



**U.S. Department of
Transportation**

BUDGET ESTIMATES

FISCAL YEAR 2008

**NATIONAL HIGHWAY
TRAFFIC SAFETY
ADMINISTRATION**

**SUBMITTED FOR USE OF
THE COMMITTEES ON APPROPRIATIONS**

**DEPARTMENT OF TRANSPORTATION
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION**

FY 2008 CONGRESSIONAL SUBMISSION

TABLE OF CONTENTS

	<u>Page</u>
Section 1: Overview	
Administrator’s Overview	I-1
Organization Chart FY 2008.....	I-8
Organization Chart FY 2007.....	I-9
Section 2: Budget Summary Tables	
Comparative Statement of New Budget Authority (Exhibit II-1)	II-10
Budget Request by Appropriation Account	
Appropriations, Obligation Limitation and Exempt Obligations (Exhibit II -2)	II-11
Appropriations, Oblim., and Exempt Obs. by Strategic Objective (Exhibit II-3)	II-12
Information Technology (IT) Budget Request by IT Investments and Strategic Objective (Exhibit II-3A)	II-13
Budget Authority (Exhibit II-4)	II-14
Outlays (Exhibit II-5).....	II-15
Analysis of Change Table	
Appropriations, Obligation Limitation, and Exempt Obligations (Exhibit-II-6)	II-16
Full-Time Equivalent Employment (FTE) (Exhibit II-7)	II-19
Full-Time Permanent Positions (FTP) (Exhibit II-9).....	II-20
Section 3: Budget by Appropriation Account	
Operations and Research	
Appropriation Language.....	III-21
Appropriation Summary by Program Activity Table (Exhibit III-1).....	III-22
Program and Performance Statement.....	III-23
Summary Analysis of Change from FY 2007 to FY 2008 (Exhibit III-2).....	III-25
Index for Detailed Justifications	III-26
Explanation of Funding Changes.....	III-27
Detailed Justification by Budget Activity.....	III-28
Program and Financing Schedule	III-134
Object Class Schedule.....	III-137

National Driver Record

Appropriation Language.....III-138
Appropriation Summary by Program Activity Table (Exhibit III-1).....III-139
Program and Performance Statement.....III-140
Summary Analysis of Change from FY 2007 to FY 2008 (Exhibit III-2).....III-141
Explanation of Funding Changes.....III-142
Detailed Justifications by Budget ActivityIII-143

Highway Traffic Safety Grants

Appropriation Language.....III-146
Appropriation Summary by Program Activity Table (Exhibit III-1).....III-147
Program and Performance Statement.....III-148
Summary Analysis of Change from FY 2007 to FY 2008 (Exhibit III-2).....III-150
Index for Detailed JustificationsIII-151
Explanation of Funding Changes.....III-152
Detailed Justification by Budget Activity.....III-153
Program and Financing ScheduleIII-175
Object Class Schedule.....III-177
Year Funding History Table.....III-178

Performance Overview by Appropriations Account

Annual Performance Results and Targets.....III-179
Program Assessment Rating Tool (PART) Analysis.....III-179

Section IV: Performance Budget

Exhibits IV-1 – FY 2008 Budget Request by Performance
Goal (Request by Strategic Objective, Performance Goal)IV-183
Exhibit IV-2 – FY 2008 Budget Request by Appropriation
Account and Performance GoalIV-185
Detailed Justification by Performance Goal
Performance Issue at the Performance goal levelIV-187
Anticipated FY 2007 Accomplishments.....IV-195
FY 2008 Performance Budget Request at the performance goal level.....IV-199
Marginal Cost of Performance.....IV-213

Section V: Research, Development and Technology

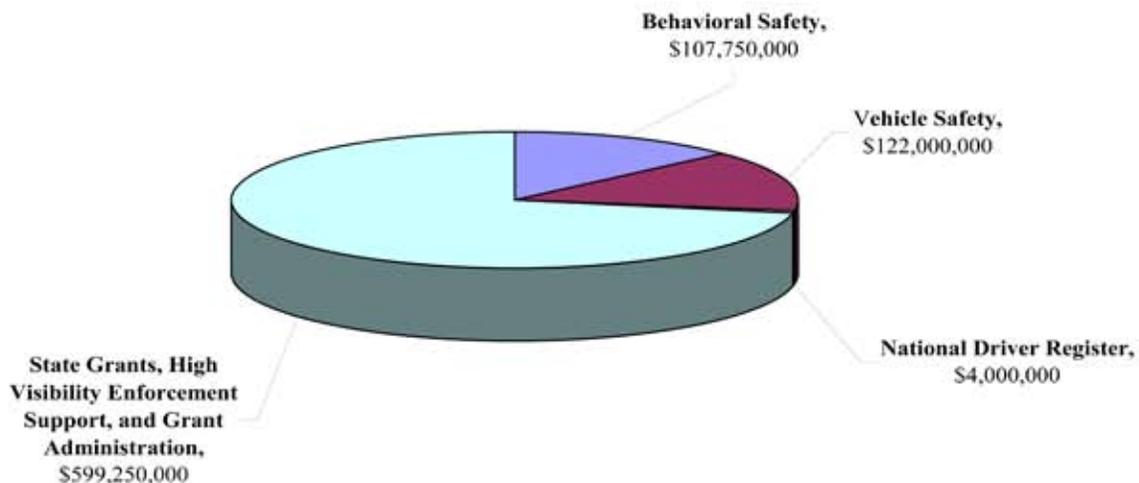
RD&T Request (Summary) (Exhibit V-1).....V-222
RD&T Request by Strategic Objective (Exhibit V-2)V-223
RD&T Program Justifications.....V-224
RD&T Support for Secretarial and Administration Priorities
(Exhibits V-3)V-233
Use of the R&D Investment CriteriaV-234

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

FY 2008 CONGRESSIONAL BUDGET REQUEST

OVERVIEW

NHTSA FY 2008 Budget Request by Program
(\$833,000,000 Total)



The 2008 fiscal year marks the third year of implementation of the agency's authorization under the Safe, Accountable, Flexible and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). Signed on August 10, 2005, SAFETEA-LU provides NHTSA the groundwork for innovative activities to support the agency's traditional transportation goals, illustrating the strength of the President and Congress's commitment to highway traffic safety. NHTSA's FY 2008 budget request fully funds the highway safety grants to the levels authorized by SAFETEA-LU.

NHTSA's ability to work with States to develop and implement data-driven, workable, and self-sustaining local highway safety programs is key to the agency's overall success in achieving a reduction in highway safety fatalities. To accomplish these reductions, NHTSA provides grants to States and local communities, supports research, demonstrations and countermeasure programs designed to prevent motor vehicle crashes and reduce their associated economic costs. NHTSA's programs have saved hundreds of thousands of lives since the agency's inception in 1970. However, the total number of fatalities rose by 1.4 percent from 2004 to 2005 to 43,443, illustrating the need to redouble our efforts.

NHTSA's Priority Approach to Highway Safety



For FY 2008, NHTSA requests \$833 million to support all programs and activities; of this \$833 million, \$711 million has been authorized as contract authority by SAFETEA-LU, and legislation will be proposed for an additional \$122 million in contract authority from the Highway Trust Fund for vehicle safety programs. This total budget represents an increase of \$18 million above the President's FY 2007 budget, with \$16.7 million of this increase attributed to directly aligning NHTSA's grant and safety programs with SAFETEA-LU authorized levels. The balance of \$1.3 million is used to support several program initiatives, such as E-911, and

advanced technologies research, as well as to partially offset increasing administrative costs, mostly attributed to inflation.

Behavioral Safety

After two consecutive years of decline in overall highway fatalities and impaired driving fatalities, and having achieved the lowest recorded fatality rate in history, the highway fatality rate per 100 million vehicle miles traveled (VMT) rose to 1.45 in 2005, up from 1.44 in 2004. Contributing to this figure is the 13 percent increase in motorcycle fatalities in 2005, up to 4,553 from 4,028 in 2004. This marks an increase of 115 percent since 1997. In direct response to this growing problem area, NHTSA requests an increase of \$192,000 in its motorcycle program.

While the overall highway fatality rate increased between 2004 and 2005, passenger vehicle occupant fatalities dropped by 451, from 31,866 in 2004 to 31,415 in 2005, the lowest level since 1994. The number of young drivers (16-20) killed declined by 4.6 percent from 3,538 to 3,374, and fatal crashes involving young drivers declined by 6.3 percent from 7,431 to 6,964. The number of children 0-15 dying in crashes also dropped from 2,622 in 2004 to 2,348 in 2005.

NHTSA is directing its efforts to focus attention on those areas that can be most effective in reversing the results of these preliminary trends and leading the nation back toward the downward trend experienced in 2003 and 2004. NHTSA recognizes that success will not be accomplished by the agency alone, but through the everyday behaviors of the nation's citizens. NHTSA is dedicated to behavioral programs that encourage citizens to reduce the tragic loss of life on our highways by the simple, controllable actions of buckling themselves and their children up on every trip, not driving when impaired, wearing a motorcycle helmet that complies with NHTSA's motorcycle helmet standard and other protective gear when operating a motorcycle, observing posted speed limits, not engaging in risky driver behavior, and exercising parental responsibility by taking an active role in the driving education of teenagers.

Additionally, NHTSA is requesting a total of \$3.82 million to dedicate efforts to increase the effectiveness of its Emergency Medical Services (EMS) program. In FY 2008, \$2.320 million will be used to maintain the agency's core programs, which will specifically support heightened National EMS leadership through the Federal Interagency Committee on EMS, as mandated by Section 10202 of SAFETEA-LU, in addition to continuing efforts to improve workforce capabilities of EMS personnel and assuring consistent nation-wide EMS systems aimed at enhancing post-crash care of crash victims. In addition to the core amount, NHTSA requests \$1.25 million to establish a Wireless Enhanced 9-1-1 program, and a 9-1-1 Implementation Coordination Office, required by the ENHANCE 9-1-1 ACT of 2004. Additionally, \$250 thousand is requested to allow the agency to continue work on the National EMS Information System, which will be a vital component of a comprehensive National EMS program, providing consistent data from State and local EMS providers, accessible at the National level, to serve as a tool to better understand the current EMS structure within the United States.

In total for FY 2008, NHTSA requests \$107.75 million for activities in support of its Behavioral Safety programs and activities. This represents a net increase of \$2.5 million above the FY 2007 President's request; \$1.2 million of this increase is to fully fund the SAFETEA-LU earmark for

older drivers, \$1.0 million is to fund E-911 implementation office and NEMSIS; \$192 thousand for motorcycle safety; and some minor offsets in other program activities. This FY 2008 funding level is the same as authorized for Section 403 activities in Section 2001(a)(2) of SAFETEA-LU, P.L. 109-59. Finally, included in the total funding is a proportionate share of NHTSA's salaries and administrative costs to support behavioral safety activities.

Vehicle Safety

The FY 2008 budget request for NHTSA's vehicle safety programs is \$122 million, the same level as requested in the President's FY 2007 budget. Although Section 10310 of P.L. 109-59 (SAFETEA-LU) provides an authorization to appropriate funds from the general fund for this program; we propose to submit legislative language that would provide \$122 million in contract authority from the Highway Trust Fund.

Introduction of technology into the motor vehicle is occurring at an ever-increasing rate, providing consumers with greater choices in safety, ease-of-use, and purely entertainment choices. In addition to its traditional vehicle research, rulemaking, enforcement, and safety defect investigation initiatives, NHTSA's Vehicle Safety programs will assess the lifesaving benefits of these emerging technologies as they enter into vehicle fleet in FY 2008 and beyond. To support this emerging area, NHTSA requests an additional \$1.05 million in funds for crash avoidance research.

As mandated by Section 10307 of SAFETEA-LU, NHTSA has finalized the promulgation of a rule to include NCAP ratings on sales stickers of new vehicles, providing consumers with more information on the safety of new vehicles at the point of sale. The FY 2008 funding level of \$7.9 million reflects the annual cost for testing vehicles under the NCAP program. NHTSA also requests a \$598,000 increase in funding to support fuel economy (CAFE) standards work, including developing new modeling for the passenger cars in anticipation of new CAFE regulations to be issued into the future. NHTSA also requests an increase of \$500,000 for safety standards support to assist with testing of new technologies, such as Electronic Stability Control. Finally, NHTSA requests an increase of \$122,000 to support the theft program, allowing for studies of new technologies to prevent theft of vehicles and their parts. Increases in the vehicle areas are offset from the reduced funding requested for NCAP testing from FY 2007 to 2008 above. Finally, included in the total funding is a proportionate share of NHTSA's salaries and administrative costs to support vehicle safety activities.

National Driver Register

NHTSA requests \$4 million for the National Driver Register program and associated activities. This is the same level requested in the President's FY 2007 budget and as authorized in SAFETEA-LU. This program is vital to support NHTSA's safety mission by providing a credible source of vehicle driver records for use by State motor vehicle administrators in determining whether to issue or renew a license, and for use by maritime and airline agencies and private industries. In addition, this information is becoming increasingly important for security background checks by the Office of Personnel Management and the Department of Homeland Security.

Highway Traffic Safety Grants

In recognition of the role of the agency in delivering data-driven programs and countermeasures in the aforementioned highway safety areas, NHTSA is fully funding all of its grant programs under SAFETEA-LU, capitalizing on the framework of the authorization to address our highway safety problems and to driving down the numbers of crashes, injuries, and fatalities. The agency's grant program budget is requested at \$599.25 million, an increase of \$15.5 million above the FY 2007 President's request. The Act extended several highway grant programs and created several more that will serve to improve safety, including four new programs for motorcycles, child safety and booster seats, safety belt performance, and data/information systems. Particular focus will be placed on three core grant programs: Section 402 Formula Grants, Section 405 Occupant Protection Incentive grants, and Section 410 Alcohol Impaired Driving Countermeasures Incentive Grants. Combined, these programs will provide States with the mechanisms to implement programs developed and supported on a national level, but based and implemented locally to affect highway safety injury and fatality rates particular to the diverse municipalities of the Nation. Finally, the requested level also includes full authorized funding for the administrative support and high visibility enforcement campaigns. NHTSA will conduct three campaigns annually, and the additional funds above the FY 2007 level represent the normal annual funding level needed to support these three campaigns, absent being able forward fund the December campaign as proposed for the FY 2007 budget year. Administrative expenses covers a proportionate share of NHTSA's salaries and administrative costs in support of the highway safety grant programs, and funding for the national seat belt survey and partial funding of the highway safety research program.

Support of the President's Management Agenda

NHTSA continues to fully support all of the initiatives contained in the President's Management Agenda. As evidenced by this submission, NHTSA assures a direct linkage of plans, programs and budgets, one of the most important tenets of the PMA. NHTSA is a data-driven and science-based agency. Funding and program decisions are based on maximizing impacts on lives saved and reducing the severity of injuries, and supporting DOT and NHTSA goals and objectives in quantifiable ways.

NHTSA has also initiated a number of workforce planning tools to assure continuity of operations and sufficient levels of skilled employees to meet its priority agenda. These include conducting skills and competency assessments of the workforce and future needs, and matching these with on board staff and future hires to assure the most professional and competent workforce to meet our needs.

In partnership with the other trust funded DOT agencies, NHTSA enjoys a "clean" unqualified audit opinion for several years in a row. In response to recent OMB guidance on internal controls (Circular A-123), NHTSA has initiated an aggressive internal and management control program to fully document all processes and activities, identify any weaknesses, and mitigate them to acceptable risk levels.

NHTSA also fully participates with the department to implement technology where it sees benefits. Included are recent efforts to automate the procurement, invoicing, payroll, personnel

and travel activities in conjunction with other DOT agencies. Also, NHTSA recently integrated all its desktop support, e-mail, and infrastructure within DOT's common operating environment in anticipation of the move to the new building. Future efforts will include grants processing and administration, as well as document management.

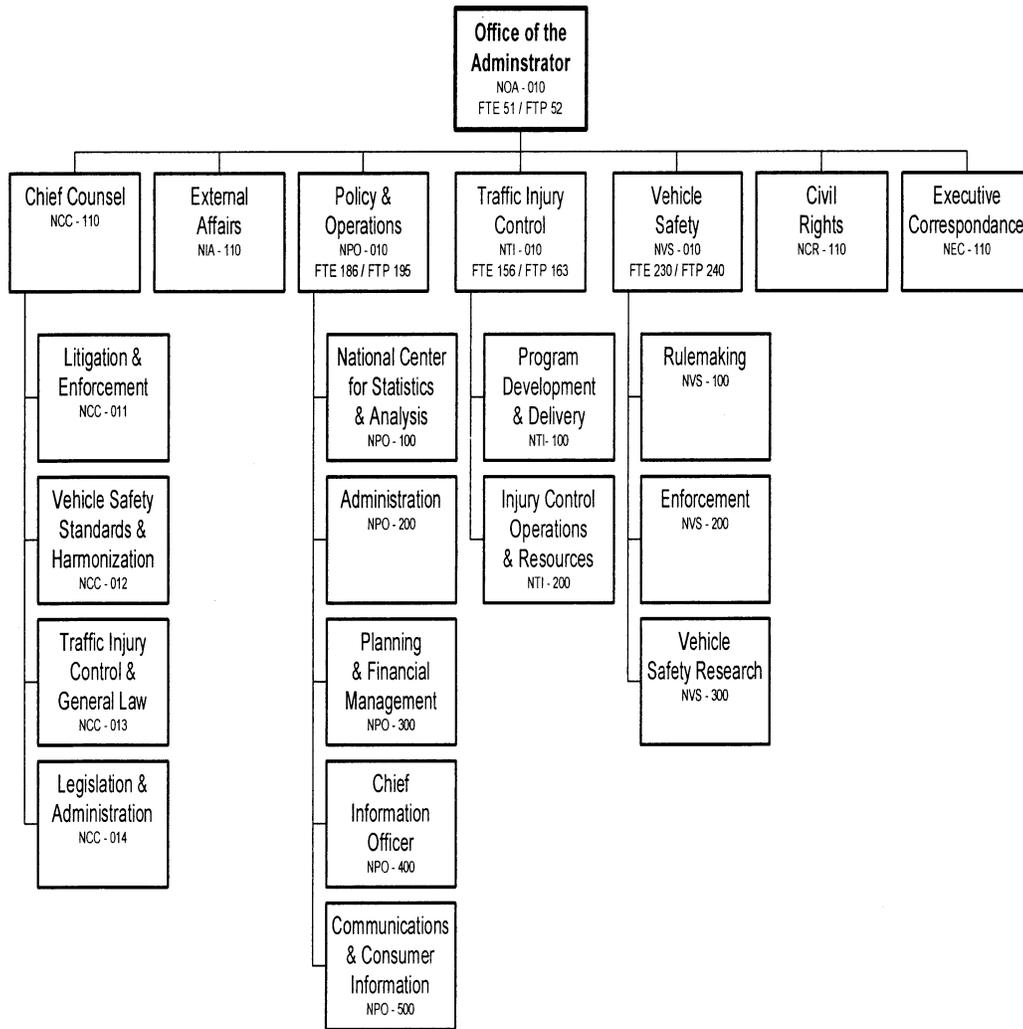
All IT investments made by NHTSA are reviewed and approved by a senior management governance structure to assure optimal use of the limited investment funding and full integration within the DOT infrastructure.

PART Evaluation

In prior years, NHTSA conducted two Program Assessment Rating Tool (PART) evaluations in conjunction with OMB. The Agency's Grant Management Program was PARTed in FY 2002 and the Operations and Research Programs PART was completed in FY 2004. NHTSA's Grant Management Program will be rePARTed during FY 2007.

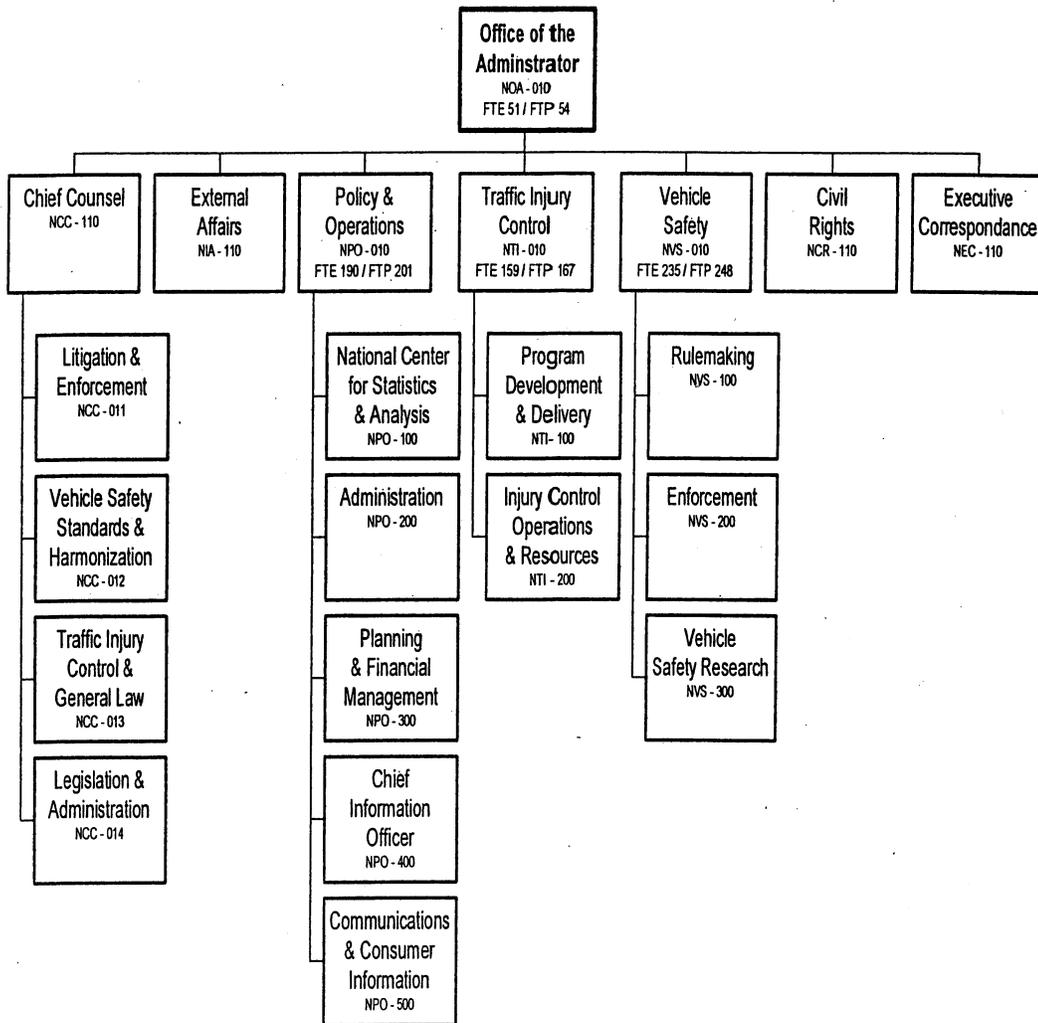
PAGE INTENTIONALLY
LEFT BLANK

**FY 2008
National Highway Traffic Safety Administration**



Note: The Office of Program Development and Delivery has been renamed to the Office of Research and Program Development. The Office of Injury Control has been renamed to the Office of Regional Operations and Program Delivery. In addition, The Office of Administration has been merged with Planning and Financial Management and renamed to the Office of Planning, Administrative and Financial Management.

FY 2007
National Highway Traffic Safety Administration



Note: The Office of Program Development and Delivery has been renamed to the Office of Research and Program Development. The Office of Injury Control has been renamed to the Office of Regional Operations and Program Delivery. In addition, The Office of Administration has been merged with Planning and Financial Management and renamed to the Office of Planning, Administrative and Financial Management.