

February 1996

# Reports and Testimony: January 1996

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## Highlights

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### Nuclear Waste

*Delays in determining the specific nature of radioactive waste stored in underground tanks at the Energy Department's Hanford, Washington, site could drive up cleanup costs beyond the current estimate of \$36 billion and jeopardize the development of effective treatment processes and facilities. Page 4.*

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### Retention Allowances

*In 1994, 94 percent of the 354 special payments made by federal agencies to ensure retention of employees with unique qualifications were made by five agencies. One agency—the Export-Import Bank—awarded such allowances to nearly 22 percent of its employees, but failed to determine whether the recipients would quit without such extra pay. Page 6.*

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### Safety Belts

*Safety belt use has increased substantially during the past decade, from 11 percent in 1982 to 58 percent in 1994. States achieving the highest rates of safety belt use have comprehensive programs that include strong laws mandating safety belt use, aggressive law enforcement, and vigorous education programs. Page 15.*

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# Reports and Testimony: January 1996

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## Agriculture and Food

### **Agricultural Marketing: U.S. Cotton Market Before and After Import Assessments**

GAO/RCED-96-49, Jan. 22 (25 pages).

The cotton check-off program, which has collected assessments on domestic cotton since 1967, is intended to strengthen cotton's competitive position relative to synthetic fibers and maintain and expand domestic and foreign markets for U.S. cotton. The program's promotion efforts have probably contributed to cotton's growth in the U.S. market. In addition, the U.S. consumption of cotton and the import share of the U.S. cotton market continued to increase following the imposition of the assessment on imported textiles and apparel. The value of this assessment—about one-half cent for a man's cotton shirt—is unlikely to slow consumer demand for cotton. Furthermore, this assessment is in accord with U.S. international trade agreements. Although the Agriculture Department has created an administrative framework for assessing imported cotton, two major issues raised by importers have yet to be resolved. The first of these issues—double payments on assessment—may be addressed by current efforts to identify foreign mills that use large amounts of U.S. cotton. The second issue, however, is harder to resolve—the extent of the Cotton Board's oversight over Cotton Incorporated. Although steps are being taken to address this matter, such efforts do not deal with importers' lack of representation on Cotton Incorporated's board of directors.

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## Budget and Spending

### **Deficit Reduction: Better Targeting Can Reduce Spending and Improve Programs and Services**

GAO/AIMD-96-14, Jan. 16 (13 pages).

Targeting is a promising approach to deficit reduction that can help reduce spending as well as improve federal programs and services. When resources are poorly targeted, the federal government spends more money than needed to achieve program goals. Moreover, in a climate of large budget deficits, the inefficiencies resulting from poorly targeted programs and services have sometimes called into question the legitimacy of continuing these programs or maintaining them at current levels. This report summarizes previous GAO work that proposed "better targeting" as a strategy for downsizing government. In past reports, GAO has identified instances in which individuals, organizations, and jurisdictions outside the

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population originally targeted for assistance have received program funds, service benefits, or tax subsidies. This report presents examples illustrating better targeting in a wide range of federal programs.

**Impoundments:  
Historical Data on Proposed and Enacted Rescissions for Fiscal  
Years 1974-1995**

GAO/OGC-96-3, Jan. 18 (five pages).

To keep Congress abreast of the amount and frequency of proposed and enacted rescissions, GAO has updated its previous compilation of historical data on rescissions proposed by the executive branch and rescissions enacted by Congress through the close of the fiscal year. These statistics were prepared in accordance with the same scope and methodology GAO used to compile its previous tables.

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**Civil Rights**

**Military Equal Opportunity:  
Problems With Services' Complaint Systems Are Being Addressed  
by DOD**

GAO/NSIAD-96-9, Jan. 26 (27 pages).

Defense Department (DOD) policy holds that equal opportunity is integral to the unity, readiness, and total defense capability of its forces. Unwarranted discriminatory behavior, including racial discrimination and sexual harassment, is not to be condoned or tolerated. From fiscal year 1989 through 1993, the number of equal opportunity complaints reported by the military services ranged from about 1,300 to more than 3,600—averaging nearly 2,900 per year. During the same period, the active duty military forces declined from about 2.1 million to 1.7 million. This report (1) identifies the military services' processes for handling equal opportunity complaints and (2) discusses whether opportunities exist for improvement. As part of its review, GAO conducted focus group sessions with more than 900 servicemembers to gain an understanding of the complaint system and equal opportunity environment from their perspective.

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## Energy

### **Nuclear Waste: Management and Technical Problems Continue to Delay Characterizing Hanford's Tank Waste**

GAO/RCED-96-56, Jan. 26 (22 pages).

Delays in determining the specific nature of radioactive waste stored in underground tanks at the Energy Department's (DOE) Hanford site could drive up costs beyond the current estimate of \$36 billion and jeopardize the development of effective treatment processes and facilities. Some of the Hanford tanks have leaked, and others hold potentially flammable waste. Characterization, the first major step in cleaning up tank wastes, involves determining the contents of the tanks through sampling and other means. Westinghouse Hanford Company, DOE's contractor, has yet to characterize any of the 177 Hanford tanks sufficiently to declare them ready for remediation. In addition, DOE did not meet its commitment to the Defense Nuclear Facilities Safety Board to characterize the 54 tanks with known safety problems by October 1995. Although many factors have contributed to the delays, two stand out. First, despite more than 10 years of effort, DOE and Westinghouse have had difficulty resolving such basic questions as how to take reliable top-to-bottom samples from the tanks and how to reconcile conflicting information about a tank's contents. Second, DOE and Westinghouse have not had effective management systems for detecting and addressing problems with the characterization program. In some cases, managers were unaware of technical and safety problems; in others, they knew about problems for a long time before taking action.

### **Department of Energy: Property Management Has Improved at DOE's Rocky Flats Site**

GAO/RCED-96-39, Dec. 28 (15 pages).

As of October 1995, the Energy Department (DOE) estimated that only \$4.5 million worth of property was missing or could not be physically located at its Rocky Flats facility in Colorado. This amount is considerably lower than the \$29.3 million cited in GAO's 1994 report (GAO/RCED-94-77) primarily because DOE authorized the contractor to write off about \$20.8 million in missing or "unlocated" property from the property records. Generally, GAO found that DOE had improved property management at Rocky Flats. For instance, DOE has acquired a new property-tracking system more suited to property management. However, a major problem

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highlighted in GAO's 1994 report has yet to be addressed: A large percentage of the data in the site's property-tracking system are inaccurate.

**Energy Management:  
Unsubstantiated DOE Travel Payments**

GAO/RCED-96-58R, Dec. 28 (11 pages).

The Secretary of Energy has taken more than 100 domestic and foreign trips since she took office. Because of concerns about the extent of her trips as well as their expense, GAO reviewed the Energy Department's (DOE) expenditures for selected foreign trips. GAO found that DOE lacked written procedures at the time of these trips that specified either the types of records to be kept or the process to follow in obtaining support for foreign travel from U.S. embassies. During GAO's audit of the Secretary's trip to India, DOE officials could not provide records to substantiate about \$80,000 of DOE's total cost of \$730,000. In addition, DOE inappropriately shifted the source of funding for some security travel costs from one appropriation account to another during fiscal year 1995. DOE has taken several steps, including efforts to substantiate all travel payments, and Congress has clarified which appropriation DOE is to use for security travel costs. GAO summarized this report in testimony before Congress; see:

Energy Management: Some Unsubstantiated Payments for the Secretary's Foreign Travel, by Victor S. Rezendes, Director of Energy, Resources, and Science Issues, before the Subcommittee on Oversight and Investigations, House Committee on Commerce. GAO/T-RCED-96-59, Jan. 4 (seven pages).

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**Environmental  
Protection**

**Superfund:  
EPA Has Identified Limited Alternatives to Incineration for  
Cleaning Up PCB and Dioxin Contamination**

GAO/RCED-96-13, Dec. 29 (37 pages).

One of the most contentious issues facing the Environmental Protection Agency (EPA) is the use of incineration to clean up Superfund sites contaminated by polychlorinated biphenyls (PCB) or dioxin. Increasingly, community groups are protesting the use of incineration as a treatment remedy. Many people fear that the incinerators will emit hazardous substances that could pose a health risk for neighboring communities.

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Although EPA encourages the development of innovative technologies to dispose of hazardous wastes, it had not identified any technologies it believes to be as effective as incineration for most PCB- or dioxin-contaminated sites. Several innovative technologies, however, have the potential for future applications in treating complex sites contaminated with PCBs and dioxin. Accordingly, GAO agrees with EPA's recent proposal to revisit its decisions on remedies at some sites that could benefit from significant technological advancements.

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## Financial Management

### **Financial Management: Implementation of the Cash Management Improvement Act**

GAO/AIMD-96-4, Jan. 8 (18 pages).

The Cash Management Improvement Act seeks to promote equity in the exchange of funds between the federal government and the states. This legislation was enacted in response to allegations that states either drew cash advances well before federal funds were needed to make payments or used their own funds to satisfy federal program needs and were not reimbursed promptly by federal agencies. GAO found that the act has heightened awareness of cash management at both the state and federal levels. The Treasury Department, federal agencies, and the states have made substantial progress in implementing the act. By revising the act's regulations to streamline the process and by emphasizing the results of single audits as a way to oversee state activities and enforce the act's requirements, the Treasury's Financial Management Service should be able to improve the act's effectiveness and help alleviate any concerns about administrative burden.

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## Government Operations

### **Retention Allowances: Usage and Compliance Vary Among Federal Agencies**

GAO/GGD-96-32, Dec. 11 (22 pages).

Federal agencies use retention allowances as salary supplements to retain workers with unique qualifications or skills. As of September 1994, 354 of the 2.1 million civilian employees in the executive branch were receiving retention allowances. The cost of these allowances totaled \$2.8 billion annually. Five agencies—the Departments of Defense (DOD), Energy, and Agriculture; the Export-Import Bank; and the Securities and Exchange

Commission (SEC)—awarded 94 percent of these retention allowances. GAO found that Ex-Im Bank awarded allowances to nearly 22 percent of its employees in fiscal year 1994; other agencies gave allowances to 0.3 percent or fewer of their employees. The average allowance at the five agencies during fiscal years 1991 through 1994 was about \$7,800 per employee. Ex-Im Bank did not appear to comply with the requirement that it determine that prospective recipients would be likely to leave the agency if they did not receive allowances. The retention allowance plans for DOD, Ex-Im Bank, and SEC did not include criteria for determining the amounts of the allowances. Without a documented agencywide rationale, lower-level managers lacked guidance for decisions on individual allowances. Moreover, Office of Personnel Management regulations do not require that allowances be reviewed or recertified in writing when there are significant increases to employees' basic pay during the year.

**Status of Open Recommendations:  
Improving Operations of Federal Departments and Agencies**

GAO/OP-96-1, Jan. 16 (179 pages).

Each year, GAO's work contributes to many legislative and executive branch actions that yield significant financial savings and other improvements in government operations. Some, but not all, are identified through GAO's system for periodically following up to determine the status of actions taken on the recommendations made in GAO reports. About three out of four recommendations made during the past five years have been implemented. This report highlights the impact of GAO's work on various issue areas and summarizes key open recommendations. It also includes a set of computer diskettes with details on all open recommendations. The diskettes have several menu options to help users find information easily.

**Postal Service:  
Conditions Leading to Problems in Some Major Purchases**

GAO/GGD-96-59, Jan. 18 (17 pages).

Congress has raised concerns that five purchases by the Postal Service did not reflect favorably on the Service's procurement policy or the wisdom of exempting the Service from many of the purchasing rules that apply to other federal agencies. The purchasing problems covered by this report focus on seven cases, ranging from ethics violations in an automation

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contract to the purchase of a site in Queens, New York, that is unusable because of toxic contamination. Given the circumstances of the seven purchases, GAO does not believe that the problems were due to causes that should be addressed through legislation. GAO attributes the problems to poor judgment and decisions to circumvent existing internal controls to meet perceived operational exigencies. Nevertheless, the Postal Service can improve its purchasing organization and methods to help safeguard against such future occurrences, and the Service has taken steps to do so.

**White House Travel Office:  
Status of Financial Management Reforms**

GAO/AIMD-96-19R, Jan. 23 (nine pages).

In a 1994 report (GAO/GGD-94-132), GAO used 29 criteria to evaluate financial management and procurement operations at the White House Travel Office. GAO reported that the Travel Office had developed policies and implemented procedures consistent with 20 of the criteria and had begun, or agreed to take, action on the remaining nine. This report follows up on the status of financial reforms at the Travel Office. GAO found that as of August 1995, the Travel Office had implemented all but three of the criteria. For those three, the Travel Office had not (1) billed customers within its stated 15-day requirement, (2) paid vendors within its stated 45-day requirement, or (3) done bank reconciliations regularly.

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**Testimony**

U.S. Postal Service: A Look at Other Countries' Postal Reform Efforts, by Michael E. Motley, Associate Director for Government Business Operations Issues, before the Subcommittee on Post Office and Civil Service, Senate Committee on Governmental Affairs, and the Subcommittee on the Postal Service, House Committee on Government Reform and Oversight. GAO/T-GGD-96-60, Jan. 25 (16 pages).

Various parties have called for fundamental changes in the laws and regulations governing the U.S. Postal Service. In the past decade, several other countries have restructured their postal administrations. Although they are still owned by the government, these entities are now subject to less governmental control. GAO reviewed postal reform in eight nations: Australia, Canada, France, Germany, the Netherlands, New Zealand, Sweden, and the United Kingdom. This testimony discusses the experiences of other postal administrations, focusing on three areas—universal service, the mail monopoly, and rate setting—that will be

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among the most challenging for Congress to address in any future reform of the Postal Service.

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## Health

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### Testimony

Medicaid: Spending Pressures Spur States Toward Program Restructuring, by William J. Scanlon, Director of Health Systems Issues, before the Subcommittee on Human Resources and Intergovernmental Relations, House Committee on Government Reform and Oversight. GAO/T-HEHS-96-75, Jan. 18 (14 pages).

Several factors, including federal mandates that expand eligibility, medical price inflation, and creative financing schemes, have boosted Medicaid costs. To contain these expenses, 22 states have recently sought waivers from federal regulations that limit their ability to run extensive managed care programs. Some of these states have required the enrollment of their acute care patients—primarily low-income women and children—into managed care programs and have expanded coverage to previously ineligible persons. Arizona, which runs a Medicaid managed care program under a federal waiver obtained more than 10 years ago, has lowered Medicaid spending by millions of dollars. It also leads the states in its development of information systems for collecting medical encounter data essential for assessing quality of care.

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## International Affairs

### **Foreign Assistance: Controls Over U.S. Funds Provided for the Benefit of the Palestinian Authority**

GAO/NSIAD-96-18, Jan. 8 (nine pages).

A series of letters allegedly prepared by the Palestinian Authority's Finance Minister and the Director General of the Palestine Economic Council for Development and Reconstruction (PECDAR) indicates that \$138 million from unidentified sources was "diverted" in late 1994 to finance several covert transactions. These transactions include purchasing land and building apartments in Jerusalem, funding a Palestinian journal, and providing financial support to groups inside Israel that are sympathetic to the Palestinian cause. In response to Congressional

concerns that U.S. assistance may have been involved in these transactions, this report discusses (1) the financial controls established by the World Bank and the U.S. Agency for International Development to monitor the use of U.S. funds provided to the Palestinian Authority, PEC DAR, or the Palestine Liberation Organization officials for budget support purposes and (2) what controls the U.S. Agency for International Development established over project funds provided to other U.S. government agencies, private contractors, nongovernmental organizations, private voluntary organizations, and the United Nations for the benefit of the Palestinian Authority.

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## Justice and Law Enforcement

### **Gun Control: Implementation of the Brady Handgun Violence Prevention Act**

GAO/GGD-96-22, Jan. 25 (91 pages).

The Brady handgun control law imposed a five-day waiting period on handgun sales to allow for background checks. GAO's self-initiated review of the first full year of the Brady bill's implementation discusses (1) how often the five-day waiting period and background checks resulted in denying criminals and other ineligible persons the opportunity to buy handguns from federally licensed dealers; (2) the extent to which such denials resulted in the arrest and the prosecution of convicted felons and other ineligible purchasers who falsely completed the handgun purchase application form; and (3) the effects of the various legal challenges to the Brady bill. Although GAO found that 4.3 percent of purchase applications were denied during the law's first year, these results are not projectable to the universe of denials nationwide because standard and common criteria were not used to make denials.

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## National Defense

### **Military Sealift Command: Weak Controls and Management of Contractor-Operated Ships**

GAO/NSIAD-96-41, Dec. 12 (45 pages).

The Military Sealift Command, whose fleet consists of a mix of government and privately owned vessels, lacks adequate controls to detect and deter abuses by contractor-operated ships. These shortcomings include inadequate verification of crew repairs, review of invoices, and supervision of overhaul work. The Military Sealift Command does not

verify that it has received the goods or services it is paying for, in part because there is a disconnect between headquarters reviewers and field-level personnel, whose main concern is the operation but not the cost of ship repairs. The Military Sealift Command also cannot be certain that contractual requirements are being met. It has no guidelines for systematically establishing personnel requirements, such as those involving citizenship and security. Neither does it regularly compare contractual requirements with contractors' performance in obtaining security clearances and trustworthiness evaluations for crew members. Finally, the Military Sealift Command lacks a formal system to identify and implement best practices to improve contractor performance and reduce costs.

**Federally Funded R&D Centers:  
Use of Fee by the MITRE Corporation**

GAO/NSIAD-96-26, Nov. 27 (21 pages).

The Defense Department (DOD) spent \$1.25 billion in fiscal year 1995 for research, development, engineering, and analytical services from the 10 federally funded research and development centers it sponsors. The MITRE Corporation is one of the largest centers, with fiscal year 1995 DOD funding of \$374 million. Congress has raised concerns about whether government agencies effectively manage the centers they sponsor. Among the concerns is whether the contract fees provided to the centers—in addition to reimbursement of incurred costs—are adequately justified. This report reviews (1) the manner in which MITRE spends its DOD management fee, (2) the adequacy of federal guidance on how fees may be used, (3) opportunities to reduce management fees at MITRE, (4) ways to strengthen DOD oversight of MITRE's use of fees, and (5) DOD's efforts to improve the fee management process for its centers.

**Defense Research and Development:  
Fiscal Year 1993 Trustee and Adviser Costs at Federally  
Funded Centers**

GAO/NSIAD-96-27, Dec. 26 (21 pages).

This report provides information on the stipends and expenses of the boards of trustees and other management advisory personnel who served in fiscal year 1993 at DOD's Federally Funded Research and Development Centers. Specifically, GAO discusses (1) the extent to which the centers

used federal funds to pay these costs; (2) the range and highest daily stipends paid to individual trustees and other management advisory personnel; (3) the center advisers' costs and, where applicable, the Defense Science Board's limits on paying for such expenditures; (4) the total and average daily center costs for their trustees and advisory personnel; and (5) individual stipends and total expenditures for each of the 186 center trustees and other management advisory personnel in fiscal year 1993.

**Army Inventory:  
Budget Requests for Spare and Repair Parts Are Not Reliable**

GAO/NSIAD-96-3, Dec. 29 (20 pages).

The Army continues to rely on inaccurate data to determine its inventory requirements for spare and repair parts. For 258 items GAO reviewed, the Army overstated the inventory shortfall by nearly \$200 million. If accurate information had been used, the shortfall for these items would have totaled \$23 million rather than the \$211 million reported. Although the Army is aware of many of the processing, policy, data, and system problems, it has not corrected them because the Defense Department is developing a system to determine standard requirements for all the services as part of its Corporate Information Management initiative. For that reason, DOD has limited the amount that the services can spend to change their existing systems. Army officials said that the standard system will not be up and running for at least four years. In the interim, the Army's budget requests may not represent its actual funding needs for spare and repair parts. Furthermore, unless the data problems are resolved now, the inaccurate data will be integrated into the new system.

**Army Acquisition:  
Medium Trucks Passed Key Operational and Technical Tests**

GAO/NSIAD-96-4, Jan. 8 (13 pages).

Army trucks—part of the Family of Medium Tactical Vehicles—passed technical and operational tests, paving the way for the Army's August 1995 decision to approve full-rate production. Following contractor modifications to correct vehicle deficiencies found in earlier testing, the Army conducted (1) a limited follow-on technical test to determine whether the trucks could meet contractual reliability and performance requirements and (2) a full operational test to determine whether it could

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meet its operational reliability and other mission requirements when operated and maintained by soldiers. The trucks exceeded reliability requirements in both tests and met most performance requirements. However, many of the test vehicles had not been produced on the production line or had been retrofitted to correct past deficiencies. Also, the contractor pretested both the technical and operational test vehicles and corrected deficiencies before delivering them to the Army for testing.

**Navy Maintenance:  
Assessment of the Public-Private Competition Program for  
Aviation Maintenance**

GAO/NSIAD-96-30, Jan. 22 (44 pages).

GAO reviewed the Navy's plans and procedures for public-private competitions of aviation depot-level maintenance workloads. Various factors limited the amount of past depot-level work available for competitive awards, including the time and costs for performing competitions. Although actual savings were difficult to quantify, GAO found that the Navy's competition programs generally reduced operating costs and in many cases streamlined production processes. The Navy ended its aviation maintenance competition program in 1993, and the Defense Department terminated the program in 1994 despite continued congressional support for it. However, as DOD begins to implement recommendations by the Commission on Roles and Missions leading to the possible privatization of most depot maintenance, use of competitive procedures for distribution of workloads between the public and private sectors should prove cost-effective.

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## Natural Resources

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### Testimony

Forest Service: Issues Relating to Its Decisionmaking Process, by Barry T. Hill, Associate Director for Energy, Resources, and Science Issues, before the Subcommittee on Forests and Public Land Management, Senate Committee on Energy and Natural Resources. GAO/T-RCED-96-66, Jan. 25 (13 pages).

The Forest Service must manage its lands for multiple purposes, including timber, livestock forage, recreation, fish and wildlife, wilderness, and

water supply. To meet its legislative mandate, the Forest Service uses a decisionmaking process that includes developing management plans for forests or for groups of small, adjacent forests and reaching project-level decisions for implementing these plans for such activities as timber harvests, livestock grazing, recreational development, and habitat improvement. Some project decisions are challenged through the agency's administrative appeal process and the federal courts by parties seeking to delay or stop a project with which they disagree. Critics argue that the Forest Service could cut costs and increase the efficiency of its decisionmaking process and improve its service to the public while still meeting its basic legislative mandate. This testimony discusses (1) issues related to developing forest plans and reaching project-level decisions and (2) actions taken or proposed to address these matters.

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## Science, Space, and Technology

### **Federal Research: Information on Fees for Selected Federally Funded Research and Development Centers**

GAO/RCED-96-31FS, Dec. 8 (28 pages).

Federally Funded Research and Development Centers first came into existence during World War II to meet special research needs that federal and private-sector facilities were unable to meet. Currently, 39 centers are sponsored by eight federal agencies—the Energy Department (DOE) sponsors 18, the Defense Department (DOD) sponsors 11, and NASA sponsors one. In 1992, a congressional committee reported on variations in the fees paid by sponsoring federal agencies for management of the centers, the formulas used to calculate the fees, and the justifications for paying the fees provided by the sponsoring agencies. The committee also indicated that because there were no governmentwide guidelines for setting the fees, evaluating their reasonableness was difficult. This report provides information on federal policies and practices governing the fees paid by DOE, DOD, and NASA for managing the centers.

### **Federal Research: Preliminary Information on the Small Business Technology Transfer Program**

GAO/RCED-96-19, Jan. 24 (34 pages).

The nation's research institutions—its universities, federal laboratories, and nonprofit research organizations—account for about a quarter of all the scientists and engineers in the United States. To help move new knowledge from research institutions to industry, Congress authorized the Small Business Technology Transfer Pilot Program for three years, beginning in fiscal year 1994. Federal agencies rated the quality and commercial potential of winning proposals favorably in the program's first year. Technical experts, however, were cautious about the commercial potential, possibly because of the newness of the program. Agencies have taken steps to avoid potential conflicts of interest that might arise because of the close connection between federal agencies and research and development centers. In addition, the Departments of Defense and Energy, which accounted for almost all of the awards involving such centers, have taken steps to prevent the centers from using privileged information in preparing program proposals. Agency officials expressed differing views on the Technology Transfer Program's effect on the Small Business Innovation Research Program and other agency research and development, although none of them suggested any negative effects, such as competition between the two programs for quality proposals. The similarity of the two programs, however, raised questions about the need for a new program.

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## Transportation

### **Motor Vehicle Safety: Comprehensive State Programs Offer Best Opportunity for Increasing Use of Safety Belts**

GAO/RCED-96-24, Jan. 3 (49 pages).

In late 1994, the National Highway Traffic Safety Administration (NHTSA) did a special nationwide survey on the use of safety belts. This survey found that the rate of safety belt use rose from 11 percent in 1982 to 58 percent in 1994. Considerable progress is still needed, however, if the Department of Transportation is to meet its goal of 75-percent use of safety belts by 1997. The four states—California, Hawaii, North Carolina, and Washington—that have achieved rates of more than 80-percent use of safety belts have comprehensive programs, including strong laws mandating use of safety belts, visible and aggressive enforcement of these laws, and vigorous programs to educate the public. An effective federal strategy to boost the use of safety belts would be to encourage the states to establish comprehensive programs that include all the elements that increase safety belt use—primary enforcement laws with aggressive

enforcement, requirements that all occupants of vehicles that have belts installed use them, fines that discourage noncompliance, and public education. Current law does not require the occupants of cars' back seats or any occupant of a light truck or a van to use safety belts. Neither does the law specify primary and secondary enforcement. Given the increased number of light trucks being sold and the low rate of seat belt use in these vehicles, measures are needed to increase the rate of seat belt use by the occupants of light trucks.

**Certification of New Airlines:  
Department of Transportation Has Taken Action to Improve Its  
Certification Process**

GAO/RCED-96-8, Jan. 11 (16 pages).

The Department of Transportation's certification process has added 90 new carriers to the airline industry during the past 5-1/2 years. These new carriers have increased competition among airlines and have reduced fares. However, about half of the applicants that applied to operate new airlines did not complete the process, mainly because they lacked the financial resources. In some cases, the Federal Aviation Administration spent considerable resources on costly certification activities. Although the Department of Transportation has taken steps to improve its certification process and reduce the amount of money spent on unsuccessful applications, it is too soon to know how successful these measures will be. The fees that applicants pay for certification allow the government to recoup only a small portion—less than one percent—of its costs for those applicants that complete the process. The government recoups some of its certification costs through ticket and fuel taxes, but these funds are collected only from applicants that successfully begin and sustain their operations. Requiring applicants to pay a greater share of the certification costs could generate revenue to help defray these expenses—a particularly important outcome during this period of declining federal budgets.

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## Special Publications

### **GAO Reports: Health, Education, Employment, Social Security, Welfare, and Veterans Issues**

GAO/HEHS-96-78W, Jan. 1996 (46 pages).

This booklet lists GAO documents on government programs related to health, education, employment, social security, welfare, and veterans issues, which are run primarily by the Departments of Health and Human Service, Labor, Education, and Veterans Affairs. One section identifies reports and testimony issued during the past month and summarizes key products. Another section lists all documents published during the past year, organized chronologically by subject. Order forms are included.

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