

Federal Aviation Administration

Overview: The 2003 budget request for the Federal Aviation Administration (FAA) reflects the Administration's strong commitment to increasing the performance and capacity of our aviation system. The total FAA 2003 request of \$14 billion is 1.6 percent lower than FAA's budget resources in 2002 due to security responsibilities being shifted from FAA to the Transportation Security Administration by 2003. The capital levels authorized in the Aviation Investment and Reform Act for the 21st Century (AIR-21) are requested in the 2003 budget. Eliminating the effects of the shift, FAA is funded 1.7 percent higher than 2002.

FEDERAL AVIATION ADMINISTRATION BUDGET

(Dollars In Millions)

	2001 <u>Actual</u>	2002 2/ <u>Enacted</u>	2003 3/ <u>Request</u>
Operations	6,841	7,273	7,482
Emergency Supplemental	123	200	0
Facilities & Equipment	2,666	2,932	3,000
Emergency Supplemental	0	108	0
Research, Engineering, and Development	189	198	127
Emergency Supplemental	0	50	0
Airport Grants	3,199	3,303	3,404
Emergency Supplemental	<u>0</u>	<u>175</u>	<u>0</u>
TOTAL 1/	13,018	14,238	14,012

1/ Includes estimated accrual payments of \$382 million in FY 2001 and \$405 million in FY 2002 for civil service retirement and health benefits.

2/ Includes emergency supplementals, but not FY 2001 balances from Emergency Response Fund (\$351 million for Operations, \$87.5 million for F&E and \$50 million for the Aviation Insurance Revolving Fund).

3/ 2003 total excludes \$458 million that was in 2002, now shifted to the Transportation Security Administration.



FY 2003 Budget

Operations: The 2003 budget includes \$7.5 billion for FAA Operations in FY 2003. This amount excludes funding for civil aviation security, which has been moved to the new Transportation Security Administration. The funding request will continue the Administration's efforts to improve aviation safety and efficiency.

- **Safety:** The President's budget requests \$867 million for Regulation and Certification. This includes \$24 million to annualize the additional staff provided in FY 2002 by the Congress and \$20 million for additional increases in the Nation's aviation safety programs, including augmentation of the Safer Skies Initiative and 86 additional staff in flight inspections, certification, and medical activities. In addition, the budget requests an additional \$5 million to strengthen the agency runway safety program – an effort designed to reduce the number of runway incursions. In FY 2001, there was a 4.7 percent increase in runway incursions, but a 20.9 percent decrease in the more serious categories of incursions.
- **Efficiency:** The President's budget requests \$6 billion for air traffic control and related activities such as maintenance. This includes \$24 million to increase system capacity and efficiency through such agency efforts as the Spring/Summer 2003 Initiative and the Operational Evolution Plan.

To create a business-like aviation environment, by 2003 the DOT and FAA intend to implement an air traffic performance-based organization (PBO) that will focus on improved management and coordination of air traffic services and capital investments. A Chief Operating Officer will head this organization. The new organization will establish performance goals for individual staff, and the organization as a whole, so that progress and advancements can be measured.



Facilities and Equipment: The 2003 budget requests \$3 billion, of which \$2.88 billion is for FAA and \$124 million is for TSA, to continue to improve and modernize the equipment central to the national airspace system. The request includes:

- Safety - \$290 million for projects that support safety performance goals such as improvements to weather sensing and reporting systems, safety information databases and computer systems to assist safety inspections, improvements to flight services for general aviation, and runway incursion research and new technology.
- Mobility - \$1.7 billion for projects to support mobility goals such as replacement of older radars, new automation for terminal control facilities, Free Flight and oceanic automation to improve flight route flexibility, and significant infrastructure improvements to reduce outages caused by older, less capable facilities and equipment.
- Environment - \$62 million for projects to support environmental performance goals such as replacing fuel tanks at FAA facilities, removing environmental hazards and cleaning up hazardous materials at identified sites.
- Mission Support - \$823 million for FAA staffing, contractor support for systems engineering and installation of new equipment. Also included are projects that improve FAA support facilities.

Research, Engineering, and Development: \$127 million, which includes \$101 million for continued research on aviation safety issues. The remaining research funding is in the areas of weather information, resolution of environmental issues and support of the FAA laboratories.

Grants-in-Aid for Airports: \$3.4 billion for planning and development of the Nation's airports, including grants for security, safety, capacity and noise-reduction projects. Funding includes \$68 million for administrative expenses, \$16 million for airport-related technology research, and \$83 million to help fund the Essential Air Service program. The budget supports hiring additional staff to expedite the environmental review process for major airport construction projects.

**FEDERAL AVIATION ADMINISTRATION
MAJOR FACILITIES & EQUIPMENT PROJECTS**
(Dollars in Millions)

Safety

New & Improved Weather System	25.0
Terminal Business Unit	141.0
Safety Database and Computer Systems	28.9
Safe Flight 21	29.8
Advanced Technology	42.6
Other	16.0

Mobility

Free Flight Phase 1	39.9
Free Flight Phase 2	106.2
Oceanic Automation	87.4
Navigation and Landing Aids	249.8
En Route Automation	213.8
Terminal Business Unit	551.0
Improve Communications Systems	176.3
Other	286.7

Environment

Replace Fuel Tanks	8.5
Hazardous Materials Clean-Up	20.5
Workplace Environmental Compliance	32.6

Mission

FAA Personnel	441.1
Center for Advanced Aviation System Development	81.4
Systems Engineering Support	25.8
Installation Support	89.6
Other Project Support	<u>185.1</u>
Total	2,876.0