THE SECRETARY OF TRANSPORTATION
WASHINGTON, DC 20590

March 9, 2023

The Honorable Rosa L. DeLauro
Ranking Member
House Committee on Appropriations
Washington, DC 20515

Dear Ranking Member DeLauro:

Thank you for your letter sharing your concerns regarding a reported plan to cap fiscal year (FY) 2024 discretionary spending at FY 2022 enacted levels, which could have a devastating impact on transportation investments and services critical for the American people.

President Biden's budget shows his plans to invest in America, continue to lower costs for families, protect and strengthen Social Security and Medicare, and reduce the deficit. Meanwhile, Congressional Republicans have reportedly proposed unprecedented cuts in FY 2024 funding for key priorities, including transportation and critical transportation infrastructure. While Congressional Republicans haven't released a specific plan, cuts on this scale would have very real and damaging impacts on our families, our communities, our economy, and our competitiveness—undermining a broad range of critical services the Department of Transportation (DOT) provides that the American people rely on in their everyday lives.

Discretionary cuts could cause substantial damage to our operational and safety programs, many of which are funded through these accounts. Discretionary spending at the Department is approximately $28.7 billion and constitutes a little over one fourth of DOT's approximately $107.2 billion in enacted FY 2023 funding. If the proposed cuts solely target non-defense discretionary accounts, DOT would be required to reduce its discretionary spending by 22% across the agency. Cuts of this magnitude would require furloughs of essential safety personnel, including air traffic controllers and safety inspectors, and could also require Reductions in Force (RIF). Under this scenario, safety would be undermined for years to come – curtailing vehicle, rail, pipeline and aviation safety inspections, limiting our research programs across these programs, and significantly compromising our transportation operations.

For example, for the FAA to operate approximately $3.4 billion below the FY 2023 enacted level, it would be forced to immediately cut back on its core functions, impacting services to the flying community:

- FAA Operations, which funds all air traffic controllers, the safety inspection workforce, and essential functions that keep the National Airspace System operating safely, would be reduced by as much as $2.6 billion.

- FAA would need to implement an immediate hiring freeze for its entire operations and facilities workforce, including controllers and safety inspectors, causing delays in air traffic, certification of aircraft, pilots, drone operators, and commercial space licensing. FAA would likely need to furlough all FAA employees, including air traffic controllers and safety inspectors, for 22 days and potentially implement a Reduction in Force of up to 10%.

FAA would likely be required to halt all system modernization efforts, including efforts to modernize Notice to Air Missions (NOTAMs) and other critical safety systems, discontinue NextGen implementation for critical programs, and terminate facility replacement projects.

- FAA would need to shut down services at 125 lower activity towers resulting in 1/3 of airports losing the safety benefits of controlled air traffic. FAA would also be required to terminate contracts that support air traffic safety, including flight services, federal contract towers, contract weather observers, system maintenance and cybersecurity.

- FAA's Facilities and Equipment account, which funds its capital programs, would be reduced by as much as $650 million – resulting in its lowest funding level in over 15 years. FAA would only be able to do the minimum needed to sustain automation, navigation, and surveillance systems -- which would significantly increase the risk of outages and delays.

- FAA would also likely be required to terminate the transition of a key communication technology, Time Division Multiplexing to Internet Protocol (TDM to IP), resulting in outages that cannot be restored as service providers no longer support TDM technology.

The cuts would undermine key infrastructure investments and services across DOT. For example:

- A $580M reduction below the FY 2023 enacted level for the Federal Transit Administration's Capital Investment Grants account will decrease funding for key projects across the country that are already under or nearing construction or in the local planning and development process. This drastic reduction in funding will delay or even put at risk major capital projects, which have already been planned in large part (including finance plans).

- A nearly $540 million cut to Amtrak would affect the railroad's ability to maintain and improve its infrastructure and continue delivering critical intercity travel options that more than 30 million passengers rely on every year. On the Northeast Corridor, reduced funding would lead to deteriorating ride quality and longer trip times due to delays and slow orders that could otherwise be mitigated by maintaining Amtrak's investment in NEC infrastructure. Similarly, on the National Network, reduced funding would delay important capital maintenance and could force Amtrak to cut back service, particularly on its Long Distance routes that connect more than 300 communities across 39 states.

These cuts would also result in substantial impacts to safety programs across DOT. Reductions in the hiring of Federal Railroad Administration (FRA) staff, including personnel carrying out core safety programs and inspections, could result in a reduction of more than 4,000 inspection days. There would also be reductions in Pipeline and Hazardous Materials Safety Administration field inspections, with 2,000 fewer days dedicated to inspecting hazardous liquid and natural gas pipeline facilities and liquified natural gas (LNG) export facilities. Our Vehicle Safety Programs would also be put at risk – including impacts to the number of vehicle recalls, and reductions in vehicle investigations and vehicle defect enforcement activities.

- At a time when there is national consensus that we should further strengthen rail safety, these cuts would significantly undermine it, reducing the Federal Railroad Administration's Safety and Operations account by $55 million and resulting in the lowest funding level for FRA's core safety programs and personnel since FY 2015. Such a cut would require FRA to RIF at least 175 personnel, including upwards of 75 railroad safety inspectors. In aggregate, this could represent a reduction of 11,000 inspection days conducted by FRA's inspection workforce. FRA would also need to significantly scale back critical safety programs, such as the Automated Track Inspection Program (ATIP) program, which provides critical information to FRA on track geometry and rail integrity across the nation's rail network. FRA's fleet of ATIP cars would inspect at least 30,000 fewer miles of track from the 150,000 miles inspected on average the previous three years. Reduced funding to its Confidential Close Call Reporting System (C3RS) would halt efforts to expand C3RS industry-wide to enable greater participation from railroads and railroad employees. Currently 23 railroads and 27,000 railroad employees participate in this program.

- Cuts to our PHMSA's Hazardous Materials Safety programs would result in reduction of 45 Hazardous Materials Safety staff. This would reduce our ability to respond to HazMat incidents (like the recent East Palestine train derailment) and reduced enforcement via investigation and inspection of HazMat shippers and packaging centers. We would have less than one experienced investigator (above trainee/journeyman level) per state, thereby reducing Hazardous Materials enforcement and increasing safety risk. There would also be reductions to education and outreach activities for first responders, local and State emergency management, and the public.

- The Pipeline and Hazardous Materials Safety Administration (PHMSA) would need to reduce its Pipeline Safety staff by 60, resulting in approximately 4,000 fewer days inspecting hazardous liquid and natural gas pipeline facilities and liquified natural gas (LNG) export facilities. At these levels, some facilities might only be inspected at an 8-year interval, or once a decade, instead of every 3-4 years, thereby increasing the likelihood of incidents, including those causing death and/or injury. Impacted pipelines would include everything from 25 miles of pipeline in Key West to 2,000 miles of pipeline from Texas to Minnesota; from modern pipeline constructed several years ago, to old legacy pipe constructed a century ago. PHMSA would likely not be able to conduct our first inspections of newly regulated facilities such as gas gathering pipelines.

- The National Highway Traffic Safety Administration (NHTSA) would need to reduce its workforce, freeze hiring and implement a RIF of up to 20 employees. A workforce reduction of this size would prevent the agency from hiring the skills and expertise needed to investigate the safety of automated vehicles and establish informed safety standards for these technologies. In addition, the funding cuts would put at risk NHTSA's ability to continue to: perform safety investigations and hundreds of the vehicle recalls issued each year to protect the public from safety hazards; purchase the vehicles necessary to conduct safety tests and share vital safety information with consumers through the New Car Assessment Program; keep unsafe vehicles from entering the country even as the volume of imports has tripled since 2020; and, develop safety standards required under the Infrastructure Investment and Jobs Act.

Even under an alternative scenario where cuts are spread across both defense and non-defense programs, capping the Department's discretionary funding at FY 2022 enacted levels of $26.9 billion, and cutting approximately $1.8 billion below current FY 2023 enacted levels, the impacts to Department operations would be significant. For example, the Federal Aviation Administration's Operations account could be cut by more than $500 million, at a time when we need to increase, not decrease, this mission-critical workforce. Cuts of this magnitude would impact hiring and training of safety essential personnel, including 1,800 air traffic controllers and almost 500 safety inspectors, increasing the risk of system outages resulting from delayed maintenance, and resulting in approximately five days of furloughs for all FAA staff. Infrastructure programs across the Department, including our transit and rail programs, would be impacted – halting or slowing projects nationwide.

I appreciate and share your concerns about the devastating impact of these potential cuts on the American people, and I look forward to working with you as we continue making transformative investments to modernize our infrastructure and deliver safer, cleaner, and more equitable transportation systems. If I can provide further information or assistance, please reach out or contact Mohsin Syed, Assistant Secretary for Governmental Affairs, at mohsin.syed@dot.gov.

Sincerely,

Pete Buttigieg