program. The Committee encourages the FAA to use the flexibility inherent in the AMS to make a Full Scale Development and Production award of the ASR-9/Mode S SLEP.

Terminal Business Unit—Terminal Applied Engineering.—The Committee recommendation provides \$8,200,000 for this program, the same level provided in fiscal year 2003.

Terminal Business Unit—New York Integrated Control Complex.—The Committee recommendation includes \$5,000,000 for completion of the economic analysis, environmental assessments, and engineering and design studies.

Terminal Business Unit—Precision Runway Monitors [PRM].—The PRM system allows simultaneous independent approaches on closely spaced parallel runways which enables airports to reduce potential delays during adverse weather conditions. The Committee has included \$6,000,000 for the PRM program, which is \$5,000,000 more than the budget request, to continue the deployment plan that was articulated by the Committee in fiscal year 2003.

Terminal Business Unit—Automated Technical Support System.—The Committee provides \$3,000,000 to develop, build and test an automated technical documentation pilot program for the Air Route Surveillance Radar [ARSR-4]. The pilot program should develop a clearly defined specification for troubleshooting; provide easy to use graphical user interface defined by user-driven queries; and create intelligent link data that ties the system logic to troubleshooting and diagnostics.

Aeronautical Data Link [ADL] Applications.—The Committee recommendation provides \$13,000,000 for this program to cover termination costs and sustain prototyping activities at the Miami test site. In addition, the Committee is very concerned by the FAA's cancellation of the program after spending almost \$300,000,000 and routinely estimating the capacity and efficiency benefits at over \$330,000,000 per year. The Committee encourages the Inspector General to look into the circumstances leading to the program termination, whether any of the work to this point is salvageable, and what controls could have been put into place to avoid a program failure of this type.

Free Flight Phase 2.—The Committee recommendation provides \$105,100,000 for free flight phase 2, fully funding activity tasks 1, 3, 4 and 5.

Air Traffic Management [ATM].—The Committee recommendation provides \$37,500,000, the same level provided in fiscal year 2003. Funding for air traffic management that was requested in Category 4 has been included under this budget item.

Information Display System [IDS]—Flight Service Station.—The Committee recommendation does not include funding for this budget item due to inadequate justification and inconsistency with a completely automated flight service station system solution.

Next Generation VHF Air/Ground Communications System [NEXCOM].—The Committee recommendation includes the full requested amount for this budget item, but notes that the budget justification for this item is exceptionally weak and the outyears costs are significant. The Committee recommendation for full funding may prove unsustainable without a more robust and compelling justification.

En Route Automation Program [ERAM].—The Committee recommendation includes \$223,575,000 for the budget items for en route automation modernization, which represents a 215 percent

increase over the fiscal year 2003 enacted level of \$71,050,000. The FAA currently projects this program to cost \$2,100,000,000 and be complete by 2010. Without question, ERAM is one of the most expensive, software-intensive acquisitions FAA has embarked on since the ill-fated Advanced Automation System. The program has already been designated as a high risk effort by the Department of Transportation Inspector General.

The Committee is disappointed that FAA’s budget request for ERAM provides insufficient details for a program of this importance and magnitude. As a condition for funding, the Committee expects the fiscal year 2005 budget justification to include a detailed explanation of specific ERAM tasks and the associated costs to complete each task breaking out the individual program elements and including milestones and timelines for ERAM, En Route Communications Gateway [ECG], and PAMRI, at a minimum.

Given the FAA’s traditional difficulty with complex, software-related acquisition programs, the Committee is concerned about the potential for dramatic cost escalation if the program is not managed effectively. Accordingly, the Committee directs the FAA to provide a cost constrained project plan for the procurement to the Committee with the fiscal year 2005 budget request. Finally, the Committee directs the Department of Transportation Inspector General to examine the FAA’s plan to provide new en route automation equipment within current cost and schedule parameters, assess whether or not FAA’s procurement strategy is executable, and identify major risks to implementing ERAM.

INCREASE CAPACITY OF THE NATIONAL AIRSPACE SYSTEM

Navigation and Landing Aids—Loran-C.—The Committee recommendation includes \$20,000,000 to continue the modernization of the Loran-C system, which is \$5,000,000 less than the fiscal year 2003 enacted level.

Navigation and Landing Aids—Wide Area Augmentation System [WAAS].—The Committee recommendation provides \$107,100,000 for WAAS, \$13,200,000 below the budget request. The Committee notes that the current estimated cost of the program is almost six times the initial estimated cost. No funding is provided for Activity Tasks 2 and 4. The Committee is also concerned by the sizeable outyear costs and the lack of justification for Activity Task 3 ATS enhancements. The Committee will continue to review this program pending conference Committee action and directs the FAA to provide a revised program cost estimate consistent with the concern raised in the Department of Transportation Inspector General’s Status of FAA Major Acquisitions report.

Navigation and Landing Aids—Instrument Landing Systems.—The Committee recommendation provides funding for the following projects:

Baraboo-Wisconsin Dells, WI	\$375,000
Baton Rouge Municipal, LA	500,000
Cincinnati/North Kentucky Int, OH	1,500,000
Craig SPB, AK	2,000,000
Eagle County Regional, CO	2,000,000
Eagle River Union, WI	625,000
Eastern Iowa, IA	1,500,000
Gadsden Municipal, AL	2,000,000

Logan-Cache, UT	2,000,000
McCook Municipal, NE	910,000
North Little Rock Municipal, AR	1,200,000
O'Hare International, IL	1,500,000
Olive Branch, MS	850,000
Sumter Municipal, SC	1,500,000
Western Nebraska Regional/William B Helig Field, NE	1,000,000

Navigation and Landing Aids—Transponder Landing Systems.—The Committee recommendation provides funding for the following projects:

Glasgow Municipal, KY	\$2,100,000
Palm Springs, CA	2,100,000
Steamboat Springs, CO	2,100,000

Navigation and Landing Aids—Approach Lighting System Improvement Program [ALSIP].—The Committee includes \$14,200,000, as requested, for the installation of High Intensity Approach Lighting System with Sequenced Flashing Lights [ALSF-2] and Medium Intensity Approach Lighting System with Runway Alignment Indicators Lights [MALSRL] and recommends an increase of \$5,000,000 for continued procurement of MALSRL systems. The Committee recommends that the FAA continue to procure the latest equipment that has been approved for use in the National Airspace System [NAS].

In addition, the Committee recommendation includes funding for the following projects:

Alaska statewide rural lighting (phase III)	airfield lighting	8,000,000
Bessmer Regional, AL	lights and navigation aids	250,000
Cleveland Hopkins International Airport, OH	Precision Approach Path Indicators [PAPI]	175,000
False Pass, AK	navigational lighting	2,000,000
Green County Regional, GA	MALSRL	\$250,000
Hartsfield Atlanta International, GA (5th runway)	ALSF-2 approach lighting system	2,000,000
Rhode Island Airport Corporation	REIL and PAPI	2,500,000
Seattle-Tacoma International Airport, WA (third runway)	Approach lighting for runway 16	9,700,000

Funding provided for the Alaska statewide airfield lighting initiative may also be used to acquire and install laser lights, upon certification by the FAA.

Navigation and Landing Aids—Distance Measuring Equipment [DME].—Consistent with the budget justification, the Committee recommendation includes \$4,000,000 for the procurement and installation of distance measuring equipment. The funding level included by the Committee will allow the FAA to procure and install commercial off-the-shelf DME electronic equipment at roughly 36 facilities. The Committee encourages the Administrator to install this updated safety equipment at Rice Lake Regional Airport in Wisconsin.

Oceanic Automation System [OAS].—The Committee recommendation includes \$69,000,000 for the Oceanic Automation System procurement. The Committee continues to be concerned with the cost and risk of the program and notes significant requested funding for Oceanic-related activities elsewhere in this account, which is generally an indication of cost containment prob-

lems in the central procurement activity. The Committee requests the Inspector General to conduct an audit of this procurement and to provide a comparison of the FAA's experience to date in pursuit of this capability (cost, schedule, performance specification modifications) to the NavCanada experience.

IMPROVE RELIABILITY OF THE NATIONAL AIRSPACE SYSTEM

Terminal Voice Switch Replacement [TVSR]/Enhanced Terminal Voice Switch [ETVS].—The Committee recommendation provides \$18,500,000 for the TVSR/ETVS procurement. The additional funding of \$6,500,000 is provided to accelerate deployment of this critical element of the NAS infrastructure. While the Committee notes that overall FAA budget constraints may have hampered this effort and resulted in the original deployment schedule being far behind expectations, the Committee believes the FAA has made good use of previously appropriated funds to address the original mandate for the replacement of all 421 obsolete and unsupported electro-mechanical voice switching systems in the National Airspace System [NAS]. Furthermore, the Committee encourages the FAA to use the flexibility inherent in existing TVSR contract vehicles to continue the ongoing deployment of TVSR systems to accomplish its original deployment goals.

Airport Cable Loop Systems.—The Committee recommendation includes \$1,500,000 for acquisition and installation of a fiber optic loop at Las Vegas-McCarran International Airport.

FAA Telecommunications Infrastructure [FTI].—The Committee recommendation includes the full request for FTI form Facilities and Equipment funds. However, the Committee notes that as the FTI solution is implemented, this cost, for on-demand service, should come from the Operations account.

Electrical Power Systems—Sustain/Support.—The Committee recommendation provides \$45,000,000, essentially the same amount as the fiscal year 2003 enacted level. The recommended level includes the full amount requested for activity task 1.

National Airspace System [NAS] Recovery Communications [RCOM].—The Committee recommendation provides \$11,600,000 consistent with the justification.

Aeronautical Center Infrastructure Modernization.—The Committee recommendation provides \$11,700,000, the same level provided in fiscal year 2003.

Frequency and Spectrum Engineering.—The Committee recommendation provides \$2,600,000, the same level provided in fiscal year 2003.

NAS Interference, Detection, Location and Mitigation.—The Committee recommendation does not include funding for this new budget initiative. This activity is more appropriately funded under Research, Engineering, and Development or the FAA Operations account.

IMPROVE THE EFFICIENCY OF MISSION SUPPORT

NAS Improvement of System Support Laboratory.—The Committee recommendation denies this request in order to fund higher priority items.

FAA William J. Hughes Technical Center Facilities.—The Committee recommends \$3,300,000 for Activity Tasks 1 and 4. Activity Tasks 2 and 3 are operations and maintenance activities. The Committee expects these items to be funded in operations.

DOD/FAA ATC Facilities Transfer.—The Committee recommendation includes \$3,250,000. Funding provided above the budget increase is for necessary improvements and continued operations of the airport radar approach control at Lawton/Fort Sill Regional Airport in Oklahoma.

Terminal Communications—Improve.—The Committee recommendation provides the requested funding for Activity Tasks 1 and 2. Activity Task 3 is more appropriately budgeted and requested in the Operations account.

Flight Service Facilities Improvements.—The Committee recommendation provides \$476,890 for Activity Task 1.

Computer Aided Engineering and Graphics [CAEG] Modernization.—The Committee recommendation provides \$1,000,000 for this budget item, which should provide more than ample funds to procure fourteen new servers, consistent with the request.

Facility Security Risk Management.—The Committee recommendation of \$36,900,000 fully funds Activity Tasks 1, 2, 3, and 4 and provides \$4,700,000 for program management.

System Engineering and Development Support.—The Committee recommendation provides \$25,800,000, which is \$2,200,000 more than the level appropriated in fiscal year 2003.

In-Plant NAS Contract Support Services.—The Committee recommendation denies funding for this budget item. The contract support services should either be allocated to the individual budget item lines to better reflect the cost of the program or to the Operations account. The Committee will consider information from the FAA as to the most appropriate funding source for conference committee consideration.

Transition Engineering Support.—The Committee recommendation provides \$35,000,000, the same level that was provided in fiscal year 2003.

FAA Corporate System Architecture.—The Committee recommendation denies funding for this request. This budget item is more appropriately funded in the Operations account.

Technical Support Services Contract [TSSC].—The Committee recommendation provides \$46,700,000 for this budget item, which represents \$5,300,000 more than the level appropriated in fiscal year 2003.

Center for Advanced Aviation System Development [CAASD].—The Committee recommendation provides \$82,000,000 for this budget item, a slightly higher support level than appropriated in the fiscal year 2003 bill.

Operational Evolution Plan [OEP].—The Committee recommends \$26,000,000 for the operational evolution plan. The Committee recommendation includes \$1,000,000 for the contractor labor supported requested in this budget item, the same level appropriated for this activity in fiscal year 2003. The Committee also provides \$25,000,000 to continue the Global Communication, Navigation, and Surveillance Systems initiative beyond the current fiscal year.

As the FAA continues to implement and modify the OEP, the Committee encourages the FAA to examine enhancements for general aviation operations in the OEP. This could include charted visual flight rule access routes for operations in Class B airspace, airport infrastructure improvements, which provide improved all weather access at airports through instrument approach lighting systems, instrument approach runway markings, parallel taxiways, obstruction removal (trees etc), instrument approach surveys for precision approaches based on satellite navigation and where applicable, runway extensions.

Fuel Storage Replacement and Monitoring.—The Committee recommends \$7,500,000, which is \$1,900,000 more than the budget request.

Personnel and Related Expenses.—The Committee recommendation provides \$435,480,000 and notes that the reduction from the budget estimate can be accommodated through responsible management of P, C, & B for direct labor costs from other parts of the FAA, travel costs, and within the annualization and inflation allotments. In addition, the Committee recommendation includes \$2,400,000 for the personnel costs associated with the airport advanced technology development and prototyping funding included in Activity 1.

RESEARCH, ENGINEERING, AND DEVELOPMENT

(AIRPORT AND AIRWAY TRUST FUND)

Appropriations, 2003 ¹	\$147,485,075
Budget estimate, 2004	100,000,000
Committee recommendation	118,939,000

¹ Reflects reduction of \$964,925 pursuant to section 601 of Public Law 108-7.

This appropriation finances research, engineering, and development programs to improve the national air traffic control system by increasing its safety, security, productivity, and capacity. The programs are designed to meet the expected air traffic demands of the future and to promote flight safety. The major objectives are to keep the current system operating safely and efficiently; to protect the environment; and to modernize the system through improvements in facilities, equipment, techniques, and procedures in order to ensure that the system will safely and efficiently handle the volume of aircraft traffic expected in the future.

COMMITTEE RECOMMENDATION

The Committee recommendation includes \$118,939,000, for the FAA’s research, engineering, and development activities.

A table showing the fiscal year 2003 enacted level, the fiscal year 2004 budget estimate, and the Committee recommendation follows:

RESEARCH, ENGINEERING, AND DEVELOPMENT

[In thousands of dollars]

	Fiscal year 2003 enacted ¹	Fiscal year 2004 estimate	Committee recommendation
Improve Aviation Safety: Reduce Commercial Aviation Fatalities: Fire research	5,951	7,725	8,725

RESEARCH, ENGINEERING, AND DEVELOPMENT—Continued

[In thousands of dollars]

	Fiscal year 2003 enacted ¹	Fiscal year 2004 estimate	Committee recommendation
Propulsion and Fuel Systems	5,150	802	4,802
Advanced Materials/Structural Safety	1,283	1,244	5,244
Flight Safety/Atmospheric Hazards	4,261	3,217	4,217
Aging Aircraft	23,526	14,336	17,036
Aircraft Catastrophic Failure Prevention	1,809	762	762
Flightdeck/Main/Sys Integration human factors	7,903	6,782	6,782
Reduce General Aviation:			
Propulsion and Fuel Systems	2,207	344	1,344
Advanced Materials/Structural Safety	1,568	1,522	1,522
Flight Safety/Atmospheric Hazards	1,826	1,378	1,378
Aging Aircraft	5,882	3,584	3,584
Flightdeck/Main/Sys Integration human factors	1,854	1,612	1,612
Aviation System Safety:			
Aviation safety risk analysis	6,539	7,898	7,898
ATC/AF human factors	10,370	8,899	8,899
Aeromedical research	6,193	6,382	9,382
Weather research safety	21,101	20,852	20,852
Improve Efficiency of ATC System: Weather Research Efficiency	11,505	.....	3,000
Reduce Environmental Impact of Aviation: Environment and Energy	21,612	7,975	7,975
Improve Efficiency of Mission Support:			
System planning and resource manag	948	1,261	500
Technical lab facility	5,997	3,425	3,425
Total, R,E&D	147,485	100,000	118,939

¹ Reflects reduction of \$964,925 pursuant to section 601 of Public Law 108-7.

IMPROVE AVIATION SAFETY

Fire Research and Safety.—The Committee recommends \$8,725,000 for fire research and safety and includes \$1,000,000 for a comprehensive evaluation of advanced reticulated polyurethane safety foam in commercial aircraft.

Propulsion and Fuel Systems.—The Committee recommendation provides a total of \$4,802,000 for propulsion and fuel systems research to reduce commercial fatalities. The Committee provides \$3,000,000 to study the effects of molecular markers designed for the purpose of detecting adulteration or dilution of jet fuel. The recommendation also includes \$1,000,000 to continue the activities of the specialty metals processing consortium.

Advanced Materials/Structural Safety.—The Committee recommends \$5,244,000 for advanced materials/structural safety research. With the additional funds provided, \$4,000,000 is to support and improve ongoing metallic and composite structures research at the National Institute for Aviation Research and \$500,000 for advanced materials research at the University of Washington.

Flight Safety/Atmospheric Hazards Research.—The Committee recommends \$4,217,000, an increase of \$1,000,000 above the requested funding level. The recommendation includes \$1,000,000 to continue development of in-flight simulator training for commercial pilots at the Roswell Industrial Center.

Aging Aircraft.—The Committee recommendation includes a total of \$17,036,000 for the aging aircraft program to reduce commercial aviation fatalities. The Committee has provided resources to continue the collaborative efforts between the FAA and several public

and private organizations including the Center for Aviation Systems Reliability [CASR], the Airworthiness Assurance Center of Excellence [AACE] and the Engine Titanium Consortium [ETC]. Within the appropriation, the recommendation includes \$3,000,000 for the Center for Aviation Systems Reliability [CASR]; \$2,000,000 for the Engine Titanium Consortium [ETC]; \$2,000,000 for the Aging Aircraft Nondestructive Inspection Validation Center [AANC]; and, \$2,500,000 for the Center for Aviation Research and Aerospace Technology [CARAT].

General Aviation Propulsion and Fuel Systems.—The Committee recommends \$1,344,000 for propulsion and fuel systems research for general aviation. The recommended level of funding includes \$1,000,000 for further research into the performance and combustion characteristics of aviation grade ethanol fuels at South Dakota State University.

Aeromedical research.—The Committee recommends \$9,382,000 for aeromedical research, an increase of \$3,000,000 above the budget request. The Committee notes that the FAA reauthorization bill requires the Administrator to carry out the studies and analysis called for in the National Research Council’s report entitled “The Airliner Cabin Environment and the Health of Passengers and Crew.” The Committee has provided \$3,000,000 for this effort. In carrying out this study, the Committee directs the Administrator to conduct surveillance to monitor ozone on a representative number of flights; collect pesticide exposure data; analyze samples of residue from aircraft ventilation ducts and filters after air quality incidents to identify the contaminants to which passengers and crew were exposed; analyze and study cabin air pressure and altitude; and, establish an air quality incident reporting system.

IMPROVE THE EFFICIENCY OF AIR TRAFFIC CONTROL SYSTEM

Weather Research Efficiency.—The Committee recommends \$3,000,000 for weather research to improve the efficiency of the air traffic control system. These additional resources will ensure that this area of research is not suspended.

GRANTS-IN-AID FOR AIRPORTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(AIRPORT AND AIRWAY TRUST FUND)

Appropriations, 2003 ¹	\$3,100,000,000
Budget estimate, 2004	3,400,000,000
Committee recommendation	3,400,000,000

¹ Reflects reduction of \$22,100,000 pursuant to section 601 of Public Law 108–7.

Chapter 471 of title 49, U.S.C. authorizes a program of grants to fund airport planning and development and noise compatibility planning and projects for public use airports in all States and territories.

The Committee recommends \$3,400,000,000 in liquidating cash for grants-in-aid for airports. This is consistent with the Committee’s obligation limitation on airport programs for fiscal year 2003 and for the payment of previous years’ obligations.

GRANTS-IN AID FOR AIRPORTS
LIMITATION ON OBLIGATIONS
(AIRPORT AND AIRWAY TRUST FUND)

Obligation limitation, 2003	\$3,377,900,000
Budget estimate, 2004	3,400,000,000
Committee recommendation ¹	3,500,000,000

¹ Includes additional \$100,000,000 not subject to the limitation.

The total program level recommended for fiscal year 2004 for grants-in-aid to airports is \$3,500,000,000, which is \$100,000,000 more than the budget request and \$122,100,000 more than the fiscal year 2003 enacted level. The Committee recommendation, which includes funds transferred from another aviation capital account, is intended to be sufficient to continue the important tasks of enhancing airport and airway safety, ensuring that airport standards continue to be met, maintaining existing airport capacity, and developing additional capacity.

The Committee notes that a sizable alternative source of funding is available to airports in the form of passenger facility charges [PFC's]. The first PFC charge began for airline tickets issued on June 1, 1992. DOT data shows that as of December 31, 2002, 310 airports were approved to collect PFC's in the amount of \$40,900,000,000. During calendar year 2002, airports collected \$1,857,000,000 in PFC charges, and \$2,036,000,000 is estimated to be collected in calendar year 2003. Of the airports collecting PFC's, approximately one-fifth collected about 90 percent of the total, and all of these are either large or medium hub airports. The first collections at the new \$4.50 PFC level began on April 1, 2001, at 31 airports. Eventually, the funding to airports from the 50 percent nominal increase in authorized passenger facility charges will result in dramatically increased resources for airport improvements, expansions, and enhancements.

EDS Installation.—The Committee is concerned that continuing to use a significant portion of AIP funds on security projects will adversely impact capacity and safety projects at the Nation's airports. In fiscal year 2002, the FAA awarded more than \$561,000,000 of discretionary airport improvement funds for security-related projects, primarily for the costs associated with the installation of explosive detection systems. In contrast, only approximately \$56,000,000 was used for security in fiscal year 2001. In testimony before the Committee, the Department's Inspector General urged caution at continuing this level of security funding. Furthermore, now that this responsibility resides within the Department of Homeland Security, funds are being provided to the Transportation Security Administration specifically for explosive detection system installation. The Committee has included language to prohibit funding in fiscal year 2004 for airport improvements that are necessary to install bulk explosive detections systems.

A table showing the distribution of these funds according to current law compared to the fiscal year 2003 levels and the President's budget request follows:

	Fiscal year 2003 enacted	Fiscal year 2004 request	Committee recommendation
Appropriations and Obligation Limitation	\$3,377,900,000	\$3,400,000,000	\$3,500,000,000
Airports Operations	— 63,206,470	— 69,737,000	— 66,638,000
Research & development .....	.....	— 17,417,000	.....
Small Community Program	— 19,870,000	.....	20,000,000
Available for AIP Grants	3,294,823,530	3,312,846,000	3,413,362,000
Primary Airports	961,151,965	788,414,978	899,650,650
Cargo Service Airports	98,844,706	102,253,530	102,400,860
Alaska Supplemental (Sec. 4714(e))	21,345,114	21,345,114	21,345,114
States (General Aviation):			
Non-Primary Entitlement	341,036,416	341,036,416	341,036,416
State Apportionment by Formula	317,928,290	312,532,784	341,635,984
Subtotal	658,964,706	662,569,200	682,672,400
Carryover Entitlement	354,986,941	350,000,000	350,000,000
Subtotal, Entitlements	2,095,293,432	1,924,582,822	2,056,068,974
Small Airport Fund:			
Non Hub Airports	220,407,322	.....	217,001,737
Non Commercial Service	110,203,661	.....	108,500,868
Small Hub	55,101,831	.....	54,250,434
Subtotal, Small Airport Fund	385,712,814	.....	379,753,039
Subtotal, Non-Discretionary	2,481,006,246	1,924,582,822	2,435,822,013
Discretionary Set-Aside:			
Noise	276,697,877	278,156,140	332,363,596
Environmental Research, Engineering and Development (from Noise) .....	.....	20,000,000	.....
Reliever	5,371,194	.....	6,451,764
Military Airport Program	32,552,691	.....	34,101,599
National Significance .....	.....	662,569,200	.....
Subtotal, Discretionary Set-asides	314,621,762	960,725,340	377,916,959
C/S/S/N	374,396,641	.....	499,717,271
Pure Discretionary	124,798,881	33,128,460	149,905,757
Fund for Small Airports .....	.....	394,409,378	.....
Subtotal, Other Discretionary	499,195,522	427,537,838	599,623,028
Subtotal, Discretionary	813,817,284	1,388,263,178	977,539,987
GRAND TOTAL	3,294,823,530	3,312,846,000	3,413,362,000

AIRPORT DISCRETIONARY GRANTS

Within the budgetary resources provided in the accompanying bill, \$977,539,837 is available for discretionary grants to airports. The Committee has carefully considered a broad array of discretionary grant requests that can be expected in fiscal year 2004. Specifically, the Committee expects the FAA to give priority consideration to applications for the projects listed below in the categories of AIP for which they are eligible. If funds in the remaining discretionary category are used for any projects in fiscal year 2004 that are not listed below, the Committee expects that they will be for projects for which FAA has issued letters of intent (including letters of intent the Committee recommends below that the FAA subsequently issues), or for projects that will produce significant avia-

tion safety improvements or significant improvements in system-wide capacity or otherwise have a very high benefit/cost ratio.

Within the program levels recommended, the Committee directs that priority be given to applications involving the further development of the following airports:

Airport	Project
A L Mangham Jr. Regional Airport, TX	Airport Improvements
Abbeville Chris Crusta Memorial Airport, AL	Runway Extension
Abilene Regional Airport, TX	Renovations and Upgrades
Addison Airport, TX	Runway Safety Area Improvements
Akutan Seaplane Base, AK	Access and Airport Road
Albany County Airport, NY	Runway 1-10 Extension, Phase II
Allaire Airport, NJ	Land Acquisition
Allen Army Airbase, AK	Various Improvements
Andrews Municipal Airport (Robert F. Swinnie), SC	Airport Pavement Reconstruction
Andrews-Murphy Airport, NC	Development of Business Class Airport
Ankeny Regional Airport, IA	Apron area expansion, Various Improvements
Anoka Count-Blaine Airport, MN	Runway Extension
Arkansas International Airport, AR	Airport Relocation
Artesia Municipal Airport, NM	Runway Extension, Various Improvements
Ashe County Airport, NC	Obstruction Removal, Environmental Assessment, Runway Extension, Land Acquisition
Atka Airport, AK	Runway Extension
Atmore Municipal, AL	Land Acquisition, Safety Upgrade, Various Improvements
Augusta Regional Airport at Bush Field, GA	Terminal Construction, Runway Rehabilitation, Various Improvements
Austin Straubel International Airport, WI	Intersections, Various Improvements
Baltimore-Washington International Airport, MD	Various Improvements
Bangor International Airport, ME	Air Cargo Facility
Barkley Regional Airport, KY	Various Improvements to Terminal, Parking & Runway Areas
Barter Island LRRS, AK	Various Improvements
Batesville Regional Airport, AR	Land Acquisition
Baton Rouge Metropolitan Airport, Ryan Field, LA	Runway Extension, Drainage, Lighting
Baxter County Regional Airport, AR	New Crosswind Runway
Benedum, Airport, WV	Various Improvements
Bert Mooney Airport, MT	Airport Improvements
Bessemer Airport, AL	Runway, Drainage, Lighting, Various Improvements
Birmingham International Airport, AL	Land Acquisition, Runway Extension
Block Island State Airport, RI	Various Improvements
Blytheville Municipal Airport, AR	Airfield Upgrades & Airport Improvements
Bowman Field, KY	Apron & Taxiway Reconstruction
Braxton County Airport, WV	Various Improvements
Bremerton National Airport, WA	Runway & Taxiway Lengthening & Strengthening
Brewton Municipal Airport, AL	Construction & Lighting of Taxiway & Runways, Various Improvements
Bruce Campbell Field, MS	Airport Renovation & Remodeling
Buffalo Niagara International Airport, NY	Runway 5-23 and Taxiway A Rehabilitation
Burlington-Alamance Regional Airport, NC	Runway & Taxiway Lengthening & Strengthening
Cape May County Airport, NJ	Obstruction removal & Various Improvements
Carson Airport, NV	Runway Realignment, Obstruction Removal, Land Acquisition
Central Nebraska Regional Airport, NE	Rehabilitate Runway 17-35 and Connecting Taxiway
Central Wisconsin Airport, WI	Parallel Taxiway
Charles City Municipal Airport, IA	Runway Rehabilitation & Extension
Cherry Capital Airport, MI	Complete New South Airline Terminal Project
Cincinnati Municipal Airport Lunken Field, OH	Maintenance and Improvement Project
Clarion County Airport, PA	Runway Expansion
Cleveland-Hopkins International Airport, OH	Various Security Improvements, Instrument Landing System & Runway Rehabilitation
Coffman Cove Seaplane Base, AK	Floatplane Facility
Cold Bay Airport, AK	Terminal Facilities
Columbia Metropolitan Airport, SC	Land Acquisition
Concord Regional Airport, NC	Runway Extension
Connellsville Airport, PA	Runway Expansion
Council Bluffs Municipal Airport, IA	Runway Expansion
Dane County Regional Airport-Truax Field, WI	Runway 14 Safety Area Construction

Airport	Project
Davis Airport, WV	Various Improvements
Denton Municipal Airport, TX	Airport Improvements
Doña Ana County Airport at Santa Teresa, NM	Fencing & Runway Extension [Phase II]
Double Eagle II Airport, NM	Runway 17-35 Reconstruction
Drake Field; Fayetteville, AR	Construction of New Hangars
E.F. Knapp State Airport, VT	Terminal Upgrades
Eagle River Union Airport, WI	Various Improvements
Eastern WV Regional/Shepard Field Airport, WV	Various Improvements
Easterwood Field, TX	Approach Surveillance Radar
Egegik Airport, AK	Runway Improvements
Elkins—Randolph County—Jennings Randolph Field Airport, WV	Various Improvements
Elton Hensley Memorial Airport, MO	New Runway
Erie International-Tom Ridge Field Airport, PA	Runway Extension
Fairbanks International Airport, AK	Passenger Facility
Fairfield Municipal Airport, IA	Relocation of Roadway/Utilities, Grading, Various Improvements
Fairmont Municipal Airport, WV	Various Improvements
False Pass Airport, AK	Various Improvements
Fitch H Beach Airport, MI	Runway Expansion
Fort Dodge Regional Airport, IA	Runway Extension
Gallatin Field Airport, MT	Various Improvements
Gary/Chicago Airport, IN	Runway Rehabilitation
Gen Edward L Logan International Airport, MA	Runway Centerline Lighting System Replacement
General Mitchell International Airport, WI	Various Improvements
Glacier Park International Airport, Kalispell MT	Various Improvements
Grant County Airport, WV	Various Improvements
Great Falls International Airport, MT	Northside Interstate Access Road
Greater Rochester International Airport, NY	Various improvements
Greenbrier Valley, WV	Various Improvements
Greene County Regional Airport, GA	Runway Lengthening, Widening, Strengthening
Greenwood-Leflore Airport, MS	Runway Rehabilitation
Gulfport-Biloxi Regional Airport, MS	General Aviation & Cargo Development
Hammonton Municipal Airport, NJ	Apron, Various Improvements
Hector International Airport, ND	Runway Reconstruction
Helena Regional Airport, MT	Terminal Remodeling & Expansion Project
Henderson City-County Airport, KY	Various Improvements to Terminal, Parking & Runway Areas
Henry E. Rohlsen Airport, VI	Terminal Modifications
Hickory Regional Airport, NC	Lighting, Runway & Taxiway Improvements
Houma-Terrebonne Airport, LA	Runway Upgrades
Huntsville International-Carl T Jones Field Airport, AL	Taxiway & Ramp Expansion
Indiana County/Jimmy Stewart Field Airport, PA	Runway Extension
Iowa City Municipal Airport, IA	Grading for the 7/25 Runway Extension
Jackson County Airport, WV	Various Improvements
Jackson International Airport, MS	Apron & Taxiway Replacement
Jacksonville International Airport, FL	Taxiway Improvements
Jonesboro Municipal Airport, AR	Airport Rescue and Firefighting Truck and Building
Juneau Harbor Seaplane Base, AK	Snow Removal Equipment
Kee Field Airport, WV	Various Improvements
Ketchikan International Airport, AK	Various Improvements
Kodiak Airport, AK	Terminal Improvements
La Crosse Municipal Airport, WI	Reconstruct Taxiways F, G, H & remainder of Taxiway B.
Lafayette Regional Airport, LA	Runway 4R/22L Extension, Various Improvements
Lambert-St. Louis International Airport, MO	Relocation of 131st Airborne Division
Las Cruces International Airport, NM	Fire Station
Lawrenceville-Vincennes Airport, IL	Reconstruction of Terminal and Hangar Development
Leesville Airport, LA	Runway Expansion
Lehigh Valley International Airport, PA	Various Improvements
Liberty County Airport, GA	Joint Use Aviation Facility
Logan County Airport, WV	Various Improvements
Long Island-MacArthur Airport, NY	Aircraft Apron, Access Roadway, Security Projects
Louis Armstrong New Orleans International Airport, LA	Airfield Safety Improvement Program, Various Improvements
Louisville International-Standiford Field Airport, KY	Various Improvements
Macon County Airport, NC	Runway Extension, Security Fencing
Mahlon Sweet Field, OR	Reauthorize funding airport capital improvements
Manistee County Blacker Airport, MI	Terminal Construction

Airport	Project
Marion-Crittenden County Airport, KY	Runway Paving
Marlinton Airport, WV	Various Improvements
Marshall County Airport, WV	Various Improvements
Maryville Memorial Airport, MO	Terminal Facility, Various improvements
Mason City Municipal Airport, IA	Runway Reconstruction
Mason County Airport, WV	Various Improvements
McCarran International Airport, NV	Various Improvements
McComb-Pike County/John E Lewis Field Airport, MS	Runway Extension
McKinney Municipal Airport, TX	Runway & Taxiway Rehabilitation
Melbourne International Airport, FL	Terminal Surface Access Improvements
Memorial Field (Hot Springs), AR	Runway Safety 15, 13, 23, 31 Improvements
Mercer County Airport, WV	Various Improvements
Mid-Delta Regional Airport, MS	Various Improvements
Midway Airport, IL	Various Security Improvements
Millville Municipal Airport, NJ	Dike Project
Mingo County Airport, WV	Various Improvements
Minneapolis-St. Paul International/Wold-Chamberlain Airport, MN	Pavement Rehabilitation
Missoula International Airport, MT	Land Acquisition
Mobile Downtown Airport [BFM], AL	Rehabilitate Ramp near Hangar 16 and 17, Security Fencing, Various Improvements
Mobile Regional Airport, AL	Land Acquisition, Security Upgrades, Runway Rehabilitation
Monroe Regional Airport, LA	New Airport Master Plan
Montgomery Regional (Dannelly Field) Airport, AL	Terminal Expansion & Renovation
Morehouse Memorial Airport, LA	Runway Expansion
Morganton-Lenoir Airport, NC	Runway Expansion
Morgantown Municipal—Walter L Bill Hart Field Airport, WV	Various Improvements
Morrisville-Stowe State Airport, VT	Environmental assessment for runway extension
Mount Pleasant Municipal Airport, MI	Various Improvements
Nashville International Airport, TN	Taxiway Widening, Airfield Reconstruction
New Bedford Regional Airport, MA	Approach Road Improvements
New Castle County Airport, DE	Rehabilitation of Runway 1–19 & Taxiway M
Newport State Airport, RI	Perimeter Fencing, Various Improvements
Newport State Airport, VT	New Crosswind Runway
Newton Municipal Airport, IA	Obstruction removal & Partial Taxiway
Niagara Falls International Airport, NY	Airport Rehabilitation
North Central State Airport, RI	Various Improvements
North Las Vegas Airport, NV	Lights
North Pickens Airport, AL	Land Acquisition, RSA Improvements, Runway Overlay
Northwest Arkansas Regional Airport, AR	Cargo Apron & Taxiway
Oakland—Pontiac Airport, MI	Various Improvements
Ohio University, OH	Airport Improvements
Olive Branch Airport, MS	Various Improvements
Orlando International Airport, FL	Elimination of Wildlife Attractants
Orlando Sanford International Airport, FL	9R/27L Runway Extension
Ottumwa Industrial Airport, IA	Partial Parallel Taxiway & Security
Outagamie County Regional Airport, WI	Various Improvements
Owensboro-Daviess County Airport, KY	Various Improvements to Terminal, Parking & Runway Areas
Palmer Municipal Airport, AK	Various Improvements
Palwaukee Municipal Airport, IL	Taxiway Improvements
Pellston Regional Airport, Emmet County, MI	New Passenger Terminal Building
Petersburg James A Johnson Airport, AK	Apron Expansion
Philadelphia International, PA	Airport Improvements
Philadelphia Municipal Airport, MS	Expansion of aprons, Navigational Devices
Philippi—Barbour County Regional Airport, WV	Various Improvements
Pickens County Airport, SC	Rehabilitation Project
Pierre Regional Airport, SD	Runway Rehabilitation
Pilot Point Airport, AK	Airport Expansion
Pittsburgh International Airport, PA	Airfield/Terminal Maintenance Complex
Plattsburgh International Airport, NY	Redevelopment and Capital Improvements
Port Heiden Airport, AK	Various Improvements
Pryor Field Regional Airport, AL	Various Improvements
Quonset State Airport, RI	Various Improvements
Raleigh County Memorial Airport, WV	Various Improvements
Ralph Wein Memorial Airport, AK	Various Improvements

Airport	Project
Reading Municipal/Carl A Spaatz Field Airport, PA	Runway Reconstruction & Extension
Reno/Stead Airport, NV	Runway Reconstruction, Taxilane Construction, Overlay
Reno/Tahoe International Airport, NV	Passenger Terminal Expansion, Lighting Controls System Upgrade and various improvements
Rice Lake Regional-Carl's Field Airport, WI	Runway Extension
Richard B Russell Airport, GA	Runway Extension
Roberts Field Airport, OR	Terminal Building Expansion
Rockingham County NC Shiloh Airport, NC	Runway Extension
Russellville Municipal Airport, AL	Runway Extension
Rutland State Airport, VT	Terminal & Security upgrades
Saline County/Watts Field, AR	Airport Relocation
San Francisco International Airport, CA	Security Operations Integration System
Sand Point Airport, AK	Terminal Improvements
Santa Fe County Municipal Airport, NM	Runway 15/33 Rehabilitation
Seattle-Tacoma International Airport, WA	Various Improvements
Shreveport Regional Airport, LA	Runway Extension, Various Improvements
Sitka Seaplane Base, AK	Various Improvements
Solberg-Hunterdon Airport, NJ	Airport Acquisition
Marshall Municipal-Ryan Field Airport, MN	Various Improvements
Spartanburg Downtown Memorial Airport, SC	Runway Extension, Safety Area Construction
Spencer Airport, WV	Various Improvements
Spirit of St. Louis Airport, MO	Taxiways
Springfield Capital Airport, IL	Apron & Taxiway Improvements
Springfield-Branson Regional Airport, MO	Midfield Terminal Design
St. George Airport, AK	Runway Paving
St. Paul Island Airport, AK	Runway Paving
Stanly County Airport, NC	Improvement Plan, Various Improvements
Statesville Municipal Airport, NC	Airport Expansion
Sugar Land Regional Airport, TX	Apron & Taxiway
Summersville Airport, WV	Various Improvements
Syracuse Hancock International Airport, NY	Noise Mitigation
Ted Stevens Anchorage Int'l Airport, AK	Terminal Connector, Various Improvements
The Eastern Iowa Airport, IA	Rehabilitation & Construction of Aprons
The William B. Hartsfield Atlanta International Airport, GA	Access Control System Replacement
Tonopah Airport, NV	Terminal Renovation
Tri-County Regional Airport, KY	Acquire Rights, Design, Conduct Environmental Studies
Tri-State/Walker-Long Field, WV	Various Improvements
Troy Municipal Airport, AL	Runway & Taxiway Extension, Apron Improvements
Tulsa International Airport, OK	Security Improvements, Taxiway N Construction
Unalaska Airport, AK	Terminal Facility
Upshur County Regional Airport, WV	Various Improvements
Vermilion County Airport, IL	Runway Extension
Walnut Ridge Regional Airport, AR	Runway Extension
Washington Memorial Airport, MO	Runway Improvements
Washington Municipal Airport, IA	Taxiway Construction
Waterloo Municipal Airport, IA	Perimeter Fencing & Airfield Rescue Fire Fighting Vehicle
Waukesha County Airport, WI	Various Improvements
Waukegan Regional Airport, IL	Runway Extension
Wayne County Airport, OH	Airport Improvements
Welch Municipal Airport, WV	Various Improvements
Westerly State Airport, RI	Perimeter Fencing, Various Improvements
Wheeling—Ohio County Airport, WV	Various Improvements
Williams Gateway Airport, AZ	Runway Construction, Taxiway Repair
Willmar Municipal Airport, MN	Runway Paving, Lighting
Wilmington International Airport, NC	Various Improvements
Winfield Airport, WV	Various Improvements
Winona-Montgomery County Airport, MS	Various Improvements
Wood County/Gill Robb Wilson Field, WV	Various Improvements
Yeager Airport, WV	Various Improvements

LETTERS OF INTENT

Congress authorized FAA to use letters of intent [LOI's] to fund multiyear airport improvement projects that will significantly enhance systemwide airport capacity. FAA is also to consider a

project's benefits and costs in determining whether to approve it for AIP funding. FAA adopted a policy of committing to LOI's no more than roughly 50 percent of forecasted discretionary funds allocated for capacity, safety, security, and noise projects. The Committee viewed this policy as reasonable because it gave FAA the flexibility to fund other worthy projects that do not fall under a LOI. Both FAA and airport authorities have found letters of intent helpful in planning and funding airport development.

In addition, applications are pending for capacity enhancement projects which would, if constructed, significantly reduce congestion and delay. These projects require multiyear funding commitments. The Committee recommends that the FAA enter into letters of intent for multiyear funding of such capacity enhancement projects.

Birmingham International Airport, AL.—The Committee encourages the FAA to give full and immediate consideration to the Birmingham Airport Authority's application for a letter of intent for construction of Runway 6–24 extension and adjacent taxiways. The Committee is informed that substantial safety and capacity benefits will accrue from the completion of this project.

ADMINISTRATION

The accompanying bill provides \$66,638,000 for administration of the airport program from within the overall limitation on obligations. The Committee recommendation reduces the inflationary increase to \$2,088,000 and fully funds the request for automated airport data systems modifications, environmental streamlining, and wildlife hazard management. The Committee directs the airports office, in conjunction with the State of Alaska and the Alaska Fisheries Marketing Board, to undertake a study to determine improvements at strategic airports that are necessary to more effectively transport fresh fisheries products from the North Pacific to market.

The Committee has not included funding for Airport Technology Research from within the limitation on obligations for grants-in-aid to airports. Funding for these research activities is provided under the Facilities and Equipment account.

SMALL COMMUNITY AIR SERVICE DEVELOPMENT PILOT PROGRAM

The Committee bill includes \$20,000,000, within the overall limitation on obligations for grants-in-aid to airports, for the Small Community Air Service Development Pilot Program. This is the same amount as the level provided in fiscal year 2003. The program is designed to improve air service to underutilized airports in small and rural communities. The total number of communities or groups of communities that can participate in the program is limited to no more than 4 from any one State and no more than 40 in any fiscal year. The program gives priority to communities that have high air fares, will contribute a local share of the cost, will establish a public-private partnership to facilitate airline service, and where assistance will provide benefits to a broad segment of the traveling public.

GENERAL PROVISIONS—FEDERAL AVIATION ADMINISTRATION

Section 101 provides airports the authority to transfer certain instrument landing systems to the Federal Aviation Administration.

Section 102 limits the number of technical staff years at the Center for Advanced Aviation Systems Development to no more than 350 in fiscal year 2004.

Section 103 prohibits funds in this Act to be used to adopt guidelines or regulations requiring airport sponsors to provide the Federal Aviation Administration “without cost” buildings, maintenance, or space for FAA services. The prohibition does not apply to negotiations between FAA and airport sponsors concerning “below market” rates for such services or to grant assurances that require airport sponsors to provide land without cost to the FAA for air traffic control facilities.

Section 104 authorizes the Federal Aviation Administration to use funds from airport sponsors, including the airport’s “Grants-in-Aid for Airports” entitlement funds, for the hiring of additional staff or for obtaining services of consultants for the purpose of facilitating environmental activities related to airport projects that add critical airport capacity to the national air transportation system.

FEDERAL HIGHWAY ADMINISTRATION

SUMMARY OF FISCAL YEAR 2004 PROGRAM

The principal mission of the Federal Highway Administration is to, in partnership with State and local governments, foster the development of a safe, efficient, and effective highway and intermodal system nationwide including access to and within National Forests, National Parks, Indian Lands and other public lands.

Under the Committee recommendations, a total program level of \$34,824,297,000 would be provided for the activities of the Federal Highway Administration in fiscal year 2004. The following table summarizes the fiscal year 2003 program levels, the fiscal year 2004 program request and the Committee’s recommendations:

[In thousands of dollars]

Program	Fiscal year—		Committee recommendation
	2003 program level	2004 budget estimate	
Federal-aid highways limitation	¹ 31,593,300	29,293,948	33,843,000
Limitation on administrative expenses	² (314,071)	(338,834)	(337,834)
Exempt Federal-aid obligations	884,329	931,297	831,297
Appalachian Development Highway System	¹ 186,778	.....	150,000
Total	32,664,407	30,225,245	34,824,297

¹ Reflects reduction of \$206,700,000 for FAH limitation and \$1,200,000 for ADHS pursuant to section 601 of Public Law 108–7.

² Does not reflect reduction of \$1,000,000 pursuant to section 362 of Public Law 108–7.

LIMITATION ON ADMINISTRATIVE EXPENSES

Appropriations, 2003 ^{1 2}	\$314,071,181
Budget estimate, 2004	338,834,000
Committee recommendation	337,834,000

¹ Reflects reduction of \$2,100,000 pursuant to section 601 of Public Law 108–7.

² Does not reflect reduction of \$1,000,000 pursuant to section 362 of Public Law 108–7.

The limitation on administrative expenses controls spending for virtually all the salaries and expenses of the Federal Highway Administration. The Transportation Equity Act for the 21st Century changed the funding source for the highway research accounts from the administrative takedown of the Federal-Aid Highway Program to individual contract authority provisions. The Committee recommends a limitation of \$337,834,000.

The following table reflects the fiscal year 2003 level, the 2004 level requested by the administration, and the Committee's recommendation:

LIMITATION ON ADMINISTRATIVE EXPENSES

[In thousands of dollars]

Program	Fiscal year—		Committee recommendation
	2003 level	2004 budget estimate	
Administrative Expenses:			
Salaries and benefits	234,523	240,102	240,102
Travel	9,142	9,634	9,634
Transportation	449	473	473
GSA rent	24,646	25,750	25,750
Communications, rent, and utilities	10,503	12,296	12,296
Printing	1,602	1,928	1,928
Supplies	1,930	2,000	2,000
Equipment	4,378	5,736	5,236
Other	26,898	40,915	40,415
Total	314,071	338,834	337,834

The Working Capital Fund is distributed across all Administrative Expense items.

Information Technology.—The Committee has included a \$1,000,000 reduction in FHWA's request for IT security enhancements and equipment replacement. The Committee is concerned that FHWA has not developed a comprehensive plan to encompass both security enhancements and equipment replacement. The budget justification separately discusses FHWA's need for infrastructure upgrades and a need to purchase new desktop systems that can accommodate the most up-to-date commercial software. The Committee believes that infrastructure, equipment, and software upgrades should go hand in hand such that one can support the other. Therefore, the Committee directs FHWA to develop a comprehensive plan to ensure that IT security and equipment upgrades are compatible and that any equipment acquisition is flexible and upgradable.

Environmental Streamlining.—The Committee recommendation includes \$7,000,000 to continue environmental streamlining initiatives at FHWA. This is the same level of funding that was provided in fiscal year 2003.

Las Vegas Pedestrian Connections.—Within the total amount provided, the Committee has included \$500,000 for Pedestrian Connections for the City of Las Vegas, Nevada.

GRANTS FOR THE NATIONAL AMBER ALERT NETWORK

On April 30, 2003, the president signed into law the PROTECT Act (Public Law 108–21), formally establishing the Federal Government's role in the Amber Alert system. Amber Alerts use tech-

nology to disseminate information about child abductions in a timely manner in an effort to quickly recover the child. Amber Alert plans are voluntary partnerships including law enforcement agencies, highway departments, and media companies that provide emergency alert broadcasts and utilize the Emergency Alert System [EAS], highway messages boards, telephone alert systems, the internet, and e-mail. To date, 45 States have statewide alert plans. Because kidnappers can cross State lines with their victims it is important for Amber Alerts to be part of an integrated national network.

The PROTECT Act authorized \$20,000,000 for the Secretary of Transportation to make grants to States for the development or enhancement of notification or communications systems along highways for alerts and other information for the recovery of abducted children. The Committee is supportive of the National Amber Alert Network and agrees that national coordination of the many State Amber Alert systems is essential if the network is to become a vital law enforcement tool in child abduction cases. The Committee has included \$20,000,000 to support grants for the National Amber Alert Network.

FEDERAL-AID HIGHWAYS

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

Limitation, 2003 ¹	\$31,593,300,000
Budget estimate, 2004	29,293,948,000
Committee recommendation	33,843,000,000

¹ Reflects reduction of \$206,700,000 pursuant to section 601 of Public Law 108-7.

The accompanying bill includes language limiting fiscal year 2004 Federal-aid highways obligations to \$33,843,000,000, an increase of \$2,043,000,000 over the fiscal year 2003 enacted level and \$4,549,052,000 over the budget request.

The following table shows the distribution of highway funds apportioned to the States under three scenarios: the fiscal year 2003 enacted level, the President's budget, and the Committee recommendation.

FEDERAL HIGHWAY ADMINISTRATION ESTIMATED FISCAL YEAR 2004 DISTRIBUTION OF OBLIGATION LIMITATION

States	Actual fiscal year 2003 distribution ¹	Fiscal year 2004 President's budget ²	Fiscal year 2004 Committee recommendation ²
Alabama	\$556,694,521	\$531,862,669	\$610,065,884
Alaska	297,456,994	297,527,671	333,344,939
Arizona	469,517,220	455,903,535	513,068,338
Arkansas	356,921,536	346,026,473	399,280,331
California	2,580,156,032	2,534,630,047	2,883,896,599
Colorado	353,190,106	349,926,197	396,295,855
Connecticut	396,194,208	392,355,750	445,060,182
Delaware	118,255,867	117,550,810	132,401,690
District of Columbia	110,747,385	106,880,975	122,016,586
Florida	1,308,585,881	1,273,348,420	1,428,360,647
Georgia	976,008,809	940,807,433	1,066,655,578
Hawaii	141,302,148	136,175,830	154,890,770
Idaho	209,897,183	200,766,970	229,785,369

FEDERAL HIGHWAY ADMINISTRATION ESTIMATED FISCAL YEAR 2004 DISTRIBUTION OF OBLIGATION
LIMITATION—Continued

States	Actual fiscal year 2003 distribution ¹	Fiscal year 2004 President's budget ²	Fiscal year 2004 Committee rec- ommendation ²
Illinois	933,632,041	900,104,896	1,025,955,529
Indiana	622,532,801	615,049,160	697,911,989
Iowa	332,927,033	319,874,961	366,039,935
Kansas	324,785,504	312,139,106	357,157,626
Kentucky	487,863,858	468,760,484	535,211,906
Louisiana	429,501,349	427,752,796	488,529,711
Maine	146,483,504	139,763,781	160,756,644
Maryland	455,142,840	441,295,803	501,555,287
Massachusetts	512,177,717	495,857,147	571,397,242
Michigan	859,172,034	828,788,959	941,434,779
Minnesota	404,701,569	398,830,155	455,063,801
Mississippi	334,371,336	327,936,758	374,667,295
Missouri	639,738,735	623,781,005	716,151,371
Montana	253,843,761	257,260,341	289,528,377
Nebraska	214,881,104	208,425,713	236,608,618
Nevada	195,404,163	190,807,504	215,059,355
New Hampshire	142,193,988	136,116,368	155,978,211
New Jersey	744,150,659	716,243,842	817,115,438
New Mexico	262,878,753	259,339,528	294,727,119
New York	1,384,055,630	1,359,923,637	1,550,251,591
North Carolina	774,882,985	749,202,103	850,944,572
North Dakota	175,402,329	174,782,167	197,100,638
Ohio	937,857,273	919,484,423	1,046,796,994
Oklahoma	431,637,071	413,942,844	474,532,957
Oregon	334,290,345	322,448,924	374,592,430
Pennsylvania	1,393,940,173	1,313,383,236	1,531,222,073
Rhode Island	161,491,333	157,361,460	179,850,318
South Carolina	450,641,675	440,146,002	503,076,639
South Dakota	196,104,996	188,933,687	219,364,642
Tennessee	607,195,279	597,448,989	681,206,751
Texas	2,169,718,867	2,095,566,136	2,372,246,482
Utah	216,664,700	208,960,466	238,184,523
Vermont	123,614,293	122,117,305	138,411,135
Virginia	686,692,399	675,377,736	767,809,423
Washington	493,842,921	475,658,043	542,767,926
West Virginia	304,827,947	298,175,353	343,314,289
Wisconsin	538,011,290	519,368,037	588,380,535
Wyoming	183,294,498	186,181,464	211,779,717
Puerto Rico .....	.....	105,991,543	.....
Subtotal	27,735,476,643	27,076,344,642	30,727,806,636
Allocated Programs ³	3,857,823,357	2,217,603,358	3,115,193,364
Total	31,593,300,000	29,293,948,000	33,843,000,000

¹ Amounts for each State include special limitation for minimum guarantee, Appalachia, and high priority projects and exclude exempt minimum guarantee and emergency relief.

² Amounts for each State include special limitation for minimum guarantee and Appalachia and exclude exempt minimum guarantee and emergency relief.

³ Includes territories. Also, includes Puerto Rico for fiscal year 2003 actual and fiscal year 2004 Committee recommendation.

FEDERAL-AID HIGHWAYS PROGRAMS

The roads and bridges that make up our nation's highway infrastructure are built, operated, and maintained through the joint efforts of Federal, State, and local governments. States have much flexibility to use Federal-aid highway funds to best meet their individual needs and priorities, with FHWA's assistance and oversight.

The Transportation Equity Act for the 21st Century [TEA21], the highway, highway safety, and transit authorization through fiscal year 2003 makes funds available in the following major categories:

National Highway System.—The Intermodal Surface Transportation Efficiency Act [ISTEA] of 1991 authorized the National Highway System [NHS], which was subsequently established as a 163,000-mile road system by the National Highway System Designation Act of 1995. This system serves major population centers, intermodal transportation facilities, international border crossings, and major destinations. It is comprised of all interstate routes, selected urban and principal rural arterials, defense highways, and major highway connectors carrying up to 76 percent of commercial truck traffic and 44 percent of all vehicle traffic. A State may transfer up to half of its NHS funds to the Surface Transportation program [STP] and all NHS funds with the concurrence of the Secretary of Transportation. The Federal share of the NHS is an 80 percent match and funds remain available for 4 fiscal years.

Interstate Maintenance.—The 46,567-mile Dwight D. Eisenhower National System of Interstate and Defense Highways retains a separate identity within the NHS. This program finances projects to rehabilitate, restore, resurface and reconstruct the Interstate system. Reconstruction of bridges, interchanges, and over-crossings along existing interstate routes is also an eligible activity if it does not add capacity other than high occupancy vehicle [HOV] and auxiliary lanes.

All remaining Federal funding to complete the initial construction of the interstate system has been provided through previous highway legislation. The TEA21 provides flexibility to States in fully utilizing remaining unobligated balances of prior Interstate Construction authorizations. States with no remaining work to complete the Interstate System may transfer any surplus Interstate Construction funds to their Interstate Maintenance program. States with remaining completion work on Interstate gaps or open-to-traffic segments may relinquish Interstate Construction fund eligibility for the work and transfer the Federal share of the cost to their Interstate Maintenance program.

Funds provided for the Interstate maintenance discretionary program in fiscal year 2004 shall be available for the following activities in the corresponding amounts:

Project	Amount
Aroostook County North-South Highways, Maine	\$3,500,000
Kelly USA: New Luke Road, Texas	200,000
I-15 Reconstruction 10800 South to 600 North, Utah	6,000,000
I-182, Queensgate to SR 240, Richland, Washington	2,000,000
I-195 Relocation, Rhode Island	2,000,000
I-20 Widening and Safety Improvements, Alabama	3,500,000
I-270 at Dorsett & I-70 interchange improvements, Missouri	4,000,000
I-35/127th Street Overpass, Olathe, Kansas	3,000,000
I-40 Crosstown, Oklahoma	5,000,000
I-405 Corridor Improvements, Washington	2,000,000
I-49 North, Louisiana	3,500,000
I-49 South, Louisiana	3,500,000
I-5 Rush Road to Maytown Widening, Lewis County, Washington	2,000,000
I-5, 116th Street NE Interchange Improvements, Snohomish, Washington	2,000,000
I-5, 219th Street Interchange, Battle Ground, Washington	2,000,000
I-5, Lynnwood City Center Exit, Washington	1,000,000

Project	Amount
I-55, Church Road to Tennessee State Line, DeSoto County, Mississippi	2,000,000
I-65 Cloverland Bridges, Montgomery, Alabama	1,000,000
I-69/SR 304 Paving, Mississippi	5,500,000
I-70 Improvement Project: Frederick, Maryland	5,000,000
I-80/Iowa 945 Interchange, Polk County, Iowa	3,000,000
I-84, Glenns Ferry to King Hill, WB, Idaho	2,000,000
IH35 Texas	5,800,000
Interstate 44 and US 65 Interchange, Missouri	1,000,000
Interstate 80 (I-80) Colfax Narrows Project, Nevada	2,000,000
Interstate 80, Northwest 27th St. to West of I-180, Nebraska	1,500,000
Interstate 90 Port-of-Entry, Wyoming	500,000
Interstate 94/43/794 (Marquette Interchange)—Milwaukee, Wisconsin	6,000,000
Madison I-565 Interchange at County Line Road, Madison, Alabama	1,000,000
McCaslin Boulevard/U.S. 36 Interchange Construction, Colorado	2,000,000
Montgomery County, Ohio—Interstate 75, Ohio	2,000,000
Pennsylvania Turnpike—I-95 Interchange Project, Pennsylvania	2,000,000
Reconstruct Exit 60—I-90 in Rapid City, South Dakota	6,000,000
Route 15/186 Interchange Phase II, New York	3,500,000
Valleydale Road at I-65, Alabama	5,000,000

Surface Transportation Program.—The surface transportation program [STP] is a very flexible program that may be used by the States and localities for any roads (including NHS) that are not functionally classified as local or rural minor collectors. These roads are collectively referred to as Federal-aid highways. Bridge projects paid with STP funds are not restricted to Federal-aid highways but may be on any public road. Transit capital projects are also eligible under this program. The total funding for the STP may be augmented by the transfer of funds from other programs and by minimum guarantee funds under TEA21 which may be used as if they were STP funds. Once distributed to the States, STP funds must be used according to the following percentages: 10 percent for safety construction; 10 percent for transportation enhancement; 50 percent divided among areas of over 200,000 population and remaining areas of the State; and, 30 percent for any area of the State. Areas of 5,000 population or less are guaranteed an amount based on previous funding, and 15 percent of the amounts reserved for these areas may be spent on rural minor collectors. The Federal share for the STP program is 80 percent with a 4-year availability period.

Bridge Replacement and Rehabilitation Program.—The program provides assistance for bridges on public roads, including a discretionary set-aside for high cost bridges and for the seismic retrofit of bridges. Fifty percent of a State's bridge funds may be transferred to the NHS or the STP, but the amount of any such transfer is deducted from the national bridge needs used in the program's apportionment formula for the following year.

At least 15 percent, but not more than 35 percent, of a State's apportioned bridge funds must be spent on bridges not on the Federal-aid system.

Funds provided for the bridge discretionary program in fiscal year 2004 shall be available for the following activities in the corresponding amounts:

Project	Amount
Beacon Falls Depot Street Bridge, Connecticut	\$1,000,000
Blackford Bridge Project, Kentucky	250,000

Project	Amount
Bridge 1480230 Upgrade with Polymer Concrete Deck—Greene County, Missouri	400,000
Bridge Replacement on Arkabutla—Coldwater Road, Mississippi	750,000
Broadway Bridge/I-25 Interchange Complex, Colorado	8,000,000
Canvas Bridge, Nicholas County, West Virginia	8,000,000
Carlsbad, New Mexico, Railroad Overpass	1,500,000
Chehalis, I-5 Exit 79 Interchange Bridge, Washington	3,000,000
Covered Bridges	4,000,000
Delaware River Port Authority—Ben Franklin Bridge, Pennsylvania	5,000,000
Ferry Street Bridge, New Haven, Connecticut	2,000,000
Funny River Bridge Crossing, Alaska	10,000,000
Granite Street and Bridge Widening Project, New Hampshire	7,000,000
Highway 19 Bridge Replacement, Missouri	6,000,000
I-195 Washington Bridge (eastbound), Rhode Island	4,000,000
I-5 Second Street Bridge, Mt. Vernon, Washington	3,000,000
I-80 Bridges Cedar River Bridges, Iowa	3,000,000
IH-35E Chambers Creek Bridges, Texas	1,500,000
Indian River Inlet Bridge Replacement, Delaware	4,000,000
King County, South Park Bridge, Washington	2,000,000
Meridian Bridge Replacement, Yankton, South Dakota	2,000,000
North Avenue Bridge, Chicago, Illinois	5,000,000
Route 1 & 9 and St. Pauls Avenue Bridge, Hudson County, New Jersey	2,000,000
Russell Street Viaduct (MD 295/Baltimore), Maryland	4,000,000
Topeka Boulevard Bridge, Kansas	8,000,000
US20 Bridge Repair, Oregon	600,000
Waldo-Hancock Suspension Bridge in Prospect and Verona, Maine	4,000,000

National Historic Covered Bridge Preservation Program.—The Committee recommendation provides \$4,000,000 for the covered bridge program within the funds made available for the discretionary bridge program. Within this amount, \$2,000,000 shall be made available for covered bridges in the State of Vermont.

Congestion Mitigation and Air Quality Improvement Program.—This program provides funds to States to improve air quality in non-attainment and maintenance areas. A wide range of transportation activities are eligible, as long as DOT, after consultation with EPA, determines they are likely to help meet national ambient air quality standards. TEA21 provides greater flexibility to engage public-private partnerships, and expands and clarifies eligibilities to include programs to reduce extreme cold starts, maintenance areas, and particulate matter [PM-10] nonattainment and maintenance areas. If a State has no non-attainment or maintenance areas, the funds may be used as if they were STP funds.

On-road and off-road demonstration projects may be appropriate candidates for funding under the CMAQ program. Both sectors are critical for satisfying the purposes of the CMAQ program, including regional emissions and verifying new mobile source control techniques.

Federal Lands Highways.—This program provides authorizations through three major categories—Indian reservation roads, parkways and park roads, and public lands highways (which incorporates the previous forest highways category)—as well as a new category for Federally-owned public roads providing access to or within the National Wildlife Refuge System. TEA21 also establishes a new program for improving deficient bridges on Indian reservation roads.

The Committee directs that the funds allocated for this program in this bill and in permanent law are to be derived from the FHWA's public lands discretionary program, and not from funds al-

located to the National Park Service's regions. Funds provided for the Federal lands program in fiscal year 2004 shall be available for the following activities:

Project	Amount
Blackstone River Valley Bikeway, Rhode Island	\$1,500,000
Chickasaw Museum and Cultural Center Planning and Development, Mississippi	500,000
Chignik Road Improvements, Alaska	2,100,000
City of Boston—Harbor Islands NRA Long Island Pier Reconstruction, Massachusetts	300,000
City of Rocks Back Country Byway, Stage 2, Idaho	3,000,000
Colville Confederated Tribe—Inchelium/Gifford Bridge Feasibility Study, Washington	120,000
County Road, Preston North and South, Nebraska	1,000,000
Craig Road Overpass, Nevada	3,500,000
Ft. Yates Business Loop, North Dakota	500,000
Glacier Creek to Rock Creek, Alaska	3,000,000
Glacier National Park Going to the Sun Road, Montana	8,000,000
Hawaii Statewide Federal Lands Improvements	4,000,000
Henry Drive Bridge #001, Kansas	750,000
Henry Drive Bridge #801—Fort Riley, Kansas	5,000,000
Hoover Dam Bypass Bridge, Arizona	7,000,000
Iditarod Historic National Trail Project, Alaska	500,000
Interstate Bridge Crossing between Bullhead City, Arizona and Laughlin, Nevada	500,000
Kenai Fjords National Park Resurrection Bay Trail and Parking Improvements, Seward, Alaska	2,300,000
KY 115 and KY 911 Interchange, Kentucky	1,250,000
Lewis and Clark Legacy Trail, North Dakota	700,000
Lower Elwha Klallam Tribe—Access Road, Washington	2,300,000
McCarthy Creek Tram, Alaska	200,000
Moosalamoo Region, Green Mountain National Forest, Vermont	150,000
Port of Pasco, Ainsworth Avenue Realignment—Sacagawea Heritage, Washington	3,000,000
Red Cliff Arch Bridge, Colorado	3,000,000
Russell Cave National Monument Road, Jackson County, Alabama	500,000
Salmon Falls Creek Bridge, Idaho	500,000
Seminole Dam Road, Wyoming	3,500,000
Seminole Tribe of Florida: Snake Road Realignment, Florida	1,000,000
Shotgun Cove Road, Alaska	2,000,000
Six County Fort Peck Road Access Project, Montana	1,500,000
Skokomish Tribe Roadway Improvements, Washington	1,300,000
Southeast Alaska Seatrails	500,000
Stoughton Pond Road, Weathersfield, Vermont	100,000
Taylor Hill Road US Secondary Montana 234	1,885,000
U.S. 95 Laughlin to Searchlight (Phase 3), Nevada	8,000,000
US 93 Evaro to Polson Wildlife Crossings, Montana	2,000,000
US Highway 491 On the Navajo Nation, New Mexico	1,000,000
Valles Caldera National Preserve, New Mexico	1,200,000
Williamsport/Pile Bay Road, Kenai, Alaska	3,000,000
Winner Creek Trail Improvements, Alaska	1,000,000

Miller Creek Bridge, Montana.—The Committee is aware that the environmental clearance process for the Miller Creek Tongde Project, MT include in Public Law 107–87 will cost less than the amount included and directs FHWA to apply the balance of the funds for final design, right-of-way acquisition, construction, and construction engineering activities.

Minimum Guarantee.—Under TEA21, after the computation of funds for major Federal-aid programs, additional funds are distributed to ensure that each State receives an additional amount based on equity considerations. This minimum guarantee provision ensures that each State will have a return of 90.5 percent on its share of contributions to the highway account of the Highway Trust Fund. To achieve the minimum guarantee each fiscal year, \$2,800,000,000 nationally is available to the States as though they are STP funds (except that requirements related to set-asides for transportation enhancements, safety, and sub-State allocations do

not apply), and any remaining amounts are distributed among core highway programs.

Emergency Relief.—This program provides for the repair and reconstruction of Federal-aid highways and Federally-owned roads which have suffered serious damage as the result of natural disasters or catastrophic failures. TEA21 restates the program eligibility specifying that emergency relief [ER] funds can be used only for emergency repairs to restore essential highway traffic, to minimize the extent of damage resulting from a natural disaster or catastrophic failure, or to protect the remaining facility and make permanent repairs. If ER funds are exhausted, the Secretary of Transportation may borrow funds from other highway programs.

Alaskan Way Viaduct, Seattle, WA.—The Committee is aware of recent studies indicating that the damage sustained by the Alaskan Way Viaduct as a result of the Nisqually earthquake in 2001 was far more extensive than originally assumed. The Committee encourages the Federal Highway Administration to work with the appropriate State and local officials to confirm the full extent of the damage and determine the appropriate amount of emergency relief resources that should be committed to this project.

National Corridor Planning and Border Infrastructure Programs.—TEA21 created a national corridor planning and development program that identifies funds for planning, design, and construction of highway corridors of national significance, economic growth, and international or interregional trade. Allocations may be made to corridors identified in section 1105(c) of ISTEA and to other corridors using considerations outlined in legislation. The coordinated border infrastructure program is established to improve the safe movement of people and goods at or across the U.S./Mexico and U.S./Canada borders.

Funds provided for the National Corridor and Border Infrastructure Program shall be available for the following activities:

Project	Amount
172nd Street, I-5 Interchange and Bridge Expansion, Washington	\$3,000,000
34th Street Corridor completion, Minnesota	1,000,000
Alameda Corridor-East, California	2,000,000
Anniston East Bypass, Alabama	3,000,000
Arctic Winter Games Transportation Improvements, Alaska	1,000,000
Billings Bypass Development: Design and ROW, Montana	2,000,000
Birmingham North Beltline, Birmingham, Alabama	2,000,000
Canal Road Intermodal Connector, Harrison County, Mississippi	1,000,000
Chenegga Road System, Alaska	850,000
Construct Madison Street Interchange I-29 in Sioux Falls, South Dakota	5,000,000
Cyberport, Arizona	2,500,000
Decatur Beltline Expansion, Decatur, Alabama	2,000,000
FAST Corridor, Washington	3,000,000
Flintlock Road Overpass, City of Liberty, Missouri	1,000,000
Ft. Wainwright Alternative Access & Chena River Crossing, Alaska	5,700,000
Highway 226: Highway 67 to Highway 63 (Jonesboro), Arkansas	1,500,000
Hillsborough County I-4 Crosstown Connector, Florida	2,000,000
I-565 to Memorial Parkway, Huntsville, Alabama	5,000,000
I-69, Louisiana	2,000,000
I-95/SR 1 Interchange Turnpike Improvements, Delaware	1,000,000
Intercounty Connector (ICC), Maryland	500,000
LA-1, Port Fourchon to Golden Meadow, Louisiana	2,000,000
LA HWY 820 Improvements, Lincoln Parish, Louisiana	1,500,000
LA-37/US 190 Central Thruway Connector, Louisiana	1,000,000
Lucille Street and Mack Drive Improvements, Wasill, Alaska	1,000,000

Project	Amount
Mesa del Sol, Albuquerque, New Mexico	1,500,000
Missisquoi Bay Bridge, Vermont	4,000,000
Murray Business Loop, Kentucky	1,000,000
North Pole Roads Lighting, Alaska	950,000
Northwest Bypass—City of Beaufort, South Carolina	1,000,000
Otay Mesa/State Route 905, California	3,000,000
Pennsylvania Turnpike Commission—High Priority Corridor #31	5,000,000
Route 24/140 Interchange Replacement and Expansion, Massachusetts	1,000,000
Route 79 Improvements, Fall River, Massachusetts	1,500,000
SR 509/SR 518 Interchange/Intersection Redevelopment (Burien), Washington	2,000,000
Santa Fe/C-470, Colorado	1,500,000
State Highway 133 Widening, Colquitt County, Georgia	4,000,000
Texas I 69	5,800,000
US 11, Orleans and St. Tammany Parishes, Louisiana	500,000
U.S. 395, North Spokane Corridor, Washington	1,000,000
U.S. 412 Mountain Home to Hwy. 101, Arkansas	4,000,000
U.S. 51, Christian/Shelby Counties, Illinois	2,000,000
US 113, Phase I, Maryland	1,500,000
US 278, South Carolina	1,000,000
US 67 improvements, Missouri	5,000,000
US 87 Bypass around Big Spring, Texas	200,000
US 95, Worley to Mica, Idaho	7,000,000
US Highway 6 Improvements, Coralville, Iowa	1,000,000
US-231/I-10 Freeway Connector, Alabama	8,000,000
US 35 Mason and Putnam Counties, West Virginia	6,000,000
Walden Point Road, Alaska	2,000,000
West Virginia Route 10—Logan County	10,000,000
Wood/Sandusky/Lucas Counties—U.S. Route 20, Ohio	5,000,000
Yakima Grade Separations, Washington	1,000,000

Ferry Boats and Ferry Terminal Facilities.—Section 1207 of TEA21 reauthorized funding for the construction of ferry boats and ferry terminal facilities.

Funds provided for the Ferry boats and ferry terminal facilities program under the Committee recommendation shall be available for the following activities in the corresponding amounts:

Project	Amount
Coffman Cove/Wrangell/Petersburg Ferrier and Ferry Facilities, Alaska	\$3,000,000
Fort Morgan-Dauphin Island Ferry, Alabama	2,500,000
Hatteras Ferry Project, North Carolina	500,000
Homer-Jakolof Bay-Halibut Cove Ferry, Alaska	2,000,000
Kitsap Transit—Marina Expansion and Transit Passenger Ferry Terminal, Washington	3,000,000
Mukileto Multimodal Terminal, Washington	1,000,000
Ocean Gateway Development, Maine	1,000,000
Oyster Point Ferry, San Francisco, California	1,000,000
Port of Ketchikan Ferry Facility, Alaska	1,000,000
Southworth Terminal Redevelopment/Vashon Terminal Preservation, Washington	1,000,000
Staten Island Ferry Kennedy Class Replacement Program, New York	2,000,000
TEA21 Setaside, AK and HI	20,000,000

National Scenic Byways Program.—This program provides funding for roads that are designated by the Secretary of Transportation as All American Roads [AAR] or National Scenic Byways [NSB]. These roads have outstanding scenic, historic, cultural, natural, recreational, and archaeological qualities. The Committee recommendation provides \$27,500,000 for this program in fiscal year 2004. The recommendation is \$1,000,000 more than the fiscal year 2003 level and assumes the constant rate of growth of each year of the TEA21 authorization period.

Transportation and Community and System Preservation Pilot Program.—TEA21 created a new transportation and community and system preservation program that provides grants to States and local governments for planning, developing, and implementing strategies to integrate transportation and community and system preservation plans and projects. These grants may be used to improve the efficiency of the transportation system, reduce transportation externalities and the need for future infrastructure investment, and improve transportation efficiency and access consistent with community character. Funds provided for this program for fiscal year 2004 shall be available for the following activities:

Project	Amount
Bartlett Access Intersection Safety Improvements, Alaska	\$500,000
Beckley VA Medical Center Access Road, West Virginia	1,000,000
Bedford, New Hampshire Route 101 Corridor Safety Improvement Project	1,000,000
Bellingham, Coast Millennium Trail—South Bay Taylor Dock Project, Washington	500,000
Berlin G. Meyers Parkway Extension, South Carolina	1,000,000
Big Lake to Wasilla Pedestrian Trails, Alaska	500,000
City of Charles Town—Gateway Revitalization Project, West Virginia	350,000
Colchester Roadway/pedestrian Path, Vermont	1,000,000
Coltsville Corridor Redevelopment Project, Connecticut	1,000,000
Galveston Railroad Bridge Replacement, Texas	500,000
Henderson County Port Authority Project, Kentucky	1,000,000
Highway 79 Corridor/Greenway Project, Alabama	750,000
Hollywood Drive Expansion Project—City of Jackson, Tennessee	450,000
I-65 Industrial Park Access Improvements, Atmore, Alabama	500,000
Kincaid Park Trail Connection, Alaska	900,000
Lawrence Gateway Quadrant Area Reuse Plan, Lawrence, Massachusetts	500,000
Manhattan, Kansas Fourth Street Corridor	200,000
Matanuska-Susitna Roads Improvement, Alaska	1,000,000
Niobrara Scenic River Corridor Roads, Nebraska	1,000,000
North/South Road, Oahu, Phase I, Hawaii	1,000,000
Owensboro Waterfront Development Project, Kentucky	1,000,000
Pedestrian/Bicycle Linkage & Scenic Overlook Restoration, Grant, Alabama	25,000
Riverwalk, Montgomery, Alabama	1,000,000
Route 29 Recreational Bike and Pedestrian Path, Mercer, New Jersey	1,000,000
Santa Fe (US 85)/C-470 Interchange, Colorado	1,000,000
Seattle, Elliot Avenue & BNSF Crossing Path Improvements, Washington	1,000,000
Spokane, University District Transportation Safety Enhancement Project, Washington	1,000,000
Stourbridge Rail Excursion Line, Pennsylvania	75,000
Streetscape Initiative, Phase II, for the City of Moultrie, Georgia	500,000
Town of Clayton Downtown Revitalization, Clayton, Alabama	500,000
U.S. 49 from Florence, Mississippi to I-20	750,000
Uptown Crossings Vine Street Improvement Project, Ohio	1,000,000
Vancouver Interstate-5 Pedestrian Bridge, Washington	500,000
West Bay Bridge in Panama City, Florida	1,000,000

FEDERAL-AID HIGHWAYS

(RESCISSION)

The bill rescinds \$156,000,000 in contract authority balances from the five core programs. The Committee directs FHWA to administer the rescission by allowing each State maximum flexibility in making these adjustments among the five programs.

APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM

Appropriations, 2003 ¹	\$186,778,000
Budget estimate, 2004 ²	
Committee recommendation	150,000,000

¹ Reflects reduction of \$1,222,000 pursuant to section 601 of Public Law 108-7.
² The budget estimate requests funding under the Federal-Aid Highway obligation limitation.

The Committee recommendation includes \$150,000,000 for the Appalachian Development Highway System [ADHS]. The amount provided is the same as the fiscal year 2003 comparable level. Funding for this initiative is authorized under section 1069(y) of Public Law 102-240—the Intermodal Surface Transportation Efficiency Act. The ADHS program provides funds for the construction of the Appalachian corridor highways in the 13 States that comprise the Appalachian region. These highways, in many instances, are intended to replace some of the most deficient and dangerous segments of rural roadway in America.

LIMITATION ON TRANSPORTATION RESEARCH

Limitation, 2003 ^{1,2}	\$459,493,750
Budget estimate, 2004 ¹	404,068,000
Committee recommendation	462,500,000

¹ Resources available in fiscal year 2003 and requested in fiscal year 2004 are assumed within the Federal aid highway obligation limitation in the budget request for fiscal year 2004.
² Reflects reduction of \$3,000,000 pursuant to section 601 of Public Law 108-7.

The limitation controls spending for the transportation research and technology programs of the FHWA. This limitation includes the intelligent transportation systems, surface transportation research, technology deployment, training and education, and university transportation research. The Committee recommendation provides an obligation limitation for transportation research of \$462,500,000. This limitation is consistent with the provisions of TEA21.

LIMITATION ON TRANSPORTATION RESEARCH

Surface transportation research	\$103,000,000
Technology Deployment program	50,000,000
Training and education	18,000,000
Bureau of Transportation Statistics	31,000,000
ITS Standards, research, operational tests, and development	110,000,000
ITS Deployment	124,000,000
University transportation research	26,500,000
Subtotal	462,500,000

SURFACE TRANSPORTATION RESEARCH

Within the funds provided for highway research and development, the Committee makes the following recommendations for the surface transportation research program:

Project	Amount
Environment, Planning & Right-of-way	\$17,000,000
Research and Technology Program Support	10,000,000
International Research	400,000
Structures	13,000,000
Safety	11,000,000

Project	Amount
Highway Operations	12,500,000
Asset Management	2,750,000
Pavements Research	15,750,000
Policy Research	9,200,000
Long Term Pavement Project [LTTP]	10,000,000
Advanced Research	400,000
R&T Strategic Planning/Performance Measures	1,000,000
Total	103,000,000

Environment, Planning, and Real Estate.—The Committee recommendation includes \$17,000,000 for environment, planning, and real estate research. Within the funds provided for this research activity, the Committee has provided \$1,000,000 to continue dust and persistent particulate abatement research in Kotzebue, Alaska.

Research and Technology Program Support.—The Committee recommends \$10,000,000, \$1,500,000 more than the fiscal year 2003 enacted level. Within the funds available for research and technology, the Committee has provided \$750,000 for the Center on Coastal Transportation Research at the University of South Alabama and \$750,000 for the electromagnetic transportation research project at the University of Vermont to continue research into the development of advanced ground penetrating radar [GPR] systems.

International Research.—The Committee recommendation includes \$400,000 for international research. This is the same amount provided in fiscal year 2003.

Structures.—The Committee has provided \$13,000,000 for structures researchs. This research effort allows FHWA reduce deficiencies on National Highway System bridges and should facilitate continued progress on high performance materials and engineering applications to design, repair, retrofit, inspect, and rehabilitate bridges. Within the funds provided for this research activity, the Committee has provided \$250,000 to continue a demonstration project to evaluate the use of battery-powered cathodic protection to extend the life of concrete bridges that are located in extreme cold weather conditions and \$1,000,000 to West Virginia University to continue research on the rapid deployment and durability of bridge structures constructed with advanced composite materials. The Committee recommendation also includes \$250,000 for the University of Delaware's Center for Innovative Bridge Engineering, \$1,500,000 for the Infrastructure Renewal Research project at Washington State University and \$500,000 to support non-destructive structural evaluation technology at the New Mexico State University's Bridge Research Center.

Safety.—The Committee recommendation provides \$11,000,000 for safety research. This program develops engineering practices, analysis tools, equipment, roadside hardware, and safety promotion and public information that will significantly contribute to the reduction of highway fatalities and injuries. Within the funds provided for safety, the Committee has provided \$250,000 to conduct an evaluation of durable waterborne road markings at Pennsylvania State University to understand the safety impacts, environmental impact and cost effectiveness of the several pavement marking systems and \$500,000 to Washington State Department of

Transportation for pilot projects to test Level-2 Warning/Positive Protection Gates for highway railroad grade crossings.

Highway Operations.—The Committee recommendation provides \$12,500,000 for research activities regarding highway operations. The Highway operations research program is designed to develop, deliver, and deploy advanced technologies and administrative methods to provide pavement and bridge durability, and to reduce construction and maintenance-related user delays. Within the funds provided, the Committee has included \$750,000 for the University of Idaho's National Institute for Advanced Transportation Technology [NIATT], working with the Northwest Transportation Training and Education Alliance, to develop and deliver training and education for transportation professionals in Idaho, Oregon, and Washington. The Committee has also provided \$750,000 for the Oklahoma Transportation Center to conduct research addressing freight flows throughout Oklahoma.

Asset Management.—The Committee recommends \$2,750,000 for asset management research activities.

Policy.—The Committee recommendation includes \$9,200,000, an increase of \$500,000 from the fiscal year 2003 enacted level. Within the funds provided for this research activity, the Committee has included \$500,000 to continue research into possible methods to integrate transportation facilities into communities in rural areas by the University of Kentucky Academy for Community Transportation Innovation.

Pavements Research.—The Committee recommends \$15,750,000 for highway pavement research, including work on asphalt, Portland cement pavement research, polymer additives, and recycled materials. This is \$5,699,000 more than the budget estimate and \$250,000 more than the fiscal year 2003 enacted level. Within the funds provided, the Committee has included \$1,500,000 for the National Center for Asphalt Technology [NCAT]. The Committee has also provided \$1,000,000 to the Center for Portland Cement Concrete Pavement Technology at Iowa State University; \$500,000 to continue evaluation of GSB-88 emulsified binder treatment application; and \$250,000 to the Michigan Technological University Institute for Aggregate Research.

High-Performance/Low Emission Asphalt Test.—The Committee is concerned that a significant portion of federally-assisted road construction and maintenance is currently completed without consideration for minimum performance standards, both in terms of pavement longevity, as well as emissions resulting from the production of asphalt. In an attempt to correct for the shortcomings, States mandate varying levels of additives for the asphalt resulting in an overall cost that exceeds that of less modified asphalts that meet the AASHTO MP-1 performance standard.

The Committee has become aware of recent advancements in high-quality/low emissions asphalt that produce superior qualities even when the asphalt product is applied without additives such as polymers. The Committee believes that large scale testing is warranted and directs FHWA to conduct a high performance/low emission asphalt test research project. The primary objective of this study is to evaluate asphalt products that meet the minimum specifications for performance grade 76-22 asphalt that conforms to the

AASHTO MP-1 specification. In addition, the asphalt(s) used in this study should achieve the lowest emissions when processed at hot mix plants, with particular attention paid to: the advantages achieved by using different types of crude feed (i.e. Boscan Crude or Altimira Crude); the economic benefits of lower percentages of additives; the elasticity of the asphalt in varying climatic conditions; and the degree of reduced emissions from current products.

The Committee expects that this project will be conducted over significant highway mileage in a minimum of three States to study the economic and performance benefits of using a 76-22 performance grade asphalt that conforms to AASHTO MP-1 and also reduces harmful or unwanted emissions during the production process. The study should be completed according to protocols established by FHWA in conjunction with National Center for Asphalt Technology [NCAT].

Advanced Research.—The Committee recommendation provides \$400,000.

R&T Strategic Planning and Performance Measures.—The Committee has provided \$1,000,000 for research and technology strategic planning and performance measures. The Committee anticipates that this level of funding will be sufficient to support planned strategic planning activities, research outreach, and development and refinement of performance measures, as required by the Government Performance and Results Act [GPRA].

ITS Standards, Research, Operational Tests, Development, and Deployment.—The Committee recommends \$124,000 for ITS deployment projects and \$110,000,000 for ITS research and associated activities in fiscal year 2004 to be allocated in the following manner:

Research and Development	\$52,000,000
Operational Tests	10,000,000
Evaluation/Program Policy Assessment	7,000,000
Architecture and Standards	18,000,000
Program Support	11,500,000
Integration	11,500,000
ITS Deployment Incentive Program	124,000,000

Specified ITS Deployment Projects.—It is the intent of the Committee that the following projects contribute to the integration and interoperability for intelligent transportation systems in metropolitan and rural areas as provided under section 5208 of TEA21 and promote deployment of the commercial vehicle intelligent transportation system infrastructure as provided under section 5209 of TEA21. Funding for deployment activities are to be available as follows:

Project	Amount
511 Traveler Information Program, North Carolina	\$400,000
Advanced Ticket Collection and Passenger Information Systems, New Jersey	1,500,000
Advanced Traffic Analysis Center, North Dakota	500,000
Advanced Transportation Management Systems (AMTS), Montgomery County, Maryland	1,000,000
ATR Transportation Technology/CVISN, New Mexico	1,000,000
Auburn, Auburn Way South ITS, Washington	1,600,000
Cargo Watch Logistics Information System, New York	4,000,000
CCTA Intelligent Transportation Systems, Vermont	1,000,000
Central Florida Regional Transportation Authority: North Orange/South Seminole ITS Enhanced Circulator	2,500,000

Project	Amount
City of Boston Intelligent Transportation Systems, Massachusetts	1,750,000
City of Huntsville, Alabama ITS	5,000,000
City of Shreveport Intelligent Transportation System Deployment, Louisiana	1,000,000
Clark County Transit, VAST ITS, Washington	1,600,000
Dynamic Changeable Message Signs—Urban Interstate System, Iowa	1,000,000
Fiber Optic Signal Interconnect System, Arizona	4,000,000
Germantown Parkway ITS Project, Tennessee	3,000,000
GMU ITS, Virginia	2,000,000
Great Lakes ITS, Michigan	2,000,000
Greater Philadelphia Chamber of Commerce ITS System, Pennsylvania	2,000,000
Hillborough Area Regional Transit Bus Tracking, Communication and Security, Florida	1,000,000
Hoosier SAFE-T, Indiana	3,500,000
I-70 Incident Management Plan, Colorado	3,000,000
Intelligent Transportation Systems—Phases II and III, Ohio	1,250,000
Intelligent Transportation Systems [ITS] Statewide and Commercial Vehicle Information Systems Network [CVISN], Maryland	1,000,000
Intelligent Transportation Systems, Illinois	4,000,000
Iowa Transit Communications	1,500,000
ITS Expansion in Davis and Utah Counties, Utah	1,250,000
ITS, Cache Valley, Utah	1,000,000
Jacksonville Transportation Authority: Intelligent Transportation Systems Regional Planning, Florida	1,000,000
King County, Countywide Signaling Program, Washington	1,500,000
Lewis & Clark 511 Coalition, Montana	1,000,000
Lincoln, Nebraska StarTran Automatic Vehicle Location System	1,000,000
Maine Statewide ITS	1,000,000
MARTA Automated Fare Collection/Smart Card System, Georgia	1,500,000
Mid-America Surface Transportation Weather Research Institute, North Dakota	1,000,000
Missouri Statewide Rural ITS	5,000,000
Nebraska Statewide Intelligent Transportation System Deployment	2,000,000
Oklahoma Statewide ITS	5,000,000
Port of Anchorage Intermodal Facility, Alaska	1,500,000
Program of Projects, Washington	5,400,000
RIPTA ITS Program Phase II, Rhode Island	1,500,000
Real Time Transit Passenger Information System for Prince George's County Department of Public Works, Maryland	1,000,000
Sacramento Area Council of Governments—ITS Projects, California	4,000,000
SCDOT InRoads, South Carolina	3,000,000
Seattle City Center ITS, Washington	2,500,000
Springfield, Missouri Regional ITS	2,000,000
State of Vermont Interstate Variable Message Signs and Weather Information Stations	1,000,000
Statewide AVL Initiative, Nebraska	750,000
TalTran: ITS Smart Bus Implementation, Florida	1,500,000
Texas Medical Center Early Warning Transportation System	2,000,000
Texas Statewide ITS Deployment and Integration	1,000,000
Town of Cary: Computerized Traffic Signal System Project, North Carolina	1,600,000
Transportation Research Center [TRC] for Freight, Trade, Security, and Economic Strength, Georgia	1,000,000
Tri-County Automated System Project, University of Southern Mississippi	1,000,000
Tukwila, Signalization Interconnect and Intelligent Transportation, Washington	1,400,000
Twin Cities, Minnesota Redundant Communications Pilot	2,000,000
UAB Center for Injury Sciences, Birmingham, Alabama	2,000,000
University of Alaska Transportation Research Center	2,000,000
University of Kentucky Transportation Center	1,500,000
University of Oklahoma Intelligent Bridge System Research	3,000,000
Wisconsin State Patrol Mobile Data Computer Network Phase II	3,000,000
Wyoming Statewide ITS Initiative	5,000,000

Illinois ITS.—The Committee provides \$4,000,000 to the Illinois Department of Transportation for Intelligent Transportation Systems grants. The Committee expects IDoT to fund the following projects: \$750,000 to the City of Kankakee for improvements near Riverside Hospital; \$750,000 to the village of Bourbonnais for infrastructure improvements to the Career Center corridor; \$750,000 to the City of Carbondale for Southern Illinois University—Carbondale’s Materials Technology Center; \$500,000 for the village

of Franklin Park Grand Avenue project; and \$250,000 for the U.S. 30, Whiteside County improvements.

SURFACE TRANSPORTATION PROJECTS

Funds provided for surface transportation projects in fiscal year 2004 shall be available for the following projects in the corresponding amounts:

Project	Amount
135th Street Widening and US 69 Northbound Ramp, Kansas	\$2,500,000
3-Bridge Corridor Project, Skagit County, Washington	800,000
51-43 Connector Canton, Mississippi	1,000,000
Adriaen's Landing, Hartford, Connecticut	5,000,000
Alaskan Way Viaduct & Seawall, Seattle, Washington	1,000,000
Arkwright Connector, South Carolina	3,000,000
BNSF Track Relocation Project, Everett, Washington	500,000
Beale Street Landing/Docking Facility—City of Memphis, Tennessee	1,000,000
Bear Creek Greenway, Oregon	2,000,000
BIA Route 27 Reconstruction, Pine Ridge Indian Reservation, South Dakota	3,000,000
Buffalo Outer Harbor Project, New York	5,000,000
Butler County Industrial Infrastructure Development- City of Greenville, Alabama	750,000
Byram-Clinton/Norrell Corridor, Mississippi	3,000,000
Cheyenne Corridor Safety Improvement Project in Pocatello, Idaho	1,000,000
City of Crowley's Historic Parkerson Avenue Redevelopment project, Louisiana	1,000,000
Colonial National Historic Park, Jamestown 400th Anniversary Transportation Improvements, Virginia	6,500,000
Commodore Barry Bridge ramps to Chester, Pennsylvania	1,000,000
Craig Road Improvements, Alaska	1,000,000
Eufaula Main Street Restoration Project, Alabama	500,000
Farish Street Historic District Improvements, Mississippi	500,000
Grandview Triangle Improvements, Missouri	1,000,000
Highway 19 Expansion, Mississippi	2,000,000
Houston Greater Partnership Quality of Life Initiative, Texas	500,000
Hydaburg Road Improvements, Alaska	2,000,000
I-15 North, Davis County, Utah	1,500,000
I-275 to AA Highway Connector, Kentucky	1,500,000
I-40/I-55 Ramp Reconstruction, City of Memphis, Tennessee	1,000,000
I-73, South Carolina	2,000,000
Improvements to I-70/Route 63 Interchange—Columbia, Missouri	1,000,000
Indianapolis Stadium Drive District, Indiana	2,000,000
Industrial Park Access Road Winfield, Alabama	500,000
Intermodal Transload Facility, Quincy, Washington	2,000,000
John Wright Drive, Alabama	7,000,000
Jonesboro Transportation and Drainage Planning, Arkansas	1,000,000
Kentucky TriModal Transpark	5,000,000
Keystone Drive and Related Improvements, Alaska	1,500,000
L.L. Tisdale Parkway/Increase Loop, Oklahoma	250,000
LA Highway 28, Louisiana	2,000,000
Lake Martin Regional Industrial Park Access Rd., Kellyton, Alabama	500,000
Lexington Bridge Project, Cowlitz County, Washington	1,500,000
Louisville-Southern Indiana Ohio River Bridges Project, Indiana	1,000,000
M&B Railroad Bridge 46.3 Repair, Alabama	1,000,000
Mahoning and Trumbull Counties—State Route 46, Ohio	2,000,000
Marine Maintenance Facility Phase I, Manns Harbor, North Carolina	1,000,000
Matanuska-Susitna Road Improvements, Alaska	2,000,000
MD 404, Phase II, Maryland	1,000,000
Montgomery Outer Loop, Alabama	2,000,000
Muncie, Indiana By-Pass	2,000,000
North Slope Borough Road Improvements, Alaska	3,000,000
Paseo de Volcán, Rio Rancho, New Mexico	4,000,000
Pembroke Road Overpass at I-75, Florida	1,000,000
Phalen Boulevard, Minnesota	2,000,000
Phase II, Minnesota Valley Regional Rail Authority	2,000,000
Pittsburg, Kansas Port Authority for the Kansas & Oklahoma Railroad	1,500,000
Plough Boulevard Interchange (at Winchester Road)—Memphis, Tennessee	2,000,000
Pogue Airport Access Road, Oklahoma	1,000,000

Project	Amount
Pookela Road, Hawaii	4,000,000
Reconstruct Allen Road, Bennett County, South Dakota	2,000,000
Removal of the Old Jamestown Bridge in Rhode Island	4,450,000
Reno-Stead Railroad Spur, Nevada	1,000,000
Route 11, Connecticut	3,000,000
Route 12 Corridor, New York	3,000,000
Ruffner Mountain Nature Preserve, Alabama	500,000
Saddle Road Improvement, Hawaii	4,000,000
San Juan Boulevard, Bellingham, Washington	1,225,000
San Luis II Access Road, Arizona	1,000,000
Satsop Road Access Improvements, Grays Harbor, Washington	375,000
Seward Road Improvements, Alaska	2,000,000
Ship Creek Improvements, Alaska	1,000,000
Sitka Road Improvements, Alaska	1,500,000
South Nissan Interchange, Mississippi	4,000,000
Southern Beltway (I-215) Widening and Interchange Project, Nevada	5,000,000
SR 31, All Weather Roadway Construction and Widening, Pend Oreille County, Washington	1,600,000
Swift Rail Siding Project, Blaine, Washington	3,000,000
The Sunrise Corridor, Oregon	500,000
Towboat Display and Classroom Project, Oklahoma	250,000
Town of Dublin, New Hampshire Traffic Calming Project	300,000
Trunk Highway 610/10, Minnesota	3,500,000
Tuscaloosa Downtown Revitalization Project, Alabama	5,000,000
U.S. 218/Main Street Reconstruction—Phase II, Iowa	2,000,000
US 12 Widening, Wallula Junction to Walla Walla, Washington	3,000,000
US 93 Kalispell Bypass Project, Montana	2,500,000
Widen and Improve Q Street, Nebraska	1,000,000
WV Route 9	10,000,000

BUREAU OF TRANSPORTATION STATISTICS

(LIMITATION ON OBLIGATIONS)

Appropriations, 2003 ^{1 2}	\$30,798,500
Budget estimate, 2004	31,568,000
Committee recommendation	31,000,000

¹ Reflects reduction of \$201,500 pursuant to section 601 of Public Law 108-7.

² Does not reflect reduction of \$300,000 pursuant to section 362 of Public Law 108-7.

The Bureau of Transportation Statistics [BTS] was established in section 6006 of the Intermodal Surface Transportation Efficiency Act [ISTEA], to compile, analyze, and make accessible information on the Nation's transportation systems, collect information on intermodal transportation, and enhance the quality and effectiveness of the statistical programs of the Department of Transportation. The Committee has provided \$31,000,000 for BTS consistent with the authorized level.

FEDERAL-AID HIGHWAYS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

Appropriations, 2003	\$32,000,000,000
Budget estimate, 2004	30,000,000,000
Committee recommendation	34,000,000,000

The Committee recommends a liquidating cash appropriation of \$34,000,000,000. This level is \$4,000,000,000 above the budget request and is necessary to pay outstanding obligations from various highway accounts pursuant to prior appropriations acts.

GENERAL PROVISIONS—FEDERAL HIGHWAY ADMINISTRATION

Section 110 distributes obligation authority among Federal aid highway programs.

Section 111 provides a specific reduced amount for the FHWA administrative funds.

Section 112 authorizes funds received by the Bureau of Transportation Statistics to be credited to the Federal aid highways account.

Section 113 allows historic covered bridges eligible for Federal assistance to be funded from amounts set aside for the discretionary bridge program.

Section 114 authorizes the Secretary of Transportation to enter into an agreement with the States of Nevada and/or Arizona to provide a method of funding for construction of a Hoover Dam Bypass Bridge.

FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

SUMMARY OF FISCAL YEAR 2004 PROGRAM

In December 1999, the Congress passed the Motor Carrier Safety Improvement Act [MCSIA] (Public Law 106–159), which established the Federal Motor Carrier Safety Administration [FMCSA] within the Department of Transportation. Prior to this legislation, motor carrier safety responsibilities were under the jurisdiction of the Federal Highway Administration.

The preeminent mission of the FMCSA is to improve the safety of commercial vehicle operations on the nation's highways. A primary goal of the agency is to reduce the number of accidents, fatalities, and injuries due to truck accidents. FMCSA resources and activities contribute to safety in commercial vehicle operations through enforcement, safety regulation, technological innovation, improvements in information systems, training, and improvements to commercial driver's license testing, record keeping, and sanctions. To achieve these goals, the FMCSA works with Federal, State, and local enforcement agencies, the motor carrier industry, and highway safety organizations.

MCSIA and the Transportation Equity Act for the 21st Century [TEA21] provide funding authorizations for FMCSA, including administrative expenses, motor carrier research and technology, the national Motor Carrier Safety Assistance Program [MCSAP] and the Information Systems and Strategic Safety Initiatives [ISSSI] program. FMCSA's scope was expanded in fiscal year 2003 by the U.S.A. Patriot Act (Public Law 107–56), which called for new security measures. In addition, both the Fiscal Year 2002 and 2003 Appropriations Acts (Public Law 107–87 and Public Law 108–7) increased funding for border enforcement and safety related activities associated with implementation of the North American Free Trade Agreement.

For fiscal year 2004 it is necessary to reauthorize those FMCSA programs contained in TEA21 and MCSIA. Rather than following the existing structure, the budget request reflects the administration's reauthorization proposal. The budget request proposes a new account structure for FMCSA that consolidates the current programs into two distinct accounts: Motor Carrier Safety Operations

& Programs [MCSOP] and Motor Carrier Safety Grants [MCSG]. Administrative expenses would be separated from the Federal-aid Highway Program administrative takedown mechanism and all such expenses would be funded within the MCSOP account.

In keeping with the general guidance at the beginning of the report, the Committee has followed the program structure found in current law for FMCSA and refrained from comment on the proposed restructuring. The Committee recommends a total of \$482,972,000 for FMCSA in fiscal year 2004.

MOTOR CARRIER SAFETY
(HIGHWAY TRUST FUND)

The Motor Carrier Safety account provides salaries, operating expenses, research, safety and security program funding for the Federal Motor Carrier Safety Administration. The Motor Carrier Safety Improvement Act of 1999 [MCSIA] amended section 104(a)(1) of title 23 to deduct one-third of 1 percent from specified Federal-aid program funds to fund personnel, and to administer motor carrier safety programs and motor carrier research. This mechanism is known as a “takedown.” Because the resulting funding level of \$92,712,176 does not cover current personnel on board, important safety-related programs, and safety research, the Committee believes that TEA21 and MCSIA did not provide sufficient flexibility for motor carrier safety funding requirements. The \$92,712,176 resulting from the takedown authorized by 23 USC 104(a)(1)(B) would require reductions to important programs, which could compromise safety. Therefore, the Committee supports raising the administrative takedown percentage to 1.05 percent in order to administer motor carrier safety programs and motor carrier research.

LIMITATION ON ADMINISTRATIVE EXPENSE

Appropriations, 2003 ^{1 2}	\$116,700,484
Budget estimate, 2004 (limitation) ³	
Committee recommendation	292,972,233

¹ Reflects reduction of \$763,516 pursuant to section 601 of Public Law 108-7.

² Does not reflect reduction of \$200,000 pursuant to section 362 of Public Law 108-7.

³ No funding request under this account for fiscal year 2004.

The Committee has provided a limitation on administrative expenses of \$292,972,233 for the motor carrier safety account. Of the total provided, \$171,597,233 is for operating expenses, border enforcement program operations, safety/security program expenses, and new entrant grants; \$21,000,000 is for State commercial driver’s license [CDL] program improvement grants; and \$21,375,000 is for research and technology [R&T] initiatives, regulatory development, and other programs. R&T funds are intended to remain available for obligation for a period of 3 years. Also included within the limitation is \$32,000,000 for the border enforcement program and \$47,000,000 for border station construction.

In its review of the budget justification, the Committee is concerned about the proposed allocation of funds between Federal and State programs, specifically the growth in the Federal portion of the national program. The Committee believes that more consideration should be given to State needs. State enforcement officers have the most frequent contact with industry and have the most

direct impact on motor carrier safety. The Committee does not agree with the budget proposal to significantly increase funding for FMCSA's administrative and operations activities at the expense of the availability of funds to assist State programs.

The following adjustments have been made to the budget request:

Border inspection facilities	+ \$47,000,000
Operating expenses	- 3,102,000
PATRIOT Act	- 3,000,000
Regulatory development	- 3,000,000

Domestic Motor Carrier Safety.—The Committee reminds FMCSA that the agency's safety oversight efforts for domestic truck traffic should be equal to, if not greater than, those for cross-border traffic. The fact that it takes FMCSA an average of 4 years to complete a rulemaking and that many regulations have not been published by their statutory deadlines is evidence that the agency has much to accomplish in pursuit of its safety mission.

Operating Expenses.—The Committee has reduced the requested amount for base operating expenses by \$3,102,000. This reduction reflects adjustments to the Federal responsibilities for the new entrant program and to the FMCSA information management program. The Committee notes that FMCSA has not adequately justified funding for the information management program.

New Entrant Program.—The administration's budget request proposes a total of \$33,200,000 for the new entrant program. This amount includes \$16,200,000 for the Federal share of the program and \$17,000,000 for the State share. The Committee is troubled by the resources that the budget proposes to devote to Federal management and oversight of this new program, particularly considering the broad State interest in participating in the program. The budget request assumes that 30 percent of States will not be able to participate and therefore FMCSA will be required to contribute a larger share of its resources to the new entrant program. However, 46 States have agreed to participate in the program to date. Due to the overwhelming interest in participating in the program, the Committee believes that a greater share of the total request should be provided to the States. To that end, the Committee has provided \$4,456,000, a decrease of \$11,744,000 from the budget request, to support the Federal responsibilities of the new entrant program. The Committee expects that these funds will be used to provide the appropriate oversight of State safety auditors to ensure that the program is working effectively and to hire and support contractor safety auditors for States only when necessary. The Committee has included a corresponding increase in the State new entrant grant program funding. The Committee has included funding for State grants for the purposes of administering the new entrant program within the limitation as the current authorization does not provide the flexibility within the MCSAP program. The Committee has included bill language to transfer \$11,744,000 from Motor Carrier Safety to the MCSAP program for new entrant grants to the States.

While full funding has been included for the new entrant program, the Committee is concerned that FMCSA does not have the

ability to initiate an efficient and effective new entrant program in fiscal year 2004. Further, the Committee has seen no definitive statements from the Administrator that FMCSA will be able to successfully audit each new entrant as required by MCSIA. The Committee therefore directs FMCSA to develop an implementation plan for the new entrant program. This plan should include a detailed explanation of measures that will be taken to roll out the new entrant program and what, if any, guidance will be given to safety auditors in an attempt to prioritize audits of new entrants. FMCSA shall provide this plan to the House and Senate Committees on Appropriations no later than 90 days after enactment of this Act.

PATRIOT Act.—The Committee has not included the funding requested for background checks on CDL operators seeking a hazardous materials endorsement. The Committee understands that the responsibility for implementation of this provision has been transferred to the Department of Homeland Security. Therefore this funding should now be budgeted within the Department of Homeland Security.

Conditional Carrier Review.—The Committee has included \$2,000,000 to support an increase in conditional carrier reviews. The Committee notes that there is a backlog of approximately 36,000 carriers that have received a conditional safety rating based on their safety management controls, frequency of accidents, other accident indicators, or regulatory compliance measures. The agency has not conducted timely follow-up audits on these carriers despite the fact that they pose a risk to safety and require additional attention. The Committee hopes that the additional funding will allow FMCSA to begin to reduce this backlog.

Household Goods Enforcement.—The Committee recommendation includes \$1,370,000 for household goods enforcement consistent with the budget request. The Committee is pleased that FMCSA has devoted additional resources to household goods enforcement and compliance and expects that the funding will be used to hire additional investigative staff. With consumer complaints increasing at an alarming rate, the Committee urges FMCSA to maintain its dedication to the establishment of a highly visible enforcement program to reduce the number of consumer complaints filed against household good carriers and brokers and to increase consumer awareness.

Research and Technology.—The Committee recommends \$7,000,000 for research and technology efforts within FMCSA commensurate with the fiscal year 2003 enacted level. The Committee maintains that it would be beneficial for FMCSA to develop a new 5-year strategic plan setting forth the research objectives of the program and demonstrating the relationship between proposed research projects and its regulatory agenda. The Committee directs FMCSA to submit such a plan to the House and Senate Committees on Appropriations no later than June 15, 2004.

Regulatory Development.—The Committee recommends \$8,000,000 for regulatory development expenses, \$6,000,000 above the fiscal year 2003 enacted level. This increase is provided in an effort to accommodate FMCSA's regulatory requirements.

The Committee notes that a large majority of the budget request is devoted to establishing a medical review board and developing

various medical examination requirements. The Committee has included funding for enhancement of staff resources to conduct an improved driver qualification program and to initiate a Medical Review Board. The Committee encourages FMCSA to draw upon the expertise of the Federal Aviation Administration as it moves forward in establishing a medical registry program. The Committee urges FMCSA to hire permanent staff physicians to assist the agency with activities such as the qualification of medical examiners, revision of the medical qualification regulations, provision of informative medical guidelines and other information on a continuing basis to certified medical examiners, and review of certified medical qualification exams. These resources will help the agency implement many of the NTSB recommendations on driver medical qualifications. The Committee believes that a Medical Review Board should provide advice and guidance on the program but its establishment should not come at the expense of the activities mentioned previously. Further, the Committee is concerned that final regulations have not been issued to specify the purpose and nature of the medical registry and expects that, given the resources provided, that will occur within 1 year from the date of enactment of this Act.

Share the Road Safely.—The Committee is concerned that the Share the Road Safely program has not proven as successful as originally anticipated. As was sighted in a recent GAO report on the Share the Road Safely program, many of FMCSA's initiatives are clearly contrary to the program's goals. The Committee believes that NHTSA is better equipped to administer this program given its experience with similar campaigns in other areas. The Committee believes that educating the motoring public on how to share the road safely with commercial motor vehicles is important and is interested in making this a more effective program. Funding for the Share the Road Safely program has not been provided in FMCSA but rather in NHTSA operations and research. The Committee believes that NHTSA should be the lead agency, although FMCSA should continue to play an important role in the program's development and implementation.

Border Enforcement Program.—The North American Free Trade Agreement [NAFTA] set forth a schedule for implementation of its trucking provisions that would have opened the border States to cross-border trucking competition on December 17, 1995 and all of North America on January 1, 2000. However, the previous administration halted implementation of these provisions and the Department of Transportation announced that until safety concerns about Mexican trucks were resolved, the trucks would continue to be restricted to the commercial zone just along the border. In the fiscal year 2002 Department of Transportation Appropriations Act (Public Law 107–87) Congress addressed these concerns by setting 22 safety-related preconditions for opening the border to long-haul Mexican trucks. On November 27, 2002, the Secretary of Transportation announced that all the preconditions had been met and directed the Federal Motor Carrier Safety Administration [FMCSA] to begin to open the border. However, on January 16, 2003 the Ninth Circuit Court of Appeals in *Public Citizen v. Department of Transportation* [DOT], delayed opening the border pending comple-

tion of environmental impact statements and a Clean Air Act conformity determination on the FMCSA's implementing regulations.

Until the border is open to Mexican-domiciled long-haul trucking, the Committee encourages FMCSA to use the additional time advantageously and work closely with the States to establish a process that maximizes the effective enforcement and monitoring of Mexican motor carriers and report to the House and Senate Committees on Appropriations within 1 year after the date of enactment of this Act on the progress that has been made.

The Committee has included a total funding level of \$121,908,000 for border related programs consistent with the budget request. The Committee recommends \$42,908,000 for FMCSA personnel stationed at the border, \$23,000,000 for State operations grants to the southern border States, and \$9,000,000 to initiate State operations grants to the northern border States to support State hazmat enforcement and regulatory compatibility at the northern border. The Committee has also included \$47,000,000 for the construction of permanent truck safety inspection facilities along the U.S.-Mexico border.

NATIONAL MOTOR CARRIER SAFETY PROGRAM
(LIQUIDATION OF CONTRACT AUTHORIZATION)
(HIGHWAY TRUST FUND)

	(Liquidation of contract authorization)	(Limitation on obligations)
Appropriations, 2003 ¹	\$188,765,000	\$188,765,000
Budget estimate, 2004 ²		
Committee recommendation	190,000,000	190,000,000

¹ Reflects reduction of \$1,235,000 pursuant to section 601 of Public Law 108-7.

² No funding requested under this account for fiscal year 2004.

The FMCSA's National Motor Carrier Safety Program [NMCSP] was authorized by TEA21 and amended by the Motor Carrier Safety Improvement Act of 1999. This program consists of two major areas: the motor carrier safety assistance program [MCSAP] and the information systems and strategic safety initiatives [ISSSI]. MCSAP provides grants and project funding to States to develop and implement national programs for the uniform enforcement of Federal and State rules and regulations concerning motor safety. The major objective of this program is to reduce the number and severity of accidents involving commercial motor vehicles. Grants are made to qualified States for the development of programs to enforce the Federal motor carrier safety and hazardous materials regulations and the Commercial Motor Vehicle Safety Act of 1986. The basic program is targeted at roadside vehicle safety inspections of both interstate and intrastate commercial motor vehicle traffic. ISSSI provides funds to develop and enhance data-related motor carrier programs.

The Committee recommends \$190,000,000 in liquidating cash for this program.

LIMITATION ON OBLIGATIONS

The Committee recommends a \$190,000,000 limitation on obligations for motor carrier safety grants.

Crash Causation Study.—The Committee recommends \$1,000,000 for the Large Truck Crash Causation Study consistent with the budget request. The Committee notes that while MSCIA authorized \$5,000,000 per year, the most expensive task of the study will be completed in fiscal year 2003 and the funding provided will be used for file building and preliminary analysis for the Large Truck Crash Causation Study, which will require fewer resources.

Hazmat Tracking System.—Within the funds available for FMCSA's high priority initiative program, the Committee provides \$2,000,000 for an expanded satellite-based, mobile communications system to monitor and track hazardous materials and high-value cargo in uncovered areas of the United States.

Operation Respond.—Within the funds provided for FMCSA's high priority initiatives, the Committee includes \$1,000,000 to design, build, and demonstrate the benefits of a seamless hazardous materials incident detection, management, and response system, including the expansion of the Operation Respond network of emergency responders and by linking this network with tracking and automatic crash notification technologies. The Committee urges that, working with the private sector, these funds be used to establish a national first responder emergency services network and to accelerate deployment of Operation Respond software.

GENERAL PROVISIONS—FEDERAL MOTOR CARRIER SAFETY
ADMINISTRATION

Section 130 prohibits the use of funds in this act to implement or enforce any provision of the Final Rule issued on April 16, 2003, (Docket No. FMCSA-97-2350) as it may apply to operators of utility service vehicles. The Committee believes that operators of utility service vehicles have unique public service responsibilities and operating characteristics that were not adequately considered or addressed in the rulemaking.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

SUMMARY OF FISCAL YEAR 2004 PROGRAM

The National Highway Traffic Safety Administration [NHTSA] was established as a separate organizational entity in the Department of Transportation in March 1970. It succeeded the National Highway Safety Bureau, which previously had administered traffic and highway safety functions as an organizational unit of the Federal Highway Administration.

The agency's current programs are authorized in four major laws: (1) the National Traffic and Motor Vehicle Safety Act, (chapter 301 of title 49, U.S.C.); (2) the Highway Safety Act, (chapter 4 of title 23, U.S.C.); (3) the Motor Vehicle Information and Cost Savings [MVICSA] Act, (Part C of subtitle VI of title 49, U.S.C.); and (4) the Transportation Equity Act for the 21st Century [TEA21].

The first law provides for the establishment and enforcement of safety standards for vehicles and associated equipment and the conduct of supporting research, including the acquisition of required testing facilities and the operation of the national driver

register [NDR]. Discrete authorizations were subsequently established for the NDR under the National Driver Register Act of 1982.

The second law provides for coordinated national highway safety programs (section 402) to be carried out by the States and for highway safety research, development, and demonstration programs (section 403). The Anti-Drug Abuse Act of 1988 (Public Law 100-690) authorized a new drunk driving prevention program (section 410) to make grants to States to implement and enforce drunk driving prevention programs.

The third law [MVICSA] provides for the establishment of low-speed collision bumper standards, consumer information activities, diagnostic inspection demonstration projects, automobile content labeling, and odometer regulations. An amendment to this law established the Secretary's responsibility, which was delegated to NHTSA, for the administration of mandatory automotive fuel economy standards. A 1992 amendment to the MVICSA established automobile content labeling requirements.

The fourth law, TEA21, must be reauthorized for fiscal year 2004. TEA21 incorporates NHTSA programs including: safety incentives to prevent operation of motor vehicles by intoxicated persons (section 163 of title 23 U.S.C.); seat belt incentive grants (section 157 of title 23 U.S.C.); occupant protection incentive grants (section 405); and highway safety data improvement incentive grant program (section 411). The TEA21 structure also provides for highway safety research, development and demonstration programs (section 403) to include research measures that may deter drugged driving, educate the motoring public on how to share the road safely with commercial motor vehicles, and provide vehicle pursuit training for police. Finally, TEA21 includes a number of motor vehicle safety and information provisions, including rulemaking directions for improving air bag crash protection systems, lobbying restrictions, exemptions from the odometer requirements for classes or categories of vehicles the Secretary deems appropriate, and adjustments to the automobile domestic content labeling requirements.

In 2000, the Transportation Recall Enhancement, Accountability, and Documentation [TREAD] Act amended the National Traffic and Motor Vehicle Safety Act in numerous respects and enacted many new initiatives. These consist of a number of new motor vehicle safety and information provisions, including a requirement that manufacturers give NHTSA notice of safety recalls or safety campaigns in foreign countries involving motor vehicles or items of motor vehicle equipment that are identical or substantially similar to vehicles or equipment in the United States; higher civil penalties for violations of the law; a criminal penalty for violations of the law's reporting requirements; and a number of rulemaking directions that include developing a dynamic rollover test for light duty vehicles, updating tire safety and labeling standards, improving the safety of child restraints, and establishing a child restraint safety rating consumer information program.

The full range of programs funded by the National Highway Traffic Safety Administration are authorized by the Transportation Equity Act for the 21st Century [TEA21] and must be reauthorized for fiscal year 2004. The budget request presented to Congress re-

flects the administration's reauthorization proposal by significantly restructuring current NHTSA programs.

The proposal creates a consolidated 402 program by merging the existing incentive grant programs and providing greater flexibility for States. The new program, as proposed by the budget, significantly reduces the Federal Government's focus on impaired driving and seat belt usage at a time when highway fatality rates are increasing. Further, the budget proposal ignores the great strides that have been made by State mobilizations and paid media initiatives in the areas of impaired driving and occupant protection by excluding them from the request.

While the budget proposes a total funding level of \$447,000,000 for Highway Traffic Safety Grants, an increase of \$223,500,000 above the fiscal year 2003 enacted level, a large majority of this program increase is derived from funding that was previously provided by transfer from the Federal Highway Administration.

Consistent with the general guidance provided in the report, the Committee has followed the program structure found in TEA21 and other current law. The Committee recommendation of \$448,702,000 provides sufficient funding for the National Highway Traffic Safety Administration to maintain current programs and continue the mobilization and paid media initiatives that have proven so effective in increasing safety belt use and impaired driving awareness.

The following table summarizes the Committee recommendations:

Program	Fiscal year 2003 enacted ¹	Fiscal year 2004 estimate	Committee recommendation
Operations and research ²	\$208,921,128	\$214,510,000	\$220,102,000
National driver register	1,987,000	3,600,000	3,600,000
Highway traffic safety grants	223,537,500	447,000,000	225,000,000
Total	434,445,628	665,110,000	448,702,000

¹ Reflects reduction of \$2,855,372 pursuant to section 601 of Public Law 108-7.

² Fiscal year 2003 enacted does not reflect reduction of \$900,000 pursuant to section 362 of Public Law 108-7.

OPERATIONS AND RESEARCH

(HIGHWAY TRUST FUND)

Appropriations, 2003 ^{1 2}	\$210,908,128
Budget estimate, 2004	218,110,000
Committee recommendation	223,702,000

¹ Does not reflect reduction of \$900,000 pursuant to section 362 of Public Law 108-7.

² Reflects reduction of \$1,379,872 pursuant to section 601 of Public Law 108-7.

Consistent with the guidance provided in the report, for fiscal year 2004, the Committee has provided \$72,000,000 for contract authority from the highway trust fund to finance operations and research activities eligible under title 23 U.S.C. 403. In accordance with current law, the Committee has provided \$3,600,000 to be derived from the Highway Trust Fund to maintain the National Driver Register. In addition, the administration is requesting \$126,058,000 for activities related to section 30104 and 32102 of title 49. The Committee has recommended \$148,102,000 for these activities and provided funding under the Federal-aid highway obligation limitation.

Share the Road Safely.—The Committee believes that as the agency with the primary responsibility for behavioral programs geared toward passenger car drivers that NHTSA, not the Federal Motor Carrier Safety Administration, can more effectively administer the Share the Road program. Following the GAO report on the Share the Road program, the Committee expects NHTSA to work with FMCSA to set clear goals for the program and to promote a more comprehensive and national effort. The goal of educating commercial motor vehicle drivers and motorists of all ages about how passenger vehicle drivers and truck drivers can more safely share the road is important and should be combined with local enforcement efforts in order to be truly effective. Further, the Committee encourages NHTSA to work with FMCSA and State highway safety representatives to determine the best avenues for educating both the motoring public and commercial motor vehicle drivers, including incorporating such information in driver education courses. The Committee has included \$500,000 within the Operations and Research account for these purposes.

The accompanying bill provides appropriations totaling \$223,702,000 to be distributed as follows:

Program	Committee recommendation
Salaries and benefits	\$69,050,000
Travel	1,324,000
Operating expenses	22,836,000
Contract Programs:	
Safety performance	11,005,000
Safety assurance	17,128,000
Highway safety	52,982,000
Research and analysis	65,018,000
General administration	665,000
Grant administration reimbursement	- 16,306,000
Total	223,702,000

SALARIES AND BENEFITS

Staffing.—The Committee is aware that NHTSA's current budget is not sufficient to cover the salaries and benefits for all on-board FTE and that the budget request for 2004 will fall \$2,000,000 short of the need, funding only 640 of the 670 currently employed FTE. While the Committee has provided the additional \$2,000,000 for salaries and benefits, it is not without hesitation. The Committee is concerned with the obvious disconnect between the human resources department and the budget office at NHTSA. It is imperative that those who are responsible for the hiring of new employees at NHTSA understand the difference between the authorized and appropriated funding levels. Regardless of these internal difficulties, the Committee believes that NHTSA should have had the policies and procedures in place to prevent such budget problems from occurring. To that end, the Committee directs NHTSA to develop an official policy with accompanying procedures, that would require the NHTSA budget office to review future staffing decisions to ensure that the agency's appropriated funding levels can adequately cover the required salary and benefit package to be offered. The Committee further directs NHTSA to provide a copy of this policy

and the accompanying procedures to the House and Senate Committees on Appropriations no later than 30 days after enactment of this Act.

OPERATING EXPENSES

Workforce Planning and Development.—NHTSA established this program in fiscal year 2001 in an effort to encourage young professionals to enter into the fields of engineering, research, science and technology, vehicle safety and injury. The Committee recognizes the agency's desire to build a base for future employment but notes that the challenges of attrition in the transportation workforce are not unique to NHTSA. The Committee believes that this type of workforce planning should be done throughout the entire Department of Transportation and should be coordinated by the office of the Assistant Secretary for Administration. Accordingly, the Committee has not included the requested funding to support the initiative.

Highway Safety Oversight.—The Committee is greatly concerned about the April 2003 report by the General Accounting Office [GAO] regarding NHTSA's oversight of State highway safety programs. NHTSA utilizes a performance-based oversight program whereby each State sets its own performance goals and develops annual safety plans to meet those goals. The GAO found that NHTSA's use of management reviews of State highway plans varied greatly from region to region. In some regions, management reviews are conducted every other year while in other regions management reviews are conducted only when requested by a State. Additionally, when a State fails to make progress toward its performance goals, NHTSA has required the development and implementation of improvement plans to help address safety program deficiencies. Again, the GAO found that NHTSA's requirement and use of improvement plans varied from region to region. The Committee directs NHTSA, in coordination with the agency's regional offices, to develop a clear policy as to when a management review is conducted and what specific criteria would necessitate an improvement plan. This policy should be applied consistently in each region so that every State safety program knows when to expect a management review and under what circumstances an improvement plan will be required. The Committee believes that this effort should provide additional assistance to the States that fail to meet their safety performance goals and is not, by any means, intended to punish the States that meet their safety performance goals. The Committee directs NHTSA to submit a copy of this policy to the House and Senate Committees on Appropriations by March 30, 2004.

Training and Technical Assistance to States.—The goal of improving safety on our Nation's roads and reducing the number of highway fatalities is shared by NHTSA, FMCSA, and the State highway safety offices. The Committee recognizes the importance and value of providing adequate training and technical assistance to the States so that they have the best chance of meeting their safety performance goals. As such, the Committee urges NHTSA to conduct a comprehensive review of the agency's training programs including an evaluation of other models (such as the National

Highway Institute) and different media for improving the professional capabilities of State grantees (such as video, internet or classroom training). In addition, the Committee directs NHTSA to develop and implement two new State training courses. One course should be designed to strengthen the ability of State highway safety offices to analyze data and identify State and local behavioral highway safety programs. The second training course should provide hands-on experience for State highway safety offices on how to conduct evaluations or reviews of program performance. Within the funds provided for NHTSA's Operating Expenses, the Committee includes \$200,000 for these efforts.

CONTRACT PROGRAMS

Survey of State Data Systems.—Traffic record systems in each State are used to collect data on crashes, driver licensing, vehicle registration, traffic violations, and roadway characteristics. The Committee has been made aware that the sophistication and capabilities of these traffic safety data systems vary from State to State. Therefore, the Committee directs the General Accounting Office [GAO] to conduct a survey of State data systems to determine the scope and nature of these systems and identify opportunities for improvement. The Committee encourages GAO to utilize NHTSA's Checklist for State Traffic Safety Information Systems in conducting the survey and to report its findings to the House and Senate Appropriations Committees by August 15, 2004.

Consumer Safety Information Study and Report.—Providing consumers with accurate safety information about motor vehicle testing programs is a vital government responsibility. Testing results from the Department of Transportation's New Car Assessment Program [NCAP] enable consumers to make informed choices when purchasing a new motor vehicle. NCAP uses a star system to rate the safety benefits of a number of different aspects of vehicle safety; however, the star system may not adequately communicate to the public important and relevant safety information. The Committee believes that accurate, comprehensive, and understandable consumer information is an important mission of NHTSA and directs the General Accounting Office [GAO] to study and evaluate the NCAP star rating system and to report the accuracy of the system, how it can be improved, and whether an alternative symbol or rating scheme may be more appropriate in communicating vehicle testing results to the public. The GAO should compare methods used in NCAP to convey test results with the methods used by testing programs in other countries and by private organizations that conduct and publicly report vehicle safety test results in order to best evaluate the existing NCAP ratings system. The report shall be submitted to the House and Senate Committees on Appropriations not later than June 30, 2004.

HIGHWAY SAFETY PROGRAMS

The Committee recommends the following adjustments to the budget request:

Occupant protection: Outreach initiatives to increase belt use	+ \$3,000,000
Emergency medical services	+ 1,000,000

Impaired driving	+ 4,500,000
Judicial/prosecutorial initiative	(1,500,000)
Repeat offender tracking model	(2,000,000)
Target population outreach	(1,000,000)
Motorcycle safety	+ 94,000

National Occupant Protection Program.—The stated objectives of NHTSA’s occupant protection program are to increase seat belt use and decrease the number of child occupant fatalities. Over the last several years, NHTSA has set aggressive goals for achieving seat belt use across the nation since each percentage point increase in seat belt use saves approximately 226 lives and prevents over 3,700 injuries each year. The Committee believes that NHTSA must continue to be vigilant and creative in its efforts to increase national seat belt use; particularly for those targeted groups that are high-risk and often difficult to reach. The Committee recommends \$14,373,000 for NHTSA’s occupant protection efforts which is \$3,000,000 more than the President’s budget request. The Committee directs that these additional funds be used to continue the outreach activities toward minority populations, teens and rural populations. To further supplement NHTSA’s overall seat belt efforts, the Committee has included bill language to continue the public service message program started in fiscal year 2002. A more detailed discussion of this program is included in the NHTSA bill language section of this report.

Impaired Driving.—The Committee is concerned about the lack of progress that is being made to reduce the number of alcohol-related motor vehicle fatalities. However, NHTSA’s final 2002 data provided by the Fatality Analysis Reporting System [FARS] for alcohol-related fatalities revealed that the increase in the number of fatalities from 2001 was much smaller than the early assessment indicated. While the Committee is relieved that the early data on alcohol-related deaths was overstated, the Committee is likewise concerned about the wide discrepancy between the early and final FARS data. As such, the Committee intends to closely monitor the collection and presentation of the FARS data. Nonetheless, the 2002 FARS data does demonstrate that there was an increase in the number of alcohol-related fatalities for the third consecutive year. The Committee believes that this is a disturbing trend and one that NHTSA should not ignore. Alcohol-related crashes also cause an estimated 250,000 injuries and cost society over \$45,000,000,000 every year. Again, as in the case of NHTSA’s occupant protection program, the fiscal year 2003 budget reduced NHTSA’s impaired driving core program by 26 percent at a time when alcohol-related fatalities are increasing. The Committee recommends \$15,426,000 for NHTSA’s impaired driving program, \$4,500,000 more than the President’s budget request.

Judicial and Prosecutorial Awareness.—The Committee has provided \$1,500,000 for judicial and prosecutorial reform. The Committee recognizes that the deadline for presentation of the detailed analysis required by the fiscal year 2003 Appropriations Act is October 1, 2003. The Committee is most interested in the guidance that the report will provide for improving judicial and prosecutorial training, outreach, and adherence to State standards of conduct. The Committee believes that this is a worthwhile endeavor for

NHTSA; however the Committee prohibits the expenditure of these funds until a final report is submitted to the House and Senate Committees on Appropriations including a detailed proposal and spending plan for outreach activities in this area.

Tracking Repeat Offenders.—The Committee includes \$2,000,000 within NHTSA's impaired driving program to expedite the development and expand the testing of the model "Driver History Information Records System for Impaired Driving." This tracking system is designed to assist States and local communities in the exchange of timely information regarding prior impaired driving offenses and to transmit conviction and license suspension notices among law enforcement officials, the courts and driver licensing agencies.

Impaired Driving and Targeted Populations.—The Committee is concerned that there continues to be certain segments of the population that are over represented in alcohol-related motor vehicle crashes. For example, male drivers between the ages of 21 and 34 represent the highest percentage of alcohol-related fatalities. The Committee strongly believes that NHTSA must continue to vigorously pursue strategies to reduce impaired driving among the age groups and ethnic populations that represent the highest risk. Within the funds provided for NHTSA's impaired driving program, the Committee includes \$1,000,000 to increase the outreach efforts within these targeted populations. Further, the Committee directs NHTSA to report to the House and Senate Committees on Appropriations, no later than 90 days after enactment of this act, detailing the strategies and activities that will be utilized.

Theme for Impaired Driving.—The Committee is aware that NHTSA has utilized "You Drink and Drive. You Lose" as the theme for the agency's impaired driving mobilization effort. However, the Committee has noted that there are a variety of themes used by different States to send the message that drunk drivers are not only a peril on the road but will face serious legal consequences if apprehended by law enforcement. The Committee encourages NHTSA to consult with the relevant safety organizations and State highway safety offices to explore whether there is a theme that is more fitting than the impaired driving theme currently used by NHTSA. The Committee directs NHTSA to submit its findings and recommendations in correspondence to the House and Senate Committees on Appropriations by January 30, 2004.

Highway Safety Research.—The Committee includes \$7,238,000 for NHTSA's highway safety research program. Within the funds provided, the Committee includes \$750,000 to support transportation safety research at the Florida Agricultural and Mechanical University to focus on aggressive driving, road rage, speed control, occupant protection and alcohol impaired driving countermeasures, and reducing the severity of traffic injuries among youth and adults.

Emergency Medical Services.—The Committee recommends \$3,226,000 for emergency medical services. Within the funds provided, the Committee includes \$1,000,000 to continue training EMS personnel in delivering pre-hospital care to patients with traumatic brain injuries. Since this program's inception in 1998, it is estimated that nearly 31 States will have received the training and educational material and over 1,600 in-state instructors will have

received training. The Committee urges NHTSA to continue this national rollout with the Brain Trauma Foundation and its Centers of Excellence. Just as it is important for EMS personnel to receive proper training to care for the critically injured, it is equally important that first responders have the tools necessary to locate the injured as quickly as possible. There have been a number of highly publicized cases of crash victims who were stranded for extended periods of time because their vehicles were not easily located. Advanced location technology associated with wireless E 9-1-1 can assist law enforcement and EMS personnel in reaching victims quickly. The Committee has also included \$1,000,000 within the total amount for research at the USA Center for the study of Rural Vehicular Trauma.

Motorcycle Safety.—The Committee provides \$750,000 for NHTSA's motorcycle safety efforts. The Committee remains concerned with the upward trend in the number of motorcycle fatalities. The Committee has provided increased funding to further assist in the implementation of the urgent and essential recommendations included in the National Agenda for Motorcycle Safety. Further, the Committee urges NHTSA to focus on strategies to reduce the alarming numbers of motorcyclists killed and injured in alcohol-related crashes.

RESEARCH AND ANALYSIS

National Automotive Sampling System.—The Committee provides \$12,000,000 for the National Automotive Sampling System [NASS]. The NASS General Estimates System data assists in assessing the trend and magnitude of the crash situation in this country, and the NASS Crashworthiness Data System provides more in-depth and descriptive data allowing NHTSA to quantify the relationships between the occupants and vehicles in the real-world crash environment.

Biomechanical Research.—The Committee provides a total of \$14,750,000 for biomechanics research. The Committee's recommendation includes necessary resources for the continued research of the Crash Injury Research and Engineering Network program. Within the funds provided, the Committee includes \$2,000,000 to continue research related to traumatic brain and spinal cord injuries caused by motor vehicle, motorcycle, and bicycle accidents at the Southern Consortium for Injury Biomechanics, and \$1,000,000 to support a joint research initiative between the University of Vermont's College of Medicine [UVM], Texas A&M University and Fletcher Allen Health Care that will assist victims of automobile accidents in rural areas to determine the capabilities and outcomes of advanced mobile telecommunications links.

Truck Brake Lining Friction.—The report accompanying the Fiscal Year 2002 Transportation Appropriations Act provided \$300,000 for research into the rating of brake lining friction in order to facilitate a rulemaking in this area. The Committee is interested in the progress that NHTSA has made with respect to truck brake lining systems and directs the agency to provide to the Committee a written report detailing the findings of the study to date and what, if any, progress has been made with respect to a rulemaking. This in-

formation should be presented to the House and Senate Committees on Appropriations no later than December 15, 2003.

Traffic Records and Driver Licensing.—Within the funds provided for NHTSA's traffic records and driver licensing program, the Committee has included \$1,000,000 for the digital watermarking technology pilot program to demonstrate the ability to provide covert, machine readable authentication capabilities in driver licenses to enable law enforcement to easily determine the authenticity of State-issued IDs used for driving automobiles.

Motor Vehicle Crash Causation Study.—The Committee has provided \$7,000,000 to support the crash causation study, \$3,000,000 less than the budget request due to the delay in beginning the multi-year effort in fiscal year 2003. However, because this study also involves an examination of vehicle-related parameters, the Committee has provided NHTSA the flexibility to use research and analysis funds as may be necessary to support the study.

NATIONAL DRIVER REGISTER
(HIGHWAY TRUST FUND)

Appropriations, 2003 ¹	\$1,987,000
Budget estimate, 2004	3,600,000
Committee recommendation	3,600,000

¹ Reflects reduction of \$13,000 pursuant to section 601 of Public Law 108-7.

The National Driver Register [NDRS] is a central repository of information on individuals whose licenses to operate a motor vehicle have been revoked, suspended, canceled, or denied. The NDR also contains information on persons who have been convicted of serious traffic-related violations such as driving while impaired by alcohol or other drugs. State driver licensing officials query the NDR when individuals apply for a license, for the purpose of determining whether driving privileges have been withdrawn by other States. Other organizations such as the Federal Aviation Administration and the Federal Railroad Administration also use NDR license data in hiring and certification decisions in overall U.S. transportation operations.

The bill includes \$3,600,000 for the NDR which is an increase of \$1,600,000 over the fiscal year 2003 authorized level. The Committee recognizes the reauthorization proposal includes a significant expansion of the NDR and has provided additional resources so that NHTSA may begin to expand the NDR as proposed in the pending reauthorization legislation.

HIGHWAY TRAFFIC SAFETY GRANTS
(LIQUIDATION OF CONTRACT AUTHORIZATION)
(HIGHWAY TRUST FUND)

Appropriations, 2003 ¹	\$223,537,500
Budget estimate, 2004	447,000,000
Committee recommendation	225,000,000

¹ Reflects reduction of \$1,462,500 pursuant to section 601 of Public Law 108-7.

For fiscal year 2004 the Transportation Equity Act for the 21st Century must be reauthorized. Consistent with the general guid-

ance provided in the report, the Committee has followed the structure provided in TEA21 which authorizes the following State grant programs: the Highway Safety Program, the Alcohol-Impaired Driving Countermeasures Incentive Grant Program and the Occupant Protection Incentive Grant Program. Under the Highway Safety Program, grant allocations are determined on the basis of a statutory formula established under 20 U.S.C. 402. Individual States use this funding in national priority areas established by Congress which have the greatest potential for achieving safety improvements and reducing traffic crashes, fatalities, and injuries. The national occupant protection survey is also funded from within this amount. The Alcohol-Impaired Driving Countermeasures Incentive Grant Program encourages States to enact stiffer laws and implement stronger programs to detect and remove impaired drivers from the roads. The Occupant Protection Program encourages States to promote and strengthen occupant protection initiatives. The State Highway Safety Data Grants Program encourages States to improve their collection and dissemination of important highway safety data.

The Committee recommends an appropriation for liquidation of contract authorization of \$225,000,000 for the payment of obligations incurred in carrying out provisions of these grant programs.

The Committee has continued a provision prohibiting the use of section 402 funds for construction, rehabilitation or remodeling costs, or for office furnishings and fixtures for State, local, or private buildings or structures.

LIMITATION ON OBLIGATIONS

The bill includes language limiting the obligations to be incurred under the various highway traffic safety grants programs. Separate obligation limitations are included in the bill with the following funding allocations:

	Fiscal year 2003 enacted ¹	Fiscal year 2004 estimate	Committee recommendation
Highway safety programs	\$163,537,500	\$387,000,000	\$165,000,000
Alcohol-impaired driving countermeasures grants	40,000,000	.....	40,000,000
Occupant protection incentive grants	20,000,000	.....	20,000,000
Section 412 State highway safety data grants .....	.....	50,000,000	0
Emergency Medical Services .....	.....	10,000,000	0
Total	223,537,500	447,000,000	225,000,000

¹ Reflects reduction of \$1,462,500 pursuant to section 601 of Public Law 108-7.

Safety Belt Usage.—The Committee is pleased that the most recent National Occupant Protection Use Survey [NOPUS] shows that safety belt usage in the United States has reached 79 percent—the highest level in the Nation’s history. Following NHTSA’s massive “Click It or Ticket” mobilization in May, the survey showed that every region of the country registered an increase in belt use over the previous year. The May enforcement campaign was an extraordinary nationwide effort supported by national, State and local governments which should translate into more than 1,000 lives saved this year. The Committee is pleased that the funding that has been provided for the “Click It or Ticket” campaign and the accompanying public safety messages is proving ef-

fective in increasing usage rates but believes that NHTSA's work in this area is not done. The Committee encourages NHTSA to build upon its successes and continue to work with State and local governments to further increase seat belt usage rates in 2004.

Public Safety Messages.—The bill contains a provision (sec. 140) extending the authority for States to use traffic safety grant funds under Section 402 to produce and place highway safety public service messages in television, radio, cinema, print media and on the Internet. The Committee continues a provision that was included in the fiscal year 2002 and 2003 Acts which designated safety belt use innovative grant funds to be used for public safety messages and evaluation to support the Operation ABC (America Buckles up Children) mobilizations that are conducted each year in May and November. In 2003, NHTSA again used this funding to support State high-visibility "Click It or Ticket" enforcement programs and bolstered these programs with more than \$20,000,000 in targeted State and national advertising. The 2003 campaign specifically targets young drivers who are at higher risk of being in a car crash and less likely to use seat belts than other age groups. While the Nation's seat belt usage stands at 79 percent, it is much lower, just 69 percent, among teens and young adults. These numbers are extremely troubling and the Committee applauds NHTSA's efforts to reach out to this and other target populations whose seat belt usage rates are below the national average.

The Committee believes that this program must be continued in order to achieve its full potential in saving lives and reducing injuries. The Committee has again included bill language providing \$10,000,000 from the seat belt grant program to be used consistent with current practice and as directed by the NHTSA Administrator for broadcast advertising to support national law enforcement mobilizations aimed at increasing seat belt use.

Just as high visibility enforcement programs have proven so effective in increasing seat belt use, research has also concluded that sobriety checkpoints are highly effective in reducing alcohol-related traffic fatalities and injuries. NHTSA's own survey has indicated that 4 out of 5 Americans support increased enforcement and tougher laws to protect themselves and their families from impaired drivers.

The Committee is concerned that the number of alcohol-related fatalities has continued to increase in recent years and recognizes the difficulties in reducing the overall number of impaired drivers. The Committee believes that NHTSA should take a more proactive role in working with States to recognize and develop new and innovative measures that target impaired drivers. For fiscal year 2004, the Committee has included bill language providing \$20,000,000 from the impaired driving grant program to be used as directed by the NHTSA Administrator for broadcast advertising to support national law enforcement mobilizations aimed at controlling impaired driving. It is the Committee's intent that these funds support at least two national mobilizations during the year, and that NHTSA work on these initiatives with the States and non-profit safety organizations that have been active in conducting recent mobilizations. Further, the Committee has specified that no less than \$2,750,000 be provided to the States to ensure that they have ade-

quate resources for impaired driving enforcement activities as part of the mobilizations. The Committee has also included \$250,000 so that NHTSA may continue the comprehensive evaluation of these activities.

In an effort to better understand and address the shortfalls in our Nation's impaired driving efforts, the Committee has provided \$3,000,000 to conduct a limited demonstration project to test new and improved strategies in those States where the largest gains in reducing alcohol-related fatalities can be made and where the commitment exists to assess challenges and implement solutions. The demonstration should include a comprehensive assessment of the impaired driving program in each participating State, the development of a strategic plan to address identified challenges, and the allocation of resources and technical assistance to reduce constraints. For example, State-specific efforts may be undertaken to advance more effective enforcement strategies, increase compliance with underage drinking laws, improve judicial and prosecutorial training, and/or improve traffic records.

GENERAL PROVISIONS—NATIONAL HIGHWAY TRAFFIC SAFETY
ADMINISTRATION

Section 140 allows States to use funds provided under section 402 of title 23, U.S.C. to produce and place highway safety public service messages related to seat belt usage and impaired driving. The provision allocates \$10,000,000 for the purpose of national paid media to support national safety belt mobilizations under Section 157 and a total of \$20,000,000 under Section 163 to include: \$2,750,000 to support State impaired driving mobilization enforcement efforts, \$14,000,000 for paid media to support national law enforcement mobilizations on impaired driving, and \$250,000 for continued evaluation of alcohol-impaired driving messages. In addition the Committee expects that \$3,000,000 from the 163 program be dedicated to an impaired driving demonstration program.

Section 141 prohibits the transfer of funds from NHTSA to the FMCSA for the purposes of carrying out the Share the Road Safety program.

FEDERAL RAILROAD ADMINISTRATION
SUMMARY OF FISCAL YEAR 2004 PROGRAM

The Federal Railroad Administration [FRA] became an operating administration within the Department of Transportation on April 1, 1967. It incorporated the Bureau of Railroad Safety from the Interstate Commerce Commission, the Office of High Speed Ground Transportation from the Department of Commerce, and the Alaska Railroad from the Department of the Interior. The Federal Railroad Administration is responsible for planning, developing, and administering programs to achieve safe operating and mechanical practices in the railroad industry. Grants to the National Railroad Passenger Corporation (Amtrak) and other financial assistance programs to rehabilitate and improve the railroad industry's physical infrastructure are also administered by the Federal Railroad Administration.

The Committee recommends \$1,119,400,000 for the activities of the Federal Railroad Administration for fiscal year 2004.

The following table summarizes the Committee recommendations:

Program	Fiscal year—		Committee recommendation
	2003 enacted	2004 budget estimate	
Safety and operations ^{1 2}	\$116,600,141	\$131,175,000	\$130,825,000
Railroad research and development ³	29,134,388	35,025,000	34,225,000
Next generation high-speed rail ⁴	30,252,075	23,200,000	29,350,000
Alaska Railroad rehabilitation ⁵	21,857,000	.....	25,000,000
Grants to National Railroad Passenger Corporation ⁶	1,043,175,000	900,000,000	1,346,000,000
Total budgetary resources	1,260,888,604	1,089,400,000	1,568,400,000

¹ Reflects reductions of \$762,859 pursuant to section 601 of Public Law 108-7.

² Does not reflect reduction of \$300,000 pursuant to section 362 of Public Law 108-7.

³ Reflects reduction of \$190,612 pursuant to section 601 of Public Law 108-7.

⁴ Reflects reduction of \$197,925 pursuant to section 601 of Public Law 108-7.

⁵ Reflects reduction of \$143,000 pursuant to section 601 of Public Law 108-7.

⁶ Reflects reduction of \$6,825,000 pursuant to section 601 of Public Law 108-7.

SAFETY AND OPERATIONS

Appropriations, 2003 ^{1 2}	\$116,600,141
Budget estimate, 2004	131,175,000
Committee recommendation	130,825,000

¹ Reflects reduction of \$762,859 pursuant to section 601 of Public Law 108-7.

² Does not reflect reduction of \$300,000 pursuant to section 362 of Public Law 108-7.

The Safety and Operations account provides support for FRA rail safety activities and all other administrative and operating activities related to staff and programs.

The Committee recommends \$130,825,000 for Safety and Operations for fiscal year 2004. This level of funding is \$14,225,000 more than the fiscal year 2003 enacted level. The Committee recommendation has denied the request of \$350,000 for workforce planning.

Highway-Railroad Grade Crossing Safety.—The Committee reminds the Secretary of Transportation of its request for an update of the agency's highway-railroad grade crossing safety action plan. The Committee expects the plan to include input from FRA, FHWA, FMCSA, NHTSA, and the ITS Joint Program Office and should be submitted with the fiscal year 2005 budget justification.

RAILROAD RESEARCH AND DEVELOPMENT

Appropriations, 2003 ¹	\$29,134,388
Budget estimate, 2004	35,025,000
Committee recommendation	34,225,000

¹ Reflects reduction of \$190,612 pursuant to section 601 of Public Law 108-7.

The Federal Railroad Administration's Railroad Research and Development Program provides for research in the development of safety and performance standards for high-speed rail and the evaluation of their role in the Nation's transportation infrastructure. The Committee recommends an appropriation of \$34,225,000 for railroad research and development. Within the funds provided, \$2,000,000 is for Marshall University and the University of Nebraska for safety research programs in rail equipment, human factors, track, and rail safety related issues.

COMMITTEE RECOMMENDATION

The Committee recommends the following funding levels for the Railroad research and development programs:

Railroad System Issues	\$3,225,000
Human Factors	3,678,000
Rolling Stock and Components	2,587,000
Track and Structures	4,125,000
Track and Train Interaction	3,350,000
Train Control	950,000
Grade Crossings	1,435,000
Hazardous Materials Transportation	1,000,000
Train Occupant Protection	6,450,000
R&D Facilities and Test Equipment	1,425,000
NDGPS	6,000,000

Track and Structures.—The Committee provides \$4,125,000 for FRA's track and structures research efforts. Track and structures provides for research in inspection techniques, material and component reliability, track and structure design and performance, and track stability data processing and feedback. Within the funds provided, the Committee includes \$250,000 for structural integrity research utilizing glass fiber reinforced polymers on railroad ties at WVU's Constructed Facility Center.

NDGPS.—The Committee recommendation includes \$6,000,000 for the continued installation and operation of the Nationwide NDGPS Network system. The Committee is aware that roughly 34 sites have been funded to date and that there are 36 more sites in the lower 48 contiguous States and 15 sites in Alaska that are planned. In addition, the Committee understands that nearly \$4,000,000 of the funds provided will be directed toward the maintenance and operation of the existing sites which leaves only \$2,800,000 for new site installations. The Committee encourages the Department to evaluate the benefit derived from expediting the installation of the remaining sites and whether greater funds are justified for new site installations in future budget justifications.

RAILROAD REHABILITATION AND IMPROVEMENT FINANCING PROGRAM

Section 502 of Public Law 94-210, as amended authorizes obligation guarantees for meeting the long-term capital needs of private railroads. Railroads utilize this funding mechanism to finance major new facilities and rehabilitation or consolidation of current facilities. No appropriations or new loan guarantee commitments are proposed in fiscal year 2004.

The Rail Rehabilitation and Improvement Financing Program, as established in section 7203 of the Transportation Equity Act for the 21st Century [TEA21], will enable the Secretary of Transportation to provide loans and loan guarantees to State and local governments, Government-sponsored authorities and corporations, railroads and joint ventures to acquire, improve, or rehabilitate intermodal or rail equipment or facilities, including track, bridges, yards, and shops.

NEXT GENERATION HIGH-SPEED RAIL

Appropriations, 2003 ¹	\$30,252,075
Budget estimate, 2004	23,200,000
Committee recommendation	29,350,000

¹ Reflects reduction of \$197,925 pursuant to section 601 of Public Law 108-7.

The Committee has provided \$29,350,000 in general fund appropriations for the High-Speed Ground Transportation [HSGT] Program. This amount is \$6,150,000 above the budget request.

The Committee first provided funding for the Next Generation High-Speed Rail [NGHSR] Program in fiscal year 1995. The program funds high-speed rail research, development, and technology demonstration programs to foster high-speed passenger service on rail corridors throughout the country.

The Committee recommends the following funding levels for the Next Generation High-Speed Rail Programs:

High-speed train control systems	\$10,000,000
High-speed non-electric locomotives .....	.....
Grade crossing hazard mitigation/Low-cost innovative technologies	6,850,000
Track and structures technology .....	.....
Corridor planning	7,500,000
Magnetic levitation	5,000,000

High-Speed Train Control Systems.—The Committee recommendation includes \$9,000,000 for the North American Joint PTC project.

Non-electric Locomotive.—Over the last several years, the Committee has provided \$26,000,000 for the development of a turbine-electric locomotive [TEL] that is capable of achieving higher speeds on corridors outside of the Northeast Corridor. While the TEL has been tested extensively at the Transportation Technology Center in Pueblo, Colorado in 2001 and was tested in cold weather operations in Canada earlier this year, the Committee is concerned that the locomotive has not been demonstrated yet on U.S. high speed corridors. In addition, the Committee understands that the TEL is not compatible with a variety of passenger cars and is therefore limited in where it can be demonstrated. The Committee denies the funding for the non-electric locomotive until the FRA provides a plan detailing where and when the non-electric locomotive will be demonstrated.

Advanced Locomotive Propulsion System [ALPS].—The Committee denies funding for the ALPS program due to concerns raised by the Transportation Research Board [TRB] regarding the technical as well as schedule and budget risks associated with ALPS. In an effort to ensure that the benefits of this project outweigh the risks, the Committee directs FRA to establish a firm timetable, as recommended by TRB, for the conclusion of the advanced locomotive propulsion systems project.

Grade Crossing Hazard Mitigation/Low-cost Innovative Technologies.—The Committee recommends \$6,850,000 for grade crossing hazard mitigation and low-cost innovative technology initiatives.

Within the funds provided, the Committee includes the following allocations:

Springfield, Missouri grade reconfiguration study	\$1,000,000
Anchorage C Street corridor grade crossing	1,000,000
KBS Railroad hazard elimination, Kankakee, IL	500,000
NC Pedestrian Crossing Safety Pilot: Clayton Grade Separation	1,000,000
Ohio Statewide Highway-Rail Crossing Barrier Gates	600,000

Corridor Planning.—The Committee includes \$7,500,000 for passenger rail corridor planning. Within the funds provided, the Committee includes the following allocations:

Florida High Speed Rail Corridor Study	\$5,000,000
Gulf Coast High Speed Rail Corridor Study	1,500,000
Southeast High Speed Rail Corridor Study	750,000
Midwest Regional Rail Planning and Engineering Study	250,000

Magnetic Levitation Transportation.—A total of \$5,000,000 has been provided for magnetic levitation activities to be distributed as follows:

Southern California Maglev	\$1,000,000
California-Nevada Interstate Maglev Project	1,000,000
Pittsburgh-Greensburg, Pennsylvania Maglev Deployment Project	2,000,000
Washington-Baltimore Maglev Deployment Project	1,000,000

Rail-Highway Crossing Hazard Eliminations.—The Committee recommendation assumes that section 1103 of the Transportation Equity Act for the 21st Century [TEA21] will be continued and provides \$5,250,000 for the elimination of rail-highway crossing hazards. Of these set-aside funds, the following allocations are made:

Grade Separation of CSX/US 90 at Hamilton Boulevard, Mobile, AL	\$2,250,000
Washington State high speed rail corridor grade crossing project	1,250,000
Wisconsin Railway-Highway Crossing Hazard Elimination Project	500,000

ALASKA RAILROAD REHABILITATION

Appropriations, 2003 ¹	\$21,857,000
Budget estimate, 2004	
Committee recommendation	25,000,000

¹ Reflects reduction of \$143,000 pursuant to section 601 of Public Law 108–7.

The Committee has included \$25,000,000 for rail safety and infrastructure improvements benefiting passenger operations of the Alaska Railroad. This railroad extends 498 miles from Seward through Anchorage, the largest city in Alaska, to the city of Fairbanks, and east to the town of North Pole and Eielson Air Force Base. It carries both passengers and freight, and provides a critical transportation link for passengers and cargo traveling through difficult terrain and harsh climatic conditions.

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK)

Appropriations, 2003 ¹	\$1,043,175,000
Budget estimate, 2004	1,050,000,000
Committee recommendation	1,346,000,000

¹ Reflects reduction of \$6,825,000 pursuant to section 601 of Public Law 108–7.

The National Passenger Railroad Corporation, or Amtrak, is a federally chartered for-profit public corporation created by Congress in 1970 to relieve railroad companies of their money-losing passenger operations while maintaining passenger rail service in the United States. At that time, rail passenger ridership had been in decline since the 1920s, due to competition from automobile and airplane travel. The legislation creating Amtrak did not address the underlying reasons for the long-term decline of ridership and as a result, passenger rail service under Amtrak has continued a money-losing record that began in the 1930s.

Amtrak has run a deficit every year since its creation despite earning around \$1,000,000,000 annually in revenue from passenger fares and receiving over \$35,000,000,000 in assistance from the Federal Government to cover its deficits during that period. Because Amtrak does not earn enough revenue to cover its costs, it is regularly on the verge of insolvency. It has become abundantly clear over the years that Amtrak has an insatiable appetite for cash and, absent additional oversight and controls requiring strict adherence to a specific budget, Amtrak will never bring spending in line with revenues on its own accord.

While the Amtrak Reform and Accountability Act of 1997 [ARAA] (Public Law 105–134, December 2, 1997) attempted to reign in Amtrak's spending by requiring it to operate by the end of fiscal year 2002 without using Federal grant funds to cover operating expenses, the law has proven to be a miserable failure. ARAA has now expired and Amtrak is still no closer to any measure of self-sufficiency or economic viability than in 1997 when the legislation was enacted. It is clear that Amtrak has progressively become more dependent—not less—on an annual Federal appropriation. The Committee believes, however that a mere infusion of funds will not cure Amtrak's ailments. The only cure for Amtrak's maladies is fundamental far-reaching reforms. As Amtrak proponents and opponents await consideration of legislation to reauthorize Amtrak, the Committee believes that mind-sets must change such that both the Federal Government and Amtrak have clearly defined roles, expectations, and goals.

In fiscal year 2003, Congress provided Amtrak \$1,043,175,000 and included a \$105,000,000 loan repayment extension (Public Law 108–7). In an attempt to better understand Amtrak's financial shortcomings, the Act made a significant change in policy by providing funding directly to the Secretary of Transportation, who was charged with providing the funds to Amtrak on a quarterly basis through the grant-making process. The fiscal year 2003 Appropriations Act also included a number of reporting requirements, directed Amtrak to submit capital and operating plans, and prohibited the expenditure of funds on projects not included in Amtrak's business plan. It was the Congress' expectation that these reforms would bring Amtrak's finances into public view in an attempt to provide Congress and the Department of Transportation the necessary resources to provide much needed oversight, considering the Federal Government's significant investment.

In fiscal year 2003, for the first time in several years, Amtrak did not threaten to shut down despite operating under these new requirements. The Committee considers this as a modest but posi-

tive step in overall Amtrak reform and has retained the requirements for fiscal year 2004 with some modification.

COMMITTEE RECOMMENDATION

For fiscal year 2004, the Committee has provided \$1,346,000,000. The Committee has included bill language to maintain the requirements enacted in Public Law 108–7 with a revision to the grant approval process. The Committee gives the Secretary the flexibility to allocate funds to either operating or capital subsidies. The Committee expects that the Secretary, through the designated grant process, will assist Amtrak in allocating these funds in the most appropriate manner in an effort to maximize efficiencies. The Secretary is directed to ensure that Amtrak continues to meet all debt principal and interest payments in fiscal year 2004.

Revision of Secretarial Approval Process for Amtrak Train Routes.—The fiscal year 2003 Appropriations Act, required Amtrak to submit an application for grant assistance to the Secretary of Transportation for long-distance train routes operating outside of the Northeast Corridor. These applications were required to be accompanied by a financial analysis detailing the operating expenses associated with each long-distance train. The Committee has revised these procedures to require the grant approval process for all Amtrak train routes. Applications for all routes for fiscal year 2004 will be required to be accompanied by a financial analysis that details the operating expenses of the route as well as the capital expenditures necessary to operate the route.

FEDERAL TRANSIT ADMINISTRATION

SUMMARY OF FISCAL YEAR 2004 PROGRAM

The Federal Transit Administration was established as a component of the Department of Transportation by Reorganization Plan No. 2 of 1968, effective July 1, 1968, which transferred most of the functions and programs under the Federal Transit Act of 1964, as amended (78 Stat. 302; 49 U.S.C. 1601 et seq.), from the Department of Housing and Urban Development. The missions of the Federal Transit Administration are: to assist in the development of improved mass transportation facilities, equipment, techniques, and methods; to encourage the planning and establishment of urban and rural transportation services needed for economical and desirable development; to provide mobility for transit dependents in both metropolitan and rural areas; to maximize the productivity and efficiency of transportation systems; and to provide assistance to State and local governments and their instrumentalities in financing such services and systems.

The programs funded by the Federal Transit Administration, as contained in TEA21, need to be reauthorized for fiscal year 2004, and the budget request for the Federal Transit Administration reflects the administration's reauthorization proposal. The budget request retains a separate account for administration and restructures the Federal transit programs into two accounts: Formula Grants and Research and Major Capital Investment Grants. In addition, the budget request proposes to consolidate funding from the general fund for the administration account and from the Highway

Trust Fund for the proposed Formula Grants and Research account.

As proposed in the budget, the Formula Grants and Research would include formula grants to States and local agencies and transit planning and research activities. Formula grants to States and local agencies under the administration's proposal would include the following categories: urbanized areas (49 U.S.C. sec. 5307), fixed guideway modernization, special needs of elderly individuals and individuals with disabilities (49 U.S.C. sec. 5310), non-urbanized areas (49 U.S.C. sec. 5311), and the New Freedom Initiative. The administration's budget also proposes to distribute funding for Job Access and Reverse Commute by formula instead of as a competitive program. Finally, set-asides of formula funds are directed to: the bus testing program, authorized under 49 U.S.C. section 5318; the National Transit Database; a grant program for intercity bus operations to finance Americans with Disabilities Act [ADA] accessibility costs; and the Alaska Railroad for improvements to its passenger operations. The requested level of funding is \$5,615,406,000 in budget resources for fiscal year 2004.

The budget request for Major Capital Investments Grants account is \$1,534,094,000 for fiscal year 2004, of which \$320,594,000 is proposed to be appropriated from the general fund and \$1,213,500,000 to be derived from mass transit account of the highway trust fund. The new account would provide funding for "new starts" transit projects and for metropolitan and statewide planning activities.

The Committee recommendation provides sufficient funding and stability for the Federal Transit Administration pending the reauthorization of the surface transportation programs. Consistent with the general guidance provided in the report, the Committee has followed the program structure found in current law and has resisted the temptation to prejudge programmatic priorities and modifications that will emerge from the reauthorization process. Nevertheless, the Committee is concerned that the single-minded focus to increase local flexibility and funding stability as presented in the budget request may cause neglect to other important Federal interests in a national transit program. The Federal interest in transit should be—and is—greater than establishing rote entitlements that merely redistribute trust fund revenue by formula.

Under the Committee recommendation, a total program level of \$7,305,000,000 is provided for the administrative expenses and programs of the Federal Transit Administration for fiscal year 2004. This funding is comprised of \$1,461,000,000 in appropriations from the general fund and \$5,844,000,000 in limitations on contract authority from the mass transit account of the Highway Trust Fund.

The following table summarizes the Committee's recommendations compared to fiscal year 2003 and the administration's request:

Program	2003 enacted ¹	2004 estimate	Committee recommendation
Administrative expenses	\$72,525,500	\$76,500,000	\$73,000,000
Formula grants ²	3,764,371,500	.....	3,839,000,000
Formula grants and research .....	.....	5,615,406,000	.....
University transportation research	5,961,000	.....	6,000,000

Program	2003 enacted ¹	2004 estimate	Committee recommendation
Transit planning and research	121,207,000	.....	122,000,000
Capital investment grants ^{3 4}	3,110,648,500	.....	3,140,000,000
Major capital investment grants .....	.....	1,534,094,000	.....
Job access and reverse commute grants	104,317,500	.....	125,000,000
Total	7,179,031,000	7,226,000,000	7,305,000,000

¹ Reflects reduction of \$46,969,000 in fiscal year 2003 pursuant to section 601 of Public Law 108-7.

² Fiscal year 2003 reflects transfer \$49,675,000 from Formula grants to Capital investment grants.

³ Fiscal year 2003 reflects transfer of \$44,707,500 from Job Access and Reverse Commute grants to Capital investment grants.

⁴ Excludes transfers of unobligated balances of \$1,015,648 from Job Access and Reverse Commute grants to Capital investment grants.

ADMINISTRATIVE EXPENSES

	General fund	Trust fund
Appropriations, 2003 ¹	\$14,505,100	\$58,020,400
Budget estimate, 2004	76,500,000	.....
Committee recommendation	14,600,000	58,400,000

¹ Reflects total reduction of \$474,500 pursuant to section 601 of Public Law 108-7.

The accompanying bill provides a total of \$73,000,000 in budget resources for the agency's salaries and administrative expenses, which is comprised of an appropriation of \$14,600,000 from the general fund and a limitation on obligations of \$58,400,000 from the mass transit account of the highway trust fund. The recommended level of funding is \$524,500 more than the fiscal year 2003 enacted level.

The specific levels of funding recommended by the Committee are as follows:

	Committee recommendation
Office of the Administrator	\$980,000
Office of Chief Counsel	3,750,000
Office of Civil Rights	2,700,000
Office of Communications and Congressional Affairs	1,160,000
Office of Budget and Planning	6,200,000
Office of Planning	3,450,000
Office of Program Management	7,250,000
Office of Research, Demonstration, and Innovation	4,600,000
Office of Administration	6,133,000
Central Account	16,800,000
Regional Offices	17,777,000
National Transit Database	2,200,000

Budget Justifications.—The FTA is directed to submit its fiscal year 2005 congressional justification for administrative expenses by office, with material detailing salaries and expenses, staffing increases, and programmatic initiatives of each office.

Staffing Level.—The Committee has not provided the requested increase in funding for additional staff. The Committee notes that the current staff level is below the increase that was approved for fiscal year 2003. When filling those positions, the Committee believes it is imperative that the Administrator give priority on hiring to engineers and financial specialists whose knowledge and experience can improve project management oversight and analysis of financial documents that are required to be submitted to the agency.

National Transit Database.—The Committee recommendation continues funding for the operation of the National Transit Database in the administrative expenses account. The budget request assumed funding for the National Transit Database to be set aside under the proposed Formula Grants and Research account. The Committee believes that the activities of the database are administrative in nature. The Committee recommendation provides \$2,200,000 for continued operation and maintenance of the National Transit Database.

Grants Management.—The Committee is concerned by the increasing number of projects not being obligated in a 3-year period and consequently becoming available for reallocation. At the same time, the Committee has heard a litany of complaints from project sponsors—some of whom are first-time grantees—of the lack of cooperation and assistance from the FTA during the grant application process. While the Committee expects aggressive oversight from the agency, it will not condone intimidation or dilatory bureaucratic obstacles that needlessly delay the obligations of discretionary projects.

Buy America Enforcement.—The Committee is concerned that the application and enforcement of the “Buy America” statutes by the FTA may be inconsistent with other modes of the Department and other departments of the Federal Government and with the law itself. The Committee is interested in ensuring that domestic content requirements for manufactured products are properly applied and reflect the spirit and intent of the law. The Committee directs the Department of Transportation Office of Inspector General to review the FTA’s recent interpretations of manufactured component and subcomponents as well as the use of temporary exemptions regarding to domestic content of the “Buy America” statute for consistency with the law and other practices within the Department. This report should be provided to the Committee not later than September 30, 2003.

FORMULA GRANTS

	General fund	Trust fund
Appropriations, 2003 ^{1 2}	\$713,134,300	\$3,051,237,200
Budget estimate, 2004 ³	5,615,406,000	.....
Committee recommendation	767,800,000	3,071,200,000

¹ Reflects total reduction of \$24,953,500 pursuant to section 601 of Public Law 108-7.

² Fiscal year 2003 does not reflect FHWA flex funding transferred to FTA.

³ Limitation of \$5,615,400,000 included in proposed “Formula Grants and Research” account.

FORMULA GRANTS

Formula grants to States and local agencies funded under this heading fall into four categories: urbanized area formula grants (49 U.S.C. 5307); clean fuels formula grants (49 U.S.C. 5308); formula grants and loans for special needs of elderly individuals and individuals with disabilities (49 U.S.C. 5310); and formula grants for non-urbanized areas (49 U.S.C. 5311). In addition, setasides of formula funds are directed to: a grant program for intercity bus operators to finance Americans with Disabilities Act [ADA] accessibility costs; and the Alaska Railroad for improvements to its passenger operations.

Within the total funding level of \$3,839,000,000 for fiscal year 2004, the statutory distribution of these formula grants is allocated among these categories as follows:

Urbanized areas (sec. 5307)	\$3,428,709,908
Clean fuels (sec. 5308)	50,000,000
Elderly and disabled (sec. 5310)	90,652,801
Nonurbanized areas (sec. 5311)	239,404,605
Over-the-Road Bus Program	6,950,000
Alaska railroad	4,850,000

Section 3007 of TEA21 amends U.S.C. 5307, urbanized formula grants, by striking the authorization to utilize these funds for operating costs, but includes a specific provision allowing the Secretary to make operating grants to urbanized areas with a population of less than 200,000. Generally, urbanized formula grants may be used to fund capital projects and to finance planning and improvement costs of equipment, facilities, and associated capital maintenance used in mass transportation. All urbanized areas greater than 200,000 in population are statutorily required to use 1 percent of their annual formula grants on enhancements, which include landscaping, public art, bicycle storage, and connections to parks.

Clean Fuels Program.—The Transportation Equity Act for the 21st Century requires that \$50,000,000 be set-aside from funds made available under the formula grants program to fund the clean fuels program. The clean fuels program is supplemented by an additional set-aside from the major capital investment's bus program and provides grants for the purchase or lease of clean fuel buses for eligible recipients in areas that are not in compliance with air quality attainment standards. The Committee assumes continuation of the program for fiscal year 2004. The Committee has included bill language transferring the clean fuel formula set-aside funds to the capital investment grants account. The Committee has identified designated recipients of these funds within the projects listed under the bus program of the capital investment grants account.

Over-the-Road Buses.—The Committee has included \$6,950,000 in fiscal year 2004 for the over-the-road accessibility program. These funds are intended to assist over-the-road bus operators in complying with the Americans with Disabilities Act accessibility requirements.

The following table displays the State-by-State distribution of the formula program funds within each of the program categories:

FEDERAL TRANSIT ADMINISTRATION ESTIMATED FISCAL YEAR 2004 APPORTIONMENTS FOR
FORMULA GRANTS PROGRAMS (BY STATE)

State	Section 5307 Urbanized Area	Section 5311 Non-urbanized Area	Section 5310 Elderly & Persons with Disabilities	State Total Formula Grants
Alabama	\$15,138,667	\$6,692,853	\$1,582,925	\$23,414,445
Alaska	¹ 8,583,909	932,825	240,303	9,757,037
America Samoa		153,015	60,088	213,103
Arizona	45,440,735	3,265,027	1,652,847	50,358,609
Arkansas	8,174,080	4,841,318	1,029,871	14,045,269
California	586,497,810	10,288,103	9,488,916	606,274,829
Colorado	45,565,774	2,906,645	1,160,010	49,632,429
Connecticut	42,916,872	1,487,843	1,128,644	45,533,359

FEDERAL TRANSIT ADMINISTRATION ESTIMATED FISCAL YEAR 2004 APPORTIONMENTS FOR
 FORMULA GRANTS PROGRAMS (BY STATE)—Continued

State	Section 5307 Urbanized Area	Section 5311 Non-urbanized Area	Section 5310 Elderly & Persons with Disabilities	State Total Formula Grants
Delaware	6,423,520	674,570	352,994	7,451,084
District of Columbia	68,645,916	.....	309,042	68,954,958
Florida	164,147,558	6,709,898	6,064,881	176,922,337
Georgia	62,615,813	8,483,506	2,295,637	73,394,956
Guam .....	.....	413,460	157,227	570,687
Hawaii	27,934,110	1,003,237	476,147	29,413,494
Idaho	5,729,233	1,843,271	455,768	8,028,272
Illinois	218,339,751	7,162,729	3,526,256	229,028,736
Indiana	35,559,976	7,129,966	1,871,517	44,561,459
Iowa	12,691,349	4,838,329	980,862	18,510,540
Kansas	9,947,047	3,954,418	882,653	14,784,118
Kentucky	19,148,378	6,610,369	1,461,839	27,220,586
Louisiana	30,616,488	5,163,713	1,455,553	37,235,754
Maine	3,061,990	2,566,606	533,084	6,161,680
Maryland	69,033,173	2,668,245	1,545,478	73,246,896
Massachusetts	124,990,002	1,906,899	2,041,414	128,938,315
Michigan	67,602,520	8,973,689	2,938,848	79,515,057
Minnesota	41,820,114	5,896,505	1,366,007	49,082,626
Mississippi	5,296,811	5,781,661	1,032,720	12,111,192
Missouri	36,365,026	6,689,314	1,788,808	44,843,148
Montana	2,581,409	1,784,125	384,485	4,750,019
N. Mariana Islands	675,985	20,101	60,998	757,084
Nebraska	8,239,653	2,420,193	596,510	11,256,356
Nevada	24,473,107	859,874	721,940	26,054,921
New Hampshire	4,642,118	1,826,747	457,852	6,926,717
New Jersey	217,148,481	1,764,249	2,587,773	221,500,503
New Mexico	9,551,855	2,555,204	655,206	12,762,265
New York	550,931,718	9,272,746	6,091,120	566,295,584
North Carolina	37,901,829	11,453,770	2,563,722	51,919,321
North Dakota	3,055,663	1,098,794	310,725	4,465,182
Ohio	90,141,703	10,795,153	3,431,195	104,368,051
Oklahoma	14,269,627	5,253,598	1,208,398	20,731,623
Oregon	35,475,309	3,860,108	1,122,512	40,457,929
Pennsylvania	153,018,676	10,870,487	4,044,433	167,933,596
Puerto Rico	43,018,815	886,505	1,399,708	45,305,028
Rhode Island	8,886,917	321,036	463,004	9,670,957
South Carolina	14,252,555	5,710,780	1,383,261	21,346,596
South Dakota	2,347,890	1,496,368	339,305	4,183,563
Tennessee	28,940,103	7,276,884	1,914,830	38,131,817
Texas	196,543,779	16,174,536	5,644,548	218,362,863
Utah	27,263,133	1,295,598	592,321	29,151,052
Vermont	1,043,871	1,344,670	294,426	2,682,967
Virgin Islands .....	.....	290,086	150,772	440,858
Virginia	54,598,970	6,317,121	2,017,699	62,933,790
Washington	95,763,294	4,247,495	1,720,930	101,731,719
West Virginia	4,949,894	3,454,176	784,330	9,188,400
Wisconsin	40,150,971	6,733,687	1,574,405	48,459,063
Wyoming	1,381,661	982,500	256,054	2,620,215
Subtotal	3,433,535,608	239,404,605	90,652,801	3,763,593,014
Oversight	17,253,948	1,203,038	.....	18,456,986
Total	3,450,789,556	240,607,643	90,652,801	3,782,050,000
Over-the-Road Bus Program .....	.....	.....	.....	6,950,000
Clean Fuels .....	.....	.....	.....	50,000,000
Grand Total .....	.....	.....	.....	3,839,000,000

¹ Includes \$4,825,700 to Alaska Railroad for improvements to passenger operations.

UNIVERSITY TRANSPORTATION RESEARCH

	General fund	Trust fund
Appropriations, 2003 ¹	\$1,192,200	\$4,768,500
Budget estimate, 2004 ²		
Committee recommendation	1,200,000	4,800,000

¹ Reflects total reduction of \$39,000 pursuant to section 601 of Public Law 108-7.
² Limitation of \$6,000,000 included in proposed "Formual Grants and Research" account.

Section 5505 of TEA21 provides authorization for the university transportation research program. The purpose of the university transportation research program is to foster a national resource and focal point for the support and conduct of research and training concerning the transportation of passengers and property. Funds provided under the FTA university transportation research program are transferred to and managed by the Research and Special Programs Administration [RSPA], combined with a transfer from the Federal Highway Administration of \$26,500,000. The transit university transportation research program funds are statutorily available only to the following universities: University of Minnesota and Northwestern University. Funding is also statutorily available for awards based on competitive applications of approved universities.

The Committee action provides \$6,000,000 to continue the university transportation research program. The Committee recommendation is \$39,000 more than the level as provided in fiscal year 2003 and is consistent with the level of funding during the authorization period covered by TEA21.

TRANSIT PLANNING AND RESEARCH

	General fund	Trust fund
Appropriations, 2003 ^{1,2}	\$24,042,700	\$97,164,300
Budget estimate, 2004 ³		
Committee recommendation	24,400,000	97,600,000

¹ Reflects total reduction of \$793,000 pursuant to section 601 of Public Law 108-7.
² Does not reflect FHWA flex funding transferred to FTA.
³ For comparative purposes, total program level of \$133,118,750 is request as included in proposed "Formula Grants and Research" account and appropriations in the "Major Capital Investment Grants."

The Committee action provides \$122,000,000 for transit planning and research. The bill contains language specifying that \$60,385,600 shall be available for the metropolitan planning program; \$5,250,000 for the rural transit assistance program; \$31,500,000 for the national planning and research program; \$12,614,400 for the State planning and research program; \$8,250,000 for transit cooperative research; and \$4,000,000 for the National Transit Institute at Rutgers University.

The Committee recommendation includes transit planning and research grants from the national program for:

Project	Amount
Advanced Transportation Technology Institute, TN	\$500,000
Center for Composite Manufacturing, AL	1,000,000
Fischer-Tropsch clean diesel technology demonstration, OK	1,000,000
NDSU Transit Center for small urban areas, ND	400,000
JSU Bus Technology Research Center	1,000,000
Metrolink's Automated Passenger Counting System, CA	900,000
National Bio-Terrorism Civilian Medical Response Center, PA	1,000,000

Project	Amount
Project Action	3,000,000
Transit Technology Career Ladder Partnership Training Program	500,000
Vashon Island Passenger-Only Ferry Initiative, WA	1,000,000
WVU exhaust emissions testing, WV	1,400,000

TRUST FUND SHARE OF EXPENSES
(LIQUIDATION OF CONTRACT AUTHORIZATION)
(HIGHWAY TRUST FUND)

Appropriations, 2003	\$5,781,000,000
Budget estimate, 2004	320,594,000
Committee recommendation	5,844,000,000

For fiscal year 2004, the Committee has provided \$5,844,000,000 in liquidating cash for the trust fund share of transit expenses associated with the following programs: administrative expenses, formula grants, university transportation research, transit planning and research, job access and reverse commute grants, and capital investment grants. The recommended liquidating cash appropriation is consistent with the limits for new contract authority from mass transit account of the highway trust fund inside of the mass transit category as outlined in the concurrent resolution on the budget for fiscal year 2004.

CAPITAL INVESTMENT GRANTS

	General funds	Trust funds
Appropriations, 2003 ^{1,2}	\$682,733,200	\$2,427,915,300
Budget estimate, 2004		
Committee recommendation	628,000,000	2,512,000,000

¹ Reflects total reduction of \$19,734,000 pursuant to section 601 of Public Law 108-7.

² Includes \$49,675,000 transferred from Formula Grants and \$44,707,500 transferred from Job Access and Reverse Commute Grants pursuant to Public Law 108-7.

Section 5309 of 49 U.S.C. authorizes discretionary grants or loans to States and local public bodies and agencies thereof to be used in financing mass transportation investments. Investments may include construction of new fixed guideway systems and extensions to existing guideway systems; major bus fleet expansions and bus facility construction; and fixed guideway expenditures for existing systems.

The Committee action provides a level of \$3,140,000,000. Within this total, \$2,512,000,000 is from the mass transit account of the highway trust fund and \$628,000,000 is appropriated from the general fund. The following table summarizes the Committee recommendations:

	2003 program level	Fiscal year 2004 budget estimate	Committee recommendation
Bus and bus facilities	\$652,928,200		\$607,200,000
Fixed guideway modernization	1,206,506,400		1,214,400,000
New systems and new extensions ¹	1,251,213,900	\$1,514,918,000	1,318,400,000
Total	3,110,648,500	1,514,918,000	3,140,000,000

¹ Fiscal year 2003 program level excludes \$1,015,648 in unobligated balance transferred from Job access and reverse commute grants.

FTA Restrictions on Funding for Non-FFGA Projects.—The Committee is troubled by the actions taken this year by FTA to withhold the release of appropriated funds for new start projects that have received more than \$25,000,000 in Federal funding prior to receiving a full funding grant agreement. This significant shift in policy is based on a reinterpretation of the requirements of Sections 5309(e)(6), (7), and (8) of title 49 U.S.C. The Committee questions the timing of a significant policy change in the last 4 months of the 6-year authorization period of TEA21 and is aware that it is coincidentally consistent with provisions included in the administration's reauthorization proposal, SAFETEA, that was released this spring. The Committee also questions the conclusions considering that subsection (8) was designed more as a relief from Federal regulatory scrutiny than as a cap on pre-project planning.

The accompanying bill includes a general provision that rejects the FTA interpretation that once a project exceeds \$25,000,000 it is subject to FTA review and evaluation and therefore FTA must approve it for advancement. Further, there is no limit of \$25,000,000 on alternatives analysis, preliminary engineering, or final design, and a project seeking more than that amount for such activities does not need an early systems work agreement, as FTA has interpreted to be required under subsection (g)(1). The Committee directs FTA to expeditiously release previously appropriated funds for all new start projects identified in this and prior appropriations acts that remain unobligated and have not been reallocated by the Congress, upon the request of the grantee and the satisfaction of statutory requirements.

Pooled Procurement Pilot Project.—The Committee is aware of a new process that uses Internet-based technology to allow transit systems to collaborate on bus procurements. This new process shows promise of increasing the efficiency of the bus acquisition process by providing transit systems with new information on pricing and greater market power as well as minimizing the excessive customization that increases manufacturing costs. The Committee anticipates that this process will be especially beneficial to small- and medium-sized transit operations and municipalities. All transit operators, in particular small- and medium-sized transit agencies and municipalities, have wrestled for years with the challenges and difficulties of developing bus specifications, assessing bids, overseeing production, and completing final delivery of vehicles. The Committee believes that demand aggregation would reduce the managerial burden on individual transit organizations to perform these functions and provide quantity discounts that are otherwise not available.

The accompanying bill includes language to provide for a pooled procurement pilot project. The Committee directs FTA to undertake a minimum of three pilot projects, to include no less than two transit systems for each pooled procurement initiative. As an additional incentive to transit systems to participate in the pilot project pool, the provision provides for an increased Federal share of 90 percent.

The Committee further directs FTA to disseminate the benefits of buyer collaboration to transit systems and to review upcoming and current procurements to determine suitable candidates for selection as pilot projects. The FTA shall provide technical assistance

to assist pool participants develop specifications and other necessary functions. Finally, FTA must identify any regulations that require modification for compliance with Federal bus grant guidelines. FTA shall evaluate the process employed and the results achieved by each pool and report the findings to the House and Senate Committees on Appropriations no later than 60 days after the award of a contract.

Limited Extensions of Discretionary Funds.—There have been occasions when the Committee has extended the availability of capital investment funds. These extensions are granted on a case by case basis and, in nearly all instances, are due to circumstances that were unforeseen by the project's sponsor. The availability of these particular funds are intended for one additional year, absent further congressional direction. The Committee directs the FTA not to reallocate funds provided in fiscal year 2001 or previously for the following new starts projects:

- Alaska /Hawaii Ferry Projects
- Albuquerque/Greater Albuquerque, New Mexico Mass Transit Project
- Birmingham, Alabama, Transit Corridor
- Burlington-Bennington (ABRB), Vermont Commuter Rail Project
- Charleston, SC Monobeam Corridor Project
- Charlotte, North Carolina, North Corridor and South Corridor Transitway
- Clark County, Nevada, RTC Fixed Guideway Project
- Dulles, Virginia Corridor Project
- Girdwood to Wasilla, Alaska, Commuter Rail Project
- Greater Albuquerque, New Mexico Mass Rail Transit Project
- Hollister/Gilroy, California Branch Line Rail Extension Project
- Indianapolis, Indiana Northeast-Downtown Corridor Project
- Kansas City, Missouri, Southtown Corridor Project
- Kenosha-Racine-Milwaukee, Wisconsin Rail Extension Project
- Los Angeles-San Diego LOSSAN Corridor Project
- Lowell, Massachusetts-Nashua, New Hampshire Commuter Rail Project
- Nashville, Tennessee, Regional Commuter Rail Project
- Philadelphia, Pennsylvania SEPTA Cross County Metro Project
- Portland, Maine, Marine Highway Program
- Raleigh-Durham-Chapel Hill, North Carolina Triangle Transit Project
- Roaring Fork, Colorado Valley Project
- Stamford, Connecticut, Fixed Guideway Corridor
- Stockton, California, Altamont Commuter Rail Project
- Twin Cities, Minnesota Transitways Projects
- West Trenton, New Jersey, Rail Project
- Wilmington, DE Commuter Rail Project

The Committee also directs the FTA not to reallocate funds provided in fiscal year 2001 or previously for the following bus and bus facility projects:

- Bellows Falls Multimodal, Vermont multimodal
- Binghamton, NY intermodal transportation center
- Bridgeport, CT intermodal center

- Burlington, Vermont multimodal transportation center
- Central Vermont Transit Authority buses and bus facilities
- Cheyenne, Wyoming transit and operation facility
- Clovis, New Mexico transit center
- Homer, Alaska Maritime Wildlife Refuge intermodal and welcome center
- Lake Tahoe, Nevada CNG buses and fleet conversion
- Norwich bus terminal and pedestrian access
- University of Alabama Birmingham fuel cell buses
- Waterbury, Connecticut bus garage
- Wilkes-Barre, Pennsylvania intermodal facility

BUS AND BUS FACILITIES

The Committee recommendation for bus and bus facilities funding is \$607,200,000. These funds may be used to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities. Funds for bus and bus facilities shall be distributed as follows:

Project	Amount
Alabama A&M University Transit Loop, Alabama	\$1,500,000
Alabama State Docks Intermodal Facility	10,000,000
Albuquerque bus and bus facilities, New Mexico	4,500,000
Allentown Intermodal Facility, Pennsylvania	3,000,000
Ames Maintenance Facility rehabilitation and expansion, Iowa	1,000,000
Anchorage Ship Creek Intermodal Facility, Alaska	3,000,000
Ann Arbor fuel cell bus project, Michigan	2,800,000
Arctic Winter Games bus and bus facilities, Alaska	1,500,000
Area Transportation Authority of North Central PA buses and bus equipment, Pennsylvania	2,500,000
Arkansas statewide bus and bus facilities	10,000,000
Austin Capital Metro buses and bus facilities, Texas	4,000,000
Berks Area Reading Transportation Authority intermodal facility, Pennsylvania	2,000,000
Billings downtown bus transfer facility, Montana	2,000,000
Binghamton Intermodal Center, New York	1,000,000
Birmingham Intermodal Facility phase II, Alabama	3,500,000
Brattleboro Multimodal, Vermont	2,000,000
Bridgeport Intermodal Transport Center, Connecticut	4,000,000
Brockton Intermodal Transportation Centre, Massachusetts	1,000,000
Broward/Palm Tran Bus Coalition, Florida	1,000,000
Burlington Transit Facilities, Vermont	3,000,000
Bus Rapid Transit Project, Virginia Street, Reno, Nevada	4,000,000
Cedar Avenue Transitway, Minnesota	2,000,000
Chapel Hill Bus Maintenance Facility, North Carolina	2,000,000
Charlotte Area Transit System Transit Maintenance and Operations Center, North Carolina	5,000,000
Cherry Street Project Multi-Modal Facility, Terre Haute, Indiana	2,000,000
Cheyenne River Sioux Tribe public bus and bus facilities, South Dakota	2,250,000
City of Farmington buses and bus facilities, New Mexico	100,000
City of Fort Smith, Arkansas, Transit Maintenance Facility, Arkansas	750,000
City of Rome Passenger Intermodal Facility, New York	2,000,000
Clark County Transit, Bus Replacement Project, Washington	3,000,000
Coffman-Cove Inner Island Ferry/Bus Terminal, Alaska	3,000,000
Colorado Statewide bus and bus facilities	9,000,000
Colorado Transit Coalition bus and bus facilities	9,000,000
Community Transit Bus and Van Replacement, Washington	1,000,000
Community Transit Park and Ride Lot Expansion Program, Washington	2,000,000
Connecticut Statewide Bus Purchase	3,000,000
Construction of new Intermodal Terminals in Downtown Reno and Sparks, Nevada	7,500,000
Corpus Christ bus and bus facilities, Texas	3,500,000
Cranberry Isles Intermodal Transportation Facility, Maine	500,000
Cummings Research Park Commercial Center Intermodal Facility, Alabama	1,000,000
Curtis Ferry replacement, Maine	1,500,000
Danville Hub-Gilcher Project, Kentucky	1,750,000

Project	Amount
Daviess County Parking Garage and Intra-County Transit Facility, Kentucky	3,500,000
Dekalb County BRT Improvements, Georgia	1,500,000
Denton Downtown Multimodal Transportation Facility, Texas	1,000,000
Downtown Detroit Transit Center, Michigan	7,000,000
Downtown Transit Center, Nashville, Tennessee	4,000,000
East Central Bus Coalition bus procurement, Florida	8,000,000
East Haddam Mobility Improvement, Connecticut	3,000,000
East Side Transit Center, Cleveland, Ohio	2,000,000
Edmonds Crossing Multimodal Transportation Terminal, Washington	2,000,000
El Paso Sun Metro bus replacement, Texas	2,000,000
Everett Transit, Bus Replacement Project, Washington	1,000,000
Fairbanks Transit bus replacement, Alaska	3,000,000
Flint bus and bus facilities, Michigan	3,000,000
Fresno FAX Buses and Equipment, California	1,200,000
Fuel cell bus project, University of Delaware	2,500,000
Georgia Regional Transportation Authority buses and bus facilities	5,500,000
Girdwood Transportation Center, Alaska	1,500,000
Great Falls Transit Authority bus replacement and facility improvement, Montana	300,000
Greater Minnesota Transit buses and bus facilities, Minnesota	5,000,000
Greater Ouachita Port and Intermodal Facility, Louisiana	1,500,000
GRTC bus facility, Virginia	4,500,000
Hampton Roads Transit Southside Bus Facility, Virginia	3,500,000
Harford Downtown Circulator, Connecticut	2,000,000
Harrisburg International Airport Multi-Modal Transportation Facility, Pennsylvania	2,000,000
Harrison County multimodal project, Mississippi	2,000,000
Hartford New Britain busway, Connecticut	10,000,000
Hattiesburg Intermodal Facility, Mississippi	5,000,000
Hazleton Intermodal Public Transit Center, Pennsylvania	3,000,000
Helena Transit facility, Montana	500,000
Honolulu bus and paratransit vehicle replacement, Hawaii	11,000,000
Honolulu Middle Street Intermodal Center, Hawaii	4,000,000
Huntsville Airport Phase III Intermodal Facility, Alabama	3,500,000
Idaho Transit Coalition buses and bus facilities	4,500,000
Illinois statewide bus and bus facilities	8,000,000
Indianapolis Transit Center, Indiana	3,500,000
Intercity Transit Bus Expansion and Replacement, Washington	1,000,000
Intermodal Facility, JIA, Mississippi	3,000,000
Intermodal Transit Facility for ULM, Louisiana	1,000,000
Intermodal Transportation Facility, University of Delaware	2,000,000
Iowa City Near North Side Transportation Center, Iowa	2,100,000
Iowa statewide buses and bus facilities	8,000,000
Jacksonville Transportation Authority bus acquisition, Florida	1,000,000
Jefferson Transit Operating and Maintenance Facility, Washington	1,000,000
Johnson County transit equipment and transit coach improvement, Kansas	250,000
Kalamazoo City bus replacement, Michigan	1,000,000
Kansas City Area Transit Authority buses and bus facilities, Kansas	1,000,000
Kansas statewide buses and bus facilities	4,000,000
KCATA Bus and Bus Facilities, Missouri	4,500,000
Kearney RYDE Program, Nebraska	1,000,000
King County Metro Clean Air Buses, Washington	5,000,000
King County Metro Park and Ride on First Hill, Seattle, Washington	3,626,000
Kitsap Transit Bus Replacement Program, Washington	1,000,000
Knoxville Electric Transit Intermodal Center, Tennessee	3,000,000
Lane Transit District, BRT Phase II, Coburg Road Phase III, Oregon	6,000,000
Lansing Fixed Route Bus Replacement, ADA Para transit Small Bus Replacement, Maintenance, Administration and Storage Facility Renovation and Expansion, CATA/MSU Bus Way, Rural Small Bus Replacement, Michigan	2,500,000
Las Cruces buses and bus facilities, New Mexico	750,000
Las Vegas downtown buses, Nevada	750,000
Lechmere Station relocation and intermodal expansion, Boston, Massachusetts	1,500,000
Liberty County COA bus facility, Montana	50,000
Link Transit Vehicle Replacement, Wenatchee, Washington	800,000
Long Beach Transit buses and bus facilities, California	1,000,000
Los Angeles MTA bus, California	3,000,000
Louisiana statewide bus and bus facilities	7,500,000
Lowcountry Regional Transportation Authority, South Carolina	300,000

Project	Amount
Lowell Regional Transit Authority Gallagher Intermodal Transportation Center, Massachusetts	1,100,000
Lubbock Citibus alternative fueled, low floor buses, Texas	1,750,000
Macon Multi-Modal Terminal Station, Georgia	1,500,000
Main Street Station Multimodal Transportation Center, Virginia	3,000,000
Marquette County, Phase II—Transit Administrative, Operations, Maintenance & Storage Facility, Michigan	2,000,000
MARTA buses, Georgia	9,000,000
Maryland statewide buses	8,000,000
Medical University of South Carolina Intermodal Facility, South Carolina	5,000,000
Memphis International Airport intermodal facility, Tennessee	3,000,000
Mesa Operating Facility, Arizona	2,700,000
Metro Area Transit (MAT) bus and bus facilities, Omaha, Nebraska	3,000,000
METRO bus and bus facilities improvements, St. Louis, Missouri	3,500,000
Metro Transit buses and bus facilities, Minnesota	7,000,000
Metro Transit Operators Coalition, California	2,000,000
Miami-Dade County bus acquisition, Florida	1,000,000
Michigan Statewide buses and bus facilities	5,000,000
Missouri Statewide Bus and Bus Facility Projects	10,000,000
Mobile Waterfront Terminal and Maritime Center of the Gulf, Alabama	5,000,000
Mountain Line Bus Replacement and Facility Improvements, Montana	400,000
Mukilteo Lane Park and Ride, Washington	1,000,000
Multimodal Transportation Center, City of Durham, North Carolina	2,000,000
Multi-Modal Transportation Facility and Transit System at Oklahoma State University, Oklahoma	3,000,000
Nevada Rural Transit Vehicles and Facilities	1,000,000
New Hampshire statewide buses and bus facilities	4,500,000
New Haven fuel cell/electric buses, Connecticut	1,000,000
Newark Penn Station Intermodal improvements, New Jersey	4,000,000
Niagara Falls International Rail Station & Intermodal Transportation Center, New York	3,500,000
Norman buses and bus facilities, Oklahoma	3,000,000
North Carolina statewide bus and bus facilities	7,000,000
North Charleston Regional Intermodal Transportation Center (RITC), South Carolina	1,000,000
North Dakota Statewide Transit	4,000,000
North Florida and West Coast bus procurement, Florida	10,000,000
Northwest Shoals Community College Transportation Modernization, Alabama	500,000
OATS Bus and Bus Facilities, Missouri	2,500,000
Ohio Statewide bus and bus facilities	8,000,000
Oklahoma City buses, Oklahoma	4,500,000
Old Bridge Intermodal Stations and Park & Rides, New Jersey	1,000,000
Orange Beach Senior Activity Center buses, Alabama	200,000
Orange County, CA—Inter-County Express Bus Service, California	1,000,000
Palo Alto Intermodal Transit Center, California	750,000
Phoenix Regional Heavy Maintenance Facility, Arizona	500,000
Phoenix/Glendale West Valley Operating Facility, Arizona	5,000,000
Pierce Transit Clean Bus Initiative, Washington	1,000,000
Pittsburgh Water Taxi, Pennsylvania	3,000,000
Port Authority of Allegheny County buses, Pennsylvania	4,000,000
Port McKenzie Intermodal Facility, Alaska	2,500,000
Port of Anchorage Intermodal Facility, Alaska	3,000,000
Portland Bayside Parking Garage/Intermodal Facility, Maine	500,000
Richmond Highway Public Transportation Initiative, Virginia	7,000,000
RIPTA buses and vans, Rhode Island	4,000,000
Riverside Transit Agency buses and bus facilities, California	1,000,000
Rochester Bus Terminal, New York	6,000,000
Ronstadt Transit Center Modifications, Arizona	3,000,000
RTC Central City Intermodal Transportation Terminal, Las Vegas, Nevada	1,000,000
Saginaw Transit multimodal downtown transfer facility, Michigan	2,000,000
Salem Area Transit bus replacement, Oregon	1,000,000
San Antonio VIA Metropolitan Transit buses and bus facilities, Texas	6,000,000
San Francisco Muni bus and bus facilities, California	4,000,000
San Joaquin RTD Wilson Way Bus Facility, California	500,000
San Mateo Zero-Emission Bus Demonstration Program, California	1,000,000
Sawmill Creek Intermodal Facility, Alaska	2,500,000
SEPTA Bucks County Intermodal Facility, Pennsylvania	4,000,000
Senior Services of Northern Kentucky buses and bus facilities, Kentucky	1,000,000
Sonoma County Transit CNG buses, California	1,000,000
Sound Transit Regional Express Transit Hubs, Washington	2,000,000

Project	Amount
South Amboy, NJ Regional Intermodal Transportation Initiative	1,500,000
South Carolina statewide transit vehicles	5,000,000
South Dakota statewide buses and bus facilities	2,000,000
South Lake Union Circulation System (Seattle), Washington	3,000,000
Springfield Station, Oregon	5,000,000
Springfield Union Station, Springfield, Massachusetts	5,000,000
St. Bernard Parish intermodal facilities, Louisiana	1,000,000
St. Cloud buses, Minnesota	300,000
State of Maine Statewide Bus and Bus Facilities Program	2,500,000
Statewide buses and bus facilities, Alabama	3,300,000
Statewide intermodal centers, Utah	8,500,000
Statewide rural automatic vehicle locating and communications system, Nebraska	1,500,000
Statewide rural bus program, Hawaii	5,000,000
Sun Line Transit CNG bus acquisition, California	1,000,000
Tempe/Scottsdale East Valley Operating Facility, Arizona	4,000,000
Tennessee statewide buses and bus facilities	8,000,000
The Banks Intermodal Facility, Cincinnati, Ohio	5,000,000
Tillamook County Transit maintenance facility, Oregon	500,000
Topeka Transit bus and bus facilities, Kansas	625,000
Transit Authority of Northern Kentucky [TANK] bus replacement, Kentucky	2,800,000
Transit Authority of River City buses and bus facilities, Kentucky	5,000,000
Transit Authority of Warren County Intermodal Bus Facility, Pennsylvania	3,000,000
Troy State University Bus Shuttle Program, Alabama	2,000,000
Tulsa Transit paratransit buses, Oklahoma	1,200,000
UNI Multimodal Project, Iowa	6,500,000
Utah statewide bus and bus facilities	10,000,000
Vermont alternative fuel station and buses	1,000,000
Vermont Public Transit rolling stock	1,000,000
Visalia Bus Operations and Maintenance Facility, California	1,000,000
Washington State Small Bus System Program of Projects	3,799,000
Waterbury Bus Maintenance Facility, Connecticut	1,000,000
West Side Transit Facility, New Mexico	2,000,000
West Virginia statewide bus and bus facilities	5,000,000
Westchester County Bee Line bus replacement, New York	3,000,000
Western Kentucky University Bus Shuttle System, Kentucky	4,000,000
Wisconsin statewide bus and bus facilities	10,000,000
Wright Stop Plaza, Dayton, Ohio	3,000,000
Wyoming statewide buses and bus facilities	3,000,000

Illinois Statewide Buses.—The Committee provides \$8,000,000 to the Illinois Department of Transportation [IDOT] for Section 5309 Bus and Bus Facilities grants. The Committee expects IDOT to provide at least \$4,000,000 for Downstate Illinois replacement of buses in Bloomington, Champaign-Urbana, Decatur, Madison County, Peoria, Quincy, RIDES, River Valley, Rockford, Rock Island, South Central Illinois MTD, and Springfield. Further, the Committee expects IDOT to provide appropriate funds for bus facilities in Bloomington, Galesburg, Rock Island, and Metro Link's bus maintenance facility in St. Clair County including \$500,000 for the Town of Normal's Downtown Multi-Modal Transportation Center.

Washington Statewide Small Transit Systems, Buses and Bus facilities.—The Committee provides \$3,799,000 to the Washington State Department of Transportation [WSDOT] for Section 5309 Bus and Bus Facilities grants. The Committee expects WSDOT to fund the following projects: (1) \$688,000 Clallam Transit; (2) \$103,000 Columbia County Public Transportation [CCPT]; (3) \$114,000 Grays Harbor Transportation Authority; (4) \$1,094,000 Island Transit; (5) \$416,000 Jefferson Transit; (6) \$480,000 Mason County Transportation Authority; (7) \$88,000 Pullman Transit; (8) \$108,000 Twin Transit; and (9) \$708,000 Valley Transit.

Civil Rights Trail Trolleys.—The Committee directs that amounts made available in fiscal year 2001 to Montgomery Civil Rights Trail Trolleys instead be distributed for the City of Montgomery's Rosa Parks bus project. The availability of funds for obligation is extended through fiscal year 2004.

Vermont Buses.—Funds made available in fiscal year 2001 to the Central Vermont Transit Authority (Wheels Transportation Services) to assist with buses and bus facilities shall be made available to the Vermont Agency of Transportation. The availability of funds for obligation is extended through fiscal year 2004.

Reno, NV Bus Projects.—The following funds will be reprogrammed from previous fiscal years from the following projects for the purposes specified below: Bus Rapid Transit on South Virginia Street-Reno, \$1,950,000 (fiscal year 2003) and Reno Suburban transit coaches \$500,000 (fiscal year 2002)—to be made available for Reno/Sparks intermodal transportation terminals.

FIXED GUIDEWAY MODERNIZATION

The Committee recommends a total of \$1,214,400,000 for the modernization of existing rail transit systems. The Committee action continues the practice under TEA21 to distribute the funds by formula. The following table itemizes the fiscal year 2004 rail modernization allocations by State:

FEDERAL TRANSIT ADMINISTRATION SECTION 5309 FIXED GUIDEWAY MODERNIZATION APPORTIONMENTS

State	Fiscal Year 2004 Budget
Alaska	\$2,319,574
Arizona	2,612,495
California	147,696,782
Colorado	2,975,025
Connecticut	40,445,001
District of Columbia	53,132,445
Florida	19,352,512
Georgia	25,304,065
Hawaii	1,164,990
Illinois	131,538,057
Indiana	8,982,688
Louisiana	2,967,450
Maryland	28,792,929
Massachusetts	74,954,059
Michigan	663,817
Minnesota	6,307,551
Missouri	4,565,470
New Jersey	104,471,490
New York	369,033,091
Ohio	17,131,843
Oregon	4,520,661
Pennsylvania	99,950,443
Puerto Rico	2,450,605
Rhode Island	91,312
Tennessee	323,616
Texas	8,525,074
Virginia	17,277,259
Washington	23,882,868
Wisconsin	822,828
Total Apportioned	1,202,256,000

FEDERAL TRANSIT ADMINISTRATION SECTION 5309 FIXED GUIDEWAY MODERNIZATION
 APPORTIONMENTS—Continued

State	Fiscal Year 2004 Budget
Oversight (1 percent)	12,144,000
Grand Total	1,214,400,000

NEW STARTS

The bill provides \$1,318,400,000 for New Starts. These funds are available for major investment studies, preliminary engineering, right-of-way acquisition, project management, oversight, and construction for new systems and extensions. Under section 3009(g) of TEA21, there is an 8-percent statutory cap on the amount made available for activities other than final design and construction—that is, alternatives analysis, environmental impact statements, preliminary engineering, major investment studies, and other predesign and preconstruction activities.

COMMITTEE RECOMMENDATION

The bill allocates the funds provided for New Starts as follows:

Project	Amount
Alaska and Hawaii Ferry Projects	\$10,296,000
Baltimore—Central LRT Double Tracking, Maryland	40,000,000
Birmingham—Transit Corridor, Alabama	6,000,000
Boston—Silver Line Phase III, Massachusetts	1,000,000
Charlotte—South Corridor Light Rail Project, North Carolina	18,000,000
Chicago—Douglas Branch Reconstruction, Illinois	85,000,000
Chicago—North Central, Illinois	20,000,000
Chicago—UP West Line Extension, Illinois	12,000,000
Chicago—Metra Southwest Corridor Commuter Rail, Illinois	20,000,000
Chicago—Ravenswood Line Extension, Illinois	10,000,000
Commuter Rail Improvements, Delaware	3,000,000
Dallas—North Central LRT Extension, Texas	30,161,283
Denver—Southeast Corridor LRT, Colorado	80,000,000
Dulles Corridor Rapid Transit Project, Virginia	25,000,000
Euclid Corridor Transportation Project, Ohio	15,000,000
Ft. Lauderdale—Tri-Rail Commuter Rail Upgrade, Florida	18,410,000
Houston—Advanced Metro Transit Plan, Texas	10,000,000
Integrated Intermodal project, Rhode Island	6,000,000
Kenosha-Racine-Milwaukee Commuter Rail Extension, Wisconsin	4,000,000
Las Vegas—Resort Corridor Fixed Guideway, Nevada	25,000,000
Little Rock—River Rail Project, Arkansas	5,000,000
Los Angeles—Eastside LRT, California	5,000,000
Maine Marine Highway	2,000,000
Memphis—Medical Center Extension, Tennessee	9,247,588
Minneapolis—Hiawatha Corridor LRT, Minnesota	74,980,000
Minneapolis—Northstar Commuter Rail Project, Minnesota	10,000,000
New Orleans—Canal Street Streetcar Project, Louisiana	36,020,000
New York—East Side Access Project, New York	10,000,000
Newark Rail Link (MOS-1), New Jersey	22,566,022
Northern New Jersey-Hudson-Bergen LRT—MOS-2	100,000,000
Northwest Corridor BRT, Atlanta	4,000,000
Philadelphia—Schuylkill Valley Metro, Pennsylvania	16,000,000
Pittsburgh—North Shore Connector LRT, Pennsylvania	13,812,304
Pittsburgh—Stage II LRT Reconstruction, Pennsylvania	32,243,442
Portland—Interstate MAX LRT Extension, Oregon	77,500,000
Regional Commuter Rail (Weber County to Salt Lake City), Utah	12,000,000
Salt Lake City—Medical Center, Utah	30,663,361
San Diego—Mission Valley East LRT Extension, California	65,000,000

Project	Amount
San Diego—Oceanside Escondido, California	48,000,000
San Juan-Tren Urbano, Puerto Rico	20,000,000
Scranton—NY City Rail Service, Pennsylvania	5,000,000
Seattle—Central Link LRT MOS-1, Washington	75,000,000
SF Area—BART Airport Extension, California	100,000,000
Silicon Valley Rapid Transit Corridor, California	4,000,000
Stamford Urban Transitway Phase II, Connecticut	7,000,000
Trans-Hudson Midtown Corridor, New Jersey	5,000,000
Triangle Transit Authority Regional Rail Phase I Project, North Carolina	9,000,000
VRE Parking Improvements, Virginia	4,000,000
Washington, DC/Maryland—Largo Extension	65,000,000
Wilmington Train Station Improvements, Delaware	2,500,000
Wilsonville-Beaverton Commuter Rail, Oregon	6,000,000
Yarmouth to Auburn Line, Maine	3,000,000

Chicago—Ravenswood Line Extension, Illinois.—The Committee provides \$10,000,000 for the CTA Ravenswood Brown Line expansion project. The Committee directs the CTA to spend \$5,000,000 only on renovations and repairs to the Granville Station and viaduct.

Orange County Centerline LRT, California.—The Committee notes the progress made by the Orange County Transportation Authority in refining the scope of the Centerline LRT so as to make the project more cost effective and address community concerns. The Committee encourages the Secretary to continue working closely with the project sponsor to develop this project.

JOB ACCESS AND REVERSE COMMUTE GRANTS

	General fund	Trust fund
Appropriations, 2003 ^{1 2}		\$104,317,500
Budget estimate, 2004		
Committee recommendation	\$25,000,000	100,000,000

¹ Reflects total reduction of \$975,000 pursuant to section 601 of Public Law 108-7.

² Reflects transfer of \$44,707,600 to Capital investment grants.

The program makes competitive grants to qualifying metropolitan planning organizations, local governmental authorities, agencies, and nonprofit organizations. Grants may not be used for planning or coordination activities.

The budget requests funding for job access grants within the formula grants and research account.

The Committee recommends \$125,000,000 for the Job Access and Reverse Commute Grants program. This program is meant to help welfare reform efforts succeed by providing enhanced transportation services for low-income individuals, including former welfare recipients, traveling to jobs or training centers.

The Committee recommends the following allocations of job access and reverse commute grant program funds in fiscal year 2004:

Project	Amount
AC Transit CalWORKS Recipients Job Center, California	\$3,000,000
Access to Healthcare for Children—Children's Health Fund, Tennessee	750,000
Alabama Disabilities Advocacy Program [ADA] Rural Transportation Services, Alabama	500,000
Brockton Area Transit Authority [BAT] JARC Project, Massachusetts	500,000
Capital District Transportation Authority [CDTA] JARC Project, New York	500,000
Central New York Regional Transportation Authority [CNYRTA] Job Access/Reverse Commute Project, New York	300,000
Central Ohio Transit Authority's [COTA] Job Access & Mobility Management Program, Ohio	500,000

Project	Amount
Chautauqua County Job Access/Reverse Commute Project, New York	100,000
Cheyenne River Sioux Tribe Public Bus System, South Dakota	250,000
Chittenden County Transportation Authority JARC Program, Vermont	500,000
City of Galveston Job Access Program, Texas	500,000
City of Hornell Job Access & Reverse Commute Program, New York	100,000
Colonias JARC Initiative, Texas	2,000,000
Corpus Christi Welfare to Work Project, Texas	500,000
Craig Transit Service JARC Program, Alaska	50,000
Detroit DOT Job Access and Reverse Commute Projects, Michigan	2,000,000
Easter Seals West Alabama JARC Program, Alabama	1,000,000
El Paso Sun Metro Job Access Program, Texas	750,000
Essex County Job Access/Reverse Commute Project, New York	100,000
Flint Transit Job Access-Reverse Commute Program, Michigan	1,000,000
Fort Smith Transit Job Access Reverse Commute Program, Arkansas	200,000
Franklin County Job Access/Reverse Commute Project, New York	200,000
Grand Rapids Countywide Access to Jobs Program, Michigan	1,200,000
Greater Cleveland Regional Transit Authority JARC Program, Ohio	1,000,000
I-405 Congestion Relief Project, Washington	2,500,000
IndyGo Job Access and Reverse Commute Program, Indiana	1,000,000
Jackson-Josephine County Job Access Reverse Commute, Oregon	200,000
Jefferson County Job Access and Reverse Commute Projects, Alabama	4,000,000
Job Access, Illinois	250,000
Jobs Access/Reverse Commute Projects, Rhode Island	2,000,000
Lake Tahoe Public Transit Services JARC Project, Nevada	300,000
Link Transit JARC Program, Wenatchee, Washington	500,000
Lubbock Citibus Job Access Reverse Commute Program, Texas	230,000
MASCOT Matanuska-Susitna Valley JARC Project, Alaska	200,000
Metro Link San Bernadino Platform Extension, California	2,100,000
Metropolitan Access to Jobs Initiative, Fargo, North Dakota and Moorhead, Minnesota	200,000
Mobility Coalition, Alaska	500,000
MTA Long Island Bus Job Access and Reverse Commute Project, New York	500,000
North Pole Transit System JARC Program, Alaska	75,000
Oneida/Herkimer County Job Access/Reverse Commute Project, New York	100,000
Orange County Job Access/Reverse Commute Project, New York	100,000
Port Authority of Allegheny County JARC Program, Pennsylvania	4,000,000
Rochester Job Access and Reverse Commute, New York	750,000
Rogue Valley Transportation District [RVTD] Job Access Reverse Commute Program, Oregon	200,000
SACOG Sacramento Region Job Access and Reverse Commute Projects, California	1,500,000
Salem Area Transit Reverse Commute Project, Oregon	500,000
San Antonio VIA Metropolitan Transit Job Access and Reverse Commute Program, Texas	1,000,000
SEPTA JARC Program, Pennsylvania	6,050,000
Seward Transit Service JARC Program, Alaska	200,000
Sitka Community RIDE, Alaska	600,000
Statewide JARC, Iowa	2,000,000
Statewide JARC, Missouri	6,000,000
Statewide JARC, Tennessee	5,500,000
Statewide JARC, West Virginia	1,000,000
Statewide JARC, Wisconsin	2,600,000
Statewide JARC, Maine	1,000,000
Statewide JARC, Maryland	5,000,000
Statewide JARC, New Mexico	1,000,000
Statewide JARC, Oklahoma	6,000,000
Statewide JARC, Connecticut	3,500,000
Statewide JARC, New Jersey	4,000,000
Statewide JARC, New York	1,000,000
Statewide small urban and rural Job Access and Reverse Commute, Nevada	1,000,000
Statewide Ways to Work, Virginia	1,500,000
Topeka Transit JARC Program, Kansas	1,000,000
TriMet Regional Job Access Reverse Commute Program, Oregon	1,000,000
Unified Government of Wyandotte County JARC Program, Kansas	2,000,000
Vanpooling Enhancement and Expansion Project, Washington	1,000,000
Vehicle Trip Reduction Incentives, Washington	1,500,000
Virginia Beach Paratransit Services, Virginia	300,000
Ways to Work, Tarrant County, Texas	500,000
Ways to Work, California	1,000,000
Welfare to Work, Delaware	750,000

Project	Amount
WMATA JARC Program, Washington, DC	2,500,000
Worcester Regional Transit Authority JARC Projects, Massachusetts	300,000

GENERAL PROVISIONS—FEDERAL TRANSIT ADMINISTRATION

Section 150 exempts limitations previously made available on obligations for programs of the FTA under 49 U.S.C. 5338.

Section 151 allows funds under this Act, Federal Transit Administration, Capital investment grants not obligated by September 30, 2006 to be made available for other projects under 40 U.S.C. 5309.

Section 152 allows funds appropriated before October 1, 2003, that remain available for expenditure may be transferred.

Section 153 allows funds made available for Alaska or Hawaii ferry boats or ferry terminal facilities to be used to construct new vessels and facilities, or to improve existing vessels and facilities.

Section 154 allows funds made available for Colorado Roaring Fork Transportation Authority to be made available for expenditure on park and ride lots in Carbondale and Glenwood Springs, Colorado.

Section 155 allows unobligated funds for new projects under Federal Transit Authority to be used during this fiscal year to satisfy expenses incurred for such projects.

Section 156 establishes a pilot program to allow cooperative procurement of major capital equipment.

Section 157 reallocates \$400,000 for the replacement, rehabilitation, or purchase of buses or related equipment, or the construction of bus related facilities in Yosemite, California.

Section 158 allows the Secretary of Transportation to include all non-New Starts contributions made toward Phase 1 of the San Francisco Muni Third Street Light Rail Transit project to be used to meet the non-New Starts share requirement of any element or phase of the project.

Section 159 allows fund made available for the Cleveland Berea Red Line Extension to the Hopkins International Airport project to be used for the Euclid Corridor Transportation Project.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The Saint Lawrence Seaway Development Corporation [SLSDC] is a wholly owned Government corporation established by the Saint Lawrence Seaway Act of May 13, 1954. The SLSDC is responsible for the operation, maintenance, and development of the United States portion of the Saint Lawrence Seaway between Montreal and Lake Erie. The SLSDC's major priorities include: safety, reliability, trade development, and management accountability.

OPERATIONS AND MAINTENANCE

(HARBOR MAINTENANCE TRUST FUND)

Appropriations, 2003 ^{1 2}	\$13,994,441
Budget estimate, 2004	14,400,000
Committee recommendation	14,400,000

¹ Reflects reduction of \$91,559 pursuant to section 601 of Public Law 108-7.

² Does not reflect reduction of \$20,000 pursuant to section 362 of Public Law 108-7.

Appropriations from the Harbor Maintenance Trust Fund and revenues from non-federal sources finances the operation and maintenance of the Seaway for which the SLSDC is responsible.

COMMITTEE RECOMMENDATION

The Committee recommendation includes \$14,400,000 to fund the operations and maintenance of the SLSDC. The Committee recommendation provides sufficient funding for the SLSDC's highest capital priorities and the projects recommended by the U.S. Army Corps of Engineers after its survey and evaluation of the SLSDC's lock and maintenance practices. Based on independent security assessments, the SLSDC plans to implement additional security measures for the Saint Lawrence Seaway in fiscal year 2004.

The Committee commends the efforts made by the Saint Lawrence Seaway Development Corporation to enhance the security of Seaway infrastructure and maintain an open, yet secure waterway.

MARITIME ADMINISTRATION

Appropriations, 2003	\$230,338,000
Budget estimate, 2004	219,020,000
Committee recommendation	227,620,000

The Committee recommends an appropriations of \$227,620,000. The recommendation is \$8,600,000 more than the President's budget request.

The Maritime Administration [MARAD] is responsible for programs authorized by the Merchant Marine Act, 1936, as amended. MARAD's mission is to strengthen the U.S. maritime industry in support of the Nation's security and economic needs. MARAD, working closely with the Department of Defense [DOD], helps provide a seamless, time-phased transition from peacetime to wartime operations, while balancing the defense and commercial elements of the maritime transportation system. MARAD establishes DOD's prioritized use of ports and related intermodal facilities during DOD mobilizations to ensure the smooth flow of military cargo through commercial ports. MARAD also manages the Maritime Security Program, the Voluntary Intermodal Sealift Agreement Program and the Ready Reserve Force, which assure DOD access to commercial and strategic sealift and associated intermodal capacity. Further, MARAD's Education and Training Programs, through the U.S. Merchant Marine Academy and six State maritime schools, help provide skilled U.S. merchant marine officers.

The Committee continues to fund MARAD in its support of the United States as a maritime nation, and to help meet its management challenge to dispose of obsolete merchant-type vessels in the National Defense Reserve Fleet by the end of 2006.

OPERATIONS AND TRAINING

Appropriations, 2003 ¹	\$92,093,476
Budget estimate, 2004	104,400,000
Committee recommendation	106,000,000

¹ Reflects reduction of \$602,524 pursuant to section 601 of Public Law 108-7.

This appropriation finances costs incurred by headquarters and region staffs in the administration and direction of Maritime Ad-

ministration programs; the total cost of officer training at the U.S. Merchant Marine Academy as well as Federal financial support to six State maritime industry activities under emergency conditions; activities promoting port and intermodal development; activities under the American Fisheries Act; and Federal technology assessment projects designed to achieve advancements in ship design, construction and operations.

The Committee recommends \$106,000,000 for Operations and Training for fiscal year 2004. The recommendation is \$1,600,000 more than the budget estimate and \$13,906,524 more than the fiscal year 2003 enacted level. The Committee has included \$13,000,000 for the U.S. Merchant Marine Academy to accelerate its major design and construction projects, as indicated in its 10-year capital improvement plan, and \$1,600,000 to fill vacant positions. The Committee expects that in filling vacant positions, priority to be given to hiring new instructors.

SHIP DISPOSAL

Appropriations, 2003 ¹	\$11,088,454
Budget estimate, 2004	11,422,000
Committee recommendation	18,422,000

¹ Reflects reduction of \$72,546 pursuant to section 601 of Public Law 108-7.

The Ship disposal program provides resources to dispose of obsolete merchant-type vessels in the National Defense Reserve Fleet [NDRF], which the Maritime Administration is required by law to dispose of by the end of 2006. There is a backlog of over 130 ships awaiting disposal as of December 2002. These vessels, many of which are 50 years in age, pose a significant environmental threat due to the presence of hazardous substances such as asbestos and solid and liquid polychlorinated biphenyls [PCBs].

The Committee recommends an appropriation of \$18,422,000 for the Ship Disposal initiative. This amount is \$7,000,000 above the President's request.

MARITIME SECURITY PROGRAM

Appropriations, 2003 ¹	\$98,058,450
Budget estimate, 2004	98,700,000
Committee recommendation	98,700,000

¹ Reflects reduction of \$641,550 pursuant to section 601 of Public Law 108-7.

The Maritime Security Program provides resources to maintain a U.S. flag merchant fleet crewed by U.S. citizens to serve both the commercial and national security needs of the United States. The program provides direct payments to U.S. flag ship operators engaged in U.S. foreign trade. Participating operators are required to keep the vessels in active commercial service and are required to provide intermodal sealift support to the Department of Defense in times of war or national emergency.

The Committee recommends \$98,700,000 for the Maritime Security Program, consistent with the budget request.

MARITIME GUARANTEED LOAN PROGRAM

Appropriations, 2003 ¹	\$4,088,454
Budget estimate, 2004	4,498,000
Committee recommendation	4,498,000

¹ Reflects reduction of \$26,819 pursuant to section 601 of Public Law 108-7.

This program provides for guaranteed loans for purchasers of ships from the U.S. shipbuilding industry and for modernization of U.S. shipyards.

As required by the Federal Credit Reform Act of 1990, this account includes the subsidy costs associated with the loan guarantee commitments made in 1992 and beyond (including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year), as well as administrative expenses of this program. The subsidy amounts are estimated on a present value basis; the administrative expenses are estimated on a cash basis.

Funds for administrative expenses for the Title XI program are appropriated to this account, and then transferred by reimbursement to Operations and Training to be obligated and outlayed.

GENERAL PROVISIONS—MARITIME ADMINISTRATION

Section 160 authorizes the Maritime Administration to furnish utilities and services and make repairs to any least, contract, or occupancy involving Government property under the control of MARAD and rental payments shall be covered into the Treasury as miscellaneous receipts.

Section 161 prohibits obligations incurred during the current year from construction funds in excess of the appropriations and limitations contained in this Act or in any prior appropriation Act.

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

The Research and Special Programs Administration [RSPA] was established by the Secretary of Transportation's organizational changes dated July 20, 1977, and serves as a research, analytic, and technical development arm of the Department for multimodal research and development, as well as special programs. Particular emphasis is given to pipeline transportation and the transportation of hazardous cargo by all modes. In fiscal year 2004, resources are requested for the management and execution of the Offices of Hazardous Materials Safety, Emergency Transportation, Pipeline Safety, and program and administrative support. Funds are also requested for the Emergency Preparedness Grants program. RSPA's two reimbursable programs—Transportation Safety Institute [TSI] and the Volpe National Transportation Systems Center [VNTSC]—support research safety and security programs for all modes of transportation.

RESEARCH AND SPECIAL PROGRAMS

Appropriations, 2003 ^{1,2}	\$40,713,630
Budget estimate, 2004	50,723,000
Committee recommendation	42,516,000

¹ Reflects rescission of \$266,370 pursuant to Public Law 108-7.

² Does not reflect reduction of \$234,000 pursuant to section 362 of Public Law 108-7.

The Committee has provided a total of \$42,516,000 for the Research and special programs account, which is \$1,802,370 more than the fiscal year 2003 enacted level. A total of \$645,000 shall be derived from the Pipeline Safety Fund, consistent with the budget request.

The following table summarizes the Committee recommendations:

	Fiscal year—		Committee recommendation
	2003 enacted ¹	2004 estimate	
Hazardous materials safety	\$22,767,000	\$24,981,000	\$22,814,000
(FTE)	136	146	137.5
Emergency transportation	\$1,926,000	\$3,616,000	\$2,802,000
(FTE)	9	18.5	13
Research and technology	\$2,822,000	\$2,737,000	\$2,394,000
(FTE)	9	10	9.5
Program and administrative support	\$13,198,630	\$19,389,000	\$14,506,000
(FTE)	52	65.5	53
Total, research and special programs	\$40,713,630	\$50,723,000	\$42,516,000

¹ Reflects rescission of \$266,370 pursuant to Public Law 108-7.

² Does not reflect reduction of \$234,000 pursuant to section 362 of Public Law 108-7.

HAZARDOUS MATERIALS SAFETY

The Office of Hazardous Materials Safety [OHMS] administers a nationwide program of safety regulations to fulfill the Secretary's duty to protect the Nation from the risks to life, health, and property that are inherent in the transportation of hazardous materials by water, air, highway, and railroad. OHMS plans, implements, and manages the hazardous materials transportation program consisting of information systems, research and analysis, inspection and enforcement, rulemaking support, training and information dissemination, and emergency procedures.

The Committee recommends \$22,814,000 for hazardous materials safety. The Committee has provided funding for three new positions within the emergency transportation program. The Committee believes that these new positions should be devoted to personnel with expertise in the area of spent nuclear fuel in anticipation of shipments in 2004.

EMERGENCY TRANSPORTATION

Emergency Transportation [ET] programs provide support to the Secretary of Transportation for his statutory and administrative responsibilities in the area of transportation civil emergency preparedness and response. This program develops and coordinates the Department's policies, plans, and programs, in headquarters and the field to provide for emergency preparedness.

ET is responsible for implementing the Department of Transportation's National Security Program initiatives, including an assessment of the transportation implications of the changing global threat. The Office also coordinates civil emergency preparedness and response for transportation services during national and regional emergencies, across the entire continuum of crises, including natural catastrophes such as earthquakes, hurricanes and tornados, and international and domestic terrorism. The Office of Emergency Transportation develops crisis management plans to

mitigate disasters and implements these plans nationally and regionally in an emergency.

The Committee recommends \$2,802,000 for emergency transportation. The Committee has provided funding for eight new positions to be allocated between the need for emergency transportation specialists and regional coordinators. The Committee has denied RSPA's request to transfer \$1,000,000 from the Research and Technology budget activity to pay for additional staffing requests.

RESEARCH AND TECHNOLOGY

The Committee recommends \$2,394,000 for the Office of Research and Technology. The funds provided will help support the R&T organizational excellence strategy specified in the Department's strategic plan, allow RSPA to support the intergovernmental transportation research coordination responsibilities of the National Science and Technology Council and support a limited intermodal research program, hazardous materials R&D, and hydrogen fuels R&D.

The Committee continues to support the Office of Research and Technology's role in coordinating transportation-related research throughout the Government. The Committee notes that RSPA has requested funding for research on the standards necessary for safe handling and transport of large quantities of hydrogen fuel and safety standards for on-board hydrogen vehicle power and storage systems pursuant to the President's new Freedom Fuel initiative. Accordingly, the Committee has provided funding to support one hydrogen fuel engineer to support this initiative. However, in developing these research initiatives, the Committee encourages RSPA to work with the Department of Energy to ensure that all research related to hydrogen fuels is complementary in order to maximize the Federal Government's investment in this initiative.

PROGRAM AND ADMINISTRATIVE SUPPORT

The program support function provides legal, financial, management, and administrative support to the operating offices within RSPA. These support activities include executive direction (Office of the Administrator), program and policy support, civil rights and special programs, legal services and support, and management and administration.

The Committee is troubled by RSPA's request for additional funding to establish proper accounting procedures, ensure integrity in the execution of RSPA's appropriated funds, and eliminate vulnerabilities in internal funds control. The Committee believes that these are essential budgetary functions for every agency and is concerned that they are not currently an integral part of RSPA's budget and accounting structure. The Committee therefore directs RSPA to immediately develop the appropriate accounting procedures and budgetary tools to ensure the proper accounting and integrity of appropriated funds. RSPA shall provide to the House and Senate Committees on Appropriations, no later than 90 days after enactment of this Act, a report detailing the measures that will be taken to address these shortfalls and a timeline for implementation.

The Committee has provided \$14,506,000 for program and administrative support. The Committee believes that this level of funding is adequate and provides sufficient flexibility to meet RSPA's program and administrative expenses. The Committee notes that the 2004 budget requests funding be transferred from the Research and Technology budget activity for satellite phones, secure voice and fax, and conference calling capability for Regional Emergency Response Teams. The Committee encourages RSPA to utilize the flexibility provided herein to ensure that Regional Emergency Response Teams are adequately equipped to perform their duties.

Business Modernization.—Public Law 107–87 directed RSPA to develop an Information Technology Strategic Plan outlining improvements in information technology and business modernization. In advance of this plan, the administration requested \$3,616,000 for IT infrastructure improvements and identified RSPA's need to remedy its weak IT infrastructure as its number one priority for fiscal year 2003. The fiscal year 2004 budget again seeks funding for IT infrastructure improvements. The Committee remains supportive of the need to overhaul RSPA's Information Management Program but continues to be exceedingly concerned by RSPA's inability to develop a true Information Technology Strategic Plan that identifies what RSPA's information needs are, identifies who needs access to the information, and identifies the resulting system infrastructure requirements.

The Committee notes that the fiscal year 2003 appropriations Act halted any further expenditure of funds for consulting costs for the business modernization initiative and directed RSPA to submit a new Strategic Information Technology Plan by May 15, 2003. To date, the Committee has not received the requested plan and therefore denies RSPA's request for funding for this initiative. The Committee has, however, granted RSPA's request for funding for an IT database manager and one addition IT staff so as to allow RSPA to manage its current system. Further, the Committee encourages RSPA to make their new Strategic Information Technology Plan a priority given that the fiscal year 2003 budget identified RSPA's weak IT infrastructure as the number one priority.

PIPELINE SAFETY

(PIPELINE SAFETY FUND)

(OIL SPILL LIABILITY TRUST FUND)

	Pipeline safety fund	Trust fund	Total
Appropriations, 2003 ^{1 2}	\$56,003,595	\$7,423,432	\$63,427,027
Budget estimate, 2004	48,336,000	18,741,000	67,077,000
Committee recommendation	50,429,000	17,183,000	67,612,000

¹ Reflects rescission of \$414,973 pursuant to Public Law 108–7.

² Does not reflect reduction of \$166,000 pursuant to section 362 of Public Law 108–7.

The Research and Special Programs Administration is responsible for the Department of Transportation pipeline safety program. Funding for the Office of Pipeline Safety is made available from two primary sources: the pipeline safety fund, comprised of user fees assessed on interstate pipeline operators; and the oil spill li-

ability trust fund, a revolving fund comprised of an environmental tax on petroleum and oil spill damage recovery payments. The pipeline safety program promotes the safe, reliable, and environmentally sound transportation of natural gas and hazardous liquids by pipeline. This national program regulates the design, construction, operation, maintenance, and emergency response procedures pertaining to gas and hazardous liquids pipeline systems and liquefied natural gas facilities. Also included is research and development to support the pipeline safety program and grants-in-aid to State agencies that conduct a qualified pipeline safety program and to others who operate one-call programs.

The Committee's recommendation for the Federal pipeline safety program generally supports, and is consistent with, the key provisions of the Pipeline Safety Improvement Act of 2002. The Committee recommends \$67,612,000 for the Office of Pipeline Safety. The bill specifies that, of the total appropriation, \$50,429,000 shall be from the Pipeline Safety Fund and \$17,183,000 shall be from the Oil Spill Liability Trust Fund. The Committee's recommendation provides funding to support 6 new natural gas inspectors, 3 new State program managers, 4 new FERC inspectors and 2 new inspectors for technical issues on the Alaska system, consistent with the budget request.

The Committee notes that the budget reduces funding for State One-Call Grants. The Committee believes that one-call grants have a proven track record in effective damage prevention and has provided \$1,000,000 in funding.

The Committee notes the significant increase in funding derived from the Oil Spill Liability Trust Fund. The Oil Pollution Act of 1990 requires that these trust funds be used for oil spill prevention and response activities. While the requested increase has been provided, the Committee directs the Office of Pipeline Safety to factor the Oil Spill Liability Trust Fund into the allocation formula that determines the hazardous liquid pipeline user fee assessment in order to accurately reflect the actual oversight activities conducted by the Office of Pipeline Safety.

Research and Development.—The Committee recommends \$9,169,000 for pipeline safety research, which is consistent with the amount requested.

EMERGENCY PREPAREDNESS GRANTS

(EMERGENCY PREPAREDNESS FUND)

Appropriations, 2003 ¹	\$198,700
Budget estimate, 2004	200,000
Committee recommendation	200,000

¹ Reflects rescission of \$1,300 pursuant to Public Law 108-7.

The hazardous materials transportation law (title 49 U.S.C. 5101 et seq.) requires RSPA to: (1) develop and implement a reimbursable emergency preparedness grants program; (2) monitor public sector emergency response training and planning and provide technical assistance to States, territories, and Indian tribes; and (3) develop and update periodically a national training curriculum for emergency responders. These activities are financed by receipts received from the hazardous materials shipper and carrier registra-

tion fees, which are placed in the emergency preparedness fund. The hazardous materials transportation law provides permanent authorization for the emergency preparedness fund for planning and training grants, monitoring and technical assistance, and for administrative expenses. An appropriation of \$200,000, also from the emergency preparedness fund, provides for the training curriculum for emergency responders.

LIMITATION ON OBLIGATIONS

Bill language is included that limits the obligation of emergency preparedness training grants to \$14,300,000 in fiscal year 2004.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

Appropriations, 2003 ^{1 2 3}	\$57,047,764
Budget estimate, 2004 ⁴	55,000,000
Committee recommendation	56,000,000

¹ Reflects reduction of \$373,236 pursuant to section 601 of Public Law 108-7.

² Does not reflect reduction of \$200,000 pursuant to section 362 of Public Law 108-7.

³ Does not include reimbursements of \$3,501,094 from FHWA, \$2,250,000 from FAA, \$1,987,000 from FTA, \$1,000,000 from TSA, and \$100,000 from NTSB.

⁴ Does not include reimbursements of \$3,524,000 from FHWA, \$2,250,000 from FAA, \$2,000,000 from FTA, and \$100,000 from NTSB.

The Inspector General Act of 1978 established the Office of Inspector General [OIG] as an independent and objective organization, with a mission to: (1) conduct and supervise audits and investigations relating to the programs and operations of the Department; (2) provide leadership and recommend policies designed to promote economy, efficiency, and effectiveness in the administration of programs and operations; (3) prevent and detect fraud, waste, and abuse; and (4) keep the Secretary and Congress currently informed regarding problems and deficiencies.

OIG is divided into two major functional units: the Office of Assistant Inspector General for Auditing and the Office of Assistant Inspector General for Investigations. The assistant inspectors general for auditing and investigations are supported by headquarters and regional staff.

The Committee recommendation provides \$56,000,000 for activities of the Office of Inspector General, which is \$1,047,764 less than the fiscal year 2003 enacted level and \$1,000,000 more than the budget request. The increase above the budget request reflects the value the Committee places on the OIG contribution as an objective and credible voice on various transportation issues.

Unfair Business Practices.—The bill maintains language which authorizes the OIG to investigate allegations of fraud and unfair or deceptive practices and unfair methods of competition by air carriers and ticket agents.

SURFACE TRANSPORTATION BOARD
SALARIES AND EXPENSES

	Appropriation	Crediting offsetting collections
Appropriations, 2003 ^{1 2}	\$19,330,075	\$1,000,000
Budget estimate, 2004	19,521,000	1,050,000
Committee recommendation	19,521,000	1,050,000

¹ Reflects reduction of \$119,925 pursuant to section 601 of Public Law 108-7.

² Does not reflect reduction of \$10,000 pursuant to section 362 of Public Law 108-7.

The Surface Transportation Board was created on January 1, 1996, by Public Law 104-88, the Interstate Commerce Commission Termination Act of 1995 [ICCTA]. The Board is specifically responsible for the regulation of the rail and pipeline industries and certain non-licensing regulation of motor carriers and water carriers.

Rail Carriers.—This regulatory oversight encompasses the regulation of rates, merger, and acquisitions, construction, and abandonment of railroad lines, as well as the planning, analysis and policy development associated with these activities.

Other Surface Transportation Carriers.—This regulatory oversight includes certain regulation of the intercity bus industry and surface pipeline carriers as well as the rate regulation of water transportation in the non-contiguous domestic trade, household good carriers, and collectively determined motor rates.

The Committee recommends an appropriation of \$19,521,000 for activities of the Board. Included in the recommended amount is an estimated \$1,050,000 in fees to be collected, which will offset the appropriated funding. The Board is authorized to credit the fees collected to the appropriated amount as offsetting collections reducing the general funds appropriation on a dollar-for-dollar basis as the fees are received and collected.

TITLE II—DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2003 ¹	\$157,669,444
Budget estimate, 2004	166,875,000
Committee recommendation	174,809,000

¹ Reflects reduction of \$31,531,557 pursuant to section 601 of Public Law 108–7 and transfers to Department of Homeland Security.

The Departmental Offices in the Department of the Treasury provide basic support to the Secretary of the Treasury, who is the chief operating executive of the Department. The Secretary of the Treasury has the primary role in formulating and managing the domestic and international tax and financial policies of the Federal Government. The Secretary’s responsibilities funded by the Salaries and Expenses appropriation include: recommending and implementing United States domestic and international economic and tax policy; fiscal policy; governing the fiscal operations of the Government; maintaining foreign assets control; managing the public debt; managing development financial policy; representing the United States on international monetary, trade and investment issues; overseeing Department of the Treasury’s overseas operations; and directing the administrative operations of the Department of the Treasury.

The Committee recommends an appropriation of \$174,809,000 for salaries and expenses for Departmental Offices of the Department of the Treasury, which is \$7,934,000 more than the budget request.

International Affairs.—The Office of International Affairs has experienced significant growth in mission responsibilities. While the Department has realigned its resources to focus on emerging international priorities, shortfalls remain that require additional funding and staff. The recommendation includes an increase of \$2,727,000 and 19 positions to support increased demands to improve the stability of the international financial system and economy, reform international financial institutions, support national security goals, and respond to the proliferation of on-going trade negotiations.

Terrorist Finance and Financial Crimes.—The Treasury remains one of the leading agencies responsible for combating terrorist financing and other financial crimes domestically and abroad. The Treasury’s Office of Enforcement, which previously performed these and other enforcement responsibilities, was transferred to the new Department of Homeland Security. In March 2003, the Secretary of Treasury established the Executive Office of Terrorist Finance and Financial Crimes [EOTF/FC] to continue support for coordi-

nating the Department's counter-terrorist financing and anti-money laundering efforts. The Committee supports the establishment of the Office of Terrorist Finance and Financial Crimes and the recommendation includes an additional \$2,285,000 and 19 positions for the office to carry out Treasury's policy responsibilities pertaining to counter-terrorist financing and financial crimes.

One-year Base Restoration.—The budget request assumes a reduction of \$28,000,000 and 226 full time equivalent positions for the Departmental Offices to reflect the divestiture of certain Treasury Departmental Offices' functions to the Department of Homeland Security. Treasury has worked with the Office of Personnel Management to implement this reduction through employee transfers to DHS and early-out retirement authority. However, the initial estimate of 226 employees reduced from the salary and expenses account has proven to be too high. As a result, the Department anticipates the need for additional funding to support approximately 60 full-time equivalent [FTE] positions in fiscal year 2004. The Committee recommends \$5,800,000 to fund this base shortfall for fiscal year 2004. The Departmental Offices are directed to submit a report to the House and Senate Committees on Appropriations providing the status of reducing the remaining FTE by March 1, 2004.

Base Reduction.—The recommendation includes a reduction of \$2,851,000 to reflect one-time costs pertaining to an Asian Development Bank Conference and Transfer Pricing Initiative that were included in the budget request. The Committee also has deleted \$27,000 for FECA costs, consistent with the general guidelines of the report.

Foreign Assets Control.—The Office of Foreign Assets Control manages and enforces economic sanctions and embargo programs against targeted foreign governments and groups that pose threats to the national security, foreign policy, or economy of the United States. These include sanctions programs administered under the International Emergency Economic Powers Act, the Trading with the Enemy Act, the United National Participation Act, the Anti-Terrorism and Effective Death Penalty Act, the Foreign Narcotics Kingpin Designation Act and other related Executive Orders and statutes.

The Committee includes bill language specifying that the Office of Foreign Assets Control [OFAC] be funded at no less than \$21,855,000 and 120 full time equivalent positions.

Treasury Franchise Fund.—The Department of the Treasury was chosen as a pilot Franchise Fund under Public Law 103-356, the Government Management and Reform Act of 1994. Begun in 1997, financial and administrative services included in the Franchise Fund (Fund) are financed on a fee-for-service basis. Treasury's Fund is a revolving fund used to supply financial and administrative services on the basis of services supplied. For 2004, service activities are expected to have spending authority of \$384,000,000 and employ 543 people.

Activities included in the Fund are financial training, accounting cross-servicing, and various administrative support services. The Fund concept is intended to increase competition for government

and financial administrative services, resulting in lower costs and higher quality.

DEPARTMENT-WIDE SYSTEMS AND CAPITAL INVESTMENTS PROGRAM
(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2003 ¹	\$41,790,584
Budget estimate, 2004	36,928,000
Committee recommendation	36,928,000

¹ Reflects reduction of \$23,837,416 pursuant to section 601 of Public Law 108-7 and transfers to the Department of Homeland Security.

The Committee has provided a total of \$36,928,000 to remain available until September 30, 2006. The 1997 Treasury and General Government Appropriations Act established this account which is authorized to be used by or on behalf of Treasury bureaus, at the Secretary's discretion, to modernize business processes and increase efficiency through technology investments, as well as other activities that involve more than one Treasury bureau or Treasury's interface with other Government agencies.

INSPECTOR GENERAL FOR TREASURY

Appropriations, 2003	
Budget estimate, 2004	\$134,949,000
Committee recommendation	

The budget request includes a legislative proposal to merge the Treasury Inspector General and the Treasury Inspector General for Tax Administration into a new Inspector General office to be called the Inspector General for Treasury. The proposed new organization will have all of the same powers and authorities as its predecessors have under current law.

The Committee recommendation denies authorization to establish a consolidated Inspector General Office for the Treasury. The Committee agrees that the Treasury Inspector General's office should substantially decrease in size due to the transfer of law enforcement functions to the Department of Homeland Security. The duties and responsibilities of the Treasury Inspector General, however, remain vastly different in substance from those performed by the Treasury Inspector General for Tax Administration and are not conducive to being integrated. Furthermore, the Committee is concerned that a consolidated Inspector General office would dilute the vigorous oversight that the Congress and the taxpayers expect. Further, the Committee believes that it is important to maintain an independent Inspector General office to audit, investigate, and evaluate the IRS.

OFFICE OF INSPECTOR GENERAL
SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$10,915,585
Budget estimate, 2004	
Committee recommendation	12,687,000

¹ Reflects reduction of \$24,642,416 pursuant to section 601 of Public Law 108-7.

The Committee recommends an appropriation of \$12,687,000 for salaries and expenses of the Office of Inspector General [OIG].

The OIG conducts and supervises audits, evaluations, and investigations designed to: (1) promote economy, efficiency, and effectiveness and prevent fraud, waste and abuse in Departmental programs and operations; and (2) keep the Secretary and the Congress fully and currently informed of problems and deficiencies in the administration of Departmental programs and operations. The audit function provides program audit, contract audit and financial statement audit services. Contract audits provide professional advice to agency contracting officials on accounting and financial matters relative to negotiation, award, administration, repricing, and settlement of contracts. Program audits review and audit all facets of agency operations. Financial statement audits assess whether financial statements fairly present the agency's financial condition and results of operations, the adequacy of accounting controls, and compliance with laws and regulations. These audits contribute significantly to improved financial management by helping Treasury managers identify improvements needed in their accounting and internal control systems. The evaluations function reviews program performance and issues critical to the mission of the Department, including assessing the Department's implementation of the Government Performance and Results Act [GPRA]. The investigative function provides for the detection and investigation of improper and illegal activities involving programs, personnel, and operations.

The Inspectors General Auditor Training Institute provides the necessary facilities, equipment, and support services for conducting auditor training for the Federal Government Inspector General community. The Office of the Inspector General is the parent organization for this entity, although program and financing data is reported under the Treasury Franchise Fund (effective in 1999).

TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION

Appropriations, 2003 ¹	\$124,198,429
Budget estimate, 2004	
Committee recommendation	128,034,000

¹ Reflects reduction of \$812,572 pursuant to section 601 of Public Law 108-7.

The Committee does not approve funding for the merger of the Offices of the Treasury Inspector General and the Treasury Inspector General for Tax Administration. The Committee recommends an appropriation of \$128,034,000 for the Treasury Inspector General for Tax Administration [TIGTA].

The Treasury Inspector General for Tax Administration [TIGTA] conducts audits, investigations, and evaluations to assess the operations and programs of the Internal Revenue Service [IRS] and Related Entities, the IRS Oversight Board and the Office of Chief Counsel to (1) promote the economic, efficient and effective administration of the nation's tax laws and to detect and deter fraud and abuse in IRS programs and operations; and (2) recommend actions to resolve fraud and other serious problems, abuses, and deficiencies in these programs and operations, and keep the Secretary and the Congress fully and currently informed of these issues and the progress made in resolving them. TIGTA reviews existing and proposed legislation and regulations relating to the programs and operations of the IRS and Related Entities and makes recommendations concerning the impact of such legislation and regu-

lations on the economy and efficiency in the administration of programs and operations of the IRS and Related Entities. The audit function provides program audit, contract audit and financial statement audit services. Program audits review and audit all facets of IRS and Related Entities. Contract audits provide professional advice to IRS contracting officials on accounting and financial matters relative to negotiation, award, administration, repricing, and settlement of contracts. The evaluations function reviews program performance and issues critical to the mission of the IRS. The investigative function provides for the detection and investigation of improper and illegal activities involving IRS programs and operations and protects the IRS and Related Entities against external attempts to corrupt or threaten their employees.

The Treasury Inspector General for Tax Administration was established by the IRS Restructuring and Reform Act of 1998 (Public Law 105–206). Funding was first appropriated for this account in the fiscal year 2000 Treasury and General Government Appropriations Act (Public Law 106–58).

AIR TRANSPORTATION STABILIZATION PROGRAM

Appropriations, 2003 ¹	\$6,001,734
Budget estimate, 2004	2,538,000
Committee recommendation	2,538,000

¹ Reflects reduction of \$39,267 pursuant to section 601 of Public Law 108–7.

The Committee recommends an appropriation of \$2,538,000 for the Air Transportation Stabilization Program.

On September 22, 2001, President Bush signed into law the Air Transportation Safety and System Stabilization Act, Public Law 107–42. The Act establishes the Air Transportation Stabilization Board. The Board may issue up to \$10,000,000,000 in loan guarantees.

TREASURY BUILDING AND ANNEX REPAIR AND RESTORATION

Appropriations, 2003 ¹	\$28,743,942
Budget estimate, 2004	25,000,000
Committee recommendation	25,000,000

¹ Reflects reduction of \$188,058 pursuant to section 601 of Public Law 108–7.

The Committee recommends an appropriation of \$25,000,000 for the repair and restoration of the Treasury Building and Annex. This appropriation funds repairs and selected improvements to maintain the Main Treasury and Annex buildings.

EXPANDED ACCESS TO FINANCIAL SERVICES

Appropriations, 2003 ¹	\$1,987,000
Budget estimate, 2004	
Committee recommendation	

¹ Reflects reduction of \$13,000 pursuant to section 601 of Public Law 108–7.

No additional funds were provided for Expanded Access to Financial Services, though the program will continue to operate on unobligated balances of budget authority. Appropriated amounts from fiscal year 2002 remain unavailable, however, due to the lack of congressional authorization.

TERRORISM INSURANCE PROGRAM

On November 26, 2002, President Bush signed into law the Terrorism Risk Insurance Act of 2002 (Public Law 107–297). The Act establishes and provides mandatory funding for a temporary Terrorism Insurance Program to be administered by the Department of the Treasury. Under the program, the Federal Government is responsible for paying 90 percent of the insured losses arising from acts of terrorism above the applicable insurer deductible and below the \$100,000,000,000 annual cap.

The budget includes estimates of the general administrative costs of the program. Given the uncertainty surrounding the risk of future terrorist attacks, the budget does not include estimates of the timing or magnitude of potential insurance claims under the program, which is scheduled to sunset on December 31, 2005. Any such claims would be paid from permanent, indefinite authority and would not require subsequent appropriations.

FINANCIAL CRIMES ENFORCEMENT NETWORK

Appropriations, 2003 ¹	\$51,415,612
Budget estimate, 2004	57,571,000
Committee recommendation	57,571,000

¹ Reflects reduction of \$336,388 pursuant to section 601 of Public Law 108–7.

The Committee recommends an appropriation of \$57,571,000 for the Financial Crimes Enforcement Network [FinCEN].

FinCEN, created in 1990 and elevated to bureau status in 2001, supports law enforcement investigations to prevent and detect money laundering, terrorist financing, and other financial crimes. FinCEN links law enforcement, financial, and regulatory communities into a single information-sharing network. Using Bank Secrecy Act [BSA] information reported by banks and other financial institutions, FinCEN serves as the nation's central clearinghouse for broad-based financial intelligence and information sharing on money laundering. This information helps illuminate the financial trail for investigators to follow as they track criminals and their assets.

The USA PATRIOT Act has expanded anti-money laundering programs and reporting requirements to a number of industries previously not covered by the BSA. FinCEN will undertake programs to reach these new industry groups, as necessary. FinCEN will also continue efforts with the IRS, especially related to the money service business industry, to assure compliance, respond to public inquiries, distribute forms and publications, and support information processing of the BSA data.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$220,634,493
Budget estimate, 2004	228,606,000
Committee recommendation	228,558,000

¹ Reflects reduction of \$1,443,507 pursuant to section 601 of Public Law 108–7.

The Committee recommends an appropriation of \$228,558,000 for salaries and expenses for the Financial Management Service [FMS]

in fiscal year 2004. This amount reflects a \$48,000 reduction for the Federal Employees Compensation Act [FECA].

Payments.—FMS implements payment policy and procedures for the Federal Government, issues and distributes payments, promotes the use of electronics in the payment process, and assists agencies in converting payments from paper checks to electronic funds transfer [EFT]. The control and financial integrity of the Federal payments and collections process includes reconciliation, accounting, and claims activities. The claims activity settles claims against the United States resulting from Government checks which have been forged, lost, stolen, or destroyed, and collects monies from those parties liable for fraudulent or otherwise improper negotiation of Government checks.

Collections.—FMS implements collections policy, regulations, standards, and procedures for the Federal Government, facilitates collections, promotes the use of electronics in the collections process, and assists agencies in converting collections from paper to electronic media.

Debt Collection.—FMS provides debt collection operational services to client agencies which includes collection of delinquent accounts, offset of Federal payments against debts owed the Government, post-judgment enforcement, consolidation of information reported to credit bureaus, reporting for discharged debts or vendor payments, and disposition of foreclosed property.

Governmentwide Accounting and Reporting.—FMS also provides financial accounting, reporting, and financing services to the Federal Government and the Government's agents who participate in the payments and collections process by generating a series of daily, monthly, quarterly and annual Government-wide reports. FMS also works directly with agencies to help reconcile reporting differences.

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

Appropriations, 2003 ¹	\$54,203,373
Budget estimate, 2004	80,000,000
Committee recommendation	80,000,000

¹ Reflects reduction of \$354,627 pursuant to section 601 of Public Law 108-7.

The Committee recommends \$80,000,000 for the Alcohol and Tobacco Tax and Trade Bureau [TTB]. This amount is an increase of \$25,442,000 above the fiscal year 2003 enacted level that was transferred to the TTB by the Bureau of Alcohol, Tobacco and Firearms [ATF]. The TTB did not exist as a stand alone agency until January 2003 when ATF was transferred to the Department of Justice.

The Homeland Security Act created a new bureau within the United States Department of the Treasury charged with collecting revenue and protecting the public. This new bureau enforces the Federal laws and regulations relating to alcohol and tobacco by working directly and in cooperation with others to: maintain a sound revenue management and regulatory system that continues reducing taxpayer burden, improving service, collecting the revenue due and preventing tax evasion and other criminal conduct, and protect the public and prevent consumer deception in regulated commodities.

UNITED STATES MINT

(UNITED STATES MINT PUBLIC ENTERPRISE FUND)

The United States Mint manufactures coins, sells numismatic and investment products, and provides for security and asset protection. Public Law 104–52 established the U.S. Mint Public Enterprise Fund (the Fund). The Fund encompasses the previous Salaries and Expenses, Coinage Profit Fund, Coinage Metal Fund, and the Numismatic Public Enterprise Fund. The Mint submits annual audited business-type financial statements to the Secretary of the Treasury and to Congress in support of the operations of the revolving fund.

The operations of the Mint are divided into three major activities: Circulating Coinage; Numismatic and Investment Products; and Protection. The Mint is credited with receipts from its circulating coinage operations, equal to the full cost of producing and distributing coins that are put into circulation, including depreciation of the Mint’s plant and equipment on the basis of current replacement value. From those receipts, the Mint pays its cost of operations, which includes the costs of production and distribution. The difference between the face value of the coins and these costs are profit, which is deposited as seigniorage to the general fund. In fiscal year 2002, the Mint transferred \$1,030,000,000 to the general fund. Any seigniorage used to finance the Mint’s capital acquisitions is recorded as budget authority in the year that funds are obligated for this purpose and as receipts over the life of the asset.

BUREAU OF ENGRAVING AND PRINTING

The Bureau of Engraving and Printing [BEP] designs, manufactures, and supplies Federal Reserve notes, various public debt instruments, as well as most evidences of a financial character issued by the United States, such as postage and internal revenue stamps. The Bureau executes certain printings for various territories administered by the United States, particularly postage and revenue stamps.

The operations of the Bureau are currently financed by means of a revolving fund established in accordance with the provisions of Public Law 656, August 4, 1950 (31 U.S.C. 181), which requires the Bureau to be reimbursed by customer agencies for all costs of manufacturing products and services performed. The Bureau is also authorized to assess amounts to acquire capital equipment and provide for working capital needs.

No direct appropriation is required to cover the activities of the Bureau.

BUREAU OF THE PUBLIC DEBT

ADMINISTERING THE PUBLIC DEBT

Appropriations, 2003 ¹	\$188,832,558
Budget estimate, 2004	173,698,000
Committee recommendation	173,652,000

¹ Reflects reduction of \$1,235,442 pursuant to section 601 of Public Law 108–7.

The Committee recommends an appropriation of \$173,652,000 for the Bureau of the Public Debt in fiscal year 2004. This amount reflects a \$46,000 decrease for Federal Employees Compensation Act [FECA] costs.

This appropriation provides funds for the conduct of all public debt operations and the promotion of the sale of U.S. savings-type securities.

Savings Securities.—This activity involves the issuance, servicing, and retirement of savings bonds and notes and retirement-type securities, including: the maintenance and servicing of individual accounts of owners of series H and HH bonds and the authorization of interest payments, and the maintenance of accounting control over financial transactions, securities transactions and accountability, and interest cost. These functions are performed directly by the Bureau of the Public Debt, by the Federal Reserve Banks as fiscal agents of the United States, and by the qualified agents which issue and redeem savings bonds and notes.

The fiscal year 2004 budget does not seek funding for the Bureau of the Public Debt to market and advertise savings securities.

Marketable and Special Securities.—This activity involves all securities of the United States, other than savings and retirement securities, including securities of Government corporations for which the Bureau of the Public Debt provides services. Functions performed relate to the issuance, servicing, and retirement of these securities, both directly by the Bureau and through the Federal Reserve Banks, as fiscal agents, including: the maintenance and servicing of individual accounts of owners of registered securities and book-entry Treasury bills, the authorization of interest and principal payments, and the maintenance of accounting control over financial transactions, securities transactions and accountability, and interest cost.

INTERNAL REVENUE SERVICE

SUMMARY

The Committee has recommended a total of \$10,276,008,000 for the Internal Revenue Service [IRS] in fiscal year 2004.

PROCESSING, ASSISTANCE, AND MANAGEMENT

Appropriations, 2003 ¹	\$3,930,064,450
Budget estimate, 2004	4,074,694,000
Committee recommendation	4,048,238,000

¹ Reflects reduction of \$25,712,551 pursuant to section 601 of Public Law 108-7.

The Committee recommends an appropriation of \$4,048,238,000 for Processing, Taxpayer Assistance, and Management. This amount is \$26,456,000 below the President's budget request as funding for new initiatives have been denied.

This appropriation provides for: processing tax returns and related documents; assisting taxpayers in the filing of their returns, paying taxes that are due, and complying with tax laws; issuing technical rulings; revenue accounting; conducting background investigations; and managing financial resources, rent and utilities.

IRS Staffing Plans.—The Committee continues to support adequate staffing levels for effective tax administration and supports

the staffing plans for the Internal Revenue Service facilities in the communities of Martinsburg and Beckley, WV. Therefore, the Committee urges the IRS, within the constraints of the fiscal year 2004 funding levels, to make no staffing reductions at the Martinsburg National Computing Center and the programmed level at the Administrative Services Center in Beckley, WV.

Tax Counseling for the Elderly.—The Committee once again believes that the Tax Counseling Program for the Elderly has proven to be most successful. To meet the goals of this program, \$3,950,000 is included within the aggregate amount recommended by the Committee for processing tax returns and assistance in fiscal year 2004. To ensure that the full effect of the program is accomplished, the IRS is directed to cover administrative expenses within existing funds.

Taxpayer Services in Alaska and Hawaii.—Given the remote distance of Alaska and Hawaii from the U.S. mainland and the difficulty experienced by Alaska and Hawaii taxpayers in receiving needed tax assistance by the national toll-free line, it is imperative that the Taxpayer Advocate Service Center in each of these States is fully staffed and capable of resolving taxpayer problems of the most complex nature. The Committee directs the Internal Revenue Service to staff each Taxpayer Advocate Service Center in each of these States with a Collection Technical Advisor and an Examination Technical Advisor in addition to the current complement of office staff. Staffing shall be increased if, as the result of the IRS Restructuring and Reform Act of 1998, subsequent legislation, or other factors, the number of cases or their complexity increases.

Low-Income Taxpayer Clinic.—The Committee once again commends the IRS for the Low-Income Taxpayer Clinic [LITC] program. With the growing complexity of tax laws, this program has provided invaluable help for taxpayers who are seeking to resolve disputes with the IRS. To ensure that the goals of the LITC program are maintained, the Committee has provided a total of \$7,000,000 to assist low-income taxpayer clinics across the Nation.

The Committee is concerned about recently proposed Treasury regulations that state that the Treasury Department and the Internal Revenue Service do not believe that qualified LITC's are authorized to provide tax preparation services unless it is in conjunction with a controversy or with an English as a Second Language program. Need-based tax preparation assistance through LITC and other programs such as VITA are imperative for many of our Nation's taxpayers who cannot afford commercial preparers. Without this assistance, many individuals may either not file a return or will make errors and prepare their returns improperly, ultimately leading to a controversy with the IRS. Helping taxpayers with problems with the IRS begins with the preparation and filing of the return. Without this assistance, the limited resources available to the LITC program will be insufficient to meet the demand of taxpayers with controversies with the IRS.

Volunteer Income Tax Assistance.—The Committee notes that the existing Volunteer Income Tax Assistance [VITA] program provides an invaluable service by helping low income taxpayers prepare and file their Federal income tax returns. The Committee, therefore, urges the IRS to provide such additional sums as may become

available to the VITA program outside of its in-kind contribution program. These additional funds are intended to assist the IRS in expanding the VITA program to hard-to-serve areas, such as Indian reservations. Additionally, these funds are intended to increase the capacity of VITA sites to file returns electronically and to cover some operational expenses. The Committee expects that IRS will continue its current level of in-kind contributions to the VITA programs.

Chicago, IL Tax Assistance Program.—The Committee is aware of an innovative financial literacy and tax assistance project in Chicago, Illinois—Tax Assistance Program—designed to assist low income workers and their families with tax education and filing, in cooperation with the State of Illinois and the City of Chicago’s Earned Income Tax Credit [EITC] outreach efforts. The Committee encourages the IRS to continue to provide appropriate technical and financial assistance for this worthwhile initiative.

TAX LAW ENFORCEMENT

Appropriations, 2003 ¹	\$3,704,833,032
Budget estimate, 2004	3,976,641,000
Committee recommendation	4,172,808,000

¹ Reflects reduction of \$24,238,968 pursuant to section 601 of Public Law 108–7.

The Committee recommends an appropriation of \$4,172,808,000 for Tax Law Enforcement activities in fiscal year 2004.

The Committee is supportive of Compliance and recommends for fiscal year 2004 that the Earned Income Tax Compliance Initiative appropriation merge with the existing Tax Law Enforcement appropriation. The Tax Law Enforcement appropriation language has been modified accordingly to reflect this proposal. The Earned Income Tax Compliance provides for expanded customer service and public outreach program, strengthened enforcement activities, and enhances research efforts to reduce over claims and erroneous filings associated with the Earned Income Tax Credit [EITC]. The Internal Revenue Service is permitted to adjust this funding up or down as the Commissioner deems appropriate to manage the total EITC program. The Committee recognizes that situations may arise whereby the EITC program may need support from other IRS program areas, whose operations are resident in appropriations other than the Tax Law Enforcement appropriation. To provide for this eventuality, the Committee has included specifics, which will allow for funding transfers to the Processing, Assistance, and Management account and the Information Systems account within the IRS solely for the purposes of proper management of the Earned Income Tax Compliance program. The Committee directs the IRS to report to the House and Senate Committees on Appropriations no later than April 15, 2004, on progress made from the merger and compliance initiative.

Further, this appropriation funds IRS’s ability to provide equitable application and enforcement of the tax laws, identify possible nonfilers for investigations, investigate violations of criminal statutes, and supports the Statistics of Income program.

Compliance Services.—This activity funds services provided to a taxpayer after a return is filed to identify and correct possible errors or underpayment. Included in this activity are staffing, train-

ing and support for: (1) compliance services operational management; (2) centralized automated collection system [ACS] and collection by correspondence in service centers; (3) field investigations and collection efforts associated with delinquent taxpayer and business entity liabilities; (4) documents matching; (5) examination of taxpayer returns at service centers; (6) field exam to determine corresponding tax liabilities; (7) enforcement of criminal statutes related to violations of internal revenue laws and other financial crimes; (8) processing of reports for current transactions over \$10,000; (9) case settlement through the appeals process; (10) litigation; and (11) taxpayer advocate case processing.

Research and Statistics of Income.—This activity funds research and statistical analysis support for the IRS. It provides annual income, financial, and tax data from tax returns filed by individuals, corporations, and tax-exempt organizations. Likewise it provides resources for market-based research to identify compliance issues, for conducting tests of treatments to address non-compliance, and for the implementation of successful treatments of taxpayer non-compliant behavior.

EARNED INCOME TAX CREDIT

Appropriations, 2003 ¹	\$145,051,000
Budget estimate, 2004	251,167,000
Committee recommendation	

¹ Reflects reduction of \$949,000 pursuant to section 601 of Public Law 108-7.

The Committee recommends no appropriations for the Earned Income Tax Credit. Funding for activities associated with this account have been included within the Committee recommendation for Tax Law Enforcement account.

INFORMATION SYSTEMS

Appropriations, 2003 ¹	\$1,621,833,000
Budget estimate, 2004	1,670,039,000
Committee recommendation	1,590,962,000

¹ Reflects reduction of \$10,611,000 pursuant to section 601 of Public Law 108-7.

The Committee recommends an appropriation of \$1,590,962,000 for information systems activities in fiscal year 2004.

This appropriation provides for Servicewide information systems operations and maintenance, and investments to enhance or develop business applications for the IRS Business Units. The appropriation includes staffing, telecommunications, hardware and software (including commercial-off-the-shelf), and contractual services.

Information Services.—This activity provides the salaries, benefits, and related costs to manage, maintain, and operate the information systems that support tax administration. The Service's business activities rely on these information systems to process tax and information returns, account for tax revenues collected, send bills for taxes owed, issue refunds, assist in the selection of tax returns for audit, and provide telecommunications services for all business activities including the public's toll free access to tax information. These systems are located in a variety of sites including the Martinsburg, West Virginia; Memphis, Tennessee; and Detroit, Michigan Computing Centers; Service Centers; and in other field

office operations. Staffing in this activity develops and maintains the millions of lines of programming code supporting all aspects of tax processing; as well as operating and administering the Service's hardware infrastructure of mainframes, minicomputers, personal computers, networks, and a variety of management information systems.

Information Systems Improvement Programs.—This activity funds improvements or enhancements to business applications. These investments conform to the modernized IRS architecture. These projects differ in scope from those funded by the Business Systems Modernization Program, which addresses major common tax administration systems.

The Committee believes that funds provided under the Information Systems account, particularly for development-related activities, should be managed with the same diligence and financial controls as those activities funded through the Business Systems Modernization account. In addition, the Committee expects that as the Business Systems Modernization moves an increasing number of major projects into deployment, the Service will realign development activities funded under the Information Systems account so that they are managed and integrated formally into Business Systems Modernization activity.

BUSINESS SYSTEMS MODERNIZATION

Appropriations, 2003 ¹	\$363,621,000
Budget estimate, 2004	429,000,000
Committee recommendation	429,000,000

¹ Reflects reduction of \$16,379,000 pursuant to section 601 of Public Law 108-7.

The Committee recommends an appropriation of \$429,000,000. This account provides for revamping business practices and acquiring new technology. The agency is using a formal methodology to prioritize, approve, fund, and evaluate its portfolio of business systems modernization investments. This methodology enforces a documented, repeatable, and measurable process for managing investments throughout their life cycle. Investment decisions are approved by the IRS Core Business System Executive Steering Committee, and chaired by the Commissioner.

The Committee acknowledges the cooperation in which the IRS has exemplified with the General Accounting Office [GAO] in submitting the expenditure plans. The Committee expects that the IRS will continue to provide documents and all pertinent information to GAO in a timely manner for review of the expenditure plan.

HEALTH INSURANCE TAX CREDIT ADMINISTRATION

Appropriations, 2003 ¹	\$69,545,000
Budget estimate, 2004	35,000,000
Committee recommendation	35,000,000

¹ Reflects reduction of \$455,000 pursuant to section 601 of Public Law 108-7.

The Committee recommends an appropriation of \$35,000,000 for the Health Insurance Tax Credit Administration.

This appropriation provides operating funds to administer the advance payment feature of a new Trade Adjustment Assistance health insurance tax credit program to assist dislocated workers

with their health insurance premiums. The tax credit program was enacted by the Trade Act of 2002 (Public Law 107–210) and is effective as of August 2003.

GENERAL PROVISIONS—INTERNAL REVENUE SERVICE

Section 201 authorizes the IRS to transfer up to 5 percent of any appropriation made available to the agency in fiscal year 2004, to any other IRS account. The IRS is directed to follow the Committee's reprogramming procedures outlined earlier in this report.

Section 202 maintains a training program in taxpayer's rights and cross-cultural relations.

Section 203 requires the IRS to institute and enforce policies and procedures which will safeguard the confidentiality of taxpayer information.

Section 204 directs that funds shall be available for improved facilities and increased manpower to provide sufficient and effective 1–800 help line service for taxpayers. The Commissioner shall continue to make this a priority.

DEPARTMENT OF THE TREASURY

GENERAL PROVISIONS

Section 210 authorizes certain basic services within the Treasury Department in fiscal year 2004, including purchase of uniforms; maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; and contracts with the Department of State for health and medical services to employees and their dependents serving in foreign countries.

Section 211 authorizes transfers, up to 2 percent, between Departmental Offices, Office of Inspector General, Treasury Inspector General for Tax Administration, Financial Management Service, Alcohol Tobacco Tax and Trade Bureau, Financial Crime Enforcement Network, and the Bureau of the Public Debt appropriations under certain circumstances.

Section 212 authorizes transfer, up to 2 percent, between the Internal Revenue Service and the Treasury Inspector General for Tax Administration under certain circumstances.

Section 213 requires the purchase of law enforcement vehicles is consistent with Departmental vehicle management principles.

Section 214 prohibits the Department of the Treasury and the Bureau of Engraving and Printing from redesigning the \$1 Federal Reserve Note.

Section 215 authorizes the Secretary of the Treasury to transfer funds from Salaries and Expenses, Financial Management Service, to the Debt Services Account as necessary to cover the costs of debt collection. Such amounts shall be reimbursed to the Salaries and Expenses account from debt collections received in the Debt Services Account.

Section 216 amends Section 122 of Public Law 105–119 (5 U.S.C. 3104 note), by striking "5 years" and inserting "6 years".

Section 217 requires prior approval for the construction and operation of a museum by the United States Mint.

Section 218 establishes a permanent appropriation to allow the Department of Treasury to reimburse financial institutions for

services provided in their capacity as depositaries and fiscal agents for the United States.

TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

Executive Office Consolidation.—For the third consecutive year, the administration has proposed a consolidation of the various accounts which comprise the Executive Office of the President. Last year, the Committee gave this request considerable deliberation and concluded that the existing structure served the Committee’s and the public’s need for transparency in the funding and operation of these important functions well. The existing structure also provides the executive branch with the flexibility it needs to reprogram funds within accounts to address unforeseen budget needs upon the notification and approval of the Committee. As noted in discussions with administration officials in past years, at no time has this Committee rejected an administration’s request to reprogram existing funds within accounts in this Title.

COMPENSATION OF THE PRESIDENT AND THE WHITE HOUSE OFFICE

COMPENSATION OF THE PRESIDENT

Appropriations, 2003	\$450,000
Budget estimate, 2004	450,000
Committee recommendation	450,000

The fiscal year 2004 budget request for compensation of the President is \$450,000. This amount includes \$400,000 for the direct salary of the President as authorized by 3 U.S.C. 102, and a \$50,000 expense account for official expenses, with any unused portions reverting to the Treasury. This expense account is not considered taxable to the President.

The Committee recommends the full budget request of \$450,000 for compensation of the President.

SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$50,385,356
Budget estimate, 2004	70,268,000
Committee recommendation	61,937,000

¹ Reflects reduction of \$329,648 pursuant to section 601 of Public Law 108–7.

These funds provide the President with staff assistance and provide administrative services for the direct support of the President. Public Law 95–570 authorizes appropriations for the White House Office and codifies the activities of the White House Office.

The Committee recommends an appropriation of \$61,937,000 for the White House Office. This is a decrease of \$8,331,000 below the budget estimate as funds requested under this account for the Homeland Security Council are provided in a separate account.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE
OPERATING EXPENSES

Appropriations, 2003 ¹	\$12,148,518
Budget estimate, 2004	12,501,000
Committee recommendation	12,501,000

¹ Reflects reduction of \$79,482 pursuant to section 601 of Public Law 108-7.

These funds provide for the care, maintenance, refurnishing, improvement, heating, and lighting, including electrical power and fixtures, of the Executive Residence.

The Committee recommends an appropriation of \$12,501,000 for the Executive Residence at the White House.

WHITE HOUSE REPAIR AND RESTORATION

Appropriations, 2003 ¹	\$1,192,200
Budget estimate, 2004	4,225,000
Committee recommendation	4,225,000

¹ Reflects reduction of \$7,800 pursuant to section 601 of Public Law 108-7.

To provide for the repair, alteration, and improvement of the Executive Residence at the White House, a separate account was established in fiscal year 1996 to program and track expenditures for the capital improvement projects at the Executive Residence at the White House.

The Committee recommends an appropriation of \$4,225,000 for White House Repair and Restoration. The Committee recommendation is equal to the level assumed in the budget estimate.

SPECIAL ASSISTANCE TO THE PRESIDENT

SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$4,039,571
Budget estimate, 2004	4,461,000
Committee recommendation	4,461,000

¹ Reflects reduction of \$26,429 pursuant to section 601 of Public Law 108-7.

The Special assistance to the President account was established on September 26, 1970, to enable the Vice President to provide assistance to the President. This assistance takes the form of directed and special Presidentially assigned functions.

The objective of the Office of the Vice President is to efficiently and effectively advise, assist, and support the President in the areas of domestic policy, national security affairs, counsel, administration, press, scheduling, advance, special projects, and assignments. Assistance is also provided for the spouse of the Vice President.

The Vice President also has a staff funded by the Senate to assist him in the performance of his duties in the legislative branch.

The Committee recommends an appropriation of \$4,461,000 for special assistance to the President. The level of funding recommended by the Committee will allow for 24 full-time permanent positions in fiscal year 2004.

OFFICIAL RESIDENCE OF THE VICE PRESIDENT
OPERATING EXPENSES

Appropriations, 2003 ¹	\$321,894
Budget estimate, 2004	331,000
Committee recommendation	331,000

¹ Reflects reduction of \$2,106 pursuant to section 601 of Public Law 108-7.

The Official Residence of the Vice President account was established by Public Law 93-346 on July 12, 1974. The residence is located on the grounds of the Naval Observatory in the District of Columbia and serves as a facility for official and ceremonial functions and as a home for the Vice President and family.

The Residence account provides for the care of, operation, maintenance, refurbishing, improvement, and heating and lighting of the residence and for equipment, furnishings, dining facilities, services, and provisions as may be required to enable the Vice President to perform and discharge the duties, functions, and obligations associated with this high office.

Funds to renovate the residence are provided through the Department of the Navy budget. The Committee has had a long-standing interest in the condition of the residence and expects to be kept fully apprised by the Vice President's office of any and all renovations and alterations made to the residence by the Navy.

The Committee recommends an appropriation of \$331,000 for the official residence of the Vice President.

COUNCIL OF ECONOMIC ADVISERS
SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$3,738,540
Budget estimate, 2004	4,502,000
Committee recommendation	4,502,000

¹ Reflects reduction of \$24,460 pursuant to section 601 of Public Law 108-7.

The Council of Economic Advisors analyzes the national economy and its various segments, advises the President on economic developments, recommends policies for economic growth and stability, appraises economic programs and policies of the Federal government, and assists in the preparation of the annual Economic Report of the President to Congress.

The Committee recommends an appropriation of \$4,502,000 for salaries and expenses of the Council of Economic Advisors.

OFFICE OF POLICY DEVELOPMENT
SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$3,229,869
Budget estimate, 2004	4,109,000
Committee recommendation	4,109,000

¹ Reflects reduction of \$21,132 pursuant to section 601 of Public Law 108-7.

The Office of Policy Development supports the National Economic Council and the Domestic Policy Council, in carrying out their responsibilities to advise and assist the President in the formulation, coordination, and implementation of economic and do-

mestic policy. The Office of Policy Development also provides support for other domestic policy development and implementation activities as directed by the President.

The Committee recommends \$4,109,000 for the Office of Policy Development.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$7,770,164
Budget estimate, 2004	10,551,000
Committee recommendation	10,551,000

¹ Reflects reduction of \$50,837 pursuant to section 601 of Public Law 108-7.

The National Security Council advises the President with respect to the integration of domestic, foreign, and military policies relating to the national security.

The Committee recommends an appropriation of \$10,551,000 for the salaries and expenses of the National Security Council [NSC]. The funding level provided by the Committee will support 60 full-time equivalent positions, or the same since the fiscal year 1996 level for the normal activities of the NSC.

HOMELAND SECURITY COUNCIL

Appropriations, 2003 ¹	\$19,271,913
Budget estimate, 2004	8,331,000
Committee recommendation	8,331,000

¹ Reflects reduction of \$126,087 pursuant to section 601 of Public Law 108-7.

The Homeland Security Act of 2002 established the Homeland Security Council to advise the President on homeland security matters, policy development, and the interagency process regarding administration policy on homeland security, including development and coordination of implementation of the national strategy to secure the United States from terrorist threats and attacks. The Council assesses the objectives, commitments, and risks of the United States in the interest of homeland security and oversees and reviews homeland security policies of the Federal Government to make recommendations to the President.

The Committee has not approved funding for the Homeland Security Council within the White House Office. The Committee believes that the Homeland Security Council should be funded as a separate account, which is consistent with the budgetary treatment of its predecessor, the Office of Homeland Security. The Committee recommendation is an appropriation of \$8,331,000, the same level as the budget request.

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$90,910,218
Budget estimate, 2004	77,164,000
Committee recommendation	77,164,000

¹ Reflects reduction of \$594,783 pursuant to section 601 of Public Law 108-7.

The Office of Administration’s mission is to provide high-quality, cost-effective administrative services to the Executive Office of the President. These services, defined by Executive Order 12028 of 1977, include financial, personnel, library and records services, information management systems support, and general office services.

The Committee has provided \$77,164,000 to the Office of Administration for fiscal year 2004. In addition to the recommended level of funding, the Office of Administration receives reimbursements for information management support and general office services.

Centralized Procurement Pilot Project.—In fiscal year 2003, the Committee consolidated funding from several EOP agencies in the Office of Administration to provide for centralized procurement and management of information technology, rent, printing and reproduction, supplies and materials and equipment. The Office of Administration has requested a 60 day extension to provide the report due on the status of the program. The Committee remains supportive of the initiative, but recommends funding for such items in individual offices within the EOP until saving and other benefits are identified.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$61,988,439
Budget estimate, 2004	77,417,000
Committee recommendation	75,417,000

¹ Reflects reduction of \$405,561 pursuant to section 601 of Public Law 108–7.

The Office of Management and Budget [OMB] assists the President in the discharge of his budgetary, management, and other executive responsibilities.

The Committee recommends \$75,417,000 for the Office of Management and Budget which is \$13,428,561 more than the fiscal year 2003 enacted level. The recommendation reduces without prejudice discretionary initiatives by \$2,000,000. The Committee notes that this is a substantial increase above the current funding and that the reduction is manageable by limiting the growth for staff and professional development.

Implementation of Federal Data Quality Act.—The Committee is concerned that agencies are shielding significant, influential data and related documents funded by the Federal government from the requirements of the Federal Data Quality Act [FDQA]. The Committee is aware of the practice employed by agencies to claim that data developed in collaboration with another Federal agency is exempt from the requirement of FDQA. In other cases, agencies have argued that documents and data produced by a Federal Advisory Committee Act [FACA] committee or other non-governmental entity are also exempt. It is the Committee’s belief that data endorsed by the Federal Government should be of the highest quality and that the public have the opportunity to review the data disseminated by the Federal Government for its accuracy and have available to it a streamlined procedure for correcting inaccuracies. The Committee directs the Administrator of the Office of Information and Regulatory Affairs [OIRA] to submit a report to the House and

Senate Committees on Appropriations not later than 30 days on how guidelines to agencies may be updated to address these concerns and improve the transparency of agency science.

Harry S. Truman Memorial Scholarships.—The Committee strongly supports the Truman Scholarship program and its original intentions. The Committee is concerned, however, that the regulations regarding awarding a scholarship to at least one qualified applicant from each State has been violated numerous times in recent years. The Committee directs the Board of the Truman Scholarship program to strictly adhere to its statutory mandate to “assure that at least one Truman scholar shall be selected each year from each State in which there is at least one resident applicant who meets the minimum criteria established by the Foundation.”

OFFICE OF NATIONAL DRUG CONTROL POLICY

SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$26,284,036
Budget estimate, 2004	27,290,000
Committee recommendation	27,996,500

¹ Reflects reduction of \$171,964 pursuant to section 601 of Public Law 108–7.

The Office of National Drug Control Policy [ONDCP], established by the Anti-Drug Abuse Act of 1988, and reauthorized by Public Law 105–277, is charged with developing policies, objectives and priorities for the National Drug Control Program. In addition, ONDCP administers the Counterdrug Technology Assessment Center [CTAC], the High Intensity Drug Trafficking Areas [HIDTA] program and the Special Forfeiture Fund. The account provides funding for personnel compensation, travel, and other basic operations of the Office, and for general policy research to support the formulation of the National Drug Control Strategy. Funds are also provided for the National Alliance for Model State Drug Laws, which encourages States to adopt and implement laws, policies, and regulations to reduce drug trafficking, drug use, and their related consequences.

The Committee recommends an appropriation of \$27,996,500, of which \$1,500,000 shall be used for the National Alliance for Model State Drug Laws. The Committee does not recommend an increase to the official reception and representation fund.

COUNTERDRUG TECHNOLOGY ASSESSMENT CENTER

Appropriations, 2003 ¹	\$47,688,000
Budget estimate, 2004	40,000,000
Committee recommendation	42,000,000

¹ Reflects reduction of \$312,000 pursuant to section 601 of Public Law 108–7.

The Committee recommends an appropriation of \$42,000,000 for the Counterdrug Technology Assessment Center [CTAC]. This funding includes \$24,000,000 for the continuation of the technology transfer program by CTAC to State and local law enforcement in their efforts to combat drugs. Pursuant to the Office of National Drug Control Policy Reauthorization Act of 1998 (Title VII of Division C of Public Law 105–277), CTAC serves as the central counterdrug research and development organization for the Federal Government.

The Committee expects multiagency research and development programs to be coordinated by CTAC in order to prevent duplication of efforts and to assure that whenever possible, those efforts provide capabilities that transcend the need of any single Federal agency. Prior to the obligation of these funds, the Committee expects to be notified by the chief scientist on how these funds will be spent; it also expects to receive biannual reports from the chief scientist on the priority counterdrug enforcement research and development requirements identified by the Center and on the status of projects funded by CTAC.

The Committee is troubled that the majority of the budget submission for the research and development demand reduction program at CTAC is devoted to the purchase of high cost equipment such as PET machines, to conduct research rather than for actual research activities. While demand reduction research conducted by universities and medical centers is important to the Nation's efforts to combat drug use, the Committee is concerned that CTAC's research and development program priorities have become more focused on providing funding for technology acquisition and less so on actual research. In order to have a clearer understanding of the budgetary priorities of the CTAC program, the Committee directs ONDCP to report to the House and Senate Committees on Appropriations, no later than December 15, 2003, on CTAC funding allocations, specifically providing a detailed spending plan for the research and development program as well as the technology transfer program for fiscal years 2001, 2002, and 2003.

The Committee continues to believe CTAC should work closely and cooperatively with the individual law enforcement agencies in the definition of a national research and development program which addresses agency requirements with respect to timeliness, operational utility, and consistency with agency budget plans.

Counterdrug Technology Transfer Program.—The Committee fully supports the continuation of this program and, therefore, has provided \$24,000,000 for its operation in fiscal year 2004. The Committee believes that this program demonstrates the best that the Federal Government has to offer to State and local law enforcement in their efforts to combat drug related crimes. The Committee is encouraged by the positive reception this program has received by State and local law enforcement agencies as current requests for technology continue to outpace resources by a ratio of more than four to one.

This demand prompts the Committee to request that the fiscal year 2005 budget request include a specific accounting of the total number of grant applications received and the number awarded in the previous year so that the Committee may have a true understanding of CTAC's ability to meet demand.

The Committee expects that CTAC will conduct further outreach to State and local agencies to educate them about the program. Finally, the Committee would encourage CTAC to work with private industry to make their developed technology available to State and local law enforcement through this program.

FUNDS APPROPRIATED TO THE PRESIDENT
 FEDERAL DRUG CONTROL PROGRAMS
 HIGH-INTENSITY DRUG TRAFFICKING AREAS
 (INCLUDING TRANSFER OF FUNDS)

Appropriations, 2003 ¹	\$224,878,725
Budget estimate, 2004	206,350,000
Committee recommendation	226,350,000

¹ Reflects reduction of \$1,471,275 pursuant to section 601 of Public Law 108-7.

The HIDTA program was established by the Anti-Drug Abuse Act of 1988, as amended, and the Office of National Drug Control Policy's reauthorization, Public Law 105-277, to provide assistance to Federal, State and local law enforcement entities operating in those areas most adversely affected by drug trafficking. In allocating the HIDTA funds, the Committee expects the Director of ONDCP to ensure that the activities receiving these limited additional resources are used strictly for implementing the strategy for each HIDTA, taking into consideration local conditions and resource requirements. These funds should not be used to supplant existing support for ongoing Federal, State, or local drug control operations normally funded out of the operating budgets of each agency. The remaining funds may be transferred to Federal agencies and departments to support Federal antidrug activities.

The Committee recommends an appropriation of \$226,350,000, which is \$20,000,000 above the budget request. The Committee has provided an additional \$20,000,000 above the President's request for the purposes of fully funding existing HIDTA program activities, expanding existing HIDTHAs where it is warranted, to fund new HIDTHAs as necessary, and finally, to fund new HIDTA activities that are consistent with the mission of the program. The Committee has included bill language subjecting the additional funding to the reprogramming guidelines. The Committee directs that funding shall be provided for the existing High Intensity Drug Trafficking Areas [HIDTA] at no less than the fiscal year 2003 initial allocation level, unless the Director submits to the House and Senate Committees on Appropriations, and the Committees approves, a request for reprogramming of the funds based on clearly articulated priorities for the HIDTA program, as well as published ONDCP performance measures of effectiveness.

The Committee believes that the Director should take steps to ensure that the HIDTA funds are transferred to the appropriate drug control agencies expeditiously.

The Committee is concerned by ONDCP's disregard for the direction that was included in the fiscal year 2003 Appropriations Act regarding the obligation of \$20,000,000 in additional funding provided for the HIDTA program. While the Committee understands that none of the funds will be obligated before receiving prior approval of the Committees, the Committee notes that ONDCP created a grant program in coordination with the Attorney General, developed the guidance for submission of the grants, has solicited and received grant applications and, since reaching the deadline for submissions, has begun "racking and stacking" the applications for approval. The Committee believes that ONDCP's approach is com-

pletely contrary to the direction provided in the Conference report and is uncertain why ONDCP would proceed in this manner before consulting with Congress, considering the specific guidance provided. Therefore, the Committee directs ONDCP to consult with the House and Senate Committees on Appropriations in the developmental stages of any new grant programs that it plans to institute in the future.

The Committee understands that the Director has decided to utilize the additional HIDTA funding to participate in the Consolidated Priority Organizational Targets [CPOT] program created by OCDETF and DEA. The Committee questions whether the HIDTA program is the appropriate mechanism for funding and focusing law enforcement activities on CPOT. The Committee understands that ONDCP is attempting to re-focus the HIDTA program “upward” on larger international targets. The Committee notes, however, that there are numerous Federal agencies, as well as other federally funded law enforcement coordinating bodies such as the OCDETF program, whose core mission it is to focus on international drug trafficking targets. Most HDTAs, however, were designated to address regional and local issues and many HDTAs have emerging drug problems that are tangentially international in nature. While the Committee appreciates HIDTA’s role in bringing together Federal, State, and local law enforcement entities, the HIDTA program should not be the sole funding mechanism for the CPOT program. HDTAs should not be denied an opportunity to receive additional funding to address emerging drug problems if they are unable to target an international drug trafficking organization on the CPOT list.

The Committee directs ONDCP to refocus the CPOT program to identify regional targets as well as international targets. The Committee directs ONDCP to coordinate with other Federal agencies with a core mission to target international drug traffickers in an effort to pool personnel, intelligence, and available resources to further the originally conceived CPOT program and to report to the House and Senate Committees on Appropriations no later than 90 days after enactment of this Act on the progress of these efforts. Further the Committee directs the General Accounting Office to conduct a study on the effectiveness of the CPOT program, its conformity with the HIDTA mission as authorized in Public Law 105–277, and what resources other Federal law enforcement agencies contribute to the program.

METHAMPHETAMINE REDUCTION

The Committee is particularly concerned about the continued methamphetamine problem throughout the United States. The National Drug Intelligence Center reports an increase in the availability of methamphetamine in drug markets, a growing number of States reporting the presence of superlabs, rising purity levels, and an apparent increase in the presence of ice methamphetamine—all indicating an increasing threat posed by methamphetamines. The Committee believes that special attention should be given to this growing problem and that the Director should make use of all possible resources, particularly in Southern Illinois, Southwest Indi-

ana, Pacific Northwest HIDTA, and Hawaii to address the methamphetamine problem.

MIDWEST HIDTA

The Committee is concerned about the growing production, trafficking, and use of methamphetamine throughout the Midwest HIDTA. The Committee notes that the State of Missouri, which is part of the Midwest HIDTA, had the highest number of methamphetamine lab seizures in the country. The fight against methamphetamine places a tremendous burden on State and local law enforcement. Additional funding would allow Missouri to continue to target methamphetamine labs, and would enable ONDCP to designate additional counties, including counties in the Southern District of Illinois, as part of the Midwest HIDTA where appropriate. The Committee directs ONDCP to work with the affected counties to determine whether they meet the statutory criteria required for designation as a HIDTA. The Committee directs ONDCP to ensure that funding for the Midwest HIDTA is provided at a level no less than the fiscal year 2003 initial allocation and to work with the Executive Board of the Midwest HIDTA to assess the needs of the HIDTA and to provide additional resources if necessary.

NEW ENGLAND HIDTA

The Committee recognizes that the growing availability and abuse of inexpensive, high-purity heroin has had a harmful impact on the New England region, resulting in an increase in the number of drug-related arrests, overdose deaths and injuries, and individuals seeking treatment for addiction. The Committee is also aware of the extraordinary challenges posed by increasing drug importation into the region across the northern U.S. border and via marine transportation. The Committee directs ONDCP to work with the New England HIDTA Executive Board to determine the needs, with a particular focus on task force expansion on the U.S.-Canada border, training, intelligence collection, analysis and dissemination, and equipment and investigations. The Committee directs ONDCP to provide additional resources as warranted by the assessment, with particular attention to New Hampshire and Rhode Island.

SOUTHWEST BORDER HIDTA

The Southwest Border HIDTA was one of the first HIDTA's established in the country and each of the five jurisdictions comprising the HIDTA share a mutual border with Mexico. This shared border places them on the front lines of the drug war. The Committee is aware that the Southwest Border HIDTA has requested funding to support additional operating expenses and to expand its Investigative Support Center. The Committee directs the Director of ONDCP to conduct an evaluation of the situation and to work with the Executive Board of the Southwest Border HIDTA to determine the needs of the HIDTA and to provide additional resources if necessary.

APPALACHIA HIDTA

The Committee remains concerned that the three Appalachia HIDTA States, West Virginia, Kentucky, and Tennessee, along with California and Hawaii, account for over 80 percent of the domestic production of marijuana. The three Appalachia HIDTA States are also producing some of the most potent marijuana available. For fiscal year 2002, the West Virginia National Guard, which has mounted a vigorous counterdrug program in cooperation with the Appalachia HIDTA, estimates that efforts to eradicate the marijuana crop in West Virginia yielded plants valued at \$60,400,000. Therefore, the Committee directs ONDCP to maintain funding at no less than fiscal year 2003 initial allocation to continue to combat this threat.

NORTHWEST HIDTA

The Committee is aware that the Northwest HIDTA is dealing with a growing problem of potent marijuana from British Columbia known as “BC Bud”. In addition, Washington State is the third leading State with methamphetamine labs. Heroin, cocaine, and ecstasy are also on the rise in the Pacific Northwest. Northwest HIDTA is having an impact in these areas. The Committee directs ONDCP to provide adequate resources to combat these threats. In addition, the Committee notes the value of State and local task forces in addressing these issues and encourages the continued incorporation of such entities in this and other HIDTAs.

SOUTHERN OHIO HIDTA

The Committee is concerned about the increased level of drug trafficking in Southern Ohio. A significant portion of Ohio’s overall population is concentrated in the State’s southern region where drug trafficking and the use of cocaine and heroin are at epidemic levels. The community believes that the establishment of a HIDTA program in this area would assist law enforcement agencies in the development and implementation of an effective strategy to combat southern Ohio’s illicit drug problem. The Committee directs ONDCP to work with the State of Ohio to determine the need for and the possibility of establishing a HIDTA program in southern Ohio.

OTHER FEDERAL DRUG CONTROL PROGRAMS ¹

Appropriations, 2003 ²	\$221,749,200
Budget estimate, 2004	250,000,000
Committee recommendation	174,000,000

¹ Previously designated Special Forfeiture Fund.

² Reflects reduction of \$1,450,800 pursuant to section 601 of Public Law 108-7.

The Anti-Drug Abuse Act of 1988, as amended, and the Office of National Drug Control Policy’s reauthorization, Public Law 105-277, established the Special Forfeiture Fund to be administered by the Director of ONDCP. While the fund was originally authorized to receive deposits from the Department of Justice Assets Forfeiture Fund and the Treasury Forfeiture Fund, its current source of funding is direct appropriations. In fiscal year 2004 the adminis-

tration is proposing to rename this fund "Other Federal Drug Control Programs". The Committee has concurred with this change.

The Committee recommends an appropriation of \$174,000,000.

Of the total funding provided, the accompanying bill specifies that: \$100,000,000 is for continuation of the National Youth Anti-Drug Media Campaign; \$7,200,000 is for the United States Anti-Doping Agency; \$60,000,000 is for the Drug Free Communities Program; \$3,000,000 is for the Counterdrug Executive Secretariat; \$1,000,000 is for the National Drug Court Institute; \$2,000,000 is for Performance Measures Development; and \$800,000 is for United States dues to the World Anti-Doping Agency.

NATIONAL MEDIA CAMPAIGN

The Committee has been supportive of the national media campaign and has provided consistent funding for this program. When this program was initially funded by the Congress in fiscal year 1998, it was with the understanding that within 3 years there would be demonstrable behavior changes in America's youth with relation to drug use. The Committee is concerned that drug use is increasing in spite of the national media campaign, leading some observers to conclude it has not had a noticeable impact on drug use among America's youth.

Today, a large portion of the campaign's budget pays for outside media and advertising consultants and the Committee is concerned about the amount of resources that are being consumed by these parties. The Committee has provided \$100,000,000 for the national media campaign and directs that no less than 80 percent of the funding provided be used for the purchase of advertising time and space unless ONDCP submits and the House and Senate Committees on Appropriations approves a request for reprogramming of the funds based on clearly articulated principals and priorities. The Committee directs the General Accounting Office to conduct a study to determine the extent to which outside consultants are being used by the Media Campaign, the cost-effectiveness of this method, and if this system is producing more effective ads that aid ONDCP in its core mission.

Industry Match.—When the Congress, in an effort to reach more of our Nation's youth, agreed to provide funding for paid advertising, there was an understanding that Federal funds would be matched by industry on a dollar-for-dollar basis. It has come to the Committee's attention however, that while ONDCP is purchasing peak time for specific ads, they are agreeing to have that time and space matched with different ads at different times. The Committee believes that this violates the intent of Congress and directs ONDCP to provide a detailed report to the House and Senate Committees on Appropriations regarding all advertising, their placement and what matches are being provided by all media in all markets. Further, the Committee directs ONDCP to more closely scrutinize the matching proposals and to ensure that the one to one match more appropriately mirrors the time and space that has been purchased.

Advertising Focus.—The Committee is concerned with ONDCP's focus on parents rather than teenage children. While the Westat-Annenburg study has found that America's parents of teens have

changed their behavior as a result of the campaign, there is no such study finding similarly positive results on teen behavior. The Committee reminds ONDCP that the purpose of the national media campaign is to reduce drug use, particularly among the Nation's youth. While increased parental awareness of drug abuse may be inherently valuable, the campaign cannot be considered successful if youth drug use does not decline.

NIDA Study.—The Committee notes that ONDCP has chosen to delay the results of the NIDA study because of a change in direction of the Media Campaign. ONDCP has however, provided the Committee with a preliminary assessment of the youth marijuana campaign but the report provided to the Committee does not include the results from the ads initially instituted by the Director demonstrating a link between drug use and terrorism and other criminal activity. This leads the Committee to conclude that the results of those ads were less than favorable. While ONDCP is encouraged to keep the Committee informed of the progress of the ad campaign, the Committee intends to rely on the scientifically rigorous NIDA study to gauge its ultimate impact. The Committee believes that ONDCP should utilize the results of individual ad studies, such as the preliminary assessment of the youth marijuana campaign, to accurately measure both the successes and failures of the program and to prepare the media campaign for the future by improving effective ads and discarding ineffective ads based on known research.

DRUG-FREE COMMUNITIES ACT

The accelerating rate of drug use by young Americans is a major concern that must be addressed. The Committee, therefore, provides \$60,000,000 in support of the Drug-Free Communities Act. These funds will be used to support the establishment of local counterdrug efforts that are characterized by strong conditions for local initiatives, support, and accountability. In addition, the requirement for participating communities to match funding will help ensure the degree of commitment necessary to succeed.

The Committee has included language directing ONDCP to provide a \$1,000,000 grant directly to the Community Anti-Drug Coalitions of America to continue the National Community Anti-Drug Coalition Institute.

NATIONAL DRUG-FREE WORKPLACE

The Committee recognizes the work of the National Drug-Free Workplace Alliance to promote and assist the establishment of drug-free workplace programs and provide comprehensive drug-free workplace services to businesses. In addition, the Committee understands that the Alliance provides technical assistance and up-to-date workplace substance abuse information to communities, drug-free workplace organizations, and other similar groups through a national network of experts and professionals with drug-free workplace interests. The Committee urges ONDCP to work with the National Drug-Free Workplace Alliance as it coincides with ONDCP's mission and encourages cooperative efforts relating to the National Clearinghouse.

UNITED STATES ANTI-DOPING AGENCY

The Committee provides \$7,200,000 for efforts of the United States Anti-Doping Agency [USADA]. The Committee directs ONDCP to provide the entire amount directly to USADA within 30 days after enactment of this Act.

USADA was created to oversee testing, education, research, and adjudication on behalf of America’s athletes participating in the Olympic, Pan American, and Paralympic Games. The Committee has provided additional funds to increase the number of “No-Advanced-Notice” tests, to increase research funding at university and research laboratories, and to expand their efforts to educate the youth of America on health issues and the ethics of competing fairly in sport. The Committee continues to be impressed with the operations of this new organization and wishes to congratulate them on the international recognition of their efforts.

WORLD ANTI-DOPING AGENCY

The Committee provides \$800,000 for membership dues to the World Anti-Doping Agency. The budget requested \$1,000,000 for membership dues despite the fact that the dues assessed the United States are currently \$800,000. The Committee did not feel that sufficient justification was provided to warrant an additional \$200,000.

DRUG COURT INSTITUTE

The Committee provides \$1,000,000 for the National Drug Court Institute. The Committee is aware of the extraordinary growth in drug courts across the country and the important training of new drug courts that the Institute provides. Drug courts provide an effective means to fight drug-related crime through the cooperative efforts of State and local law enforcement, the judicial system, and the public health treatment network.

UNANTICIPATED NEEDS

Appropriations, 2003 ¹	\$993,000
Budget estimate, 2004	1,000,000
Committee recommendation	1,000,000

¹ Reflects reduction of \$7,000 pursuant to section 601 of Public Law 108-7.

These funds enable the President to meet unanticipated exigencies in support of the national interest, security, or defense.

The Committee recommends \$1,000,000, which is \$7,000 more than the fiscal year 2003 enacted level and is the same as the budget estimate.

TITLE IV—INDEPENDENT AGENCIES

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$5,160,000
Budget estimate, 2004	5,401,000
Committee recommendation	5,401,000

¹ Reflects reduction of \$34,000 pursuant to section 601 of Public Law 108-7.

The Architectural and Transportation Barriers Compliance Board (the Access Board) is the lead Federal Agency promoting accessibility for all handicapped persons. The Access Board was reauthorized in the Rehabilitation Act Amendments of 1992, Public Law 102-569. Under this authorization, the Access Board's functions are to ensure compliance with the Architectural Barriers Act of 1968, and to develop guidelines for and technical assistance to individuals and entities with rights or duties under titles II and III of the Americans with Disabilities Act. The Access Board establishes minimum accessibility guidelines and requirements for public accommodations and commercial facilities, transit facilities and vehicles, State and local government facilities, children's environments, and recreational facilities. The Access Board also provides technical assistance to Government agencies, public and private organizations, individuals, and businesses on the removal of accessibility barriers.

The Committee recommends \$5,401,000 for the operations of the Architectural and Transportation Barriers Compliance Board, the funding level requested by the administration.

COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$4,627,723
Budget estimate, 2004	4,629,000
Committee recommendation	4,725,000

¹ Reflects reduction of \$30,277 pursuant to section 601 of Public Law 108-7.

The CPPBSD administers the Javits-Wagner-O'Day Act [JWOD] of 1971, as amended. Its primary objective is to use the purchasing power of the Federal Government to provide people who are blind or have other severe disabilities with employment and training that will develop and improve job skills as well as prepare them for employment options outside the JWOD program. In fiscal year 2004, the Committee's goal is to employ approximately 50,000 people who are blind or have other severe disabilities in 600 producing nonprofit agencies. The Committee's duties include promoting the

program; determining which products and services are suitable for Government procurement from qualified nonprofit agencies serving people who are blind or have other severe disabilities; maintaining a procurement list of such products and services; determining the fair market price for products and services on the procurement list; and making rules and regulations necessary to carry out the purposes of the Act. In fiscal year 2004, the Committee's goal is to have sales of \$1,200,000,000.

The Committee recommends \$4,725,000 for the Committee for Purchase From People Who Are Blind or Severely Disabled [CPPBSD].

ELECTION ASSISTANCE COMMISSION

Appropriations, 2003	\$833,000,000
Budget estimate, 2004	500,000,000
Committee recommendation	500,000,000

The Election Assistance Commission is responsible for approving grants to assist State and local efforts to improve election technology and the administration of Federal elections, as authorized by the Help America Vote Act of 2002 (Public Law 107-252). To date, the Committee has received no justification for the President's request for the Election Assistance Commission. The Committee has however, included the requested funding for the Commission in anticipation of the Commission establishment. The Committee is concerned that the Commissioner's have not yet been nominated and believes that the need for the EAC will become more important with the 2004 elections quickly approaching. To that end, the Committee urges the President to send his nominations to the Senate for confirmation without further delay.

The Committee has provided \$499,000,000 for grants to State and local governments to ensure minimum voting standards are reached. The Committee recommendation provides an additional \$9,000,000 for grants. Within the total provided, the Committee has allowed \$1,000,000 for administrative expenses for the new Commission, of which \$200,000 is to award grants to the National Student and Parent Mock Election as authorized under section 295 of that Act.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$49,541,871
Budget estimate, 2004	50,440,000
Committee recommendation	50,440,000

¹ Reflects reduction of \$324,129 pursuant to section 601 of Public Law 108-7.

The Federal Election Commission administers the disclosure of campaign finance information, enforces limitations on contributions and expenditures, supervises the public funding of Presidential elections, and performs other tasks related to Federal elections.

The Committee recommends an appropriation of \$50,440,000 for the Federal Election Commission.

FEDERAL LABOR RELATIONS AUTHORITY
SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$28,761,825
Budget estimate, 2004	29,611,000
Committee recommendation	29,611,000

¹ Reflects reduction of \$188,175 pursuant to section 601 of Public Law 108-7.

The Federal Labor Relations Authority [FLRA] serves as a neutral party in the settlement of disputes that arise between unions, employees, and agencies on matters outlined in the Federal Service Labor Management Relations statute, decides major policy issues, prescribes regulations, and disseminates information appropriate to the needs of agencies, labor organizations, and the public. Establishment of the FLRA gives full recognition to the role of the Federal Government as an employer.

In addition, the FLRA is engaged in case-related interventions and training and facilitation of labor-management partnerships and in resolving disputes. FLRA promotes labor-management cooperation by providing training and assistance to labor organizations and agencies on resolving disputes, facilitates the creation of partnerships, and trains the parties on rights and responsibilities under the Federal Relations Labor Relations Management statute.

The Committee recommends an appropriation of \$29,611,000 for the Federal Labor Relations Authority.

FEDERAL MARITIME COMMISSION
SALARIES AND EXPENSES

Appropriations 2003 ¹	\$16,591,450
Budget estimate 2004	18,471,000
Committee recommendation	18,471,000

¹ Reflects reduction of \$108,550 pursuant to section 601 of Public Law 108-7.

The Commission regulates the international waterborne commerce of the United States. In addition, the commission has responsibility for licensing and bonding ocean transportation intermediaries and assuring that vessel owners or operators establish financial responsibility to pay judgments for death or injury to passengers, or nonperformance of a cruise, on voyages from U.S. ports. Major program areas for 2004 are: carrying out investigations of foreign trade practices under the Foreign Shipping Practices Act; maintaining equitable trading conditions in U.S. ocean commerce; ensuring compliance with applicable shipping statutes; pursuing an active enforcement program designed to identify and prosecute violators of the shipping statutes; and reviewing ocean carrier operational and pricing agreements to guard against excessively anti-competitive effects.

The Committee includes \$18,471,000 for the salaries and expenses of the Federal Maritime Commission (the Commission) for fiscal year 2004.

GENERAL SERVICES ADMINISTRATION
 FEDERAL BUILDINGS FUND—LIMITATIONS ON AVAILABILITY OF
 REVENUE
 (INCLUDING TRANSFER OF FUNDS)

The Federal Buildings Fund program consists of the following activities financed from rent charges:

Construction and Acquisition of Facilities.—Space is acquired through the construction or purchase of facilities and prospectus-level extensions to existing buildings. All costs directly attributable to site acquisition, construction, and the full range of design and construction services, and management and inspection of construction projects are funded under this activity.

Repairs and Alterations.—Repairs and alterations of public buildings as well as associated design and construction services are funded under this activity. Protection of the Government's investment, health and safety of building occupants, transfer of agencies from leased space, and cost effectiveness are the principal criteria used in establishing priorities. Primary consideration is given to repairs to prevent deterioration and damage to buildings, their support systems, and operating equipment. This activity also provides for conversion of existing facilities and non-prospectus extensions.

Installment Acquisition Payments.—Payments are made for liabilities incurred under purchase contract authority and lease purchase arrangements. The periodic payments cover principal, interest, and other requirements.

Rental of Space.—Space is acquired through the leasing of buildings including space occupied by Federal agencies in U.S. Postal Service facilities, 153 million rentable square feet in fiscal year 2003, and 157 million rentable square feet in fiscal year 2004.

Building Operations.—Services are provided for Government-owned and leased facilities, including cleaning, utilities and fuel, maintenance, miscellaneous services (such as moving, evaluation of new materials and equipment, and field supervision), and general management and administration of all real property related programs including salaries and benefits paid from the Federal Buildings Fund.

Other Programs.—When requested by Federal agencies, the Public Buildings Service provides building services, such as tenant alterations, cleaning and other operations, and protection services which are in excess of those services provided under the commercial rental charge. For presentation purposes, the balances of the Unconditional Gifts of Real, Personal, or Other Property trust fund have been combined with the Federal Buildings Fund.

CONSTRUCTION AND ACQUISITION

Limitation on availability, 2003 ¹	\$717,233,565
Limitation on availability, 2004	400,568,000
Committee recommendation	659,668,000

¹ Reflects reduction of \$254,435 pursuant to section 601 of Public Law 108-7.

The Committee recommends \$659,668,000 for the construction and acquisition account. The Committee recommendation is \$259,100,000 above the President's request. In addition, the Com-

mittee has reduced \$4,000,000 from the President's request for the Champlain Border Station, funds were provided for this project in fiscal year 2003.

Funds provided for construction and acquisition in fiscal year 2004 shall be available for the following projects in the corresponding amounts:

Anniston, Alabama United States Courthouse	\$4,400,000
Blaine, Washington Border Station	9,812,000
Charlotte, North Carolina United States Courthouse	8,500,000
Champlain, New York Border Station	35,031,000
Del Rio, Texas Border Station	23,966,000
Denver, Colorado Federal Center, site remediation	6,000,000
Detroit, Michigan Ambassador Bridge Border Station	25,387,000
Eagle Pass, Texas Border Station	31,980,000
Greenville, South Carolina United States Courthouse	11,000,000
Harrisburg, Pennsylvania United States Courthouse	26,000,000
Houston, Texas Federal Bureau of Investigation	58,080,000
Jackman, Maine Border Station	7,712,000
Los Angeles, California United States Courthouse	50,000,000
McAllen, Texas Border Station	17,938,000
Montgomery County, Maryland Food and Drug Administration	45,000,000
Orlando, Florida United States Courthouse	7,200,000
Richmond, Virginia United States Courthouse	83,000,000
San Antonio, Texas United States Courthouse	8,000,000
San Diego, California Border Station	34,211,000
Suitland, Maryland United States Census Bureau	146,451,000
Toledo, Ohio United States Courthouse	6,500,000
Tuscaloosa, Alabama Federal Building	7,500,000
Nonprospective Construction	10,000,000

Courthouse Construction.—The Committee encourages the General Services Administration [GSA], the administration, and the judiciary to continue to work cooperatively to develop a single comprehensive plan upon which courthouse construction will be based. The Committee continues to believe that a model should incorporate utilization rates, courtroom sharing, and safety considerations. The use of cost savings measures and careful planning will result in a program that can be consistently supported. The Committee notes that it has been extremely supportive of addressing the courthouse construction backlog. Further, the Committee would remind the Administrative Office of the U.S. Courts [AOC] and other organizations that the Committee has adhered to the jointly agreed to priority list and that the Congress is constrained by overall budget resolutions and spending caps from accommodating every request.

Courtroom Sharing.—The Committee continues to be aware of conflicting information regarding the issue of courtroom sharing. The Committee is concerned that in spite of the strict budgetary pressures facing the Federal Government, AOC fails to pursue a policy of fiscal restraint and approaches the Congress for increases in courthouse construction funding above the Administration's request. The Congress and the Administration have worked diligently to reign in court construction costs and the Committee will continue to pursue all avenues with respect to cost containment with or without the support of the Courts.

Federal Courthouse, Jackson, Mississippi.—The Committee is aware of plans to build a total of 165 parking spaces to create parking for the Jackson, Mississippi courthouse. The parking need is

much greater than what the plans have indicated; therefore, the Committee directs GSA to use any excess funds from the purchase of land to increase parking at this site.

Food and Drug Administration at White Oak.—The Committee is concerned about delays, cost increases, and an apparent lack of a long-range funding plan for the consolidated headquarters of the Food and Drug Administration [FDA] at White Oak, Maryland. While the Committee recognizes that the scope of the project has changed due, in part, to homeland security considerations and expanding FDA responsibilities, the delays are escalating project costs, requiring extension of costly leases, and leaving FDA employees in substandard facilities. The Committee therefore expects GSA, in consultation with FDA, to submit a plan for funding the remainder of the consolidation project as part of its fiscal year 2005 budget submission to Congress.

REPAIRS AND ALTERATIONS

Limitation on availability, 2003 ¹	\$951,191,570
Limitation on availability, 2004	1,012,729,000
Committee recommendation	1,000,939,000

¹ Reflects reduction of \$337,430 pursuant to section 601 of Public Law 108-7.

Under this activity, the General Services Administration [GSA] executes its responsibility for repairs and alterations [R&RA] of both Government-owned and leased facilities under the control of GSA. The primary goal of this activity is to provide commercially equivalent space to tenant agencies. Safety, quality, and operating efficiency of facilities are given primary consideration in carrying out this responsibility.

R&A workload requirements originate with scheduled onsite inspections of buildings by qualified regional engineers and building managers. The work identified through these inspections is programmed in order of priority into the repairs and alterations construction automated tracking system [RACATS] and incorporated into a 5-year plan for accomplishment, based upon funding availability, urgency, and the volume of R&A work that GSA has the capability to execute annually. Since fiscal year 1995, design and construction services activities associated with repair and alteration projects have been funded in this account.

The Committee recommends new obligational authority of \$1,000,939,000 for repairs and alterations in fiscal year 2004. This is a decrease of \$11,790,000 below the President's request. The recommendation includes a reduction of \$9,000,000 for repairs to the Rogers building in Denver, Colorado to offset funds provided for this project in fiscal year 2003.

Funds provided for repairs and alterations in fiscal year 2004 shall be available for the following projects in the corresponding amounts:

320 First Street, District of Columbia	\$7,485,000
Atlanta, Georgia Richard B. Russell Federal Building	32,173,000
Auburn, Washington Building 7 Federal Building	18,315,000
Bellingham, Washington Federal Building (design)	2,610,000
Boston, Massachusetts John W. McCormack Post Office and Courthouse	73,037,000
Brooklyn, New York Emanuel Celler Courthouse	65,511,000
Chicago, Illinois Dirksen Courthouse & Kluczynski Federal Building	24,056,000

Columbus, Ohio John W. Bricker Federal Building	10,707,000
Denver, Colorado Byron G. Rogers Federal Building—Courthouse	39,436,000
Eisenhower Executive Office Building, District of Columbia	65,757,000
Fargo, North Dakota Federal Building—Post Office	5,801,000
Federal Office Building 8, District of Columbia	134,872,000
Fire & Life Safety, District of Columbia	68,188,000
Main Interior Building, District of Columbia	15,603,000
Seattle, Washington Henry M. Jackson Federal Building	6,868,000
Springfield, Illinois Paul H. Findley Federal Building—Courthouse	6,183,000
Terre Haute Federal Building—Post Office	4,600,000
Special Emphasis Programs:	
Basic Repairs and Alterations	355,000,000
Chlorofluorocarbons Program	5,000,000
Energy Program	5,000,000
Glass Fragmentation Program	20,000,000
Design Program	34,737,000

INSTALLMENT ACQUISITION PAYMENTS

Limitation on availability, 2003 ¹	\$178,896,537
Limitation on availability, 2004	169,745,000
Committee recommendation	169,745,000

¹ Reflects reduction of \$63,463 pursuant to section 601 of Public Law 108-7.

The Public Buildings Amendments of 1972 enables GSA to enter into contractual arrangements for the construction of a backlog of approved but unfunded projects. The purchase contracts require the Federal Government to make periodic payments on these facilities over varying periods until title is transferred to the Government. This activity provides for the payment of principal, interest, taxes, and other required obligations related to facilities acquired pursuant to the Public Buildings Amendments of 1972 (40 U.S.C. 602a).

The Committee recommends a limitation of \$169,745,000 for installment acquisition payments. The Committee recommendation equals the budget estimate.

RENTAL OF SPACE

Limitation on availability, 2003 ¹	\$3,112,106,997
Limitation on availability, 2004	3,388,187,000
Committee recommendation	3,278,187,000

¹ Reflects reduction of \$1,104,003 pursuant to section 601 of Public Law 108-7.

GSA is responsible for leasing general purpose space and land incident thereto for Federal agencies, except cases where GSA has delegated its leasing authority (for example, the Department of Veterans Affairs, as well as the Departments of Agriculture, Commerce, and Defense). GSA's policy is to lease privately owned buildings and land only when: (1) Federal space needs cannot be otherwise accommodated satisfactorily in existing Government-owned or leased space; (2) leasing proves to be more efficient than the construction or alteration of a Federal building; (3) construction or alteration is not warranted because requirements in the community are insufficient or are indefinite in scope or duration; or (4) completion of a new Federal building within a reasonable time cannot be assured.

The Committee recommends a limitation of \$3,278,187,000 for rental of space. The Committee recommendation is \$110,000,000 less than the budget request.

BUILDING OPERATIONS

Limitation on availability, 2003 ¹	\$1,964,463,117
Limitation on availability, 2004	1,608,708,000
Committee recommendation	1,608,708,000

¹ Reflects reduction of \$696,883 pursuant to section 601 of Public Law 108-7.

This activity provides for the operation of all Government-owned facilities under the jurisdiction of GSA and building services in GSA-leased space where the terms of the lease do not require the lessor to furnish such services. Services included in building operations are cleaning, protection, maintenance, payments for utilities and fuel, grounds maintenance, and elevator operations. Other related supporting services include various real property management and staff support activities such as space acquisition and assignment; the moving of Federal agencies as a result of space alterations in order to provide better space utilization in existing buildings; onsite inspection of building services and operations accomplished by private contractors; and various highly specialized contract administration support functions.

The space, operations, and services referred to above are furnished by GSA to its tenant agencies in return for payment of rent. Due to considerations unique to their operation, GSA also provides varying levels of above-standard services in agency headquarter facilities, including those occupied by the Executive Office of the President, such as the east and west wings of the White House.

The Committee recommends a limitation of \$1,608,708,000 for building operations.

Environmental Training Program.—The Committee is pleased with the significant cost savings recently demonstrated in the environmental analysis efforts undertaken by GSA in the National Capitol Region. The Committee recommends that GSA extend this environmental training and analysis program currently underway to other GSA regions. The Committee urges GSA to work with its existing partner to preserve continuity when expanding this program to the eight other GSA regions. The Committee also encourages the utilization of leased employees to implement these cost savings programs in other GSA regions whenever possible.

GOVERNMENTWIDE POLICY¹

SALARIES AND EXPENSES

Appropriations, 2003 ²	\$52,326,000
Budget estimate, 2004	74,031,000
Committee recommendation	61,781,000

¹ Account title and structure changed to reflect transfer of Office of Citizen Services to Operating Expenses, consistent with the President's fiscal year 2004 budget request.

² Reflects reduction of \$431,000 pursuant to section 601 of Public Law 108-7 and \$13,547,000 transferred to Operating Expenses.

The Office of Governmentwide Policy provides for Governmentwide policy development, support, and evaluation functions associated with real and personal property, supplies, vehicles, aircraft, information technology, acquisition, transportation and travel management. This office also provides for the Federal Procurement Data Center, Workplace Initiatives, Regulatory Information Service Center, the Catalog of Federal Domestic Assistance, and the Com-

mittee Management Secretariat. The Office of Governmentwide Policy, working cooperatively with other agencies, provides the leadership needed to develop and evaluate the implementation of policies designed to achieve the most cost-effective solutions for the delivery of administrative services and sound workplace practices, while reducing regulations and empowering employees.

The Office of Citizen Services provides leadership and support for electronic government initiatives and operates the official Federal portal through which citizens may access Federal information services electronically. The Federal Consumer Information Center is part of this office, though funded under a separate appropriation.

The Committee recommends an appropriation of \$61,781,000 for Governmentwide Policy. This amount is \$12,250,000 less than the budget request. The Committee recommendation deletes \$12,250,000 that was requested to support the Government-wide Interagency Council and has instead continued the general provision that allows for the funding of these activities.

Child Care Centers.—The Committee recommends that funds provided to the Office of Policy and Operations continue to be used to issue and enforce regulations requiring any entity operating a child care center in a facility owned or leased by an executive agency to: (1) comply with applicable State and local licensing requirements related to the provision of child care and (2) comply with center-based accreditation standards specified by the Administrator, if such a regulatory program is authorized.

Computers to Schools Program.—The Committee continues to be aware that Indian tribal colleges and Alaska Native and Native Hawaiian serving institutions are being asked to undertake an increasing number of activities in Native communities related to education, employment and other training as part of the ongoing “welfare to work” transition mandated by the 1996 welfare reform law. To complement recent private sector donations of computers and related equipment to Indian tribes and Alaska Native and Native Hawaiian serving institutions, as part of its existing “Computers to Schools” program, the General Services Administration [GSA] is encouraged to continue to work with the 31 Indian tribal colleges and Alaska Native and Native Hawaiian serving institutions to provide assistance to them in developing and upgrading the colleges’ electronic capabilities. As part of this effort, GSA should utilize the 31 tribal colleges and Alaska Native and Native Hawaiian serving institutions as a discrete evaluation point as it works to meet these equipment needs. GSA’s technical assistance will further enable the tribal colleges and Alaska Native and Native Hawaiian serving institutions to provide a higher quality of education to their students.

Telecommuting Centers.—The Committee encourages GSA to continue to promote telecommuting centers within the Federal Government in the Washington, DC metropolitan area as an effective means to provide an alternative workplace.

Energy Savings Performance Contracts.—Improved energy efficiency and conservation at Federal facilities is an important component of the economical use of public dollars and the protection of the environment. The Committee is aware of GSA’s leadership in energy and energy cost savings, and in the use of Energy Savings

Performance Contracts [ESPCs] in particular. Since ESPC authority was granted, GSA has entered into 30 contracts with annual energy savings totaling 400,000 million British thermal unit at an aggregated project investment amount of \$89,000,000. The Committee commends GSA's efforts and encourages the expanded use of ESPC contracts by GSA and other government agencies at locations where such contracts will lead to further energy and energy cost savings.

OPERATING EXPENSES

SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$85,536,000
Budget estimate, 2004	85,083,000
Committee recommendation	85,083,000

¹ Reflects reduction of \$544,000 pursuant to section 601 of Public Law 108-7, and reduction of \$11,130,000 transferred to Department of Homeland Security for FedCIRC, and an increase of \$13,547 transferred from Policy and Citizen Services.

Operating Expenses provides funding for Government-wide activities associated with the utilization and donation of surplus personal property; disposal of real property; telecommunications, information technology management, and related technology activities; agency-wide policy direction and management; ancillary accounting, records management, and other support services; services as authorized by 5 U.S.C. 3109; and other related operational expenses.

The Committee recommends an appropriation of \$85,083,000 for the Operating Expenses. The Committee includes the following increases: \$100,000 for the continued use by Federal agencies by the Iowa Communications Network for interactive multisite teleconferences; \$2,000,000 to reimburse the U.S. Soccer Federation for providing security, coordination, and direct assistance related to the 2003 Federation of International Football Association Women's World Cup tournament; \$500,000 for the Ruffner Mountain Educational Facility in Alabama; \$500,000 for the Saenger Restoration Project in Alabama; \$1,000,000 for the Washington State Department of Transportation homeless children school access project; \$500,000 for the State of Alaska to assist in preparation for its Statehood celebration; \$500,000 for the State of Hawaii to assist in preparation for its Statehood celebration; and \$350,000 for the Upper Great Plains Native American Telehealth program. These increases will have no adverse effect on the operating budget due to savings realized by the denial of the funds for non-recurring items that was retained in the President's request for fiscal year 2004.

OFFICE OF INSPECTOR GENERAL

Appropriations, 2003 ¹	\$37,384,000
Budget estimate, 2004	39,169,000
Committee recommendation	39,169,000

¹ Reflects reduction of \$246,000 pursuant to section 601 of Public Law 108-7, and reduction of \$286,000 transferred to the Department of Homeland Security.

This appropriation provides agency-wide audit and investigative functions to identify and correct management and administrative deficiencies within the General Services Administration [GSA], cre-

ating conditions for existing or potential instances of fraud, waste and mismanagement. This audit function provides internal audit and contract audit services. Contract audits provide professional advice to GSA contracting officials on accounting and financial matters relative to the negotiation, award, administration, repricing, and settlement of contracts. Internal audits review and evaluate all facets of GSA operations and programs, test internal control systems, and develop information to improve operating efficiencies and enhance customer services. The investigative function provides for the detection and investigation of improper and illegal activities involving GSA programs, personnel, and operations.

The Committee recommends an appropriation of \$39,169,000 for the Office of Inspector General.

ELECTRONIC GOVERNMENT [E-GOV] FUND

Appropriations, 2003 ¹	\$4,967,500
Budget estimate, 2004	45,000,000
Committee recommendation	5,000,000

¹ Reflects reduction of \$32,500 pursuant to section 601 of Public Law 108-7.

This program supports interagency “electronic government” or “e-gov” initiatives, i.e., projects that use the Internet or other electronic methods to provide individuals, businesses, and other government agencies with simpler and more timely access to Federal information, benefits, services, and business opportunities. The program furthers the Administration’s implementation of the Government Paperwork Elimination Act [GPEA] of 1998, which calls upon agencies to provide the public with optional use and acceptance of electronic information, services, and signatures, when practicable, by October 2003.

Proposals for funding must meet capital planning guidelines and include adequate documentation to demonstrate a sound business case, attention to security and privacy, and a way to measure performance against planned results. In addition, a small portion of the money could be used for awards to those project management teams that delivered the best product to meet customer needs.

The Committee recommends an appropriation of \$5,000,000 for the Electronic Government Fund. This is \$40,000,000 less than the budget request and the same amount appropriated for fiscal year 2003.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

Appropriations, 2003 ¹	\$3,317,000
Budget estimate, 2004	3,393,000
Committee recommendation	3,393,000

¹ Reflects reduction of \$22,000 pursuant to section 601 of Public Law 108-7.

This appropriation provides support consisting of pensions, office staffs, and related expenses for former Presidents Gerald R. Ford, Jimmy Carter, Ronald Reagan, George Bush, and William Jefferson Clinton, and for pension and postal franking privileges for the widow of former President Lyndon B. Johnson.

The Committee recommends \$3,393,000 for allowances and office staff for former Presidents.

Below is listed a detailed breakdown of the fiscal year 2004 funding:

(In thousands of dollars)

	Fiscal year 2004 request—former Presidents					Widows	Total
	Ford	Carter	Reagan	Bush	Clinton		
Personnel Compensation	96	96	96	96	113	.....	497
Personnel Benefits	24	6	34	52	56	.....	172
Benefits for Former Presidents	175	175	175	175	180	20	900
Travel	50	2	2	55	41	.....	150
Rental Payments to GSA	120	102	145	174	445	.....	986
Communications, Utilities and Miscellaneous charges:							
Telephone	20	25	26	14	72	.....	157
Postage	18	20	10	14	10	2	74
Printing	4	5	12	14	8	.....	43
Other Services	10	62	26	67	138	.....	303
Supplies & Materials	16	6	13	13	17	.....	65
Equipment	2	9	2	14	19	.....	46
Total Obligations	535	508	541	688	1,099	22	3,393

GENERAL PROVISIONS—GENERAL SERVICES ADMINISTRATION

Section 401 authorizes GSA to credit accounts with certain funds received from Government corporations.

Section 402 authorizes GSA to use funds for the hire of passenger motor vehicles.

Section 403 authorizes GSA to transfer funds within the Federal buildings fund for meeting program requirements.

Section 404 limits funding for courthouse construction which does not meet certain standards of a capital improvement plan.

Section 405 provides that no funds may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided, to any agency which does not pay the requested rate.

Section 406 allows pilot information technology projects to be repaid from the information technology fund.

Section 407 authorizes GSA to pay claims up to \$2,000,000 from construction projects and acquisition of buildings.

Section 408 authorizes GSA to acquire 27 acres of land, identified as Site 7 and located at 234 Corporate Drive, Pease International Tradeport, Portsmouth, New Hampshire 03801 to design and construct a new Federal Office Building.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$31,818,825
Budget estimate, 2004	35,503,000
Committee recommendation	35,503,000

¹ Reflects reduction of \$208,176 pursuant to section 601 of Public Law 108-7.

MSPB assists Federal agencies in running a merit-based civil service system. This is accomplished on a case-by-case basis through hearing and deciding employee appeals, and on a systemic basis by reviewing significant actions and regulations of the Office of Personnel Management [OPM] and conducting studies of the

civil service and other merit systems. These actions are designed to assure that personnel actions taken against employees are processed within the law, and that actions taken by OPM and other agencies support and enhance Federal merit principles.

The Committee recommends an appropriation of \$35,503,000 for the Merit Systems Protection Board [MSPB].

MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY FOUNDATION

FEDERAL PAYMENT TO MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY FOUNDATION

Appropriations, 2003 ¹	\$1,983,026
Budget estimate, 2004	372,000
Committee recommendation	1,996,000

¹ Reflects reduction of \$12,974 pursuant to section 601 of Public Law 108-7.

The General Fund payment to the Morris K. Udall Fund is invested in Treasury securities with maturities suitable to the needs of the Fund. Interest earnings from the investments are used to carry out the activities of the Morris K. Udall Foundation. The Foundation awards scholarships, fellowships and grants, and funds activities of the Udall Center.

Public Law 106-568 authorized the Morris K. Udall Foundation to establish training programs for professionals in health care policy and public policy, such as the Native Nations Institute [NNI]. NNI, based at the University of Arizona, will provide Native Americans with leadership and management training and analyze policies relevant to tribes.

The Committee recommends an appropriation of \$1,996,000 for these activities of the Morris K. Udall Foundation. The Committee includes language to allow up to 60 percent of the appropriation to be used for the expenses of the Native Nations Institute. The Committee also includes language requiring the Foundation to report to the House and Senate Committees on Appropriations on the amount of funding, if any, transferred from the Trust Fund for the Native Nations Institute and justification for such transfers. This report should include an itemization of planned Native Nations Institute expenditures for fiscal year 2004. Future budget justifications submitted to Congress regarding this effort are to contain detailed information on the actual expenditures of past years as well as detailed information on planned expenditures for the current and future budget years.

MORRIS K. UDALL ENVIRONMENTAL DISPUTE RESOLUTION FUND

Appropriations, 2003 ¹	\$1,300,492
Budget estimate, 2004	700,000
Committee recommendation	1,309,000

¹ Reflects reduction of \$8,509 pursuant to section 601 of Public Law 108-7.

The U.S. Institute for Environmental Conflict Resolution is a Federal program established by Public Law 105-156 to assist parties in resolving environmental, natural resource, and public lands conflicts. The Institute is part of the Morris K. Udall Foundation, and serves as an impartial, non-partisan institution providing professional expertise, services, and resources to all parties involved in

such disputes. The Institute helps parties determine whether collaborative problem solving is appropriate for specific environmental conflicts, how and when to bring all the parties together for discussion, and whether a third-party facilitator or mediator might be helpful in assisting the parties in their efforts to reach consensus or to resolve the conflict. In addition, the Institute maintains a roster of qualified facilitators and mediators with substantial experience in environmental conflict resolution, and can help parties in selecting an appropriate neutral.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

Appropriations, 2003 ¹	\$248,250,813
Budget estimate, 2004	294,105,000
Committee recommendation	258,191,000

¹ Reflects reduction of \$1,624,188 pursuant to section 601 of Public Law 108-7.

NARA provides for basic operations dealing with management of the Federal Government's archives and records, operation of Presidential Libraries, and for the review for declassification of classified security information.

The Committee recommends an appropriation of \$258,191,000 for Operating Expenses of the National Archives and archived Federal records and related activities. This amount is \$35,914,000 less than the budget request due to the deferment of funding for the Electronic Records Archives.

Electronic Records Archives.—National Archives and Records Administration [NARA] is developing an Electronic Records Archives [ERA] that will ensure the preservation of and access to Government electronic records. ERA will preserve electronic records generated in a variety of formats, and enable requesters to access them on computer systems now and in the future. The upcoming system development tasks include completing a systems requirement specification, system architecture, and system design for ERA.

The Committee recognizes that the development of ERA is a substantial undertaking due to the sheer volume and complexity of the records that are generated by the Federal Government. This effort is further complicated by the dynamic and evolving nature of information technology development and the fact that this is the first system of its kind.

The General Accounting Office [GAO] and the National Academies of Science have reviewed NARA's initial development plans for ERA, identified areas of risk, and made recommendations for improvement. In particular, the Committee is concerned with the GAO's assertion that NARA may be unable to independently track the cost and schedule of the ERA project. Given both the importance and obvious magnitude of ERA, the Committee intends to carefully monitor NARA's acquisition plans, staffing levels and ability to meet established deadlines. In that regard, the Committee directs GAO to provide a further progress report on NARA's development of ERA and to report its findings to the House and Senate Committees on Appropriations by May 22, 2004.

ARCHIVES FACILITIES REPAIRS AND RESTORATION

Appropriations, 2003 ¹	\$14,115,648
Budget estimate, 2004	6,458,000
Committee recommendation	13,483,000

¹ Reflects reduction of \$92,352 pursuant to section 601 of Public Law 108-7.

This account provides for the repair, alteration, and improvement of Archives facilities and Presidential Libraries nationwide, and provides adequate storage for holdings. It will better enable the National Archives to maintain its facilities in proper condition for public visitors, researchers, and employees in NARA facilities, and also maintain the structural integrity of the buildings. These funds will determine appropriate options for preserving and providing access to 20th century military service records. These funds will allow NARA to complete preliminary design studies and analysis, including workflow and cost estimates, for housing and access options for these massive and valuable records. Technology and facility approaches will also be examined.

The Committee recommends an appropriation of \$13,483,000. The Committee has included \$2,025,000 to complete the purchase of land in Anchorage, Alaska, to build a new regional archives and record facility. The funds will be used to reimburse the General Service Administration for land acquisition services and for the purchase of approximately 10 acres of land. The recommendation also provides \$5,000,000 for the repair and restoration of the plaza that surrounds the Lyndon Baines Johnson Presidential Library at the University of Texas.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

GRANTS PROGRAM

Appropriations, 2003 ¹	\$6,457,750
Budget estimate, 2004	5,000,000
Committee recommendation	5,000,000

¹ Reflects reduction of \$42,250 pursuant to section 601 of Public Law 108-7.

The National Historical Publications and Records Commission [NHPRC] provides grants nationwide to preserve and publish records that document American history. Administered within the National Archives, which preserves Federal records, NHPRC helps State, local, and private institutions preserve non-Federal records, helps publish the papers of major figures in American history, and helps archivists and records managers improve their techniques, training, and ability to serve a range of information users.

The Committee recommends an appropriation of \$5,000,000.

NATIONAL TRANSPORTATION SAFETY BOARD

SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$71,979,075
Budget estimate, 2004	71,480,000
Committee recommendation	72,170,000

¹ Reflects reduction of \$470,925 pursuant to section 601 of Public Law 108-7.

The National Transportation Safety Board [NTSB], as an independent nonregulatory agency, is charged with promoting transpor-

tation safety through the investigation of accidents, the conduct of special studies, the development of recommendations to prevent accidents, the evaluation of the effectiveness of other Government agencies in preventing transportation accidents, and the review of appeals of adverse certificate and civil penalty actions taken by the Administrators of agencies of the Department of Transportation involving airman and seaman certificates and licenses.

The bill includes \$72,170,000 for the National Transportation Safety Board. The Committee recommendation is \$690,000 more than the budget request to allow NTSB to maintain its current staffing level.

Child Safety Seats.—The Committee notes that not all child safety seats that meet National Highway Traffic Safety Administration standards are certified by the Federal Aviation Administration for air travel. Likewise, seats are not adequately labeled to make it clear to airline personnel whether seats are permitted aboard aircraft causing delays during boarding as the passenger searches for evidence of FAA certification. To alleviate this problem, the National Transportation Safety Board, in consultation with the appropriate modal administrations and industry groups, should make recommendations for unified standards that meet both NHTSA and FAA requirements. Such recommendations should include clear, conspicuous, and consistent labeling requirements on the packaging and the seat to inform both consumers and airline personnel.

EMERGENCY FUNDING

Appropriations, 2003	
Budget estimate, 2004 (limitation)	\$600,000
Committee recommendation	600,000

The National Transportation Safety Board is mandated by Congress to investigate all catastrophic transportation accidents and, therefore, has no control over the frequency of costly accident investigations. The emergency fund provides a funding mechanism by which periodic accident investigation cost fluctuations can be met without delaying critical phases of the investigations.

For fiscal year 2004, the administration has requested a funding level of \$600,000 to replenish the emergency fund to its authorized level of \$2,000,000. The Committee has provided the requested amount.

OFFICE OF GOVERNMENT ETHICS

SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$10,488,000
Budget estimate, 2004	10,738,000
Committee recommendation	10,738,000

¹ Reflects reduction of \$89,000 pursuant to section 601 of Public Law 108-7.

OGE is charged by law to provide overall direction of Executive Branch policies designed to prevent conflicts of interest and ensure high ethical standards. OGE carries out these responsibilities by developing rules and regulations pertaining to conflicts of interest, post employment restrictions, standards of conduct, and public and confidential financial disclosure in the Executive Branch; by monitoring compliance with the public and confidential disclosure re-

quirements of the Ethics Reform Act of 1978 and the Ethics Reform Act of 1989 to determine possible violations of applicable laws or regulations and recommending appropriate corrective action; by consulting with and assisting various officials in evaluating the effectiveness of applicable laws and the resolution of individual problems; and by preparing formal advisory opinions, informal letter opinions, policy memoranda, and Federal Register entries on how to interpret and comply with the requirements on conflicts of interest, post employment, standards of conduct, and financial disclosure.

The Committee recommends an appropriation of \$10,738,000 for salaries and expenses of the Office of Government Ethics [OGE] in fiscal year 2004.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$128,644,000
Budget estimate, 2004	118,748,000
Committee recommendation	118,748,000

¹ Reflects reduction of \$842,000 pursuant to section 601 of Public Law 108-7.

The Office of Personnel Management [OPM] is the Federal Government agency responsible for management of Federal human resources policy and oversight of the merit civil service system. Although individual agencies are increasingly responsible for personnel operations, OPM provides a Governmentwide policy framework for personnel matters, advises and assists agencies (often on a reimbursable basis), and ensures that agency operations are consistent with requirements of law on issues such as veterans preference. OPM oversees examining of applicants for employment, issues regulations and policies on hiring, classification and pay, training, investigations, other aspects of personnel management, and operates a reimbursable training program for the Federal Government's managers and executives. OPM is also responsible for administering the retirement, health benefits and life insurance programs affecting most Federal employees, retired Federal employees, and their survivors.

The Committee recommends an appropriation of \$118,748,000 for the salaries and expenses of the Office of Personnel Management [OPM].

Retirement Systems Modernization.—The Committee is aware that the Office of Personnel Management initiated a Retirement Systems Modernization Program in 1997 to automate and streamline the manual and paper-intensive business processes used to administer the Federal employee retirement program. Two years ago, the Committee recommended that OPM reach out to GAO for guidance and support because OPM could benefit from the experiences that GAO has documented with other Federal agency modernization projects. OPM did not act on the Committee's suggestion, therefore, last year, the Committee directed OPM to conduct quarterly meetings with GAO on the progress of the IT modernization project. These meetings did not occur quarterly. Instead, only one meeting occurred in 2002 and none in 2003. The Committee is now aware that this multi-year effort has been plagued with problems.

The Committee is disappointed by this lack of cooperation and therefore directs GAO to do a comprehensive audit on the problems and any mismanagement of the modernization project.

LIMITATION

(TRANSFER OF TRUST FUNDS)

Limitation, 2003	\$120,006,000
Budget estimate, 2004	135,914,000
Committee recommendation	135,914,000

These funds will be transferred from the appropriate trust funds of the Office of Personnel Management to cover administrative expenses for the retirement and insurance programs.

The Committee recommends a limitation of \$135,914,000.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$1,509,000
Budget estimate, 2004	1,498,000
Committee recommendation	1,498,000

¹ Reflects reduction of \$10,000 pursuant to section 601 of Public Law 108-7.

The Office of Inspector General is charged with establishing policies for conducting and coordinating efforts which promote economy, efficiency, and integrity in the Office of Personnel Management's activities which prevent and detect fraud, waste, and mismanagement in the agency's programs. Contract audits provide professional advice to agency contracting officials on accounting and financial matters regarding the negotiation, award, administration, repricing, and settlement of contracts. Internal agency audits review and evaluate all facets of agency operations, including financial statements. Evaluation and inspection services provide detailed technical evaluations of agency operations. Insurance audits review the operations of health and life insurance carriers, health care providers, and insurance subscribers. The investigative function provides for the detection and investigation of improper and illegal activities involving programs, personnel, and operations. Administrative sanctions debar from participation in the health insurance program those health care providers whose conduct may pose a threat to the financial integrity of the program itself or to the well-being of insurance program enrollees.

The Committee recommends an appropriation of \$1,498,000 for salaries and expenses of the Office of Inspector General in fiscal year 2004.

(LIMITATION ON TRANSFER FROM TRUST FUNDS)

Limitation, 2003	\$10,815,000
Budget estimate, 2004	14,427,000
Committee recommendation	14,427,000

The Committee recommends a limitation on transfers from the trust funds in support of the Office of Inspector General activities totaling \$14,427,000 for fiscal year 2004.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH
BENEFITS

Appropriations, 2003	\$6,853,000,000
Budget estimate, 2004	7,219,000,000
Committee recommendation	7,219,000,000

This appropriation covers the Government's share of the cost of health insurance for annuitants covered by the Federal Employees Health Benefits Program and the Retired Federal Employees Health Benefits Act of 1960, as well as administrative expenses incurred by OPM for these programs.

The Committee recommends an appropriation of \$7,219,000,000 for Government payments for annuitants, employees health benefits.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE
INSURANCE

Appropriations, 2003	\$34,000,000
Budget estimate, 2004	35,000,000
Committee recommendation	35,000,000

Public Law 96-427, the Federal Employees' Group Life Insurance Act of 1980 requires that all employees under the age of 65 who separate from the Federal Government for purposes of retirement on or after January 1, 1990, continue to make contributions toward their basic life insurance coverage after retirement until they reach the age of 65. These retirees will contribute two-thirds of the cost of the basic life insurance premium, identical to the amount contributed by active Federal employees for basic life insurance coverage. As with the active Federal employees, the Government is required to contribute one-third of the cost of the premium for basic coverage. OPM, acting as the payroll office on behalf of Federal retirees, has requested, and the Committee has provided, the funding necessary to make the required Government contribution associated with annuitants' postretirement life insurance coverage.

The Committee recommends an appropriation of \$35,000,000 for the Government payment for annuitants, employee life insurance. This amount equals the budget request.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

Appropriations, 2003	\$9,410,000,000
Budget estimate, 2004	9,987,000,000
Committee recommendation	9,987,000,000

The civil service retirement and disability fund was established in 1920 to administer the financing and payment of annuities to retired Federal employees and their survivors. The fund covers the operation of the Civil Service Retirement System and the Federal Employees' Retirement System.

This appropriation provides for the Government's share of retirement costs, transfers of interest on the unfunded liability and annuity disbursements attributable to military service, and survivor annuities to eligible former spouses of some annuitants who did not elect survivor coverage.

The Committee recommends an appropriation of \$9,987,000,000 for payment to the civil service retirement and disability fund. The Committee recommendation equals the budget estimate.

HUMAN CAPITAL PERFORMANCE FUND

Appropriations, 2003	
Budget estimate, 2004	\$500,000,000
Committee recommendation	

The Human Capital Performance Fund is designed to create performance-driven pay systems for employees and reinforce the value of employee performance management systems. The administration proposes providing additional pay over and above any annual, across-the-board pay raise to certain civilian employees based on individual or organizational performance and/or other critical agency human capital needs. Under the proposal the current GS system would remain unchanged. Individual employees would remain at their existing GS levels and on schedule for all routine pay raises such as a within-grade increase. Any pay increase received from the Fund would be treated as increases to base pay for retirement and other purposes and would stay with an employee throughout his/her career.

The Committee agrees with the concept but denies the creation of the Human Capital Performance Fund. The Committee believes that an initiative of this type should be budgeted and administered within each individual agency.

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$12,368,000
Budget estimate, 2004	13,504,000
Committee recommendation	13,504,000

¹ Reflects reduction of \$81,000 pursuant to section 601 of Public Law 108-7.

OSC investigates Federal employee allegations of prohibited personnel practices and, when appropriate, prosecutes cases before the Merit Systems Protection Board and enforces the Hatch Act. OSC also provides a channel for whistleblowing by Federal employees, and may transmit whistleblowing allegations to the agency head concerned and require an agency investigation and a report to Congress and the President when appropriate.

The Committee recommends an appropriation of \$13,504,000 for the Office of Special Counsel [OSC].

UNITED STATES POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

Appropriations, 2003 ¹	\$76,121,000
Budget estimate, 2004	65,521,000
Committee recommendation	65,521,000

¹ Reflects reduction of \$498,000 pursuant to section 601 of Public Law 108-7.

Pursuant to Public Law 93-328, the fiscal year 2004 appropriation request of the U.S. Postal Service for Payment to the Postal Service Fund is \$65,521,000. This amount includes: \$55,685,000 re-

quested for free mail for the blind and overseas voting; \$19,164,000 as a reconciliation adjustment for 2001 actual mail volume of free mail for the blind and overseas voting; and \$29,000,000 for prior years' liability under the Revenue Forgone Reform Act of 1993. In addition to these funds, \$31,014,000 (an advance appropriation from 2003 for the 2003 costs and the 2000 reconciliation adjustment for free mail for the blind and overseas voting) will become available to the U.S. Postal Service in fiscal year 2004.

Revenue forgone on free and reduced-rate mail enables postage rates to be set at levels below the unsubsidized rates for certain categories of mail as authorized by subsections (c) and (d) of section 2401 of title 39, United States Code. Free mail for the blind and overseas voters will continue to be provided at the funding level recommended by the Committee.

The Committee recommends a total of \$65,521,000 in fiscal year 2004 funding and advanced appropriations for payments to the Postal Service Fund.

The Committee includes provisions in the bill that would assure that mail for overseas voting and mail for the blind shall continue to be free; that 6-day delivery and rural delivery of mail shall continue at the 1983 level; and that none of the funds provided be used to consolidate or close small rural and other small post offices in fiscal year 2004. These are services that must be maintained in fiscal year 2004 and beyond.

The Committee believes that 6-day mail delivery is one of the most important services provided by the Federal Government to its citizens. Especially in rural and small town America, this critical postal service is the linchpin that serves to bind the Nation together.

The Committee is aware that the Postal Service has had a freeze on construction of new postal facilities since 2001. There are some areas in desperate need of a new facility. The Committee directs the Postal Service to evaluate these needs and report within 60 days of the enactment of this Act on the current conditions of these Post Offices and when a replacement will be built.

Post Office Hours of Operation.—The Committee is aware of the U.S. Postal Service efforts to promote efficiency by reducing the hours of operation at certain Post Offices across the nation. The Committee is concerned that the Postal Service has reduced customer service hours without adequate consideration of peak hour public use. The Committee directs the Postal Service to work with the various communities including East Brewton, Alabama, to review the hours of operation that will best serve the community and report to the Committees on Appropriations on the results of the review.

Memphis, Tennessee.—The Committee is aware of efforts by the city of Memphis, Tennessee, to relocate certain U.S. Postal Service facilities from their current position on the Memphis Riverfront to another location. The Committee directs the U.S. Postal Service to enter into discussions with the city of Memphis regarding plans to relocate the U.S. Postal Service and customer service center that is currently located in the Customs House building. Relocation of these facilities will reconnect downtown to the riverfront and facilitate revitalization efforts.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

Appropriations, 2003 ¹	\$37,063,000
Budget estimate, 2004	40,187,000
Committee recommendation	40,187,000

¹ Reflects reduction of \$242,000 pursuant to section 601 of Public Law 108-7.

The U.S. Tax Court is an independent judicial body in the legislative branch under article I of the Constitution of the United States. The court is composed of a chief judge and 18 judges. Decisions by the court are reviewable by the U.S. Courts of Appeals and, if certiorari is granted, by the Supreme Court.

In their judicial duties the judges are assisted by senior judges, who participate in the adjudication of regular cases, and by special trial judges, who hear small tax cases and certain regular cases assigned to them by the chief judge.

The court conducts trial sessions throughout the United States, including Hawaii and Alaska. The matters over which the Court has jurisdiction are set forth in various sections of title 26 of the United States Code.

Tax Court Independent Counsel Fund.—This fund is established pursuant to 26 U.S.C. 7475. The fund is used by the Tax Court to employ independent counsel to pursue disciplinary matters involving practitioners admitted to practice before the Court.

Tax Court Judges Survivors Annuity Fund.—This fund established pursuant to 26 U.S.C. 7448, is used to pay survivorship benefits to eligible surviving spouses and dependent children of deceased judges of the U.S. Tax Court. Participating judges pay 3.5 percent of their salaries or retired pay into the fund to cover creditable service for which payment is required. Additional funds, as are needed, are provided through the annual appropriation to the U.S. Tax Court.

The Committee recommends an appropriation of \$40,187,000 for the U.S. Tax Court.

WHITE HOUSE COMMISSION ON THE NATIONAL MOMENT OF
REMEMBRANCE

Appropriations, 2003 ¹	\$248,000
Budget estimate, 2003	250,000
Committee recommendation	250,000

¹ Reflects reduction of \$2,000 pursuant to section 601 of Public Law 108-7.

The Commission was established and authorized by Public Law 106-579. The Commission will also accept gifts and generate product royalty revenue in order to revitalize the national understanding and commemoration of Memorial Day.

The Committee recommends an appropriation of \$250,000 for the White House Commission on the National Moment of Remembrance. This is the same as the President's request.

STATEMENT CONCERNING GENERAL PROVISIONS

The Transportation, Treasury and General Government appropriation bill includes general provisions which govern both the activities of the agencies covered by the bill, and, in some cases, ac-

tivities of agencies, programs, and general government activities that are not covered by the bill. General provisions that are governmentwide in scope are contained in title VI of this bill.

The bill contains a number of general provisions that have been carried in this bill for years and which are routine in nature and scope. General provisions in the bill are explained under this section of the report. Those general provisions that deal with a single agency only are shown immediately following that particular agency's or department's appropriation accounts in the bill. Those general provisions that address activities or directives affecting all of the agencies covered in this bill are contained in title V.

TITLE V—GENERAL PROVISIONS THIS ACT

Section 501 allows funds for maintenance and operation of aircraft; motor vehicles; liability insurance; uniforms; or allowances, as authorized by law.

Section 502 requires pay raises to be absorbed within appropriated levels in this Act or previous appropriations Acts.

Section 503 limits appropriations for services authorized by 5 U.S.C. 3109 not to exceed the rate for an Executive Level IV.

Section 504 prohibits funds in this Act for salaries and expenses of more than 106 political and Presidential appointees in the Department of Transportation, and prohibits political and Presidential personnel to be assigned on temporary detail outside the Department of Transportation or an independent agency funded in this Act.

Section 505 prohibits pay and other expenses for non-Federal parties in regulatory or adjudicatory proceedings funded in this Act.

Section 506 prohibits obligations beyond the current fiscal year and prohibits transfers of funds unless expressly so provided herein.

Section 507 limits consulting service expenditures.

Section 508 prohibits funds for the implementation of section 404 of title 23, U.S.C.

Section 509 prohibits recipients of funds made available in this Act to release personal information, including a social security number, medical or disability information, and photographs from a driver's license or motor vehicle record without express consent of the person to whom such information pertains; and prohibits the Secretary from withholding funds provided in this Act for any grantee if a State is in noncompliance with this provision.

Section 510 allows funds received by the Federal Highway Administration, Federal Transit Administration, and the Federal Railroad Administration from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training may be credited to each agency's respective accounts.

Section 511 authorizes the Secretary of Transportation to allow issuers of any preferred stock to redeem or repurchase preferred stock sold to the Department of Transportation.

Section 512 prohibits funds in this Act to make a grant unless the Secretary of Transportation notifies the House and Senate Committees on Appropriations at least 3 full business days before any discretionary grant award, letter of intent, or full funding grant agreement totaling \$1,000,000 or more is announced by the Department or its modal administration.

Section 513 allows rebates, refunds, incentive payments, minor fees and other funds received by the Department of Transportation from travel management center, charge card programs, subleasing

of building space and miscellaneous sources are to be credit to appropriations of the Department of Transportation.

Section 514 prohibits funds for the Office of the Secretary of Transportation to approve assessments or reimbursable agreements pertaining to funds appropriated to the modal administrations in this Act, unless such assessments or agreements have completed the normal reprogramming process for Congressional notification.

Section 515 requires the Secretary of Transportation to submit a report to the House and Senate Appropriations Committee annually on the safety and security of transportation into the United States by Mexico-domiciled motor carriers.

Section 516 prohibits funds in this Act to be transferred without express authority.

Section 517 limits the fiscal year 2004 Working Capital Fund for the Department of Transportation.

Section 518 amends prior Surface Transportation Laws, ISTEA High Priority Corridors.

Section 519 allows that amounts from improper payments to a third party contractor that are lawfully recovered by the Department of Transportation shall be available to cover expenses incurred in recovery of such payments.

Section 520 authorizes the transfer of unexpended sums from "Minority Business Outreach" to "Office of the Secretary, Salaries and expenses".

Section 521 limits expenditures for consulting service through procurement contracts where such expenditures are a matter of public record and available for public inspection.

Section 522 ensures that the proposed rules fully and accurately reflect the finding in the General Accounting Office regarding the adequacy of the Department's procedures.

Section 523 protects employment rights of Federal employees who return to their civilian jobs after assignment with the Armed Forces.

Section 524 prohibits the use of funds in compliance with the Buy American Act.

Section 525 sense of the Congress to purchase only American-made equipment and products.

Section 526 prohibits any person from intentionally affixing a label bearing a "Made in America" inscription or any inscription with the same meaning to products not made in America; such person will be ineligible to receive any contract or subcontract pursuant to this Act.

Section 527 ensures that 50 percent of unobligated balances may remain available for certain purposes.

Section 528 restricts the use of funds for the White House to request official background reports without the written consent of the individual who is the subject of the report.

Section 529 ensures that the cost accounting standard shall not apply with respect to a contract under the Federal Employees Health Benefits Program.

Section 530 reference non-foreign area cost of living allowances.

Section 531 prohibits the use of funds by any person or entity convicted of violating the Buy American Act.

Section 532 allows bridges that are owned and operated by a State agency whose toll revenues are administered by a Metropolitan Plan Organization to use toll revenues for other transportation costs.

Section 533 reduces certain activities within administrative accounts by \$128,076,000 to be administered by the Director, Office of Management and Budget within 30 days of enactment of this Act.

Section 534 prohibits the use of funds in title I of this Act to change weight restrictions or prior permission rules at Teterboro Airport.

Section 535 extends the Breast Cancer Stamp authorization (39 U.S.C. 414(h)) until 2005.

Section 536 directs FTA and FHWA to work with the Utah Transit Authority and the Utah Department of Transportation to coordinate the development of the regional commuter rail and the northern segment of I-15 reconstruction in Wasatch Front corridor extending from Brigham City to Payson, Utah.

TITLE VI—GENERAL PROVISIONS, DEPARTMENTS,
AGENCIES, AND CORPORATIONS

Section 601 authorizes agencies to pay travel costs of the families of Federal employees on foreign duty to return to the United States in the event of death or a life threatening illness of an employee.

Section 602 requires agencies to administer a policy designed to ensure that all of its workplaces are free from the illegal use of controlled substances.

Section 603 limits the price on vehicles to be purchased by the Federal Government.

Section 604 allows funds made available to agencies for travel to also be used for quarters allowances and cost-of-living allowances.

Section 605 prohibits the Government, with certain specified exceptions, from employing non-U.S. citizens whose posts of duty would be in the continental United States.

Section 606 ensures that agencies will have authority to pay the General Services Administration bills for space renovation and other services.

Section 607 allows agencies to finance the costs of recycling and waste prevention programs with proceeds from the sale of materials recovered through such programs.

Section 608 provides that funds may be used to pay rent and other service costs in the District of Columbia.

Section 609 prohibits the use of appropriated funds to pay the salary of any nominee after the Senate voted not to approve the nomination.

Section 610 precludes interagency financing of groups absent prior statutory approval.

Section 611 authorizes the Postal Service to employ guards.

Section 612 prohibits the use of appropriated funds for enforcing regulations disapproved in accordance with the applicable law of the United States.

Section 613 limits the pay increases of certain prevailing rate employees.

Section 614 limits the amount that can be used for redecoration of offices under certain circumstances.

Section 615 permits interagency funding of national security and emergency preparedness telecommunications initiatives, which benefit multiple Federal departments, agencies, and entities.

Section 616 requires agencies to certify that a schedule C appointment was not created solely or primarily to detail the employee to the White House.

Section 617 requires agencies to administer a policy designed to ensure that all of its workplaces are free from discrimination and sexual harassment.

Section 618 prohibits the use of funds to prevent Federal employees from communicating with Congress or to take disciplinary or personnel actions against employees for such communication.

Section 619 prohibits training not directly related to the performance of official duties.

Section 620 prohibits the expenditure of funds for the implementation of agreements in certain nondisclosure policies unless certain provisions are included in the policies.

Section 621 prohibits use of appropriated funds for publicity or propaganda designed to support or defeat legislation pending before Congress.

Section 622 prohibits use of appropriated funds by an agency to provide Federal employees home address to labor organizations.

Section 623 prohibits the use of appropriated funds to provide nonpublic information such as mailing or telephone lists to any person or organization outside of the Government.

Section 624 prohibits the use of appropriated funds for publicity or propaganda purposes within the United States not authorized by Congress.

Section 625 directs agencies employees to use official time in an honest effort to perform official duties.

Section 626 authorizes the use of current fiscal year funds to finance an appropriate share of the Joint Financial Management Improvement Program.

Section 627 authorizes agencies to transfer funds to or reimburse the Policy and Operations account of GSA to finance an appropriate share of the Joint Financial Management Improvement Program.

Section 628 prohibits the use of funds in this or any other Act to operate an online employment information service for the Federal Government under quotation number SOLO30000003 or to prohibit any agency from using appropriated funds as they see fit to independently contract with private companies to provide online employment applications and processing services.

Section 629 authorizes breastfeeding at any location in a Federal building or on Federal property.

Section 630 permits interagency funding of the National Science and Technology Council.

Section 631 requires identification of the Federal agencies providing Federal funds and the amount provided for all proposals, solicitations, grant applications, forms, notifications, press releases, or other publications related to the distribution of funding to a State.

Section 632 continues a provision which extends the authorization for franchise fund pilots for 1 year with modification.

Section 633 continues a provision prohibiting the use of funds to monitor personal information relating to the use of Federal internet sites; the conferees apply this provision government-wide.

Section 634 continues a provision regarding contraceptive coverage under the Federal Employees Health Benefits Plan.

Section 635 clarifies that the United States Anti-Doping Agency is the official anti-doping agency for Olympic, Pan American, and Paralympic sport in the United States.

Section 636 is a new provision regarding Federal employee pay adjustments.

Section 637 directs departments and agencies to comply with the Rural Development Act of 1972.

Section 638 prohibits the purchase of a product or service offered by the Federal Prison Industries, Inc., unless the Agency making such purchase determines that such product or service provides the best value.

Section 639 allows the use of appropriated funds for official travel by Federal departments and agencies to participate in the fractional aircraft ownership pilot program.

Section 640 requires each Department and Agency to evaluate the creditworthiness of an individual before issuing the individual a government purchase charge card or travel card.

Sections 641 prohibits the expenditure of funds for the acquisition of additional Federal Law Enforcement Training facilities.

Section 642 requires each agency to report on competitive sourcing activities.

COMPLIANCE WITH PARAGRAPH 7, RULE XVI, OF THE
STANDING RULES OF THE SENATE

Paragraph 7 of rule XVI requires that Committee reports on general appropriations bills identify each Committee amendment to the House bill "which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session."

The Committee recommends the following appropriations which lack authorization:

DEPARTMENT OF TRANSPORTATION

Office of the Secretary of Transportation: Payments to air carriers

Federal Aviation Administration:

Operations
Facilities and equipment
Research, engineering and development
Grants-in-aid to airports
Small community air service development

Federal Highway Administration:

Federal-aid highways
Appalachian development highway system

Motor Carrier Safety Administration:

Motor carrier safety
National motor carrier safety program
Border enforcement program

National Highway Traffic Safety Administration:

Operations and research
Highway traffic safety grants
National driver register

Federal Railroad Administration:

Safety and operations
Alaska railroad rehabilitation
Grants to the National Railroad Passenger Corporation

Federal Transit Administration:

Administrative expenses
Formula grants
University transportation centers
Transit planning and research
Capitol investment grants
Job access and reverse commute grants

St. Lawrence Seaway Development Corporation

Maritime Administration:

Maritime security program
Operations and training
Ship disposal

Maritime loan guarantee loan program
 Research and Special Programs Administration: Research and special programs, hazardous materials safety
 Bureau of Transportation Statistics (drawdown from Federal-aid highways)
 Surface Transportation Board

DEPARTMENT OF THE TREASURY

Departmental Offices:
 Salaries and expenses
 Department-wide Systems and Capital Investments Program
 Air Transportation Stabilization Program
 Treasury Building and annex, repair and restoration
 Financial Crimes Enforcement Network, salaries and expenses
 Financial Management Service, salaries and expenses
 Internal Revenue Service:
 Processing, assistance, and management
 Tax law enforcement
 Earned Income Tax Credit
 Information systems

EXECUTIVE OFFICE OF THE PRESIDENT

The White House Office, salaries and expenses
 Office of Homeland Security
 Executive Residence at the White House, operating expenses
 Special Assistance to the President, salaries and expenses
 Council of Economic Advisers, salaries and expenses
 National Security Council, salaries and expenses
 Office of Administration, salaries and expenses
 Office of Management and Budget, salaries and expenses
 Office of National Drug Control Policy, salaries and expenses
 Counterdrug Technology Assessment Center, salaries and expenses
 High-intensity drug trafficking areas

INDEPENDENT AGENCIES

Federal Election Commission, salaries and expenses
 Federal Labor Relations Authority, salaries and expenses
 General Services Administration, Federal buildings fund, limitations on availability of revenue: Construction and Acquisition of Facilities
 National Historical Publications and Records Commission
 National Transportation Safety Board
 Office of Government Ethics, salaries and expenses
 U.S. Tax Court, salaries and expenses

COMPLIANCE WITH PARAGRAPH 7(C), RULE XXVI, OF THE
STANDING RULES OF THE SENATE

Pursuant to paragraph 7(c) of rule XXVI, on September 4, 2003, the Committee ordered reported en bloc: S. 1585, an original bill making appropriations for the Departments of Commerce, Justice, and State, the judiciary, and related agencies for the fiscal year ending September 30, 2004; S. 1589, an original bill making appro-

priations for the Departments of Transportation and Treasury, the Executive Office of the President, and certain independent agencies for the fiscal year ending September 30, 2004; and S. 1584, an original bill making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2004; each subject to amendment and each subject to the budget allocations, by a recorded vote of 29–0, a quorum being present. The vote was as follows:

Yeas	Nays
Chairman Stevens	
Mr. Cochran	
Mr. Specter	
Mr. Domenici	
Mr. Bond	
Mr. McConnell	
Mr. Burns	
Mr. Shelby	
Mr. Gregg	
Mr. Bennett	
Mr. Campbell	
Mr. Craig	
Mrs. Hutchison	
Mr. DeWine	
Mr. Brownback	
Mr. Byrd	
Mr. Inouye	
Mr. Hollings	
Mr. Leahy	
Mr. Harkin	
Ms. Mikulski	
Mr. Reid	
Mr. Kohl	
Mrs. Murray	
Mr. Dorgan	
Mrs. Feinstein	
Mr. Durbin	
Mr. Johnson	
Ms. Landrieu	

**COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE
STANDING RULES OF THE SENATE**

Paragraph 12 of rule XXVI requires that Committee reports on a bill or joint resolution repealing or amending any statute or part of any statute include “(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee.”

In compliance with this rule, the following changes in existing law proposed to be made by the bill are shown as follows: existing law to be omitted is enclosed in black brackets; new matter is printed in italic; and existing law in which no change is proposed is shown in roman.

With respect to this bill, it is the opinion of the Committee that it is necessary to dispense with these requirements in order to expedite the business of the Senate.

BUDGETARY IMPACT OF BILL

PREPARED IN CONSULTATION WITH THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93-344, AS AMENDED

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount of bill	Committee allocation	Amount of bill
Comparison of amounts in the bill with Committee allocations to its subcommittees of amounts in the Budget Resolution for 2004: Subcommittee on Transportation and Treasury:				
Mandatory	17,518	17,518	17,516	¹ 17,516
General purpose	26,041	26,038	33,397	¹ 33,397
Highway			31,555	¹ 31,555
Mass transit	1,461	1,461	6,634	¹ 6,632
Projection of outlays associated with the recommendation:				
2004				² 47,575
2005				7,310
2006				2,740
2007				1,640
2008 and future years				1,821
Financial assistance to State and local governments for 2004	NA	1,713	NA	10,437

¹ Includes outlays from prior-year budget authority.

² Excludes outlays from prior-year budget authority.

NA: Not applicable.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2003 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2004
 [In thousands of dollars]

Item	2003 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2003 appropriation	Budget estimate
TITLE I—DEPARTMENT OF TRANSPORTATION					
Office of the Secretary					
Salaries and expenses					
Immediate Office of the Secretary	87,574	108,931	91,276	+ 3,702	- 17,655
Immediate Office of the Deputy Secretary	(2,197)		(2,500)	(+ 303)	(+ 2,500)
Immediate Office of the Secretary and Deputy Secretary	(804)		(706)	(- 98)	(+ 706)
Office of the General Counsel		(5,149)			(- 5,149)
Office of the Under Secretary for Transportation Policy	(15,555)	(15,992)	(15,403)	(- 152)	(- 589)
Office of the Assistant Secretary for Budget and Programs	(12,371)	(12,717)	(12,312)	(- 59)	(- 405)
Office of the Assistant Secretary for Governmental Affairs	(8,321)	(8,630)	(8,536)	(+ 215)	(- 94)
Office of the Assistant Secretary for Administration	(2,437)	(2,518)	(2,477)	(+ 40)	(- 41)
Office of Public Affairs	(28,882)	(34,351)	(28,882)		(- 5,469)
Executive Secretariat	(1,913)	(1,982)	(1,915)	(+ 2)	(- 67)
Board of Contract Appeals	(1,382)		(1,458)	(+ 76)	(+ 1,458)
Office of Small and Disadvantaged Business Utilization	(607)	(730)	(700)	(+ 93)	(- 30)
Office of Intelligence and Security	(1,296)	(1,268)	(1,268)	(- 28)	
Office of the Chief Information Officer		(2,225)	(1,792)	(+ 1,792)	(- 433)
Transfer to Homeland Security	(13,101)	(23,369)	(13,327)	(+ 226)	(- 10,042)
	(- 1,292)			(+ 1,292)	
Subtotal	(87,574)	(108,931)	(91,276)	(+ 3,702)	(- 17,655)
Office of Civil Rights	8,643	8,569	8,569	- 74	
Transportation planning, research, and development	20,864	10,836	15,836	- 5,028	+ 5,000
Working capital fund	(131,766)		(116,715)	(- 15,051)	(+ 116,715)
Minority business resource center program	894	900	900	+ 6	
(Limitation on guaranteed loans)	(18,367)	(18,367)	(18,367)		
Minority business outreach	2,981	3,000	3,000	+ 19	
New headquarters building		45,000			- 45,000
Payments to air carriers (Airport & Airway Trust Fund)	51,761		52,000	+ 239	+ 52,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2003 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2004—Continued
[In thousands of dollars]

Item	2003 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2003 appropriation	Budget estimate
Total, Office of the Secretary	172,717	177,236	171,581	- 1,136	- 5,655
Federal Aviation Administration					
Operations	7,023,070	7,590,648	7,535,648	+ 512,578	- 55,000
Facilities & equipment (Airport & Airway Trust Fund)	2,961,645	2,916,000	2,916,000	- 45,645	
Rescission (Airport and Airway Trust Fund)	- 20,000			+ 20,000	
Subtotal, F&E	2,941,645	2,916,000	2,916,000	- 25,645	
Research, engineering, and development (Airport and Airway Trust Fund)	147,485	100,000	118,939	- 28,546	+ 18,939
Grants-in-aid for airports (Airport and Airway Trust Fund):					
(Liquidation of contract authorization)	(3,100,000)	(3,400,000)	(3,400,000)	(+ 300,000)	
(Limitation on obligations)	(3,377,900)	(3,400,000)	(3,400,000)	(+ 22,100)	
(Small community air service pilot program)	(20,000)			(- 20,000)	
Subtotal, Grants-in-aid	(3,377,900)	(3,400,000)	(3,400,000)	(+ 22,100)	
Aviation insurance revolving fund					
Total, Federal Aviation Administration	10,132,200	10,606,648	10,570,587	+ 438,387	- 36,061
(Limitations on obligations)	(3,377,900)	(3,400,000)	(3,400,000)	(+ 22,100)	
Rescissions	- 20,000			+ 20,000	
Subtotal	(13,490,100)	(14,006,648)	(13,970,587)	(+ 480,487)	(- 36,061)
Federal Highway Administration					
Limitation on administrative expenses	(314,071)	(338,834)	(337,834)	(+ 23,763)	(- 1,000)
(Border enforcement program)	(106,897)			(- 106,897)	
Federal-aid highways (Highway Trust Fund): (Limitation on obligations)	(31,593,300)	(29,293,948)	(33,843,000)	(+ 2,249,700)	(+ 4,549,052)
Subtotal (limitations on obligations) (HTF)	(31,593,300)	(29,293,948)	(33,843,000)	(+ 2,249,700)	(+ 4,549,052)

(Exempt obligations)	(884,329)	(931,297)	(931,297)	(+ 46,968)	(+ 4,000,000)
(Liquidation of contract authorization)	(32,000,000)	(30,000,000)	(34,000,000)	(+ 2,000,000)	
Miscellaneous appropriations (rescission)	- 5,609			+ 5,609	
Miscellaneous rescission of contract authority	- 250,000		- 156,000	+ 94,000	- 156,000
Appalachian development highway system	186,778		150,000	- 36,778	+ 150,000
Total, Federal Highway Administration	186,778	(29,293,948)	150,000	- 36,778	+ 150,000
(Limitations on obligations)	(31,593,300)	(29,293,948)	(33,843,000)	(+ 2,249,700)	(+ 4,549,052)
(Exempt obligations)	(884,329)	(931,297)	(931,297)	(+ 46,968)	
Rescissions	- 5,609			+ 5,609	
Rescissions of contract authority	- 250,000		- 156,000	+ 94,000	- 156,000
Net total, FHWA	(32,408,798)	(30,225,245)	(34,768,297)	(+ 2,359,499)	(+ 4,543,052)
Federal Motor Carrier Safety Administration					
Motor carrier safety (limitation on administrative expenses) (limitation on obligations)	(116,700)	(224,406)	(245,972)	(+ 129,272)	(+ 21,566)
National motor carrier safety program (Highway Trust Fund):					
(Liquidation of contract authorization)	(190,000)	(222,594)	(190,000)		(- 32,594)
(Limitation on obligations)	(188,765)	(222,594)	(190,000)	(+ 1,235)	(- 32,594)
Border inspection station construction (Highway Trust fund)			(47,000)	(+ 47,000)	(+ 47,000)
Total, Federal Motor Carrier Safety Admin	(305,465)	(447,000)	(435,972)	(+ 130,507)	(- 11,028)
(Limitations on obligations)					
National Highway Traffic Safety Administration					
Operations and research	137,389	126,058		- 137,389	- 126,058
Operations and research (HTF)			(148,102)	(+ 148,102)	(+ 148,102)
Operations and research (Highway trust fund):					
(Liquidation of contract authorization)	(72,000)	(88,452)	(72,000)		(- 16,452)
(Limitation on obligations)	(71,532)	(88,452)	(72,000)	(+ 468)	(- 16,452)
National Driver Register (Highway trust fund)	1,987	3,600	3,600	+ 1,613	
Subtotal, Operations and research	(210,908)	(218,110)	(223,702)	(+ 12,794)	(+ 5,592)
Highway traffic safety grants (Highway Trust Fund):					
(Liquidation of contract authorization)	(225,000)	(447,000)	(225,000)		(- 222,000)
(Limitation on obligations):					
Highway safety programs (Sec. 402)	(163,928)	(387,000)	(165,000)	(+ 1,072)	(- 222,000)
Occupant protection incentive grants (Sec. 405)	(19,870)		(20,000)	(+ 130)	(+ 20,000)
Alcohol-impaired driving countermeasures grants (Sec. 410)	(39,740)		(40,000)	(+ 260)	(+ 40,000)
Emergency medical services grants (Sec. 407)		(10,000)			(- 10,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2003 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2004—Continued

[In thousands of dollars]

Item	2003 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2003 appropriation	Budget estimate
State traffic safety info system improvement grants (Sec. 412)		(50,000)			(- 50,000)
Subtotal, limitation on obligations	(223,538)	(447,000)	(225,000)	(+ 1,462)	(- 222,000)
Total, National Highway Traffic Safety Admin (Limitations on obligations)	139,376 (295,070)	129,658 (535,452)	3,600 (297,000)	-135,776 (+ 1,930)	-126,058 (- 238,452)
Total budgetary resources	(434,446)	(665,110)	(300,600)	(- 133,846)	(- 364,510)
Federal Railroad Administration					
Safety and operations	116,600	131,175	130,825	+14,225	- 350
Railroad research and development	29,134	35,025	34,225	+ 5,091	- 800
Amtrack RRIF repayment deferment			3,000	+ 3,000	+ 3,000
Pennsylvania Station Redevelopment project (advance appropriation)	19,870			-19,870	
Next generation high-speed rail	30,232	23,200	29,350	- 902	+ 6,150
Alaska Railroad rehabilitation	21,857		25,000	+ 3,143	+ 25,000
Grants to the National Railroad Passenger Corporation	1,043,175	900,000	1,346,000	+ 302,825	+ 446,000
Total, Federal Railroad Administration	1,260,888	1,089,400	1,568,400	+ 307,512	+ 479,000
Federal Transit Administration					
Administrative expenses	14,505	76,500	14,600	+ 95	- 61,900
Administrative expenses (Highway Trust Fund, MassTransit Account) (limitation on obligations)	(58,020)		(58,400)	(+ 380)	(+ 58,400)
Subtotal, Administrative expenses	(72,525)	(76,500)	(73,000)	(+ 475)	(- 3,500)
Formula grants	762,809		767,800	+ 4,991	+ 767,800
Formula grants (Highway Trust Fund) (limitation on obligations)	(3,051,237)	(5,615,406)	(3,071,240)	(+ 20,003)	(- 2,544,166)
Subtotal, Formula grants	(3,814,046)	(5,615,406)	(3,839,040)	(+ 24,994)	(- 1,776,366)
University transportation research	1,192		1,200	+ 8	+ 1,200

	(4,769)	(4,800)	(+ 31)	(+ 4,800)
University transportation research (Highway Trust Fund, Mass Transit Acct) (limitation on obligations)				
Subtotal, University transportation research	(5,961)	(6,000)	(+ 39)	(+ 6,000)
Transit planning and research	24,043	24,400	+ 357	+ 24,400
Transit planning and research (Highway Trust Fund, Mass Transit Account) (limitation on obligations)	(97,164)	(97,600)	(+ 436)	(+ 97,600)
Flexible funding				
Subtotal, Transit planning and research	(121,207)	(122,000)	(+ 793)	(+ 122,000)
Rural transportation assistance	(5,216)	(5,250)	(+ 34)	(+ 5,250)
National transit institute	(3,974)	(4,000)	(+ 26)	(+ 4,000)
Transit cooperative research	(8,196)	(8,250)	(+ 54)	(+ 8,250)
Metropolitan planning	(59,993)	(60,386)	(+ 393)	(+ 60,386)
State planning	(12,532)	(12,614)	(+ 82)	(+ 12,614)
National planning and research	(31,295)	(31,500)	(+ 205)	(+ 31,500)
Subtotal, Transit planning and research	(121,206)	(122,000)	(+ 794)	(+ 122,000)
Trust fund share of expenses (Highway Trust Fund) (liquidation of contract authorization)	(5,781,000)	(5,844,000)	(+ 63,000)	(+ 5,823,406)
Capital investment grants	603,253	628,000	+ 24,747	-585,500
Capital investment grants (Highway Trust Fund, Mass Transit Account) (limitation on obligations)	(2,413,013)	(2,512,000)	(+ 98,987)	(+ 2,191,406)
Flexible funding				
Subtotal, Capital investment grants	(3,016,266)	(3,140,000)	(+ 123,734)	(+ 1,605,906)
Fixed guideway modernization	(1,214,400)	(1,214,000)	(- 400)	(+ 1,214,000)
Buses and bus-related facilities	(607,200)	(607,200)		(+ 607,200)
New starts	(1,214,400)	(1,318,800)	(+ 104,400)	(+ 1,318,800)
Subtotal	(3,036,000)	(3,140,000)	(+ 104,000)	(+ 3,140,000)
Job access and reverse commute grants	29,805	25,000	- 4,805	+ 25,000
Job access and reverse commute grants (Highway Trust Fund, Mass Transit Account) (limitation on obligations)	(119,220)	(100,000)	(- 19,220)	(+ 100,000)
Subtotal, Job access and reverse commute grants	(149,025)	(125,000)	(- 24,025)	(+ 125,000)
Total, Federal Transit Administration	1,435,607	1,461,000	+ 25,393	+ 171,000
(Limitations on obligations)	(5,743,423)	(5,844,040)	(+ 100,617)	(- 91,960)
Total budgetary resources, FTA	(7,179,030)	(7,226,000)	(+ 126,010)	(+ 79,040)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2003 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2004—Continued
(In thousands of dollars)

Item	2003 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2003 appropriation	Budget estimate
Saint Lawrence Seaway Development Corporation					
Operations and maintenance (Harbor Maintenance Trust Fund)	13,994	14,400	14,400	+406	.....
Maritime Administration					
Maritime security program	98,058	98,700	98,700	+642	.....
Operations and training	92,093	104,400	106,000	+13,907	+1,600
Ship disposal	11,088	11,422	18,422	+7,334	+7,000
Vessel operations revolving fund .....	.....	.....	.....	.....	.....
Maritime Guaranteed Loan (Title XI) Program Account:					
Administrative expenses	4,099	4,498	4,498	+399	.....
Supplemental appropriations (Public Law 108-11)	25,000	.....	.....	-25,000	.....
Total, Maritime Administration	230,338	219,020	227,620	-2,718	+8,600
Research and Special Programs Administration					
Research and special programs	40,714	51,000	42,516	+1,802	-8,484
Pipeline safety:					
Pipeline Safety Fund	56,370	48,336	50,429	-5,941	+2,093
Oil Spill Liability Trust Fund	7,423	18,741	17,183	+9,760	-1,558
Subtotal, Pipeline safety program (incl reserve)	63,793	67,077	67,612	+3,819	+535
Emergency preparedness grants:					
Emergency preparedness fund	199	200	200	+1	.....
Limitation on emergency preparedness fund	(14,300)	(14,300)	(14,300)	.....	.....
Total, Research and Special Programs Admin	104,706	118,277	110,328	+5,622	-7,949

Salaries and expenses	54,912	55,000	56,000	+ 1,088	+ 1,000
Office of Inspector General					
Surface Transportation Board					
Salaries and expenses	19,320	19,521	19,521	+ 201	
Offsetting collections	- 1,000	- 1,050	- 1,050	- 50	
Total, Surface Transportation Board	18,320	18,471	18,471	+ 151	
Bureau of Transportation Statistics					
Office of airline information (Airport & Airway Trust Fund)		3,971			- 3,971
Net total, title I, Department of Transportation	13,474,227	13,722,081	14,195,987	+ 721,760	+ 473,906
Appropriations	(13,749,836)	(13,722,081)	(14,351,987)	(+ 602,151)	(+ 629,906)
Rescissions	(- 25,609)		(- 25,609)	(+ 25,609)	
Rescission of contract authority	(- 250,000)		(- 156,000)	(+ 94,000)	(- 156,000)
(By transfer)					
(Transfer authority)					
(Limitations on obligations)	(41,315,158)	(39,612,400)	(43,820,012)	(+ 2,504,854)	(+ 4,207,612)
(Exempt obligations)	(884,329)	(931,297)	(931,297)	(+ 46,968)	
Net total budgetary resources	(55,673,714)	(54,255,778)	(58,947,296)	(+ 3,273,582)	(+ 4,681,518)
Transportation discretionary total	13,474,227	13,722,081	14,195,987	+ 721,760	+ 473,906
TITLE II—DEPARTMENT OF THE TREASURY					
Departmental Offices					
Department-wide systems and capital investments programs	157,669	166,875	174,809	+ 17,140	+ 7,934
Office of Inspector General	36,653	36,928	36,928	+ 275	
Treasury Inspector General for Tax Administration	11,092		12,687	+ 1,595	+ 12,687
Treasury Inspector General	124,198		128,034	+ 3,836	+ 128,034
Air Transportation Stabilization Program Account		134,949			- 134,949
Treasury Building and Annex Repair and Restoration	6,002	2,538	2,538	- 3,464	
Expanded Access to Financial Services	28,744	25,000	25,000	- 3,744	
Financial Crimes Enforcement Network	1,987			- 1,987	
Interagency Law Enforcement: Interagency crime and drug enforcement	51,416	57,571	57,571	+ 6,155	
Financial Management Service	106,877			- 106,877	
Alcohol and Tobacco Tax and Trade Bureau	220,634	228,606	228,558	+ 7,924	- 48
Bureau of the Public Debt	188,833	173,698	173,652	- 15,181	- 46
Payment of government losses in shipment	1,000	500	500	- 500	

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2003 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2004—Continued

[In thousands of dollars]

Item	2003 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2003 appropriation	Budget estimate
Internal Revenue Service:					
Processing, Assistance, and Management	3,930,064	4,074,694	4,048,238	+118,174	-26,456
Tax Law Enforcement	3,849,884	3,976,641	4,172,808	+322,924	+196,167
Earned Income Tax Credit Compliance Initiative	145,051	251,167	.....	-145,051	-251,167
Information Systems	1,621,833	1,670,039	1,590,962	-30,871	-79,077
Business systems modernization	363,621	429,000	429,000	+65,379	.....
Health Insurance Tax Credit Administration	69,545	35,000	35,000	-34,545	.....
Subtotal	9,979,998	10,436,541	10,276,008	+296,010	-160,533
Total, title II, Department of the Treasury	10,994,583	11,343,206	11,196,285	+201,702	-146,921
Appropriations	10,994,583	11,343,206	11,196,285	+201,702	-146,921
Rescissions .....	.....	.....	.....	.....	.....
TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT					
Compensation of the President and the White House Office:					
Compensation of the President	450	.....	450	.....	+450
Salaries and Expenses	50,385	.....	61,937	+11,552	+61,937
Homeland Security Council	19,272	.....	8,331	-10,941	+8,331
Executive Residence at the White House:					
Operating Expenses	12,149	.....	12,501	+352	+12,501
White House Repair and Restoration	1,192	.....	4,225	+3,033	+4,225
Special Assistance to the President and the Official Residence of the Vice President:					
Salaries and Expenses	4,040	4,461	4,461	+421	.....
Operating expenses	322	331	331	+9	.....
Council of Economic Advisers	3,739	.....	4,502	+763	+4,502
Office of Policy Development	3,230	.....	4,109	+879	+4,109
National Security Council	7,770	.....	10,551	+2,781	+10,551
Office of Administration	90,910	.....	77,164	-13,746	+77,164
The White House .....	.....	183,770	.....	-183,770	-183,770

Office of Management and Budget	61,988	77,417	75,417	+ 13,429	- 2,000
Office of National Drug Control Policy:					
Salaries and expenses	26,284	27,290	27,997	+ 1,713	+ 707
Counterdrug Technology Assessment Center	47,688	40,000	42,000	- 5,688	+ 2,000
Subtotal	73,972	67,290	69,997	- 3,975	+ 2,707
Federal Drug Control Programs:					
High Intensity Drug Trafficking Areas Program	224,879	206,350	226,350	+ 1,471	+ 20,000
Other Federal Drug Control Programs	221,749	250,000	174,000	- 47,749	- 76,000
Unanticipated Needs	993	1,000	1,000	+ 7	
Total, title III, Executive Office of the President and Funds Appropriated to the President	777,040	790,619	735,326	- 41,714	- 55,293
TITLE IV—RELATED AGENCIES					
Architectural and Transportation Barriers Compliance Board: Salaries and expenses	5,160	5,401	5,401	+ 241	
National Transportation Safety Board:					
Salaries and expenses	71,979	71,480	72,170	+ 191	+ 690
Emergency fund		600	600	+ 600	
Committee for Purchase From People Who Are Blind or Severely Disabled	4,628	4,629	4,725	+ 97	+ 96
Federal Election Commission	49,542	50,440	50,440	+ 898	
Election Assistance Commission:					
Salaries and expenses	2,000	10,000	1,000	- 1,000	- 9,000
Election reform programs	833,000	490,000	499,000	- 334,000	+ 9,000
Federal Labor Relations Authority	28,762	29,611	29,611	+ 849	
Federal Maritime Commission	16,591	18,471	18,471	+ 1,880	
General Services Administration:					
Federal Buildings Fund:					
Appropriations	373,269	217,000	407,000	+ 33,731	+ 190,000
Limitations on availability of revenue:					
Construction and acquisition of facilities	(717,488)	(400,568)	(659,668)	(- 57,820)	(+ 259,100)
Repairs and alterations	(951,529)	(1,012,729)	(1,000,939)	(+ 49,410)	(- 11,790)
Installment acquisition payments	(178,960)	(169,745)	(169,745)	(- 9,215)	
Rental of space	(3,113,211)	(3,388,187)	(3,278,187)	(+ 164,976)	(- 110,000)
Building Operations	(1,526,459)	(1,608,708)	(1,608,708)	(+ 82,249)	
Subtotal, limitations	(6,487,647)	(6,579,937)	(6,717,247)	(+ 229,600)	(+ 137,310)
Repayment of Debt	(79,685)	(54,256)	(54,256)	(- 25,429)	

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2003 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2004—Continued

[In thousands of dollars]

Item	2003 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2003 appropriation	Budget estimate
Rental income to fund					
Total, Federal Buildings Fund	373,269	217,000	407,000	+ 33,731	+ 190,000
(Limitations)	(6,567,332)	(6,634,193)	(6,771,503)	(+ 204,171)	(+ 137,310)
Policy and Citizen Services	65,873			- 65,873	
Governmentwide policy		74,031	61,781	+ 61,781	- 12,250
Operating Expenses	72,027	85,083	85,083	+ 13,056	
Office of Inspector General	37,670	39,169	39,169	+ 1,499	
Electronic Government (E-Gov) Fund	4,968	45,000	5,000	+ 32	- 40,000
Allowances and Office Staff for Former Presidents	3,317	3,393	3,393	+ 76	
Election Reform Reimbursements	14,902			- 14,902	
Election Reform Payments	650,000			- 650,000	
Federal building project (sec. 408)			13,669	+ 13,669	+ 13,669
Total, General Services Administration	1,222,026	463,676	615,095	- 606,931	+ 151,419
Merit Systems Protection Board:					
Salaries and Expenses	31,819	35,503	35,503	+ 3,684	
Limitation on administrative expenses	2,609			- 2,609	
Morris K. Udall Foundation:					
Morris K. Udall Trust Fund	1,983	372	1,996	+ 13	+ 1,624
Environmental Dispute Resolution Fund	1,300	700	1,309	+ 9	+ 609
National Archives and Records Administration:					
Operating expenses	248,251	294,105	258,191	+ 9,940	- 35,914
Reduction of debt	- 7,186	- 7,810	- 7,810	- 624	
Repairs and Restoration	14,116	6,458	13,483	- 633	+ 7,025
National Historical Publications and Records Commission: Grants program	6,458	5,000	5,000	- 1,458	

Total, National Archives and Records Admin	261,639	297,753	268,864	+ 7,225	- 28,889
Office of Government Ethics	10,488	10,738	10,738	+ 250	
Office of Personnel Management:					
Salaries and Expenses	128,644	118,748	118,748	- 9,896	
Limitation on administrative expenses	120,006	135,914	135,914	+ 15,908	
Office of Inspector General	1,509	1,498	1,498	- 11	
Limitation on administrative expenses	10,815	14,427	14,427	+ 3,612	
Government Payment for Annuitants, Employees Health Benefits	6,853,000	7,219,000	7,219,000	+ 366,000	
Government Payment for Annuitants, Employee Life Insurance	34,000	35,000	35,000	+ 1,000	
Payment to Civil Service Retirement and Disability Fund	9,410,000	9,987,000	9,987,000	+ 577,000	
Human Capital Performance Fund		500,000			- 500,000
Total, Office of Personnel Management	16,557,974	18,011,587	17,511,587	+ 953,613	- 500,000
Office of Special Counsel	12,368	13,504	13,504	+ 1,136	
Postal Service:					
Payment to the Postal Service Fund	28,811	29,000	29,000	+ 189	
Advance appropriation, fiscal years 2002/2003	47,309	31,014	31,014	- 16,295	
Advance appropriation, fiscal year 2004	30,812	36,521	36,521	+ 5,709	
Total, Postal Service:	76,120	60,014	60,014	- 16,106	
Fiscal year 2002/2003	30,812	36,521	36,521	+ 5,709	
Fiscal year 2004					
United States Tax Court	37,063	40,187	40,187	+ 3,124	
White House Commission on the National Moment of Remembrance	248	250	250	+ 2	
Total, title IV, Independent Agencies	19,258,111	19,651,437	19,276,986	+ 18,875	- 374,451
Title V—General Provisions, This Act					
Surface transportation projects (Sec. 330)	90,011			- 90,011	
Excess stabilization resources (rescission) (Sec. 333)	- 90,000			+ 90,000	
LRFA program (rescission) (Sec. 343)	- 690			+ 690	
Iowa rail infrastructure rehab project (Sec. 343)	686			- 686	
Misc. highway projects (Highway Trust Fund) (Sec. 344)	283,147			- 283,147	
Value pricing pilot project (rescission) (Highway Trust Fund) (Sec. 364)	- 8,000			+ 8,000	
Aviation ops sustainment-Midway Island (Sec. 371)	3,477			- 3,477	

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2003 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2004—Continued
[In thousands of dollars]

Item	2003 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2003 appropriation	Budget estimate
Administrative accounts adjustments			- 128,076	- 128,076	- 128,076
Total, title V, General provision	278,631		- 128,076	- 406,707	- 128,076
Grand total	44,782,592	45,507,343	45,276,508	+ 493,916	- 230,835
Appropriations	(45,078,770)	(45,439,808)	(45,364,973)	(+ 286,203)	(- 74,835)
Rescissions	(- 124,299)			(+ 124,299)	
Rescission of contract authority	(- 250,000)			(+ 94,000)	(- 156,000)
(Limitation on obligations)	(41,315,158)	(39,612,400)	(43,820,012)	(+ 2,504,854)	(+ 4,207,612)
(Rescissions of limitations on obligations)					
(Exempt obligations)	(884,329)	(931,297)	(931,297)	(+ 46,968)	
Net total budgetary resources	(86,982,079)	(86,051,040)	(90,027,817)	(+ 3,045,738)	(+ 3,976,777)

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