

Statement of
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Before the Appropriations Subcommittee on
Transportation, Housing and Urban Development, and Related Agencies
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Good morning Chairman Olver, Ranking Member Latham, and distinguished members of the Subcommittee. My name is David Strickland, and it gives me great pleasure to appear before you today for the first time as Administrator of the National Highway Traffic Safety Administration (NHTSA), to discuss the President's FY 2011 budget request of \$877.6 million. This request compares to the appropriation provided to NHTSA this year of \$872.8 million, or \$4.8 million more, a one-half percent increase.

I want to first state unequivocally that safety is the Department's number one priority and the number one priority of NHTSA. We are extremely proud of the programs that we administer across a broad spectrum of the safety matrix, and we believe they are making a difference in saving lives and reducing injuries to the American public. Two weeks ago, Secretary La Hood announced our preliminary estimates of fatalities for calendar year 2009. These show that traffic fatalities for 2009 dropped considerably to under 34,000, the lowest level since 1954. Also, the fatality rate expressed in terms of lives lost per 100 million vehicle miles traveled dropped to 1.16, again the lowest level on record. This was almost a 9 percent drop in fatalities in one year, and this followed a 10 percent drop the year before. While we cannot predict similar results in future years due to changing economic and demographic trends, we remain very encouraged by these outcomes and firmly believe they are reflective of the hard work of the Department of Transportation and NHTSA employees in cooperation with our State and local partners, and cooperation of the motor vehicle industry. The relatively small investment of the Federal budget in NHTSA's programs and personnel clearly shows positive and quantifiable performance results that make a difference in America's communities.

The Secretary and I have received many questions recently regarding the level and adequacy of resources provided to NHTSA to meet our safety mandates, especially in the area of defect investigation. I want to thank you, Mr. Chairman and members of this Subcommittee, for your strong support of NHTSA budget requests made over the years. The FY 2011 request before you includes the proposed addition of 66 more Federal staff. If this request is funded, based on what we know today, it will be adequate to allow us to continue to do our job in a responsible and thoughtful manner.

NHTSA's Behavioral, Grant, National Driver Register and Data programs and activities are all authorized under SAFETEA-LU which expired on September 30, 2009. This authorization has been temporarily extended through the end of this year, but in the absence of a permanent and long-term authorization, our request for program funding reflects essentially FY 2009 authorized levels. The principal exception to this in our request is a proposal to use \$50 million of the Section 406 Seat Belt Incentive Grant

funds for a new Distracted Driving Incentive Grant program. This is a high priority of Secretary LaHood, and a program such as this would go a long way toward addressing the estimated 6,000 annual deaths attributed to distraction.

Turning to our vehicle Safety programs, our request includes an increase for the New Car Assessment Program (NCAP) to allow us to more fully implement the new protocols that we will be introducing starting with the testing of the Model Year (MY) 2011 vehicles this summer. Additionally, we request sufficient funding to continue our activities related to the Corporate Average Fuel Economy (CAFE) rulemaking, advanced safety research, and the full breath of our enforcement activities, including the defects investigations. The program increases in this account are fully offset by adjustments we propose to prior year funding levels where we received marked increases that are not required in FY 2011 and some realignments of administrative and program funds to other NHTSA accounts. That is why the request for this account appears lower than the FY 2010 appropriation and could be misinterpreted as a reduction to our vehicle Safety program agenda. I want to be clear; our budget does not sacrifice safety in any manner, and fully continues the programs and activities that have been responsible for the significant reductions in fatalities achieved over the past few years that I just referenced.

NHTSA Overview:

Within the Department of Transportation, NHTSA has the principal responsibility for promulgating regulations and administering programs in conjunction with the safety groups, States and other partners to reduce fatalities and injuries due to crashes on our nation's highways. This responsibility covers all aspects of highway driving, including passenger cars, trucks, buses, and motorcycles, as well as pedestrians and bicyclists.

NHTSA's principal focus of attention continues to be on the tried and true safety countermeasures of appropriate use of restraints in all vehicles and for all occupants, helmet usage, licensing and training for motorcyclists, graduated driver licensing for our young drivers, efforts to combat impaired driving, and avoiding driver distractions. We also continue to see the need to explore and research the safety benefits of emerging vehicle technologies that will serve to avoid crashes in the first place, such as lane departure warning and active brake assist systems.

We also invest a sizeable level of time and resources on the areas of fuel economy and alternative fuel research to do our part to reduce the nation's energy dependence on oil and to reduce the harmful environmental impacts of vehicles. The level of effort and coordination with the Environmental Protection Agency (EPA) on our upcoming CAFE rule is unprecedented and will continue with related joint rulemakings to address the twin goals of improving fuel economy and reducing greenhouse gases.

Finally, NHTSA prides itself on the extensive use of data and sound science to manage our priorities and performance. The various data collection and analysis tools in the National Center for Statistics and Analysis (NCSA), such as the Fatality Analysis and Reporting System (FARS), as well as our Early Warning Reporting (EWR) and Safety

Defects Investigation Program allow us to keep our finger on the pulse of roadway safety. In this latter area, we traditionally receive around 30,000 vehicle complaints each year, and we carefully review each one of these looking for any trend that evidences safety has been compromised. In just the past 3 years, this effort has resulted in over 500 voluntary recalls affecting about 24 million vehicles across most manufacturers, both foreign and domestic. NHTSA has the most active defects investigation program in the world, with a record of influencing 2,800 recalls on 278 million vehicles since we first started doing this. Data collection and analysis is also the backbone of the Agency's highway safety grant programs with States, directing scarce resources to address the most pressing safety problems.

FY 2011 Budget Summary:

NHTSA requests \$877.6 million for our planned programs and activities for FY 2011. This represents a \$4.8 million increase, or one-half of one percent above this year's funding level. With this level of funding we will implement an aggressive plan to continue the important safety programs and activities that have historically proven to reduce traffic injuries and fatalities. The notable changes in our request compared to current year appropriated levels involve the following areas:

- \$1.65 million increase to the NCAP program for a total of \$12 million. The new safety protocols being introduced for testing starting this year will make it more challenging for vehicle manufacturers to achieve a high safety rating. Also, due to this new testing methodology, we will be unable to bring forward vehicle safety ratings from prior model years, and instead must test all new cars starting with MY 2011. At this increased level of funding, NHTSA plans to test about 72 percent of the fleet and provide these results to consumers to inform their future buying decisions.
- \$50 million of the \$124.5 million provided for the Section 406 Seat Belt Incentive Grant Program is designated for a new Distracted Driving Incentive Grant Program to provide incentive to States to enact and enforce distracted driving laws. In support of this effort, NHTSA and a cross-section of partners also recently developed a sample distracted driving law that could be used by States and localities as they legislate on distraction.
- \$4.5 million to increase NHTSA's staffing level from 632 positions (617 funded FTEs) in FY 2010 to 698 positions (650 funded FTEs) in FY 2011. The additional 66 positions (33 FTEs) will be strategically used by NHTSA to address high priority safety areas, including defect investigations, research, and rulemaking, as well as to support the behavioral safety and State grant oversight responsibilities of the Agency.
- \$1.2 million increase in funding for a total of \$29.7 million to support NHTSA's data collection and analysis activities administered through the National Center for Statistics and Analysis (NCSA). This increase is needed to maintain

consistency in the number of cases we are able to collect and review annually, strengthening the statistical reliability of the analysis.

In total, as mentioned, NHTSA requests a FY 2011 budget that is \$4.8 million above the FY 2010 enacted level. The above increases, and a few smaller inflationary increases in areas such as the National Emergency Medical Services Information System (NEMSIS) and Odometer Fraud, are partially offset by reductions proposed in four main areas:

- We request \$7.9 million in support of the CAFE Program activities, a reduction of \$1 million from the FY 2010 enacted level. These efforts will continue uninterrupted with the funding level requested.
- We request \$1 million for Alternative Fuel Research, a reduction of \$3.5 million from the FY 2010 enacted level. The activities and initiatives that are getting underway in FY 2010 will carry over into FY 2011.
- We request \$1 million for the American Coalition for Traffic Safety (ACTS) cooperative agreement, a reduction of \$250,000 from the FY 2010 enacted level, to fund research related to advanced technologies for alcohol interlock devices. The agreement calls for NHTSA to contribute \$1 million annually which we will honor with our request.
- Finally, we request \$6.7 million for the National Driver Register (NDR) Program; a reduction of \$650,000 from the FY 2010 enacted level. The system development efforts will be mostly completed during 2010, with the new system tested and deployed during 2011, allowing for a reduced level of funding in FY 2011.

Highlights of NHTSA's requested funding of \$877.6 million for FY 2011 in each account are as follows:

Highway Safety Grants:

We request \$620.7 million from the Highway Trust Fund (HTF) for NHTSA's seven grant programs, three annual High Visibility Enforcement (HVE) campaigns, and agency administrative expenses. This request is \$1.2 million more than this year's appropriation and will fund the Section 402, 405, 406, 408, 410, 2010, 2011, and HVE programs at the FY 2009 SAFETEA-LU authorized levels totaling \$601 million. The balance of \$19.7 million is for administrative costs, and includes funds for 4.5 additional FTEs (9 positions) to support the grant programs that were substantially expanded under SAFETEA-LU starting in FY 2006. This increase also includes a small inflationary increase to cover the President's proposed pay raise of 1.4 percent for all General Service employees. As mentioned above, this request also includes a new Distracted Driving Incentive Grant program of \$50 million to be funded from the Section 406 Seat belt Incentive Grant Program funding line.

Highway Safety Research and Development:

We request \$117.4 million from the HTF for NHTSA's Highway Safety Research and Development activities. This request is \$11.9 million more than this year's appropriation and will fund the Agency's behavioral safety programs, such as impaired driving, occupant protection, distracted driving, older drivers, youth, and pedestrians, as well as the data collection and analysis activities of the NCSA. Of the \$11.9 million increase requested for this account, \$7.5 million reflects a realignment of administrative expenses between these accounts; \$1.6 million reflects a realignment of program expenses for FARS/Fast FARS and NASS from the Vehicle Safety Research account to this account; \$1.3 million is a true increase to cover the FY 2011 pay raise of 1.4 percent and a requested increase of 6 FTE (11 FTPs); \$1.2 million is for increased funding to the NCSA data collection and analysis activities, e.g. FARS, National Automotive Sampling System (NASS); and the balance of \$239,000 is a "net" increase for inflation to several behavioral programs and activities, e.g. NEMSIS.

Vehicle Safety Programs:

We request \$132.8 million in General Funds for the Vehicle Safety Programs programs and activities. This request is \$7.6 million less than this year's appropriated level. This level of funding is sufficient to allow us to support all programs and activities funded under this account, including the rulemaking activities related to CAFE, new vehicle testing under NCAP, research for enhanced technologies as well as alternative fuels, and enforcement activities, including defects investigations, regulatory compliance and odometer fraud.

This decreased level includes \$7.2 million in indirect administrative costs that are proposed to be realigned to other accounts in FY 2011. We have also requested a realignment of \$1.6 million in funding for FARS/Fast FARS and NASS to the Highway Safety Research and Development account. Additionally, we have requested a reduced funding level for CAFE (\$1 million lower than the FY 2010 enacted level) and a reduced level of funding for alternative fuels research (\$3.5 million lower than the FY 2010 enacted level). Offsetting these decreases to this account, we have requested an increase of \$1.65 million to the NCAP program for testing of new cars to reach a level of 72 percent. We have also requested increased funding of \$4.0 million for the FY 2011 general pay raise of 1.4 percent and to support a request for 23 more FTEs (46 FTPs).

National Driver Register:

We request \$6.7 million, in FY 2011; \$4.2 million from the HTF and \$2.5 million in General Funds, which is \$650,000 less than this year's appropriated level for the National Driver Register program. In FY 2010, the Congress provided NHTSA an additional \$3.35 million from General Funds for the modernization of the current Problem Driver Pointer System (PDPS). This initiative will be mostly completed in 2010, with testing and implementation occurring in 2011. Due to the completion of this project in FY 2011, we require \$650,000 less in funding than we needed in FY 2010. Next year there will be

an approximate 6-month overlap of the operation of the older PDPS and the new PDPS to ensure that the new system operates efficiently and effectively. As soon as this is assured, the older PDPS will be retired and we will resume normal annual operational support activities. This request also includes a small inflationary increase to cover the President's proposed pay raise of 1.4 percent for all General Service employees.

Mr. Chairman and members of the Subcommittee, this concludes my testimony supporting NHTSA's request of \$877.6 million for FY 2011. I'd be pleased to answer any questions you may have for me.