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United States General Accounting Office
Washington, DC 20548

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May 10, 2001

The Honorable John McCain
Chairman
The Honorable Ernest F. Hollings
Ranking Member
Committee on Commerce, Science, and Transportation
United States Senate

The Honorable Don Young
Chairman
The Honorable James L. Oberstar
Ranking Minority Member
Committee on Transportation and Infrastructure
House of Representatives

Subject: Department of Transportation, National Highway Traffic Safety Administration, Federal Highway Administration: Safety Incentive Grants for Use of Seat Belts--Allocations Based on State Seat Belt Use Rates

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by the Department of Transportation (DOT), National Highway Traffic Safety Administration and Federal Highway Administration, entitled "Safety Incentive Grants for Use of Seat Belts--Allocations Based on State Seat Belt Use Rates" (RIN: 2127-AH38). We received the rule on April 26, 2001. It was published in the Federal Register as a final rule on April 26, 2001. 66 Fed. Reg. 20921.

The final rule implements a new grant program established by the Transportation Equity Act for the 21st Century. The rule establishes procedures for allocating Federal grant funds to states whose seat belt use rates meet certain requirements.

The final rule has an announced effective date of May 29, 2001. The Congressional Review Act requires a 60-day delay in the effective date of a major rule from the date of publication in the Federal Register or receipt of the rule by Congress, whichever is later. 5 U.S.C. 801(a)(3)(A). Since there is only a 33-day delay in the effective date, section 801(a)(3)(A) has not been complied with to allow 60 days for congressional review.

Enclosed is our assessment of DOT's compliance with the procedural steps required by section 801(a)(1)(B)(i) through (iv) of title 5 with respect to the rule. Our review indicates that, with the exception of the 60-day delay in the effective date, DOT complied with the applicable requirements.

If you have any questions about this report, please contact James W. Vickers, Assistant General Counsel, at (202) 512-8210. The official responsible for GAO evaluation work relating to the subject matter of the rule is John Anderson, Managing Director, Physical Infrastructure. Mr. Anderson can be reached at (202) 512-2834.

signed

Kathleen E. Wannisky
Managing Associate General Counsel

Enclosure

cc: Mr. John Donaldson
Attorney, National Highway
Traffic Safety Administration
Department of Transportation

ANALYSIS UNDER 5 U.S.C. § 801(a)(1)(B)(i)-(iv) OF A MAJOR RULE
ISSUED BY THE
DEPARTMENT OF TRANSPORTATION,
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION
FEDERAL HIGHWAY ADMINISTRATION
ENTITLED
"SAFETY INCENTIVE GRANTS FOR USE OF SEAT BELTS--
ALLOCATIONS BASED ON STATE SEAT BELT USE RATES"
(RIN: 2127-AH38)

(i) Cost-benefit analysis

DOT prepared a Final Economic Assessment of the final rule. The Assessment found that if each state conducted the surveys following the rule's procedures, the cost is estimated at \$1.9 million. However, since most states already conduct the surveys, the costs will be less.

It is estimated that an increase in seat belt use rates of 1 to 4 percentage points could result in 232 to 940 lives being saved annually and the prevention of 5,700 to 23,000 nonfatal injuries with a corresponding decline in medical costs of \$64 million to \$258 million. The estimated level of expenditure to raise seat belt usage by these percentages is estimated at \$10.4 million.

The funds available for allocation to the states for the remaining years of the program are \$102 million for fiscal year 2001 and for fiscal years 2002 and 2003 \$112 million, each.

(ii) Agency actions relevant to the Regulatory Flexibility Act, 5 U.S.C. §§ 603-605, 607, and 609

DOT certifies that the final rule will not have a significant economic impact on a substantial number of small entities.

(iii) Agency actions relevant to sections 202-205 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. §§ 1532-1535

The final rule does not contain an intergovernmental or private sector mandate, as defined in title II, of more than \$100 million in any one year. The program is voluntary and states can choose to participate.

(iv) Other relevant information or requirements under acts and executive orders

Administrative Procedure Act, 5 U.S.C. §§ 551 et seq.

The rule finalizes the procedures set forth in the previous interim final rule published on October 29, 1998, in the Federal Register (63 Fed. Reg. 57904). The preamble to the final rule contains a discussion of the comments received in response to the interim final rule.

Paperwork Reduction Act, 44 U.S.C. §§ 3501-3520

The state seat belt use surveys are information collections under the Paperwork Reduction Act and have been approved by the Office of Management and Budget (OMB) under Control No. 2127-0597.

Statutory authorization for the rule

The final rule is promulgated under the authority in section 1403 of the Transportation Equity Act for the 21st Century (Public Law 105-178) and codified at section 157 of title 23 of the United States Code.

Executive Order No. 12866

The final rule was reviewed by OMB and found to be an “economically significant” regulatory action under the order.

Executive Order No. 13132 (Federalism)

The final rule has been reviewed under the order and has been found not to have sufficient federalism implications to warrant the preparation of a Federalism Assessment.