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BEFORE THE
COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION
SUBCOMMITTEE ON SURFACE TRANSPORTATION
UNITED STATES HOUSE OF REPRESENTATIVES

ON
THE FISCAL YEAR 1992 BUDGET
AND
THE SURFACE TRANSPORTATION ASSISTANCE ACT OF 1991 (H.R. 1351)
MARCH 19, 1991

Mr. Chairman, Members of the Committee. Thank you for providing us the opportunity to submit testimony on the Department of Transportation's (DOT) Fiscal Year (FY) 1992 budget proposals and our proposal for reauthorization of the surface transportation programs, H.R. 1351. We are pleased that your committee scheduled this hearing so soon after President Bush called on the Congress on March 6 to enact surface transportation legislation within 100 days. That is quite a challenge to the Department as well as the Congress and we will provide whatever assistance or information this Committee needs to help meet that challenge.

When Secretary Skinner appeared before this Committee on February 20, he called H.R. 1351 a "breakthrough bill both in its increased funding levels and in its intermodal design." We appear

here together today in that spirit of intermodalism and pledge to work together with your Committee in the bipartisan spirit which the Secretary described as characterizing this Committee.

The Administration bill, H.R. 1351, represents a significant new direction in transportation, driven by the principles of the President's National Transportation Policy. In today's fiscal climate we must focus our resources on programs and projects that will provide desired national benefits and will advance national goals for sustained economic growth and enhanced international competitiveness.

First, let us briefly summarize the DOT Budget for FY 1992 as it relates to surface transportation. The budget reflects the principles of the National Transportation Policy by endorsing capital investment in surface infrastructure, sound and viable financing in the interest of deficit reduction goals, measures to insure safe transportation systems and national security, the protection of the environment and the quality of life, and research and development efforts to advance U.S. transportation technology and expertise.

For the Federal Highway Administration (FHWA), we are requesting $15.979 billion of budget authority in FY 1992, which is $1.374 billion over the $14.605 billion level available in FY 1991. The $16.456 billion obligation level is about $100 million more than the $16.356 billion estimated for FY 1991.

Outlays for FY 1992 are estimated at $15.248 billion compared to an estimated level of $14.436 billion in FY 1991. The obligation limitation for Federal-aid highways is proposed at $15.722 billion for FY 1992, $1.22 billion higher than in 1991. Over the proposed 5-year reauthorization period, the Federal-aid program level would rise to $20.3 billion.

The budget does not propose any change in the Highway Trust Fund tax rates or structure except to let rates in fiscal year 1996 and beyond return to those in effect prior to December 1, 1990. Fuel taxes added by the Budget Deficit Reduction Act on December 1, 1990, would lapse effective October 1, 1995. The budget would continue a State-Federal pilot project to reduce fuel tax evasion.

For the National Highway Traffic Safety Administration (NHTSA), the FY 1992 budget requests a funding level of $292.2 million in appropriations and obligation limitations, a $43.8 million (17.7 percent) increase over the FY 1991 level. These funds will support efforts to continue the decline in the traffic death rate and meet the President's goals for improved traffic safety. The budget proposes to fund all of NHTSA's programs from the Highway Account of the Highway Trust Fund. Currently, 69 percent of the NHTSA budget is funded from the Trust Fund and 31 percent from general revenues.

For the Urban Mass Transportation Administration (UMTA) $3.329 billion is requested for FY 1992. This is a $71 million increase over the enacted level for FY 1991.

The UMTA budget and legislative proposals reflect significant changes and certain key principles. The first is to provide reliable and stable funding for mass transit needs, through greater dependence on trust fund financing and formula allocations. In FY 1992, the entire UMTA program except $80 million for Washington Metro would be funded from the Mass Transit Account of the Highway Trust Fund, compared to 43 percent in FY 1991. In addition, 82 percent of the FY 1992 funding would be allocated using existing statutory formulas compared to 52 percent in FY 1991. State and local decisionmakers would therefore have a more predictable and stable Federal funding stream upon which to base investment decisions. Grantees would have enhanced flexibility with which to develop the most cost effective local transportation systems.

Specific details on the FY 1992 budget proposals of each of the three agencies are set forth in the Department's Budget in Brief, which we supplied with our testimony.

THE SURFACE TRANSPORTATION ASSISTANCE ACT OF 1991 (H.R. 1351)

Secretary Skinner highlighted for the Committee on February 20 the provisions of the Surface Transportation Assistance Act (STAA) of 1991 (H.R. 1351) and I'm sure by now

each of you have received considerable input on our proposal. For your reference a summary of the bill has been supplied to you today. Accordingly, we will not again review all its areas but will discuss a few items we wish to highlight, the first area being intermodalism.

MULTIMODAL FLEXIBILITY

The bill, we, are proud to say, contains a number of multimodal provisions that allow us to embark on a new era of flexibility in use of highway and transit funds and one hopes will help deter constraints on intermodal thinking.

In preparing the National Transportation Policy, the Department held a series of public hearings around the country, and one issue we heard about often was the fact that Federal transportation funds come from discrete program sources, highway or transit, and may only be used for the purposes of those different programs. This, we heard, failed to reflect the realities facing decisionmakers at the State or local level who deal with transportation issues, not just highway or transit issues.

Our bill would respond directly to those concerns by opening up portions of both the highway and transit programs to permit the funding of either highway or transit projects based upon decisions made at the local level. Specifically, about $2.6 billion of the funds available under the transit

title of the bill and $4 to 5 billion of the funds available under the highway title - essentially the proposed Urban and Rural Program - would be available for highway and transit projects at the discretion of State or local officials. Whether or not a particular transportation need should be met by means of a highway or transit project is a matter that best can be addressed at the local level. Our bill, for the first time, would let localities make that decision. And we believe that expanding rail transit lines or improving bus service could be as important for some urban areas as building more roads.

We recognize, of course, that given the high level of dedicated or tax funding at the State and local level for highway projects, this provision may inadvertently facilitate the funding of a greater proportion of highway projects than of transit projects. To keep the playing field level, this provision could only be used so long as the State or local share source of a highway project to be funded with UMTA funds is available to fund either highway or transit projects; or when the Secretary determines there is a sufficient amount of dedicated funding available for transit projects. We believe such a "balanced" local approach will assure an equitable distribution of funds.

HIGHWAY/TRANSIT LOCAL SHARE

Along with increased Federal and local funding flexibility, we also need to increase the level of funding and commitment

at the local level for mass transit and highway projects. To accomplish this, we are proposing to modify the Federal share to 60 percent under most of the transit programs, generally paralleling the matching shares in the highway Urban and Rural Program. The Federal share for new transit starts would be modified from 75 percent to 50 percent.

As Secretary Skinner often has said, we believe we get the best decisions at the local level when State and local governments have a significant financial commitment to projects. We believe that projects that are of better quality, get built on time and within budget where there is greater local financial participation.

MULTIMODAL PLANNING

Another multimodal provision in this bill provides authority for multimodal intercity corridor studies out of highway planning funds. Moreover, highway rights-of-way could be used without charge by public or private high speed ground transportation facilities with State approval; and highway adjustments to accommodate high speed rail and maglev would be eligible for National Highway Program funds.

Pursuing further intermodal conformity, the same changes in the planning program are included in both the highway and transit titles. Because transportation planning must include air quality considerations, metropolitan areas

would be required to develop congestion management systems that provide for effective management of new and existing transportation facilities. These plans would include travel demand reductions and operational management strategies. In urbanized area planning, the bill would require consideration of long-range land use plans, development objectives, and costs and impacts of the projects on both mobility and air quality.

Specifically, urbanized areas of over 200,000 population will be required to provide more emphasis on multimodal considerations including intermodal connectivity and cost effectiveness, and on coordination with land use planning, including impacts of land use decisions on transportation needs and opportunities for transportation corridor preservation and innovative financing mechanisms, such as value capture.

More emphasis on consideration of transportation related air quality problems will be required. A higher priority is to be given to congestion management before major capital investment. The development of an areawide multimodal congestion management system in coordination with the process for the development of any required transportation elements of the State Implementation Planning is required. Urbanized area cooperation with the State in the development of pavement, bridge, and safety management systems is also required.

In urbanized areas of less than 200,000 the State and Metropolitan Planning Organization will decide on the extent of the process. As a minimum, they must develop a Transportation Improvement Program, assure that air quality problems in non-attainment areas are addressed and assure that the Transportation Improvement Program conforms to the State Implementation Plan.

Planning funds will be distributed to the States on the basis of urbanized area population. States will distribute them to the Metropolitan Planning Organizations by a formula that considers population and provides an appropriate distribution of funds to all urbanized areas. The Federal share for urban planning is 75 percent.

RESEARCH AND DEVELOPMENT (R&D)

The FHWA, UMTA and NHTSA titles of the bill include an increased emphasis on research and development with the purpose of expanding activities in cooperation with the private sector to advance U.S. technology leadership, and to support a productive, safe, 21st surface transportation system.

The highway research program will continue to be funded through general operating expenses and will focus on Intelligent Vehicle-Highway Systems, long-term pavement performance, and technology assessment and deployment activities.

Local training and technical assistance will continue to be provided to rural areas (currently provided through the Rural Transportation Assistance Program) and will be expanded to provide

improved access to highway technology for urban transportation agencies.

FHWA and UMTA will also continue the Centers for Excellence as established under the University Transportation Centers, with the addition of three centers beginning in 1992, and the National Highway Institute would be continued.

HIGHWAY SAFETY RESEARCH AND DEMONSTRATION PROGRAMS

NHTSA's FY 1992 budget request seeks $45,869,000 for the section 403 research and demonstration program. This represents an increase over the FY 1991 level and reflects the contribution that we believe the research and demonstration program will make to future improvements in highway safety. The STAA proposal retains the basic components of the section 403 program, which stress research on such topics as the effects of alcohol and drugs on driver behavior, and adds research activities on Intelligent Vehicle-Highway Systems and other aspects of the driver/vehicle interface.

TRANSIT PLANNING AND RESEARCH

We believe the transit research program needs to be strengthened. We are proposing an expanded and coordinated Transit Planning and Research Program. This new structure provides for an increase in emphasis and funding for research and development. An amount equal to 2.8 percent of the total UMTA appropriation would be set aside within the Mass Transit Account to support this program. In FY 1992, for example, this would represent $93.2 million.

In our view, the Federal Government must invest in research and planning to provide a more stable, cost-effective environment that will stimulate increased private sector investments and economic growth. To yield maximum benefits from our transit investment dollars, planning and research must be a more prominent element of the UMTA Program with a consistent source of funding, in scale with the total size of the mass transit program.

The Transit Planning and Research Program has two major elements: A national component and a State and local component. The national Transit Planning and Research program is proposed to advance Federal objectives, to help resolve problems of national concern and to initiate a new emphasis on technology development. One-third of the total resource will support this component. The State and local programs will support existing planning activities as well as implement a new Transit Cooperative Research Program designed to address the transit industry's short-term problems. Two-thirds of the total resource will support this component. The emphasis in both components is research, planning, demonstration, and training.

We will now briefly highlight some of the other significant provisions in the different titles of the bill.

THE HIGHWAY - RELATED PROVISIONS OF H.R. 1351

Briefly, the highway provisions of the STAA provide a 5-year, $89.1 billion highway and highway safety program,

restructure the Federal-aid highway program, and give form to the major principles of the National Transportation Policy. Assistance will be provided to the States through three major categories - a National Highway Program, an Urban and Rural Program, and an apportioned and discretionary Bridge Program. The highway - related provisions provide strong Federal support for highway and motor carrier safety, Federal Lands Highways, and research and technology.

NATIONAL HIGHWAY PROGRAM (NHP)

The National Highway Program will identify a National Highway System serving interstate and interregional commerce and personal transportation.

NATIONAL HIGHWAY SYSTEM (NHS)

The National Highway System would consist of the current Interstate System and, based on criteria set by the Secretary, other rural principal arterials, urban freeways and other principal arterials, and the Strategic Highway Network (STRAHNET). There would be a designated system of about 150,000 miles with a possible adjustment of up to 10 percent of the designated mileage by the Secretary. Designation would be made by the States in FYs 1992 and 1993 in consultation with local officials with approval by the Secretary. A new functional classification for all public roads would be part of the process.

There would be a single National Highway System and we have provided the Committee with a map indicating our initial assessment of such a system. The Interstate System would carry its own identity as it does today. There would be provisions to add mileage to this Interstate subsystem if the mileage meets current Interstate design standards and is connected to the Interstate subsystem. Interstate facilities will be eligible to display the Interstate shield. The National Highway Program would replace the current Interstate 4R, and primary programs. Although the mileage of the Interstate System will be included in the National Highway System and will be eligible for National Highway System funding, the current Interstate construction program will continue to its completion as a separate category, with authorizations through FY 1995.

STRATEGIC HIGHWAY NETWORK (STRAHNET)

The STRAHNET will consist of roads in rural and urban areas that are critical to U.S. strategic defense policy. The network will provide defense access, continuity, and emergency capabilities for the movement of personnel and equipment in both peacetime and wartime. It will include the Interstate System and approximately 16,500 miles of non-Interstate highways. The non-Interstate network will be designated by the Secretary of Defense jointly with the Secretary of Transportation and the States. STRAHNET connectors may also be included as determined by the Secretary of Defense and the Secretary of Transportation.

TOLLS

The toll provisions of our proposal have generated a lot of public interest and comment. Under H.R. 1351 the States may use their apportioned National Highway Program funds for improvements on any facility that is part of the designated system, including existing toll roads and for construction of new non-Interstate toll roads. In addition, States may combine Federal-aid with toll and other financing to reconstruct and replace existing free bridges or tunnels and to reconstruct free non-Interstate highways to add lanes and to change the character of the highways to fully controlled access highways. Facilities may be publicly owned or, if the States contract with private firms to design, finance, construct and operate the toll facility, privately owned. Further, there may be private participation in the State matching share which will be at least 65 percent for toll roads. States will have the option of continuing tolls after construction costs are recovered if in excess of operation and maintenance revenues are used for title 23 purposes.

HIGHWAY MANAGEMENT SYSTEMS

H.R. 1351 provides for a unique new concept to address problem areas in the highway program. States would be required to have in place a bridge management system, a pavement management system, a safety management system, and a congestion management system. Details of management system requirements, including

a phase-in schedule, will be developed through the regulatory process.

SCENIC, ENVIRONMENTAL AND ENERGY CONSIDERATIONS

In addition to being an intermodal bill, H.R. 1351 is an environmental bill. The STAA has been developed with strong environmental protection and mitigation measures that will be on-going activities in the planning and project development process. Several sections contain provisions for scenic enhancement through the purchase of easements, landscaping programs and scenic highway programs. Highway planning will be made an eligible activity under the National Highway System and the Urban and Rural Program for use early in the system planning process. This approach will encourage better integration of land use, environmental, and transportation planning and air quality in State Implementation Plan development. Provisions for early acquisition of rights-of-way will make Federal funds available to acquire rights-of-way necessary to preserve environmental resources (e.g., recreational, parklands, historic) sites and scenic views early in the planning process and in advance of Federal project approvals.

Scenic byways will be eligible for development and improvement with National Highway and Urban and Rural Program funds, if otherwise eligible under those programs. Also, a special set-aside from the urban and rural program will be earmarked for scenic byway development in FYs 1992-1994.

The proposal also makes number of changes to current provisions affecting outdoor advertising by focusing on controlling billboards in rural areas where aesthetic protection is most important. It would prohibit new off-premise signs in areas of control except for most of the currently excepted sign categories such as directional signs. Payment of compensation for removal of nonconforming billboards would be a State matter under State law; and Federal funds could be used to a limited extent to pay for sign removal.

Provision will be made to use Federal funds under the National Highway Program and Urban and Rural Program either as part of a highway construction project or as a separate project to create wetland banks or contribute to Statewide programs which are compatible with the requirements of the Secretary of the Army and the Administrator of the Environmental Protection Agency (EPA) that create, conserve, or enhance wetland habitat. The programs may include the development of Statewide wetland mitigation plans, State or Regional wetland conservation and enhancement banks, and other projects. Contributions toward these efforts may occur in advance of specific project activity to build up credit for future projects that impact wetlands.

The highway reauthorization proposal also contains a number of features that are supportive of the Clean Air Act. The STAA would assure that transportation activities are fully integrated with the air quality requirements and commitments.

The urban transportation planning process is being strengthened to specifically increase emphasis on multimodal considerations, land use and development decisions, and transportation-related air quality problems. The congestion management system in areas over 200,000 population must be coordinated with requirements of the Clean Air Act, and transportation improvement plans must conform to State Implementation Plans.

Under the Urban and Rural Program, metropolitan and rural projects that provide innovative approaches to air quality, congestion or rural access problems that the States want to advance may be treated in a special way. If the project meets selection criteria, the State may ask for additional obligation ceiling for that project. A set-aside of any enacted obligation ceiling will be requested in the annual appropriation process for this purpose. These projects will be approved according to criteria reflecting innovation, immediate action, non-capital intensiveness and local commitment up to the amount of the obligation ceiling set-aside.

Operational tests on the use of congestion pricing measures may be approved in the Standard Metropolitan Statistical areas of 1,000,000 population or more that are experiencing significant air quality nonattainment problems. Guidelines will be issued by the Secretary.

Transportation Air Quality Planning Guidelines developed in cooperation with the Administrator of EPA are required to assure that Federal-aid highway projects conform to the Clean Air Act.

The transportation planning process as a minimum will cover the existing urbanized area and the area expected to become urbanized within the forecast period, and may encompass the entire Metropolitan Statistical Area/Consolidated Metropolitan Statistical Area at the discretion of the Governor and the affected units of local government.

Several provisions of the STAA reflect considerations for both environmental issues and energy conservation. On the Interstate system, a higher Federal matching ratio is proposed for operational improvements which are usually less energy intensive than initial construction projects. A congestion management system will be required for the National Highway System and for areas over 200,000 population to monitor and address congestion by development of short- and long-term relief strategies. Finally the enhanced level of funding for research and development will allow expansion of environmental and energy research leveraged with research conducted by other Federal agencies.

THE TRANSIT TITLE OF H.R. 1351

We believe that our transit reauthorization proposal sets the stage for transit in the 1990s. It would provide some $3.3 billion annually from the Mass Transit Account of the

Highway Trust Fund over the 5-year life of the bill. It is important to emphasize that this amount is 45 percent above the Administration's budget request for FY 1991, 2 percent above the current fiscal year appropriation level, and a 23 percent increase over this year's capital funding levels.

SOURCE AND DELIVERY OF UMTA FUNDING

The transit bill would make two key changes regarding the program's source of funding and how those funds would be delivered.

First, we propose to fund the UMTA program entirely from the Mass Transit Account of the Highway Trust Fund. The Mass Transit Account currently has a genuine surplus and is under-committed. The transit component of the Trust Fund thus can support the proposed program level, some $3.3 billion annually or $16 billion over the 5-year life of the bill. This funding level will substantially reduce the present uncommitted cash balance in the Mass Transit Account by FY 1996. We think this is a fiscally prudent way to maximize use of the Trust Fund resources. Moreover, this financing from the Trust Fund would benefit all of our grantees, unlike the current program which primarily finances, from the Trust Fund, the discretionary program. The discretionary program currently benefits relatively few grantees.

Second, we propose to deliver much more of the overall transit program's funding by formula than is done under the existing program. Currently, some 52 percent of the program is delivered by formula. In contrast, our bill would distribute some 82 percent of the program under the existing statutory formulas. This is done by transferring the discretionary rail modernization and bus system activities to the formula program.

We believe it is in the best interest of transit recipients to provide them with a stable and assured source of formula funding from the Trust Fund so that they may develop long-range plans to address their transportation needs with some assurance that the Federal funds will be there.

FORMULA PROGRAM, OPERATING ASSISTANCE

As noted earlier, the transit bill would distribute 82 percent of its funding under our current formula program. In fiscal year 1992, we would fund the section 9 formula program at a level of $2.6 billion. We think the existing statutory formula for the most part does an excellent job in delivering transit funds.

We would make one key new funding allocation under the formula program, however. We would deliver rail modernization funds under the rail tier of the formula, some $600 million a year, as well as additional amounts to the rail cities through the allocation of the remaining formula funds. We would deliver

this resource to all rail cities, not just to the older rail cities as is done under the current discretionary program. Because the funds would be distributed on a formula basis, each area would better be able to plan for the use of this resource.

Our bill no longer would permit areas over 1 million in population to use Federal funds for operating assistance. Let us make two points about this. First, this does not represent a funding reduction for these areas because we have significantly increased the capital funding for all areas under the formula program, including areas over 1 million in population. Second, these areas typically do not rely substantially on Federal operating assistance for their programs. For cities of this size, Federal operating assistance collectively represents only 4 percent of their total operating budget. We believe the appropriate Federal role is in the area of capital funding of projects, to provide for the replacement and enhancement of fleets and facilities, and that the costs arising from labor and other operating expenses can and should be addressed at the local level.

At the same time, however, we do recognize that other areas rely on Federal operating assistance and our bill would essentially "hold harmless" all areas below one million in population to their 1991 operating assistance levels.

NEW STARTS, SECTION 3 FUNDING

Let us now turn to another significant element of our bill, the fact that we would provide some $300 million in fiscal year 1992 to fund new start projects under our discretionary section 3 program, and that figure would increase to $400 million in fiscal year 1996. Reflecting experience under the current program, where cities are overmatching Federal funds, we propose a Federal share of 50 percent for new starts projects.

The key point about our proposal is that we would fund only those new start projects that truly are cost-effective and supported by an acceptable degree of local financial commitment. Our bill includes language that would strengthen the new starts criteria under current law to emphasize and underline how critical we believe the cost-effectiveness issue is.

In addition, $50 million would be made available for a range of discretionary projects under section 3, including the metropolitan and rural bonus projects program, which is under both the highway and transit titles. This program would fund non-capital intensive designed to address congestion and air quality problems or innovative and "fast start" projects designed to ease congestion or address special rural needs.

RURAL FUNDING, STATE FLEXIBILITY

Our section 18 rural program has played an important role in providing assistance for meeting the mobility needs of those

outside of our urban areas. We recognize the great significance of this program and propose to increase the level of Federal funding for this important mobility need. Under current law, the program is funded at the $65 million dollar level. Our proposal would provide Federal assistance at the $89 million level each year over the life of the bill.

As with our other programs, we would raise the local share for capital projects under the program to 40 percent. We would permit operating assistance under the section 18 program at the same level that is available in FY 1991 with the same Federal share as under current law, 50 percent.

The States play an integral role in administering this vital program, and our bill would further expand and clarify the State's role in the section 18 program, the section 16 elderly and handicapped program, and the section 9 formula program for small urbanized areas - those below 200,000 in population.

Specifically, to provide needed flexibility in the allocation of funds among these programs, the States would decide how much of the Federal funding available - some $310 million a year - would be allocated under each of the programs.

SAFETY PROGRAMS

We want to begin our discussion of the safety programs with the good news about the Nation's continuing progress on highway safety. In 1990, the national highway fatality rate fell below

2.1 deaths per 100 million miles traveled -- 40 percent lower than the rate in 1980. If the 1980 fatality rate of 3.3 deaths per 100 million miles traveled had remained constant, 151,000 more people would have died in traffic crashes from 1981 through the end of 1990.

Several factors contributed to this success -- safer roads, safer vehicles, higher levels of safety belt and child restraint use, and the growth of public sentiment against drunk driving -- and many of these factors are directly influenced by the highway safety programs under title 23.

STATE AND COMMUNITY HIGHWAY SAFETY PROGRAMS

The section 402 State and community grant program is the core element of the Federal highway safety effort. This program, through its focus on essential State and local highway safety needs, such as drunk driving countermeasures and safety belt use programs, has been instrumental in improving public safety. For FY 1992, NHTSA is proposing to fund the State and community highway safety program under section 402 at the level of $115 million. This is slightly above the obligation level for FY 1991.

The highway safety title of the H.R. 1351 proposes to maintain this funding level for the State and community highway safety program throughout the life of the reauthorization. The STAA would fund growth in highway safety through a new

bonus program, which would give States bonus funds for meeting specific objectives. For FY 1992, $25 million in bonus funds under the new subsection 402(h) program would be available for general highway safety purposes. An additional $25 million in bonus funds would be made available in FY 1992 for alcohol safety programs. NHTSA is seeking full funding for each of these bonus funds in its FY 1992 budget request. When added to the $25 million provided as FHWA safety bonus funds from FHWA's Section 402 program, these provisions will contribute an annual total of $75 million in new highway safety funding, beginning in FY 1992 and lasting for the life of the reauthorization. In addition, funds will be set aside from FHWA's Urban and Rural Program, starting at $5 million in FY 1992, $55 million in FY 1993, then rising to $25 million per year until the set-aside reaches $130 million in FY 1996. We believe that these funds will increase the involvement of the highway and transit industries and significantly enhance highway safety efforts at the State and community level.

The bonus set-aside under the Section 402 program (title 23) is to be managed jointly by NHTSA and FHWA. It will include the present NHTSA alcohol safety grant programs. The bonus grant criteria will include nine safety performance criteria from which States can choose: 1) alcohol/drunk driving, 2) safety belt use, 3) fatality rate reduction, 4) pedestrian/bicycle safety, 5) heavy

truck safety, 6) motorcycle safety, 7) emergency medical services, 8) public information and education, and 9) crash data collection and analysis. The alcohol criterion will result in more bonus funds than the others.

OTHER SAFETY PROGRAMS

The bill requires that not less than 10 percent of the total of apportioned National Highway Program, Urban and Rural Program, and Bridge Funds must be used for projects that have safety benefits. These projects or portions of projects would include safety enhancements designed to eliminate or reduce highway hazards or crash severity.

The highway safety management system requirement referred to earlier will be a major effort to encourage States to take steps toward safety enhancements in many new areas; these requirements will be developed through the rulemaking process.

A provision on new construction or major reconstruction of beltways and bypasses will require, in areas over 200,000, a highway design to provide for ultimate development as multilane, divided highways with separate roadways for through traffic. A new Interstate system maintenance requirement will ensure safer, better maintained routes. In the proposed urban/rural program States will be able to use up to 5 percent of those funds for hazard elimination or rail-highway crossing projects on rural minor collector roads or local roads.

The bridge program would be expanded to include certain safety related deficiencies (e.g. seismic retrofit) when identified by the Secretary of Transportation as high priority, and the bridge inspection and inventory systems required will greatly enhance bridge safety nationwide.

In the motor carrier program, drug awareness or enforcement activities are newly eligible under the Motor Carrier Safety Assistance Program as well as vehicle size and maximum weight enforcement.

Under the transit title UMTA would be authorized to issue a regulation requiring sensitive safety transit workers to be subject to drug and alcohol testing, including random drug testing. UMTA is the only agency within the Department that does not have a drug testing program in place, and this bill would provide the authority necessary to implement such a program. We no longer can ignore this critical safety issue.

VEHICLE SAFETY AND CONSUMER PROGRAMS

In the FY 1992 Budget Request, NHTSA is for the first time seeking to fund its activities under the National Traffic and Motor Vehicle Safety Act and the Motor Vehicle Information and Cost Savings Act from the Highway Trust Fund. It is the Department's view that the fuel taxes paid by motorists can appropriately be used for programs that directly benefit motorists. Accordingly, the STAA of 1991 proposes to authorize

funds from the Highway Trust Fund for these programs. The budget request seeks $75,207,000 for NHTSA's vehicle safety and consumer programs for FY 1992, all of which would be derived from the Highway Trust Fund.

NATIONAL DRIVER REGISTER

The budget request for FY 1992 also proposes a funding level of $6,131,000 from the Highway Trust Fund for the ongoing operations of the National Driver Register and for its transition into the fully interactive system envisioned by the National Driver Register Amendments of 1982. The National Driver Register has a vital role in the States' operation of their commercial drivers licensing systems as well in their day-to-day driver licensing activities. With the implementing regulation for the interactive National Driver Register nearing final completion, NHTSA expects that the States will quickly become participants in the new system.

CONCLUSION

As you can see the Administration bill provides for a great diversity of changes to deal with completion of the Interstate System and to enhance transportation safety, intermodal efforts, planning, research and development, and environmental protection. We are looking forward to working with this Committee on what we believe will be a landmark surface transportation reauthorization bill.