SURVEY OF GOVERNMENT OPERATIONS
PART 11—DEPARTMENT OF TRANSPORTATION

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HEARING

BEFORE A

SUBCOMMITTEE OF THE COMMITTEE ON GOVERNMENT OPERATIONS HOUSE OF REPRESENTATIVES

NINETIETH CONGRESS

SECOND SESSION

JUNE 11, 1968

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SURVEY OF GOVERNMENT OPERATIONS
PART 11—DEPARTMENT OF TRANSPORTATION

TUESDAY, JUNE 11, 1968

HOUSE OF REPRESENTATIVES,
GOVERNMENT ACTIVITIES SUBCOMMITTEE
OF THE COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10:15 a.m., in room 2247, Rayburn House Office Building, Hon. Jack Brooks, chairman of the subcommittee, presiding.

Present: Representatives Brooks, Moorhead, and Thompson.

Also present: Ernest C. Baynard, staff administrator; William M. Jones, counsel; Irma Reel, clerk; Lynne Higginbotham, clerk; and Tom Smith, minority staff.

Mr. BROOKS. The Government Activities Subcommittee, having been duly organized under the rules of the House of Representatives, a quorum being present, the meeting will come to order.

Recognizing the need for a fully coordinated approach to the national transportation system, Congress last year set up a new Federal Department of Transportation. This new Department is appearing before this subcommittee this morning for the first time for a review of its programs.

The jurisdiction of the Department of Transportation covers all facets of domestic transportation—air, rail, and highway—that is, with the exception of water, pipelines, private trucking.

With the consolidation, it is now possible to plan effectively for the first time in applying our total resources to best meet the Nation's transportation requirements.

We want it to be possible for every American, no matter where he may live—on the farm, in a small town or community, or in one of the Nation's larger metropolitan areas—to travel safely, conveniently, and inexpensively to any other part of the Nation.

Transportation has played an extensive role in the building of this Nation, and is now a vital part of the American way of life. Under the Department of Transportation, Congress has directed a revitalized approach to transportation.

Fast new trains, for example, capable of speeds of up to 160 miles per hour, are under development. Giant air transports, carrying hundreds of passengers, are under construction. Mass transportation systems for our large metro areas are receiving appropriate priority.

We have with us this morning the Secretary of Transportation, Alan S. Boyd, a fine American, with a record of outstanding public service.

Mr. Secretary, the subcommittee is interested in what progress has been made during this past year, what the status of each of the Depart-

ment's programs is, and what we taxpayers are receiving for the money spent.

STATEMENT OF HON. ALAN S. BOYD, SECRETARY OF TRANSPORTATION, ACCOMPANIED BY M. CECIL MACKEY, ASSISTANT SECRETARY FOR POLICY DEVELOPMENT; FRANK W. LEHAN, ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY; ALAN L. DEAN, ASSISTANT SECRETARY FOR ADMINISTRATION; ADM. WILLARD J. SMITH, COMMANDANT, U.S. COAST GUARD; WILLIAM F. McKEE, ADMINISTRATOR, FEDERAL AVIATION ADMINISTRATION; LOWELL K. BRIDWELL, ADMINISTRATOR, FEDERAL HIGHWAY ADMINISTRATION; A. SCHEFFER LANG, ADMINISTRATOR, FEDERAL RAILROAD ADMINISTRATION; JOSEPH H. McCANN, ADMINISTRATOR, ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION; AND JOSEPH J. O'CONNELL, JR., CHAIRMAN, NATIONAL TRANSPORTATION SAFETY BOARD

Secretary BOYD. Thank you, Mr. Chairman, and members of the committee.

Mr. BROOKS. Mr. Secretary, we have a number of detailed questions concerning various aspects of the management of your Department which we would like to submit to you for written response to be placed in the record.

(The written responses of the DOT are in app. A.)

Mr. BROOKS. However, at this time we would like to discuss some of these management concepts in general terms. When we get to a question that might be of a more technical nature, more pertinent to one of your associate's background and experience, feel free to defer it to him.

PART 1.—OVERALL AGENCY OPERATIONS

To begin the questionng, do you have a fact sheet indicating the total funds available for your Department as a whole for fiscal 1968?

Secretary BOYD. Yes, sir.

Mr. BROOKS. I will submit for the record exhibits A, B, and C—A being a fact sheet of the combined programs; B, the organization chart; and C, program budget breakdown.

(Exhibts A, B, and C follow:)

EXHIBIT A—FACT SHEET—COMBINED PROGRAMS—DEPARTMENT OF TRANSPORTATION

100	DEPARTMENT OR AGENCY Department of Transportation	PROGRAM	SUBPROGRAM
200	CODE	Department-wide CODE	All CODE
300	ANALYSIS AND CONTROL CODES		
400			

		FISCAL YEAR			
		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	"In house" inputs			(In Thousands)	
510	Personnel:			$ 748,643	
511	Comp.			143,934	
512	Benefits			33,054	
513	Travel			35,834	
520	Expenses:			17,891	
521	Communications			4,320	
522	Transportation			67,358	
523	Printing			172,760	
524	Supplies and Consumable Materials			162,510	
530	Capital Equipment			26,273	
540	Land and Structures			226	
541	Additional Investment			1,412,803	
542	Rents			307,342	
550	~~Other~~ Other			8,018,672	
	Total			68	
600	Funds distributed			30,658	
610	Contracts			8,356,740	
620	Grants			9,769,543	
630	Loans				
640	Benefits				
650	Other				
660	Total				
700	Total				

		Prior Fiscal Year
800	Input-output ratio	
810	1. Input	
811	1. Output	
820	2. Input	
821	2. Output	
830	3. Input	
831	3. Output	
840	4. Input	
841	4. Output	
850	5. Input	
851	5. Output	
860	6. Input	
861	6. Output	
870	7. Input	
871	7. Output	
880	8. Input	
881	8. Output	

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EXHIBIT B—ORGANIZATION CHART—DEPARTMENT OF TRANSPORTATION

EXHIBIT C—MAJOR PROGRAM CATEGORIES—DEPARTMENT OF TRANSPORTATION

Office of the Secretary of Transportation:
- General administration.
- Transportation research.
- Working capital fund.

U.S. Coast Guard:
- Operations:
  - Search and rescue.
  - Aids to navigation.
  - Merchant marine safety.
  - Marine law enforcement.
  - Oceanography, meteorology, and polar operations.
  - General support (general administration and operation of radio stations and repair and supply facilities).
  - Military readiness and operations.
  - Reserve training.
- Acquisition, construction, and improvements (aids to navigation, shore facilities, vessels, and aircraft).
- Research, development, test and evaluation (related to search and rescue, aids to navigation, marine safety, marine law enforcement, oceanography, meteorology, and polar operations).
- Retired pay.
- Supply fund (finances procurement of uniform clothing, commissary provisions, general stores and technical materials to be sold).
- Yard fund (finances industrial operations such as vessel repairs which are performed on a reimbursable basis).
- Trust fund.

Federal Aviation Administration:
- Operations:
  - Operation of traffic control system.
  - Installation and materiel services.
  - Maintenance of traffic control system.
  - Administration of flight standards program.
  - Administration of medical programs.
  - Research direction.
  - Administration of airports program.
- Facilities and equipment (acquisition, establishment and improvement):
  - Air route traffic control centers.
  - Airport traffic control towers.
  - Flight service stations.
  - Air navigation facilities.
  - Housing, utilities, and miscellaneous facilities.
  - Aircraft, and related equipment.
  - Research, test and evaluation facilities.
- Research and Development:
  - Air traffic control.
  - Navigation.
  - Aviation weather.
  - Aircraft safety.
  - Aviation medicine.

National Capital airports operation and maintenance.
Grants-in-aid for airports.
Civil supersonic transport development.
Federal Highway Administration:
- General administration.
- Federal-aid highways.
- Highway beautification.
- Traffic and highway safety.
- Motor carrier safety.
- Forest highways.
- Public lands highways.
- Repair and reconstruction of highways.
- State and community highway safety programs.
- Inter-American highway.
- Chamizal Memorial Highway.
- Pentagon road network.
- Miscellaneous accounts.
- Miscellaneous trust funds.

Federal Railroad Administration:
General administration.
Railroad safety.
High-speed ground transportation research and development.
Railroad Research.
Alaska Railroad.
St. Lawrence Seaway Development Corporation:
General administration.
Operation of seaway.
National Transportation Safety Board:
General administration.
Policy formulation, decision, legal, and information.
Aviation accident investigation and prevention.
Surface accident investigation and prevention.
Certificate and license appeal.

Mr. BROOKS. Would you give us the total number of employees in your agency and the geographical extent of your operations?

Secretary BOYD. The total number of employees on board in the Department, as of April 30, 1968, is as follows: Civilian, 56,689; Coast Guard military personnel, 36,912; for a total of 93,601, of a total authorized of 97,827 for fiscal year 1968.

As to our geographic limitations, we have employees of the various operating organizations of the Department in, I believe, every State of the Union. We have major operations in Alaska, including the Alaska Railroad, large Coast Guard and Federal Aviation Administration activities. We have a substantial number of Coast Guard military personnel operating in the vicinity of Vietnam. We have Coast Guard military personnel operating in a number of isolated sites around the world in connection with the maintenance and operation of navigational equipment. We also have some Coast Guard and FAA personnel in various European countries in connection with marine safety for the Coast Guard, and aviation safety and technical activities in connection with the Federal Aviation Administration.

We also have, in various countries under AID contracts, Bureau of Public Roads personnel who are assisting in the construction and development of highway systems.

A. GENERAL SUPPORT PROGRAM

Mr. BROOKS. Thank you very much, Mr. Secretary. Under your program budget breakdown, do you have a support program covering the operations of your office and other policymaking personnel not directly attributable to a program function?

Secretary BOYD. Yes, sir. This is general support.

Mr. BROOKS. We will put in the record, without objection, exhibit D, the fact sheet on the general support program.

(Exhibit D follows:)

EXHIBIT D—FACT SHEET—GENERAL SUPPORT PROGRAM, DEPARTMENT OF TRANSPORTATION

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation	Department-wide	General Support
	CODE	CODE	CODE
200			
300	ANALYSIS AND CONTROL CODES		
400		FISCAL YEAR	

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	"In house" inputs			(In Thousands	
510	Personnel:				
511	Comp.			$100,475	
512	Benefits			13,947	
513	Travel			4,070	
520	Expenses:				
521	Communications			5,091	
522	Transportation			2,603	
523	Printing			3,468	
524	Supplies and Consumable Materials				
530	Capital Equipment			11,347	
540	Land and Structures			3,075	
541	Additional Investment				
542	Rents				
550	~~Other~~ Other			5,375	
	Total			76	
600	Funds distributed			149,527	
610	Contracts				
620	Grants			15,026	
630	Loans				
640	Benefits				
650	Other				
660	Total			824	
				15,850	
700	Total			$165,377	

	Input-output ratio	Prior Fiscal Year
810	1. Input	
811	1. Output	
820	2. Input	
821	2. Output	
830	3. Input	
831	3. Output	
840	4. Input	
841	4. Output	
850	5. Input	
851	5. Output	
860	6. Input	
861	6. Output	
870	7. Input	
871	7. Output	
880	8. Input	
881	8. Output	

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GENERAL SUPPORT PROGRAM

A. Statutory authority.—Authority for this program is contained in Public Law 89–670, section 3, and Public Law 90–112.

B. Nature of program and output.—The general support program covers executive direction, policy development, central supervision, and all coordinating functions necessary for the overall planning and administration of the Department.

Executive direction of the Department is vested in the Secretary of Transportation, who is also responsible for advising the President on policy and programs affecting the national transportation system as envisioned by the Department of Transportation Act. To fulfill these objectives and to assure that all departmental resources are utilized in an optimum and economical manner, the Secretary requires top-level advice and assistance at various echelons throughout the Department.

At the secretarial level, advice and general support functions are performed by assistant secretaries whose major areas of responsibilities cut across all the transportation missions and modes. They cover policy development, public affairs, international affairs and special programs, research and technology, administration, and general counsel.

At the operating levels, the general support and advice are furnished by the various administrators, and their immediate assistants. The administrators, who report directly to the Secretary, are expected to carry out their assigned programs with the necessary local support and general guidance from the Office of the Secretary. The Chairman of the National Transportation Safety Board is independent of the Secretary and other offices or officers of the Department.

The nature of the general support activities performed at the secretarial and the administration levels cover overall management direction of major programs, as well as day-to-day supervision of specific operations. In addition to the concept of vertical suport, the departmental support program is oriented toward facilitating horizontal coordination among the administrations to assure complementary and interrelated transportation activities.

The specific output resulting from the general support program covers a wide range of activities. While it cannot be realistically quantified as a reflection of efficiency, it does include significant numbers of essential related actions, such as policy pronouncements, management studies, information services, financial and budgetary reportings, personnel actions, audits and investigations, speeches, contracting and procurements, handling of congressional and public inquiries, field coordination activities, management conferences and meetings, and myriad other support services required in a large department.

C. Responsible officials.—The following officials, assisted by their immediate staff, have the major responsibilities under the Department's general support program:

The Secretary, Alan S. Boyd.
The Under Secretary, John E. Robson.
Assistant Secretary for Policy Development, M. Cecil Mackey.
Assistant Secretary for Public Affairs, John L. Sweeney.
Assistant Secretary for International Affairs and Special Programs, Donald G. Agger.
Assistant Secretary for Research and Technology, Frank W. Lehan.
Assistant Secretary for Administration, Alan L. Dean.
General Counsel, Stanford Ross.
Federal Aviation Administrator, William F. McKee.
Federal Highway Administrator, Lowell K. Bridwell.
Federal Railroad Administrator, A. Scheffer Lang.
Administrator, St. Lawrence Seaway Development Corporation, Joseph H. McCann.
Commandant, U.S. Coast Guard, Adm. Willard J. Smith.
Chairman, National Transportation Safety Board, Joseph J. O'Connell.

Secretary BOYD. The Department was organized a little over a year ago, faced with the task of bringing together under one Department, virtually all Government organizations that had transportation functions. In order to effectively accomplish this task, the Department is developing an adequate support program which will facilitate the accomplishment of our transportation objectives.

We made a good start under strict controls and fiscal restraints. Our program covers executive direction, policy development, central supervision and coordinating functions for the Department. Executive direction of the Department is vested in the Secretary, who is also responsible for advising the President on policy and programs affecting the national transportation system as envisioned by the Department of Transportation Act.

To fulfill these objectives and to insure that all departmental resources will be utilized in an optimum and economical manner, the Secretary requires top-level advice and assistance. At the secretarial level, advice and general support functions are performed by Assistant Secretaries whose major areas of responsibilities cut across all the transportation missions and modes. They cover policy development, public affairs, international affairs, and special programs, research and technology, administration and general counsel. At the operating levels, the general support and advice are furnished by the various administrators and their immediate assistants.

The administrators who report directly to the Secretary are expected to carry out their assigned programs with the necessary local support and general guidance from the Office of the Secretary.

The Chairman of the National Transportation Safety Board is independent of the Secretary and other offices and officers of the Department, although he does receive administrative support.

The nature of the general support activities performed at the secretarial and administration level cover overall management direction of major programs as well as day-to-day supervision of specific operations. In addition to the concept of vertical support, the departmental support program is oriented toward facilitating horizontal coordination among the administrations to assure complementary and interrelated transportation activities.

The specific output resulting from the general support program covers a wide range of activities. While it cannot realistically be quantified as a reflection of efficiency, it does include significant numbers of essential related actions, policy pronouncements, management studies, financial and budgetary reporting, personnel actions, audit and investigations, speeches, contracting and procurement, handling of congressional and public inquiries, field coordination activities, management conferences, meetings, and myriad other general support activities required in a large department.

Mr. BROOKS. Mr. Secretary, how many people are directly involved in this $165 million expenditure, of which $114 million is in personnel?

Secretary BOYD. A total of 14,815 people, of whom 8,665 are civilian, 6,150 military—Coast Guard.

Mr. BROOKS. How many are at the Department of Transportation level, sir?

Secretary BOYD. 470.

Mr. BROOKS. So we have a tremendous number of those people who are in the subagencies under DOT?

Secretary BOYD. Yes, sir; the vast majority.

Mr. BROOKS. Is it contemplated that they might reduce those numbers of people in the support activities as you get a more coordinated approach to this field?

Secretary BOYD. I would expect there would be some slight adjustments, Mr. Chairman, but not a great many. I say that because the functions which many of these people are carrying out have got to be handled. I do not want to give the impression that I think we can reduce that physical volume by any large amount.

Mr. BROOKS. I had intended to ask you for a brief justification of the size and extent of your support program, but I believe your previous answer has covered that pretty well.

B. BUDGET PROCESSES

Would you outline briefly and give us a status report on the efforts of your Department on the implementation of program budgeting?

Secretary BOYD. Yes, sir. A draft statement has been developed of departmental goals, objectives, programs, and priorities. That statement has now been reviewed within the Department, revised and approved for the guidance of the entire Department in its program, planning, and evaluation. It has also been published and circulated, and, if I may, I would like to submit a copy for the record.

Mr. BROOKS. Without objection, it will be accepted for the record.

(The statement appears in app. B.)

Mr. BROOKS. These are the program categories?

Secretary BOYD. That is a statement of goals and objectives. We also have the program structure, a copy of which has been provided to the committee. I think this other one is our goals and objectives, which has just been published.

Mr. BROOKS. We have the program structure.

(A copy of the revised program structure follows:)

DEPARTMENT OF TRANSPORTATION PROGRAM STRUCTURE

(Approved by the Secretary and promulgated, January 11, 1968)

NOTE.—Each of the following program categories has an objective or objectives. The objective in each of the first three categories is multidimensional. That is, it contains four subobjectives: (1) economical movement, (2) safety, (3) esthetic, environmental, and social values, and (4) support of military requirements.

Some of these subobjectives may compete directly with one another. For example, in some cases, the economic movement subobjective might be advanced through greater speed of transit, but only by moving away from the safety subobjective. Therefore, each subobjective is constrained by the others and trade-offs between them may sometimes be necessary.

Moreover, all of the objectives and subobjectives will generally be in competition with one another for resources, and all will be subject to budget constraints.

PROGRAM CATEGORY I: URBAN TRANSPORTATION (SMSA)

Objective.—In urban areas, to—

Increase the net direct economic benefits of transportation (which represent benefits for which the user would be willing to pay; for example, increased speed of transit between two points, lower user costs, and increased comfort of travel);

Decrease fatalities, injuries, and property losses due to transportation-related accidents;

Increase the benefits derived from the preservation and enhancement of esthetic, environmental, and social values;

Meet valid military requirements when the Department can do so more effectively or efficiently than other agencies.

A. Highways:
1. Interstate System:
a. Efficiency features.
b. Safety features.
c. Esthetic, environmental, and social features.
d. National defense features.
e. Administration.
2. Other primary:
a. Efficiency features.
b. Safety features.
c. Esthetic, environmental, and social features.
d. National defense features.
e. Administration.
3. Secondary system:
a. Efficiency features.
b. Safety features.
c. Esthetic, environmental, and social features.
d. Administration.
4. Urban extensions:
a. Efficiency features.
b. Safety features.
c. Esthetic, environmental, and social features.
d. National defense features.
e. Administration.
5. Topics:
a. Efficiency features.
b. Safety features.
c. Administration.
6. Railway-highway grade-crossing program.
7. Roadside hazard reduction program.
8. Parking.
9. Roadside beautification program.
10. Billboard and junkyard regulation.
11. Metropolitan area planning.
B. Mass transit:

PROGRAM CATEGORY II: INTERURBAN TRANSPORTATION

Objective.—In interurban areas, to—

Increase the net direct economic benefits of transportation (which represent benefits for which the user would be willing to pay; for example, increased speed of transit between two points, lower user costs, and increased comfort of travel);

Decrease fatalities, injuries, and property losses due to transportation-related accidents;

Increase the benefits derived from the preservation and enhancement of esthetic, environmental, and social values;

Meet valid military requirements when the Department can do so more effectively or efficiently than other agencies.

A. Highways:
1. Interstate System:
a. Efficiency features.
b. Safety features.
c. Esthetic, environmental, and social features.
d. National defense features.
e. Administration.
2. Other primary:
a. Efficiency features.
b. Safety features.
c. Esthetic, environmental, and social features.
d. National defense features.
e. Administration.
3. Secondary system:
a. Efficiency features.
b. Safety features.
c. Esthetic, environmental, and social features.
d. Administration.

4. Urban extensions (in areas 5,000–50,000 population):
   a. Efficiency features.
   b. Safety features.
   c. Esthetic, environmental and social features.
   d. National defense features.
   e. Administration.
5. Topics (in areas 5,000–50,000 population):
   a. Efficiency features.
   b. Safety features.
   c. Administration.
6. Spot improvement program.
7. Railway-highway grade-crossing program.
8. Roadside hazard reduction program.
9. Motor carrier safety regulation:
   a. Regulation of vehicles and drivers.
   b. Accident investigation and compliance.
10. Billboard and junkyard regulation.
11. Roadside beautification program.

B. Rail:
   1. The Alaska Railroad.
   2. Railroad safety.
   3. High-speed ground R. & D.
   4. High-speed ground demonstrations.
   5. FRA administration.

C. Air:
   1. Airport development:
      a. Trunk carrier.
      b. Local service carrier.
      c. Air carrier reliever.
      d. Other airports.
      e. Program administration and support.
   2. Air navigation services:
      a. Aids to navigation:
         (1) Civil.
         (2) Military.
      b. Landing aids:
         (1) Civil.
         (2) Military.
   3. National capital airports.
   4. Air traffic and other airspace activities.
      a. En route control and services:
         (1) Civil.
         (2) Military.
      b. Terminal control and services:
         (1) Civil.
         (2) Military.
      c. Flight service facilities:
         (1) Civil.
         (2) Military.
      d. Flight inspection.
         (1) Civil.
         (2) Military.
      e. Airspace allocation and rules.
      f. Air traffic and airspace support.
   5. Regulation:
      a. Aircraft:
         (1) Design and production.
         (2) Maintenance.
      b. Airmen.
      c. Operators, agencies, schools.
      d. Accident investigation.
      e. Support activities.
   6. Noise abatement.

D. Water:
   1. Short-range aids to navigation.
   2. Alteration of obstructive bridges.
   3. Domestic icebreaking.
   4. Boating safety.

5. Search and rescue.
   a. Coastal and harbor.
   b. Medium range.

E. Intermodal: Northeast corridor program.

PROGRAM CATEGORY III: INTERNATIONAL TRANSPORTATION

Objective.—In U.S. international transportation programs, to—

Increase the net direct economic benefits of transportation (which represent benefits for which the user would be willing to pay; for example, increased speed of transit between two points, lower user costs, and increased comfort of travel);

Decrease fatalities, injuries and property losses due to transportation-related accidents;

Increase the benefits derived from the preservation and enhancement of aesthetic, environmental, and social values;

Meet valid military requirements when the Department can do so more effectively or efficiently than other agencies.

A. Highways: Inter-American Highway.

B. Air:
   1. Development of civil supersonic transport.
   2. Advance interests of U.S. air transportation abroad.

C. Water:
   1. St. Lawrence Seaway Development Corporation.
   2. Aids to navigation (loran A).
   3. Ocean stations.
   4. Search and rescue: Long-range assistance.

PROGRAM CATEGORY IV: OTHER NATIONAL INTERESTS

A. National security, boundaries and treaties.

Objectives.—To meet valid military requirements when the Department can do so more effectively or efficiently than other agencies, and to enforce U.S. boundaries and treaties in the maritime regions:
   1. Military operations.
   2. Coast Guard military preparedness.
   3. Coast Guard reserve forces.
   4. Aid to navigation (loran C).
   5. Polar operations.
   6. Enforcement of U.S. boundaries and treaties.

B. Support of science.

Objective.—To support scientific research when the Department can do so more effectively or efficiently than other agencies:
   1. Oceanographic activities.
   2. Polar operations.

C. General transportation safety.

Objective.—To decrease fatalities, injuries and property losses due to transportation-related accidents:

1. Highways:
   a. Vehicle-oriented:
      (1) New-motor-vehicle standards.
      (2) Used-motor-vehicle standards.
      (3) Safety compliance and enforcement.
   b. Operator-oriented: driver register service.
   c. Safety grants to States.
   d. Accident investigation.
2. Water:
   a. Port safety and security.
   b. Development and enforcement of construction and repair standards.
   c. Technical competence and licensing of personnel.
3. Intermodal: National Transportation Safety Board.

D. Other highway programs.

Objectives.—To repair effectively damage to Federal-aid highways caused by natural disasters; to provide access to Federal lands where necessary and where the Department can do so more effectively or efficiently than other Departments; and to promote economic development in the State of Alaska:

1. Natural disaster repair.
2. Access to Federal lands:
   a. Public lands highways.
   b. Forest highways.
3. Alaska development.
4. Chamizal Memorial Highway program.

PROGRAM CATEGORY V: GENERAL SUPPORT

Objective.—To support effectively the general planning, policymaking and management of the Department and operating elements:

A. Research and development:
   1. Departmental:
      a. General transportation research.
      b. Research information planning.
   2. FHWA:
      a. Traffic operations.
      b. Social and economic impact.
      c. Structural.
      d. Driver safety.
      e. Vehicle safety.
B. General highway planning.
C. Administration.
   1. Departmental.
   2. FHWA.
      a. Headquarters.
      b. Field.
   3. FAA:
      a. Training.
      b. General administration.
   4. Coast Guard:
      a. Training.
      b. Command and control.
      c. Financial support.
      d. Engineering support.
      e. Personnel support.
D. Coast Guard retired pay.

Secretary BOYD. The basic departmental objectives are defined in this document you have as economic-efficiency, safety, preservation and enhancement of environmental and social values, and support of other national objectives. The PPB process calls for the grouping of departmental programs into logical categories to facilitate analysis and decisionmaking. The five categories are (1) urban transportation, (2) interurban transportation, (3) international transportation, (4) other national interests, and (5) general support.

The first three categories are each broken down into modal subcategories and further into programs and subprograms where appropriate. The fourth category, other national interests, includes primarily programs directed toward support of the national security, support of science, and general transportation safety. The fifth category, general support, includes primarily some R. & D. administrative activities which support programs in several categories.

Another major basic step in the PPB process is the definition of program benefits and outputs. The benefits are measured in terms of the departmental objectives. For example, the benefits of programs with a safety objective are (*a*) prevention of loss of life, (*b*) prevention of injury, and (*c*) prevention of property damage.

Outputs are measures of physical production of a program which are directed toward producing the desired program benefits. For example, in the safety area, program outputs include such measures

as (*a*) numbers of railway highway crossings separated in grade, (*b*) numbers of air traffic control towers constructed, (*c*) numbers of Coast Guard navigational buoys installed.

We have not as yet completed the identification of all benefits and outputs. Despite rather significant problems, the Department has now developed departmentwide PPB procedures which will be used for the first time in the fiscal year 1970 program budget-development cycle. The new procedures will undoubtedly require considerable refinement. Of necessity, the procedures used for the development of the fiscal year 1969 program budget were largely ad hoc and skeletal in nature, and the Department's PPB cycle was a much abbreviated one.

In addition to the structural steps above, the PPB process has led to more extensive and useful analytical work. Better analysis is the heart of the PPB program. Contributing to the decisions included in the President's 1969 budget were the study of the Coast Guard buoy utilization study and FAA air terminal delay study. The former has pointed the way to a more cost effective buoy tender program and to appreciable cost avoidance. The latter study shed considerable light on the problem of terminal delays and some of the alternatives that can be utilized in dealing with this problem. Among the studies now underway are cost benefit analysis of the Coast Guard merchant inspection program, some highway engineering problems, and the start of a long-term comprehensive study of all of the safety related programs of the Department.

During the forthcoming year, DOT expects to focus its efforts in three areas: one, to improve our analytical efforts in quality, quantity, and applicability to important decisions; two, to refine and improve the structural components of the PPB system discussed above; three, to work on the development of a program reporting and data system responsive to the needs of PPB. This is the structural task to which we have devoted less attention thus far, but which is essential to the complete effectiveness of the PPB system. I would like to say also, Mr. Chairman, that we do not think that our current approach is a particularly good one, but it was the best that we could agree on, working with all the administrations and the Bureau of the Budget.

We have undertaken this outline, which we expect to follow for 2 years and then have a very major review to see the areas in which we can improve the whole operation.

Mr. BROOKS. Certainly this approach does point out some problems as to whether or not a particular program will be of optimum benefit from the standpoint of budgeting or fiscal information. It will show what you are doing with the money, where it is being spent, and what the results are. In other words, what the input and yields are. So it is a challenging program.

This is a new approach to it, and it seems to me it is aimed a little more at the economic or social benefits of a program rather than how you are cranking in the money and manpower to accomplish such programs. So it will be a challenging one, I am sure, and I guess we cannot object to your trying something new.

We would encourage you and hope it does work out, though I have some misgivings, to be honest with you, about how this rather involved program duplicates in each of these areas the various modes of

transportation you are dealing with. So it means you have a hydra-headed program budgeting for each one of these areas of concern but maybe it can be worked out.

Secretary BOYD. I can say with all sincerity, Mr. Chairman, that after the committee has had an opportunity to review what we are doing, we would be most appreciative of the thoughts of the committee as to how we might improve this program.

Mr. BROOKS. We will talk with you about it after we have analyzed this further, Mr. Secretary. Undoubtedly this will keep Mr. Dean pretty busy, getting this worked out.

Secretary BOYD. This really is more in Mr. Mackey's area.

Mr. BROOKS. Mr. Mackey is the one that is going to be nursing this?

Secretary BOYD. He is the PPB man. Mr. Dean tries to translate the PPB into the annual budget process. That is a very interesting operation.

Mr. BROOKS. Undoubtedly they will spend long hours effecting this program.

C. ACCOUNTING SYSTEM DEVELOPMENT

Mr. Secretary, what is your Department doing regarding your accounting system development?

Secretary BOYD. The Department is in the process of setting up a Financial Systems Committee that will operate in support of the Departmental Administrative Management Council in coordinating plans and actions required in the development of the agency accounting system. The Financial Systems Committee will be the principal means of developing the policies, standards, and principles through which the Department will operate as a unified entity in compliance with the requirements of law and sound financial practice.

The individual operating administrations are currently refining certain accounting procedures and techniques tailored to their missions. The FAA has made considerable progress in developing and working out its accounting and reporting system that must provide the support for the basic elements of the FAA management system. U.S. Coast Guard is in the process of planning for the centralized maintenance and accounting for the military pay and retirement accounts. The Federal Highway Administration is in the process of expanding the approved accounting system of the Bureau of Public Roads to include the National Highway Safety Bureau and the Bureau of Motor Carrier Safety.

Mr. BROOKS. Mr. Secretary, at this point, who is going to be on this committee?

Secretary BOYD. I would like to refer this to Mr. Dean.

Mr. DEAN. Mr. Chairman, the head of our Financial Systems Division, Mr. Stanley Prymas, will chair this committee which will have on it representatives from each of the operating administrations and the Office of Budget within the Department.

The reason for setting up the committee is that a new Department like DOT has inherited different systems from Treasury, from various independent agencies, from the Commerce Department and elsewhere and it is going to take a lot of coordination and joint teamwork to develop a new set of concepts and principles so that we can go to the GAO, get their approval and then make each part of the accounting system fit this total classification.

Now we really have a number of different accounting systems developed in different time frames for different purposes, and while several have GAO approval, they do not represent what we need for a single departmental system that will give the kind of inputs you referred to earlier—needed to support all of our management, our budgeting and our PPBS activities.

Mr. BROOKS. When you make an effort to coordinate these systems, will it be on a cash basis or accrual basis?

Mr. DEAN. It will be on an accrual basis. In fact, our intention is to stay very close to the Joint Financial Management Improvement Group composed of the Bureau of the Budget, Treasury Department, General Accounting Office and now the Civil Service Commission. We will take their guidance and it will be an accrual system.

D. MANAGEMENT INFORMATION SYSTEM

Mr. BROOKS. What is the status of your management information system, Mr. Secretary?

Secretary BOYD. I think in order to answer this question we will have to review the elements brought together in April of last year to form the Department. Three established elements, Coast Guard, FAA, and St. Lawrence Seaway were incorporated in DOT with well-formed policies, organizational structure, and goals. Their management information systems are in an advanced stage of development. Although none can be defined as an integrated computer based system, many information systems are ADP supported, representing advanced management information technology.

One example is the Coast Guard's automated merchant vessel reporting system, which maintains a plot of a substantial portion of the merchant vessels on the high seas, including information and such things as the availability of a doctor. This system is extensively utilized by search and rescue coordination centers throughout the world.

I would recommend, if you are in New York City, that you take time to go to Governor's Island and look at this operation. It is a fascinating thing and has a coverage which is phenomenal.

Mr. THOMPSON. Does this provide worldwide coverage or just for the Atlantic area?

Secretary BOYD. It is worldwide but it is strictly on a volunteer basis. It is up to the ships to participate. The activities are expanding at a very rapid rate as more and more shipping companies participate. It has proved to be a very valuable service, not only to the American merchant marine, but to the merchant marine of other countries as well. It is in the best tradition of the Coast Guard, the humanitarian tradition.

Mr. THOMPSON. In other words, it enables the Coast Guard or someone to know the location of all of the various merchant vessels at any one time?

Secretary BOYD. Yes, those which participate. The remainder of the Department's organization is made up of newly formed elements—Office of the Secretary, Federal Highway Administration, Federal Railroad Administration, and the National Transportation Safety Board, some of which contain well-established suborganizations such as the Bureau of Public Roads. Again as would be expected, their

management systems are in the early stages of development. Rapid progress is not attainable as the foundation of the management information system goals and objectives, organizational functions and rules and programs are in the formative stage. There are some exceptions to the above, such as those systems brought over by the Bureau of Public Roads to the Federal Highway Administration in areas like automated manpower information and control and interstate highway status.

Current development efforts are characterized by the stage of development of the element to be supported. The new elements are considering basically manual systems as a first priority while the well-established organizations, FAA and Coast Guard, are in the planning stages of comprehensive automated information systems.

Departmentwide we are approaching our management information needs through the following: First, the development of an executive information system to support the immediate office of the Secretary; second, the establishment of an information management steering committee to consider the information systems required in DOT and the resources to satisfy those needs—an example is the transportation information system requirement of the act—third, satisfaction of immediate requirements through the development of such systems as manpower control, accounting and the tracking of planned programs.

Through the above actions Department-wide requirements will be recognized and will lead to the formulation of plans for an integrated management information system.

Mr. THOMPSON. May I ask you a question going back to the Amver System which you were mentioning? I can envision all sorts of advantages to this, and I can also envision military implications. Is there any security maintained over the information that is contained in Amver, or is this available to all people?

Secretary BOYD. I would like to ask Admiral Smith, Commandant of the Coast Guard, to respond to that.

Admiral SMITH. The information that is transmitted from the vessels is a position report and the estimated course and speed. This is transmitted in the clear. There is no security involved in these messages. However, the information is not generally available to anybody that wants it from our center in New York.

Mr. THOMPSON. The information is obtained primarily from radio communications and not from any satellite tracking or spotting of vessels on the seas?

Admiral SMITH. It is obtained entirely from radio communications. The messages are transmitted through our own Coast Guard radio stations or through commercial shore-marine radio stations.

Mr. THOMPSON. In the event that we were to be confronted with a situation such as occurred during the Cuban missile crisis where we might have a confrontation with some large power, the knowledge of where the merchant vessels are is very important, particularly to any nation that has a large submarine fleet. This is the reason I was asking whether or not it is desirable that this be classified information.

Of course, the Russians may very well have a system of their own where they can keep track of these. That was the purpose of my question.

Admiral SMITH. Yes.

Mr. THOMPSON. Thank you, Mr. Secretary.

Secretary BOYD. Yes, sir.

Mr. BROOKS. Mr. Secretary, under the management information system that you are now acquiring, I understand that you have updated considerably the manner in which you acquire the data on transportation on which you can base policy decisions. I wonder if you would explain what this new system is, what you propose to accomplish by it, and how it is coming along. Apparently it has a good start.

Secretary BOYD. Are you talking about our transportation information planning?

Mr. BROOKS. The acquisition, as I understand it, of your basic data on transportation that previously you got from the Commerce Department but which now you are beginning to acquire on an initial basis from your own sources.

Secretary BOYD. I am not sure I understand because we are utilizing the same information we got that was available in the past. We think we are putting it together in a more usable fashion. It may be that the information you have was related to our consideration of our taking over some work which had been done by the Interstate Commerce Commission which, because of budgetary restrictions, they were forced to drop. I am afraid we are just not tuned in on the question.

Mr. BAYNARD. It was my understanding, Mr. Secretary, that the Department was working on a new data base on transportation to provide a comprehensive overall means of acquiring the essential data that the Department needed to develop transportation policy as a substitute for the obsolete and incomplete data base that the Department of Transporation acquired from the various agencies that were consolidated to form the Department of Transportation. It is obviously a good idea and I assume you are doing it.

Secretary BOYD. We are moving toward establishing a transportation data bank which would be a comprehensive compilation of all transportation information. We have not yet achieved that. Actually, it is going to take a long time to do it for any number of reasons.

One of the basic problems we have in transportation and trying to look at the total transportation system is this: Basic information, to be really relevant, has got to be origin and destination information. We can find out without any difficulty what is moving from Chicago to New York by rail, but we are as yet completely unable to find out where any of these commodities started their journey and where they are ending their journey. We do not know on a freight car that goes into New York whether the commodity goes to New York City for processing or consumption or whether it goes to Birmingham, England, or to South Africa or to Hartford, Conn. Until we are able to put the whole picture together, we will not know how our transportation system really functions. This is what is going to be one of our major difficulties—getting thorough origin and destination information.

Another is in developing comparable statistics. This gets to be particularly difficult in two areas. One is in measurement and the other is in classification. On the measurement side on domestic movement, we do not have too much trouble, but when you have things going on and off ships you have metric tons, short tons, Suez tons, and Panama Canal tons, and they are all different. Trying to find out how to develop comparability is a major problem. Then we have two different

commodity classification codes which creates confusion. A pair of socks or a carton of socks can be described in six different ways.

A lot of transportation information with which we are concerned is not readily available. For example, movements on the inland waterways are known only to the Corps of Engineers where they go through locks. This information is provided to the corps on a confidential basis. Our efforts in this area to get all of this stuff together so that it makes some sense and so we know what we are talking about is largely related to the Office of Transportation Information Planning, which is not a data collection office, but is rather an office to develop the techniques to obtain the information.

Mr. BROOKS. I understand, and I think it is a first move. It certainly is aimed at getting a new data base for your policy decisions.

Secretary BOYD. Yes, sir.

Mr. BROOKS. Do you feel you are making some progress on it?

Secretary BOYD. Yes, sir. But I want to assure you that this is not going to happen overnight. I became a member of a State utility regulatory commission in 1955, and one of the first things that I got involved in was something called a tariff simplification committee and the tariffs are not any simpler today than they were then.

E. INTERNAL AUDIT SYSTEM

Mr. BROOKS. On the internal audit problem, which you have discussed previously, I want you to take a look at the possibility of having your internal audit people report directly to you and be assigned by somebody under your direct jurisdiction.

It seems to me that with the multiplicity of agencies administered by you, you would be well advised to have the capability of internal auditors who would be assigned by someone working for you and who would be reporting directly to your office, if you are going to have an objective analysis of what they are doing. In the final analysis, you will be responsible for it. They may do it wrong, but they will end up bringing that dead cat to your step and leaving it there. I am looking at internal audits in the light of our original study, which I hope you will take a look at yourself, and which I am sure Mr. Dean is intimately familiar with. I think it gives any administrator insurance as well as an objective analysis of his department which can be most helpful. I personally would not have an administrative job without an internal audit reporting directly to me.

Secretary BOYD. We are working very closely with the GAO in this connection. This is a matter of great importance to me and it is one we keep under constant review to try to figure out the best way we can handle this whole business of internal audit. I would guess in this one area we spend more time with GAO than in any other activity.

Mr. BROOKS. Have you had an opportunity to talk with Secretary Freeman? He has had some experience in this particular field and has apparently profited by developing a much better system after a couple of mules got out.

Secretary BOYD. I haven't talked to Orville about it. I have talked to Elmer Staats about it. I figured I might learn more from him.

Mr. BROOKS. I think you will find Freeman's experience—it would be better to learn from his experience than from your own.

Secretary BOYD. I agree with that.

Mr. BROOKS. We have had a series of studies on this. We have asked the Bureau of the Budget and the GAO to stand up for one type of system. They have a tendency to let any agency do whatever they want because that is the easiest way.

We have submitted some more detailed questions on internal audit which I trust there will be no problem in getting something on.

Secretary BOYD. We will provide answers.

F. AUTOMATIC DATA PROCESSING

Mr. BROOKS. Do you have a central organization which is responsible for ADP management in your Department?

Secretary BOYD. The Department of Transportation has established a Data Systems Division within its Office of Management Systems in the Office of the Secretary. This Division is headed by a senior employee with long general management experience in Government and several years experience in the ADP industry. He is assisted by three highly qualified ADP technical personnel. The Division has the following responsibilities: First, to maintain oversight with a departmentwide perspective of ADP use, planning, and operations throughout the Department. In discharging this responsibility, the Division is expected to be particularly alert to current opportunities for consolidation, time sharing and mutual assistance among administrations and for developing long-range plans to draw ADP operations together as a departmental facility.

Second, the Division has the responsibility for preparing departmental policies and standards relative to ADP use, acquisition, and operation, which will promote long-range departmental objectives, as well as assure compliance with legislative intent and the pertinent directives and programs of the Bureau of the Budget, Bureau of Standards, and the General Services Administration. The Division has assumed the role of official point of contact between the Department and the foregoing in other Government agencies.

Third, the organization also reviews all systems and feasibility studies and proposals for major equipment acquisitions and service contracts and makes recommendations to the Assistant Secretary for Administration for their approval or disapproval. In so doing, the consideration not only is made of the sufficiency of the justifications advanced from the standpoint of law and regulation, but also the desirability of the acquisition in the context of the Department's long-range objectives and the plans and holdings of all the administrations.

Fourth, through the device of organizing and guiding a departmental ADP council whose chairman is the Chief of this Division, this element of the Office of Secretary maintains contact with day-to-day ADP activities in all administrations and is able to serve as a clearinghouse and broker of innovations and improvements in ADP management throughout the Department.

Fifth, the Division acts as a department spearhead and coordinator in its participation in the many Government-wide technical programs and exercises that are sponsored by the several central agencies of the Government: The General Accounting Office, the General Services Administration, the National Bureau of Standards, and the Bureau of the Budget.

It also assures compliance with and coordinates the numerous recurrent required reports about ADP.

Sixth, the Division is also the major point of contact with the ADP industry and has launched a systematic program of familiarization of all ADP personnel in the Department with the products of all the manufacturers in order to insure a climate of competition within the Department.

Seventh, the major accomplishment has been greater data system effectiveness per dollar invested through an ADP consolidation in Honolulu through which FAA will handle the Coast Guard requirements; time sharing in New York so the FAA utilizes Coast Guard equipment in lieu of buying time; utilizing Government computer time in lieu of commercial time when consulting services require data processing; and using a one-shift lease of a unique simulator computer configuration rather than buying the machine so the simulator can be used on in-house equipment; and last, adjusting system studies to encompass DOT-wide facilities rather than just a single element.

Mr. BROOKS. That seems like a comprehensive division. If they are doing all of that, it is probably the best coordinated ADP program ever conceived.

Who is the head of that division?

Mr. DEAN. Harry Fite.

Mr. BROOKS. Is he here?

Mr. DEAN. Mr. Magruder, his immediate supervisor, is with us—the Chief of the Office of Management Systems.

Mr. BROOKS. Mr. Fite runs the Division under the supervisor?

Secretary BOYD. Yes, sir.

Mr. BROOKS. What is his background?

Mr. MAGRUDER. Both Government and industry. He has been with the computer industry. He has also served as a consultant in the computer field.

Mr. BROOKS. How long has he worked in this field?

Mr. MAGRUDER. About 10 years, sir.

Mr. BROOKS. And he worked with the Government during that time?

Mr. MAGRUDER. He has worked for the Government. He most recently came to us from the AID program where he was in charge of all computer activities. When the Department was established, he came to the Department of Transportation from AID, sir.

Mr. BROOKS. He has three assistants, as the Secretary pointed out, who are technical people?

Mr. MAGRUDER. Yes, sir.

Mr. BROOKS. What are their backgrounds?

Mr. MAGRUDER. One of them is a Coast Guard commander who has had extensive experience in the computer field with the Coast Guard. One of them is a man fully qualified in the computer field, but with Government experience only.

One of them is a very recent acquisition, a young woman who also has had experience in the Government field. All three have had experience in the computer field in Government, working with ADP programs. I would be glad to submit for the record their educational backgrounds as well as their experience.

Mr. BROOKS. Thank you.

(The information is on file with the subcommittee.)

Mr. BROOKS. What do you consider to be the most pressing problems that need to be overcome for you to have a better utilization of your ADP capacity?

Secretary BOYD. I would like to refer that to Mr. Magruder.

Mr. MAGRUDER. I think the major problem, sir, is getting the management people throughout the agency to understand the uses and the limitations of the computers.

There are a great many uses, as you well know, in the personnel field, the finance field, the research field, and so forth. We are interested in getting more education of the various functional planners to the state of the ADP art. There is also a need, we believe, to minimize the escalation of ADP requirements in each of the administrations by replacing divided efforts with concerted long-range plans based upon time sharing, centralized to the degree that most benefits.

Mr. BROOKS. Have you had any problem with personnel at the programing level or at the input level?

Mr. MAGRUDER. No, sir; I don't believe so, not to the best of my knowledge.

The administrations, for the most part, are well-established administrations. As the Secretary has pointed out, the Coast Guard, the FAA, and a portion of the FHWA, which do the major portion of this work in the field, do have extensive capabilities. We are, at the present time, learning more about them. I think it is necessary to say that we are relying to a considerable extent right now on these portions of the overall departments.

Mr. DEAN. Mr. Chairman, I think we should add at this point we have set in motion a directive issued by the Secretary in which no procurement of an ADP system in excess of $50,000 can be undertaken without review by the Office of the Secretary. This assures that any significant system—advance or extension of service—comes to the Secretary, and I have the responsibility for approval. Mr. Magruder and Mr. Fite review each proposal with great care and we are attempting to shape all our future extensions of ADP to fit into a departmental system instead of bits and pieces where you would have unused capacity and excess cost.

Mr. BROOKS. That is the way to do it.

G. PERSONNEL MANAGEMENT

Would you describe to the subcommittee the elements of your personnel management program?

Secretary BOYD. Personnel management is an integral and vital part of the mission of the Department which utilizes personnel resources of nearly 100,000 military and civilians. This is evidenced by such activities as establishment and operation of an executive personnel board which functions at the secretarial level and has a critical review of all matters relating to supergrade positions and initiation and completion in fiscal year 1968 of a personnel counterpart study to determine the most efficient and economical distribution of available personnel management resources.

An Office of Personnel and Training, functioning under the Assistant Secretary for Administration, has as its mission the provision of leadership and professional guidance in the development and imple-

mentation of policies, plans, and programs of sufficient depth and scope to assure retraction, retention, motivation, training, and development of managerial and employee talent capable of performing work in the quantity and of the quality required to meet the objectives of the Department.

The Office of Personnel and Training develops issues and interprets basic personnel policies and provides leadership in personnel matters, civilian and military, for the entire Department. It serves as the principal source of advice and assistance on personnel to the Secretary and is responsible for the evaluation of personnel program effectiveness throughout the Department.

In addition, it represents the Department in all personnel matters with other departments, the Civil Service Commission, the Bureau of the Budget, committees of Congress, the White House, including the preparation of comments, reports, programs, policies, and data requested or required by such outside sources.

Counterpart personnel staffs in the operating administrations are concerned with personnel matters relative to a single mode of transportation. They develop appropriate procedures and programs implementing department personnel policy and furnish operating personnel support for the accomplishment of the Administration's missions.

Mr. George Maharay is the Director of Personnel and Training for the Department and is here this morning.

Mr. BROOKS. I want to submit at this time exhibit E, entitled "Highlights of the Department of Transportation Personnel Management," submitted by the Civil Service Commission.

(Exhibit E follows:)

EXHIBIT E—"HIGHLIGHTS OF THE DEPARTMENT OF TRANSPORTATION PERSONNEL PROGRAM"—(SUBMITTED BY THE U.S. CIVIL SERVICE COMMISSION)

The Commission has not yet inspected the Department of Transportation as a whole. We have conducted inspections in the recent past in three of its component organizations. These are:

The U.S. Coast Guard.
The Federal Aviation Administration.
The Federal Highway Administration (as the Bureau of Public Roads).

Nationwide inspection of Coast Guard (Treasury), March 1966

We found the following areas of strength in our review:

An aggressive review procedure for the review of personnel resource management at its field installations.

A good recruiting program in which the agency gets high-quality civilian employees.

A good program of employee utilization and management improvement.

Several areas were found which needed improvement:

We found generally weak manpower planning, needs projection, and overall recruiting due to lack of a system to distinguish between military billets and civilian positions.

Difficulty in establishing career paths and career ladders.

No uniform system to identify training needs.

Federal Aviation Administration (formerly Federal Aviation Agency)

A nationwide inspection was completed in late 1966.

We found the following areas of strength during our review:

Technical training to improve productivity in the work force, which has enabled FAA to reduce the size of its work force while its workload has been increasing.

The agency has taken effective steps to develop healthy relationships with its work force in employee-management relations and employee service activities.
The agency has an effective occupational safety program.
The agency has an effective program of communications and services to the public.

Several areas were found to need management attention:
(1) The agency was not making the most economic and efficient use of its manpower resources in the accomplishment of its objectives.
(2) Improvements were needed:
In position classification.
To insure that best qualified candidates are selected for promotion.
(3) FAA also needs:
To eliminate duplicate staff services such as those in management analysis, budget, and personnel.
Comprehensive supervisory training in personnel management for its key managers.
To take appropriate steps to insure that all employees are aware of their rights to belong to unions and participate in union activities.
To improve supervisory understanding, and engender a positive attitude toward employee recognition and incentives.

The Administrator (General McKee) responded to our findings and recommendations by establishing a high-level task force to thoroughly study all of the areas in which deficiencies had been found and to recommend corrective measures and to develop an implementation plan. The Commission and later the Department of Transportation had participating members on the task force to provide continuing monitoring of the plan.

The plan was submitted to the Commission by the Secretary of Transportation and the Commission informed him that it found the plan acceptable. Much of the correction was begun before the plan was finally completed.

The Commission expects to reinspect FAA in fiscal year 1969 as a part of the nationwide inspection of the Department of Transportation.

Bureau of Public Roads

The Commission's last nationwide inspection of the Bureau of Public Roads (BPR) was concluded in 1964. The new Federal Highway Administration is comprised of the old BPR with added functions (functions of the Corps of Engineers; and Highway Safety).

We found the following areas of strength in our review:
An outstanding recruiting and training program for its technical employees.
A good program of employee awards and incentives.
A good program of manpower utilization and cost reduction in its technical areas which enabled it to cope with an expanded mission.

Several areas were found which needed improvement:
Supervisory training needed to be improved.
The agency was found to have too many people in its personnel functions.
Agency management was not making the best use of the management tools available, especially in other than its technical fields.

Our upcoming fiscal year 1969 program for a nationwide inspection of the Department of Transportation will include a comprehensive survey of the Federal Highway Administration.

Mr. THOMPSON. Mr. Secretary, could you give me some idea of the number of people in the five segments in the Department: the Coast Guard, Federal Aviation Administration, Federal Highway Administration, the Federal Railroad Administration, and the St. Lawrence Seaway? Do you have an idea of how many people are in each?

Secretary BOYD. Yes, sir. As of April 30, in the Office of the Secretary, there were 521; in the Coast Guard there were 5,695 civilian employees and 36,912 military; in the Federal Aviation Administration, 43,821; Federal Highway Administration, 5,201; the Federal Railroad Administration, 1,063; St. Lawrence Seaway Development Corporation, 160; the National Transportation Safety Board, 228, for a total of 56,689 civilian, and 36,912 military—a grand total of 93,601 related to an authorized total personnel of 97,827.

Mr. THOMPSON. Approximately half of the personnel, then, are in the Federal Aviation Administration?

Secretary BOYD. Yes, sir; just under half.

Mr. THOMPSON. Do you have any idea how many aircraft are in the air at any one time, average, in the United States?

Secretary BOYD. No, sir; I am sure General McKee or Mr. Dave Thomas, the Deputy Administrator, can provide those figures. I think you will find there are rather large differences depending on the time of day and the day of the week.

Mr. THOMPSON. I recognize the fact that, of course, in daytime there would probably be more than nighttime and depending on the weather, and so forth, but, Mr. Thomas, or General McKee, do you have any idea of what an average figure would be if you were to take the flight hours and divide them into the number of hours per day?

Mr. THOMAS. There are no precise figures available because we do not have flight plans on all the airplanes, but taking fuel consumed and other factors we have, there are roughly 200,000 flights per day. Most of these are during the daylight hours. They are not evenly distributed during the day so one would assume there are probably 20,000 airplanes in the air at one time under peak conditions.

Mr. THOMPSON. Approximately how many of the 20,000 would you say are general-aviation aircraft and how many would be commercial-airline aircraft?

Mr. THOMAS. Most of them would be general aviation. The size of the commercial airline fleet is less than 3,000 at the moment. In fact, it is about 2,600. The general aviation fleet is over 100,000, so most of them would be general aviation and most of them would not be on flight plans.

Mr. THOMPSON. Has any significant progress been made in attempting to utilize computers in programing the flights, particularly of commercial aircraft from one city to another, to have a preprogram flight in order that when an aircraft is to depart, say, from New York City, and is scheduled to arrive in O'Hare or Los Angeles or wherever it may be at a predetermined time, to have that flight controlled all the way and have it coordinated with flights coming in, for example, from Chicago—flights coming from New York to Chicago, St. Louis to Chicago, Dallas to Chicago. Is any development research underway whereby you would have all of this organized through a computer to preprogram the flights and fit them together?

Mr. THOMAS. Mr. Thompson, we have about a $400 million computer program underway now which uses the largest and most modern computers available. It is just coming into being. The first is being installed at Jacksonville. They will go into our air-route traffic control centers. However, as extensive and comprehensive as that program is, it does not now contemplate the prescheduling and guaranteed arrival time. It will handle the aircraft completely throughout their flight, but it will accept them on a randomized basis at each major airport and then sort them into a regularized flow of traffic for the runway, but it does not now contemplate prescheduled and guaranteed arrival times, as I believe you suggest.

Mr. THOMPSON. Well, Mr. Thomas, as we get into the area of supersonic aircraft which, of course, we all recognize is a number of years off, is it not going to be almost essential that the aircraft have a clearance to land about the same time it receives its clearance to take off,

and would you not have to basically have a guaranteed time of arrival and have this set aside at the destination?

Mr. THOMAS. We do not believe that is necessary yet. We are doing some work in supersonics on simulators in NASA and with our simulation capacity. The same thing was thought when we introduced the present-day jets, that they would have to have a guaranteed arrival time.

With the fuel reserves that are required and the normal increase in handling traffic capacity, we haven't found that necessary. For example, at Chicago, O'Hare, we are now landing and taking off aircraft at the rate of about one every 17 seconds during peak hours. We are running 2,400 or 2,500 departures per day out of 1,440 minutes. It may be that we will have to go to prescheduled and guaranteed arrival times and that is widely debated right now in the industry, but we have not yet reached that conclusion.

Secretary BOYD. I think one of the things, Mr. Thompson, that would have to come about before that would be feasible is much better and more detailed knowledge of meteorology. The winds aloft, particularly on the transoceanic flights, are not yet calculated to a sufficient degree to make it possible to guarantee an arrival time within a matter of minutes.

Mr. THOMAS. We have one other problem. We frequently have runways blocked and all prescheduling is void at that time so the aircraft has to have reserve fuel and the contingency that it could land at other times at other places.

Mr. THOMPSON. Basically, you have some 43,000 or 44,000 people in the Federal Aviation Administration. You have mentioned there are some 20,000 aircraft in the air at one time, by far the vast majority of these being general aviation aircraft, many of which are not being controlled, of course, by FAA.

Does this appear to you to be a disproportionately large number of people? You have a little more than two people for every aircraft that is in the air at any one time. Does this appear to be an abnormally large number of people involved, trying to control a few aircraft?

Mr. THOMAS. No, sir; we don't believe so. Right now we have a shortage of controllers rather than an overage.

Mr. THOMPSON. I am not speaking just of controllers, but overall FAA personnel.

Secretary BOYD. Let me take a whack at this, Mr. Thompson, if I may.

First and foremost, the Federal Aviation Administration has responsibilities which run far beyond, as you know, the controlling of the number of aircraft which happen to be in the air at any one time. One of the areas of this activity, of course, is the licensing of pilots and airmen. There are more than 400,000 private pilots in this country. They also run major training schools for their own personnel. They also have the problem of certification of aircraft—the airworthiness of aircraft and affiliated systems. They also have the problem of inspection, not only in the air, but of the ground facilities. As Mr. Thomas says, as a matter of fact, in air traffic control and the maintenance of navigation systems, we are short at the present time. The FAA is having about all the troubles that could be wished on any agency because of a shortage of personnel.

Mr. THOMPSON. Mr. Secretary, I have had some discussions with some of the officials of various airlines throughout the country and they point out to me that they are extremely safety conscious; that the aircraft they are flying, these jets, are $5, $6, $7 million, and when you get to the jumbos they are going up to $15 million apiece; that they do everything possible within their company to maintain safety and in many of the cases the officials feel they are more safety conscious than the FAA personnel.

Another point is that an accident, an aircraft accident, is going to affect monetarily that company's business—not just the loss of the aircraft and the liability. So they are very concerned about aviation safety. I have had some who have expressed the concern that the FAA does have this job but oftentimes they are just trying to find some work to do; that they are out there and the airlines feel as though they are doing a superb job in handling safety themselves and then the FAA people come in and they want to justify their jobs and their positions so, therefore, they are nitpicking in many instances.

Secretary BOYD. I would dispute that with all of the vigor that I have, Mr. Thompson. I would certainly call on any airline who feels that progress in safety is being impeded by actions of the Federal Aviation Administration. I would suggest they get in touch with General McKee.

Mr. THOMPSON. I did not say impeded.

General MCKEE. I have had a contact with all the airlines in the country and I have never had one come in and complain about safety aspects and actions we have taken with respect to their airlines. They are not a bit hesitant, Mr. Thompson, to complain when they have complaints. I get them every day.

Mr. THOMPSON. My point is simply this: That I have been told by several airline executives—not the presidents of the companies—that the safety programs they themselves have indicate they are more concerned with safety than even the FAA is, and in their opinion, if left to their own devices, their operation would be every bit as safe as it is now with the FAA safety inspectors.

Now, the reason I got into this, of course, was in the training of the safety inspectors, and the question I had on whether it would be better for the airlines to do this under contract with the FAA or for the FAA to maintain the fleet of jet aircraft that they do have to train their own safety inspectors, and it was very interesting that most of the airlines feel as though they are extremely safety conscious.

General MCKEE. But there is a fundamental issue here, Mr. Thompson. You have to remember that the law charges the Administrator of the FAA, whoever he happens to be, with the safety of this operation. Now, the only way that we can get rid of that is for you people up here to change the law and say the airlines will be completely responsible for the safety of their operation.

But, when we have an accident, they don't go to that airline. The airline president doesn't get investigated; it is the Administrator of the FAA. "Did you do what you were supposed to do? Did you run these inspections? Did you assure that that airplane was crashworthy? Did you assure that that crew passed all the tests?" I go through this every time there is a major accident.

Mr. BROOKS. About 5 years ago, before you were involved with FAA, we had a pretty thorough investigation of safety in airlines and it seemed evident that the airlines themselves were not at that time overly diligent in their safety practices and we showed them the pictures to prove it. They had turned those pictures down; they had denied any of these allegations. They had to eat every one of them when I showed them pictures, with the altitudes, the times, the flight numbers, witnesses, and the people who took the pictures. The pictures showed just what kind of safety precautions the airlines, on their own, were maintaining with their pilots. They have made some changes since then. I would say that the airlines still have a long way to go in improving their execution of safety.

I would not yet want to turn this over to the airlines. Many of them are good; some better than others. Many of them have money invested, but some are not too well established and would not have the inhouse safety background even of major airlines and so I don't think there is much likelihood—until we change the law—and I am not going to be for changing it—that we remove this responsibility for safety from the FAA. I think they have done a good job in it and I think it is still their responsibility. They don't do it as well as they would like or as we would like, but I think they still have the responsibility and are doing their best to execute it. So I would say, until we change the law they are still going to have that responsibility.

Secretary BOYD. Mr. Chairman, may I make two points here: First and foremost, without regard to the interest that the aviation managers have in safety, there is a major public interest in safety of the airlines and certainly none of us who have been associated with aviation is going to say that any of the men in aviation are consciously letting down on safety anywhere. Obviously they do have a very major interest in safety but so does the public of the United States—both those who fly in the airplanes and those who may get hit when the planes come down other than at an airport.

The second thing is that I don't think there is any question but that the managers of the automobile manufacturing companies are interested in safety, and yet the Congress of the United States said the Federal Government ought to regulate the safety of the motor vehicles. The same thing is true with railroads. The Coast Guard has, for longer than any of us have lived, had a major safety responsibility for the merchant marine in this country. This doesn't mean that the captain of the ship is not interested in safety or that the owner of the ship isn't interested.

The same thing is evident where Congress is about to enact legislation on natural gas pipeline safety. It has already done so on oil pipelines. There are tremendous safety regulations based on an act of Congress in connection with the development and operation of atomic energy.

Now, I can't imagine that anybody in the field of developing atomic energy is not interested in safety. In fact, their whole careers are related to it—their lives, in fact.

Mr. THOMPSON. Mr. Secretary, if I may inject this thought at this particular moment, the point I was attempting to make is simply this: that, particularly with some of your large carriers—I am not speak-

ing of local service carriers because, frankly, many times they do not have the ability, but particularly with some of the large carriers—and I know with the pilot and some of the management personnel—they feel as though they have a very definite stake in safety and they are doing everything they can to make their airlines safe because they have a monetary reason for wanting it safe and also, of course, they have a reason of wanting to keep the passengers flying in the aircraft as safe as possible and their own employees. So they are all concerned about safety.

But, the point that I question is whether or not the size of the FAA, the physical size, needs to be as large as it is, and are there people who are simply trying to make work?

We have to somewhere cut down the cost of this Government. We have two people in the FAA for every one aircraft in the air at any time, any one time, and most of those in the air are not being controlled by the FAA. If it is necessary, it is necessary, but I think it is certainly something that could be reviewed.

Secretary BOYD. I think your statistic, though, is completely irrelevant, Mr. Thompson. The fact that you have two people on the ground for one airplane in the air just doesn't have anything to do with the functioning of the Federal Aviation Administration. You cannot make that sort of relationship stand up.

Now, some of the people you saw in the Atlanta Regional Office don't have anything to do with flying airplanes.

Mr. THOMPSON. This is true.

Secretary BOYD. They are concerned about airport development.

Mr. THOMPSON. And sometimes they don't have anything to do.

Secretary BOYD. Well, I would hope that you wouldn't make a judgment based on a superficial walk-through of any building.

Mr. THOMPSON. Mr. Secretary, I believe you understand my concern and I think you are just as concerned about safety as I am but at the same time I feel we should always be concerned as to whether our bureaucracy is getting too large.

Secretary BOYD. Surely, but you have got to measure it against something and I would urge you not to measure it against the number of airplanes that are in the air at any one time.

Now, in terms of turning safety over to a major airline, because it is a major airline and because you and I know that the president of the airline is interested in safety, and all the others—this puts the airline immediately in the position of being the judge, jury, and prosecutor when it gets into an argument with the pilots over what is safe.

Each airline has its own operating procedures which are based on FAA regulations. Where would the pilots be if they felt very keenly that some portion of the operation was not safe and ought to be changed if the airlines said, "FAA has delegated this to us. You boys go peddle your papers."

The first thing you know you have a strike on your hands and instead of having somebody trying to figure out what is the safety of the thing, the decision is going to be based on who has got the most economic power, not on what is the safest part of the operation. I think it would be a hideous operation.

Mr. THOMPSON. Well, let me say this: here again, the point I am making is not necessarily the role of the FAA so far as safety is concerned, but is it necessary? Are all of these employees of the FAA necessary? And, can there be more economy in a particular operation?

Secretary BOYD. Well, let me say this: FAA has had one of the best recognized and most awarded cost-reduction programs in the executive branch of the Federal Government. Now, that doesn't mean that every man in every position today should be doing the job he is doing, or that even there should be that job. I am not about to try to tell you that everything is exactly the way it ought to be. I don't know. I can only tell you that before the Department was established the FAA was making every effort to see to it that it didn't have more jobs than it needed, or more people filling those jobs.

Since the Department has been established, we have pursued that——

Mr. THOMPSON. And I hope you continue to.

General MCKEE. I want to make a statement, Mr. Thompson, as Administrator of the FAA. I don't want one man in the FAA who is not urgently required. If I can find one, I want to move that space, not the man, out to the firing line. We are drastically short of people in our air route traffic control centers around the country. I have made the policy decision that any space that we can make available—lacking additional spaces from the Congress—goes to the firing line in air traffic control, systems maintenance, and flight standards. That is our major concern.

Mr. THOMPSON. As long as we can keep you concerned about this and you do act as forcibly as you are acting, I think this is good.

General MCKEE. I couldn't feel more strongly about it.

H. GENERAL ACCOUNTING OFFICE REPORTS

Mr. BROOKS. I want to move this on forward now.

Mr. Secretary, we have some questions on General Accounting Office audit reports, but I believe all of them are on the FAA so we will get to them later. I wish you would submit responses to those for the record, if you will.

(The reports appear later in the record.)

Mr. BROOKS. I would say for the record that the purpose of these hearings, this hearing today, all of the hearings that we have held, is partly to establish a base upon which you can evaluate the productivity of Government employees in general—in the Department of Transportation and in every facet of your organization, Mr. Secretary, FAA and all of them. And the same is true of all of our other agencies, with the ultimate purpose of reducing Government expenditures where they are not necessary. I would say with regard to this particular agency, they need more controllers and air traffic control people. While they may have some extra people somewhere—everybody does, I guess—it is a really critical problem.

Mr. THOMPSON. If you will allow me to inject this, I think in the traffic control area, and in particularly your high-density areas, we do need more controllers. These people have an almost impossible task. I have no quarrel with that.

In your Federal Highway Administration you have 5,201 people. How many automobiles are there on the road? They may not require

as much direction, but still if you had more employees would the automobile be a safer vehicle?

Secretary BOYD. Yes; and we need more employees, but you have to bear in mind that the Highway Administration has no operating responsibilities. It doesn't operate the highway system in this country. The basic function of the Highway Administration is in the Bureau of Public Roads to handle the Federal trust fund, the highway trust fund grant program, to examine the engineering of the proposed highway projects and things of that nature. It does not have any operating responsibility.

Now, the Highway Safety Office does have major safety responsibilities and it doesn't have enough people.

Mr. THOMPSON. How many people do you have in that Office of Highway Safety?

Mr. BRIDWELL. Authorized, 619.

Mr. THOMPSON. How many fatalities do we have on the road a year?

Secretary BOYD. 53,000 for the last 2 years, which really represents an improvement because the exposure was greater in 1967 than it was in 1966. With the fatality rate remaining constant, it represents an improvement. Now, this is a new program. It is not like FAA, which got started—its predecessors got started in 1926. This highway program will build, and it should. There is a tremendous payoff in highway safety, but we are not going to do it overnight.

General MCKEE. Just to give you some figures, in planning air traffic in 1968, our agency operates and maintains 334 flight service stations relaying flight and weather data; 27 air traffic control centers regulating movement of interstate traffic; 320 air traffic control towers, and more than 4,000 other major navigation and traffic control facilities. So this is a tremendous operation that we have got all over the country.

PART 2—PROGRAM REVIEW

Mr. BROOKS. Mr. Secretary, we would like now to turn to the questions on your program breakdown and submit for the record the remainder of the exhibits.

(The exhibits appear throughout the remainder of the hearing transcript.)

Mr. BROOKS. I will insert at this point the exhibit showing the expenditures for the Office of the Secretary and related activities. We have discussed these pretty thoroughly in the first part of the hearing.

(Exhibit F follows:)

EXHIBIT F—FACT SHEETS—OFFICE OF SECRETARY PROGRAM FUNDS

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation	Office of the Secretary	Summary
	CODE	CODE	CODE
200			
300	ANALYSIS AND CONTROL CODES		

		FISCAL YEAR			
		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
400					
500	**"In house" inputs**			(In Thousands)	
510	Personnel:			$ 6,293	
511	Comp.			421	
512	Benefits			249	
513	Travel				
520	Expenses:			304	
521	Communications			20	
522	Transportation			163	
523	Printing				
524	Supplies and Consumable Materials			86	
530	Capital Equipment			101	
540	Land and Structures				
541	Additional Investment				
542	Rents			26	
550	Total			7,663	
600	**Funds distributed**				
610	Contracts				
620	Grants			5,257	
630	Loans				
640	Benefits				
650	Other			770	
660	Total			6,027	
700	Total			13,690 (1)	

		Prior Fiscal Year			
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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(1) Does not include Working Capital Fund

89-041-h GPO

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation	Office of the Secretary	Salaries and Expenses
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			

400		FISCAL YEAR			
		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:			$ 5,428	
511	Comp.			363	
512	Benefits			190	
513	Travel				
520	Expenses:			300	
521	Communications			15	
522	Transportation			150	
523	Printing				
524	Supplies and Consumable Materials			74	
				100	
530	Capital Equipment			-0-	
540	Land and Structures			-0-	
541	Additional Investment			26	
542	Rents			6,646	
550	Total				
600	**Funds distributed**			276	
610	Contracts			-0-	
620	Grants			-0-	
630	Loans			-0-	
640	Benefits			94	
650	Other			370	
660	Total				
700	Total			7,016	

		Prior Fiscal Year
800	**Input-output ratio**	
810	1. Input	
811	1. Output	
820	2. Input	
821	2. Output	
830	3. Input	
831	3. Output	
840	4. Input	
841	4. Output	
850	5. Input	
851	5. Output	
860	6. Input	
861	6. Output	
870	7. Input	
871	7. Output	
880	8. Input	
881	8. Output	

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89-641-h GPO

PROGRAM: GENERAL ADMINISTRATION

A. Statutory or administrative authority for the program:

This program covers policy development, central supervision, and coordinating functions necessary for the overall planning and direction of the Department. It includes the immediate Secretarial Offices, Assistant Secretaries, General Counsel, as well as staff assistance and supervision of general management and administration in the Department, and general support services for the Office of the Secretary.

Authority for this program is contained in Public Law 89–670, section 3, and Public Law 90–112, title I.

B. Output:

The output generated by this program is essentially management direction and guidance in the form of policy pronouncements, procedures, instructions, evaluations, financial and personnel actions, and other necessary activities to facilitate the continuing development of the Department and to assure its efficient operation.

The quantification of this output would be difficult and time consuming, and would not necessarily reflect the efficiency of the general administration activity of the Department. However, such output includes many complementary activities relating to policy pronouncements, management studies, financial and budget presentations, personnel actions, audits and investigations, speeches, procurements of furniture, fixtures, and space, handling of congressional and public inquiries, field coordination visits, periodic management meetings, and a wide range of other activities.

C. Official having direct operational responsibility:

The persons having responsibility for this program at the operative levels are:

Assistant Secretary for Policy Development, Cecil Mackey.
Assistant Secretary for Public Affairs, John L. Sweeney.
Assistant Secretary for International Affairs and Special Programs, Donald G. Agger.
Assistant Secretary for Research and Technology, Frank W. Lehan.
Assistant Secretary for Administration, Alan L. Dean.
General Counsel, John E. Robson and Stanford Ross.[1]

[1] Mr. Robson assumed the office of Under Secretary of Transportation on May 28, 1968.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation	Office of the Secretary	Transportation Research
	CODE	CODE	CODE
200			

ANALYSIS AND CONTROL CODES

300

FISCAL YEAR

400

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:			$ 865	
511	Comp.			58	
512	Benefits			59	
513	Travel				
520	Expenses:			4	
521	Communications			5	
522	Transportation			13	
523	Printing				
524	Supplies and Consumable Materials			12	
				1	
530	Capital Equipment				
540	Land and Structures				
541	Additional Investment				
542	Rents			$1,017	
550	Total				
600	**Funds distributed**			4,981	
610	Contracts				
620	Grants				
630	Loans				
640	Benefits			676	
650	Other			5,657	
660	Total				
700	Total			$6,674	

		Prior Fiscal Year					
800	**Input-output ratio**						
810	1. Input						
811	1. Output						
820	2. Input						
821	2. Output						
830	3. Input						
831	3. Output						
840	4. Input						
841	4. Output						
850	5. Input						
851	5. Output						
860	6. Input						
861	6. Output						
870	7. Input						
871	7. Output						
880	8. Input						
881	8. Output						

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89-641-h GPO

PROGRAM: TRANSPORTATION RESEARCH

A. Statutory or administrative authority for the program:

The transportation research program has as its primary objective the development of information and the conduct of analyses upon which transportation policies and programs can be formulated which will best contribute to the goal of a safe and efficient national transportation system. The activities under this program fall into three major areas of interest:

a. General transportation research; this activity includes technical, economic and other studies in the field of transport research.

b. Northeast Corridor transportation project; this activity covers research designed to develop intercity transportation plans and programs for the Northeast Corridor region for 1980 and beyond.

c. Transportation information planning; this activity covers research for planning and developing a comprehensive program to improve the reliability, compatibility, availability, and utility of information relating to the Nation's transportation system.

The authority for the activities of the Assistant Secretary for Research and Technology in the transportation research program is generally derived from Public Law 89-670 (Department of Transportation Act), sections 2 and 4. The collection of transportation data, statistics, and other information relevant to the improvement of the national transportation system is authorized by Public Law 89-220 (High-Speed Ground Transportation Act), section 4. The responsibility for chairing the principal committees governing the interagency aircraft noise abatement program was transferred to the Department from the Office of Science and Technology by correspondence dated August 25, 1967, from D. F. Hornig, Special Assistant to the President for Science and Technology.

B. Output:

For the most part, the work under the transportation research program in fiscal year 1968 comprises projects which will not be completed until fiscal year 1969 or beyond. Those efforts which are coordinative or evaluative in nature do not represent discrete projects with discrete outputs. The program does generate basic economic statistical data, analysis of transportation systems, and investment criteria which are used in the development of transportation policies and programs.

In the area of transportation data research, for example, systems for the collection, processing, and dissemination of rail and motor truck freight flow data will be developed, tested, and put into operation over the span of a year or two. The output for fiscal year 1968, in this and similar cases can only be described in terms of decisions made, RFP's advertised, and the like. Similarly, technical studies to develop concepts and define requirements for follow-on systems (e.g., air traffic control systems), though initiated this year, will not be completed until next year.

In the area of noise abatement, a major responsibility is the overall coordination of Government activities in aircraft noise reduction through the interagency aircraft noise abatement program (IANAP). Of the research projects undertaken by the IANAP, some are jointly funded by the participating agencies with this Department taking its proportionate share, while others are independently funded. Outputs of these kinds do not readily admit of quantification.

C. Official having direct operational responsibility:

Frank W. Lehan, Assistant Secretary for Research and Technology; Cecil Mackey, Assistant Secretary for Policy Development.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation	Office of the Secretary	Working Capital Fund
	CODE	CODE	CODE
200			

ANALYSIS AND CONTROL CODES

300

FISCAL YEAR

400

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$ 950	
512	Benefits			70	
513	Travel			2	
520	Expenses:				
521	Communications			1	
522	Transportation			---	
523	Printing			1,264	
524	Supplies and Consumable Materials			280	
530	Capital Equipment			11	
540	Land and Structures				
541	Additional Investment				
542	Rents				
550	Total			$2,578	
600	**Funds distributed**			None	
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total				
700	Total				

		Prior Fiscal Year			
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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89-641-h GPO

PROGRAM: WORKING CAPITAL FUND

A. Statutory of administrative authority for the program:

Section 9(j) of the Department of Transportation Act authorized the Secretary to establish a working capital fund for expenses necessary for the maintenance and operation of such common administrative services as he shall find to be desirable in the interest of economy and efficiency in the Department. The working capital fund was established effective July 2, 1967, and at present consists of the financing of the editing, printing, and distribution function for all headquarters' elements of the Department.

B. Output:

The output generated by this program consists of the furnishing of editorial services, production and procurement of all printing, and distribution of printed matter for all headquarters' elements of the Department. Printing and distribution of the departmental telephone directory and locator service is also financed from the working capital fund.

This program consists of approximately 15,000 customer orders of varying types and sizes annually. The output required for these orders consists of approximately 5,000 hours annually for furnishing of editorial service; production of approximately 130 million press units (8 by 10½) annually; approximately 50,000 hours annually for distribution service; and procurement of printing from the Government Printing Office.

C. Official having direct operational responsibility: Alan L. Dean, Assistant Secretary for Administration, OST.

Mr. BROOKS. Mr. Secretary, I would like for your administrators to give us a 5-minute analysis on what they are doing. I had planned to start with the Coast Guard, but I understand General McKee has a commitment and I thought we might instead start with him.

A. PROGRAM CATEGORY 2—FEDERAL AVIATION ADMINISTRATION

If you would just give me a rundown on what the scope of your responsibility is, if you can do that in about 5 minutes, we will get you out of here by a quarter to 12. I will submit exhibit G on the FAA at this point.

(Exhibit G follows:)

EXHIBIT G—FACT SHEETS—FEDERAL AVIATION ADMINISTRATION PROGRAM FUNDS

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Federal Aviation Administration	Summary - All Programs	
	CODE	CODE	CODE
200	ANALYSIS AND CONTROL CODES		

FISCAL YEAR 1968

		Unobligated Carryover	Appropriation or Current Year Request	Total Available (In Thousands)	Total Obligated or Expended
300					
400					
500	"In house" inputs				
510	Personnel:			$ 493,759	
511	Comp.			39,157	
512	Benefits			17,846	
513	Travel			28,133	
520	Expenses:			7,275	
521	Communications			2,776	
522	Transportation			24,899	
523	Printing			88,401	
524	Supplies and Consumable Materials			13,646	
530	Capital Equipment			21,793	
540	Land and Structures			737,685	
541	Additional Investment				
542	Rents				
550	Total				
600	Funds distributed			210,449	
610	Contracts			140,784	
620	Grants			68	
630	Loans				
640	Benefits			351,301	
650	Other				
660	Total			$1,088,986	
700	Total				

		Prior Fiscal Year							
800	Input-output ratio								
810	1. Input								
811	1. Output								
820	2. Input								
821	2. Output								
830	3. Input								
831	3. Output								
840	4. Input								
841	4. Output								
850	5. Input								
851	5. Output								
860	6. Input								
861	6. Output								
870	7. Input								
871	7. Output								
880	8. Input								
881	8. Output								

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	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Federal Aviation Administration	Direction, Staff and Support	
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			
400		FISCAL YEAR 1968	

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$ 42,625	
512	Benefits			3,768	
513	Travel			1,591	
520	Expenses:				
521	Communications			3,763	
522	Transportation			451	
523	Printing			2,648	
524	Supplies and Consumable Materials				
530	Capital Equipment			1,447	
540	Land and Structures			596	
541	Additional Investment				
542	Rents				
550	Total			4,245	
				61,134	
600	**Funds distributed**				
610	Contracts				
620	Grants			4,845	
630	Loans				
640	Benefits				
650	Other				
660	Total			4,845	
700	Total			$65,979	

		Prior Fiscal Year
800	**Input-output ratio**	
810	1. Input	
811	1. Output	
820	2. Input	
821	2. Output	
830	3. Input	
831	3. Output	
840	4. Input	
841	4. Output	
850	5. Input	
851	5. Output	
860	6. Input	
861	6. Output	
870	7. Input	
871	7. Output	
880	8. Input	
881	8. Output	

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89-041-A GPO

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Federal Aviation Administration	Operations, Facilities & Equip, Research & Develop.	
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			

FISCAL YEAR 1968

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
400					
500	"In house" inputs				
510	Personnel:			$ 442,827	
511	Comp.			34,798	
512	Benefits			16,013	
513	Travel				
520	Expenses:			24,370	
521	Communications			6,811	
522	Transportation			95	
523	Printing				
524	Supplies and Consumable Materials			22,876	
				87,456	
530	Capital Equipment				
540	Land and Structures			6,991	
541	Additional Investment			16,918	
542	Rents			659,155	
550	Total				
600	Funds distributed			39,567	
610	Contracts				
620	Grants				
630	Loans			68	
640	Benefits				
650	Other			39,635	
660	Total				
700	Total			$ 698,790	

		Prior Fiscal Year					
800	Input-output ratio						
810	1. Input						
811	1. Output						
820	2. Input						
821	2. Output						
830	3. Input						
831	3. Output						
840	4. Input						
841	4. Output						
850	5. Input						
851	5. Output						
860	6. Input						
861	6. Output						
870	7. Input						
871	7. Output						
880	8. Input						
881	8. Output						

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89-641-h GPO

OPERATIONS, FACILITIES AND EQUIPMENT, RESEARCH AND DEVELOPMENT

A. Nature and authority for the program:

The Federal Aviation Act of 1958 authorizes the FAA to acquire, establish, improve, operate, and maintain air navigation facilities, to publish charts, establish air safety and air traffic rules, airmen and aircraft certification rules, and control air traffic in the U.S. navigable airspace.

The F. & E. program is concerned with the procurement, installation and commissioning of communication, navigation, and air traffic control equipment requirements.

The operations program involves the operation and maintenance of all commissioned FAA navigation, air traffic control and communications equipments, the provision of air traffic control services, airmen and aircraft certification, and related surveillance and engineering functions as well as the supporting administrative and managerial functions necessary to maintain the FAA organizational structure.

The R. & D. program involves aircraft and airports development; radio, radar, and communications-navigation electronics development to meet stated operational needs of the aviation industry, the air traffic control service, and the FAA.

B. Brief identification of outputs:

The program output involves the primary reasons for being of the FAA. It involves airmen and aircraft certification, air traffic and all other safety rule-making procedures; aircraft, navigation aids, communications equipment development; installation, operation, and maintenance of such equipment; control of air traffic; surveillance and inspection of all airmen and aircraft operations (air carrier—general); safety compliance inspections; violations and accident investigations, etc.; also, all logistics services, administrative services, and other supporting services.

C. Official having direct operational responsibility: David D. Thomas, Deputy Administrator.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Federal Aviation Administration	National Capital Airports	
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			

FISCAL YEAR 1968

		Unobligated Carryover	Appropriation or Current Year Request	Total Available (In Thousands)	Total Obligated or Expended
400					
500	**"In house" inputs**				
510	Personnel:			$ 6,212	
511	Comp.			446	
512	Benefits			22	
513	Travel				
520	Expenses:				
521	Communications			7	
522	Transportation			8	
523	Printing				
524	Supplies and Consumable Materials			554	
				338	
530	Capital Equipment				
540	Land and Structures			6,655	
541	Additional Investment			630	
542	Rents			14,872	
550	Total				
600	**Funds distributed**			561	
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total				
700	Total			$ 15,433	

		Prior Fiscal Year							
800	**Input-output ratio**								
810	1. Input								
811	1. Output								
820	2. Input								
821	2. Output								
830	3. Input								
831	3. Output								
840	4. Input								
841	4. Output								
850	5. Input								
851	5. Output								
860	6. Input								
861	6. Output								
870	7. Input								
871	7. Output								
880	8. Input								
881	8. Output								

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89-041-h GPO

NATIONAL CAPITAL AIRPORTS

A. Nature and authority for the program: To plan, construct, and operate federally owned civil airports serving Washington and vicinity.

The authority for the Washington National Airport is contained in the act of June 29, 1940, 54 Stat. 686, as amended. The authority for Dulles International Airport is contained in the act of September 7, 1950, 64 Stat. 770, as amended.

B. Brief identification of outputs: Engineering, management, operation, and maintenance of Washington National Airport and Dulles International Airport.

C. Official having direct operational responsibility: Arven H. Saunders, Director, Bureau of National Capital Airports.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Federal Aviation Administration	Grants-in-Aid for Airports	
	CODE	CODE	CODE
200			
300	ANALYSIS AND CONTROL CODES		

FISCAL YEAR 1968

		Unobligated Carryover	Appropriation or Current Year Request	Total Available (In Thousands)	Total Obligated or Expended
400					
500	**"In house" inputs**				
510	Personnel:				
511	Comp.				
512	Benefits				
513	Travel				
520	Expenses:				
521	Communications				
522	Transportation				
523	Printing				
524	Supplies and Consumable Materials				
530	Capital Equipment				
540	Land and Structures				
541	Additional Investment				
542	Rents				
550	Total				
600	**Funds distributed**				
610	Contracts			$ 140,784	
620	Grants				
630	Loans				
640	Benefits				
650	Other			$ 140,784	
660	Total				
700	Total			$ 140,784	

		Prior Fiscal Year			
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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89-641-h GPO

GRANTS-IN-AID FOR AIRPORTS

A. Nature and authority for the program: The Federal Airport Act of 1946, as amended, provides for the grant of funds to sponsors for airports development to encourage, in conformity with the national airport plan, the establishment of a nationwide system of public airports adequate to meet present and future needs of civil aeronautics.

B. Brief identification of outputs: Over 7,000 projects through grant agreements whereby the Federal Government pays a specified percentage of allowable airport development project costs. Sponsors bear the remaining costs.

C. Official having direct operational responsibility: Chester G. Bowers, Director, Airports Service, FAA.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Federal Aviation Administration	Civil Supersonic Transport Development	
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			

FISCAL YEAR 1968

		Unobligated Carryover	Appropriation or Current Year Request	Total Available (In Thousands)	Total Obligated or Expended
400					
500	**"In house" inputs**				
510	Personnel:			$ 2,095	
511	Comp.			145	
512	Benefits			220	
513	Travel				
520	Expenses:				
521	Communications			6	
522	Transportation			25	
523	Printing				
524	Supplies and Consumable Materials			22	
				11	
530	Capital Equipment				
540	Land and Structures				
541	Additional Investment				
542	Rents			2,524	
550	Total				
600	**Funds distributed**			165,476	
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other			165,476	
660	Total				
700	Total			$168,000	

		Prior Fiscal Year									
800	**Input-output ratio**										
810	1. Input										
811	1. Output										
820	2. Input										
821	2. Output										
830	3. Input										
831	3. Output										
840	4. Input										
841	4. Output										
850	5. Input										
851	5. Output										
860	6. Input										
861	6. Output										
870	7. Input										
871	7. Output										
880	8. Input										
881	8. Output										

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89-641-b GPO

CIVIL SUPERSONIC TRANSPORT DEVELOPMENT

A. Nature and authority for the program: To develop a safe, superior commercial supersonic transport aircraft that will be economically profitable for the industry to build and operate.

The authority of the Administrator under section 312(b) of the Federal Aviation Act to develop and construct a civil supersonic aircraft was transferred to the Secretary of Transportation by section 6(c)(1) of the Department of Transportation Act (Public Law 89-670). The act became effective on April 1, 1967. By departmental order DOT 1100.1, also effective April 1, 1967, the Secretary of Transportation delegated the authority for the supersonic transport program back to the Administrator of the Federal Aviation Administration (49 CFR 1.4(b)(2)).

B. Brief identification of outputs: Engineered designs, technical operations data, and economic information required to fabricate prototype SST aircraft.

C. Official having direct operational responsibility: Maj. Gen. J. C. Maxwell, USAF, Director of Supersonic Transport Development.

General MCKEE. I can do it in less time than that, Mr. Chairman.

We are responsible for the operation of the air traffic control system in the United States. We have shown you this morning the number of aircraft in the system. We are confronted with the most fantastic growth in civil aviation that we have ever seen. It has far outstripped the forecasts made by us, and far outstripped the forecasts made by the industry experts. I think it is only fair to say, as Mr. Boyd has pointed out, it is not only a question of having too few people. Right now in the operation of this system we are behind the power curve, and we are confronted with major problems in the air traffic control system. When I talk about the air traffic control system, I would like to get the point across to you that the airport—and by the airport I am talking about the concrete part, the runways, the taxiways, the ramps—is considered as an integral part of the air traffic control system. As a matter of fact, the major impediment—and we have lots of impediments—to the efficient operation of this system is the airport. We are short of concrete; we are short of airports; we are short of additional parallel runways at some of these major hubs and we are going to have to have these components if we are going to run the kind of system we should.

And now I want to make several points. Our primary objective in this operation obviously is safety and we live with that 7 days a week, 24 hours a day. When that phone rings at my house in the middle of the night I reach over and pick it up like this (indicating) because when I get a call in the middle of the night—and it has happened many times—I think, "My God, do we have another accident and more people killed."

Safety is No. 1. It always is. It always shall be.

Our No. 2 objective is the operational effectiveness of the system. By that I mean a smooth flow of traffic, minimizing delays to the maximum extent we possibly can and thereby giving service to the public. Right now the delays we are having around the country are intolerable and these delays are going to get worse. They are just going to grow and grow until we have the capabilities to handle this system.

The third point I want to make, and the reason we are pressing so hard in the Department of Transportation for a more modernized air traffic control system, is that civil aviation in this country is of vital importance to the economy of this country. More and more every day the economy of this country is dependent on air transportation. I

am confident it is going to become more so in the years ahead and it is going to be important to the country as a whole; it is going to be important to every State and it is going to be important to every community, including small communities.

That is the end of my speech, Mr. Chairman.

Mr. BROOKS. General, that is a good statement. I want to ask you two quick questions and we will get you on the way.

In the delays incurred by the traveling public on commercial airlines—I do that very often, almost every other week, I find the delays increasing this year substantially because the major airlines that fly into Texas from this east coast area apparently don't have backup planes anywhere in the world.

If there is a mechanical problem on the ground in Philadelphia, the plane is a couple of hours late getting to Atlanta and a couple of hours late getting to Houston. Is this going to be an increasing problem?

General MCKEE. It shouldn't be. We would expect the airlines—with the help of FAA and we give them a lot of help, Mr. Thompson—to improve their maintenance procedure so they wouldn't have all these delays. From the economic point of view, I doubt if the airlines want a lot of backup airplanes sitting on the ground. However, the shuttle flights between New York and Washington obligates them to have an airplane standing by for the next load of passengers.

Mr. BROOKS. Apparently we have an increasing concentration of airplanes and requirements for landing facilities. Do you foresee an increasing need for a significant increase in airport construction funds if we are going to meet this need?

General MCKEE. Yes indeed. The Administration has proposed an airport bill which is now before the Congress in an effort to our needs. Regardless of how it is funded, Mr. Chairman, there is going to be a tremendous requirement in terms of improvement of existing airports, in terms of new airports—for example, New York, Chicago, and Los Angeles are all going to need additional airports. With the demand for air transportation over the country, more and more communities, including small communities, are demanding air service and are demanding airports and I think it is a good thing for them to have them.

We talk about the great urbanization and the concentration of industry and whatnot in the big metropolitan areas. What we should be doing as a government is to try to stop this great concentration in these massive urban areas and get some of this industry spread out around the country. Down in Texas, there are a lot of places there. In Virginia, where I come from; down in Georgia—and many, many other sections of the country.

Mr. THOMPSON. I am particularly interested in your statement concerning the growth of general aviation and also the fact that in order to solve some of our urban problems we are going to have to have industrialization of our rural areas. This is going to put a greater pressure on air transportation and primarily general aviation.

What is being done at our large terminals to try to work general aviation in with commercial aviation so that you don't have to have a Cessna Skyline landing on a 12,000 foot runway that is possibly needed for a Boeing 707?

General MCKEE. We are doing a lot on that, Mr. Thompson. This is so lengthy I would rather not get into it at this time, but we would

be happy to come up and brief you. We have major efforts going on in this regard. It is fairly complicated in terms of traffic control and also involves providing reliever airports.

One of the main things is, of course, provision of adequate reliever airports. They need them in New York. We sorely need them in the Washington area. We need them in the Atlanta area and practically ever major hub in the United States. Industry and the communities just have not given this problem the attention that it deserves and must have. I think the industry, certainly the airlines and the manufacturers, are beginning to realize that they have to pitch in here, along with the U.S. Government, and along with the communities, and along with the States, and get this problem solved because the alternative to solving it is strangulation in the growth of civil aviation. It is just as clear as a bell to me.

I have talked to the presidents of airlines and pointed this out. I have talked to manufacturers and pointed this out. That is why I think we have to get behind the legislation now before the Congress on user charges to provide the resources necessary to do this job.

Mr. THOMPSON. I would like very much to take you up on your offer. I am most interested in the subject. I think it is a subject that is of vital interest to the future growth and the planned, orderly growth of aviation.

General MCKEE. And the economy.

Mr. THOMPSON. And it is unreasonable to expect the air carriers with 120 passengers to have to sit behind two or three small airplanes waiting for a takeoff time, if there is a better way of doing it.

General MCKEE. I couldn't agree more with you.

Mr. THOMPSON. I would like to work with you on this.

General MCKEE. The problem is providing an alternative solution and I think one has to be provided. Of course, we get complaints all the time and rightfully so. A man sits out there on a 707 and waits 15 or 20 minutes while small aircraft take up space on the runway.

If we can provide a capability for that man to operate some place else—like in Minneapolis-St. Paul, for example, they have done it the right way. They did their planning. They have a major commercial airport that is used by the air carriers and they have a ring of seven general aviation airports around that whole metropolitan complex. We have no problem up there, but very few communities have done that forward planning.

Mr. BROOKS. General, I know you have a commitment and we want you to make it. We have some GAO reports on the FAA which I will submit as exhibits H, I, J, and K and ask that you respond for the record.

General, you have done a very distinguished job as FAA Administrator and we thank you.

General MCKEE. I appreciate the opportunity to appear before this distinguished committee, Mr. Chairman, and look forward to a return engagement.

Mr. THOMPSON. I would like to thank you also very much for your statement.

(Exhibits H, I, J, and K follow:)

EXHIBIT H—SUMMARY OF GAO REPORT—"NEED FOR IMPROVEMENT IN INTERNAL AUDITING—FAA"

Problem

GAO found three major weaknesses in FAA's internal audit function; namely, that (1) the audit staffs did not possess the desired degree of independence from officials responsible for many of the operations reviewed; (2) the independence of the audit staffs was impaired by the performance of advisory services for operating officials concurrent with their internal audit duties; and (3) the audit staffs have not achieved adequate audit coverage in certain areas of agency operations.

Recommendation

GAO proposed that the FAA Administrator (1) centralize the field and headquarters staffs administratively into a single organization whose director is placed at the highest practicable level in FAA; (2) separate the advisory service functions from the internal audit staffs; and (3) take action to insure that all significant areas of the Administration's operations are audited on a systematic basis.

Agency action

The Administrator agreed generally to implement our proposals. Also, we were informed that the FAA Associate Administrator for Administration would provide executive direction to the FAA internal audit group. Moreover, the Administrator, prior to commenting on our proposals, issued a directive which requires that internal audit reports prepared as a result of agencywide reviews be sent directly to the Administrator without prior review by the Associate Administrator and that the Director of the Office of Audit have free and direct access to the Administrator.

In our opinion, if this directive is effectively implemented, the internal audit group's independence should be strengthened.

EXHIBIT I—SUMMARY OF GAO REPORT—"OPPORTUNITY FOR SAVINGS BY DIRECT PROCUREMENT OF TEST EQUIPMENT"

(B–133127, APR. 10, 1968)

Problem

GAO found that FAA had purchased common test equipment indirectly through basic systems suppliers rather than directly from the test equipment manufacturers. Under two contracts that GAO reviewed in detail, FAA paid a total of about $539,000 for test equipment which basic systems suppliers purchased for about $419,000. About $52,800 of the $120,000 difference represented the two basic systems suppliers' profits and the remaining $67,200 included overhead and other charges.

GAO believes that this situation occurred because of ambiguities in FAA's procurement instructions which appear to require procurement of common test equipment indirectly through basic systems suppliers.

GAO therefore proposed that FAA's policies and procedures pertaining to the procurement of common test equipment be revised to (1) describe all the factors that should be considered in deciding whether common test equipment is to be procured separately or in conjunction with the purchase of basic equipment, and (2) provide that, where the test equipment will require no modification or installation as part of a more complex system or component, the equipment be purchased directly from the manufacturer unless circumstances justifying the indirect procurement of the equipment can be clearly demonstrated.

Agency action

FAA issued two new policy directives dealing with procurement in general and was revising a third policy directive dealing specifically with the procurement of test equipment.

Conclusion

GAO believes that (1) the two new directives should contribute generally toward more economical procurement, and (2) the proposed revision of the third directive should eliminate the apparent requirement that common test equipment be procured indirectly through basic systems suppliers. However, because the revised draft does not delineate the factors that need to be considered in

deciding whether test equipment is to be procured separately or as part of basic equipment systems, GAO concludes that it is still possible that common test equipment might again be procured indirectly at higher costs to the Government.

Recommendation

GAO recommended that the Administrator, FAA, direct that the revised order pertaining to the procurement of common test equipment (1) describe all the factors that need to be considered in deciding whether test equipment is to be procured separately or as a part of a contract for the purchase of a basic equipment system, and (2) provide that, where test equipment will require no modification or installation as part of a more complex system, the equipment be purchased directly from the manufacturer unless indirect procurement can be clearly justified.

EXHIBIT J—SUMMARY OF GAO REPORT—"ACQUISITION AND USE OF AEROMEDICAL RESEARCH FACILITIES"

(B–158515, APR. 6, 1967)

Problem

GAO found that the agency was incurring additional rental costs because its medical research facility at the aeronautical center in Oklahoma City, Okla., was larger than needed.

Recommendation

GAO recommended that, if the FAA Administrator cannot find Government research activities to use the space available in the Oklahoma facility, he determines the feasibility of locating nonresearch programs in the building.

Agency action

The agency issued space planning procedures requiring independent validation of all space estimates, including those to be used for special purposes. Efforts have been made to place other Government research facilities in the building but have not been very fruitful. If all efforts to locate research facilities in the building fail, consideration will be given to locate other type activities there.

Current status

The Department of Transportation is now studying the possibility of their using the space for research activities but has not concluded their study. No further action will be taken by FAA until the DOT study is completed.

FAA should expedite the present studies and take action to use the special purpose space as soon as practical.

EXHIBIT K—SUMMARY OF GAO REPORT—"COORDINATION BETWEEN PROCUREMENT OF TECHNICAL EQUIPMENT AND ITS ULTIMATE UTILIZATION—FAA"

(B–133127, NOV. 29, 1966)

Problem

GAO found that the agency had accumulated sizable overstocks of air navigational and traffic control equipment because it had procured the equipment without having firm plans for the installation of the equipment. Because of the inadequacy of procedures for determining stock availability, GAO also found that the agency had purchased equipment from commercial sources, at a cost of about $136,000, when similar equipment stock at its Oklahoma City depot was in excess of reasonably current needs.

Recommendation

GAO proposed that the agency (1) establish definitive procedures for determining the amount of air navigational and traffic control equipment to be purchased; (2) discontinue the practice of procuring air navigational and traffic control equipment on the basis of budget estimates and tentative plans, and purchase such equipment as near as possible to the date of actual need for the equipment on specific approved projects; and (3) identify equipment excess

to the agency's reasonably current needs for approved or firmly planned projects, and report excess stocks to the General Services Administration so that they may be made available to other Government agencies.

Agency action

The agency has issued more comprehensive systems improvements for the management of project material which provide for the constant comparison of requirements and assets, the reassignment of assets to meet changing requirements, and the early identification and prompt disposal of excesses to insure their availability to other Government agencies.

The comprehensive system improvement should significantly enhance the coordination between the purchase and ultimate use of technical equipment.

B. PROGRAM CATEGORY 1—U.S. COAST GUARD

Mr. BROOKS. Mr. Secretary, could we continue and hear now from the Coast Guard? We have exhibit L in the record on that program.

(Exhibit L follows:)

EXHIBIT L—FACT SHEETS ON COAST GUARD PROGRAM FUNDS

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation	Coast Guard Summary	
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			
400	Consolidated	FISCAL YEAR 1968 (in thousands of dollars)	

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$190,027	
512	Benefits			99,589	
513	Travel			9,650	
520	Expenses:				
521	Communications			6,299	
522	Transportation			9,604	
523	Printing			846	
524	Supplies and Consumable Materials			41,245	
530	Capital Equipment			82,645	
540	Land and Structures				
541	Additional Investment			24,564	
542	Rents			1,180	
550	Total			465,649	
600	**Funds distributed**				
610	Contracts			55,591	
620	Grants				
630	Loans				
640	Benefits				
650	Other			1,662	
660	Total			57,253	
700	Total			$522,902 1/	

		Prior Fiscal Year			
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

1/ Includes proposed supplemental for military pay act increases of $6,457; as well as unobligated balance brought forward (AC&I appropriation) 1 July 1967 and excludes (1) reserve for obligations to be incurred in subsequent fiscal years (2) Yard fund, and (3) Supply fund.

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	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation	Coast Guard	General Support 1/
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			

FISCAL YEAR 1968 (in thousands of dollars)

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
400					
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$42,512	
512	Benefits			9,050	
513	Travel			1,439	
520	Expenses:				
521	Communications			653	
522	Transportation			2,068	
523	Printing			500	
524	Supplies and Consumable Materials			9,711	
530	Capital Equipment			2,250	
540	Land and Structures				
541	Additional Investment				
542	Rents			130	
550	Total			68,313	
600	**Funds distributed**				
610	Contracts			9,900	
620	Grants				
630	Loans				
640	Benefits				
650	Other			175	
660	Total			10,075	
700	Total			$78,388	
				Prior Fiscal Year	
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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1/ Funded from "Operating Expenses". Narrative statement of output of General Support Activity is contained in Appendix I to fact sheet for Operating Expenses.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation	Coast Guard	Operating Expenses (Exclusive of General Support)
	CODE	CODE	CODE
200			
300	ANALYSIS AND CONTROL CODES		
400		FISCAL YEAR 1968 (in thousands of dollars)	

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$144,150	
512	Benefits			41,979	
513	Travel			7,809	
520	Expenses:				
521	Communications			5,631	
522	Transportation			7,441	
523	Printing			282	
524	Supplies and Consumable Materials				
530	Capital Equipment			29,373	
540	Land and Structures			11,427	
541	Additional Investment				
542	Rents			2,344	
550	Total			1,050	
				251,486	
600	**Funds distributed**				
610	Contracts				
620	Grants			39,456	
630	Loans				
640	Benefits				
650	Other				
660	Total			1,487	
				40,943	
700	Total			$292,429 1/	
				Prior Fiscal Year	
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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1/ Includes proposed supplemental for military pay act increases of $6,457 and excludes $1,500 comparative transfer to "Research, Development, test, and evaluation".

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PROGRAM.—OPERATING EXPENSES

A. The statutory authority for this program is contained in titles 5, 10, 14, 19, 26, 33, 37, 46, and 50 U.S.C.

B. The output of this program is outlined on the pages appended hereto as appendix I.

C. The names of the officials having direct operational responsibility over the program are program directors. They are as follows: Rear Adm. M. A. Whalen, Chief of Staff; Rear Adm. R. W. Goehring, Chief, Office of Operations; Rear Adm. C. P. Murphy, Chief, Office of Merchant Marine Safety; Rear Adm. J. D. McCubbin, Chief, Office of Reserve.

APPENDIX I.—COAST GUARD—OPERATING EXPENSES

PROGRAM AND PERFORMANCE

The Coast Guard employs multipurpose vessels, aircraft, and short units, strategically located along the coasts and inland waterways of the United States and in selected areas overseas to carry out the duties specified in title 14, United States Code.

Direct program

1. *Search and rescue.*—Most Coast Guard operating facilities have the capacity for promoting safety on or over the high seas and on waters subject to the jurisdiction of the United States. The Coast Guard performs any and all acts necessary to rescue and aid persons and save property placed in jeopardy due to marine and aircraft disaster or due to floods and ice conditions (14 U.S.C. 88). Coast Guard activities in the area of search and rescue fall within the national SAR plan and other agreements.

WORKLOAD DATA

	1966 actual	1967 actual	1968 estimate	1969 estimate
Search and rescue cases responded to by Coast Guard forces	43,366	45,576	47,784	49,341
Value of property assisted (in millions)	$2,633	$2,746	$2,800	$2,900
Lives saved	2,536	2,657	2,790	2,884

2. *Aids to navigation.*—A network of manned and unmanned aids to navigation is maintained along our coasts and on our inland waterways through the use of tenders and shore facilities to insure the safe passage of the mariner. Loran stations are operated in the United States and abroad to serve the needs of the armed services and marine and air commerce (14 U.S.C. 81).

WORKLOAD DATA

	1966 actual	1967 actual	1968 estimate	1969 estimate
Loran A coverage (in millions of square miles): Ground wave	10.53	9.88	10.32	10.32
Loran C coverage (in millions of square miles): Ground wave	9.75	10.8	11.8	11.8
Federal floating aids	24,609	24,770	24,819	24,866
Federal fixed aids and short range electronic aids (radiobeacons)	18,407	19,673	20,064	20,455
Private aids authorized	22,592	23,700	24,800	25,900

3. *Merchant marine safety.*—The Coast Guard insures compliance with Federal statutes and regulations pertaining to the merchant marine industry by reviewing plans and specifications for the construction or alteration of merchant vessels, by periodic inspections, by conducting marine casualty investigations, and by setting standards, procedures, and practices under which merchant marine personnel are regulated (14 U.S.C. 2).

WORKLOAD DATA

	1966 actual	1967 actual	1968 estimate	1969 estimate
Vessel inspections	43,530	46,209	46,500	47,004
Foreign vessel examinations	1,544	1,624	1,704	1,780
Casualty investigations	4,610	4,670	4,703	4,790
Recreational boating investigations	651	683	715	747
Vessels documented	61,979	64,881	67,750	70,750
Vessel plan approvals	37,685	34,062	36,786	38,257
Foreign vessel hazardous cargo plan approvals	[1] 861	3,214	3,250	3,250
Equipment approval certificate renewals	876	876	911	929
Development and preparation of regulations, standards, and publications (man-hours)	12,432	13,636	16,363	17,999
Licenses issued	6,342	6,420	6,510	6,600
Seaman certificates issued	43,289	44,800	46,200	47,700
Personnel investigations	17,737	18,200	18,600	19,100
Shipment of seamen (number of transactions)	449,796	458,000	447,000	437,000

[1] 1st partial year of implementation.

4. *Marine law enforcement.*—Vessels, aircraft, and shore units enforce Federal laws on the high seas and waters over which the United States exercises jurisdiction. Law enforcement activities include fishery patrols; Campeche, Key, and Alaskan patrols; small-boat boarding; supervision of explosives loadings; enforcement of dangerous cargo regulations; and port control (14 U.S.C. 89, 91).

WORKLOAD DATA

	1966 actual	1967 actual	1968 estimate	1969 estimate
Port safety:				
Ports in which port security forces are located	37	37	37	38
Vessels on which class A explosives (nonmilitary) were supervised (tonnage)	28,449	32,095	32,000	32,000
Commercial carriers on which military explosives were supervised (tonnage)	883,425	2,012,199	2,500,000	3,000,000
Commercial vessels and barges on which dangerous cargo was inspected	18,584	18,650	18,650	20,055
Waterfront facilities inspected	31,322	31,400	31,400	32,000
Special interest vessels placed under surveillance	210	250	300	350
Port security cards issued	9,633	10,000	10,000	10,000
Offshore enforcement:				
Annual area coverage of patrol zones (square miles in thousands):				
Vessels	3,565	3,600	3,600	3,600
Aircraft	15,819	16,000	16,000	16,000
Foreign vessels observed (daily average)	334	340	350	360
Foreign fishing vessels boarded	35	40	45	50
Boating safety:				
Number of safety patrols:				
By vessels	2,020	7,550	8,850	8,850
By shore units	14,630	24,050	24,000	24,000
Number of motorboats boarded:				
By vessels	4,020	22,600	26,500	26,500
By shore units	61,530	144,300	144,000	144,000
Coast Guard Auxiliary:				
Motorboats examined	184,404	190,121	237,651	297,063
Persons instructed	141,096	151,095	179,584	219,092

5. *Oceanography, meteorology, and polar operations.*—The Coast Guard participates in the national marine sciences program (14 U.S.C. 94), which is coordinated by the National Council on Marine Resources and Engineering Development. Its facilities cooperate with the Weather Bureau in taking weather observations from vessels manning six ocean stations (14 U.S.C. 90). Icebreaking is performed by specially constructed icebreakers engaged in polar operations with other agencies (14 U.S.C. 2). Also included in this program is conduct of the International Ice Patrol (46 U.S.C. 738).

WORKLOAD DATA

	1966 actual	1967 actual	1968 estimate	1969 estimate
Number of upper air meteorological observations	8,728	9,010	9,060	9,060
Average height (feet) of meteorological observations	58,500	60,000	60,000	68,000
Aircraft flights serviced by ocean stations	55,100	68,970	80,050	84,370
Oceanographic stations occupied	963	2,239	3,975	8,500
Miles of ship survey track steamed		9,000	8,000	8,000
Miles of aircraft survey track flown	72,000	75,000	75,000	80,000
Tons of cargo delivered to polar regions via escort ships	446,500	444,200	445,000	445,000
Number of oceanographic observations	70	119	200	275

6. *General support.*—Certain facilities of the Coast Guard provide overall direction and support of all Coast Guard programs. Included are radio stations, repair and supply facilities, and nonoperational services at headquarters and district offices.

7. *Military readiness and operations.*—The Coast Guard operates as a service in the Navy in times of war or national emergency. During peacetime, readiness training is received by major units and facility armament is maintained in a state of readiness (14 U.S.C. 3). Included in this category are Coast Guard operations in Vietnam.

WORKLOAD DATA

	1966 actual	1967 actual	1968 estimate	1969 estimate
Number of cutters required to receive Navy refresher training:				
High endurance cutters	36	36	31	31
Medium endurance cutters	3	4	6	15
Percentage of cutters completing refresher training:				
High endurance cutters	67	67	71	71
Medium endurance cutters	33	50	67	67
Military operations—Vietnam:				
Patrol boats		26	26	26
High endurance cutters			5	5
Personnel		431	1,353	1,353

8. *Reserve training.*—The Coast Guard maintains trained officers and enlisted personnel in the Ready Reserve who are available for active duty in time of war, national emergency, and at such other times as the national security may require. The tasks required of the Coast Guard by the Department of Defense upon mobilization determine the requirements. In broad terms, these tasks are divided into port security, vessel augmentation, and other lesser but essential support areas.

WORKLOAD DATA

	1966 actual	1967 actual	1968 estimate	1969 estimate
Group "A" (48 paid drills, 15 days active duty for training):				
Drill training:				
Trainees, June 30	16,041	16,580	16,997	16,297
Man-days of training	661,603	682,839	740,020	728,806
Active duty for training:				
Trainees, June 30 [1]	13,763	15,271	16,263	14,857
Man-days of training	201,809	186,026	236,954	193,141
Group "D" (nonpaid drill and/or active duty for training):				
Drill training:				
Trainees, June 30 [2]	425	448	235	235
Man-days of training [2]	12,387	19,426	5,640	5,640
Active duty for training:				
Trainees, June 30	396	288	530	347
Man-days of training	5,060	3,475	6,991	5,486
Group "E" (30 days active duty for training):				
Trainees, June 30	1,249	766	49	25
Man-days of training	23,324	17,536	1,372	700
2X6 enlisted:				
Trainees, June 30	105	196	192	396
Man-days of training	23,658	59,495	71,743	120,152
Group "F" (4 to 12 months active duty for training):				
Trainees, June 30	1,755	1,528	750	990
Man-days of training	616,271	538,872	222,212	273,540
Total, paid training program:				
Trainees, June 30	19,546	19,358	18,518	18,055
Man-days of training	1,531,725	1,488,243	1,279,292	1,321,825

[1] Not shown in "Total" to avoid duplication with drill training trainees.
[2] Nonpay categories and not shown in total.

REIMBURSABLE PROGRAM

9. Miscellaneous services to other accounts.—The Coast Guard performs various functions for other agencies and accounts for which reimbursement is received.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation	Coast Guard	Acquisition, Construction, and Improvements (Direct)
200	CODE	CODE	CODE
300	ANALYSIS AND CONTROL CODES		

FISCAL YEAR 1968 (in thousands of dollars)

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
400					
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$ 3,098	
512	Benefits			496	
513	Travel			375	
520	Expenses:				
521	Communications			15	
522	Transportation			95	
523	Printing			64	
524	Supplies and Consumable Materials			2,001	
530	Capital Equipment			68,456	
540	Land and Structures				
541	Additional Investment			22,220	
542	Rents				
550	Total			96,820	
600	**Funds distributed**				
610	Contracts			5,723	
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total			5,723	
700	Total			$102,543 1/	
				Prior Fiscal Year	
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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1/ Includes unobligated balance brought forward 1 July 1967 and excludes funds in reserve for obligations to be incurred in subsequent fiscal years.

PROGRAM.—ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

A. Authority for this program is found in title 14, United States Code.

B. The outputs of this program are the acquisition, construction, rebuilding, and improvement of vessels, aircraft, shore facilities, and aids to navigation. A complete description of the output for fiscal year 1968 is attached as appendix I.

C. At Coast Guard Headquarters level, this program is subdivided into mission-oriented programs. The program directors for these programs are as follows: Rear Adm. R. W. Goehring, Chief, Office of Operations; Rear Adm. D. B. Henderson, Chief, Office of Engineering; Rear Adm. W. B. Ellis, Chief, Office of Personnel; and Rear Adm. J. D. McCubbin, Chief, Office of Reserve.

APPENDIX I

Program:	*Fiscal year 1968 N.O.A.*
1. Vessels	$40,776,000
2. Aviation facilities	27,549,000
3. Shore stations and navigational aids	22,482,000
4. Repair and supply facilities	4,767,000
5. Training and recruiting facilities	7,640,000
6. Alteration of bridges	3,800,000
Total	107,014,000

PROGRAM AND PERFORMANCE

This appropriation provides for the acquisition, construction, rebuilding, and improvement of vessels, aircraft, shore facilities, and aids to navigation.

Direct program

1. *Vessels.*—A program to replace overage, obsolete, and deteriorated vessels of the Coast Guard will be continued in 1968 with the construction of replacements for one high-endurance cutter and two small cutters to replace patrol vessels. Fixed or floating aids will be constructed to replace lightships at priority locations. Three augmentation vessels planned for construction are two tenders, with associated facilities, for servicing aids to navigation on the Arkansas and lower Mississippi Rivers and an oceanographic cutter. The program also provides for contract design services for a replacement icebreaker. Modernization and improvement of existing facilities includes improvements on icebreakers, rehabilitation of six high-endurance cutters, installation of balloon tracking radar on four high-endurance cutters, installation of 20 Loran-C receivers and four Navy navigation satellite systems on large cutters and icebreakers for the oceanography program.

2. *Aviation facilities.*—Under this activity the program provides for the acquisition of 10 replacement aircraft and nine helicopters—six for icebreaker operations and three for SAR support. Plans for reconfiguration of medium-range search aircraft will also be developed. In addition the program also calls for the establishment of an air station at Chicago, Ill., and replacement of hangar facilities at the air station in Barbers Point, Hawaii.

3. *Shore stations and navigational aids.*—The program under this activity provides for the establishment of and changes to aids to navigation marking river and harbor improvements effected by the U.S. Corps of Engineers, and other urgent needs. Other projects are included to (a) establish two new stations at Jonesport, Maine, and Sassafras River, Kennedyville, Md.; (b) replace and improve facilities at Fire Island and Alexandria Bay, N.Y., and Wrightsville Beach, N.C.; (c) continue consolidation of units at Governors Island, N.Y.; (d) construct mooring facilities at Panama City, Fla.; (e) make improvements at a Loran station located outside the continental United States; (f) provide housing for Coast Guard personnel and their dependents in areas where living accommodations are inadequate; and (g) facilitate the survey and design of future major construction projects. In addition improvements will be made in the communications facilities, 12th Coast Guard District, and 10 manned light stations will be converted to automatic operation.

4. *Repair and supply facilities.*—The expansion of support facilities in 1968 includes the consolidation of units at base, Milwaukee, Wis., and relocation of facilities at base, Mobile, Ala. Construction of a pier at New London, Conn., is the first step of a project to consolidate two repair facilities, now separately

located, at a new and larger base site. Existing facilities at the Coast Guard yard will be improved with the rehabilitation of the barracks, rearrangement and extension of the fabricating shop. Improvements will be made in the sewage disposal systems at base, Ketchikan, Alaska, and Coast Guard yard to meet regulations for control of water pollution.

5. *Training and recruiting facilities.*—The program for improving facilities at the Coast Guard Academy will continue with the construction of an auditorium-recreation hall and renovation of the cadet barracks, Chase Hall. A 300,000-gallon water storage tank will be constructed at training center, Cape May, N.J. Other construction includes three barracks—one at training center, Alameda, Calif., and two at Reserve training center, Yorktown, Va.

6. *Alteration of bridges.*—In its new role as a part of the Department of Transportation the Coast Guard will be required to budget for the Federal Government's share of the cost of altering railroad and public highway bridges to permit free navigation of navigable waters of the United States. In 1968, four railroad bridges located near Morgan City, La. and Chicago, Ill. (Calumet River) will be altered.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation	Coast Guard	Research, Development, Test and Evaluation
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			

400 FISCAL YEAR 1968 (in thousands of dollars)

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$ 267	
512	Benefits			64	
513	Travel			27	
520	Expenses:				
521	Communications				
522	Transportation				
523	Printing				
524	Supplies and Consumable Materials			150	
530	Capital Equipment			484	
540	Land and Structures				
541	Additional Investment				
542	Rents				
550	Total			992	
600	**Funds distributed**				
610	Contracts				
620	Grants			508	
630	Loans				
640	Benefits				
650	Other				
660	Total			508	
700	Total			$1,500 1/	

		Prior Fiscal Year							
800	**Input-output ratio**								
810	1. Input								
811	1. Output								
820	2. Input								
821	2. Output								
830	3. Input								
831	3. Output								
840	4. Input								
841	4. Output								
850	5. Input								
851	5. Output								
860	6. Input								
861	6. Output								
870	7. Input								
871	7. Output								
880	8. Input								
881	8. Output								

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1/ Comparative transfer from Operating Expenses

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PROGRAM.—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

A. The statutory authority for the program is found in title 14, United States Code.

B. The output of research, development, test, and evaluation cannot be easily quantified but is reflected in improved effectiveness in other programs. Listed below is a description of the research, development, test, and evaluation program, and performance.

This appropriation provides for administration and conduct of basic and applied scientific research, development, test, and evaluation with maintenance, rehabilitation, lease, and operation of facilities and equipment.

1. *Search and rescue.*—The program for search planning will be continued in 1969 and further expanded to include sensor systems for locating distressed vessels, processes for converting distress information into an optimum search plan, and methods of improving aerial delivery of survival equipment.

2. *Aids to navigation.*—Additional effort will be applied in 1969 to development of lightweight buoys for protected waters. The initial developmental stages of a high precision all-weather harbor approach and evaluation of the long-range OMEGA navigation system in relation to future loran requirements will also be instituted in 1969 while continuing buoy moorings, light source, and sound-package development.

3. *Marine safety.*—The program under this activity includes investigation of construction standards in new fields such as nonmilitary submersibles and nuclear plants as well as expanded efforts in study of firefighting agents, lifesaving devices, and investigation into methods of avoiding casualties associated with carrying toxic chemicals, loose cargoes, elevated temperature cargoes, and other dangerous or exposive substances in bulk quantities. In addition, the program also calls for continuation of research efforts with interagency groups such as SOLAS subdivision and stability panel, the NAS advisory committee on toxic chemicals, interagency firefighting studies, and a wave motion study in connection with structural strength of vessels.

4. *Marine law enforcement.*—Under this activity, the program provides for research efforts in the control of pollution by oil or other wastes of our navigable waters. The program includes a feasibility study of airborne sensors for detection, booms and gelling agents for control, and containers for defueling of wrecks. A companion project will be instituted for design of systems to reduce pollution by the Government's own facilities, including Coast Guard cutters.

5. *Oceanography, meteorology, and polar operations.*—This program calls for refinement of data collection packages, development of iceberg tracking capability, and increased support of the National Oceanographic Data Center, as well as including research in connection with data collection on Coast Guard offshore structures, vessels, and buoys, exclusive of their actual servicing and operating costs.

The national data buoy system program initiates the developmental phase of a national system to collect oceanographic environmental data through a worldwide system of buoys. The overall program in 1969 will be monitored by the Marine Sciences Council.

C. Rear Adm. O. R. Smeder, Assistant Chief of Staff for Research and Development, is the official having direct operational responsibility over this program.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation	Coast Guard	Retired Pay
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			
400		FISCAL YEAR 1968 (in thousands of dollars)	

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.				
512	Benefits				
513	Travel			$ 48,000	
520	Expenses:				
521	Communications				
522	Transportation				
523	Printing				
524	Supplies and Consumable Materials				
530	Capital Equipment				
540	Land and Structures				
541	Additional Investment				
542	Rents				
550	Total			48,000	
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total				
700	Total			$ 48,000	

		Prior Fiscal Year			
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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89-641-h GPO

PROGRAM.—RETIRED PAY

A. The statutory authority for this program is outlined in titles 10 and 14, United States Code. This appropriation provides for retired pay of military personnel of the Coast Guard and Coast Guard Reserve, members of the former lighthouse and lifesaving services, and for payments to survivors pursuant to the Retired Serviceman's Family Protection Plan.

B. The output of this support program is the paying of retired personnel (13,219 at the end of fiscal year 1968). The appropriation is $48 million.

C. The name of the official having direct operational responsibility over the program is Rear Adm. W. B. Ellis, Chief, Office of Personnel.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation	Coast Guard	Supply Fund
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			

400 FISCAL YEAR 1968 (in thousands of dollars)

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.				
512	Benefits				
513	Travel				
520	Expenses:				
521	Communications				
522	Transportation				
523	Printing				
524	Supplies and Consumable Materials			$25,920	
530	Capital Equipment				
540	Land and Structures				
541	Additional Investment				
542	Rents				
550	Total			25,920	
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total				
700	Total			$25,920	
				Prior Fiscal Year	
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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89-841-h GPO

PROGRAM.—U.S. COAST GUARD SUPPLY FUND

A. The statutory authority for the Coast Guard supply fund is 14 United States Code 650.

B. The Coast Guard supply fund will experience sales of about $25 million in 1968 to other Coast Guard appropriation accounts and military members with a small amount of sales to other agencies. Operating on a capital authorization of approximately $9.2 million, these sales (and replenishment costs) represent an inventory turnover of almost three times each year. The costs in 1968 will be distributed 16 percent for uniform clothing, 53 percent for commissary provisions, and 31 percent for general stores and technical materials.

The supply fund permits stocking of materials to meet operational demands and providing of uniform issues of clothing along with the economies normally associated with revolving fund operations.

C. Capt. H. J. McCormack, Comptroller (Acting), U.S. Coast Guard, has direct operating responsibility over the supply fund.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation	Coast Guard	Yard Fund
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			

400 FISCAL YEAR 1968 (in thousands of dollars)

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$ 9,879	
512	Benefits			776	
513	Travel			9	
520	Expenses:				
521	Communications			360	
522	Transportation			205	
523	Printing			4	
524	Supplies and Consumable Materials				
530	Capital Equipment			4,868	
540	Land and Structures			225	
541	Additional Investment				
542	Rents				
550	Total			16,326	
600	**Funds distributed**				
610	Contracts				
620	Grants			804	
630	Loans				
640	Benefits				
650	Other				
660	Total			804	
700	Total			$17,130	

		Prior Fiscal Year							
800	**Input-output ratio**								
810	1. Input								
811	1. Output								
820	2. Input								
821	2. Output								
830	3. Input								
831	3. Output								
840	4. Input								
841	4. Output								
850	5. Input								
851	5. Output								
860	6. Input								
861	6. Output								
870	7. Input								
871	7. Output								
880	8. Input								
881	8. Output								

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80-641-h GPO

PROGRAM—COAST GUARD YARD FUND

A. Authority for this program is found in title 14, United States Code.

B. This fund finances industrial operations at the Coast Guard Yard, Curtis Bay, Md. (14 U.S.C.) The yard finances its operations out of advances received from Coast Guard appropriations and from other agencies for all direct and indirect costs.

	1968 estimate
Analysis by type of work (percent):	
Vessel repairs and alterations	29
Vessel construction	30
Small boat repairs and construction	16
Buoy fabrication	6
Fabrication of special items	16
Miscellaneous	3
Total	100
Analysis by recipient of yard services (percent)	
Coast Guard	90
Other government agencies	10
Total	100

C. At Coast Guard headquarters level, the program director is Rear Adm. D. B. Henderson, Chief, Office of Engineering. He has direct operational responsibility over the program.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation	Coast Guard	Trust Fund
	CODE	CODE	CODE
200			

ANALYSIS AND CONTROL CODES

300

400 FISCAL YEAR 1968 (in thousands of dollars)

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.				
512	Benefits				
513	Travel				
520	Expenses:				
521	Communications				
522	Transportation				
523	Printing				
524	Supplies and Consumable Materials				
530	Capital Equipment			$ 10	
540	Land and Structures			28	
541	Additional Investment				
542	Rents				
550	Total			38	
600	**Funds distributed**				
610	Contracts			4	
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total			4	
700	Total			$ 42	

		Prior Fiscal Year
800	**Input-output ratio**	
810	1. Input	
811	1. Output	
820	2. Input	
821	2. Output	
830	3. Input	
831	3. Output	
840	4. Input	
841	4. Output	
850	5. Input	
851	5. Output	
860	6. Input	
861	6. Output	
870	7. Input	
871	7. Output	
880	8. Input	
881	8. Output	

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89-641-h GPO

Secretary BOYD. It is a great pleasure to present Admiral Smith, Commandant of the Coast Guard.

STATEMENT OF ADM. WILLARD J. SMITH, COMMANDANT, U.S. COAST GUARD

Admiral SMITH. I have a short prepared statement here that will give you a rundown.

Mr. Chairman and members of the committee, the bulk of the Coast Guard's statutory authority lies in title 14, United States Code, which charges us with the responsibility for saving lives and property; providing navigational aids to maritime commerce; enforcing maritime law, including safety of ports and waterfront facilities; maintaining a state of military readiness to serve as part of the Navy in time of war or national emergency; and promoting the safety of the American merchant marine. In addition, title 50, United States Code provides the authority for the Coast Guard Reserve training program.

As you can see, the Coast Guard is greatly concerned with safety in the marine environment and with being "always ready" to assist in the Nation's military efforts. We carry out these responsibilities through a series of programs as delineated in the budget.

Our search and rescue program objective is primarily safety and might be thought of as the corrective side rather than the preventive side of safety. This program utilizes vessels, aircraft, rescue stations, radio stations, and rescue coordination centers located so as to afford the greatest protection and the least delay in responding to calls for assistance from water and airborne commerce.

Our merchant marine safety and law enforcement programs also have a primary interest in safety, but from the preventive side. The merchant marine safety program pursues this through the development of standards for ship construction and equipments, and for technical competence of merchant marine personnel. These standards are enforced through inspection, testing, and licensing procedures. The law enforcement program also uses standards and inspection methods to promote the safety of U.S. ports and waterways. In addition, education is employed extensively as a tool in promoting safety in the realm of the recreational boatman. In this respect, the Coast Guard Auxiliary, our volunteer civilian arm, has been most helpful and effective.

Our aids to navigation program objective is primarily economic efficiency and thus directs its efforts toward assisting the expeditious and safe movement of all types and classes of watercraft and aircraft. We currently have responsibility for about 45,000 Federal aids and 24,000 private aids.

The Coast Guard participates in the national marine sciences program which is coordinated by the National Council on Marine Resources and Engineering Development. This national program is supported by our oceanography, meteorology, and polar operations program to operate in consonance with national objectives, thereby contributing to these ends in virtually all of the maritime areas, including the Arctic and Antarctic.

Our military preparedness and operations program and the Reserve training program permit the Coast Guard to respond to the

Nation's military requirements. As you may be aware, the Coast Guard is currently supporting the effort in Southeast Asia by providing a squadron of five large high-endurance cutters, 26 smaller patrol craft, operating aids to navigation, supervising the offloading of explosives, and investigating incidents involving U.S. merchant seamen. These efforts currently require approximately 1,400 Coast Guard personnel in that part of the world.

To give several other general measures of the size of the Coast Guard, onboard personnel strength as of April 30 of this year consisted of 36,912 military and 5,695 civilians for a total of 42,607 personnel. Funds available for fiscal year 1968 totaled $522,902,000, including trust funds, and provided for operating expenses, capital investment, and payment of retired personnel. To carry out our programs, we operate 347 ships, 2,309 boats, 161 aircraft, and 1,289 shore units.

You will be interested in the direction we are moving to participate in the future. One is involvement in safety on the Continental Shelf which will come under extensive development in due course. Much of this will be an extension of the work we are already doing in merchant marine safety, search and rescue, and aids to navigation. Another extension of our present capabilities is the safety of nonmilitary submersibles. The use of these underwater craft is expanding and it appears that this is related to the mystique of the Continental Shelf as well as the explosion in use of the Nation's waterways and seacoasts for recreation. The recreational boat safety bill (H.R. 15223 and S. 3015) has been introduced to help us cope with the safety problems this growth carries with it. The fight against pollution of our water resources also indicates greater Coast Guard involvement in development of preventive and corrective measures related particularly to oil pollution by ships, and in enforcement activities.

Also, an extension of our efforts in domestic icebreaking in the Nation's northern ports, rivers, and lakes appears to be increasingly necessary. Our initial steps are being taken in research and development with greater use of present resources. We have also undertaken a departmental polar transportation requirements study, and other Federal agencies with activities in the polar regions are assisting. In addition to this cooperative effort, we are spearheading development of a departmental national navigation plan which will bring order to proliferating navigation systems by the elimination of duplication, overlap, and frequency spectrum crowding.

A final item is our national data buoy systems project. In November 1967 the Coast Guard was selected by the National Council on Marine Resources and Engineering Development to undertake the research, development, testing and evaluation necessary for the implementation of a national data buoy system. The broad mission of this system is to collect marine environmental data synoptically, then transmit it rapidly and reliably to processing centers and users. The associated research and development will be our first major effort undertaken with management by our newly established Office of Coast Guard R. & D.

Accordingly, and for the first time, our fiscal year 1969 budget now before Congress requests the establishment of a separate appropriation for research, development, test and evaluation.

This generally covers our program in the broad sense, Mr. Chairman.

Mr. BROOKS. I had occasion a couple of weekends ago to inspect our Coast Guard station in Texas on the coast and it was in good order. It was well organized and all the men were busy.

Admiral SMITH. Thank you.

Mr. BROOKS. It is a very interesting job down there. It is very pleasant most of the time, except when the water is rough and they have to go out in it.

Admiral SMITH. That is when our calls come in.

Mr. BROOKS. That is right.

I have one other question. I have recently seen in the paper that the Coast Guard has approved some new lifejackets, but some of the stories indicated the jackets were somewhat bulky, and though quite safe for being thrown overboard at sea, I wonder if they would be practical for boating in inland waterways, lakes, et cetera, and if you might not consider the advisability of researching and approving some type of lifejacket that children and others could wear while boating, for example, and for water sports that would not be too bulky to encourage people to wear them while they are in the boats—something that would give them an affirmative buoyancy without being of the same design that would keep them afloat in high seas out in the middle of the gulf, or the Atlantic or Pacific Ocean.

Admiral SMITH. We have been looking at this matter for a number of years and currently we have this very thing under consideration.

As a matter of information, at the present time there is a wide spectrum of lifesaving devices that are approved by the Coast Guard that are available to the merchant marine and the recreational boater.

Mr. BROOKS. That have been approved?

Admiral SMITH. Yes; have been approved by the Coast Guard for use as a safety item. One of the problems has been the very thing you mentioned—in order to get the desired safety requirements and flotation some of these jackets have been so bulky that the recreational boatman has been reluctant to use them.

One of the things that we are considering now is the matter of whether we can approve an inflatable device. This is one way of getting a compact device. There are a number of jackets that are appearing on the market now that not only have some flotation built into them but they are also very good protective clothing when you are on the water. This would be a good combination.

Mr. BROOKS. Would you give us a report on that for the record? It is an increasing problem in the United States, as millions of people have more free time, and they spend a lot of it on water.

Admiral SMITH. Yes, sir; we will furnish a copy for the record.

(The information follows:)

LIFESAVING DEVICES

The Coast Guard study of recreational boating safety, conducted in late 1967, revealed that in the case of accidents which prove fatal by drowning, lifesaving devices will be of little use unless being worn when the victim falls into the water. The study disclosed the statistic that in 1966, of 459 fatalities in which it was known that lifesaving devices were in the boat, 360 cases showed that the devices were not used. This suggests a need for increased educational efforts directed toward recognition of the time-proven concepts that in small open boats, life preservers should always be worn by children and nonswimmers and that when rough weather is encountered on any type of boat, or when in hazardous waters, life preservers should be worn by everyone.

It also suggested a reappraisal be made to determine whether lifesaving devices themselves can be designed to be psychologically acceptable to the individual when he is active, as when fishing or water skiing or passive as when cruising leisurely, without sacrificing their effectiveness. In this line, the Coast Guard contracted for a study (completion due shortly) to make available the necessary information for evaluation of new concepts, as well as reappraisal of existing standards.

Mr. THOMPSON. When we think of the Coast Guard we often think of safety and sea rescue and so forth. Does the Coast Guard have any mission in protecting the security of our coastline so far as intrusion by foreign vessels is concerned?

Admiral SMITH. Are you referring to a peacetime mission now?

Mr. THOMPSON. Yes; I am primarily referring to peacetime.

Admiral SMITH. As the principal marine law enforcement agency, we do. For example, if a vessel of another country entered our territorial waters, and engaged in an activity that was contrary to our laws and regulations, we are responsible for finding him and taking whatever measures are required under the law.

One specific thing that we are doing now under the law the Congress passed just 2 years ago is the enforcement of the fishing operation out to the 12-mile limit rather than the 3-mile limit. We do not keep a coastal patrol in constant operation to detect the movement of vessels in the waters off our coast, but we do keep them under enough surveillance to insure the compliance with the laws of the United States.

Mr. THOMPSON. We do this primarily in the areas where the fishing activities are fairly extensive, do we not?

Admiral SMITH. Yes, sir.

Mr. THOMPSON. Do you now recognize the 12-mile limit or the 3-mile limit so far as our territorial boundaries are concerned?

Admiral SMITH. As far as our territorial waters, they only extend to the 3-mile limit. The extension out to the 12-mile limit was for the enforcement of the fishing rights only.

Mr. THOMPSON. Thank you very much, sir.

Mr. BROOKS. Thank you, Admiral.

C. PROGRAM CATEGORY 3—FEDERAL HIGHWAY ADMINISTRATION

Mr. Secretary, could we here from the Administrator of the Federal highway program?

Secretary BOYD. Yes, sir; I would like to present Mr. Lowell K. Bridwell.

Mr. BROOKS. Mr. Bridwell. I will insert exhibit M at this point.

(Exhibit M follows:)

EXHIBIT M—FACT SHEETS—FEDERAL HIGHWAY ADMINISTRATION PROGRAM FUNDS

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation-Federal Highway Administration	Summary (All Funds)	
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			

FISCAL YEAR 1968

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
400					
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$ 51,561	
512	Benefits			4,256	
513	Travel			4,567	
520	Expenses:				
521	Communications			933	
522	Transportation			968	
523	Printing			434	
524	Supplies and Consumable Materials			1,091	
530	Capital Equipment			1,577	
540	Land and Structures				
541	Additional Investment			124,294	
542	Rents			3,273	
550	Total			192,954	
600	**Funds distributed**				
610	Contracts			14,800	
620	Grants			7,877,888	
630	Loans				
640	Benefits			27,586	
650	Other			7,920,274	
660	Total				
700	Total			$8,113,228	

		Prior Fiscal Year			
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation-Federal Highway Administration	Support of Federal Highway Administration	
	CODE	CODE	CODE
200			

ANALYSIS AND CONTROL CODES

300

400 FISCAL YEAR 1968

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$ 9,229	
512	Benefits			718	
513	Travel			776	
520	Expenses:				
521	Communications			299	
522	Transportation			65	
523	Printing			89	
524	Supplies and Consumable Materials			109	
530	Capital Equipment			104	
540	Land and Structures				
541	Additional Investment				
542	Rents			974	
550	Total			12,363	
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total			537	
				537	
700	Total			$12,900 1/	

		Prior Fiscal Year
800	**Input-output ratio**	
810	1. Input	
811	1. Output	
820	2. Input	
821	2. Output	
830	3. Input	
831	3. Output	
840	4. Input	
841	4. Output	
850	5. Input	
851	5. Output	
860	6. Input	
861	6. Output	
870	7. Input	
871	7. Output	
880	8. Input	
881	8. Output	

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1/ This is a non-add item. It is included in the parent accounts.

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	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation-Federal Highway Administration	Federal-Aid Highways (Liq. of Contract Authorization)	
	CODE	CODE	CODE
200			

ANALYSIS AND CONTROL CODES

300

FISCAL YEAR

400

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:			$ 41,806	
511	Comp.			3,409	
512	Benefits			3,036	
513	Travel				
520	Expenses:			824	
521	Communications			461	
522	Transportation			189	
523	Printing				
524	Supplies and Consumable Materials			357	
				241	
530	Capital Equipment				
540	Land and Structures				
541	Additional Investment			2,343	
542	Rents			52,666	
550	Total				
600	**Funds distributed**				
610	Contracts			7,525,949	
620	Grants				
630	Loans				
640	Benefits			9,643	
650	Other			7,535,592	
660	Total				
700	Total			7,588,258 1/	

		Prior Fiscal Year			
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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1/ Includes $3,478,258 thousand unavailable due to limitation on cash.

PROGRAM.—FEDERAL-AID HIGHWAYS (LIQUIDATION OF CONTRACT AUTHORIZATION)

A. Statutory or administrative authority for the program

Grants are made to States for construction and improvement of Federal-aid highways. Authorizations are provided in the Federal-Aid Highway Act of 1956 and subsequent highway legislation to cover 90 percent of the costs of completing the 41,000-mile National System of Interstate and Defense Highways, and to match State funds on a 50–50 basis for the primary, secondary, and urban programs. The Federal share of project costs is increased in those States with large areas of public domain. Payments to the States for work done are made out of the highway trust fund, into which are deposited certain Federal excise tax receipts on motor fuel, tires and tubes, tread rubber, trucks, buses, trailers, truck use, truck parts and accessories, and on lubricating oil used in highway vehicles.

The Federal-Aid Highway Act of 1956 and subsequent biennial acts authorize appropriations for the interstate program, and also provide revenues to finance these authorizations. The Federal-Aid Highway Act of 1966 provided $1 billion for each of the years 1968 and 1969 to continue the Federal-aid primary, secondary, and urban programs; and provided increased authorization for the Interstate System for 1968–72, inclusive. All authorizations are available for use in the year prior to the year for which authorized.

B. Output

As of March 31, 1968, almost 25,900 miles of the 41,000-mile Interstate System were open to traffic. Approximately 91 percent (23,587 miles) was built or improved under the Federal-aid interstate program, most of it under the 90 percent Federal, 10 percent State matching program launched in 1956. Toll roads, bridges and tunnels incorporated in the system totaled 2,305 miles. In addition to the sections open to traffic, 5,678 miles were under construction with interstate funds, and engineering or right-of-way acquisition was in progress on another 8,494 miles. Thus some form of work was underway or completed on 40,064 of the 41,000-mile system—about 98 percent of the total system mileage.

Construction projects involving 221,005 miles in the regular Federal-aid program (primary, secondary, and urban) have been completed since July 1, 1956, at a total cost of $18.32 billion; and contracts involving 15,394 miles at a cost of $3.34 billion were authorized or underway on March 31, 1968. In addition $1.39 billion of engineering and right-of-way acquisition work had been completed, and $729 million was underway.

In addition, the following accomplishments have been achieved by the use of existing resources within the framework of present law to:

1. Eliminate highway conditions that are potentially dangerous involving "spot improvements" such as the widening of bridges, traffic lanes and shoulders; realining curves and slopes for better sight distance, reconstruction and channelization of intersections; installing uniform control devices; installation of guardrails; and railroad grade crossing elimination and protection: 13,872 highway safety improvement projects have been programed or completed costing a total of $1,004,854,000; 3,854 of the "spot improvement" safety projects are Federal aid at a total cost of $708,334,000 of which the Federal share is $358,504,000.

The remaining 10,018 projects were completed with State funds alone at a cost of $296,520,000.

2. Increase the utilization of existing streets in cities of 5,000 population or greater through a "Traffic Operations Program To Increase Capacity and Safety," the TOPICS program. The purpose of this program is to make better use of our existing streets and highways in the urban areas by increasing their traffic-carrying ability and improving their safety:

Federal, State, and/or local funds have been committed and active projects are underway in 24 cities. Interest has been expressed and the program is being pursued in almost every State.

3. Promote the establishment of a comprehensive palnning process in urban areas of over 50,000 population:

A heavy emphasis is being placed on urban transportation planning. Since July 1, 1967, no highway project can be approved in any urban area of over 50,000 population unless it is based on a continuing comprehensive transportation

planning process carried on cooperatively by the States and the local communities.

4. Advance acquisition of highway rights-of-way: On June 30, 1967, the Secretary of Transportation transmitted a report to the Congress on the results of a study on the advance acquisition of rights-of-way. Legislation is being proposed which would make advance Federal funds available to the States for right-of-way acquisition in advance of construction, such advances to be repaid when construction is started.

5. Relocation assistance: On June 30, 1967, the Secretary of Transportation submitted to the Congress a report on the results of a study on highway relocation assistance. Legislation is being proposed which would implement the finding of this study.

C. Official having direct operating responsibility over the program

F. C. Turner, Director, Bureau of Public Roads.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation-Federal Highway Administration	Highway Beautification	
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			

400 FISCAL YEAR 1968

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	"In house" inputs				
510	Personnel:				
511	Comp.			$ 995	
512	Benefits			75	
513	Travel			97	
520	Expenses:				
521	Communications			24	
522	Transportation			2	
523	Printing			2	
524	Supplies and Consumable Materials			5	
530	Capital Equipment				
540	Land and Structures				
541	Additional Investment				
542	Rents				
550	Total			33	
				1,233	
600	Funds distributed				
610	Contracts				
620	Grants			85,000	
630	Loans				
640	Benefits				
650	Other				
660	Total			3	
				85,003	
700	Total			$ 86,236 1/	
				Prior Fiscal Year	
800	Input-output ratio				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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1/ Includes $85 million of proposed authorization which has not been enacted.

BUREAU OF PUBLIC ROADS

PROGRAM.—HIGHWAY BEAUTIFICATION

A. Statutory or administrative authority for the program

Three major programs were authorized by the Highway Beautification Act of October 22, 1965, as follows:

1. Title I: Control of outdoor advertising, which provides that just compensation shall be paid upon removal of certain signs, displays, and devices. Seventy-five percent of the cost of this program is to be paid from Federal funds.

2. Title II: Control of junkyards, which provides for Federal participation of 75 percent for screening costs in connection with junkyards, and that just compensation be paid to the owner for the relocation, removal, or disposal of certain junkyards.

3. Title III: Landscaping and scenic enhancement, provides for the use of highway trust fund moneys to landscape the highway right-of-way; and an amount equivalent to 3 percent of the funds apportioned to a State for Federal-aid highways shall be allocated to that State out of the funds appropriated to be used for the cost of landscaping and roadside development, including acquisition and development of publicly owned and controlled rest and recreation areas and sanitary and other facilities reasonably necessary to accommodate the traveling public. Matching State funds are not required.

Title IV of the act authorized appropriation of funds for administrative expenses to carry out the outdoor advertising, junkyards, and landscaping and scenic enhancement provisions of the act.

B. Output

Seventeen States have signed agreements to control outdoor advertising along interstate and Federal-aid primary system highways. Negotiations are presently underway with 31 additional States.

Twenty States have signed agreements to control junkyards adjacent to interstate and Federal-aid primary system highways. Negotiations are presently in progress with the remaining States, Puerto Rico, and the District of Columbia. Since October 1965, authorization has been granted for the screening of 1,395 junkyards and for the removal of 114 others.

Since October 1965, authorization has been granted for the acquisition of 5,406 scenic easements adjacent to Federal-aid highways, the construction or improvement of 509 roadside rest and recreation areas, as well as 753 projects to landscape selected areas along hundreds of miles of Federal-aid highways.

C. Official having direct operating responsibility over the program

F. C. Turner, Director, Bureau of Public Roads.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation-Federal Highway Administration	Traffic and Highway Safety	
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			

		FISCAL YEAR			
		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
400					
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$ 4,144	
512	Benefits			308	
513	Travel			445	
520	Expenses:				
521	Communications			29	
522	Transportation			52	
523	Printing			210	
524	Supplies and Consumable Materials			40	
530	Capital Equipment			88	
540	Land and Structures				
541	Additional Investment				
542	Rents			810	
550	Total			6,126	
600	**Funds distributed**				
610	Contracts				
620	Grants			14,800	
630	Loans				
640	Benefits				
650	Other			108	
660	Total				
700	Total			$21,034	

		Prior Fiscal Year			
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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89-341-1 GPO

NATIONAL HIGHWAY SAFETY BUREAU

PROGRAM.—TRAFFIC AND HIGHWAY SAFETY

A. Statutory or administrative authority for the program

This program includes all operating and contract expenses incurred under the National Traffic and Motor Vehicle Safety Act of 1966, Public Law 89–563, and the Highway Safety Act of 1966, Public Law 89–564, except for the program of grants to States to improve the highway safety programs under the provisions of section 402 of the latter statute.

B. Output

Outputs can be identified and quantified along the line of: number of standards issues; vehicle production volumes with safety improvements; research contracts let; defect recall campaigns requested by the Bureau; and others.

However, a more important class of output measure would relate the various program activities to deaths prevented, injury reductions, and property damage avoided. Although the program is still in its early stages, there already are indications along these lines. For example, the newly adopted standard on the energy-absorbing steering shaft might be capable of reducing driver deaths by upwards of 70 percent.

The National Highway Safety Bureau is working toward a position where it will be possible to quantify some of these types of outputs more precisely than now possible, and to identify number of deaths averted or disablements minimized through the use of the collapsible steering column and other safety measures such as shoulder harnesses, better braking systems, and improved emergency medical service. Accurate determination of the costs and benefits will become possible some years from now when improved data systems are in operation, coupled with better methods of accident investigation.

C. Official having direct operating responsibility for the program

William Haddon, Jr. M.D., Director, National Highway Safety Bureau.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation-Federal Highway Administration	Motor Carrier Safety	
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			

400 FISCAL YEAR 1968

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$1,478	
512	Benefits			114	
513	Travel			200	
520	Expenses:				
521	Communications			3	
522	Transportation			6	
523	Printing			3	
524	Supplies and Consumable Materials				
530	Capital Equipment			1	
540	Land and Structures			8	
541	Additional Investment				
542	Rents				
550	Total			15	
				1,828	
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total			5	
700	Total			$1,833	

		Prior Fiscal Year		
800	**Input-output ratio**			
810	1. Input			
811	1. Output			
820	2. Input			
821	2. Output			
830	3. Input			
831	3. Output			
840	4. Input			
841	4. Output			
850	5. Input			
851	5. Output			
860	6. Input			
861	6. Output			
870	7. Input			
871	7. Output			
880	8. Input			
881	8. Output			

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80-641-h GPO

Bureau of Motor Carrier Safety

Program.—Motor Carrier Safety

A. Statutory or administrative authority for the program

The Interstate Commerce Act, Explosives and Combustibles Act, and related acts, transferred to the Department of Transportation by the Department of Transportation Act, Public Law 89–670 dated October 15, 1966.

B. Output

Outputs are quantified in the numbers of vehicles inspected, the number of surveys conducted at carrier terminals, number of accident investigations, number of safety meetings conducted, and other safety-related items. Each year the Bureau establishes work goals consisting of major work items deemed necessary to assure a balanced program.

C. Official having operating responsibility for the program

George A. Meyer, Director, Bureau of Motor Carrier Safety.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation-Federal Highway Administration	Forest Highways (Lig. of Contract Authorization)	
200	CODE	CODE	CODE
300	ANALYSIS AND CONTROL CODES		
400		FISCAL YEAR 1968	

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$ 2,152	
512	Benefits			148	
513	Travel			686	
520	Expenses:				
521	Communications			45	
522	Transportation			178	
523	Printing			29	
524	Supplies and Consumable Materials			388	
530	Capital Equipment			358	
540	Land and Structures				
541	Additional Investment			75,159	
542	Rents			63	
550	Total			79,206	
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total			1,215	
700	Total			1,215	
				$80,421 1/	

	Input-output ratio	Prior Fiscal Year
800		
810	1. Input	
811	1. Output	
820	2. Input	
821	2. Output	
830	3. Input	
831	3. Output	
840	4. Input	
841	4. Output	
850	5. Input	
851	5. Output	
860	6. Input	
861	6. Output	
870	7. Input	
871	7. Output	
880	8. Input	
881	8. Output	

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1/ Includes $44,445 thousand unavailable due to limitation on cash.

89-041-h GPO

PROGRAM.—FOREST HIGHWAYS (LIQUIDATION OF CONTRACT AUTHORIZATION)

A. Statutory or administrative authority for the program

The forest highway system, which is approximately 25,600 miles in length, is composed of main and secondary roads within or adjacent to the national forests. It is located in 40 of the 50 States and in Puerto Rico. Approximately 13,100 miles of the system are located in the 12 most westerly States and in South Dakota. About 12,500 miles are located in 26 Eastern States and in Puerto Rico.

The authority is contained in the Biennial Highway Acts. (Public Law 89–574, 23 U.S.C. 101 et seq.)

B. Output

Actual and estimated progress of the program over a period of 5 years is summarized below (dollars in thousands):

Fiscal year	Miles completed	Expenditures
1964	492	$33,277
1965	419	32,500
1966	307	31,304
1967	303	28,947
1968, estimated	290	34,115
Total	1,811	160,143

C. Official having direct operating responsibility over the program

F. C. Turner, Director, Bureau of Public Roads.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation-Federal Highway Administration	Public Lands Highways (Liq. of Contract Authorization)	
	CODE	CODE	CODE
200			
300	ANALYSIS AND CONTROL CODES		
400		FISCAL YEAR 1968	

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.				
512	Benefits			$ 203	
513	Travel			15	
520	Expenses:			23	
521	Communications				
522	Transportation			1	
523	Printing			19	
524	Supplies and Consumable Materials				
530	Capital Equipment			2	
540	Land and Structures				
541	Additional Investment				
542	Rents			33,046	
550	Total			2	
				33,311	
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total			331	
				331	
700	Total			$33,642 1/	

		Prior Fiscal Year					
800	**Input-output ratio**						
810	1. Input						
811	1. Output						
820	2. Input						
821	2. Output						
830	3. Input						
831	3. Output						
840	4. Input						
841	4. Output						
850	5. Input						
851	5. Output						
860	6. Input						
861	6. Output						
870	7. Input						
871	7. Output						
880	8. Input						
881	8. Output						

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1/ Includes $19,642 thousand unavailable due to limitation on cash.

89-641-h GPO

PROGRAM.—PUBLIC LANDS HIGHWAYS (LIQUIDATION OF CONTRACT AUTHORIZATION)

A. Statutory or administrative authority for the program

Public lands are unappropriated or unreserved public lands, nontaxable Indian lands, or other Federal reservations. Authorizing legislation provides that funds shall be used to assist States with large areas of public lands in the improvement of sections of main roads—principally on the Federal-aid highway system—which States otherwise may find difficult to finance.

Authority for this program is contained in the Biennial Highway Acts. (Public Law 89–574) (23 U.S.C. 101 et seq.)

B. Output

Actual and estimated progress of the program for a 5-year period is summarized below (dollars in thousands):

Fiscal year	Miles completed	Expenditures
1964	66	$4,708
1965	105	6,562
1966	101	11,290
1967	135	10,105
1968, estimated	100	10,424
Total	507	43,089

C. Official having direct operation responsibility for the program

F. C. Turner, Director, Bureau of Public Roads.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation-Federal Highway Administration	Repair and Reconstruction of Highways	
	CODE	CODE	
200			CODE

ANALYSIS AND CONTROL CODES

300

400 FISCAL YEAR 1968

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.				
512	Benefits				
513	Travel				
520	Expenses:				
521	Communications				
522	Transportation				
523	Printing				
524	Supplies and Consumable Materials				
530	Capital Equipment				
540	Land and Structures				
541	Additional Investment				
542	Rents				
550	Total				
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total			$15,098	
700	Total			$15,098	
				Prior Fiscal Year	
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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89-641-h GPO

BUREAU OF PUBLIC ROADS

PROGRAM.—REPAIR AND RECONSTRUCTION OF HIGHWAYS

A. Statutory or administrative authority for the program

The Federal-Aid Highway Act of 1966 provided an annual authorization of $50 million to be financed 60 percent from the Highway Trust Fund and 40 percent from the General Fund, effective July 1, 1966.

For projects in Alaska, the 1964 amendments to the Alaska Omnibus Act increased the Federal share payable from 50 percent to 94.9 percent for the repair and reconstruction of areas damaged by the earthquake of March 1964 and subsequent seismic waves.

The Pacific Northwest Disaster Act of 1965 provided an additional $50 million authorization for fiscal year 1965 and an additional $20 million authorization for fiscal year 1966.

Costs are originally incurred for these activities under the Federal-Aid Highways (trust fund) appropriation. Appropriations are obtained under the program repair and reconstruction of highways in order to provide repayment to the Highway Trust Fund for cash disbursements which were temporarily made from that fund against General Fund program authorizations.

B. Output

Mileage and disbursements made through June 30, 1967, are reflected below (dollars in thousands):

	Miles		Total cumulative disbursements to June 30, 1967	Less amounts retained by HTF	Required reimbursement to HTF from general fund
	Underway	Complete			
Pacific Northwest Disaster Relief Act of 1965:					
Fiscal year 1965 authorization, $80,000,000	172.7	3,350.0	$64,415	$30,000	$34,415
Fiscal year 1966 authorization, $50,000,000	78.7	353.9	18,239	18,239	----------
1964 amendments to the Alaska Omnibus Act authorization, $15,000,000	(1)	(1)	2,044	----------	2,044
Federal-Aid Highway Act of 1966, annual authorization ($50,000,000 authorization financed 60 percent highway trust fund, 40 percent general fund)	104.0	1,238.6	3,771	2,262	1,508
Total required to reimburse the highway trust fund					37,968
Fiscal year 1968 appropriation					15,098
Balance					22,870

[1] Mileage for Alaska Omnibus Act included in the 2 authorizations under Pacific Northwest Disaster Relief Act of 1965

C. Official having direct operating responsibility for the program

F. C. Turner, Director, Bureau of Public Roads.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation-Federal Highway Administration	State & Community Highway Safety Programs (Liq.ofC.A.)	
	CODE	CODE	CODE
200			

ANALYSIS AND CONTROL CODES

300

400 FISCAL YEAR 1968

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.				
512	Benefits				
513	Travel				
520	Expenses:				
521	Communications				
522	Transportation				
523	Printing				
524	Supplies and Consumable Materials				
530	Capital Equipment				
540	Land and Structures				
541	Additional Investment				
542	Rents				
550	Total				
600	**Funds distributed**				
610	Contracts				
620	Grants			$263,939	
630	Loans				
640	Benefits				
650	Other			1,100	
660	Total			265,039	
700	Total			$265,039 1/	
				Prior Fiscal Year	
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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1/ Included $240,039 thousand unavailable due to Sec. 401 limitation.

PROGRAM.—STATE AND COMMUNITY HIGHWAY SAFETY PROGRAMS
(LIQUIDATION OF CONTRACT AUTHORIZATION)

A. Statutory or administrative authority for the program

This program includes the making of grants to States to be used by those States and their political subdivisions to enlarge or improve their highway safety programs in accordance with section 402 of the Highway Safety Act of 1966, Public Law 89–564. Included is the cost of administration directly related to carrying out the provisions of that section of the act.

B. Outlook

These outputs can be quantified in terms of dollar amounts allocated by States and political subdivisions to various functional areas of highway safety effort. It is also possible to develop numerical measures such as driver education pupil hours, but these measures will require a considerable amount of refinement and validation before they attain maximum value. The most difficult output measure to quantify is the reduction in traffic deaths, injuries, and property damage which will result from the new national effort. When the national data base has been developed and the data systems are operational, it will be possible for the first time to make valid scientific analyses of these benefits.

C. Official having direct operating responsibility for the program

William Haddon, Jr., M.D., Director, National Highway Safety Bureau.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation-Federal Highway Administration	Inter-American Highway	
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			

400 FISCAL YEAR 1968

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$ 301	
512	Benefits			61	
513	Travel			26	
520	Expenses:				
521	Communications			5	
522	Transportation			27	
523	Printing			1	
524	Supplies and Consumable Materials			4	
530	Capital Equipment			4	
540	Land and Structures				
541	Additional Investment			8,261	
542	Rents			7	
550	Total			8,697	
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other			27	
660	Total			27	
700	Total			$8,724 1/	
				Prior Fiscal Year	
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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1/ Includes $1,403 thousand available against which no obligations will be incurred in 1968.

BUREAU OF PUBLIC ROADS

PROGRAM.—INTERAMERICAN HIGHWAY

A. Statutory or administrative authority for the program

The Central American Section of the Inter-American Highway comprising 1,555 miles, is being constructed in cooperation with the Republics of Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, and Panama. These Republics generally pay one-third of the cost of highways through their countries, and have assumed responsibility for future maintenance.

The Federal-Aid Highway Act of 1962 (76 Stat. 1146) authorized an additional appropriation of $32 million, of which $30 million has been appropriated, to complete the highway to acceptable standards.

B. Output

The following table reflects the amount of work, by countries, provided by the $32 million authorization (in thousands of dollars) :

	Fiscal years					
	1965	1966	1967	1968	1969	Total
Guatemala	1,194	3,610		3,383		8,187
Nicaragua	860					860
Costa Rica	153	310	13,561	1,617	2,000	17,641
Panama	5,270	42				5,312
Total	7,477	3,962	13,561	5,000	2,000	32,000

C. Official having direct operating authority for the program

F. C. Turner, Director, Bureau of Public Roads.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation-Federal Highway Administration	Chamizal Memorial Highway	
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			
400		FISCAL YEAR 1968	

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.				
512	Benefits				
513	Travel				
520	Expenses:				
521	Communications				
522	Transportation				
523	Printing				
524	Supplies and Consumable Materials				
530	Capital Equipment				
540	Land and Structures				
541	Additional Investment				
542	Rents				
550	Total				
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans			$ 3,000	
640	Benefits				
650	Other				
660	Total			3,000	
700	Total			$ 3,000	
				Prior Fiscal Year	
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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89-641-h GPO

BUREAU OF PUBLIC ROADS

PROGRAM.—CHAMIZAL MEMORIAL HIGHWAY

A. Statutory or administrative authority for the program

Public Law 89–795 (80 Stat. 1477) dated November 8, 1966, authorizes the Secretary of Transportation to construct a border highway in the city of El Paso commencing at a point approximately two blocks west of Santa Fe Street in El Paso and proceeding along the International Boundary, as rectified, to the International Bridge at Zaragosa Road about 12½ miles east. The act authorizes $8 million in Federal funds for this project.

B. Output

Approximately 12½ miles of highway.

C. Official having direct operating responsibility for the program

F. C. Turner, Director, Bureau of Public Roads.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation-Federal Highway Administration	Pentagon Road Network	
200	CODE	CODE	CODE
300	ANALYSIS AND CONTROL CODES		
400		FISCAL YEAR 1968	

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.				
512	Benefits				
513	Travel				
520	Expenses:				
521	Communications				
522	Transportation				
523	Printing				
524	Supplies and Consumable Materials				
530	Capital Equipment				
540	Land and Structures				
541	Additional Investment				
542	Rents			$ 275	
550	Total			275	
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total				
700	Total			$ 2751/	

		Prior Fiscal Year			
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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89-641-h GPO

1/ Includes $200 thousand against which no obligations will be incurred in 1968.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation-Federal Highway Administration	Miscellaneous Accounts	
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			

400 FISCAL YEAR 1968

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.				
512	Benefits				
513	Travel				
520	Expenses:				
521	Communications				
522	Transportation				
523	Printing				
524	Supplies and Consumable Materials				
530	Capital Equipment				
540	Land and Structures				
541	Additional Investment			$ 265	
542	Rents				
550	Total			265	
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total				
700	Total			$ 265 1/	
				Prior Fiscal Year	
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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1/ Includes $232 thousand against which no obligations will be incurred in 1968.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation-Federal Highway Administration	Miscellaneous Trust Funds	
200	CODE	CODE	CODE
300	ANALYSIS AND CONTROL CODES		
400		FISCAL YEAR 1968	

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$ 482	
512	Benefits			126	
513	Travel			54	
520	Expenses:				
521	Communications			2	
522	Transportation			223	
523	Printing				
524	Supplies and Consumable Materials			294	
530	Capital Equipment			878	
540	Land and Structures				
541	Additional Investment			7,288	
542	Rents				
550	Total			9,347	
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total			56	
700	Total			56	
				$9,403 1/	
				Prior Fiscal Year	
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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1/ Includes $1,898 thousand available against which no obligation will be incurred in 1968.

Mr. BRIDWELL. Thank you, Mr. Chairman.

Secretary BOYD. Mr. Bridwell is an old and valued associate of mine.

Mr. BRIDWELL. Mr. Chairman, the Highway Administration is made up of three component units, the Bureau of Public Roads, the National Highway Safety Bureau, and the Bureau of Motor Carrier Safety. It is the responsibility of the Federal Highway Administration to provide leadership and programs for the development of the Nation's highway transportation system, balanced with other modes of transportation, that effectively serve national, regional, and local requirements for the movement of people and goods. This system includes as interacting elements the roadway, the right of way and related structures, individual vehicles, the user, the control system and the environment.

Objectives of the Federal Highway Administration encompass planning, research, design, and construction of the national highway network, within the Bureau of Public Roads; development and administration of highway and vehicle safety programs within the National Highway Safety Bureau; and surveillance of safety practices of operators of commercial highway vehicles within the Bureau of Motor Carrier Safety. The greater part of these activities are carried out in close cooperation with States and local communities.

The Federal Highway Administration has 6,094 permanent positions and $4.3 billion appropriations authorized in fiscal 1968. Of these totals, 5,297 permanent positions and $4,242 million appropriations are applicable to the Bureau of Public Roads. 619 permanent positions and $46 million to the National Highway Safety Bureau; and 178 permanent positions and $1.8 million to the Bureau of Motor Carrier Safety. On-board strength of the Federal Highway Administration as of April 30 was 5,200 employees, and total funds available for fiscal 1968 are $8,113,228,000, including trust funds.

The Federal Highway Administration was established without any increase in personnel above what would have been necessary for its three constituent units had they remained separate. The new activities of the administration comprise the Office of the Administrator, the Office of Policy Planning, and the Office of Science Adviser, for all of which funds and positions were obtained through economies resulting from consolidation of common functions of the three Bureaus. Major programs of the Federal Highway Administration are being developed to reduce the losses in death, injury, and property damage on the Nation's highways by developing and applying effective safety performance standards for motor vehicles, drivers, and the highway plant; stimulate increased performance, service and reliability in the highway transportation system to assure convenient movement of passengers and property by the most efficient means consistent with public safety; and accentuate, in present and future highway systems, the social, economic, and aesthetic contributions which will make the system more harmonious with its physical and cultural environments and will improve the overall quality of living.

This, in brief, describes the responsibilities and major programs and present personnel and appropriations information for the Federal Highway Administration.

Mr. BROOKS. Thank you Mr. Bridwell. I want to ask you one question. Would you furnish for the record your comments on the example of your traffic and highway safety program, wherein your people apparently feel that the newly adopted standard on the energy absorbing steering shaft might be capable of reducing driver deaths by as much as 70 percent?

Mr. BRIDWELL. Yes, sir; I will be glad to furnish that for the record.

Mr. BROOKS. It will be of particular interest to those of us who drive.

Mr. BRIDWELL. I can understand that.

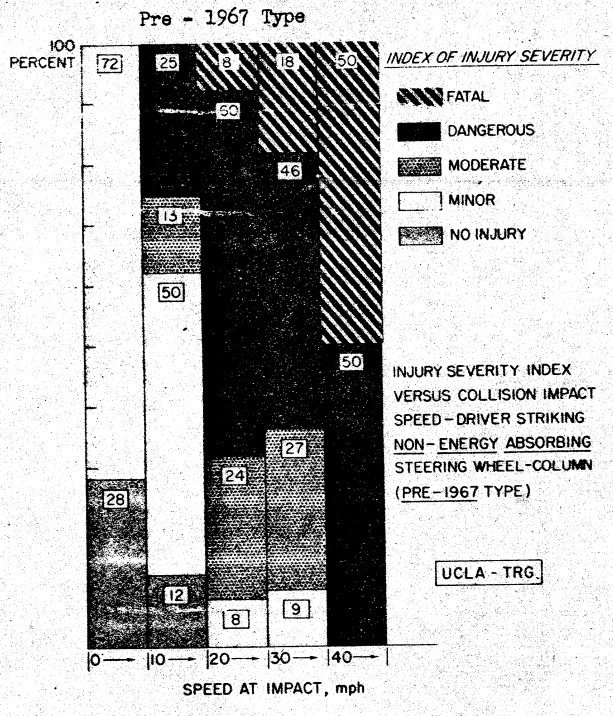
(The information requested follows:)

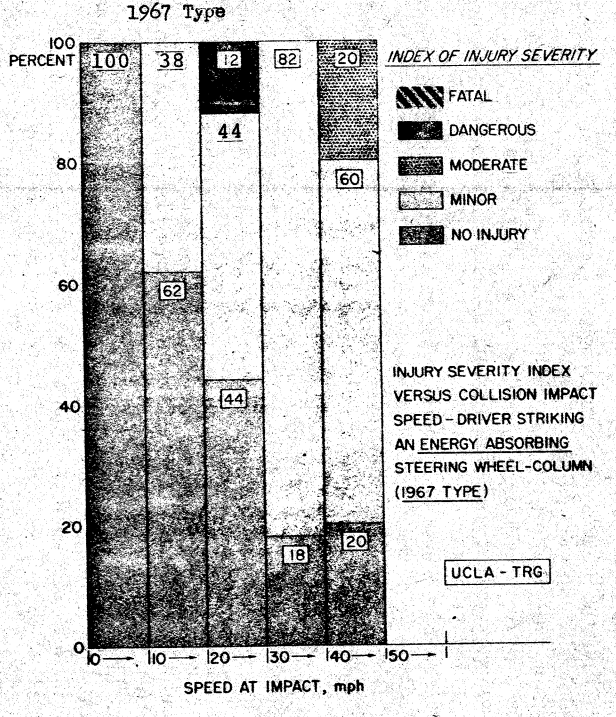
For more than a year the National Highway Safety Bureau has been a principal sponsor of very important work at the UCLA Medical School. In this work, teams consisting of surgeons and other physicians, and engineers are doing in-depth investigations of major highway crashes in the Los Angeles area. The workup includes not only extensive photography and other permanent documentation, but also detailed correlation of clinical and autopsy findings with information from the crashed vehicles themselves.

Thus, as the research data accumulate it is increasingly possible to determine, for given impact speeds and directions, the ways in which the crash forces reach the bodies of the occupants, the injuries produced or prevented, and, especially, the influence of changes in design directed at ameliorating the forces of impact.

In the area of the committee's interest, the head of the UCLA Trauma Research Group, Dr. Alan M. Nahum has estimated that the reduction in the incidence of fatal injuries to drivers in front-end crashes of vehicles equipped with the new energy absorbing steering assemblies is in the vicinity of 70 percent. Although a considerable amount of research work still needs to be done, there is already considerable evidence that these devices do in fact represent such a breakthrough. In illustration, the attached figures, from the UCLA work, compare the incidence of fatal, dangerous, and other injuries to drivers in comparable crashes of vehicles with, and without, such energy absorbing devices. As can be seen, the shift away from the more serious results is dramatic indeed.

The principle fo these devices, which are still only in their first generation, and which will be greatly improved during the coming months, is to cushion the forward deceleration of the driver, much in the manner of a fire net, and to substitute such performance for the rearward moving and spearlike steering shafts, and their related hardware, that have characterized this aspect of vehicle design and construction in the more than seven decades since the first automobiles appeared on our roads.


Pre - 1967 Type
100 PERCENT
72
25
8
18
50
60
46
13
50
28
12
24
27
8
9
50
INDEX OF INJURY SEVERITY
FATAL
DANGEROUS
MODERATE
MINOR
NO INJURY
INJURY SEVERITY INDEX
VERSUS COLLISION IMPACT
SPEED - DRIVER STRIKING
NON - ENERGY ABSORBING
STEERING WHEEL-COLUMN
(PRE-1967 TYPE)
UCLA - TRG.
0
10
20
30
40
SPEED AT IMPACT, mph


1967 Type
100 PERCENT
100
38
12
82
20
44
60
62
44
18
20
INDEX OF INJURY SEVERITY
FATAL
DANGEROUS
MODERATE
MINOR
NO INJURY
INJURY SEVERITY INDEX
VERSUS COLLISION IMPACT
SPEED - DRIVER STRIKING
AN ENERGY ABSORBING
STEERING WHEEL-COLUMN
(1967 TYPE)
UCLA - TRG.
0
20
40
60
80
10
20
30
40
50
SPEED AT IMPACT, mph

Mr. BRIDWELL. Mr. Chairman, may I just say that the claim, or the tentative claim is based on approximately 200 accidents in which a special team made up of physicians and engineers investigated the causes and results of these accidents selected for in-depth analysis? It is based upon their professional, but nevertheless somewhat subjective, judgment that more deaths or more severe injuries would have occurred had this particular safety component of these cars not been present.

Mr. BROOKS. This would be interesting and we would appreciate that for the record.

Mr. THOMPSON. Do you have any idea of the relative safety, say, per mile traveled, on the Interstate Highway System as related to the relative safety per mile traveled on the old Federal highway system before you had the new standards? Are the Interstates more safe?

Mr. BRIDWELL. Mr. Thompson, subject to correction, the safety record of the Interstate System on the average is 3.1 deaths per 100 million vehicle-miles. The average for all other roads on the Federal system is 6.4.

Mr. THOMPSON. In other words, by establishing basically certain standards and limited access, and so forth, you made travel much safer on the highways, and by cutting down your curvy roads.

Mr. BRIDWELL. The significant features of the Interstate System that are not generally applicable to other types of highways are the control of access, no side entrances either by roads or driveways, the divided highway; that is, opposing lanes of traffic being divided by some sort of center strip and the geometrics of gentle curves, very minor grades in terms of up or down on hills.

D. PROGRAM CATEGORY 4—FEDERAL RAILROAD ADMINISTRATION

Mr. BROOKS. Thank you very much, Mr. Bridwell.

Mr. Secretary, could we now hear from the Federal Railroad Administration? I will put exhibit N in the record here.

(Exhibit N follows:)

EXHIBIT N—FACT SHEETS—FEDERAL RAILROAD ADMINISTRATION PROGRAM FUNDS

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation-Federal Railroad Administration	Total of all FRA Programs	
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			

FISCAL YEAR

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
400					
500	"In house" inputs				
510	Personnel:				
511	Comp.			$ 3,851,000	
512	Benefits			277,000	
513	Travel			487,000	
520	Expenses:				
521	Communications			61,000	
522	Transportation			11,000	
523	Printing			31,000	
524	Supplies and Consumable Materials			16,000	
530	Capital Equipment			16,000	
540	Land and Structures				
541	Additional Investment				
542	Rents				
550	Total			$ 4,750,000	
600	Funds distributed				
610	Contracts			21,245,000	
620	Grants				
630	Loans				
640	Benefits			612,000	
650	Other			$21,857,000	
660	Total 1/				
700	Total 2/			$26,607,000	

Prior Fiscal Year

800	Input-output ratio										
810	1. Input										
811	1. Output										
820	2. Input										
821	2. Output										
830	3. Input										
831	3. Output										
840	4. Input										
841	4. Output										
850	5. Input										
851	5. Output										
860	6. Input										
861	6. Output										
870	7. Input										
871	7. Output										
880	8. Input										
881	8. Output										

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1/ Represents services of other Federal agencies.

2/ Excludes the Alaska Railroad which is financed from revenues.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation-Federal Railroad Administration	Support Program (Office of Admin., S & F App.)	
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			
400		FISCAL YEAR	

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$557,000	
512	Benefits			39,000	
513	Travel			25,000	
520	Expenses:				
521	Communications			12,000	
522	Transportation			2,000	
523	Printing			13,000	
524	Supplies and Consumable Materials			4,000	
530	Capital Equipment			5,000	
540	Land and Structures				
541	Additional Investment				
542	Rents				
550	Total			$657,000	
600	**Funds distributed**				
610	Contracts			5,000	
620	Grants				
630	Loans				
640	Benefits				
650	Other *			18,000	
660	Total			23,000	
700	Total			$680,000	
				Prior Fiscal Year	
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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*Services of Other Federal Agencies.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation-Federal Railroad Administration	Railroad Safety	
	CODE	CODE	CODE
200			

ANALYSIS AND CONTROL CODES

300

FISCAL YEAR

400

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$2,694,000	
512	Benefits			202,000	
513	Travel			440,000	
520	Expenses:				
521	Communications			38,000	
522	Transportation			4,000	
523	Printing			9,000	
524	Supplies and Consumable Materials			5,000	
530	Capital Equipment			5,000	
540	Land and Structures				
541	Additional Investment				
542	Rents				
550	Total			$3,397,000	
600	**Funds distributed**				
610	Contracts			3,000	
620	Grants				
630	Loans				
640	Benefits				
650	Other *			64,000	
660	Total			67,000	
700	Total			$3,464,000	
				Prior Fiscal Year	
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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*Services of Other Federal Agencies.

Bureau of Railroad Safety

A. Program authority

In accordance with Public Law 89–670, responsibility for administering the various railroad safety laws was transferred on April 1, 1967, from the Interstate Commerce Commission to the Federal Railroad Administration.

The Federal Railroad Administration's Bureau of Railroad Safety performs assigned duties in connection with the administration and enforcement of certain specific Federal statutes relating to common carriers engaged in interstate commerce by railroad.

B. Program benefits

The statutory and regulatory safety authority involving enforcement activities of the Federal Railroad Administration are:

1. *Safety appliance law.*—Power brakes are required on locomotives and trains so that brakemen will not be required to use the handbrake for the purpose of controlling the speed of trains. Cars must be equipped with automatic couplers so that cars can be coupled automatically by impact and can be uncoupled without the necessity of men going between the ends of the cars. Cars must be equipped with secure grab irons or handholds on their sides and ends for use in coupling and uncoupling, and with secure sill steps. Cars of certain types must be equipped with secure ladders, running boards, and roof handholds. Each car must have an efficient handbrake. Federal Railroad Administration regulations fix the standard height of drawbars on freight cars; the percentage of power-braked cars required in any train: the rules, standards, and instructions for installation, inspection, maintenance, and repair of power or train brakes; and the number, dimensions, location, and manner of application of other safety appliances required by law. (45 U.S.C. 1–16 and related regulations (49 CFR, pts. 231 and 232, formerly 131 and 132).)

2. *The locomotive inspection law as modified by Reorganization Plan No. 3 of 1965.*—This law applies to all types of locomotives used on common carrier lines. It provides that it shall be unlawful for any carrier to use or permit to be used on its line any locomotive unless such locomotive, its boiler, tender, and all parts thereof (1) are in proper condition and safe to operate in the service to which put, (2) may be employed in the active service of such carrier without unnecessary peril to life or limb, and (3) have been inspected from time to time in accordance with the provisions of this law, and are able to withstand such test or tests as may be prescribed. The law requires that the carriers file at stated intervals a sworn report of inspection for all its locomotives. The Bureau of Railroad Safety is authorized to make such inspections of locomotives as it may deem desirable or necessary, and is authorized to order out of service any locomotive found to be not in conformance with the requirements of the law. Accidents resulting from failure from any cause of a locomotive or its parts or appurtenances, resulting in serious injury or death to one or more persons, must be reported forthwith in writing to the Federal Railroad Administration by the carrier owning or operating the locomotive. The Bureau of Railroad Safety investigates all such accidents and prepares a full and detailed report of the cause of the accident. The law authorizes the Federal Railroad Administration to make public these reports in such manner as it deems proper. Neither the report nor any report of the investigation nor any part thereof shall be admitted as evidence or used for any purpose in any suit or action for damages growing out of any matter mentioned in said report or investigation. (45 U.S.C. 22–34 and related regulations (49 CFR, pt. 191, formerly 91).)

3. Inspection of mail cars to determine their construction, adaptability, design, and condition. (45 U.S.C. 37.)

4. *Accident Reports Act.*—This law authorizes the Federal Railroad Administration to investigate and issue reports concerning collisions, derailments, or other accidents resulting in serious injury to person or to property of a railroad. Under prescribed regulations, railroads are required to report by telegraph to the Federal Railroad Administration any collision or derailment on its line resulting in deaths or serious injury to one or more persons.

Investigations are made of such of these accidents as are of general interest to the public or when an investigation may lead to increased safety. This law also requires every common carrier to make a monthly report of all collisions, derailments, or other accidents resulting in death or injury to any person or damage to equipment or roadbed, arising from the operation of such railroad, under prescribed rules. The phrase "arising from the operation of such railroad"

includes all activities of the railroad which are related to the performance of its transportation business. Failure to make a report of each accident within 30 days after the end of the month in which the accident occurred is a misdemeanor. (45 U.S.C. 38–43 and related regulations (40 CFR, pt. 225, formerly 125).)

5. *Hours of service law.*—This law restricts the time on duty of employees engaged in or connected with the movement of trains engaged in interstate commerce. The law makes it unlawful for enginemen, firemen, conductors, trainmen, switchtenders, etc., to be or remain on duty longer than 16 continuous or aggregate hours in any 24-hour period, and after 16 hours on duty certain off-duty periods are prescribed. With respect to employees who use the telegraph or telephone to dispatch, report, transmit, receive, or deliver orders pertaining to or affecting train movements, the law restricts their on-duty periods to 9 hours in any 24-hour period at offices continuously operated, or to 13 hours at offices operated only during the daytime. In case of emergency, certain limited additional service is permitted for this class of employees. The provisions of this law do not apply to the crews of wrecking or relief trains. Exceptions are made in certain instances of casualty, unavoidable accident, or act of God. (45 U.S.C. 61–64 and related regulations (49 CFR, pt. 161, formerly 61).)

6. *Signal inspection law.*—This law gives the Federal Railroad Administration authority, when found necessary in the public interest, to order any railroad to install the block signal system, interlocking, automatic train stop, train control, cab signal devices, or other similar appliances, methods and systems intended to promote the safety of railroad operation. The Federal Railroad Administration is also authorized to and has prescribed rules, standards, and instructions for the installation, inspection, maintenance, and repair of such systems. It is also authorized to inspect such systems or devices and to determine whether they are in proper condition to operate and provide adequate safety. Railroads may not discontinue or materially modify any existing signal installation without prior approval of the Federal Railroad Administration (45 U.S.C. 34, 49 U.S.C. 26 and related regulations (49 CFR, pts. 233, 234, and 236, formerly 133, 134, and 136).)

7. *Transportation of explosives and other dangerous articles law:* The Bureau of Railroad Safety conducts investigations and inspections relating to the transportation of explosives and other dangerous articles by railroad. This law authorizes formulation of regualtions for the safe transportation, within the limits of the jurisdiction of the United States, of explosives and other dangerous articles, including radioactive materials, etiological agents, flammable liquids, flammable solids, oxidizing materials, corrosive liquids, compressed gases, and poisonous substances, which shall be binding upon all carriers engaged in interstate or foreign commerce which transport such articles by land, and upon all shippers making shipments of such articles via any carrier engaged in interstate or foreign commerce by land or water. (18 U.S. Code 831–834 and related regulations (49 Code of Federal Regulations, parts 171–179, formerly 71–79.))

C. Program director

Director Mac E. Rogers is the official having direct operational responsibility over the program.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation-Federal Railroad Administration	High-Speed Ground Transportation	
	CODE	CODE	CODE
200			

ANALYSIS AND CONTROL CODES

300

400 FISCAL YEAR

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$ 600,000	
512	Benefits			36,000	
513	Travel			22,000	
520	Expenses:				
521	Communications			11,000	
522	Transportation			5,000	
523	Printing			9,000	
524	Supplies and Consumable Materials			7,000	
530	Capital Equipment			6,000	
540	Land and Structures				
541	Additional Investment				
542	Rents				
550	Total			696,000	
600	**Funds distributed**				
610	Contracts			21,037,000	
620	Grants				
630	Loans				
640	Benefits				
650	Other *			530,000	
660	Total			21,567,000	
700	Total			$22,263,000	
				Prior Fiscal Year	
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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*Services of Other Federal Agencies.

Office of High Speed Ground Transportation

A. Program authority

The High Speed Ground Transportation Act of 1965 (Public Law 89–220) authorized the Secretary to "undertake research and development in high-speed ground transportation" and "to contract for demonstrations to determine the contributions that high-speed ground transportation could make to more efficient and economical intercity transportation systems." A proposal to extend the act is now pending with Congress.

The northeast corridor transportation project was formalized as a distinct entity by the Secretary of Commerce in September 1964 as the result of an earlier interagency task force proposal and preliminary studies which pointed out the need for comprehensive planning to meet the transportation needs of the corridor through 1980. The project continues to be funded through the transportation research appropriation. When the Office of High Speed Ground Transportation was established to implement the High Speed Ground Transportation Act of 1965, the northeast corridor project was placed within that Office. With the establishment of the Department of Transportation, the Office of High Speed Ground Transportation was placed within the Federal Railroad Administration.

B. Program benefits

The Northeast corridor transportation project represents the first major effort by the Federal Government to establish procedures whereby regional transportation facility proposals can be considered on a comprehensive and systematic basis. The specific objective of this project is to determine intercity transportation facility requirements for the Northeast corridor through 1980 and beyond.

The project will consider by a modeling and simulation effort the alternative transportation patterns which could be brought into being in the corridor during the next 25 years. Each of these patterns will be analyzed to determine its benefits, direct and indirect, and the resources which it requires. The existing system of transportation in the corridor will be the starting point in the consideration of alternatives. The alternatives, fully described in terms of benefits, costs, and other considerations, will be transmitted to the Secretary of Transportation.

Procedures have been formulated to provide intermediate and long-run forecasts of the volumes of freight and passenger traffic to be carried by all transportation systems, not only those now in use, but also those offering improved services such as the New York-Washington rail demonstration and new, advanced systems such as vertical takeoff and landing aircraft and tracked air cushion vehicles.

The project has developed a system of models for analyzing and evaluating regional transportation investments. Although existing data and techniques have been used wherever possible, significant innovations in technique have been required for much of the analysis. A network model has been developed and is being used to simulate the flow of traffic throughout the region. Estimates of user and operator costs and benefits can be derived for the alternative systems on the basis of these computer simulations.

Forecasts of population, income, and economic activity in the corridor and for three subareas of the corridor, necessary for estimating transportation demands, have been made.

Systems engineering and cost analysis work on several proposed systems for the corridor have been completed and will make it possible to use realistic estimates of cost in the exercise of the model structures. Preliminary runs of the network simulation, demand models, and regional impact models are now being started.

The high-speed ground transportation research and development program is focused on the future improvement of transportation in urbanized regions. It is particularly concerned with the northeast corridor of the United States, because the problems of slow movement and congested facilities are found there today in their most aggravated state. In addition, information which we have developed on the need for transportation facilities in the northeast corridor shows unmistakably that capacity requirements there will have to double in less than the next two decades. This means that even if systems performance does not improve at all in the next 20 years, $5 to $6 billion of public money will still be spent on new intercity facilities.

The specific objectives of the high-speed ground transportation research and development are:

1. To advance the technology of ground transportation, including both railroads and more advanced systems.

2. To conduct research and development to make possible the design and demonstration of advanced ground transportation equipment, systems and services.

3. To develop cost and performance data on proposed systems.

The range of research and development runs from relatively close-in systems, largely represented by advanced rail technology to systems which are possible in the next 15 to 25 years. The R. & D. on many of these systems, particularly the more advanced, would almost certainly not be done without Federal Government sponsorship. The large number of alternative advanced concepts, their large scale, and their dependence on extensive public action for adoption, inhibit private industry from going forward with research and development on their own. It is simply unlikely that any new systems such as automated highways or guided air cushion vehicles can be developed solely through private action. With Federal Government direction and support, private industry has shown that it will respond with meaningful and substantial participation, including the expenditure of their own money.

The high-speed ground transportation demonstrations are designed to measure and evaluate the public response to new equipment, faster speeds, variations in fares, increased safety and comfort, and more frequent service.

A project has been established by the Penn Central Railroad to demonstrate high-speed railroad passenger service between New York City, N.Y., and Washington, D.C. The demonstration is intended to provide information about patronage response to improved intercity rail passenger service. The information obtained will be used for the determination of transportation needs of the northeast corridor. The data will be useful in projecting the impact on patronage of further changes in rail passenger transportation and will provide important information about the costs of rail passenger service. It should also be useful to the railroad and to the State and local transportation planning agencies. Under the terms of the contract, the Penn Central Railroad has completed substantial upgrading of track, structure, and terminal facilities between Washington and New York, ordered 50 high-speed MU cars which are being tested for acceptance, and assisted A. T. & T. in developing and installing public telephones in the cars. Suburban parking stations at Lanham, Maryland and Metro Park, N.J., will be built and grade crossings improved or eliminated in sections of Maryland and Delaware.

A demonstration using new gas-turbine-powered trains with advanced technical features is scheduled for operation between Boston and New York. The Government has contracted with United Aircraft Corporate Systems Center for lease and maintenance of two trains for the test period. The service will be operated by the New Haven Railroad. The demonstration will test market response to a substantially improved service including a reduction of 1 hour in transit time below the present best schedule, new meal service techniques, and reservations for coach passengers. A more far-reaching objective of the project is to test a revenue service equipment designed to (1) negotiate curves at speeds faster than equipment of conventional design, with increased passenger comfort, and (2) produce significant savings in operation and maintenance costs through application of aircraft-type, free-gas-turbine power and mechanical transmission.

A comprehensive survey of airport ground access travel has been completed covering users of the three Washington-Baltimore airports. Further studies will determine the desirability of conducting an airport access demonstration using either conventional roadbed and equipment or an available advanced transportation system.

To measure public response to these demonstrations an integrated data system has been developed utilizing datatag reports from Penn Central Railroad and New Haven Railroad, onboard sample surveys on Penn Central Railroad and a sample household survey of travel by all modes in the northeast corridor. Analysis of these data will provide valuable inputs to the northeast corridor transportation project.

C. Program director

Dr. Robert A. Nelson, Director, Office of High-Speed Ground Transportation.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation	Federal Railroad Adm.	Railroad Research
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			

400 FISCAL YEAR 1968

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.				
512	Benefits				
513	Travel				
520	Expenses:				
521	Communications				
522	Transportation				
523	Printing				
524	Supplies and Consumable Materials				
530	Capital Equipment				
540	Land and Structures				
541	Additional Investment				
542	Rents				
550	Total				
600	**Funds distributed**				
610	Contracts			$200,000	
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total				
700	Total			$200,000	

		Prior Fiscal Year
800	**Input-output ratio**	
810	1. Input	
811	1. Output	
820	2. Input	
821	2. Output	
830	3. Input	
831	3. Output	
840	4. Input	
841	4. Output	
850	5. Input	
851	5. Output	
860	6. Input	
861	6. Output	
870	7. Input	
871	7. Output	
880	8. Input	
881	8. Output	

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OFFICE OF THE SECRETARY

PROGRAM—RAILROAD RESEARCH

A. Statutory or administrative authority for the program

The Secretary of Transportation and his Modal Administrations are legislatively required to promote and undertake research and development relating to transportation and safety of the traveling public and employees. See Public Law 89-670, section 4(a) and 9(q).

B. Output

The FRA fiscal year 1968 appropriation provides for contractual research to deal exclusively with railroad safety matters. Emphasis will be placed on conducting research studies relating to railroad safety. Research studies for fiscal year 1968 are focused mainly on railroad highway grade-crossing technology and development of new railroad accident statistical procedures.

FRA railroad research activities for fiscal year 1968 were (a) Entered into a contract with the States of Maryland and Delaware to develop, test, and install track activated advance warning signals on highway approaches to 20 rail grade crossings located on the high-speed rail corridor between Washington, D.C., and New York. The demonstration project will test the effectiveness of new sophisticated railroad timing circuits and train-activated advance warning signals. Railroad research funds expended for this project are $50,000, and (b) Entered into a contract, amounting to $35,000 with the Texas Transportation Institute for a study on the reporting of rail highway grade crossing accident data. FRA review of several studies designed to identify factors which contribute to hazardous conditions at grade crossings reveal that the data reported on the FRA form T. and its supplement, lack adequacy for meaningful accident prevention analysis. An improved data file and reporting form is necessary to be able to conduct accident analysis studies at the national and State level and to better meet legislative responsibilities.

C. Official having direct operational responsibility

The Director of the Office of Policy and Program Analysis has responsibility for the expenditure of rail and research funds.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation	Federal Railroad Administration	Alaska Railroad
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			
400		FISCAL YEAR 1968	

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$ 9,134,000	
512	Benefits			897,000	
513	Travel			80,000	
520	Expenses:				
521	Communications 1/			762,000	
522	Transportation			190,000	
523	Printing			23,000	
524	Supplies and Consumable Materials			3,006,000	
530	Capital Equipment			1,331,000	
540	Land and Structures				
541	Additional Investment				
542	Rents			48,000	
550	Total			$15,471,000	
600	**Funds distributed**				
610	Contracts			750,000	
620	Grants				
630	Loans				
640	Benefits				
650	Other 2/			100,000	
660	Total			850,000	
700	Total 3/			$16,321,000	
				Prior Fiscal Year	
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

1/ Includes utilities.

2/ Insurance claims and indemnities

3/ The operation and maintenance of the Alaska Railroad is financed from revenues. The amounts indicated represent projected FY 1968 costs.

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OFFICE OF THE SECRETARY

PROGRAM.—ALASKA RAILROAD

A. Statutory or administrative authority for the program

The act of March 12, 1914, as amended (38 Stat. 305).

B. Output

Alaska Railroad expenditures currently amount to $14 million to $15 million per year. These expenditures are derived from earnings. The output resulting from these expenditures is the transporting of about 1½ million tons of freight between various points along the line of the railroad, from Whittier and Seward to Anchorage and Fairbanks. Most of this freight is incoming and is consigned to either Anchorage or Fairbanks.

Freight-ton miles currently equal about 175 million annually. In addition, the Alaska Railroad is transporting about 85,000 passengers per year for a passenger-mile total of about 8 million to 9 million.

Most Alaska Railroad freight is consigned to the military. For example, during fiscal year 1967, more than 55 percent of total tons of freight hauled were for the account of Alaska military agencies. This amount of military freight accounted for one-third of the Alaska Railroad's total revenue for that fiscal year.

The Alaska Railroad leases tugboats and barges and water terminal facilities to the Yutana Barge Lines, which operates on the Tanana and Yukon Rivers north of Fort Yukon and south to Marshall. The waters of these rivers are open to navigation for only about 4 months each year. There is no passenger service.

C. Official having direct operational responsibility

John E. Manley, General Manager, the Alaska Railroad, Post Office Box 7–2111, Anchorage, Alaska 99501.

Secretary BOYD. It is a great pleasure to present A. Scheffer Lang, who has vast experience in the railroad industry, and who has about as many problems as anybody you will talk to today.

Mr. BROOKS. He has a great area of challenge.

Mr. Lang?

Mr. LANG. Mr. Chairman, members of the committee, the Federal Railroad Administration is composed of three program elements. These are: The Bureau of Railroad Safety, the Alaska Railroad, and the Office of High Speed Transportation. Let me speak briefly to the functions of each one.

The Bureau of Railroad Safety administers a series of statutes under which we are authorized to make and enforce regulations regarding safety of the operation of the railroads. The most important of these relate to the condition and design of locomotives, signals and train control systems and safety appliances. We have in the Bureau an authorized strength of 246 positions of which approximately 180 are deployed in the field, inspecting carrier property for adherence to our regulations. Funds appropriated for the Bureau of Railroad Safety in fiscal 1968 were $3,414,000.

The Alaska Railroad operates roughly 500 miles of railroad in the State of Alaska, which was built with funds provided by the Congress. It is owned by the U.S. Government. The railroad has approximately 780 permanent employees, and varying numbers of temporary employees, particularly during the summer months when we go into our heavy maintenance season.

The Alaska Railroad is self-supporting. It meets all of its operating expenses out of its operating revenues, and it further covers or has very nearly covered in the past few years its depreciation charges. We hope within the next couple of years to be covering our depreciation as well

as our operating expenses and therefore be able to continue our own capital improvement program without any kind of appropriations.

The Office of High Speed Ground Transportation, the third program element of the Federal Railroad Administration, administers the high-speed ground research and development, and demonstration programs authorized by the High Speed Ground Transportation Act of 1965, and also the northeast corridor transportation systems planning study that was begun in the Department of Commerce back in 1963.

This office has an authorized strength of 56 permanent employees. Approximately $21 million is available for obligation in 1968, including considerable carryover funds that had not been obligated from previous years' appropriations.

In addition to the three program elements, we have a small support staff including an office of policy and program analysis, a chief counsel's office, a public affairs officer, and a very small administrative office that is essentially a liaison organization working with the administrative units in other parts of the Department that provide most of our actual administrative support.

Mr. BROOKS. Mr. Lang, would you furnish for the committee an analysis of how you have reacted to the railroad safety recommendations of this committee in 1966?

Mr. LANG. I would be glad to do that.

Mr. BROOKS. You probably have a copy of it and you can furnish that for the record.

Mr. LANG. Yes, sir.

(The information requested follows:)

HOW THE DOT HAS REACTED TO THE RAILROAD SAFETY RECOMMENDATIONS OF THE BROOKS COMMITTEE IN 1966 (25TH REPORT BY THE COMMITTEE ON GOVERNMENT OPERATIONS, UNION CALENDAR No. 632, H. REPT. No. 1452)

III. RECOMMENDATIONS

As a matter of information all former railroad safety functions of the Interstate Commerce Commission were transferred to the Department of Transportation at its formation April 1, 1967.

Certain actions have been taken and several others are under consideration to develop effective railroad safety programs to be administered by the Federal Railroad Administration.

With regard to specific recommendations of the aforementioned report, the following actions have been initiated:

A. ICC should completely reorient the railroad safety program to emphasize enforcement. To accomplish this result the following specific recommendations are made:

1. The "crossbreeding" of safety and car-service inspectors should be abandoned.

The "crossbreeding" of safety and car-service inspectors was abandoned effective April 1, 1967. Safety inspectors are now working in their special areas of expertise.

2. Funds presently allocated to support a topheavy supervisory force should be reallocated to the employment of additional technically qualified safety inspectors for work in the field enforcing the safety inspection laws.

FRA's Bureau of Railroad Safety is undergoing an extensive reorganization designed to fully utilize its engineering and technical knowledge in the Washington office to analyze and determine root causes for ever-increasing train accidents and to provide meaningful solutions for improving railroad safety matters.

This realinement of the Washington staff was not designed to interrupt or interfere with our field safety inspector's day-to-day enforcement activities, but rather as a strong support function and one that has been lacking for years in

that we will be able to impart technical research knowledge to keep our field force aware and abreast of technological problems that may be contributing to the constant annual rise in train accidents.

We have not and do not plan any appreciable degree of change in our present highly qualified staff of 22 regional supervisory personnel. All of the supervisory positions at the regional office level are filled by prsonnel with many years of practical experience in the field of railroad safety and are made up of a regional director and two regional supervisors in each of the seven regions. In addition, due to the size of the territory comprising region No. 5, we have a field supervisor located in Kansas City, Mo. One supervisor in each of the regions is responsible for safety appliance hours-of-service inspections, locomotive inspections, and signal and train control inspections, respectively.

We would also like to call to your attention that the majority of the supervisors are working supervisors, who in addition to their supervisory responsibilities perform regular inspections, accident investigation work and other related duties in the same manner as our regular field inspectors.

The regions in turn report to the Bureau of Railroad Safety's Washington office where we feel we have the capabilities in technical and enforcement knowledge to properly analyze the results of our field inspections.

3. The safety inspection program should be headed by a technically qualified, experienced safety inspector supported by a minimal staff of highly qualified specialists.

Individual safety inspection programs conducted by the Bureau of Railroad Safety in its General Safety Division, Locomotive Safety Division, Signal and Train Control Division and the soon-to-be-established Hazardous Materials Division are all headed by recognized experts in their particular fields of endeavor and are supported by an absolute minimal staff of qualified specialists.

4. In the regions, safety inspectors should be free from conformity with office type procedures, from putting in their time on a 9-to-5 basis, from filing projected itineraries, and from any other administrative requirements which prejudice their ability to exercise their responsibilities as safety inspectors in any way. Safety inspectors are free from conformity with office-type procedures and rarely spend more than 1 or 2 days per month in their respective offices. In general, we expect our inspectors to abide by regular assigned office hours on the few days spent wholly in their offices. Exceptions are made, however, if the inspector has performed or plans to perform special night duty. We find it necessary to continue to require itineraries of anticipated travel to permit us to contact inspectors for emergency assignments such as serious train accident investigations, complaints, etc. The individual inspector is at liberty to revise his travel plans as he sees fit, while on itinerary, to properly perform his duties; however, when time permits he is required to advise of changes in travel for the aforenamed reasons.

B. The ICC accident-reporting procedures should be overhauled so that the categories and classifications have direct affirmative value to safety inspection and to railroad-accident-prevention programs.

A research contract was recently let to Texas Transportation Institute for a study of grade-crossing reporting procedures including the use of form "T" and supplement to "T" reports now presently required by FRA reporting rules. (Estimate 18 months for TTI to complete their study and issue a report of findings.)

Other studies are under consideration to review all FRA accident reporting procedures; however, we are unable to furnish firm completion dates at this time.

C. The ICC should actively promote the adoption of effective employee safety programs on all American railroads.

Lack of jurisdictional authority has seriously limited our efforts to promote the adoption of effective employee safety programs. An exception to this rule was the recent adoption of an employee safety program by a class I railroad through combined efforts of encouragement by Washington BRS staff members working in close cooperation with the carrier and our regional field staff.

Proposed legislation recently introduced by the Department of Transportation (H.R. 16980) would give the Department authority to set standards for effective employee safety programs on all American railroads.

D. The penalties provided for violations of safety statutes should be used more effectively.

Anticipated benefits under the Claims Collection Act of 1966 may prove to be a very effective deterrent in the violations of safety statutes.

The Federal Railroad Safety Act of 1968 (H.R. 16980) should also be of great value in effectively determining penalties for violations of safety regulations.

E. Regarding grade-crossing accidents:

1. Through a technical evaluation, ICC should develop for future statistical study the various characteristics common to the 220,000 grade crossings in the United States.

2. Future grade-crossing accidents should be evaluated on the basis of the characteristics determined under 1 above so that more effective statistical data can be attained as to those grade-crossing characteristics and combinations thereof which constitute the greatest potential danger.

3. Reflective markings should be placed on the sides of freight cars as well as other railroad rolling stock.

4. The ICC should seek a workable solution to the impasse with regard to the enforcement of safety standards at rail-highway grade crossings.

Subparagraphs 1, 2, 3, and 4 are now under study by a DOT joint action group, inside the Department of Transportation, to work with interested parties throughout the country to improve safety at rail-highway grade crossings. (See attachment A.) Progress reports can be supplied to the committee as benefits are established. This joint action program was established by Secretary Boyd on August 8, 1967.

ATTACHMENT A

RAILWAY-HIGHWAY GRADE CROSSING ACTION PROGRAM

1. Make available to all States guidelines for diagnosing hazards, based on current information available to the Federal Highway and Railroad Administrations.

2. Request State highway departments to select one grade crossing for each 4,000 miles of Federal-aid highway for the testing of the most suitable known or proposed system of protection.

3. Encourage railroads to rehabilitate existing protective devices and sites under their jurisdictions.

4. Improve accident data collection and enforcement of traffic sfety regulations at grade crossings.

5. Identify those crossings that are heavily used by commercial vehicles transporting hazardous cargo and upgrade the protection or reroute this class of traffic to diminish this hazard.

6. Identify crossings frequently used by school buses and work with school officials to reroute school bus traffic or to improve the crossing protection.

7. Examine the possibility of closing or limiting the use of existing crossings or preventing the opening of new ones, and develop recommendations for any needed administrative or legislative steps.

8. Initiate a study of present Federal and State motor carrier safety regulations and laws pertaining to the mandatory stopping of certain vehicles at railway-highway grade crossings.

9. Intensify the accident investigation program of the Bureau of Motor Carrier Safety and Bureau of Railroad Safety to study adequately the crossing accidents involving federally regulated carriers.

10. Undertake a research and development program to develop more effective measures and devices to reduce the occurrence of rail-highway grade-crossing accidents.

11. Initiate a study to determine the logical division of responsibility for the protection against grade-crossing accidents now shared by the railroads and the public and develop suitable administrative and legislative recommendations in this regard, including the questions of liability and cost sharing.

Mr. BROOKS. Secondly, I know that the Department is currently engaged in some kind of contractual arrangement with the Pennsylvania Railroad for high-speed rail transportation between Washington and Boston. It is my understanding that it is running well behind the anticipated schedule, and that there are a number of problems unanswered. I wonder if you would give us a status report on this and what the major obstacles are.

Mr. LANG. Would you like me to speak to that right now, Mr. Chairman?

Mr. BROOKS. You can do that for the record in the interest of time.

Secretary BOYD. I think with your permission, Mr. Chairman, I might tell you that Mr. Lang testified along with some of the other members of his office before a Senate appropriations subcommittee last week on this very point, and it might be worthwhile to submit the transcript of that testimony in the record here. I think it will cover all of the questions you asked.

Mr. BROOKS. Does it also cover the difficulties of deadheading that train into Washington? The public story was that they were going to start one of their turbine-powered fast trains, and apparently it did not work at all. They did not even drive it down here. You might cover that, if you would.

Secretary BOYD. That is the turbo train?

Mr. BROOKS. It was not the turbo train. It was another new design that they had.

Mr. LANG. These are the so-called Metroliners which are designed to operate on the Penn Central between Washington and New York in electrified territory.

Mr. BROOKS. Yes, and also cover, if you would, at what speed you figure this should have seat belts and what efforts you have made in your research in the way of easily accessible emergency exits, inflammable material, retardation and things of that nature. If you will give us that in the same analysis, we would be grateful.

Mr. LANG. We would be glad to do so.

(The information requested follows:)

HIGH-SPEED RAIL TRANSPORTATION RUNNING BEHIND ANTICIPATED SCHEDULE

(On p. 123 of the transcript, Secretary Boyd suggested that it might be worthwhile to submit the report on the Washington-New York rail passenger service demonstration project which is dated May 31, 1968. A copy of this report follows:)

GOVERNMENT-INDUSTRY TASK FORCE REPORT ON THE WASHINGTON-NEW YORK RAIL PASSENGER SERVICE DEMONSTRATION PROJECT

FOREWORD

At the request of the Secretary of Transportation, and with the concurrence of the senior managements of the Penn Central, Budd, Westinghouse Electric, and General Electric Cos., a Government-industry task force was formed on April 17, 1968, to identify those problems delaying the initiation of the Northeast corridor Washington-New York rail passenger demonstration service, to order these problems as to importance measured against the various objectives of the demonstration, and to report the proposed solutions of these problems within 30 days.

The following individuals comprised the task force: J. J. Wright and G. R. Weaver (with C. E. Ingersoll as alternate) of the Penn Central; J. A. Miller and N. W. Fesmire of the Budd Co.; B. W. Wyman (with J. C. Dwyer as alternate) and C. B. Lewis of the General Electric Co.; W. P. Bollinger and F. B. Gunter of Westinghouse Electric; and, representing the Department of Transportation, K. L. Lawson and L. A. Goldmuntz, with J. S. Jordan serving as the administrative assistant to the task force.

The task force was organized into various groups, as indicated in figure 1. These groups were staffed and assisted by Government and industry personnel.

We wish to thank officials of the Federal Aviation Administration and the National Aeronautics and Space Administration for making available the services of Neal A. Blake, Colin G. Simpson, Henry V. Hermansen, Henry J. Buck, Harry Runyan, and David Stephens. Many industry consultants were particularly helpful, such as Jack Irvin, Bruce Erlichman, and Edmundas Vambutas. Kenneth B. Ullman of the Office of High Speed Ground Transportation also participated.

Finally, the principal contractors were very cooperative in helping to plan and conduct certain critical experiments, in making available key personnel and project records on short notice, and in contributing to the content of this report.

CONCLUSIONS AND RECOMMENDATIONS

The task force has completed its review and considers that, while there are problems remaining, a reliable demonstration, as defined in the Department of Transportation contract with Penn Central, could be initiated in 7 months subject to the prompt implementation of certain task force recommendations. It is our estimate that, with extremely vigorous and carefully coordinated management in all phases of this project—Government, railroad, equipment suppliers—it may be possible to improve on this schedule. The corollary possibility also exists. Limited nonrevenue operations that would not meet the frequency requirements of the demonstration project, but that could serve a useful purpose in training operational and maintenance personnel could be started within the next 3 months. Such preliminary operations had been planned as an integral part of the demonstration project for some time.

The task force found that many of the individual problems delaying the demonstration had been identified by the various contractors and that substantial resources are now dedicated to the prompt resolution of these problems.

However, the task force finds that managements in the project—Government, railroad, carbuilder, equipment suppliers—were overly optimistic with respect to the planning and scheduling requirements of a project of this magnitude and complexity. The Metroliners are the most sophisticated railroad equipment yet attempted anywhere, and properly so. We are dealing with a train consisting of six or eight locomotives that can draw more current than any other railroad load; that contains approximately 70 miles of wire and 25,000 electronic components.

The major remaining technical problems are:

(1) Electronic maintainability;

(2) Wheel thermal stress under specified deceleration when using air-brakes alone;

(3) Pantograph-catenary current collection stability at high speed during winter months, particularly under the remaining light wire; and

(4) Acceptability of ride quality.

To achieve a full demonstration within 7 months, we feel it necessary to implement right now certain maintainability and reliability programs, to proceed rapidly with specified pantograph-catenary experiments so that an early decision can be reached on modifications such as additional car busing and to continue the current ride improvement experiments with high priority.

Electronic maintainability

During the course of the study, electronic reliability calculations indicated that the mean time between failures (MTBF) of an electronic component in an eight-car train was 10 hours.[1] This is a preliminary number based on the failure rate data available to the task force. Attempts are being made to verify the failure rate data. MTBF numbers must be used with caution until the failure modes of equipment are thoroughly analyzed. These could not be completely developed in time for this task force report.

Nevertheless, a preliminary failure mode analysis indicates that the probability of meeting the present demonstration schedule is greater than 99 percent with a good lead car since both an eight-car and six-car train can pull two dead (freewheeling) cars at 100 miles per hour. Furthermore, in case of a failure in lead car electronics or train line control, there is still a probability of at least 99 percent of meeting the demonstration schedule by utilizing the backup power system.

Thus, the redudancy of multiple powered cars and the emergency power system lead to a high probability of reasonable schedule accomplishment if cars are properly maintained. Nonequipment factors, however, may limit schedule performance.

The major implication of the MTBF for the Metroliner is in maintenance. It is aggravated by scant fault indication equipment. One should add to the train

[1] There are approximately 3,000 electronic components per car with an average failure rate of 4×10^{-6} hours.

additional fault indicator systems that would make maintenance simpler. One should also design automatic diagnostic equipment for these trains. Since the demonstration schedule calls for a 1-hour turnaround, some such equipment is mandatory.

It is recommended that a task force be established immediately to (*a*) determine which failures should and can be displayed; (*b*) determine which failures should and can be diagnosed rapidly with repairs effected at the New York, Philadelphia, and Washington terminals; (*c*) identify which failures can be repaired only at depots; (*d*) design trainborne and stationary equipment to aid this diagnosis; (*e*) list the spares to be stored at terminals and depots; (*f*) identify the electronic failure mechanisms that are most deleterious to schedule probability; (*g*) recommend quick fixes, if any are required, that may be implemented within a 6-month period; (*h*) recalculate the schedule probability; and (*i*) report back within 45 days.

The major equipment suppliers should be involved in train maintenance, at least for a period of time, which we understand is the railroad's intention.

Wheel thermal capabilities

At 120 miles per hour (110+10 percent safety factor) the maximum deceleration available based on maximum dry rail adhesion is about 2 miles per hour/second. This will produce a peak heat load of approximately 400,000 ft. lbs./second if the braking is accomplished by air alone. According to Schrader,[2] this is a hazardous heat rate input, leading to thermal cracks even in class A wheels. The number of applications of this heat rate necessary to develop a thermal crack is a function of the metallurgical composition of the wheel and its quenching.

The railroad has already directed a change from class C to class A wheels before revenue service commences. The railroad has further indicated that a change order will be issued to add dynamic brake to the controller emergency brake position so that the maximum thermal rate input to a wheel would be 280,000 ft. lbs./second in a Westinghouse propelled car and 220,000 ft. lbs./second in a GE-propelled car, which may be reasonable for the limited number of times an emergency brake application is expected.

These rates could be exceeded only if there was a penalty or alertor brake application, or if there was a major power circuit failure disabling the dynamic brakes, an air brake pipe failure, or deliberate dumping of the air brake pipe by the engineer or conductor at a train speed of 120 miles per hour.

In the case of penalty or alertor brake application, we recommend that dynamic braking be included with air for the same reasons that the railroad has added dynamic braking to the controller emergency brake position. The remaining cases would seem to be sufficiently rare so that operational procedures might be used to record their occurrences and perform appropriate inspection during regular maintenance periods.

These thermal rate inputs under emergency braking could be reduced further if the deceleration rates could be reduced, which would seem possible since, even at 120 miles per hour, the stopping distance is approximately 1 mile, which seems well within railroad practice. It might also be possible to alter signal spacing to accommodate lower deceleration rates. Actually, the specified braking rates are not obtained in practice (due, presumably, to brake fade).

We recommend that the railroad, with Government support (if the railroad so desires), review the metallurgical aspects of thermal cracking, the retardation characteristics of friction brakes, and braking criteria with a view toward specifying among class A wheels those with minimum cracking susceptibility. We recommend that the railroad review procedures to determine if it is feasible to reduce deceleration rates. We further recommend that, until these reviews are completed, it would be prudent to limit speed in revenue service to 120 miles per hour.

Pantograph-catenary current collection

Simulations and experience indicate that, winter or summer, light or heavy wire, up to speeds of 120 miles per hour, a physical separation of the pantograph from the catenary will not occur for periods of more than one-third of a second. The electrical interruption will be less than this because of arc conduction. The

[2] "The Effect of Brake Shoe Action on Thermal Cracking and on Failure of Wrought Steel-Railway Car Wheels," Wetenkamp, Sidebottom, Schrader. University of Illinois Bulletin, June 1950.

train propulsion system can tolerate these interruptions. However, the lights may flicker, adding to passenger discomfort.

The wear on pantographs and catenary due to arcing and high-speed operation would seem to require pantograph shoe servicing twice as often as under present conditions, a problem which the railroad feels can be accommodated. The remaining problem seems to be a railway power problem in that the in-rush current upon reestablishment of pantograph-catenary contact is much greater than the normal or even the accelerating train current and seems to have tripped railway substation impulse relays. The railroad and their consultants do not consider this a major issue, and it is probably soluble by relay changes.

However, to limit passenger discomfort for the demonstration project and to prepare for future high-speed programs, the task force recommends:

(a) A prompt review of the possibility of busing six- and eight-car trains as compared to the two-car pairs which are presently bused. Operation would then be with two, three, or four pantographs up feeding the bus in parallel. Busing seems to be the most promising short range fix to current collection problems for the demonstration project.

(b) An early determination of the necessity of busing by designing an experiment to run six- and eight-car trains under artificially sagged or hogged wire, whichever would simulate worst case operation.

Acceptability of ride quality

It has been generally conceded that the ride quality of Metroliners needs improvement. The ride quality group, therefore, initiated comparative Metroliner versus Congressional ride experiments.

Based on the ride quality experiments performed on Metroliners and a Congressional car over improved and standard track, one cannot conclude that the ride quality of the Metroliner at 110 m.p.h. is at the present time superior to the Congressional at 80 m.p.h. Generally, the lateral and vertical accelerations experienced in the Metroliner over the trucks are greater than the accelerations over the Congressional trucks. However, lateral and vertical accelerations experienced at the center of the Metroliner are less than those experiencd at the center of the Congressional tested.

The resonant mounting of the main transformer (6 tons under the center of the car) should be tuned to the car bending frequency (6–8 cycles per second) to minimize this source of ride discomfort. Experiments to date have not yet indicated the success of this technique. The Budd Company is continuing to investigate this problem.

Preliminary data seems to indicate that high-frequency vibrations (above 10 cycles per second) are contributing to the accelerations experienced and, hence, to ride discomfort. These accelerations may be the consequence of track-wheel interactions which are then transmitted through the trucks to the car body. An air bag suspension system could accommodate this source of passenger discomfort and might warrant further consideration. There is some evidence of compressor or motor alternator vibration exciting the car body, and this should be reduced before a final evaluation can be made of track, truck, car-body interaction.

Nevertheless, enough data has been obtained to indicate that the truck's influence on lateral acceleration (to which humans are most sensitive) can be improved, and the truck manufacturer has such a program underway.

One of the critical, nontechnical factors that can delay the demonstration project has to do with the timely recognition and resolution of questions concerning engineering changes, testing, maintenance, equity, and the like. It seems evident that a tight schedule can be attained only if the several managements take timely action. An example of a question that has gone without resolution for a prolonged period and might add delay to the inception of the demonstration project has to do with actual versus specified braking performance. One type of propulsion equipment cannot achieve a dynamic braking effort of 1.4 miles per hour/second without major modifications, which would be time consuming. Should higher peak inverse voltage thyristors become available, there would be no modifications required, simply a substitution of parts. It is estimated that these components will be available within 18 months. Then the equipment would meet the initial specification. It is the opinion of the task force that, for the demonstration program with top speeds of 120 miles per hour, the 1.1 miles per hour/second dynamic braking effort is sufficient. Provisional acceptance of the 1.1 miles per hour/second dynamic braking effort is possible with the understanding that, if higher peak inverse voltage thyristors with specified reliability are not available in 2 years, the manufacturer could modify his equipment.

TECHNICAL TASK FORCE ORGANIZATION

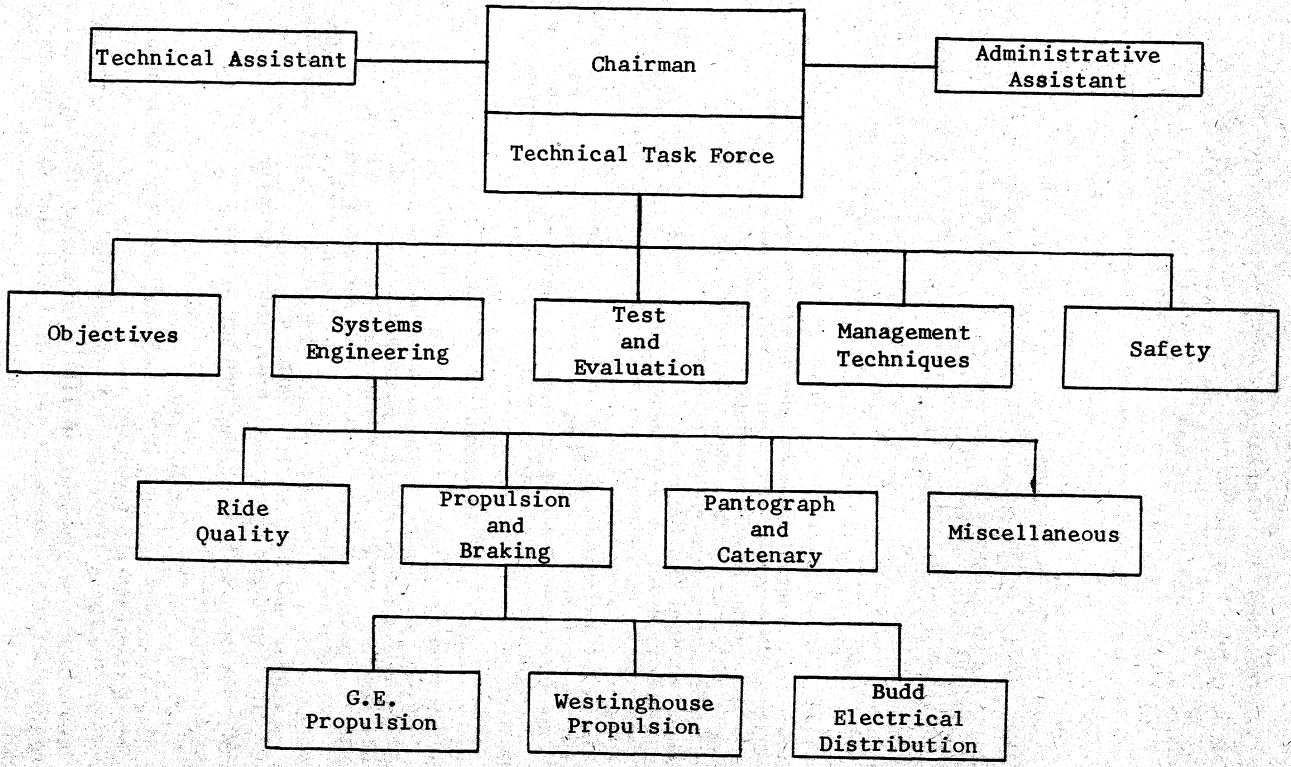


Figure 1.

DIFFICULTY OF DEADHEADING METROLINER INTO WASHINGTON

Two metroliner cars were brought to Union Station, Washington, February 8 and were open to the public for inspection. Special invitations were also sent to Members of Congress. The cars were not operated on their own power as they had not been tested and were there for display purposes only.

AT WHAT SPEEDS SHOULD HIGH-SPEED TRAINS HAVE SEAT BELTS?

The nature of train operation is such that violent decelerations are extremely rare. It is practically impossible to brake a train at more than 0.2g and with automatic train controls the probability of collision is very low. Grade crossing collisions seldom result in injury on board the train.

This matter has been discussed with personnel of the National Highway Safety Bureau. The present plans for new bus safety standards calls for no passenger seat belts, although a seat belt for the driver may be required.

The high seat backs in the demonstration cars and the resilient plastic backs will prevent the passenger from being thrown against sharp objects.

In the specifications for the demonstration cars, the question of seat belts was considered. The decision not to include them was based upon the estimate of the probability of accidents in which seat belts could prevent injury.

EASILY ACCESSIBLE EMERGENCY EXITS ON PASSENGER CARS

A recent comment on passenger train emergency exits is in the report of the National Transportation Safety Board which was released on March 7, 1968. It concerned a Boston & Maine passenger car which collided with a fuel oil truck at an Everett, Mass., grade crossing. The collision resulted in the death of 11 of the 28 passengers and two of the three crewmen.

Smoke and heat from the burning interior of the forward coach section caused the passengers to seek escape through the doorway at the rear end of the train. The doorway was jammed with passengers which prevented the door from opening inward.

The sealed double-pane windows could not be broken and by the time help arrived most of the people had been overcome by heat and smoke inhalation.

Authority for the design of passenger cars does not fall within the province of our regulations. This, however, would change if the railroad safety bill of 1968, H.R. 16980, were passed.

FIRE RETARDATION ON METROLINERS

Re fire resistance of interior construction and furnishings, "Metroliners."

(*a*) The wall panels are similar to those used in Budd built MU cars recently put in service on Penn Central and Reading. The material is known as Melamine, which actually melts rather than burn, when subjected to intense heat.

(*b*) The specs for the cars (section S3.10) states as follows:

(1) Seat and back cushions shall be of foam material having a fire resistance equal or superior to that in class I synthetic foam materials as described in military specification MIL–R–20092–E.

(2) Seat covering shall have a fire retarding treatment.

Mr. THOMPSON. Is your Department in any way involved in rapid transit planning?

Mr. LANG. No, sir; not directly.

Mr. THOMPSON. Strictly high-speed rail between major cities?

Mr. LANG. Intercity service.

Secretary BOYD. We will be taking over the urban mass transit functions, which now are lying in HUD, on the 1st of July. We have no organization at the present time to deal with that. The reorganization plan provides for the establishment of an Administrator for Urban Mass Transit, who will work on a horizontal coordination with Mr. Lang.

Mr. BROOKS. Thank you very much.

E. PROGRAM CATEGORY 5—ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION

Mr. Secretary, could we hear from the St. Lawrence Seaway Development Corporation on exhibit O?

(Exhibit O follows:)

EXHIBIT O—FACT SHEETS—ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION
PROGRAM FUNDS

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	Transportation-St.Lawrence Seaway Devmt. Corporation	Summary	
	CODE	CODE	CODE
200			

ANALYSIS AND CONTROL CODES

300

400 FISCAL YEAR

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$ 1,679,000	
512	Benefits			151,000	
513	Travel			50,000	
520	Expenses:				
521	Communications			48,000	
522	Transportation			11,000	
523	Printing			20,000	
524	Supplies and Consumable Materials			369,000	
530	Capital Equipment			50,000	
540	Land and Structures				
541	Additional Investment			5,774,000	
542	Rents			7,000	
550	~~TOTAL~~ Other			4,026,000*	
	Total			$12,185,000	
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total			$12,185,000	
700	Total				

		Prior Fiscal Year	
800	**Input-output ratio**		
810	1. Input		
811	1. Output		
820	2. Input		
821	2. Output		
830	3. Input		
831	3. Output		
840	4. Input		
841	4. Output		
850	5. Input		
851	5. Output		
860	6. Input		
861	6. Output		
870	7. Input		
871	7. Output		
880	8. Input		
881	8. Output		

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*Includes $4,000,000 interest payment.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	St. Lawrence Seaway Development Corporation	Administrative Expenses	
	CODE	CODE	CODE
200			

ANALYSIS AND CONTROL CODES

300

FISCAL YEAR

400

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$377,000	
512	Benefits			29,000	
513	Travel			40,000	
520	Expenses:				
521	Communications			18,000	
522	Transportation			6,000	
523	Printing			18,000	
524	Supplies and Consumable Materials			10,000	
530	Capital Equipment				
540	Land and Structures				
541	Additional Investment				
542	Rents			7,000	
550	~~Total~~ Other			26,000	
	Total			$531,000	
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total			$531,000	
700	Total				

		Prior Fiscal Year		
800	**Input-output ratio**			
810	1. Input			
811	1. Output			
820	2. Input			
821	2. Output			
830	3. Input			
831	3. Output			
840	4. Input			
841	4. Output			
850	5. Input			
851	5. Output			
860	6. Input			
861	6. Output			
870	7. Input			
871	7. Output			
880	8. Input			
881	8. Output			

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	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	St. Lawrence Seaway Development Corporation	Operation and Maintenance of Seaway	
	CODE	CODE	CODE
200			

ANALYSIS AND CONTROL CODES

300

400 FISCAL YEAR

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$ 1,302,000	
512	Benefits			122,000	
513	Travel			10,000	
520	Expenses:				
521	Communications			30,000	
522	Transportation			5,000	
523	Printing			2,000	
524	Supplies and Consumable Materials			359,000	
530	Capital Equipment			50,000	
540	Land and Structures				
541	Additional Investment			5,774,000	
542	Rents				
550	~~Tax~~ Other			4,000,000*	
	Total			$11,654,000	
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total			$11,654,000	
700	Total				

		Prior Fiscal Year		
800	**Input-output ratio**			
810	1. Input			
811	1. Output			
820	2. Input			
821	2. Output			
830	3. Input			
831	3. Output			
840	4. Input			
841	4. Output			
850	5. Input			
851	5. Output			
860	6. Input			
861	6. Output			
870	7. Input			
871	7. Output			
880	8. Input			
881	8. Output			

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*Interest Payments

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION

STATUTORY OR ADMINISTRATIVE AUTHORITY

Public Law 358, 83d Congress, approved May 13, 1954, authorized the St. Lawrence Seaway Development Corporation to construct that part of the St. Lawrence Seaway in the U.S. territory between Lake Ontario and St. Regis, N.Y., to consummate necessary arrangements with the St. Lawrence Seaway Authority of Canada relative to construction and operation of the seaway, to cooperate with Canada in the control and operation of the St. Lawrence Seaway and to negotiate with Canada for an agreement on tolls. Public Law 85–108, approved July 17, 1957, authorized the Corporation to participate with the St. Lawrence Seaway Authority of Canada in the ownership and operation of a toll bridge company and to provide services and facilities necessary in the maintenance and operation of the seaway.

OUTPUT THE GOVERNMENT RECEIVES

The Corporation is self-supporting through tolls assessed shippers using the seaway facilities. All operating costs are paid from toll revenues and net operating income returned to the Treasury in payment of interest and principal.

Areas served by the seaway will become more industrialized as a result of cheaper transportation and agricultural production will more economically move to foreign markets. Also direct access to overseas trade has been and will continue to be enhanced in addition to providing for U.S. defense needs by moving strategic resources for production.

OFFICIAL WITHIN THE DEPARTMENT HAVING DIRECT OPERATIONAL RESPONSIBILITY OVER THE PROGRAM

Joseph H. McCann, Administrator of the St. Lawrence Seaway Development Corporation.

Secretary BOYD. I would like to present Joe McCann, who has been with the St. Lawrence Seaway since 1960.

He has problems of not enough movement through the seaway.

Mr. MCCANN. I too, have a prepared statement, Mr. Chairman.

Mr. BROOKS. Why don't you submit it for the record and give us about 3 minutes of what you think is the gist of it?

Mr. MCCANN. Yes, sir.

(The statement follows:)

PREPARED STATEMENT OF JOSEPH H. MCCANN, ADMINISTRATOR, ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION

Mr. Chairman and members of this committee, I am pleased to appear here to describe the activities of the St. Lawrence Seaway Development Corporation. Our Corporation was created by Public Law 358, enacted in May of 1954. In 1966, Public Law 89–670 created the Department of Transportation and amended the Seaway Act so that the Administrator of our Corporation now reports directly to the Secretary of Transportation. Previously, the Administrator reported to the President or the head of such agency as he might designate.

The Corporation was created to construct deepwater navigation works in the U.S. territory in the international section of the St. Lawrence River. In addition, the legislation authorized us to operate and maintain these works in coordination with the Seaway Authority of Canada. It is with the Canadian Authority that we now establish rules and regulations as well as toll rates.

There are two key words in the title of our agency; they are *corporation* and *development*. We were organized as a *corporation* because we are financed by bonds, not appropriated funds, and we are expected to repay our debt with interest, plus operation and maintenance costs, from revenues. Congress believed we should use business techniques in our operating and financial procedures, avoiding many of the procedures that relate to the use of appropriated funds.

The second key word in our title is *development*. The Corporation must generate sufficient traffic to meet interest charges plus its normal expenses.

Therefore, our Corporation works with maritime interests throughout the Great Lakes to promote the expanded use of the waterway. In a broad sense, our area of concern consists of a 2,400-mile system of waterways extending from Duluth, Minn., to the Atlantic. Our objectives are to obtain maximum tonnage through the waterway so that we can repay our bonded debts and, equally important, contribute to the economic vitality of the Great Lakes region.

Within our organization are 163 full-time employees. Of these, all but 35 are employed in the operation and maintenance of facilities.

The investment of the U.S. Government in the St. Lawrence Seaway is $131.7 million. In addition, the Corporation has deferred approximately $11.6 million in interest charges which brings the total bond and interest debt to $143.3 million.

In 1967, the Seaway Corporation earned from tolls more than $6 million. This represents 27 percent of the total tolls collected by the Canadian and American agencies. Our total expenses, including depreciation, came to $8.8 million.

Our accounting system differs from that of the normal Government agency. We are subject to the Government Corporation Control Act which provides for congressional control of our financial operations through annual audits by the General Accounting Office. Our accounting system is on an accrued cost basis, rather than an obligation basis. The Comptroller General, in referring to our system several years ago, stated that we had an excellent accounting system and internal audit program.

Interest repayment is a major program of the Corporation. In 1967, the Corporation paid the Treasury $4 million. In 1966, we had paid $5.2 million toward our interest requirements. Since 1959, the Corporation has paid the Treasury a total of more than $29 million in interest payments.

A second major program of the Corporation is the rehabilitation of Eisenhower and Snell Locks. It has been anticipated that more than $13 million will be spent to complete the rehabilitation program. Legislation has been submitted to Congress requesting that this program be financed by appropriated funds. The problem includes replacing deteriorated concrete and remedying structural cracking at both locks.

The Corporation also has sought to stimulate promotional programs among the Great Lakes ports. In support of these programs, the Corporation has literature, motion pictures, speakers, and technical-aid materials in distribution throughout the world.

Another major program is the expansion of the seaway shipping season. Since the opening of the seaway, we have moved our official closing date from November 30 to December 6. While our official opening date remains April 15, we seek to open as close to April 1 as possible each year. Further, the Corps of Engineers has been authorized by the Public Works Committee of the U.S. Senate to study the possibilities of year-round navigation as well as the need to build additional facilities.

In summary, I would like to emphasize that the seaway operates with funds it collects from the payment of tolls by vessels using its facilities. From a tonnage standpoint, the waterway is nearing its goal of 50 million tons and should surpass the figure either this year or next. Financially, we need an additional 25 percent in revenue to fully meet our obligation. However, in our 9 years of operations, we have always covered all of our operating expenses while, at the same time, returning the impressive amount of more than $29 million to the U.S. Treasury.

Mr. McCANN. The Corporation was created to construct deepwater navigation works in the U.S. territory of the St. Lawrence. Now that we are in operation, we work in close cooperation with the Canadian Seaway Authority of Canada. With them we establish rules and regulations as well as toll rates. In the Corporation there are two key words—corporation and development. We are organized as a corporation because we are financed by bonds. We do not operate on appropriated funds. We are expected to repay our debt with interest within 50 years.

Mr. BROOKS. Are they tax-free bonds?

Mr. McCANN. Yes, sir; they are Treasury bonds and we borrow money from the Treasury at the current rate of interest. Then the second key word is development. We must generate sufficient traffic

to meet these interest charges plus our normal expenses. Within our organization as of April 30, there were 160 full-time permanent employees. All but 35 of these are employed in the operation and maintenance of the facility. In 1967 the Corporation earned from tolls a little more than $6 million. This represents 27 percent of the total of the tolls collected by the Canadian and American agencies. Our total expenses, including depreciation, came to $8.8 million. I think our accounting system differs from that of the normal Government agency. We are subject to the Government Corporation Control Act which provides for congressional control of our financial operations through annual audits by the GAO.

Our accounting system is on an accrued-cost basis rather than on an obligation basis. Of course, the interest repayment is a major program of the Corporation. In 1967 the Corporation paid the Treasury $4 million. In 1966 we paid $5.2 million toward our interest requirements. Since 1959 the Corporation has paid the Treasury a total of more than $29 million in interest payments. One of our major problems with the seaway now is the rehabilitation of the Eisenhower and Snell locks. It has been anticipated that more than $13 million will have to be spent to complete this rehabilitation program.

Legislation has been submitted to Congress requesting that this program be financed by appropriated funds. The problem includes replacing deteriorated concrete and remedying some structural defects.

Mr. BROOKS. Would you give us for the record an analysis why that concrete is deteriorating? I would not want to have any misconception that the $29 million they paid in interest to the Federal Government was not what you call a net profit, since we had borrowed that money and given it to the seaway for its use.

Mr. MCCANN. Yes, sir.

Mr. BROOKS. They were paying us for what we paid for the money.

Mr. MCCANN. That is right.

Mr. BROOKS. Are they making a profit now?

Mr. MCCANN. No, sir. We are running behind now.

In order to break even, which is what we are attempting to do, we would need about a 25-percent increase in either revenues or traffic at this moment.

Mr. BROOKS. Traffic has not been increasing?

Mr. MCCANN. Yes; we are going up very rapidly now. We are going up faster than was anticipated. We started from a lower base than was anticiapted so this threw us behind.

Mr. BROOKS. There is one other problem that I wish you would answer for us for the record—that is, the controversy over damages in New York from overflow and wave action as ships pass through the channel.

There was mention of that last week at a hearing in New York. If you would give us an analysis of that we would appreciate it.

Mr. MCCANN. I think this would be the port of New York which we would have no connection with. We are strictly the St. Lawrence Seaway Inland Waterway.

Secretary BOYD. I think the Coast Guard might be the more appropriate agency to provide that.

Mr. BROOKS. Very well. Please give us an analysis of that.

(The information requested follows:)

Question. Would you give us for the record an analysis why that concrete is deteriorating?

Answer. As yet, there are no substantiated theories that explain the deterioration problem completely. The comprehensive investigation conducted by the Corps of Engineers has established that the terminal cause of deterioration is severe frost action; however, the root activity which rendered the concrete vulnerable to frost action has not yet been clearly delineated. There are several factors which singly or in some combination could have acted to render the concrete vulnerable to frost action, and study of these by the Corps of Engineers Waterways Experiment Station in Vicksburg, Miss., is continuing. The Corps of Engineers has reached the following tentative conclusions:

(*a*) Deterioration was the result of frost damage.

(*b*) For reasons not yet completely understood, the concrete was rendered vulnerable to frost damage.

(1) The severe climatic environment in the Massena, N.Y., area, where the U.S. seaway locks are located; and (2) the use of natural cement—portland cement blend and the accompanying slower attainment of minimum strength and frost-resistant levels are being considered as contributing factors. Whether this vulnerability was due to early-age freezing, freezing after the first season of subjection to hydrostatic pressures, or a combination of these, or to some other single factor or combination of factors must yet be determined.

Question. There is one other problem that I wish you would answer for the record. That is the controversy over damages in New York from overflow and wave action as ships pass through the channel.

Answer. A public hearing on the speed of large vessels on the St. Lawrence Seaway was held on June 3, 1968, at Alexandria Bay, N.Y., by Congressman Robert C. McEwen. Top-level representatives of the Department of Transportation, the U.S. Coast Guard, the Seaway Corporation, the Canadian Seaway Authority, the U.S. Army Corps of Engineers, and the U.S. Attorney's Office for the Northern Judicial District of New York were in attendance to hear the complaints of shore-property owners along the international section of the St. Lawrence River from St. Regis, N.Y., westward to Cape Vincent, at the head of the river and the outlet of Lake Ontario. In addition to numerous complaints from the Thousand Islands area, complaints were heard from Wilson Hill residents and the St. Regis Indian Reservation. The Federal officials explained their various roles in controlling vessels through the seaway and responded openly to all matters and questions raised by the hearing participants. A great deal was learned on all sides concerning the problems presented by speeding vessels through the seaway and possible means of control. A number of witnesses stated that the problems were created by a small percentage of seaway vessels and that the situation was already much improved in the 1968 navigation season. Of course, these are general observations without benefit of transcript review.

Traffic Problems in the St. Lawrence River

In response to complaints from property owners a review of the speed regulations for the St. Lawrence River has been conducted with other Federal agencies having responsibilities in this area.

The waters of the St. Lawrence River on the U.S. side of the international boundary are under the general supervision of the District Engineer, U.S. Army Engineer District, Buffalo, N.Y. The commander, 9th Coast Guard District, has been designated in title 33, Code of Federal Regulations, section 207.611, as the duly authorized representative of the district engineer for enforcement of the vessel speed limit regulations. On December 13, 1967, the district engineer agreed with the Commander, 9th Coast Guard District, that direct measures by the Coast Guard to detect and suppress violations of the vessel speed limit regulations on the St. Lawrence River would be more effective than the procedure previously followed by reporting violations through the chain of command to the district engineer. This former procedure was unsatisfactory and ineffectual because of the delays involved in presenting the evidence and details of the violation to an authority with power to act against an offender. This direct action by the Coast Guard should be instrumental in eventually reducing the number of violations. The district engineer and the Commander, 9th Coast Guard District, also agreed to review from time to time the effectiveness of enforcement measures and to explore other related matters.

A conference was held in Syracuse, N.Y., on November 13, 1967, to explore solutions to this problem. The participants included representatives of the St.

Lawrence Seaway Development Corporation, the U.S. attorney, and the Coast Guard. The conference agreed to pursue a number of activities, including the following:

"a. Notices to shipmasters written in their own language clearly setting forth the speed regulation of title 33, Code of Federal Regulations, 207.611(b), and also urging their cooperation in maintaining vessel speeds throughout the St. Lawrence Seaway low enough to prevent damaging shore property should be drafted and given wide dissemination. This effort may be undertaken by both the Corps of Engineers, the U.S. Coast Guard, and the St. Lawrence Seaway Development Corporation and Canadian counterparts.

"b. Notices should be prepared and transmitted to all U.S. pilots clearly setting forth their responsibility to see that ships that they are navigating comply with speed regulations. They should be advised of the consequences, both administrative and criminal, for noncompliance with the regulations.

"c. Similar notices should be prepared and distributed to U.S. operators of tour boats.

"d. Arrangements should be established for advising Canadian pilots and tour boat operators of the criminal consequences which may attend violation by them of U.S. speed regulations."

Local notice to mariners and a notice to operators of small passenger vessels for hire on the St. Lawrence River have been issued by the Commander, 9th Coast Guard District, advising of the vessel speed limit regulations and cautioning vessel operators, masters, and pilots to navigate consistent with these regulations.

The Coast Guard has taken several additional steps directed to effective enforcement of existing speed regulations and, at the same time, to remind masters and pilots of applicable speed regulations. On May 8, 1968, a doppler speed control radar was installed for evaluation at Alexandria Bay Coast Guard Station. The preliminary evaluation of its use appears favorable. It is planned to continue the evaluation and development of this device looking to early operational use. Speed signs have also been posted at several prominent locations along the riverbanks where speed restrictions apply. The Commander, 9th Coast Guard District, has sent letters to the Great Lakes Pilots Association and other users of the St. Lawrence Seaway in an effort to elicit their cooperation in avoiding excessive speeds not only in areas where speed limits apply but also in areas where no speed limits are presently established. In an effort to alleviate the effects of the wake from the Coast Guard rescue boats at Alexandria Bay, a smaller craft is being assigned to the station. Although this new craft will have relatively high speed, the physical characteristics of the boat are such that it will generate considerably less wake. A high priority is assigned to the delivery of this boat. An information and educational program is also being developed directed to the recreational boating public, calling attention to the speed regulations and the adverse wave effects on shore property and other craft. And, finally, enforcement is being continued through patrols and in conjunction with other assigned missions to the fullest extent of the capability of forces assigned in the area. A review of administration of speed violation reports is also underway, particularly with respect to reckless and negligent operation of a motorboat and negligence of licensed U.S. merchant marine personnel. These actions, together with those of other interested parties in the St. Lawrence River area, should significantly reduce, if not virtually eliminate, the hazard to life and property caused by excessive vessel speed.

Mr. McCANN. Then as to your question for the reason for deterioration, we do not have a reason yet. We are working on this.

Mr. BROOKS. You are still looking for that inspector?

Is there anything further, Mr. McCann?

Mr. McCANN. No; I think we have covered everything.

Mr. BROOKS. Thank you very much for your courtesy in being here.

F. PROGRAM CATEGORY 6—NATIONAL TRANSPORTATION SAFETY BOARD

Mr. Secretary, could we hear from the Chairman of the National Transportation Safety Board, Mr. O'Connell? Exhibit P covers this area.

(Exhibit P follows:)

EXHIBIT P—FACT SHEETS—NATIONAL TRANSPORTATION SAFETY BOARD PROGRAM FUNDS

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	National Transportation Safety Board	Summary	
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			

		FISCAL YEAR			
		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
400					
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$3,151,600	
512	Benefits			234,400	
513	Travel			255,000	
520	Expenses:				
521	Communications			103,900	
522	Transportation			13,000	
523	Printing			70,000	
524	Supplies and Consumable Materials			21,000	
530	Capital Equipment			20,000	
540	Land and Structures				
541	Additional Investment			6,000	
542	Rents			1,100	
550	~~Total~~ XXX Other			226,000	
	Total			$4,102,000	
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other			28,000*	
660	Total			28,000	
700	Total			$4,130,000	
				Prior Fiscal Year	
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	National Transportation Safety Board	Program Execution and Support	
	CODE	CODE	CODE
200			
	ANALYSIS AND CONTROL CODES		
300			

400 FISCAL YEAR

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$124,600	
512	Benefits			8,700	
513	Travel			49,100	
520	Expenses:				
521	Communications			64,600	
522	Transportation			1,500	
523	Printing			67,700	
524	Supplies and Consumable Materials			2,000	
530	Capital Equipment			19,800	
540	Land and Structures				
541	Additional Investment				
542	Rents Other Services			76,000	
550	Total			$414,000	
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total			$414,000	
700	Total				

		Prior Fiscal Year		
800	**Input-output ratio**			
810	1. Input			
811	1. Output			
820	2. Input			
821	2. Output			
830	3. Input			
831	3. Output			
840	4. Input			
841	4. Output			
850	5. Input			
851	5. Output			
860	6. Input			
861	6. Output			
870	7. Input			
871	7. Output			
880	8. Input			
881	8. Output			

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	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	National Transportation Safety Board	Policy Formulation, Decision; Legal and Information	
	CODE	CODE	CODE
200			
300	ANALYSIS AND CONTROL CODES		
400		FISCAL YEAR	

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$333,500	
512	Benefits			25,200	
513	Travel			15,100	
520	Expenses:				
521	Communications			1,500	
522	Transportation			100	
523	Printing			100	
524	Supplies and Consumable Materials			300	
530	Capital Equipment			200	
540	Land and Structures				
541	Additional Investment				
542	Rents				
550	Total			$376,000	
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total			$376,000	
700	Total				

		Prior Fiscal Year		
800	**Input-output ratio**			
810	1. Input			
811	1. Output			
820	2. Input			
821	2. Output			
830	3. Input			
831	3. Output			
840	4. Input			
841	4. Output			
850	5. Input			
851	5. Output			
860	6. Input			
861	6. Output			
870	7. Input			
871	7. Output			
880	8. Input			
881	8. Output			

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PROGRAM EXECUTION AND SUPPORT

Question 1. What is the statutory or administrative authority for this program?

Answer 1. The authority to conduct this program emanates from the Department of Transportation Act of 1966, which created the Safety Board, and the specific delegations of authority from the Chairman of the Safety Board to the executive director.

Question 2. A brief and concise statement, not in excess of two typewritten pages of output the Government receives as the result of expenditures in tax funds listed on the fact sheet for that particular program.

Answer 2. The output of the program execution and support activity includes management direction in the form of policy pronouncements, procedures, instructions, budget and financial material including budget documents, all personnel material, processing, printing, and distribution of all Safety Board documents, and a wide range of special projects dealing with overall management and administration.

Due to the wide range of products produced in this program, specific quantification would be very difficult. However, the following are representative examples of output. The budget officer, in addition to preparing all material associated with the budget process, is responsible for developing a wide range of budgetary procedures for control of funds; answers replies from a wide variety of sources regarding budget matters; and prepares written instructions for Safety Board use. The personnel manager must process all personnel actions, prepare procedures necessary to implement the personnel program, interview and recruit personnel, and assist the executive director in a wide range of special studies. Management direction requires the formulation of a wide range of policy and procedural documents and studies. All tasks associated with the procurement of equipment and associated administrative services for the entire Safety Board must be performed. Documents and records services, including the processing and servicing of approximately 5,000 accident files per year, answering approximately 10,000 accident inquiries and the printing and distribution of approximately 90,000 copies of various Safety Board publications and documents per year. This output is developed, coordinated, and reviewed by the executive director, who is responsible for overall management direction.

Question 3. What is the name and title of the official having direct operating responsibility over the program?

Answer 3. Ernest Weiss, executive director.

POLICY FORMULATION, DECISION, LEGAL, AND INFORMATION

Question 1. What is the statutory or administrative authority for this program?

Answer 1. Authority for this program activity emanates from the Department of Transportation Act of 1966.

Question 2. A brief and concise statement, not in excess of two typewritten pages, of output the Government receives as the result of expenditures in tax funds listed on the fact sheet for that particular program.

Answer 2. The output of the decision, legal, and information activity includes a broad range of materials, such as approved Safety Board documents, legal decisions, opinions, orders, and other legal documents, such as contracts, comments on legislation, proposed and final rules, etc., prepared by the Office of General Counsel; and press releases, speeches, articles, and other public affairs material prepared and released by the Office of Public Affairs.

Specific quantification and measurement of end products for this activity is difficult; however, the following is offered as examples of the approximate number of major end products that will be produced in fiscal year 1968:

The five-member Safety Board will hear, review, and approve approximately 120 major end products, including accident reports, procedural documents, rules, appeals, and so forth. In addition, they will be required to make numerous speeches, participate in Safety Board hearings, and conduct a broad range of duties commensurate with the station of Presidential appointees.

It is estimated that the Office of General Counsel (four attorneys) will prepare and execute approximately 47 opinions and orders; will review approximately 14 initial accident reports, and will prepare approximately 225 associated major legal type end products.

The Office of Public Affairs will write and release approximately 100 major speeches, press releases and other related documents, and provide public information support to the Safety Board at all public hearings and at major aircraft sites. In addition, they will respond to many requests for information and perform other public affairs activities.

Question 3. What is the name and title of the official having direct operating responsibility over the program?

Answer 3. Joseph J. O'Connell, Jr., chairman, National Transportation Safety Board.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	National Transportation Safety Board	Aviation Accident Investigation & Prevention	
	CODE	CODE	CODE
200			

ANALYSIS AND CONTROL CODES

300

400 FISCAL YEAR

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$2,382,800	
512	Benefits			178,000	
513	Travel			172,300	
520	Expenses:				
521	Communications			37,700	
522	Transportation			11,400	
523	Printing			2,200	
524	Supplies and Consumable Materials			18,500	
530	Capital Equipment				
540	Land and Structures				
541	Additional Investment				
542	Rents			1,100	
550	XXXX Other			150,000	
	Total			$2,954,000	
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other			28,000*	
660	Total			28,000	
700	Total			$2,982,000	
				Prior Fiscal Year	
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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*Trust Fund.

AVIATION ACCIDENT INVESTIGATION AND PREVENTION

Question 1. What is the statutory or administrative authority for this program?

Answer 1. The authority for this program is derived from title VII of the Federal Aviation Act of 1958 and the Department of Transportation Act of 1966.

Question 2. A brief and concise statement, not in excess of two typewritten pages, of output the Government receives as the result of expenditures in tax funds listed on the fact sheet for that partciular program.

Answer 2. The output of the Aviation Acident Investigation and Prevention activity is in the form of: (*a*) accident reports publicly distributed containing the probable cause of the accident; (*b*) air safety recommendations for regulatory or other actions regarding safety of flight; (*c*) Safety promotional material publicly distributed: (*d*) Accident statistics; (*e*) Special safety studies.

The Bureau will investigate approximately 1,000 aircraft accidents in fiscal year 1968. It will analyze and determine the probable cause of approximately 6,000 aircraft accidents. The Bureau will produce about 6,000 accident reports for public distribution, approximately 35 safety recommendations, and an annual set of statistics and special statistical studies.

Question 3. What is the name and title of the official having direct operative responsibility over the program?

Answer 3. Mr. Bobbie R. Allen, Director, Bureau of Aviation Safety.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	National Transportation Safety Board	Surface Accident Investigation & Prevention	
	CODE	CODE	CODE
200			

ANALYSIS AND CONTROL CODES

300

400 FISCAL YEAR

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$162,200	
512	Benefits			11,300	
513	Travel			3,500	
520	Expenses:				
521	Communications				
522	Transportation				
523	Printing				
524	Supplies and Consumable Materials				
530	Capital Equipment				
540	Land and Structures				
541	Additional Investment				
542	Rents				
550	Total			$177,000	
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total			$177,000	
700	Total				
				Prior Fiscal Year	
800	**Input-output ratio**				
810	1. Input				
811	1. Output				
820	2. Input				
821	2. Output				
830	3. Input				
831	3. Output				
840	4. Input				
841	4. Output				
850	5. Input				
851	5. Output				
860	6. Input				
861	6. Output				
870	7. Input				
871	7. Output				
880	8. Input				
881	8. Output				

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Bureau of Surface Transportation Safety

Question 1. What is the statutory or administrative authority for this program?

Answer 1. The authority for conducting this program is the Department of Transportation Act of 1966.

Question 2. A brief and concise statement, not in excess of two typewritten pages, of output the Government receives as the result of expenditures in tax funds listed on the fact sheet for that particular program.

Answer 2. The output of the Bureau of Surface Transportation Safety is in the form of formal accident reports, recommendations for improving surface transportation safety and special studies and reports on the subject.

The Bureau of Surface Transportation Safety will prepare approximately 15 accident reports and studies in fiscal year 1968.

Question 3. What is the name and title of the official having direct operative responsibility over the program?

Answer 3. Mr. Henry H. Wakeland, Director, Bureau of Surface Transportation.

	DEPARTMENT OR AGENCY	PROGRAM	SUBPROGRAM
100	National Transportation Safety Board	Certificate and License Appeals	
	CODE	CODE	CODE
200			

ANALYSIS AND CONTROL CODES

300

FISCAL YEAR

400

		Unobligated Carryover	Appropriation or Current Year Request	Total Available	Total Obligated or Expended
500	**"In house" inputs**				
510	Personnel:				
511	Comp.			$148,500	
512	Benefits			11,200	
513	Travel			15,000	
520	Expenses:				
521	Communications			100	
522	Transportation				
523	Printing				
524	Supplies and Consumable Materials			200	
530	Capital Equipment				
540	Land and Structures				
541	Additional Investment				
542	~~XXXX~~ Other Services			6,000	
550	Total			$181,000	
600	**Funds distributed**				
610	Contracts				
620	Grants				
630	Loans				
640	Benefits				
650	Other				
660	Total				
700	Total			$181,000	

		Prior Fiscal Year		
800	**Input-output ratio**			
810	1. Input			
811	1. Output			
820	2. Input			
821	2. Output			
830	3. Input			
831	3. Output			
840	4. Input			
841	4. Output			
850	5. Input			
851	5. Output			
860	6. Input			
861	6. Output			
870	7. Input			
871	7. Output			
880	8. Input			
881	8. Output			

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89-641-h GPO

CERTIFICATE AND LICENSE APPEALS

Question 1. What is the statutory or administrative authority for this program?

Answer 1. The authority for conducting this program emanates from the Federal Aviation Act of 1958 and the Depatment of Transportation Act of 1966.

Question 2. A brief and concise statement, not in excess of two typewritten pages, of output the Government receives as the result of expenditures in tax funds listed on the fact sheet for that particular program.

Answer 2. The output of the certificate and license appeals activity is in the form of Examiners' initial decisions, orders, and other related legal documents.

The five hearing examiners will have approximately 210 appeals presented for hearing in fiscal year 1968.

Question 3. What is the name and title of the official having direct operative responsibility over the program?

Answer 3. Joseph C. Caldwell, Jr., Chief Hearing Examiner, Office of Hearing Examiners.

Secretary BOYD. Yes, sir; this is Mr. O'Connell, who had a long, distinguished career in the Federal Government, starting with the Treasury Department, becoming Chairman of the Civil Aeronautics Board, and now, after a lapse of a few years, Chairman of the National Transportation Safety Board.

Mr. BROOKS. He is so good they got him back. We are glad to see you.

Your statement will be inserted in the record in full and we would appreciate your highlighting it for the committee.

(The statement follows:)

PREPARED STATEMENT OF JOSEPH J. O'CONNELL, JR., CHAIRMAN, NATIONAL TRANSPORTATION SAFETY BOARD

Mr. Chairman and members of the committee, I am Joseph J. O'Connell, Jr., Chairman of the National Transportation Safety Board.

The National Transportation Safety Board, headed by five members appointed by the President, was created when Congress passed the Transportation Act of 1966, which simultaneously established the Nation's first Department of Transportation.

However, unlike the other functioning segments of the Federal Government that were brought together under the Department of Transportation, the new Safety Board is autonomous. The act states specifically that the Safety Board, in the exercise of its functions, powers, and duties, shall be "* * * independent of the Secretary (of Transportation) and other offices and officers of the Department." Furthermore, the Safety Board is directed to report to the Congress annually on the conduct of its functions under the act and also to make recommendations for legislation as it may deem appropriate.

The new Safety Board is charged with a continuing review of general safety in all modes of U.S. transportation. This includes marine, railroad, highway, and pipeline functions as well as all civil aviation. The overall objective of the Safety Board is to improve the safety of the American traveler.

The Safety Board came into operating existence on April 1, 1967, at which time it took over the entire personnel and procedures of the Bureau of Safety of the Civil Aeronautics Board.

The Board seeks to carry out its mission in five basic program areas. Briefly, these five areas can be summarized as follows:

a. *Policy formulation, decision, legal, and information.*—The objective of this program is to provide for the general formulation of policies and programs on a Safety Board-wide basis. This includes the formulation and development of policy and program objectives by the five-member board, providing legal advice and assistance to all Safety Board components; rendering decisions on matters of business presented to the five-member board and providing information services concerning the Safety Board's activities. In fiscal year 1968 a dollar cost of $376,000 and 22 positions were authorized for this program.

The major workload generated by this program in fiscal year 1968 will include: the hearing of approximately 120 major end products including accident reports,

procedural documents, rules, certificate appeals, etc., by our five-member Safety Board. In addition, they will make numerous speeches, participate in Safety Board hearings, and conduct a broad range of duties. The Office of General Counsel will prepare and execute approximately 47 opinions and orders, review approximately 14 accident reports and will prepare approximately 225 associated major legal type documents. The Office of Public Affairs will write and release approximately 100 major speeches, press releases, and other related documents. Of major interest to us in this area is the fact that the five board members participate fully in the development, review and approval of the wide variety of policy and program decisions emanating from the Safety Board, thus assuring a coordinated approach with regard to the development of our policies and programs.

b. *Program execution and support.*—The objective of this program is to provide the resources necessary for the overall management control, execution, and day-to-day operation of Safety Board-wide management programs. This centralized management direction results in a consolidation of critical administrative and management functions in one program, thus reducing redundancy and eliminating waste. In fiscal year 1968 a dollar cost of $414,000 and 18 positions were authorized for this program.

The major workload generated by this program in fiscal year 1968 will include: Preparation by the budget officer of a wide range of material associated with the budget process; preparation by the personnel manager of all documents, reports, letters and paperwork actions associated with the Safety Board's personnel program; a wide range of documents, reports, directives, etc., associated with the management direction of the Safety Board. In addition, approximately 5,000 accident files are processed, approximately 10,000 accident inquiries are answered, approximately 200,000 pieces of mail are processed, and approximately 90,000 copies of various Safety Board publications and documents will be printed and distributed.

Of major interest to us in this area is the fact that the small administrative staff assigned to this program have the opportunity to fully coordinate and integrate the major management and administrative functions of the Safety Board into a unified management program under strong central direction.

c. *Aviation accident investigation and prevention.*—The objectives of this program is to assure the American traveler the optimum degree of safety possible in aircraft usage and to vigorously promote accident prevention and safety promotion activities. These objectives are accomplished by investigating civil aircraft accidents, making public reports concerning said accidents and their causes, by promulgating safety recommendations intended to prevent similar occurrences, and by conducting special studies and projects which will further an awareness in accident prevention and safety promotion. In fiscal year 1968 a dollar cost of $2,954,000 and 187 positions were authorized.

The major workload generated by this program in fiscal year 1968 will include the investigation of approximately 1,000 aircraft accidents, the analysis and determination of probable causes of approximately 6,000 aircraft accidents, the production of approximately 6,000 accident reports for public distribution, approximately 35 safety recommendations, and numerous statistical compilations and special studies.

Of major interest to us in this area is the fact that this program produced 35 specific recommendations in 1967 which in turn will improve the level of aircraft safety for the American flying public. A summary list of these recommendations is provided for the record.

d. *Surface accident investigation and prevention.*—The objective of this program is to assure the American traveler in all surface modes of transportation the optimum degree of safety possible and to vigorously promote accident prevention and safety promotion. The objectives are accomplished by concentrating on the review and analysis of selective and significant accidents; that is, those accidents which are technically unusual or catastrophic in nature, and which are investigated by other Government agencies. Once the review and analysis are completed, determination of probable cause and safety recommendations are developed. In fiscal year 1968, a dollar cost of $177,000 and 22 positions were authorized.

The major workload generated by this program in fiscal year 1968 will include the analysis of approximately 15 major surface mode accidents, and the preparation and distribution of reports and safety recommendations associated with these accidents.

Of major interest to us in this area is the fact that this program produced 31 recommendations in 1967 which in turn will improve the level of surface transportation safety. A summary of these recommendations is being provided for the record.

e. *Certificate and license appeals.*—The objective of this program is to comply with title VI of the Federal Aviation Act of 1958, as amended, in conducting formal hearings and such other proceedings as may be required. The great bulk of these proceedings include the hearing of safety enforcement actions involving petitions from applicants denied various types of certificates, by the Administrator of the Federal Aviation Administration. The objectives of this program are accomplished by providing respondents a hearing before a qualified hearing examiner and rendering a decision based on the facts of the case. In fiscal year 1968, a dollar cost of $181,000 and 10 positions were authorized.

The major workload generated by this program in fiscal year 1968 will include the presentation for hearing and the processing of approximately 210 appeals from FAA certificate actions.

Our total budget for fiscal year 1968 is $4,102,000 and 259 positions. With these resources we will have contributed to transportation safety through the process described above. Some recent examples of recommendations in the areas of aviation, marine and railroad safety, in the form of letters to other agencies, are available if the committee would like to include them in the record.

Mr. O'CONNELL. Thank you, sir. The Transportation Board, headed by five members appointed by the President, was created by the Transportation Act of 1966. Somewhat unlike the other functional segments of the Federal Government which were brought together under the Transportation Act, the new Safety Board is autonomous. The act specifically requires that the Board in the exercise of its powers, duties, and functions do so independent of the Secretary of Transportation and the other offices and officers of the Department.

I emphasize that because it is in the statute, it does tend to color our relations with the other elements of the Department; not to say they are not completely harmonious, but the statute does require us, because of the nature of our job, to operate one step removed from the modal agencies in particular.

Mr. BROOKS. Do they handle your budget?

Mr. O'CONNELL. No. I might say in that connection, we quickly agreed with the Secretary that the two detailed matters which were rather important to be kept with us in furtherance of that independence was our budget and our hiring of personnel. So our budget is not reviewed in the Department. Our personnel actions are not.

Mr. BROOKS. Does Mr. Dean audit you?

Mr. O'CONNELL. Only to the extent we ask him to.

Mr. BROOKS. Do you ever ask him?

Mr. O'CONNELL. Yes; we are going to use that agency for help. We are using a great deal of the support activities of the Department.

You touched on one of the two specific areas in which both the Department and we have been quite meticulous, and that is budget and personnel. The new Safety Board is charged with a continuing review of general safety of all modes of U.S. transportation. This includes marine, railroad, highway, and pipeline functions as well as civil aviation.

The overall objective of the Safety Board is to improve the safety of the American traveler. The Safety Board came into existence on April 1, 1967, at which time it took over the entire personnel of the Bureau of Safety of the Civil Aeronautics Board.

The Board seeks to carry out its functions in five basic program areas. Briefly, these are as follows: One, policy formulation, decision, and legal information. That includes the Board itself, its immediate

staff, our General Counsel's Office, and Public Information Office. That represents 22 positions and a total yearly cost of $376,000. Program support and education which is basically the management control and execution of day-to-day operation of the Board, constitutes $414,000 of cost but only 18 positions.

A great share of that total cost is printing and other services, which make that total $414,000.

The third area is accident investigation—aviation accident investigation and prevention. The objective of this program is to assure the American traveler the optimum degree of safety and to promote accident prevention. These objectives are accomplished mainly by investigating civil aviation accidents, making public reports concerning such accidents and their causes and by promulgating safety regulations intended to prevent similar occurrences, as well as by conducting special studies and projects which will further make people aware of accident prevention and safety promotion. This activity in 1968 constituted a dollar cost of $2,954,000 and 187 positions.

The fourth area is our surface accident investigation and prevention work. The objective is to assure the American traveler in all surface modes of transportation the optimum degree of safety possible and vigorously promote accident prevention.

The objectives are to concentrate on review and analysis of significant accidents; that is, those accidents which are technically unusual, and which are investigated by other Government agencies. Once the review and analysis is completed the determination of probable cause and safety recommendations are developed by our Board. In fiscal 1968, $177,000 and 22 positions were involved. The major workload generated in this program will include the analysis of 15 major surface mode accidents and the preparation and distribution of reports and safety recommendations associated with these accidents. Of major interest to us in this area is the fact that this program produced 31 recommendations in 1967, which in turn we believe will improve the level of surface transportation safety.

A summary of these recommendations is available and I would with your permission offer it for the record.

(The information appears in appendix C.)

Mr. O'CONNELL. The last area which is rather small but important is the certificate and license appeal. The objective of this program is to comply with title VI of the Federal Aviation Act of 1958 in conducting formal hearings in such proceedings as may be required. The great bulk of these proceedings include the hearing of safety enforcement cases involving petitions from applicants denied various types of certificates. The objectives of these programs are accomplished by providing respondents a hearing and running a decision based upon the facts of the case.

In fiscal 1968 this area cost us $181,000 and there are 10 positions involved. Five are hearing examiners.

Our total budget for fiscal 1968 was $4,102,000, and total authorized positions of 259. With these resources we have contributed as best we could to transportation safety through the processes described above.

Some recent examples in aviation, marine, and railroad safety in the forms of letters to other agencies I have with me, and with your permission I would like to offer them for the record.

Mr. BROOKS. Without objection.

(The information appears in appendix D.)

Mr. O'CONNELL. That completes my statement.

Mr. BROOKS. Thank you very much. Do you feel that your expertise gathered in the CAB in meticulously investigating accidents and safety procedures has been helpful as you look into accidents and safety matters affecting other modes of transportation?

Mr. O'CONNELL. We have found that is true. We cannot transport all of the techniques and all of the things that are available, but some of them are. Some of the basic techniques are needed and have not, in all frankness, been as much used as they should have been in other modes of transportation.

Quite recently, we conducted a rather unusual type of investigation of a catastrophic bridge collapse over the Ohio River where 46 people were killed. We used the technique we use in aviation accidents including the reconstruction of the bridge in mockup, and we even borrowed one of our aviation experts in order to help us organize the investigative team in investigating a bridge collapse. That is one example, and I hope as time goes on we will develop more.

Mr. BROOKS. Are there any questions, Mr. Thompson?

Mr. THOMPSON. I have no questions.

I would like to say that I have been tremendously impressed with the old CAB and the way they would go in and investigate aircraft accidents and particularly the way they would reconstruct the pattern of events, how they occurred and what failed, from the meager evidence that was available. I think certainly you have done a superb job in pointing out what has failed in many instances.

This enabled the manufacturers and other people to take the necessary precautions to see that it does not happen again. I am delighted to see that you are able to use this in other fields, such as the bridge collapse.

Mr. O'CONNELL. As you know, we inherited a good and going organization from the CAB and we are trying to follow what they were doing.

Mr. BROOKS. Mr. O'Connell, we certainly enjoyed having you here and we appreciate your testimony.

Mr. O'CONNELL. Thank you.

Mr. BROOKS. Mr. Secretary, I want to submit to you for the record some questions from Congressman Moorhead who is particularly interested in the status of the mass transportation proposal: where it will fit into the organizational chart, who will be in charge, under whom or what will research on mass transit be handled, and finally, how will mass transit in a particular city be related to general city planning within that city?

Secretary BOYD. I would be happy to provide answers for the record.

(The questions submitted by Mr. Moorhead follow:)

1. What is the status of the urban mass transit program?

Answer. On February 26, 1968, the President submitted to the Congress "Reorganization Plan No. 2 of 1968" providing for the transfer of the urban mass transportation program to the Secretary of Transportation. No action was taken to disapprove the plan by either House of Congress within 60 days of the transmittal of the plan. Thus the provisions of the reorganization plan will take effect at the close of business on June 30, 1968, the date set out in the plan under authority of section 906(c) of title 5 of the United States Code.

2. Where is it to fit into the Department of Transportation?

Answer. Reorganization Plan No. 2 of 1968 establishes an Urban Mass Transportation Administration within the Department of Transportation. The Administration is to be headed by an Urban Mass Transportation Administrator who is to be appointed by the President by and with the advice and consent of the Senate. The Administrator is to perform such duties as the Secretary of Transportation shall prescribe.

3. What Administration is in charge?

Answer. The Urban Mass Transportation Administration created by the plan rather than an existing administration will be in charge. The new Administration will be one of the major operating units of the Department and its Administrator will report directly to the Secretary of Transportation.

4. Who is the immediate director of the program?

Answer. The urban mass transportation program in its current location in the Department of Housing and Urban Development is under the direction of a Director, Urban Transportation Administration. The position is vacant and direction is being exercised by the Deputy Director, William B. Hurd. The Director of the Urban Mass Transportation Administration reports to the Assistant Secretary of HUD for Metropolitan Development. The President has designated the Honorable John E. Robson, Under Secretary of Transportation, to be the interim Administrator of the Urban Mass Transportation Administration.

5. Under whom does he serve?

Answer. Same as No. 4.

6. Who will be in charge of mass transit research?

Answer. The mass transportation research programs will be under the direction of the Administrator of the new Urban Mass Transportation Administration when this program is transferred to the Department of Transportation.

7. What is the status of the research program?

Answer. The 1966 amendments to the Urban Mass Transportation Act of 1964 authorizes a project to study and prepare a program of new systems of urban transportation and directed that the findings and recommendations be reported to the President for submission to the Congress. The report was transmitted to the Congress by the President on June 12, 1968.

8. How will urban mass transit planning be coordinated with comprehensive urban planning?

Answer. Reorganization Plan No. 2 of 1968 reserves to the Secretary of Housing and Urban Development authority to undertake projects and to make studies that concern (1) the relationship of urban transportation systems to comprehensively planned development of urban areas or (2) the role of transportation planning in overall urban planning. A report to the Congress on urban transportation organization by the Departments of Housing and Urban Development and Transportation (see appendix E) outlines the respective functional responsibilities and relationship of the two Departments in the field of comprehensive planning and urban transportation planning. Specific procedures for coordinating their respective roles in urban transportation and comprehensive development are currently being developed in detail.

Mr. BROOKS. I want to thank you very much for being here today, you and your staff, and appreciate your cooperation and your concern about these very significant and challenging problems.

Secretary BOYD. Thank you, Mr. Chairman.

Mr. BROOKS. The committee is adjourned.

(Whereupon, at 12:35 o'clock p.m., the subcommittee adjourned.)

APPENDIXES

APPENDIX A.—WRITTEN RESPONSES OF THE DEPARTMENT OF TRANSPORTATION TO QUESTIONS SUBMITTED BY THE SUBCOMMITTEE

I. GENERAL QUESTIONS AFFECTING THE AGENCY AS A WHOLE [1]

A. *Justification of Personnel Not Chargeable to Specific Programs*

1. What are the total funds available to your agency for fiscal year 1968?

TOTAL FUNDS AVAILABLE FOR FISCAL YEAR 1968 [1] APPROPRIATIONS, CONTRACT AUTHORIZATIONS, AND UNOBLIGATED BALANCES

[In thousands]

	NOA enacted	Proposed pay supplemental	Program supplemental	Fiscal year 1967 unobligated balances	Total available	Less Public Law 90-218	Less Transfers
Federal funds:							
Office of the Secretary	$13,350	$150	----------	$3,224	$16,724	$2,500	$534
Coast Guard	521,965	6,457	----------	16,180	544,602	21,651	91
Federal Aviation Administration	903,435	14,768	----------	372,244	1,290,447	201,224	237
Federal Highway Administration [2]	202,112	89	$85,000	237,091	524,292	9,000	----------
Federal Railroad Administration	16,044	50	----------	12,513	28,607	2,000	----------
National Transportation Safety Board	4,000	109	----------	----------	4,109	----------	7
Total, Federal funds	1,660,906	21,623	85,000	641,252	2,408,781	236,375	869
Trust funds:							
Coast Guard	15	----------	----------	27	42	----------	----------
Federal Highway Administration	4,857,500	----------	----------	2,740,436	7,597,936	----------	----------
National Transportation Safety Board	28	----------	----------	----------	28	----------	----------
Total, trust funds	4,857,543	----------	----------	2,740,463	7,598,006	----------	----------
Total, Department of Transportation	6,518,449	21,623	85,000	3,381,715	10,006,787	236,375	869

[1] Excludes public enterprise and intragovernmental funds.
[2] Does not assume trust fund financing for forest and public lands highways.

2. How many employees does your agency employ?

SUMMARY OF FULL-TIME PERMANENT POSITIONS

	Authorized fiscal year 1968	On board Apr. 30, 1968
Office of the Secretary	669	[1] 521
Coast Guard	6,259	5,695
Federal Aviation Administration	45,824	43,821
Federal Highway Administration	6,094	5,201
Federal Railroad Administration	1,109	[1] 1,063
St. Lawrence Seaway Development Corporation	187	160
National Transportation Safety Board	259	228
Total	[2] 60,401	[2] 56,689
Coast Guard military personnel	37,426	36,912
Total	97,827	93,601

[1] 19 positions transferred from OST to FRA for northeast corridor project.
[2] End of year employment ceiling imposed by BOB is 57,700.

[1] As necessary, the answers to these questions include information which is covered in greater detail by each operating administration.

3. What is the geographical extent of your operations?

The Department services all of the 50 States, in addition to the District of Columbia. There are many overseas locations being serviced, such as Berlin, London, Paris, Rome, Guam, Manila, Tokyo, Vietnam, etc.

4. Under your program budgeting breakdown, do you have a support program covering the operations of your office as well as other policymaking personnel?

Yes.

5. How much money is available in fiscal year 1968 for expenditures under this support program?

For the Office of the Secretary the funds available in fiscal year 1968 are $13,690,000 (see attachment 1) broken down as follows (in thousands of dollars):

Research and development:	
General transportation research	$6,021
Research information planning	653
Subtotal, research and development	6,674
Administration	7,016
Total available in fiscal year 1968, Office of the Secretary	13,690

6. Briefly justify expenditures for the support program in terms of the nature and extent of your operations and responsibilities.

The Department was established April 1, 1967. For the first time, nearly all major governmental organizations in the field of transportation were brought together under one Department and under one Secretary. These funds provide for the overall coordination and direction of the various transportation programs.

B. *Budget processes*

7. Has your program breakdown been approved by the Bureau of the Budget?

Yes. The departmental program structure was approved by the Bureau of the Budget before it was promulgated on January 11, 1968.

8. Does your program structure flow generally along functional lines of the agency?

The basic functions of transportation, such as the provision of urban transportation and interurban transportation, form the basis of the program structure.

9. Has the program budgeting concept been fully implemented within your agency as yet in operational terms?

A major part of the program-budget concept has been implemented within the Department, but there are still some gaps and a great need for improvement in quality. Thus far, departmental goals and objectives have been identified; a program structure has been developed; program benefits and outputs are being identified; an annual program-budget review and development procedure has been established; program memorandums and program and financial plans are being developed on a program category basis; and analytical work has been undertaken.

10. To what extent do you believe that your new budget concept will improve the efficiency of agency operations?

We believe that over the long run, full and effective implementation of the PPB concept will greatly improve the efficiency of the agency operations in the broad, most significant meaning of the term "efficiency," that is, attainment of the greatest benefits with a given cost. The PPB system institutionalizes and facilitates the planning and analytical process. As we improve our capability to do more and better planning and analyses, we cannot fail to improve our overall departmental efficiency.

C. *Accounting systems development*

11. Has the GAO given its approval of your accounting system?

Approval has been given in part. The table below sets forth the status of the various systems as reported by the Comptroller General to the Congress.

STATUS OF APPROVAL OF ACCOUNTING SYSTEMS FOR THE DEPARTMENT OF TRANSPORTATION, MAY 30, 1968

Department or agency	Systems subject to approval	Status of systems submitted for review			Agency target date for submission or resubmission [2]
		In process of review	Returned or withdrawn	Approved [1]	
DEPARTMENT OF TRANSPORTATION					
Complete systems:					
Departmental:					
Departmentwide accounting concepts, principles, and standards	1				([3])
Office of Secretary:					
Appropriated funds	1				([3])
Working capital fund	1				([3])
Coast Guard	1			Dec. 29, 1951	([3])
Resubmission					([4])
Federal Aviation Administration:					
Agencywide accounting concepts, principles, and standards	1			Jan. 27, 1967	
Integrated complete accounting system and ancillary accounting systems	1				([5])
Federal Highway Administration	1				([6])
Bureau of Public Roads	1		June 30, 1966		
Resubmission				June 29, 1967	([6])
Federal Railroad Administration	1				([3])
Alaska Railroad revolving fund	1			Sept. 25, 1957	
Subtotal, formal submissions	10		([1])	([4])	
Subtotal, informal submissions					
Total	10		([1])	([4])	
Segments of systems: None					

[1] Because of subsequent legislation and refinements in prescribed requirements, most of the accounting systems that have been approved in the past now need reexamination and appropriate revision in the light of current requirements.

[2] A recent change in General Accounting Office requirements (announced Apr. 25, 1967, and published as an official change to our GAO Policy and Procedures Manual for Guidance of Federal Agencies on May 15, 1967) calls for submission of the accounting principles and standards underlying the system for approval in advance of requesting approval of the system in operation, along with specific time-phased work plans identifying the projects to be carried out to implement the system. The GAO currently is working with departments and agencies with the objective of establishing firm dates and work plans in the near future. However, these steps had not, in most cases, been finalized at June 30, 1967, and, with some exceptions, appropriately revised target dates are therefore not reflected on this schedule.

[3] These systems will eventually be submitted to the Comptroller General for approval. The short time the Department has been in existence has not permitted sufficient progress on systems development plans to enable establishment of definitive target dates for the submission of these systems.

[4] General Accounting Office staff is conducting a review of the financial management system of the U.S. Coast Guard with primary emphasis on the adequacy and effectiveness of internal reporting to meet the informational needs of management. This review has been completed and a report thereon is now being drafted.

[5] Pursuant to a working arrangement between officials of the General Accounting Office and the Federal Aviation Administration (FAA), individual segments of systems are first submitted to the GAO site audit staff for informal review and evaluation before formal approval is requested. Upon receipt of clearance based on such advance review, the FAA will transmit these segments, either individually or in related groupings, to the Comptroller General for formal approval. Under this working arrangement, it is mutually agreed that such informal submission of substantially all segments of the system, adequately documented and tested in operation, by the target date of Dec. 31, 1967, will be considered to have fulfilled FAA's initial commitment for submission of its accounting system. It is believed that this procedure will result in the most expeditious completion of the accounting systems approval process in this case.

[6] The Federal Highway Administration plans eventually to incorporate the accounting for all its bureaus and offices into 1 integrated system through expansion and adaptation of the system approved for the Bureau of Public Roads (BPR). The modifications to the approved BPR system necessary to accomplish this objective will be subject to review and approval in accordance with the Comptroller General's letter of June 30, 1967, approving the BPR system.

12. Is the accounting system basically established in terms of accrual costs as the GAO and this subcommittee have recommended?

Yes.

13. What is the target date for completely implementing an accrual accounting system throughout the agency?

During fiscal year 1969.

14. Is your accounting system output-oriented so that it will be on the same basis as budgeting and planning?

Yes. While not fully implemented, a completely integrated financial management system is planned.

15. What basis do you use for establishing the charges for products or services provided to other agencies, and how are these handled in your accounting system?

Generally actual costs which are identified as reimbursements in the accounting system.

16. Are capital assets, such as building and equipment items, formally recorded in the accounting system, and upon what basis are they depreciated?

Capital assets are recorded in the accounting system and generally depreciated on the basis of useful life.

17. Are the costs of the agency's physical assets considered in establishing the charges for services to other agencies?

Generally, yes.

18. Are agency accounting reports used regularly in program management?

Generally, yes.

19. Are agency accounting policies summarized in an accounting manual with which you staff accountants must comply?

No. Provision for a departmental manual is included in the Department's financial management system plans. Work on this will begin in fiscal year 1969. However, the administrations have developed appropriate manuals.

D. *Management Information System*

20. Do you have an automated management information system for your agency?

No. There are certain portions of the Department that have automated systems within a specific area such as interstate highway progress, personnel, and automated merchant vessels reporting (AMVER). These systems have not been significantly modified or expanded from a departmental view.

21. In general, what functional areas are included in the management information system? (Examples: Financial, planning, and program budgeting, inventory, personnel, et cetera.)

Departmentwide, we are currently developing a management information system for the Secretary that is primarily program oriented. In addition, development is commencing on a DOT manpower information system with preliminary plans calling for relating manpower to programs, costs, et cetera.

Each of the administrations have systems that are further discussed in their respected replies.

22. Briefly describe the state of development of your system and how it operates.

The department system is in the early planning stages. Preliminary plans call for an evolutionary approach utilizing as much as possible, the current systems within the administrations, expanding and modifying them as required to satisfy departmental needs.

23. Did you perform a "requirements" analysis of the entire agency, or just selected areas?

Our long-range plans will call for a departmentwide analysis of need. Unfortunately, there are specific needs for management information that must be satisfied on a piecemeal basis because of priority.

24. To what extent have you considered the need of other agencies for exchanging information with your agency in the development of your system?

Secretary Boyd established an Information Management Steering Committee chaired by the Deputy Under Secretary on March 14, 1968. As part of the charter, the committee will be responsible for "developing, coordinating, and providing for administration of a national transportation information system." This effort will include coordination with transportation related agencies such as ICC, CAB, and Commerce. The committee will define "DOT's role in the system."

25. Are you developing a standard data base of information for the entire agency?

This is a long-range goal of both the Information Management Steering Committee and the management information development efforts.

26. In reporting statistical information, what standards for coding are you using?

Where standards are called for, such as in BOB A–83 on the computer management information system, we utilize them.

27. Have you explored all of the information requirements common to your agency which might exist within the data base of other agencies?

The Transportation Department's establishment brought together many transportation related agencies, bureaus, and other organizational subcomponents. In addition, staffing efforts have brought together varied expertise and Governmental (Federal, State, and local) backgrounds. This has placed us in an advantageous position in being aware of other agency data base capabilities. On occasion, DOT has utilized this for satisfying specific requirements. The Information Management Steering Committee will investigate other agencies' data base capabilities as part of its charter for developing plans for a transportation information system.

28. Are your performing the work in-house, or are you utilizing contractor personnel?

The Office of the Secretary is utilizing in-house capability as is the majority of the administrations. One exception is the FHWA which is making extensive use of contractor personnel for its MIS development.

29. What main benefits do you feel your management information system will provide in the management of your agency's activities?

Management information is a tool of planning and control. DOT's system will aid in planning programs, et cetera, giving a measure of the performance and adherence to the plan.

30. What is your estimated dollar cost for the completion and operation of the basic parts of your management information system?

It is too early in the planning to make a reliable estimate of the cost of developing and implementing the DOT information system.

31. At what level is the determination made concerning what is needed in the management information system?

In general, the decision will be a cost benefit one made at the Assistant Secretary of Administration level. The specific content and outputs of the developed system will be determined by the users of that system.

E. *Internal Auditing*

32. Do you have a centrally organized internal audit system within your agency which operates independently of department and agency operation?

No. The Department of Transportation presently maintains a decentralized internal audit system under the general guidance of a Director of Audit located in the Office of the Secretary. This decentralized audit system has been approved as being most feasible during the initial stages of the Department's existence. It is also in consonance with the Department's decentralized organizational structure and operational programs assigned to the FAA, the FHWA, the Coast Guard, and other smaller administrations.

Although the Director of Audit and the decentralized internal audit staffs, with the exception of FHWA, report to an official who has responsibility for some audited operations, independent and objective audit action, has not been inhibited.

The present decentarilization audit system further reflects enough flexibility to permit organizational changes that may be warranted in the interests of greater economy and efficiency. The following factors are illustrative:

(*a*) Separate internal audit staffs have not been established in the newer and smaller administrations (e.g., FRA, SLSDC, and NTSB). These administrations are centrally audited by the Office of Audit, OST.

(*b*) An aggressive evaluation program has been established by the Office of Audit, OST, to ascertain whether or not audit services within the Department meet the needs of management and whether they are compatible with highest professional auditing standards. In this regard, all internal audit reports issued by the administrations are reviewed by the Office of Audit and special field evaluation is made of each administration's audit function.

(*c*) During the first year of the Department's operations, two significant internal audit organizational changes have been effected or approved. In FHWA, the internal audit function has been transferred from the jurisdiction of the field FHWA Administrators, to the central direction of the Office of Audit and Investigations. In FAA, a similar centralization of internal audit has been approved by the Department, and GAO was officially notified.

(*d*) A formal "counterpart" study of all audit resources in the Department is planned early next fiscal year. This study may result in consolidation of certain audit functions that are now being carried out at different organizational levels.

33. Is your internal audit staff made up of persons with experience in accounting and auditing?

The internal audit staffs of the Department are made up principally of persons with experience in accounting and auditing.

34. Is the scope of review by the internal audit staff limited in any way?

With the exception of the Coast Guard, the scope of review by the internal audit staffs within the Department is not limited. The Coast Guard's present financial management limitation placed upon its internal audit scope, has been specifically identified in a recent evaluation by the Office of Audit, OST, and the matter is now under discussion with the Commandant, U.S. Coast Guard.

35. Are all reports and recommendations of the internal audit staff submitted in full directly to the head of the agency?

All final audit reports and recommendations prepared by the Office of Audit, OST, are submitted in full to the Secretary and all Assistant Secretaries. In the administrations, audit reports and recommendations are generally submitted directly to the respective Administrators and pertinent summaries thereof are periodically prepared by the Office of Audit, OST, for the Secretary and Assistant Secretaries.

36. Is the audit staff responsible to or subject to direction by any official who is also primarily responsible for an activity which might be audited?

With the exception of FHWA, the departmental audit staffs report to officials who are also responsible for some activities audited. However, this arrangement has in no way affected the independence or objectivity of the audits performed, nor has it prevented direct access to the head of the organizations where warranted. Within the Office of the Secretary, the audit responsibility to the Assistant Secretary for Administration has actually enhanced the importance and recognition of the audit functions through his close relationship with the Secretary and other Assistant Secretaries.

37. Are the personnel assigned to the internal audit function adequately protected from recriminations and arbitrary personnel action that might result from an adverse effect of their reports upon other agency employees?

Yes.

38. Are all reports and recommendations of the internal audit staff available to the Comptroller General and to appropriate congressional committees?

All departmental reports and recommendations are available to representatives of the Comptroller General and the appropriate congressional committees upon request. The GAO further has free access to all workpapers and other data supporting the audit reports.

F. *Automatic Data Processing*

39. Do you have a central organization in your agency which is responsible for ADP management?

Yes. Under the guidance of the Assistant Secretary for Administration and the Director of Management Systems is the Data Systems Division which has the functional responsibility for ADP management.

40. Will you describe its functions?

Its function is, broadly speaking, to provide review, development, and leadership of a comprehensive departmental data handling system covering all ADP requirements, resources, applications, and standards.

41. Who has the responsibility for deciding whether or not the use of a computer for a particular function within your agency is justified?

This is a joint responsibility. The administrators are empowered to approve systems costing $25,000 or less as a complete system. All others are reviewed at the secretarial level with approval vested in the Assistant Secretary for Administration.

42. On what basis is the decision made? Are there documented systems studies available for review in all cases?

The decision is made on the basis of in-depth quantitative analysis. All studies are documented and on file for review.

43. Can you cite instances in which a request for a computer system was disapproved for lack of adequate justification?

Yes. We recently disapproved the purchase of a large-scale machine by one of our administrations because of the lack of adequate justification.

The National Highway Safety Bureau proposed the purchase of an IBM 7094 computer for UCLA at a cost of approximately $600,000 for use in highway safety research. The alleged rationale was that (1) a considerable number of programs of continuing research value had been written for this computer, (2) the relation of the computer to UCLA's auto driver simulator. This proposal was rejected on the grounds that: (*a*) Obsolescence of the 7094 computer. (*b*) actual DOT utilization would be no more than one shift. The Bureau was asked to renegotiate with UCLA for a contract for actual use of up to one shift and reprograming for a later generation computer which would be compatible with DOT's long-range system planning.

44. Assuming the use of a computer has been fully justified by a proper study, are there procedures for determining whether the requirement can be satisfied by using (sharing) equipment already installed in your agency? Will you describe the procedures?

Yes, there are. Once the requirement has been established, the administrations are required to attempt a solution by sharing and provide complete documentation when both agencywide and Government-wide sharing cannot solve the problem. Sharing is also addressed again during the review at the secretarial level. Also each administration participates in the Government-wide ADP sharing exchange program.

45. To what extent have you been successful in getting the users to share equipment instead of acquiring their own?

We have had very good success in consolidating and sharing of ADP facilities by our administrations. For example:

(1) Data processing facilities of Coast Guard and FAA have been consolidated in Honolulu at an annual saving of about $22,500 per year.

(2) FAA is time sharing with Coast Guard in New York, thereby obviating the need for purchasing outside services.

(3) There is a technical feasibility for FHWA to perform data processing for Coast Guard in San Francisco. We are now attempting to work out a modest augmentation of the FHWA configuration so that this installation can act as a service bureau for other agencies in downtown San Francisco under the general auspices of GSA.

(4) The FAA has assumed monitorship of the GSA time-sharing program in Alaska. The technical feasibility of FAA to use the Alaska Railroad's computer in Anchorage has been established if a moderate augmentation of the Alaska Railroad configuration can be effected. Certain legal and funding problems are being addressed.

(5) It has also been possible to arrange for all data processing requirements of the NTSB and OST to be met with the facilities of the Coast Guard, FAA, and FHWA.

46. Do you review the GSA lists of available excess equipment before going to the open market to acquire equipment?

Yes. The excess equipment lists are addressed twice: (1) during the initial systems study, and (2) during the equipment selection process.

47. Who makes the determination that excess equipment can or cannot do the job?

Except for the very small systems which our administrations can approve, the evaluation is made at the secretarial level.

48. What has been your experience in making use of excess equipment?

As a new department, none at all. However, when excess equipment was not available from GSA, one of our administrations did save $43,000 by negotiating for used equipment with the manufacturer using the Federal Supply Schedule as a guide. It was reported in our initial submission of BOB Circular A–79 report on ADP equipment.

49. Assuming it is necessary to acquire equipment from the commercial market, do you normally invite all qualified suppliers to submit proposals. What are the exceptions?

Yes. The only exception has been an interim procurement on a lease basis to augment a system until a full systems study could be made, to support a competitive RFP. In this case, all manufacturers were called in, the situation explained, and they accepted.

To improve the competitive climate with DOT, the Data Systems Division has inaugurated a program of systematic briefings of ADP managers throughout DOT by all principal manufacturers so that full range of what's on the market will be known. Control Data and Univac have given briefings to date.

50. Who makes the final selection of equipment, and on what basis is the decision made?

We have drafted procedures for selection by a board composed of knowledgeable individuals from throughout DOT. Their recommendations are then presented to the Assistant Secretary for Administration for a final approval. It is made on evaluation of 5 major areas: (1) software, (2) vendor support, (3) technical characteristics, (4) systems performance, and (5) cost. The system that is evaluated to be the most advantageous to the Government is the one chosen.

51. Describe your program for evaluating the actual results of computer use against results anticipated when the use of the computer was approved.

There is a continuous monitorship at the secretarial level. However, we have under development a more formalized approach using a detailed questionnaire.

52. In general, have your computers produced the benefits that were expected?

Yes.

53. How many computers do you now have, and how many of these are purchased?

We have a total of 66 main frames of which 55 are purchased and 11 are leased.

54. Who makes the decision on whether computers are purchased or leased? On what basis are the decisions made?

This is a function of the selection team who base their decisions on a quantitative analysis of the lease versus purchase study which is required in all cases. The recommendation is sent to the Assistant Secretary for Administration for final approval.

55. Is your agency now using any leased ADP equipment? If so, how much longer do you expect to use it?

Yes. As long as it remains cost/beneficial to the Government to retain the equipment by this method.

56. Have you made use of third-party leasing arrangements? If so, what has been your experience with these arrangements?

No, but we are investigating this area.

57. To what extent have you developed standard systems of applications which are used by your computer installations?

We are in the process of studying common systems for implementation DOT-wide. We have one presently under study, a manpower personnel system.

58. Will you describe the steps you have taken for the development of standard data elements for use by your Department under the program recently established by Bureau of the Budget Circular A–86.

It is departmental policy to use standard data elements whenever possible. Our Office of Transportation Information Planning and our Data Systems Division along with our Data Processing Systems Council are addressing themselves to this area.

59. What do you consider to be the most pressing problems that need to be overcome for you to make better and more efficient use of computers in your agency?

There are two of about equal significance:

(1) Education of various functional managers; that is, personnel, finance, research, planning, etc., to the state of the ADP art so that the management function is able to enjoy the capabilities and power of the machine and use it in the most consequential ways.

(2) To minimize escalation of ADP requirements in each administration by replacing a divided effort with a concerted long-range plan based upon time sharing centralized to the degree affording the most benefits. A general concept of such a system has been developed and a contract with a qualified systems engineering organization to verify cost/benefits is contemplated.

G. *Personnel management*

60. Where is the responsibility placed for manpower planning in your agency?

Responsibility for manpower planning rests with the Commandant and administrators and, for OST, with the Assistant Secretaries. The Office of Personnel and Training under the Assistant Secretary for Administration is responsible for coordinating and providing leadership for manpower planning as well as for the conduct of a departmentwide program in those areas that cut across operating administration lines. Manpower planning activities within the Department at the present time range from relatively sophisticated programs in the Federal Aviation Administration and U.S. Coast Guard to a bare beginning in those new administrations established with the creation of the Department of Transportation.

61. What manpower requirements are forecast for your agency and how are these determined?

Manpower requirements are forecast in major program areas (e.g., Coast Guard officer requirements, air traffic control requirements) based on such factors as predicated growth in gross national product and commercial and general aviation.

62. Is the work in your agency organized with some consideration of the effect on position classification so that the mission can be accomplished with the minimum number and cost of positions?

Effect on position classification is a primary consideration in the manner in which work is organized in the Department of Transportation. We have in the final stages of development a Department of Transportation organization and position management control system based on the criteria and guidelines con-

tained in Bureau of the Budget circulars A–44 (revised) dated August 13, 1966, and A–64 (revised) dated June 28, 1965, and section 125(f) of Public Law 88–426 (Salary Reform Act of 1964). This system of organization, budgetary, and position management control provides for critical management review at all levels of the organization. In addition, we have an executive personnel board which functions as a critical review on all matters relating to supergrade positions.

63. Is the classification of positions in your agency in accord with applicable Civil Service Commission standards?

We have plans for implementing internal cyclic classification audit and review programs which, coupled with periodic onsite inspections by the Civil Service Commission, will insure that classification of positions is in accord with applicable Civil Service Commission standards. The Civil Service Commission has scheduled a nationwide review of personnel management (including position classification) in the Department of Transportation to commence in fiscal year 1969.

64. Has the agency established career possibilities to assist in development and advancement of employees?

Individual elements of the department (e.g., FAA and FHWA) have established a number of career development programs which assist employees in preparing for advancement. We have not yet had the time or resources to establish comprehensive career programs which cut across the entire department. Within the next fiscal year we will be establishing various personnel procedures which will make it easier for employees to secure career development assignments in different parts of the department. We are already assigning Coast Guard officers to civilian DOT elements in part to take advantage of their skills and expertise but also as a means of making them better officers.

65. Would you describe what means your agency uses to recruit quality personnel?

Recruiting programs vary in scope and size depending on the needs of the component doing the recruiting. The Coast Guard, for example, has an outstanding program to recruit engineers through a student coop program. Under the coop plan, a student alternates semesters at a university with periods of trainee engineering work in various parts of the Coast Guard organization, both in Washington and in the field.

66. Does your agency emphasize promotion of employees on the basis of merit?

Every component of the department has a merit promotion program in operation. The operations of these programs will be one of the most important subjects selected for systematic evaluation during fiscal year 1969.

67. How does your agency consider employee complaints, grievances, and appeals?

Complaints, grievances, and appeals are handled through individual systems which have been designed to fit the needs of the various elements of the department. In fiscal year 1969, we will be developing departmental procedures which will set an overall framework for handling such problems. These procedures will allow flexibility where the size of the organization or geographic dispersion of employees make adjustments necessary.

68. Is personnel management considered to be an integral part of the mission of your agency?

Personnel management is an integral part of the mission of the Department of Transportation as evidenced by such activities as the operation of an executive personnel board which functions as a critical review on all matters relating to supergrade positions; initiation in fiscal year 1968 of counterpart studies to determine the most efficient and economical distribution of available resources; completion of an occupational study for the Alaska Railroad; participation with the Civil Service Commission in classification standards studies, etc.

69. How does your agency treat equal employment opportunity and employment of the handicapped?

Equal employment opportunity without regard to discrimination on the basis of race, creed, color, sex, or national origin is a keystone DOT policy. A separate Office of Equal Opportunity, reporting directly to the Secretary, was established to provide central leadership and independent program evaluation. Equal opportunity is regarded as a prime responsibility of all levels of management. The Director of Personnel and Training is responsible for developing programs which assure equal opportunity in all phases of DOT personnel operations.

Employment of the handicapped is an important program in the Department. To cite just one example: Since 1964 the Bureau of Public Roads, Coast Guard, and FAA have appointed 96 mentally retarded persons in a wide variety of

routine jobs such as card punch operator, messenger, and library aid. These appointments were made at the GS–1 level. Our experience is that most such appointments work out very well.

H. *G.A.O Audit Reports*

70. Has the General Accounting Office issued any audit reports on the overall operations of your agency, that is, reports not directed at a functional program of the agency, but rather at the management and administration of the agency?

No.

71. If so, to what exent have the recommendations contained in these reports been carried out?

Not applicable.

II. QUESTIONS ON OPERATIONS AT THE PROGRAM LEVEL

Activity 1 (Office of the Secretary): General Administration

1. What is the nature of and authority for this program?

This program covers policy development, central supervision, and coordinating functions necessary for the overall planning and direction of the Department. It includes the immediate secretarial offices, Assistant Secretaries, General Counsel, as well as staff assistance and supervision of general management and administration in the Department, and general support services for the Office of the Secretary.

Authority for this program is contained in Public Law 89–670, section 3, and Public Law 90–112, title I.

2. Who is the person primarily in charge of this program at the operative level (name and title)?

The persons having responsibility for this program at the operative levels are:

Assistant Secretary for Policy Development: Cecil Mackey.
Assistant Secretary for Public Affairs: John L. Sweeney.
Assistant Secretary for International Affairs and Special Programs: Donald G. Agger.
Assistant Secretary for Research and Technology: Frank W. Lehan.
Assistant Secretary for Administration: Alan L. Dean.
General Counsel: John E. Robson.

3. How much money and capital equipment is available under this program for fiscal 1968?

Salaries and expenses, etc	$6,916,000
Capital equipment	100,000
Total	7,016,000

4. Would you describe the output generated by this program?

The output generated by this program is essentially management direction and guidance in the form of policy pronouncements, procedures, instructions, evaluations, financial and personnel actions, and other necessary activities to facilitate the continuing development of the Department and to assure its efficient operation.

5. Can you quantify this output in any way?

The quantification of this output would be difficult and time consuming, and would not necessarily reflect the efficiency of the general administration activity of the Department. However, such output includes many hundreds of activities relating to policy pronouncements, management studies, financial and budget presentations, personnel actions, audits and investigations, speeches, procurements of furniture, fixtures, and space, handling of congressional and public inquiries, field coordination visits, periodic management meetings, and a wide range of other activities.

6. Would you describe the principal operations that are involved in producing this output?

The principal operations that are involved in producing this output are policy development, research and technology, international affairs, administration, public affairs, and legal.

7. How many employees are involved in the program and in what general type of employment categories do they fall?

The general employment categories in this program are economists, attorneys, budget analysts, personnel specialists, management analysts, accountants, auditors, and various technical and clerical categories.

8. What is the grade structure and how many supergrades—quota and non-quota—are involved?

General administration—Grade structure, fiscal year 1968 authorized

Executive levels	9	GS–8	26
GS–18	[1]6	GS–7	44
GS–17	[1]10	GS–6	30
GS–16	6	GS–5	22
GS–15	158	GS–4	7
GS–14	63	GS–3	1
GS–13	27	GS–2	1
GS–12	12	GS–1	1
GS–11	8	Ungraded	4
GS–10	9		
GS–9	37	Total	481

[1] 1 nonquota.

9. What capital equipment, such as ADP, if any, do you rely upon to fulfill this program?

There is no capital equipment presently involved in the accomplishment of this program.

10. Do you expect the expenditures or the benefits of the program to grow appreciably in the future?

It is expected that the expenditures and benefits of this program will grow at modest levels consistent with the appropriation of necessary funds to permit attainment of the full potential of the Department.

11. At what level are the personnel responsible for the various parts of the program coordinated to determine if the program as a whole is being efficiency carried out?

The personnel responsible for the various parts of the program are coordinated at the secretarial level through periodic meetings, communications, and liaison, to assure that the program as a whole is being efficiently carried out.

12. Is there a continual program review within the agency, other than the annual budgetary review, to determine more effective and efficient ways to achieve these program objectives?

Other than the annual budgetary review, there exists a review program to determine more effective and efficient ways to achieve the program objectives. This review program includes independent audit, functional evaluations, and periodic masurements of accomplishment.

13. To your knowledge, does this program duplicate or parallel work being done by any other agency?

Although the general administration mechanisms per se are not unique to this Department, their relation to the overall transportation objective does not duplicate or parallel work done by any other agency.

14. Is your organizational structure such that the program is being carried out most efficiently and effectively?

At this stage of the Department's development, after 1 year of existence, we believe that our organizational structure is suitable to assure accomplishment of the program efficiently and effectively. Continuous evaluation and reassignments are being made during the Department's evolutionary period.

15. Are there any outstanding GAO reports on this program? If so, what is the status of the GAO recommendations the report contains?

There are no outstanding GAO reports on this program.

16. What significant problems, if any, are you facing in accomplishing the program objectives?

The most significant problems presently encountered in accomplishing the program objctives relate primarily to adequacy of funding and positions, recruitment of qualified staff, and limited number of authorized supergrades.

17. Do you administer any grants, loans, or other disbursed funds related to this program? If so, is the size of your administrative staff commensurate with the magnitude of the outlays?

We generally do not administer any grants, loans, or other disbursed funds related to this program.

18. If your appropriations were reduced, how would you absorb the cut—by an overall reduction, or by cutting or curtailing certain activities?

If appropriations were reduced, we would probably absorb the cut by curtailing certain activities.

19. If additional funds were available, what would you do with the new money?

If additional funds were available, more emphasis would be placed upon acquisition of staff, facilities and necessary travel.

Activity 2 (Office of the Secretary): Transportation Research

1. What is the nature of and authority for this program?

The transportation research program has as its primary objective the development of information and the conduct of analyses upon which transportation policies and programs can be formulated which will best contribute to the goal of a safe and efficient national transportation system. The activities under this program fall into three major areas of interest.

(*a*) General transportation research—This activity includes technical, economic and other studies in the field of transportation research.

(*b*) Northeast Corridor transportation projects—This activity covers research designed to develop intercity transportation plans and programs for the Northeast Corridor region for 1980 and beyond.

(*c*) Transportation information planning—This activity covers research for planning and developing a comprehensive program to improve the reliability, compatibility, availability, and utility of information relating to the Nation's transportation system.

The authority for the activities of the Assistant Secretary for Research and Technology in the transportation research program is generally derived from Public Law 89–670 (Department of Transportation Act), sections 2 and 4. The collection of transportation data, statistics, and other information relevant to the improvement of the national transportation system is authorized by Public Law 89–220 (High Speed Ground Transportation Act), section 4. The responsibility for chairing the principal committees governing the interagency aircraft noise abatement program was transferred to the Department from the Office of Science and Technology by correspondence dated August 25, 1967, from D. F. Hornig, Special Assistant to the President for Science and Technology.

2. Who is the person primarily in charge of this program at the operative level (name and title)?

Frank W. Lehan, Assistant Secretary for Research and Technology. Cecil Mackey, Assistant Secretary for Policy Development.

3. How much money and capital equipment is available under this program for fiscal 1968?

General transportation research	$2,600,000
Northeast Corridor transportation	3,200,000
Transportation information planning	600,000
Other	274,000
Total	6,674,000

No capital equipment is required or involved.

4 and 5. Would you describe the output generated by this program? Can you quantify this output in any way?

For the most part, the work under the transportation research program in fiscal year 1968 comprises projects which will not be completed until fiscal year 1969 or beyond. Those efforts which are coordinative or evaluative in nature do not represent discrete projects with discrete outputs. The program does generate basic economic statistical data, analysis of transportation systems, and investment criteria which are used in the development of transportation policies and programs.

In the area of transportation data research, for example, systems for the collection, processing, and dissemination of rail and motor truck freight flow data will be developed, tested, and put into operation over the span of a year or two. The output for fiscal year 1968 in this and similar cases can only be described in terms of decisions made, RFPs advertised, and the like. Similarly, technical studies to develop concepts and define requirements for follow-on systems (e.g., air traffic control systems), though initiated this year, will not be completed until next year.

In the area of noise abatement, a major responsibility is the overall coordination of Government activities in aircraft noise reduction through the interagency aircraft noise abatement program (IANAP). Of the research projects undertaken by the IANAP, some are jointly funded by the participating agencies with this Department taking its proportionate share, while others are independently funded. Outputs of these kinds do not readily admit of quantification.

6. Would you describe the principal operations that are involved in producing this output?

Research requirements are first defined and clarified by in-house personnel. Individual projects when identified are competitively awarded to contractors for the actual conduct of the research. Staff personnel exercise technical supervision during the course of the contract and insure that results obtained are integrated into the policy decision process.

7. How many employees are involved in the program and in what general type of employment categories do they fall?

There are 52 positions authorized in the following general employment categories: Engineers (mechanical, chemical, radiological, etc.), requirements officers, physicists, secretaries, and typists.

8. What is the grade structure and how many supergrades—quota and nonquota—are involved?

GS–16 (nonquota)	1	GS–9	16
GS–15	14	GS–8	2
GS–14	16	GS–7	3
GS–13	5	GS–6	1
GS–10	1	GS–5	3

9. What capital equipment, such as ADP, if any, do you rely upon to fulfill this program?

We do not rely on capital equipment to fulfill this program. Such ADP research requirements as arise are accomplished through our normal contract procedures.

10. Do you expect the expenditures or the benefits of the program to grow appreciably in the future?

As can be expected, when offices have just been recently established and are in the process of staffing, expenditures, particularly on research contracts, are constrained to keep in balance with the capacity of these offices to effectively plan and monitor research projects. Some growth in expenditures, therefore, can be anticipated as these offices staff up to authorized levels.

Future benefits from projects initiated in fiscal year 1968, particularly in transportation data research, offer promise of being disproportionately high in relation to future costs. As the rail freight flow data system, for example, goes into operation, the benefits from this system grow from essentially zero to some higher value and continue to grow as industry and Governmnet make increasing use of the flow data. From a utility standpoint, two things can be said about this flow data. Relative to any prior similar data, its utility should be significantly enhanced inasmuch as its form and content will more closely match current user requirements. In addition, the user will be getting timely data perhaps for the first time. In relation to benefits, which will have increased significantly with time, costs should decrease from the higher level associated with the system development phase to some lower level required to maintain the system in operation.

11. At what level are the personnel responsible for the various parts of the program coordinated to determine if the program as a whole is being efficiently carried out?

The various elements of this research program are coordinated by the Offices of the Assistant Secretary for Policy Development and the Assistant Secretary for Research and Technology.

12. Is there a continual program review within the agency, other than the annual budgetary review, to determine more effective and efficient ways to achieve these program objectives?

Procedures are being evolved by which all departmental research and development, including the transportation research program, will be monitored on a continuing basis and periodically reviewed in depth on a selective basis.

13. To your knowledge, does this program duplicate or parallel work being done by any other agency?

No; however, it complements related activities of several other governmental agencies. Work in transportation data research is closely coordinated with related activities in the Bureaus of Budget and Census, HEW, HUD, ICC, and CAB. The Office of Transportation Information Planning, for example, has representation on the advisory committee (to the Bureau of Census) on small area data.

The work in noise abatement is itself largely coordinative in nature. The IANAP, for example, functions to ensure that the aircraft noise reduction programs of the several participating activities are non-duplicative and comple-

mentary. Land use criteria development projects are undertaken jointly with HUD.

The Office of Research and Development has general responsibility to monitor all research and development within the Department and concurrently maintain an awareness of related research being undertaken elsewhere in Government or private industry in order to: (1) insure that intra-departmental research is not unnecessarily duplicative, and (2) departmental research is planned to complement and benefit from related research wherever conducted.

14. Is your organizational structure such that the program is being carried out most efficiently and effectively?

Yes.

15. Are there any outstanding GAO reports on this program? If so, what is the status of the GAO recommendations the report contains?

No.

16. What significant problems, if any, are you facing in accomplishing the program objectives?

The problems encountered, at this point in time at least, are limited to those attendant to the full establishment of an organization and the staffing of that organization with adequately skilled and experienced scientific and engineering talent. Once the organization is properly staffed, other problems may become apparent; however, it appears unmeaningful to attempt forecasting them at present.

17. Do you administer any grants, loans, or other disbursed funds related to this program? If so, is the size of your administrative staff commensurate with the magnitude of the outlays?

We do not administer any grants or loans related to this program. Our research funds are dispersed by contract. Our administrative staff we believe is an appropriate number for adequately reviewing research proposals and monitoring research contracts.

18. If your appropriations were reduced, how would you absorb the cut—by an overall reduction, or by cutting or curtailing certain activities?

Our actions in this case would depend on the timing and size of the appropriation reduction. Most likely we would absorb cuts by an overall reduction in our research projects, however greater cuts might be made in one project or another depending on our assessment of priorities at the time.

19. If additional funds were available, what would you do with the new money?

If additional funds were available, we would apply them to many problems related to the role of transportation in our society that at present are beyond our financial capability.

Activity 3 (Office of the Secretary): Working Capital Fund

1. What is the nature of and authority for this program?

Section 9(j) of the Department of Transportation Act authorized the Secretary to establish a working capital fund for expenses necessary for the maintenance and operation of such common administrative services as he shall find to be desirable in the interest of economy and efficiency in the Department. The working capital fund was established effective July 2, 1967, and at present consists of the financing of the editing, printing, and distribution function for all headquarters elements of the Department.

2. Who is the person primarily in charge of this program at the operative level (name and title)?

Alan L. Dean, Assistant Secretary for Administration, OST.

3. How much money and capital equipment is available under this program for fiscal year 1968?

Since this is a revolving fund, the money available is dependent upon the volume of work produced, total cost of operations, and subsequent billings to customer elements. It is estimated that total cost of operations during fiscal year 1968 will be $2,500,000. The acquisition value of the capital equipment is $499,132 and net book value is $302,175.

4. Would you describe the output generated by this program?

The output generated by this program consists of the furnishing of editorial services, production, and procurement of all printing, and distribution of printed matter for all headquarters elements of the Department. Printing and distribution of the departmental telephone directory and locator service is also financed from the working capital fund.

5. Can you quantify this output in any way?

This program consists of approximately 15,000 customer orders of varying types and sizes annually. The output required for these orders consists of approximately 5,000 hours annually for furnishing of editorial service; production of approximately 130 million press units (8 by 10½) annually; approximately 50,000 hours annually for distribution service; and procurement of printing from the Government Printing Office.

6. Would you describe the principal operations that are involved in producing this output?

The principal operations involved consist of editing and proofreading; manuscript preparation; hot metal composition, production of negatives; production of both metal and paper plates; presswork; complete bindery operations; preperation and maintenance of mail lists and distribution of printed matter; and procurement of printed matter from GPO.

7. How many employees are involved in the program and in what general type of employment categories do they fall?

A total of 126 employees are authorized for this program.

8. What is the grade structure and how many supergrades—quota and nonquota—are involved?

There are no supergrades involved in this program and the grade structure is as follows:

GS employees:	
GS–15	1
GS–14	1
GS–13	2
GS–12	7
GS–11	7
GS–9	4
GS–7	12
GS–5	8
GS–4	7
GS–3	10
GS–2	9
Total	68
Wage board employees:	
WP–23	1
WP–22	1

Wage board employees—Con.	
WP–20	3
WP–19	6
WP–17	4
WP–16	4
WP–15	1
WP–14	8
WP–13	2
WP–12	7
WP–9	14
WP–8	1
WP–7	1
WP–6	1
WP–5	2
WP–4	2
Total	58

9. What capital equipment, such as ADP, if any, do you rely upon to fulfill this program?

Capital equipment consists entirely of printing, binding, and related equipment, with a total acquisition value of $499,132.

10. Do you expect the expenditures or the benefits of the program to grow appreciably in the future?

It is anticipated that additional common administrative services will be established and/or transferred to the working capital fund in the future, such as ADP services; visual aids; building management; communications; duplicating and copying; mail and messenger services; motor pool management; and supply service and warehousing.

11. At what level are the personnel responsible for the various parts of the program coordinated to determine if the program as a whole is being efficiently carried out?

Personnel responsible for various parts of the program are coordinated at the level of the Director of Administrative Operations, OST.

12. Is there a continual program review within the agency, other than the annual budgetary review, to determine more effective and efficient ways to achieve these program objectives?

In addition to periodic internal audits performed by the Office of Audit, OST, the program is reviewed on a continuing basis by the Office of Administrative Operations. Operating efficiencies for each work process are reviewed monthly and comparisons are made with established and approved standards.

13. To your knowledge, does this program duplicate or parallel work being done by any other agency?

This program does not duplicate work being performed by any other agency. However, it is parallel to work being performed by the Government Printing Office and other Departments which have a departmental printing plant, authorized and operated under the guidance of the Joint Committee on Printing.

14. Is your organizational structure such that the program is being carried out most efficiently and effectively?

Yes. The program is being carried out under the guidance of the Chief, Publishing and Graphics Division, reporting directly to the Director of Administrative Operations.

script preparation; hot metal compostion, production of negatives; production

15. Are there any outstanding GAO reports on this program? If so, what is the status of the GAO recommendations the report contains?

No. This program was established on July 2, 1967, and no GAO reports have yet been rendered.

16. What significant problems, if any, are you facing in accomplishing the program objectives?

There are no significant problems at the present time.

17. Do you administer any grants, loans, or other disbursed funds related to this program? If so, is the size of your administrative staff commensurate with the magnitude of the outlays?

No grants, loans, or other disbursed funds are administered under this program.

18. If your appropriations were reduced, how would you absorb the cut—by an overall reduction, or by cutting or curtailing certain activities?

Appropriations are not directly involved in this program. However, should the appropriations for the various customer elements be reduced, a reduction in customer requirements could result. In this event, the work force would be reduced, commensurate with the workload.

19. If additional funds were available, what would you do with the new money?

Not applicable to the working capital fund.

PROGRAM CATEGORY 1. U.S. COAST GUARD

Activity 1. Operating Expenses

1. What is the nature of and authority for this program?

For necessary expenses for the operation and maintenance of the Coast Guard and Coast Guard Reserve, not otherwise provided for, including hire of passenger motor vehicles; services as authorized by 5 U.S.C. 3109; maintenance, operating, and repair of aircraft; recreation and welfare; and uniforms or allowances therefor as authorized by law (5 U.S.C. 5901; 80 Stat. 299). The authority for this program is contained in titles 5, 10, 14, 19, 26, 33, 37, 46, and 50 United States Code.

2. Who is the person primarily in charge of this program at the operative level (name and title)?

The program directors are in charge. They are as follows:

Rear Adm. M. A. Whalen, Chief of Staff.
Rear Adm. R. W. Goehring, Chief, Office of Operations.
Rear Adm. C. P. Murphy, Chief, Office of Merchant Marine Safety.
Rear Adm. J. D. McCubbin, Chief, Office of Reserve.

3. How much money and capital equipment is available under this program for fiscal 1968?

$366,951,000.

Plant

Vessels (April 1, 1968):

High endurance and oceanographic cutters	36
Medium endurance cutters	25
Icebreakers	10
Patrol boats 82 feet	70
Patrol boats 95 feet	35
Buoy tenders	129
Other	42
Total	347

Boats:	
Over 45 feet	91
45-foot buoy boats	18
44-foot motor life boat (MLB)	73
40-foot utility and buoy	212
36-foot MLB and other	83
30-foot utility	169
Other	1,663
Total	2,309
Aids to navigation:	
Fixed:	
Manned lights	258
Unmanned lights	11,089
Fog signals	593
Day beacons	7,260
Radio beacons	220
Floating: Buoys	25,688
Aircraft:	
C–130 long-range search	13
HU116E medium-range search	68
HH52 short-range recovery	68
Other	12
Total	161
Shore units (includes subunits):	
Air stations (plus 1 air detachment)	26
Bases	30
Search and rescue and law enforcement stations	164
Light stations	231
Training centers and Academy	5
Recruiting offices	59
Loran A stations	33
Loran C stations	16
Loran A–C stations	8
Loran monitor stations	10
Radio station	15
Total	597

4. Would you describe the output generated by this program?
5. Can you qualify this output in any way?
6. Would you describe the principle operations that are involved in producing this output?

Coast Guard—Operating Expenses

Program and Performance

The Coast Guard employs multipurpose vessels, aircraft, and shore units, strategically located along the coasts and inland waterways of the United States and in selected areas overseas to carry out the duties specified in title 14, United States Code.

Direct program—1. *Search and rescue.*—Most Coast Guard operating facilities have the capacity for promoting saftey on or over the high seas and on waters subject to the jurisdiction of the United States. The Coast Guard performs any and all acts necessary to rescue and aid persons and save property placed in jeopardy due to marine and aircraft disaster or due to floods and ice conditions (14 U.S.C. 88). Coast Guard activities in the area of search and rescue fall within the national SAR plan and other agreements.

WORKLOAD DATA

	1966 actual	1967 actual	1968 estimate	1969 estimate
Search and rescue cases responded to by Coast Guard forces	43,366	45,576	47,784	49,341
Value of property assisted (in millions)	$2,633	$2,746	$2,800	$2,900
Lives saved	2,536	2,657	2,790	2,884

2. *Aids to navigation.*—A network of manned and unmanned aids to navigation is maintained along our coasts and on our inland waterways through the use of tenders and shore facilities to insure the safe passage of the mariner. Loran stations are operated in the United States and abroad to serve the needs of the armed services and marine and air commerce (14 U.S.C. 81).

WORKLOAD DATA

	1966 actual	1967 actual	1968 estimate	1969 estimate
Loran A coverage (in millions of square miles): Ground wave	10.53	9.88	10.32	10.32
Loran C coverage (in millions of square miles): Ground wave	9.75	10.8	11.8	11.8
Federal floating aids	24,699	24,770	24,819	24,866
Federal fixed aids and short range electronic aids (radiobeacons)	18,407	19,673	20,064	20,455
Private aids authorized	22,592	23,700	24,800	25,900

3. *Merchant marine safety.*—The Coast Guard insures compliance with Federal statutes and regulations pertaining to the merchant marine industry by reviewing plans and specifications for the construction or alteration of merchant vessels, by periodic inspections, by conducting marine casualty investigations, and by setting standards, procedures, and practices under which merchant marine personnel are regulated (14 U.S.C. 2).

WORKLOAD DATA

	1966 actual	1967 actual	1968 estimate	1969 estimate
Vessel inspections	43,530	46,209	46,500	47,004
Foreign vessel examinations	1,544	1,624	1,704	1,780
Casualty investigations	4,610	4,670	4,703	4,790
Recreational boating investigations	651	683	715	747
Vessels documented	61,979	64,881	67,750	70,750
Vessel plan approvals	37,685	34,062	36,786	38,257
Foreign vessel hazardous cargo plan approvals	[1] 861	3,214	3,250	3,250
Equipment approval certificate renewals	876	876	911	929
Development and preparation of regulations, standards and publications (man-hours)	12,432	13,636	16,363	17,999
Licenses issued	6,342	6,420	6,510	6,600
Seaman certificates issued	43,289	44,800	46,200	47,700
Personnel investigations	17,737	18,200	18,600	19,100
Shipment of seamen (number of transactions)	449,796	458,000	447,000	437,000

[1] 1st partial year of implementation.

4. *Marine law enforcement.*—Vessels, aircraft, and shore units enforce Federal laws on the high seas and waters over which the United States exercises jurisdiction. Law enforcement activities include fishery patrols; Campeche, Key, and Alaskan patrols; small-boat boarding; supervision of explosives loadings; enforcement of dangerous cargo regulations; and port control (14 U.S.C. 89, 91).

WORKLOAD DATA

	1966 actual	1967 actual	1968 estimate	1969 estimate
Port safety:				
Ports in which port security forces are located	37	37	37	38
Vessels on which class A explosives (nonmilitary) were supervised (tonnage)	28,449	32,095	32,000	32,000
Commercial carriers on which military explosives were supervised (tonnage)	883,425	2,012,199	2,500,000	3,000,000
Commercial vessels and barges on which dangerous cargo was inspected	18,584	18,650	18,650	20,055
Waterfront facilities inspected	31,322	31,400	31,400	32,000
Special interest vessels placed under surveillance	210	250	300	350
Port security cards issued	9,633	10,000	10,000	10,000
Offshore enforcement:				
Annual area coverage of patrol zones (square miles in thousands):				
Vessels	3,565	3,600	3,600	3,600
Aircraft	15,819	16,000	16,000	16,000
Foreign vessels observed (daily average)	334	340	350	360
Foreign fishing vessels boarded	35	40	45	50
Boating safety:				
Number of safety patrols:				
By vessels	2,020	7,550	8,850	8,850
By shore units	14,630	24,050	24,000	24,000
Number of motorboats boarded:				
By vessels	4,020	22,600	26,500	26,500
By shore units	61,530	144,300	144,000	144,000
Coast Guard auxiliary:				
Motorboats examined	184,404	190,121	237,651	297,062
Persons instructed	141,096	151,095	179,584	219,093

5. *Oceanography, meteorology, and polar operations.*—The Coast Guard participates in the national marine sciences program (14 U.S.C. 94), which is coordinated by the National Council on Marine Resources and Engineering Development. Its facilities cooperate with the Weather Bureau in taking weather observations from vessels manning six ocean stations (14 U.S.C. 90). Icebreaking is performed by specially constructed icebreakers engaged in polar operations with other agencies (14 U.S.C. 2). Also included in this program is conduct of the International Ice Patrol (46 U.S.C. 738).

WORKLOAD DATA

	1966 actual	1967 actual	1968 estimate	1969 estimate
Number of upper air meteorological observations	8,728	9,010	9,060	9,060
Average height (feet) of meteorological observations	58,500	60,000	60,000	68,000
Aircraft flights serviced by ocean stations	55,100	68,970	80,050	84,370
Oceanographic stations occupied	963	2,239	3,975	8,500
Miles of ship survey track steamed		9,000	8,000	8,000
Miles of aircraft survey track flown	72,000	75,000	75,000	80,000
Tons of cargo delivered to polar regions via escort ships	446,500	444,200	445,000	445,000
Number of oceanographic observations	70	119	200	275

6. *General support*—Certain facilities of the Coast Guard provide overall direction and support of all Coast Guard programs. Included are radio stations, repair and supply facilities, and nonoperational services at Headquarters and district offices.

7. *Military readiness and operations.*—The Coast Guard operates as a service in the Navy in times of war or national emergency. During peacetime, readiness training is received by major units and facility armament is maintained in a state of readiness (14 U.S.C. 3). Included in this category are Coast Guard operations in Vietnam.

WORKLOAD DATA

	1966 actual	1967 actual	1968 estimate	1969 estimate
Number of cutters required to receive Navy refresher training:				
High endurance cutters	36	36	31	31
Medium endurance cutters	3	4	6	15
Percentage of cutters completing refresher training:				
High endurance cutters	67	67	71	71
Medium endurance cutters	33	50	67	67
Military operations—Vietnam:				
Patrol boats		26	26	26
High endurance cutters			5	5
Personnel		431	1,353	1,353

8. *Reserve training*—The Coast Guard maintains trained officers and enlisted personnel in the Ready Reserve who are available for active duty in time of war, national emergency, and at such other times as the national security may require. The tasks required of the Coast Guard by the Department of Defense upon mobilization determine the requirements. In broad terms, these tasks are divided into port security, vessel augmentation, and other lesser but essential support areas.

WORKLOAD DATA

	1966 actual	1967 actual	1968 estimate	1969 estimate
Group "A" (48 paid drills, 15 days active duty for training):				
Drill training:				
Trainees, June 30	16,041	16,580	16,997	16,297
Man-days of training	661,603	682,839	740,020	728,806
Active duty for training:				
Trainees, June 30[1]	13,763	15,271	16,263	14,857
Man-days of training	201,809	186,026	236,954	193,141
Group "D" (nonpaid drill and/or active duty for training):				
Drill training:				
Trainees, June 30[2]	425	448	235	235
Man-days of training[2]	12,387	19,426	5,640	5,640
Active duty for training:				
Trainees, June 30	396	288	530	347
Man-days of training	5,060	3,475	6,991	5,486
Group "E" (30 days active duty for training):				
Trainees, June 30	1,249	766	49	25
Man-days of training	23,324	17,536	1,372	700
2X6 enlisted:				
Trainees, June 30	105	196	192	399
Man-days of training	23,658	59,495	71,743	
Group "F" (4 to 12 months active duty for training):				
Trainees, June 30	1,755	1,528	750	990
Man-days of training	616,271	538,872	222,212	273,540
Total, paid training program:				
Trainees, June 30	19,546	19,358	18,518	18,05
Man-days of training	1,531,725	1,488,243	1,279,292	1,321,82

[1] Not shown in "total" to avoid duplication with drill training trainees.
[2] Nonpay categories and not shown in total.

9. *Reimbursable program—Miscellaneous services to other accounts.*—The Coast Guard performs various functions for other agencies and accounts for which reimbursement is received.

7. How many employees are involved in the program and in what general type of employment categories do they fall?

There are 35,867 military personnel assigned to the Coast Guard. There are 4,770 classified and 1,489 wage board civilian personnel employed by the Coast Guard under the operating expenses and reserve training categories.

8. What is the grade structure and how many supergrades—quota and non-quota—are involved?

The grade structure of the civilian personnel employed by the Coast Guard is as follows:

Grade structure of civilian personnel employed by Coast Guard

Grades and ranges	Number
GS–18, $27,055	----
GS–16, $20,982, to $26,574	3
GS–15, $18,404 to $23, 921	46
GS–14, $15,841 to $20,593	71
GS–13, $13,507 to $17,557	123
GS–12, $11,461 to $14,899	199
GS–11, $9,657 to $12,555	318
GS–10, $8,821 to $11,467	28
GS–9, $8,054 to $10,475	362
GS–8, $7,384 to $9,598	33
GS–7, $6,734 to $8,759	372
GS–6, $6,137 to $7,982	156
GS–5, $5,565 to $7,239	552
GS–4, $4,995 to $6,489	849
GS–3, $4,466 to $5,807	513
GS–2, $4,108 to $5,341	64
GS–1, $3,776 to $4,910	4
Grades established by the Commandant of the Coast Guard:	
Lighthouse keepers and light attendants	21
Academy faculty	29
Ungraded	1,489
Total	6,259

9. What capital equipment, such as ADP, if any, do you rely upon to fulfill this program?

In addition to those listed in appendix I, the Coast Guard has major ADP installations as follows: five primarily administrative applications (accounting, supply support functions, etc.) ; one engineering functions ; one educational functions (Academy) ; one Amver (automated merchant vessel reporting system).

10. Do you expect the expenditures or the benefits of the program to grow appreciably in the future?

Moderate growth in expenditures and benefits are expected in rough proportion to the increase in gross national product and the increase in population.

11. At what level are the personnel responsible for the various parts of the program coordinated to determine if the program as a whole is being efficiently carried out?

Headquarters office chief (program director) level.

12. Is there a continual review within the agency, other than the annual budgetary review, to determine more effective and efficient ways to achieve these program objectives?

Yes. Program managers are continually reviewing the program execution on a routine basis as well as on specfic occasions required by constraints being imposed in the form of limitations on obligations, expenditures, and personnel. The proposal of new initiatives as well as periodic "crisis" situations (i.e., deployments of facilities to meet contingency requirements, etc.) also require additional program reviews.

13. To your knowledge, does this program duplicate or parallel work being done by any other agency?

This program does not duplicate work being done by any other agency but some Coast Guard work in our areas of responsibility is similar to work being done by other agencies as follows:

Our aids to navigation systems serve the mariner as FAA systems serve the airman ; we conduct oceanographic activities in areas not covered by Navy and ESSA.

14. Is your organizational structure such that the program is being carried out most efficiently and effectively?

Our organizational structure has met our needs in the past ; however, the introduction of PPBS has resulted in certain changes to date and will probably result in some further changes to match organization to program structure as it is evolving in the Department.

15. Are there any outstanding GAO reports on this program? If so, what is the status of the GAO recommendations the report contains?

Refer to questions 70 and 71.

16. What significant problems, if any, are you facing in accomplishing the program objectives?

The erosion of the dollar has led to shortages of funds due to higher prices than estimated at the beginning of the budget process. The imposition of limitations on obligations and expenditures has delayed modernization of certain facilities. The backlog of maintenance on our aging facilities continues to mount. The reenlistment rates of our personnel are low creating serious problems in maintaining the required number of trained technical personnel.

17. Do you administer any grants, loans, or other disbursed funds related to this program? If so, is the size of your administrative staff commensurate with the magnitude of the outlays?

No.

18. If your appropriations were reduced, how would you absorb the cut—by an overall reduction, or by cutting or curtailing certain activities?

By curtailing certain activities.

19. If additional funds were available, what would you do with the new money?

Additional funds over and above those currently appropriated would be applied to the highest priority areas currently agreed upon with the Department. More particularly the highest priority would generally be reflected in the restoration of such reductions from the President's 1969 budget as the House Appropriations Committee may effect, or that may be made in the event a general retrenchment were ordered from the 1969 programs now before the Congress.

Activity 2 (U.S. Coast Guard): Acquisition, Construction, and Improvements

1. What is the nature of and authority for this program?

This program is for necessary expenses of acquisition, construction, rebuilding, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including related equipment, and services as authorized by 5 U.S.C. 3109. Funds remain available until expended. Authority for this program is found in title 14.

2. Who is the person primarily in charge of this program at the operative level (name and title)?

At Coast Guard Headquarters level, this program is subdivided into mission-oriented programs. The program directors for these programs are as follows:

Rear Adm. R. W. Goehring, Chief, Office of Operations
Rear Adm. D. B. Henderson, Chief, Office of Engineering
Rear Adm. W. B. Ellis, Chief, Office of Personnel
Rear Adm. J. D. McCubbin, Chief, Office of Reserve

3. How much money and capital equipment is available under this program for fiscal 1968?

New obligation authority for fiscal year 1968 is $107,014,000 under this program. See answers to question 1 in activity 1 for capital equipment available.

4. Would you describe the output generated by this program?

5. Can you quantify this output in any way?

6. Would you describe the principal operations that are involved in producing this output?

Acquisition, Construction, and Improvements, Coast Guard

Program and Performance

This appropriation provides for the acquisition, construction, rebuilding, and improvement of vessels, aircraft, shore facilities, and aids to navigation.

Direct program—1. *Vessels.*—A program to replace overage, obsolete, and deteriorated vessels of the Coast Guard will be continued in 1968 with the construction of replacements for one high-endurance cutter and two small cutters to replace patrol vessels. Fixed or floating aids will be constructed to replace lightships at priority locations. Three augmentation vessels planned for construction are two tenders, with associated facilities, for servicing aids to navigation on the Arkansas and lower Mississippi Rivers and an oceanographic cutter. The program also provides for contract design services for a replacement icebreaker. Modernization and improvement of existing facilities includes improvements on icebreakers, rehabilitation of six high-endurance cutters, installation of balloon tracking radar on four high-endurance cutters, installation of 20 Loran-C receivers and four Navy navigation satellite systems on large cutters and icebreakers for the oceanography program.

2. *Aviation facilities.*—Under this activity the program provides for the acquisition of 10 replacement aircraft and nine helicopters—six for icebreaker operations and three for SAR support. Plans for reconfiguration of medium-range search aircraft will also be developed. In addition the program also calls for the establishment of an air station at Chicago, Ill., and replacement of hangar facilities at the air station in Barbers Point, Hawaii.

3. *Shore stations and navigational aids.*—The program under this activity provides for the establishment of and changes to aids to navigation marking river and harbor improvements effected by the U.S. Corps of Engineers, and other urgent needs. Other projects are included to (*a*) establish two new stations at Jonesport, Maine, and Sassafras River, Kennedyville, Md.; (*b*) replace and improve facilities at Fire Lsland and Alexandria Bay, N.Y., and Wrightsville Beach, N.C.; (*c*) continue consolidation of units at Governors Island, N.Y.; (*d*) construct mooring facilities at Panama City, Fla.; (*e*) make improvements at a Loran station located outside the continental United States; (*f*) provide housing for Coast Guard personnel and their dependents in areas where living accommodations are inadequate; and (*g*) facilitate the survey and design of future major construction projects. In addition improvements will be made in the communications facilities, 12th Coast Guard District, and 10 manned light stations will be converted to automatic operation.

4. *Repair and supply facilities.*—The expansion of support facilities in 1968 includes the consolidation of units at base, Milwaukee, Wis., and relocation of facilities at base, Mobile, Ala. Construction of a pier at New London, Conn., is the first step of a project to consolidate two repair facilities, now separately located, at a new and larger base site. Existing facilities at the Coast Guard yard, will be improved with the rehabilitation of the barracks, rearrangement, and extension of the fabricating shop. Improvements will be made in the sewage disposal systems at base, Ketchikan, Alaska, and Coast Guard yard to meet regulations for control of water pollution.

5. *Training and recruiting facilities.*—The program for improving facilities at the Coast Guard Academy will continue with the construction of an auditorium--recreation hall and renovation of the cadet barracks. Chase Hall. A 300,000-gallon water storage tank will be constructed at training center, Cape May, N.J. Other construction includes three barracks—one at training center, Alameda, Calif., and two at Reserve training center, Yorktown, Va.

6. *Alternation of bridges.*—In its new role as a part of the Department of Transportation the Coast Guard will be required to budget for the Federal Government's share of the cost of altering railroad and public highfay bridges to permit free navigation of navigable waters of the United States. In 1968, four railroad bridges located near Morgan City, La. and Chicago, Ill. (Calumet River) will be altered.

Program	*Fiscal year 1968 N.O.A.*
1. Vessels	$40, 776, 000
2. Aviation facilities	27, 549, 000
3. Shore stations and navigational aids	22, 482, 000
4. Repair and supply facilities	4, 767, 000
5. Training and recruiting facilities	7, 640, 000
6. Alteration of bridges	3, 800, 000
Total	107, 014, 000

7. How many employees are involved in the program and in what general type of employment categories do they fall?

The total number of employees is 438, including 161 military personnel and 277 full-time permanent civilian personnel.

8. What is the grade structure and how many supergrades—quota and nonquota—are involved?

GS–	*Number*	GS–	*Number*
GS–2	2	GS–11	54
GS–3	15	GS–12	15
GS–4	29	GS–13	13
GS–5	23	GS–14	4
GS–6	4	GS–15	1
GS–7	40		
GS–9	76	Total	[1] 276

[1] Plus 1 wageboard. No supergrades are involved.

9. What capital equipment, such as ADP, if any, do you rely upon to fulfill this program?

See question 3.

10. Do you expect the expenditures or the benefits of the program to grow appreciably in the future?

A growth in expenditures in this program can be expected, to more nearly match actual replacements to requirements for replacement, and for augmentation of facilities in rough proportion to the increase in gross national product.

11. At what level are the personnel responsible for the various parts of the program coordinated to determine if the program as a whole is being efficiently carried out?

The program directors named in question 2 are responsible for program coordination.

12. Is there a continual program review within the agency, other than the annual budgetary review, to determine more effective and efficient ways to achieve these program objectives?

Continual program review is accomplished routinely by Headquarters review of project proposals, drawings, specifications, and estimates. Constraints in the form of limitations on obligations, expenditures, and personnel require review of the program. Reductions and reallocation of resources also lead to review. In addition, some projects contain a "value engineering" clause in the contract.

13. To your knowledge, does this program duplicate or parallel work being done by any other agency?

The Coast Guard engages in construction, repair and modernization of facilities necessary to meet the requirements of our mission performance. The program does not duplicate the capital investment programs of other agencies. We frequently can and do "add on" our requirements to DOD construction contracts and capital equipment procurement contracts.

14. Is your organizational structure such that the program is being carried out most efficiently and effectively?

Our organizational structure has met our needs in the past. However, the introduction of PPBS has resulted in certain changes to date, and further changes will probably result, to match organization to program structure as it evolves in the Department of Transportation.

15. Are there any outstanding GAO reports on this program? If so, what is the status of the GAO recommendations the report contains?

No final GAO reports on this program exist to which the Coast Guard has not responded.

16. What significant problems, if any, are you facing in accomplishing the program objectives?

The erosion of the value of the dollar has led to shortages of funds due to construction bids higher than estimated at the beginning of the budget process, several years before the bid opening date.

17. Do you administer any grants, loans, or other disbursed funds related to this program? If so, is the size of your administrative staff commensurate with the magnitude of the outlays?

The Truman-Hobbs Act provides that the Federal Government shall share the cost of altering bridges to remove obstructions to free navigation of navigable waters of the United States. Disbursements are reimbursements to the bridge owner. It is now administered by the Coast Guard through an administrative staff including navigation specialists, bridge engineers, and managers.

18. If your appropriations were reduced, how would you absorb the cut—by an overall reduction, or by cutting or curtailing certain activities?

Certain activities—projects—would be curtailed to absorb a cut in the appropriation.

19. If additional funds were available, what would you do with the new money?

Additional funds, over and above those currently appropriated, would be applied to the highest priority areas currently agreed upon with the Department. More particularly the highest priority would generally be reflected in the restoration of such reductions from the President's fiscal year 1969 budget as the House Appropriations Committee may effect, or that may be made in the event a general retrenchment were ordered from the fiscal year 1969 program now before Congress.

Activity 3 (U.S. Coast Guard): Research Development, Test, and Evaluation

1. What is the nature of and authority for this program?

This program is for necessary expenses for basic and applied scientific research, development, test, and evaluation; services as authorized by 5 U.S.C. 3109; maintenance, rehabilitation, lease and operation of facilities and equipment. Funds remain available until expended. Authority for this program is found in title 14.

2. Who is the person primarily in charge of this program at the operative level (name and title)?

Rear Adm. O. R. Smeder, Assistant Chief of Staff for Research and Development.

3. How much money and capital equipment is available under this program for fiscal 1968?

New Obligation Authority of $1.5 million was transferred from OE funds for R.D.T. & E. in fiscal year 1968. No capital equipment is charged to this program.

4. Would you describe the output generated by this program?

PROGRAM AND PERFORMANCE

This appropriation provides for administration and conduct of basic and applied scientific research, development, test, and evaluation with maintenance, rehabilitation, lease, and operation of facilities and equipment.

1. *Search and rescue.*—The program for search planning will be continued in 1969 and further expanded to include sensor systems for locating distressed vessels, processes for converting distress information into an optimum search plan, and methods of improving aerial delivery of survival equipment.

2. *Aids to navigation.*—Additional effort will be applied in 1969 to development of lightweight buoys for protected waters. The initial developmental stages of a high precision all-weather harbor approach and evaluation of the long-range OMEGA navigation system in relation to future loran requirements will also be instituted in 1969 while continuing buoy moorings, light source, and sound-package development.

3. *Marine safety.*—The program under this activity includes investigation of construction standards in new fields such as nonmilitary submersibles and nuclear plants as well as expanded efforts in study of firefighting agents, lifesaving devices, and investigation into methods of avoiding casualties associated with carrying toxic chemicals, loose cargoes, elevated temperature cargoes, and other dangerous or explosive substances in bulk quantities. In addition, the program also calls for continuation of research efforts with interagency groups such as SOLAS subdivision and stability panel, the NAS advisory committee on toxic chemicals, interagency firefighting studies, and a wave motion study in connection with structural strength of vessels.

4. *Marine law enforcement.*—Under this activity, the program provides for research efforts in the control of pollution by oil or other wastes of our navigable waters. The program includes a feasibility study of airborne sensors for detection, booms and gelling agents for control, and containers for defueling of wrecks. A companion project will be instituted for design of systems to reduce pollution by the Government's own facilities, including Coast Guard cutters.

5. *Oceanography, meteorology, and polar operations.*—This program calls for refinement of data collection packages, development of iceberg tracking capability, and increased support of the National Oceanographic Data Center, as well as including research in connection with data collection on Coast Guard offshore structures, vessels, and buoys, exclusive of their actual servicing and operating costs.

The National Data Buoy System program initiates the developmental phase of a national system to collect oceanographic environmental data through a world-wide system of buoys. The overall program in 1969 will be monitored by the Marine Sciences Council.

5. Can you quantify this output in any way?

The outputs of this program cannot be quantified but will reflect improved effectiveness in other programs.

6. Would you describe the principal operations that are involved in producing this output?

Same as 4.

7. How many employees are involved in the program and in what general type of employment categories do they fall?

The total number of employees is 37, including 29 military and eight civilians.

8. What is the grade structure and how many supergrades—quota and non-quota—are involved?

GS—	Number	GS—	Number
4	1	12	1
5	1	13	1
6	3	14	1

No supergrades are involved.

9. What capital equipment, such as ADP, if any, do you rely upon to fulfill this program?

No capital equipment is charged to this program.

10. Do you expect the expenditures or the benefits of the program to grow appreciably in the future?

A growth in R.D.T & E. is expected consistent with growth in state-of-the-art technology and improved evaluation of Coast Guard programs indicating fruitful areas for application. Also, an expanded program is expected during fiscal year 1969 for the national data buoy project.

11. At what level are the personnel responsible for the various parts of the program coordinated to determine if the program as a whole is being efficiently carried out?

Efficiency of the R.D.T. & E. program is reviewed and coordinated in headquarters at the program directors level with assistance from the Assistant Chief of Staff for R. & D. In the Coast Guard, R. & D. is actually a support program.

12. Is there a continual program review within the agency, other than the annual budgetary review, to determine more effective and efficient ways to achieve these program objectives?

Yes, review of R.D.T. & E. is a continual program as lower priority items are reviewed to obtain resources to meet higher priority items. Expenditure limitations, personnel ceilings, and budgetary limitations require a continual review of projects to insure effective and efficient procedures are utilized in order to maximize benefits.

13. To your knowledge, does this program duplicate or parallel work being done by any other agency?

We engage in R.D.T. & E. program in an effort to improve the effectiveness of Coast Guard equipments and mission performance only; duplication of efforts by other agencies does not exist.

14. Is your organizational structure such that the program is being carried out most efficiently and effectively?

Basically the R.D.T. & E. program is being carried out efficiently and effectively. The structure of the R.D.T. & E. organization is being augmented and revised to become more responsive to PPBS and the Department.

15. Are there any outstanding GAO reports on this program? If so, what is the status of the GAO recommendations the report contains?

No.

16. What significant problems, if any, are you facing in accomplishing the program objectives?

The present level of R.D.T. & E. program ($1.5 million) is small and too limited to realize the benefits available from current technological capabilities. Expansion of the R.D.T. & E. program will require increased resources to improve effectiveness of other Coast Guard programs.

17. Do you administer any grants, loans, or other disbursed funds related to this program? If so, is the size of your administrative staff commensurate with the magnitude of the outlays?

No.

18. If your appropriations were reduced, how would you absorb the cut—by an overall reduction, or by cutting or curtailing certain activities?

In most cases a reduction in funds would be absorbed by curtailing individual projects unless the scope of a project could be reduced and still provide meaningful outputs.

19. If additional funds were available, what would you do with the new money?

Additional funds, over and above those currently appropriated, would be applied to the highest priority areas currently agreed upon with the Department. More particularly the highest priority would generally be reflected in the restoration of such reductions from the President's fiscal year 1969 budget as the House Appropriations Committee may effect, or that may be made in the event a general retrenchment were ordered from the fiscal year 1969 program now before Congress.

Activity 4: Coast Guard Supply Fund

1. What is the nature of and authority for this program?

The Coast Guard supply fund, in accordance with 14 U.S.C. 650, finances the procurement of uniform clothing, commissary provisions, general stores and technical materials. This revolving fund is reimbursed from cost of goods sold.

2. Who is the person primarily in charge of this program at the operative level (name and title)?

Capt. H. J. McCormack, Comptroller (acting), U.S. Coast Guard.

3. How much money and capital equipment is available under this program for fiscal 1968?

The capital authorization of the fund is approximately $9,200,000. Obligations for inventory replenishments in fiscal year 1968 are estimated to be $25,920,000.

4. Would you describe the output generated by this program?

5. Can you quantify this output in any way?

6. Can you describe the principal operations that are involved in producing this output?

(Answer to questions 4, 5, 6): Costs of approximately $25 million to be incurred under this fund in 1968 are divided 16 percent for uniform clothing, 53 percent for commissary provisions, and 31 percent for general stores and technical materials including electronics. Sales are estimated to be $25 million, which is an increase of $1,012,000 over 1967. This increase results from an increase in aids to navigation material and phasing out of and replacement of electronic equipment.

7. How many employees are involved in the program and in what general type of employment categories do they fall?

None. Personnel operating supply fund are funded from other Coast Guard appropriations.

8. What is the grade structure and how many supergrades—quota and non-quota—are involved?

Not applicable.

9. What capital equipment, such as ADP, if any, do you rely upon to fulfill this program?

The supply fund does not own any capital equipment; however, one IBM 1440 and two Honeywell H–120 computer installations are partially employed in supply fund accounting and reporting.

10. Do you expect the expenditures or the benefits of the program to grow appreciably in the future?

Moderate growth is expected with expansion of the service (uniform, commissary, and general stores). Also, replacement of technical materials which are not common to DOD requirements will generate additional growth.

11. At what level are the personnel responsible for the various parts of the program coordinated to determine if the program as a whole is being efficiently carried out?

Headquarters office chief (program director) level, offices of comptroller and engineering.

12. Is there a continual program review within the agency, other than the annual budgetary review, to determine more effective and efficient ways to achieve these program objectives?

The items stocked in the fund are subjected to periodic reporting and review which includes considerations as to whether they should be continued in fund as well as level of stocking.

13. To your knowledge, does this program duplicate or parallel work being done by any other agency?

This program parallels work done by any agency having a similar fund. The Coast Guard utilizes other agencies' programs where possible and adequate support can be provided thus avoiding duplication. In some instances, the Coast Guard supply fund supports other agency needs.

14. Is your organizational structure such that the program is being carried out most efficiently and effectively?

The program meets these measures to reasonable extent and, as conditions change and evolve, adjustments are worked out in the organization structure.

15. Are there any outstanding GAO reports on this program? If so, what is the status of the GAO recommendations the report contains?

No.

16. What significant problems, if any, are you facing in accomplishing the program objectives?

Funding for support of equipment outfits of new vessels and aircraft as well as new generation replacement equipments on existing facilities is causing some strain and a review of the adequacy of present capitalization.

17. Do you administer any grants, loans, or other disbursed funds related to this program? If so, is the size of your administrative staff commensurate with the magnitude of the outlays?

No.

18. If your appropriations were reduced, how would you absorb the cut—by an overall reduction or by cutting or curtailing certain activities?

A reduction in appropriations would not necessarily be reflected in the supply fund.

19. If additional funds were available, what would you do with the new money?

Not applicable.

Activity 5: Coast Guard yard fund

1. What is the nature of and authority for this program?

This finances industrial operations at the Coast Guard yard, Curtis Bay, Md., using advances received from Coast Guard appropriations and from other agencies. Authority is contained in title 14, United States Code.

2. Who is the person primarily in charge of this program at the operative level (name and title)?

At headquarters level, the program director is Rear Adm. D. B. Henderson, Chief, Office of Engineering.

3. How much money and capital equipment is available under this program for fiscal 1968?

Estimated obligations for fiscal year 1968 under this program are $17,130,000. Capital equipment consists of industrial buildings and shop equipment.

4. Would you describe the output generated by this program?

5. Can you quantify this output in any way?

6. Would you describe the principal operations that are involved in producing this output?

PROGRAM AND PERFORMANCE

This fund finances industrial operations at the Coast Guard yard, Curtis Bay, Md. (14 U.S.C.). The yard finances its operations out of advances received from Coast Guard appropriations and from other agencies for all direct and indirect costs.

	1968 estimate
Analysis by type of work (percent):	
Vessel repairs and alterations	29
Vessel construction	30
Small boat repairs and construction	16
Buoy fabrication	6
Fabrication of special items	16
Miscellaneous	3
Total	100
Analysis by recipient of yard services (percent):	
Coast Guard	90
Other Government agencies	10
Total	100

7. How many employees are involved in the program and in what general type of employment categories do they fall?

The total number of employees is 1,214, including 29 military personnel and 1,185 full-time permanent civilian personnel.

8. What is the grade structure and how many supergrades—quota and non-quota—are involved?

	Number		*Number*
GS–2	2	GS–11	29
GS–3	21	GS–12	11
GS–4	16	GS–13	9
GS–5	22	GS–14	3
GS–6	10	Total GS	199
GS–7	26	Wage Board	986
GS–8	6	Total	1185
GS–9	40		
GS–10	4		

9. What capital equipment, such as ADP, if any, do you rely upon to fulfill this program?

See question 3.

10. Do you except the expenditures or the benefits of the program to grow appreciably in the future?

No growth is expected in this program.

11. At what level are the personnel responsible for the various parts of the program coordinated to determine if the program as a whole is being efficiently carried out?

The program director named in question 2 is responsible for program coordination.

12. Is there a continual program review within the agency, other than the annual budgetary review, to determine more effective and efficient ways to achieve these program objectives?

Continual program review is accomplished routinely by headquarters review of project proposal, drawings, specifications, estimates, and requests for funds. Constraints in the form of limitations on obligations, expenditures, and personnel require review of the program. Reductions and reallocation of resources also lead to review.

13. To your knowledge, does this program duplicate or parallel work being done by any other agency?

This program does not duplicate the work of any other agency. However, it does roughly parallel the work done in Navy shipyards.

14. Is your organizational structure such that the program is being carried out most efficiently and effectively?

Yard organizational structure has met our needs in the past. Improvements in management technology and ADP may result in changes to improve yard operations.

15. Are there any outstanding GAO reports on this program? If so, what is the status of the GAO recommendations the report contains?

No final GAO reports on this program exist to which the Coast Guard has not responded.

16. What significant problems, if any, are you facing in accomplishing the program objectives?

The erosion of the value of the dollar has led to the shortages of funds due to costs higher than estimated at the beginning of the budget process, several years before the start of actual work.

17. Do you administer any grants, loans, or other disbursed funds related to this program? If so, is the size of your administrative staff commensurate with the magnitude of the outlays?

This program does not involve any grants, loans, or other kinds of Federal aid.

18. If your appropriations were reduced, how would you absorb the cut—by an overall reduction, or by cutting or curtailing certain activities?

Certain construction projects would be curtailed to absorb a cut in our appropriations and resulting cuts in work orders to the yard.

19. If additional funds were available, what would you do with the new money?

Additional funds, over and above those currently appropriated, would be applied to the highest priority projects in the unit development plan for the yard. Some of these are:

Recondition cranes Nos. 1, 2, and 5	$323,000
Increase length, drydock No. 1	287,000
Construct recreation building	325,000
Modernize utiilties	700,000
Construct medical-dental building	364,000

Activity 6 (U.S. Coast Guard): Retired Pay

1. What is the nature of and authority for this program?

This appropriation provides for retired pay of military personnel of the Coast Guard and Coast Guard Reserve, members of the former Lighthouse and Lifesaving Sevices, and for payments to survivors pursuant to the retired serviceman's family protection plan.

2. Who is the person primarily in charge of this program at the operative level (name and title)?

Rear Adm. W. B. Ellis, Chief, Office of Personnel.

3. How much money and capital equipment is available under this program for fiscal 1968?

$48,000,000.

4. Would you describe the output generated by this program?

Pay retired personnel (13,219 at the end of fiscal year 1968).

5. Can you quantify this output in any way?

Number of personnel on retired pay (13,219 at the end of fiscal year 1968). Appropriation $48 million.

6. Would you describe the principal operations that are involved in producing this output?

This is a support program to pay retired personnel.

7. How many employees are involved in the program and in what general type of employment categories do they fall?

None, per se. Retired pay is accomplished as a collateral effort by disbursing personnel. This program is a support function.

8. What is the grade structure and how many super grades—quota and non-quota—are involved?

None.

9. What capital equipment, such as ADP, if any, do you rely upon to fulfill this program?

None per se. However, ADP is utilized to the limited extent necessary to pay retired personnel.

10. Do you expect the expenditures or the benefits of the program to grow appreciably in the future?

The expenditures will increase with the annual increase in personnel on the retired rolls and cost of living increases authorized pursuant to 10 U.S.C. 1401(a).

11. At what level are the personnel responsible for the various parts of the program coordinated to determine if the program as a whole is being efficiently carried out?

Headquarters Chief of Office (Chief, Office of Personnel).

12. Is there a continual program review within the agency, other than the annual budgetary review, to determine more effective and efficient ways to achieve these program objectives?

The program objective, to pay retired personnel, is reviewed in audits and in budget process.

13. To your knowledge, does this program duplicate or parallel work being done by any other agency?

This program pays retired personnel of the Coast Guard, Coast Guard Reserve, former members of Lighthouse and Lifesaving Services, and retired serviceman's protection plan. As such it is not a duplication of another agency's efforts.

14. Is your organizational structure such that the program is being carried out most efficiently and effectively?

Yes.

15. Are there any outstanding GAO reports on this program? If so, what is the status of the GAO recommendations the report contains?

None.

16. What significant problems, if any, are you facing in accomplishing the program objectives?

None.

17. Do you administer any grants, loans, or other disbursed funds related to this program? If so, is the size of your administrative staff commensurate with the magnitude of the outlays?

No.

18. If your appropriations were reduced, how would you absorb the cut—by an overall reduction, or by cutting or curtailing certain activities?

This a legislated program. If reductions were made retirements would be delayed.

19. If additional funds were available, what would you do with the new money?

Unprogramed funds would go into reserve for savings and be permitted to lapse.

PROGRAM CATEGORY 2.—FEDERAL AVIATION ADMINISTRATION

(Note: These questions are answered separately for each of the following program areas:

A. Grants-in-aid for airports,
B. Civil supersonic transport development,
C. Bureau of National Capital Airports,
D. Aviation war risk insurance, and
E. Operations, facilities and equipment, and research and development.)

Activity A: Grants-in-Aid for Airports

1. What is the nature of and authority for this program?

The Federal Airport Act of 1946, as amended, provides for the grant of funds to sponsors for airports development to encourage, in conformity with the national airport plan, the establishment of a nationwide system of public airports adequate to meet present and future needs of civil aeronautics.

2. Who is the person primarily in charge of this program at the operative level?

George S. Moore, Associate Administrator for Operations.

3. How much money and capital equipment is available under this program for fiscal 1968?

Funds available for fiscal year 1968 total $140,784,000. No funds are included for acquisition of capital equipment. Approximately $88.8 million was available for programing in fiscal year 1968. The balance was already committed to projects.

4. Would you describe the output generated by this program?

Grant agreements whereby the Federal Government pays a specified percentage of allowable airport development project costs. Sponsors bear the remaining costs.

5. Can you quantify this output in any way?

Yes, in terms of numbers of grant agreements made and projects completed.

6. Would you describe the principal operations that are involved in producing this output?

Determine sponsor and project eligibility; advise and assist sponsors in development of plans, specifications, and priorities; effect grant payments and monitor sponsor's activity to require contractor compliance with specifications.

7. How many employees are involved in the program and in what general type of employment categories do they fall?

None. Personnel who administer this program are paid from the operations appropriation and are reported under the operations program heading.

8. What is the grade structure and how many supergrades—quota and nonquota—are involved?

None.

9. What capital equipment, such as ADP, if any, do you rely upon to fulfill this program?

ADP equipment is used to produce airport facility and program management data.

10. Do you expect expenditures or the benefits of the program to grow appreciably in the future?

The current authorization for the grants-in-aid for airports program expires as of fiscal year 1970. The National Airport Plan for 1968 prescribes a total requirement at over $2 billion for airport facilities for the fiscal year period 1969–73. To meet this need, there is now under consideration a long-range plan for expansion and improvement of the Nation's airport system.

11. At what level are the personnel responsible for the various parts of the program coordinated to determine if the program as a whole is being efficiently carried out?

At all levels of the organization from Washington headquarters to the regional offices to the area offices.

12. Is there a continual program review within the agency, other than the annual budgetary review, to determine more effective and efficient ways to achieve these program objectives?

Yes. FAAP projects are audited by Office of Audit. Evaluation programs are administered by Airports Service in Washington and by regional directors in the field. In addition, operations of the program are subject to review in internal management audits and appraisals and, as needed, detailed reviews of organization, functions, work methods, procedures, records, reports and staffing criteria.

13. To your knowledge, does this program duplicate or parallel work being done by any other agency?

We are not aware of any duplication. Other agencies operate grant-in-aid programs for other purposes, however.

14. Is your organizational structure such that your program is being carried out most efficiently and effectively?

We consider the present organization to be effective and efficient. It provides for and fosters a high degree of service to the public by the field offices. Decision-making authority is centralized at regional or Washington level only to the extent necessary to assure program objectivity, consideration of factors transcending the geographical limits of an area office's jurisdiction, or to provide for program inputs beyond the capabilities of the field office.

The present organizational structure is flexible internally so that improvements in work processes and alterations in program activities can take place without upsetting the basic pattern. Such improvements and changes are taking place as conditions warrant; however, no change in the basic pattern is anticipated.

15. Are there any outstanding GAO reports on this program? If so, what is the status of the GAO recommendations the report contains?

No. Comments have been submitted on all GAO audit reports.

16. What significant problems, if any, are you facing in accomplishing your program objectives?

Four of our most significant problems are as follows:

a. To guide future development of our civil airports, there is need for a long-range-system blueprint which identifies the total development needed at each airport in relationship to its particular role and essentiality to the civil system. Present Federal planning is a limited purpose effort which falls short of that requirement.

b. In an important sense, the Federal-aid airport program is intended to induce development of the ground segment of the civil aviation system at a pace commensurate with the growth of other elements of the system. In recent years, the funds available have been unequal to the task. As the result, the magnitude of unaccomplished airport development is rapidly compounding and acting to severely constrain the balance of the system.

c. There is growing need in our major metropolitan areas for the implementation of a regional system of multiple airports. Such areas are normally composed of a great number of separate political jurisdictions, each possessing the power to deny airport development within its boundaries. Because of the lack of a political body duly empowered to plan and thereafter to implement regional airport systems in the total area's best welfare, critically needed airport development is not occurring in many such areas.

d. Community objection to aircraft noise is jeopardizing the continued existence of several major airports. Noise—or concern about noise— is also adversely affecting local willingness to accept expansion of airport capacities to alleviate congestion or to agree to development of new airports in what are otherwise desirable locations.

17. Do you administer any grants, loans, or other disbursed funds related to this program? If so, is the size of your administrative staff commensurate with the magnitude of the outlays?

The grant-in-aid for airports appropriation is applied in its entirety to a program of grants for airport development. Support for administering the grant program is provided in the operations appropriation, as part of the administation of airports category.

That portion of the administration of airports category which is applied directly to administering grants can only be segregated from total man-years by computation. In actual practice most of the personnel in the airports program contribute day by day and hour by hour to any of several activities within this airports category.

An analysis of the numbers of man-years involved in the administration of the airports program was made in November 1967, at the request of Congressmen Mark Andrews and Tom Kleppe.

It was estimated that 186 man-years were devoted to administering FAAP. This figure included man-years directly applied to FAAP workload, professional and clerical, and a pro rata share of supervisory, planning, and administrative activities in the airports program organization at all levels of the FAA structure.

Considering the scope and urgency of the airport development needs of the Nation (almost $400 million was requested for eligible development in the re-

cently announced fiscal year 1969 program for which $74.7 million was allocated), it is believed that the magnitude of the outlay more than justifies the size of staff applied to the program.

18. If your appropriation were reduced, how would you absorb the cut—by an overall reduction or by cutting and curtailing certain activities?

The grant-in-aid for airports budget request for fiscal year 1970 reflects a reduction from the $75 million authorized by the Federal Airport Act to $65 million. This reduction is a response to the overall need to reduce Federal expenditures.

The need for Federal assistance is for between $300 million and $400 million a year. Therefore, it is necessary to apply considerations of relative priority based on national needs when developing the Federal-aid airport program for each year.

If the appropriation were further reduced, the FAA would give first priority to completion of airport development already begun as stage construction projects. A number of communities with development needs urgent to the national system of airports applied for and have received or are programed to receive assistance for the first stages of projects which will take several years to complete. These projects were entered into on the good faith and mutual belief that there would be Federal funds available for the future stages. These projects are not only important to the Nation; it would work a serious hardship on the communities involved if further aid were denied. Therefore, available funds would be programed first to those sponsors.

Beyond the previously started stage construction projects, available funds would be applied to meet airport development needs based on the priority rating system which has been used in the past two programs. The application of this priority system might be affected by the requirements of the Federal Airport Act for State apportionment and territorial apportionment of funds. However, in general, as many projects would be funded as funds would permit, applying a priority rating based on the needs of the Nation.

19. If additional funds were available, what would you do with the new money?

The answer to this question is the converse of the answer to question No. 18. If additional funds were available, a greater dent could be made in the total airport development needs of the Nation.

As stated in answering the previous question, the total of requests for airport development is many times larger than the current authorization of $75 million and larger yet than the $65 million in the fiscal year 1969 budget. Consequently, the question of what to do with more money is one of determining which of the many needed projects are of high enough relative priority to warrant receiving aid ahead of other worthy projects. The priority rating system currently in use would be the basic tool for determining which projects to include in the program.

Activity B (FAA): Civil Supersonic Transport Development

1. What is the nature of and authority for this program?

To develop a safe, superior commercial supersonic transport aircraft that will be economically profitable for the industry to build and operate.

The authority of the Administrator under section 312(b) of the Federal Aviation Act to develop and construct a civil supersonic aircraft was transferred to the Secretary of Transportation by section 6(c)(1) of the Department of Transportation Act (Public Law 89-670). The act became effective on April 1, 1967. By departmental order DOT 1100.1, also effective April 1, 1967, the Secretary of Transportation delegated the authority for the supersonic transport program back to the Administrator of the Federal Aviation Administration (49 C.F.R. 1.4(b)(2)).

2. Who is the person primarily in charge of this program at the operative level?

Maj. Gen. J. C. Maxwell, U.S. Air Force, director of supersonic transport development.

3. How much money and capital equipment is available under this program for fiscal year 1968?

Funds available for 1968 total $285,617,000, including $11,000 for acquisition of capital equipment.

4. Would you describe the output generated by this program?

Engineered designs, technical operations data, and economic information required to fabricate prototype SST aircraft.

5. Can you quantify this output in any way?

No.

6. Would you describe the principal operations that are involved in producing this output?

Formulate SST design objectives; select sources and contract for the development and testing of components; evaluate test results; provide technical information to industry; coordinate data with Department of Defense (DOD) and National Aeronautics and Space Administration (NASA); and monitor progress.

7. How many employees are involved in the program and in what general type of employment categories do they fall?

The program for fiscal year 1968 includes 127 permanent positions. In addition, the program provides for two man-years of intermittent employment.

8. What is the grade structure and how many supergrades—quota and nonquota—are involved?

Data for fiscal year 1968 is as follows:

Grade:	*Number*
Special	2
Scientific	1
GS–18	[1] 2
GS–17	[1] 4
GS–16	[1] 7
GS–15	41
GS–14	20
GS–13	13
GS–12 and below	37
Total	127

[1] The 13 supergrade positions are all nonquota.

9. What capital equipment such as ADP, if any, do you rely upon to fulfill the program?

The Government contracts with both Boeing and GE require the manufacturers to provide all facilities necessary for the performance of their efforts, except for those which may be furnished by the Government from existing sources. The Boeing Co. utilizes virtually all commercial facilities. Less than 1 percent of the facilities to be used by Boeing are Government owned.

A large amount of the existing facilities at the GE plant are Government owned. Therefore, in the case of GE, approximately 60 percent of the facilities used are commercial with the remaining 40 percent furnished by the Government.

Agreements on the use of these Government facilities pertain only to the prototype development contract. New agreements will be negotiated if the manufacturers propose to use Government facilities for the SST production program.

In addition, Government capital equipment owned by the Air Force and NASA; that is the NASA Langley and Ames Research Center wind tunnels and computers, are relied upon to assist both the Government and the manufacturers.

10. Do you expect the expenditures or the benefits of the program to grow appreciably in the future?

With the advent of the actual construction of prototypes in the next fiscal year, expenditures will increase and, in turn, the direct and indirect employment resulting from this increased activity will be realized. This is, of course, a short-term benefit. In the long term, once production commences and the airplanes begin to roll off the production line, many thousands of additional jobs and the favorable balance of trade through sales to foreign airlines will result. These long-term benefits will be the direct result of a successful Government-supported prototype program.

11. At what level are the personnel responsible for the various parts of the program coordinated to determine if the program as a whole is being efficiently carried out?

Washington headquarters.

12. Is there a continual program review within the agency, other than the annual budgetary review, to determine more effective and efficient ways to achieve these program objectives?

Yes—by Office of Audit and by internal evaluation efforts.

13. To your knowledge, does this program duplicate or parallel work being done by any other agency?

No. However, FAA works jointly with DOD and NASA to derive benefits of their experience in the field of supersonic flight and, in turn, to furnish useful data developed by FAA.

14. Is your organization structured such that the program is being carried out most efficiently and effectively?

The organization of the Department and the FAA is structured to permit the SST Office to carry out its mission in an efficient and effective manner. Specifically, General Maxwell's SST Office reports directly to the Administrator of the FAA who, in turn, reports to the Secretary of Transportation. This permits top-level administrative attention to the program, its needs and/or problems, and results in a fast-responding command link.

15. Are there any outstanding GAO reports on this program? If so, what is the status of the GAO recommendations the report contains?

No. Comments have been submitted on all GAO audit reports.

16. What significant problems, if any, are you facing in accomplishing the program objectives?

The major problem faced in accomplishing the SST program objectives has been to design a prototype aircraft with sufficient performance to warrant actual construction. The technological problems encountered are not unique to this airplane development and we would expect, through further design effort, the Boeing Co. will correct the deficiencies in the prototype design and enter prototype construction early next year.

17. Do you administer any grants, loans, or other disbursed funds related to this program? If so, is the size of your administrative staff commensurate with the magnitude of the outlays?

No.

18. If your appropriations were reduced, how would you absorb the cut—by an overall reduction or by cutting or curtailing certain activities?

The recently announced SST program delay encountered due to continuing the prototype development and design period before entering major hardware construction does reduce our requirement for fiscal year 1969 funding. Considering funds appropriated in previous years, airline risk contributions made during fiscal year 1968, plus the cost sharing of the manufacturers, a substantial fiscal year 1969 budget cut could be absorbed without adversely affecting the program.

19. If additional funds were available, what would you do with the money?

If additional funds were made available to the SST program, it would lessen our requirement for fiscal year 1970 new appropriations but it would not change the pace of the program appreciably through fiscal year 1969.

Activity C (FAA): Bureau of National Capital Airports

1. What is the nature of and authority for this program?

To plan, construct, and operate federally owned civil airports serving Washington and vicinity.

The authority for the Washington National Airport is contained in the act of June 29, 1940 (54 Stat. 686), as amended. The authority for Dulles International Airport is contained in the act of September 7, 1950 (64 Stat. 770), as amended.

2. Who is the person primarily in charge of this program at the operative level?

Arven H. Saunders, Director, Bureau of National Capital Airports.

3. How much money and capital equipment is available under this program for fiscal 1968?

Total funds available for 1968 by appropriation are as follows:

Appropriation:	*Amount (in thousands)*
Operation and maintenance, National Capital airports	$8,650
Construction, National Capital airports	6,783
Total	15,433

A total of $338,000 is included above for acquisition of capital equipment.

4. Would you describe the output generated by this program?

Engineering, management, operation and maintenance of Washington National Airport and Dulles International Airport.

5. Can you quantify this output in any way?

Only in terms of ever-increasing kinds of volume of operational activities arising from the continuously upsurging air traffic at Washington National Airport and normal increases in utilization of Dulles International Airport.

6. Would you describe the principal operations that are involved in producing this output?

Construction, operation, and maintenance of the physical facilities provided for users of the airports; contracting and contract supervision with airlines,

concessionaires, and other terminal tenants; operation of police, fire protection, and first aid services; cooperation with city, county, State, and Federal authorities on airport matters.

7. How many employees are involved in the program and in what general type of employment categories do they fall?

The program for fiscal year 1968 includes 777 permanent full-time positions. Of this number, 763 are for operation and maintenance and 14 are for construction activities.

8. What is the grade structure and how many supergrades—quota and nonquota—are involved?

Data for fiscal year 1967 are as follows:

Grade:	*Number*
Special	1
GS–17	[1] 1
GS–16	[1] 1
GS–15	7
GS–14	10
GS–13	20
GS–12 and below	[2] 737
Total	777

[1] The supergrade positions are quota.
[2] Includes 414 wage board employees.

9. What capital equipment such as ADP, if any, do you rely upon to fulfill this program?

The Bureau uses a wide variety of structures, building and grounds maintenance equipment, firefighting equipment, and other specialized service equipments associated with food concession operations, power distribution and maintenance of other municipal-type utility services.

The Bureau's annual purchases of capital equipment have in recent years been in the neighborhood of $200,000 to $400,000. We believe this level will be maintained in the near future or until such time as additional mobile lounges are purchased for use at Dulles International Airport.

The equipment that is now being purchased consists principally of general and special purpose vehicles such as police cruisers, tractors, trucks, snowplows, and sweepers, all of which are necessary for the operation of the airports. Some small purchases are made annually for the replacement of typical office equipment such as typewriters and adding machines, but the Bureau expends no funds for ADP equipment. The ADP equipment that is used in the operation of the Bureau's accounting systems is purchased and maintained by the FAA headquarters office. The Bureau utilizes the ADP equipment on a shared basis with other Washington offices and services.

10. Do you expect the expenditures or the benefits of the program to grow appreciably in the future?

Airport benefits as measured in revenues and the number of passengers and aircraft handled will continue to grow appreciably in the future. On a combined basis, revenues will grow from $10.3 million in fiscal year 1967 to an estimated $20 million in fiscal year 1974, a 94 percent increase; passengers handled will grow from 9.8 million in fiscal year 1967 to an estimated 20 million in fiscal year 1974, a 104 percent increase; and aircraft operations will grow from 512,000 in fiscal year 1967 to an estimated 677,000 in fiscal year 1974, a 32 percent increase.

Operating and capital expenditures are also expected to grow over the same fiscal year 1967–74 period, because of the rapid increase of air traffic in and out of the Washington area. See also question No. 19.

11. At what level are the personnel responsible for the various parts of the program coordinated to determine if the program as a whole is being efficiently carried out?

All levels within the BNCA organization. Airport managers report individually to BNCA Director who reports to the Administrator.

12. Is there a continual program review within the agency, other than the annual budgetary review, to determine more effective and efficient ways to achieve these program objectives?

Yes. Independent audits of BNCA activities are made by the Office of Audit. In addition, the operations of the Bureau are subject to periodic management

review of organization structure, work methods, procedures, records, reports, and staffing criteria.

13. To your knowledge, does this program duplicate or parallel work being done by any other agency?

No.

14. Is your organizational structure such that the program is being carried out most efficiently and effectively?

The Bureau has just been reorganized. The reorganization resulted in significant decentralization of functions from the Bureau headquarters to the two airports. Although the new organization is still in the "shakedown" phase, it seems to be working well and has overcome a number of problems previously caused by overcentralization. It is probably as good an organization as can be achieved within the overall organizational framework of FAA. However, there is no question that the Bureau could operate much more effectively as a Government corporation. Legislation to establish the Bureau on this basis has been before the Congress for several years but has never been passed.

15. Are there any outstanding GAO reports on this program? If so, what is the status of the GAO recommendations the report contains?

No. Comments have been submitted on all GAO audit reports.

16. What significant problems, if any, are you facing in accomplishing the program objectives?

Aside from the need for incorporation mentioned above, perhaps the most significant problem faced by the Bureau today is community reaction against the use of Washington National Airport by jet aircraft. This reaction has been manifested in numerous complaints by the public concerning aircraft noise, possible air pollution, congestion at the airport, and allegations of safety hazards. It has culminated in the formation of a citizen's group devoted to closing the airport which threatens to jeopardize any attempt to improve or modernize the airport facilities even on a minimal basis.

An equally significant problem is the fact that Dulles International Airport, while growing at a steady pace, has not been as fully utilized as anticipated. This problem complicates the problems at Washington National Airport and, in turn, is complicated by inability to establish faster access to the airport by road, rapid rail, or helicopter. Most of these possibilities are out of our hands and under the control of other agencies.

17. Do you administer any grants, loans, or other disbursed funds related to this program? If so, is the size of your administrative staff commensurate with the magnitude of the outlays?

No.

18. If your appropriations were reduced, how would you absorb the cut—by an overall reduction or by cutting or curtailing certain activities?

We would hope that any reduction imposed by the Congress would recognize the fact that the costs of operating the airports are recovered through user charges and concession arrangements and that capital investments are also amortized in the same way.

If a cut were imposed, how we would absorb it would depend upon the severity of the reduction. Since the bulk of the Bureau's operating funds are for personnel costs, we would probably attempt to absorb any reduction in operating appropriations by an overall reduction in service levels, unless the cut were severe enough to make it necessary to curtail entire activities. Most of our activities render essential public services. It would, therefore, be difficult and probably unwise, to cut out any single activity entirely. In the case of a reduction in our construction appropriation, we would react by deleting the lowest priority improvement projects in our fiscal program. In our judgment, either of these actions would be unfortunate, from the public point of view, in the light of the fact that the airports are self-sustaining enterprises. Under the revolving fund concept that would be established if the Bureau were incorporated, this fact would be evident and requests for appropriations would become primarily requests to utilize funds earned by the airports.

19. If additional funds were available, what would you do with the new money?

Again, this question can only be answered in the light of the amount contemplated. Getting Dulles International Airport fully activated to accept larger jet aircraft and providing for its expansion when its present design capability is exceeded about 1973 are No. 1 priorities, as is the need for providing and protecting the fastest and easiest possible access to that airport.

At the same time, additional investments are needed at Washington National Airport to replace or improve the 28-year-old facilities if the airport is to continue at the present level of aircraft operations which, even under controlled conditions, will increase annual passenger levels from 10 million in fiscal year 1968 to 15 million in fiscal year 1975.

Activity D (FAA): Aviation War Risk Insurance

1. What is the nature of and authority for this program?

The program provides insurance against war risk for American aircraft or qualified foreign-flag aircraft operating under Department of Defense or Department of State contracts. Provision is also made for insurance of any aircraft in the event of war between any of the following powers: United States, Great Britain or any of the Commonwealth, France, and Russia. This program is authorized by title XIII of the Federal Aviation Act and is effective until September 7, 1970.

2. Who is the person primarily in charge of this program at the operating level?

Nathaniel H. Goodrich, General Counsel, FAA.

3. How much money and capital equipment is available under this program for fiscal 1968?

Approximately $55,000. No capital equipment. No appropriation is made for payment of claims since these are reimbursed by either the Department of Defense or the Department of State. Other claims, in the event of war among the named great powers, would be reimbursed by premium charges to be imposed when needed.

4. Would you describe the output generated by this program?

Nonpremium insurance policies issued to carriers operating under Defense and State Department contracts. Premium-type insurance is issued to become effective in the event of war between the major powers.

5. Can you quantify this output in any way?

Yes; 180 aircraft were insured during fiscal year 1967. As of April 30, 1968, the following coverages were in effect:

[Dollar amounts in millions]

Basis for coverage	Number of aircraft covered	Total contingent liability
Department of Defense contracts	493	$34,790
State Department contracts	43	3,781
Premium insurance	54	2,227

In addition, two claims were adjudicated in fiscal year 1968.

6. Would you describe the principal operations that are involved in producing this output?

The administrative operation consists of processing applications for coverage, issuing policies, evaluating claims, and maintaining associated records. Also involved is the related legal advisory service.

7. How many employees are involved in the program, and in what general type of employment categories do they fall?

One full-time permanent career employee.

8. What is the grade structure and how many supergrades—quota and nonquota—are involved?

One GS–7. No supergrades.

9. What capital equipment, such as ADP, if any, do you rely upon to fulfill this program?

None.

10. Do you expect the expenditures and the benefits of the program to grow appreciably in the future?

No.

11. At what level are the personnel responsible for the various parts of the program coordinated to determine if the program as a whole is being efficiently carried out?

At the working level and by the first line supervisor.

12. Is there a continual program review within the agency, other than the annual budgetary review, to determine more effective and efficient ways to achieve these program objectives?

Yes. This program, in common with all other agency programs, is subject to continuous review by higher levels of line supervisors, review through the agency formal appraisal process and periodic internal audit and management analysis scrutiny.

13. To your knowledge, does this program duplicate or parallel work being done by any other agency?

We know of no other agency engaged in aviation war risk insurance activities. A parallel program for maritime war risk is administered by the Maritime Administration.

14. Is your organizational structure such that the program is being carried out most efficiently and effectively?

Yes.

15. Are there any outstanding GAO reports on this program? If so, what is the status of the GAO recommendations the report contains?

None.

16. What significant problems, if any, are you facing in accomplishing the program objectives?

None.

17. Do you administer any grants, loans, or other disbursed funds related to this program? If so, is the size of your administrative staff commensurate with the magnitude of the outlays?

The program requires administration of funds used to pay claims. These are reimbursed by State or Defense Departments. In the event of claims associated with war between any of the named major powers, premiums would have to be collected to defray damages awarded. In the absence of the wartime situation, the administrative staff is commensurate with the magnitude of the total program.

18. If your appropriations were reduced, how would you absorb the cut—by an overall reduction, or by cutting or curtailing certain activities?

Not applicable. No funds are appropriated for this program.

19. If additional funds were available, what would you do with the new money?

Not applicable. No funds are appropriated for this program.

Activity E (FAA): Operations, Facilities and Equipment, Research and Development

1. What is the nature of and authority for this program?

The Federal Aviation Act of 1958 authorizes the FAA to acquire, establish, improve, operate, and maintain air navigation facilities, to publish charts, establish air safety and air traffic rules, airmen and aircraft certification rules, and control air traffic in the U.S. navigable airspace.

The F. & E. program is concerned with the procurement, installation, and commissioning of communication, navigation, and air traffic control equipment requirements.

The operations program involves the operation and maintenance of all commissioned FAA navigation, air traffic control and communications equipments, the provision of air traffic control services, airmen and aircraft certification, and related system surveillance and engineering functions as well as the supporting administrative and managerial functions necessary to maintain the FAA organizational structure.

The R. & D. program involves aircraft and airports development; radio, radar, and communications-navigation electronics development to meet operational needs of the aviation industry, the air traffic control service, and the FAA.

2. Who is the person primarily in charge of this program at the operative level?

Deputy Administrator, David D. Thomas.

3. How much money and capital equipment is available under this program for fiscal year 1968?

Total funds available under this program by appropriation are as follows:

Appropriation:	*Amount (in thousands)*
Operations	$619,781
Facilities and equipment	184,803
Research and development	43,792
Total	848,376

A total of $88,052,000 is included above for acquisition of capital equipment.

4. Would you describe the output generated by this program?

The program output involves the primary reasons for being of the FAA. It involves airmen and aircraft certification, air traffic and all other safety rulemaking procedures; aircraft, navigation aids, communications equipment development, installation, operations, and maintenance of such equipment; control of air traffic; surveillance and inspection of all airmen and aircraft operations (Air Carrier-General), safety compliance inspections, violations, and accident investigations, etc.; also all logistics services, administrative services, and other supporting services.

5. Can you quantify this output in any way?

Yes. Records are kept and available re:

a. Airmen and aircraft certification and registration.

b. Air traffic control statistics of terminal and en route operations and aircraft flight plans handled.

c. Facility commissioning availability and failure rates.

d. Accidents, violations, near miss information.

e. Air carrier, general aviation operations.

6. Would you describe the principal operations that are involved in producing this output?

Development and promulgation of safety regulations; establishment of safety standards; controlling the flow of air traffic, providing a variety of advisory services to airmen, air agencies, and others; gathering and distributing aeronautical weather information; supporting defense requirements; compiling and publishing aeronautical information; inspecting aeronautical operations and enforcing safety regulations; designing, procuring, installing and maintaining ground facilities in support of agency programs; conducting related research, development, test and evaluation of equipment and systems to meet aeronautical needs.

7. How many employees are involved in the program and in what general type of employment categories do they fall?

The program for fiscal year 1968 includes a total of 44,018 permanent full-time positions distributed by appropriation as follows:

Operations	41,671
Facilities and equipment	1,164
Research and Development	1,183

In addition, the program provides for 657 man-years of part-time temporary, and intermittent employment. Of this total, 539 man-years are funded under the "Operations" appropriation, 9 man-years under "Facilities and equipment," and 109 man-years under "Research and development."

8. What is the grade structure and how many supergrades—quota and nonquota—are involved?

Data for fiscal year 1968 is as follows:

	Number
Grade:	
Statutory	5
Special	19
Scientific	15
GS–18	[1] 6
GS–17	[1] 32
GS–16	[1] 94
GS–15	817
GS–14	2,208
GS–13	5,039
GS–12	35,783
Total	44,018

[1] Of the total 132 supergrade positions, 107 are quota and 25 are nonquota.

9. What capital equipment, such as ADP, if any, do you rely upon to fulfill this program?

In order to accomplish its program, the FAA uses a wide variety of air navigation, communications, and air traffic control equipment in addition to the more conventional data processing equipment, training aids, classroom and laboratory equipment, passenger motor vehicles and trucks, printing and reproduction equipment, and operating, working, and test equipment used in operation and maintenance of buildings, facilities and grounds, hangars, and airports.

10. Do you expect the expenditures or benefits of the program to grow appreciably in the future?

FAA expenditures are expected to increase to meet workload demands commensurate with growth in aviation and air traffic. Workload in centers, towers, and flight service stations is expected to rise by 12 to 15 percent annually over the next 5 years; regulatory workload is projected to increase by an average 7 percent.

11. At what level are the personnel responsible for the various parts of the program coordinated to determine if the program as a whole is being efficiently carried out?

At all levels. The program policymaking is in Washington, the doing functions are in the field at the lowest level; that is, the area offices. The area offices coordinate the airports, air traffic, flight standards, and supporting services to accomplish the programs. The regional offices coordinate the area and field activities and the Washington office coordinates the entire FAA program activities. Line managers in Washington and at all field levels constantly review and evaluate their efforts to insure that they are being efficiently carried out in accordance with established policy and procedures set out in FAA directives system.

12. Is there a continual program review within the agency, other than the annual budgetary review, to determine more effective and efficient ways to achieve these program objectives?

Yes. These programs are subject to continuous review by line managers. Periodic independent audits are made by the internal audit staff. Special independent evaluations are made by the appraisal staffs in Washington and in the regions. In addition, there are periodic management reviews of organization structure, work methods, procedures, records, reports, and staffing criteria.

13. To your knowledge, does this program duplicate or parallel work being done by any other agency?

No.

14. Is your organizational structure such that the program is being carried out most efficiently and effectively?

The internal organizational structure of FAA, as well as its place in the DOT organizational structure, provides for these programs being carried out efficiently and effectively. On balance, our experience as an independent agency and as a component of DOT indicates that our present structure has most advantages in terms of providing the public a well-rounded approach to the Nation's total transportation problem.

15. Are there any outstanding GAO reports on this program? If so, what is the status of the GAO recommendations the report contains?

No. Comments have been submitted on all GAO audit reports.

16. What significant problems, if any, are you facing in accomplishing the program objectives?

The most significant problem inherent in these programs lies in the pace set by the aircraft industry in its giant strides in technology and in the tremendous growth of air traffic which must be matched by an adequate ground environment of navigation, traffic control, and terminal aids and services. The provision of adequate equipment, procedures, and standards provided through traditional governmental budgetary processes has not matched the dynamism of the aircraft manufacturers and operators and their abilities to more quickly finance efforts toward solving problems of the growing demands of air transportation. It is obvious that governmental aviation activities must be based on adequate research and development and levels of expenditure of dollars and man-hours realistically related to the level of aeronautical activity. (See question 10.)

17. Do you administer any grants, loans, or other disbursed funds related to this program? If so, is the size of your administrative staff commensurate with the magnitude of the outlays?

No.

18. If your appropriations were reduced, how would you absorb the cut—by an overall reduction or by cutting or curtailing certain activities?

Appropriation reductions would be absorbed by cutting or curtailing selected activities. Priority consideration would be given to requirements for operation and maintenance of the national airspace system and promotion of aviation safety, including related facilities and equipment and research and development.

19. If additional funds were available, what would you do with the new money?

Additional funds would be used to finance staffing increases and other require-

ments to meet added workload, operation of new facilities, and expansion of traffic control services; expansion and improvement of terminal area air traffic control services and navigation facilities; and speeding the development of control facilities, devices, and procedures essential to improvement of air traffic and resolution of air navigation problems.

PROGRAM CATEGORY 3—FEDERAL HIGHWAY ADMINISTRATION

Activity 1: Federal-Aid Highways

1. What is the nature of and authority for this program?

Grants are made to States for construction and improvement of Federal-aid highways. Authorizations are provided in the Federal-Aid Highway Act of 1956 and subsequent highway legislation to cover 90 percent of the costs of completing the 41,000-mile National System of Interstate and Defense Highways, and to match State funds on a 50–50 basis for the primary, secondary, and urban programs. The Federal share of project costs is increased in those States with large areas of public domain. Payments to the States for work done are made out of the highway trust fund, into which are deposited certain Federal excise tax receipts on motor fuel, tires and tubes, tread rubber, trucks, buses, trailers, truck use, truck parts and accessories, and on lubricating oil used in highway vehicles.

The Federal-Aid Highway Act of 1961 authorized additional appropriations for the interstate program, and also provided increased revenues to finance these increased authorizations. The Federal-Aid Highway Act of 1966 provided $1 billion for each of the years 1968 and 1969 to continue the Federal-aid primary, secondary, and urban programs; and provided increased authorization for the Interstate System for 1968–72, inclusive. All authorizations are available for obligation in the year prior to the year for which authorized for appropriation as liquidating cash.

2. Who is the person primarily in charge of this program at the operative level (name and title)?

F. C. Turner, Director, Bureau of Public Roads.

3. How much money and capital equipment is available under this program for fiscal 1968?

Unused contract authority of $7.6 billion is available for obligation in 1968. Obligations are planned at $4.1 billion in 1968.

A liquidating cash appropriation from the highway trust fund in the amount of $3,770,872,000 has been enacted for fiscal year 1968. A supplemental liquidating cash appropriation of $400 million has passed the House and is pending in the Senate. If this supplemental bill is enacted, it would increase cash availability to $4,170,872,000 during fiscal year 1968. Capital assets consist of office furniture and equipment and land and buildings at the Fairbanks Research Station at Langley, Va.

4. Would you describe the output generated by this program?

1. Construction and improvement of Federal-aid highways, and

2. Planning and research activities. This covers engineering and economic surveys and investigations; planning of future highway programs and the financing thereof: studies of the economy, safety, and convenience of highway usage and the desirable regulation and equitable taxation thereof and research and development necessary in connection with the planning, design, construction and maintenance of highways and highway systems, and the regulation and taxation of their use.

5. Can you quantify this output in any way?

As of March 31, 1968, almost 25,900 miles of the 41,000-mile Interstate System were open to traffic. Approximately 91 percent (23,587 miles) was built or improved under the Federal-aid interstate program, most of it under the 90 percent Federal, 10 percent State matching program launched in 1956. Toll roads, bridges and tunnels incorporated in the system totaled 2,305 miles. In addition to the sections open to traffic, 5,678 miles were under construction with interstate funds, and engineering or right-of-way acquisition was in progress on another 8,494 miles. Thus some form of work was underway or completed on 40,064 of the 41,000-mile system—about 98 percent of the total system mileage.

Construction projects involving 221,005 miles in the regular Federal-aid program (primary, secondary, and urban) have been completed since July 1, 1956, at a total cost of $18.32 billion; and contracts involving 15,394 miles at a cost of $3.34 billion were authorized or underway on March 31, 1968. In addition, $1.39 billion of engineering and right-of-way acquisition work had been completed, and $729 million was underway.

In addition, the following accomplishments have been achieved by the use of existing resources within the framework of present law to:

1. Eliminate highway conditions that are potentially dangerous involving "spot improvements" such as the widening of bridges, traffic lanes and shoulders; realigning curves and slopes for better sight distance, reconstruction and channelization of intersections; installing uniform control devices; installation of guardrails; and railroad grade crossing elimination and protection:

13,872 highway safety improvement projects have been programed or completed costing a total of $1,004,854,000.

3,854 of the "spot improvement" safety projects are Federal-aid at a total cost of $708,334,000 of which the Federal share is $358,504,000.

The remaining 10,018 projects were completed with State funds alone at a cost of $296,520,000.

2. Increase the utilization of existing streets in cities of 5,000 population or greater through a "traffic operations program to increase capacity and safety," the TOPICS program. The purpose of this program is to make better use of our existing streets and highways in the urban areas by increasing their traffic-carrying ability and improving their safety:

Federal, State, and/or local funds have been committed and active projects are underway in 24 cities. Interest has been expressed and the program is being pursued in almost every State.

3. Promote the establishment of a comprehensive planning process in urban areas of over 50,000 population:

A heavy emphasis is being placed on urban transportation planning. Since July 1, 1967, no highway project can be approved in any urban area of over 50,000 population unless it is based on a continuing comprehensive transportation planning process carried on cooperatively by the States and the local communities.

4. Advance acquisition of highway rights-of-way:

On June 30, 1967, the Secretary of Transportation transmitted a report to the Congress on the results of a study on the advance acquisition of rights-of-way. Legislation is being proposed which would make advance Federal funds available to the States for right-of-way acquisition in advance of construction, such advances to be repaid when construction is started.

5. Relocation assistance:

On June 30, 1967, the Secretary of Transportation submitted to the Congress a report on the results of a study on highway relocation assistance. Legislation is being proposed which would implement the finding of this study.

6. Would you describe the principal operations that are involved in producing this output?

Federal grants are apportioned to the States according to formulas prescribed in the Federal-aid highway legislation in which weight is given to the relative area, population, and rural mail-route mileage in each State, and to the remaining cost for completing the Interstate System in each State. These Federal grants for highway construction must be matched by the States with their own money. The States retain the initiative in proposing roads to be improved and the type of improvement; and are responsible for surveys, plans, and specifications, for right-of-way acquisition, for letting contracts, and for supervision of construction, subject to approval by the Bureau of Public Roads. Maintenance of the roads built with Federal aid is an obligation of the State.

7. How many employees are involved in the program and in what general type of employment categories do they fall?

A total of 4,057 permanent positions are authorized under this program. Of this total, 3,814 positions are financed under the "Limitation on general expenses" and 243 are financed directly from Federal-aid highways (trust fund).

This program is staffed preponderantly with highway, structural and other civil engineers. Other occupations represented are chemists, economists, mathematicians, appraisers, external auditors, engineering technicians, and support personnel.

8. What is the grade structure and how many supergrades—quota and non-quota—are involved?

	Quota	Nonquota	Total
Level IV			1
GS–18	1		1
GS–17	4	1	5
GS–16	18	5	23
GS–15			98
GS–14			243
GS–13			718
GS–12			780
GS–11			345
GS–10			3
GS–9			228
GS–8			17
GS–7			308
GS–6			193
GS–5			331
GS–4			323
GS–3			173
GS–2			49
GS–1			6
Public Law 313			1
FC–3			8
FC–4			13
FC–5			35
FC–6			90
FC–7			17
FC–9			1
FC–10			1
FC–12			1
FC–13			1
Wage board			44
Total			4,057

9. What capital equipment, such as ADP, if any, do you rely upon to fulfill this program?

ADP equipment in the Washington headquarters office of Federal Highway Administration, and a highway research laboratory at Langley, Va.

10. Do you expect the expenditures or the benefits of the program to grow appreciably in the future?

Increased authorizations are proposed for the fiscal years 1970 through 1974. Benefits will accelerate as the result of the expansion of the Federal-aid highway program. With the completion of the Interstate System alone, it is estimated an $11 billion savings per year will accrue to highway users from reduced vehicle operating expenses, from less traveltime consumed, and from lower accident costs. Lives that otherwise would be lost in traffic accidents will amount to 8,000 saved annually.

The whole economy of the United States is directly dependent upon motor vehicle transportation. Tremendous contributions can be made to the overall economic, social, and cultural goals of the community and its people as the result of an adequate transportation system.

11. At what level are the personnel responsible for the various parts of the program coordinated to determine if the program as a whole is being efficiently carried out?

The program is headed by the Director of Public Roads, aided by a deputy and six staff assistants in the Washington headquarters. This staff is responsible for policy formulation and general direction of public roads operations.

The field organization consists of nine regional offices located across the country, each supervising the Federal-aid program in from four to eight States. There is a division office in every State and in Puerto Rico and the District of Columbia. It is through this field organization that relations with the State highway departments are carried on.

Coordination is carried out at both headquarters and field level.

12. Is there a continual program review within the agency, other than the annual budgetary review, to determine more effective and efficient ways to achieve these program objectives?

Yes, there are continuing reviews by the Director and his staff to increase efficiency and effectiveness of operations. In addition, a cost reduction program is conducted on a continuing basis through project-by-project reviews of State plans and estimates.

13. To your knowledge, does this program duplicate or parallel work being done by any other agency?

No. The program expedites the work of State and local authorities in providing needed highway facilities.

14. Is your organizational structure such that the program is being carried out most efficiently and effectively?

Yes.

15. Are there any outstanding GAO reports on this program? If so, what is the status of the GAO recommendations the report contains?

There are three outstanding GAO reports as follows:

1. Draft report titled, "Need for Improved Controls Over Appraisal Reports Supporting Right-of-Way Costs for the Federal-Aid Highway Program in the State of Rhode Island."