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MOBILITY AND CONGESTION IN URBAN AND RURAL AMERICA

HEARING

BEFORE THE

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS UNITED STATES SENATE

ONE HUNDRED ELEVENTH CONGRESS

SECOND SESSION

MARCH 18, 2010

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ONE HUNDRED ELEVENTH CONGRESS
SECOND SESSION

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MOBILITY AND CONGESTION IN URBAN AND RURAL AMERICA

THURSDAY, MARCH 18, 2010

U.S. SENATE,
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS,
Washington, DC.

The full Committee met, pursuant to notice, at 10 a.m. in room 406, Dirksen Senate Office Building, Hon. Barbara Boxer (Chairman of the full Committee) presiding.

Present: Senators Boxer, Inhofe, Barrasso, Sanders, Carper, and Udall.

OPENING STATEMENT OF HON. BARBARA BOXER, U.S. SENATOR FROM THE STATE OF CALIFORNIA

Senator BOXER. The meeting will come to order. I am very pleased to call our Full Committee Hearing on Mobility and Congestion in Urban and Rural America to order.

For me today is great day because yesterday, in a bipartisan vote, 68 to 29, the Senate passed the HIRE Act, and it includes an extension of all of our transportation funding for the Highway Trust Fund through the end of this year. The President will be signing this bill into law this morning, so I will be heading out to be there because I want to make sure that we really got it done.

[Laughter.]

Senator BOXER. It was a very big fight, and it should not have been.

But here is the great news. One million American workers, including 100,000 in my State, will have confidence in knowing that their jobs are secure because we have renewed that bill. This is the first part of our Jobs Agenda. The Tourism Bill also will create about 160,000 jobs. So, we are moving toward that moment when we know that things have righted themselves.

The other thing is that this extension—or I would say reauthorization, really—until the end of the year allows us to focus on moving forward with our own Transportation Bill here in this Committee. And this hearing that we are having today on mobility and congestion in urban and rural areas is an opportunity to examine these issues as we continue our work on the bill.

According to the Texas Transportation Institute's recent Urban Mobility Report Americans in urban areas lost 4.2 billion hours traveling and burned an extra 2.8 billion gallons of fuel due to traffic congestion. They calculate that the cost to America's families and businesses is $87.2 billion, and that is up more than 50 percent over the previous decade.

So, we know we have got this congestion. We know it is not good for our people. It is not good for our businesses. It is not good for our health. And I know that it is not just the urban and suburban areas. Rural areas have their share of issues when it comes to mobility, including safety concerns. The fatality rate is 2.5 times higher in rural areas than in urban areas according to the Federal Highway Administration.

And while there are programs that provide funding to help address transportation needs in rural areas there are currently no targeted initiatives focused on the need of rural America in the Federal Highway Program. This is something we will be working on as we reauthorize a bill.

Today's witnesses will discuss the mobility issues that both rural and urban areas face, provide examples of how we can ensure that both their needs are being met when it comes to congestion and safety. So, I do look forward to hearing from our panel.

And in the nick of time comes our Ranking Member, Senator Inhofe. Welcome.

OPENING STATEMENT OF HON. JAMES M. INHOFE, U.S. SENATOR FROM THE STATE OF OKLAHOMA

Senator INHOFE. Thank you, Madam Chairman. And I welcome all you guys here.

Confession is good for the soul, I say, Madam Chairman, and one of our witnesses, Bryce Marlatt, used to work for me. He had western Oklahoma and did a great job, and now he decided that he wanted to get personally involved so he ran for the State Senate. He is a good friend. He has got a great handle on what needs are out in rural areas.

So, Madam Chairman, I think this is a significant hearing. It is another one where you and I will get along and come to, probably, the same conclusions. And I am very glad to welcome Senator Marlatt here as we make decisions for the next Surface Transportation Bill.

We need to keep asking ourselves what is the Federal role. This Nation's needs far exceed the available funding. That is the big problem that we have. And I think all of our panelists know this, that we have said since we were together back in the 2005 Reauthorization Bill—while that was a huge bill, and we were criticized for the size of it, that did not do any more than maintain what we have today.

So, this is the problem that we are faced with now. I think the purpose or one of the purposes of this hearing is to talk about how the needs may be different from the most populous areas and the urban areas and the rural areas. Certainly with Senator Marlatt here, he and I have traveled extensively in western Oklahoma, an area that is not very highly populated, and their needs are different from others.

So, along the same lines the next Transportation Bill has got to continue to recognize that transportation needs for rural Oklahoma, though different in many ways, are just as real as those in urban areas. I think that a number of the proposals we have seen so far have ignored this fact. So, I am particularly pleased that this hearing will focus on both urban and renewal in rural areas.

Obviously the Oklahoma Panhandle does not have the congestion problems of New York City or of San Francisco. In the Panhandle the important issues are connectivity, businesses and mobility of citizens, though we must remember that not all rural communities have the same specific concerns.

One of the things that surprised you, Madam Chairman, is that if I were to take you in my airplane out to western Oklahoma, the area that he represents, you would see at any one time 500 of the windmills going around. One of the problems—I think it is going to come, at least I have heard, and I hope you address it in your opening statement—is that you have to transfer these blades there, and it requires more lanes than would normally be there.

So, let us get on with the hearing. I am looking forward to hearing from our witnesses.

[The prepared statement of Senator Inhofe follows:]

STATEMENT OF HON. JAMES M. INHOFE,
U.S. SENATOR FROM THE STATE OF OKLAHOMA

Thank you, Madam Chairman, for calling this hearing, and thank you to all our witnesses for joining us today. I'd like to extend a special welcome to Oklahoma State Senator Bryce Marlatt, who represents the northwest area of the State. I know he has a great interest in transportation issues, and I look forward to hearing his comments.

As we make decisions for the next surface transportation bill we will need to keep asking ourselves, "What is the Federal role?" This Nation's needs far exceed the available funding, so we must focus Federal funds on addressing areas that have a defined Federal responsibility with national benefits.

Over the past year or so many organizations have offered ideas for the next transportation bill, including on congestion and other mobility issues in metropolitan areas. The problems are real and documented, as the Texas Transportation Institute (TTI) will detail in testimony for us. The solutions are less clear but certainly are not the same in all areas.

Any emphasis on addressing metropolitan congestion problems must be based on the recognition that Washington does not understand the unique problems or the best solutions to those problems in individual areas. I think the Chairman would agree with me that what works in Tulsa may not work in Los Angeles. The strategies implemented in Portland may not be workable in Missoula. Any Federal efforts in this area should be structured to provide Federal assistance for Federal responsibilities while not attempting to force all areas to fit within any particular approach.

Along the same lines the next transportation bill must continue to recognize that the transportation needs of rural America, though different in many ways, are just as real as those of our urban areas. I think a number of the proposals we've seen so far have ignored this fact, so I am particularly pleased that this hearing will focus on both urban and rural transportation needs.

Obviously, the Oklahoma Panhandle does not have the congestion problems of New York City. In the Panhandle the important issues are connectivity of businesses and mobility of its citizens. Here, too, though, we must remember that not all rural communities have the same specific concerns. As with our urban areas, we must not try to force Washington so-called solutions on all rural communities without regard to their specific situations. We must focus Federal investment on Federal responsibilities while not making the mistake of assuming that solutions to urban problems are needed or appropriate in our rural communities.

The Administration has been pushing a transportation and housing initiative called "livability," which I believe is nothing more than code for transit oriented development. While details of the proposed program are still lacking, what I have heard so far makes me believe that the goal of this program is to move people to urban centers where transit options will negate the need to own a car. This is exactly the type of centralized decisionmaking and land use planning that I oppose. The Federal Government should not be trying to tell communities what transportation solutions they need or should want.

Again, I thank you, Madam Chairman, for holding this hearing focusing on both urban and rural transportation needs. I look forward to discussing these issues with our witnesses.

Senator BOXER. Thank you so much, Senator.

Senator Barrasso.

OPENING STATEMENT OF HON. JOHN BARRASSO, U.S. SENATOR FROM THE STATE OF WYOMING

Senator BARRASSO. Thank you very much, Madam Chairman and Senator Inhofe, for holding this hearing today.

The next Highway Bill must ensure equity in mobility, flexibility and connectivity. This bill should not assume or mandate that people in Wyoming and other rural States are going to get out of their vehicles. That is not going to happen. Taking a train, riding a bike to work in Wyoming or Montana is geographically and climatically prohibitive. Metro mobility concepts can work in urban areas, but it is just not feasible in our many rural States and any new program outside of the traditional formulas must include a rural component.

Wyoming, like many other low populated States, has needs, but they are very different than the cities like New York or Los Angeles. I mean the needs are significantly different. In order to meet the highway system's national needs rural States must have the flexibility to use Federal dollars that serve the national interest. And I have full faith that the Wyoming Department of Transportation will continue to [unclear] Federal resources that will keep our highway system whole.

The rural component of our interstate and national highway system is critical to keeping our Nation connected. Growing the Highway Program in one area by taking from another is going to leave gaps in our national highway system for years to come. Due to inflationary pressures on highway construction many of these holes in the system may never be filled. We cannot grow the program in urban areas while ignoring the rural highway component of this.

The Interstate 80 Corridor is a critical link for moving commerce from the west coastal ports, including those is California and in Washington State and Oregon, to cities throughout the United States. I–80 captures over 60 percent of the truck traffic that is going with international commerce that does not originate or terminate in Wyoming. But is passes through our State.

According to the Federal Highway Administration truck traffic on I–80 is going to double over the next 20 years. The Highway Program is already complicated enough. As we work through these issues we must keep in mind the fact that this is not all about congestion. Congress must not lose sight of the importance of a national, interconnected system of highways that includes access for rural America.

Thank you, Madam Chairman, for your leadership in holding today's hearing.

Senator BOXER. Yes. And Senator, let me just assure you. Take my State. I have got more rural areas than you can imagine, swaths of them, with just little tiny towns and just miles in between. So, I do not look at rewriting this bill as rural versus urban. We do not need to pick fights. I think we have got to look at all

of the needs and meet them. So, I am with you, absolutely, on that point because we do not have a good bill if it does not address all of America. And that is a fact.

So, we look forward to working with you. And that is why we have included the rural issues here today because we know they are key. And the last Highway Bill, we really did not have a title that dealt with it. So, let us work together on that.

Senator BARRASSO. Thank you, Madam Chairman.

Senator BOXER. OK.

Now we are pleased to turn to our terrific panel. We will start off with Mr. Tim Lomax, Research Engineer, Texas Transportation Institute. And I quote you so often, your Institute, it such a proven leader on this. I am very glad you are here.

STATEMENT OF TIM LOMAX, RESEARCH ENGINEER, TEXAS TRANSPORTATION INSTITUTE; RESEARCHER, UNIVERSITY TRANSPORTATION CENTER FOR MOBILITY; REGENTS FELLOW, TEXAS A&M UNIVERSITY

Mr. LOMAX. Thank you, Madam Chair. I hope that I live up your trust and do not make an Aggie of myself.

Madam Chair and distinguished Members of the Committee, thank you very much for the opportunity to talk about congestion. I am completely with you that there are a lot of problems and issues that you all face. I think congestion is certainly one of them. It is something that we have seen affecting not just citizens but the freight shippers, the businesses and the manufacturers. So, I think it is a broad issue.

I also think there are some solutions, and I hope that we get a chance to talk about those, too. But I am here to talk about the problem. I think we really have several congestion problems. We have got an urban congestion problem that is going to face our metro and urban regions for a while. There are going to be long travel delays. There are going to be unpredictable travel times. There are going to be problems for both people and freight. It is also going to be a problem in small and medium sized cities. This is not just a Los Angeles, San Francisco, Washington, DC, New York kind of problem.

Congestion in rural areas looks different, but it is no less a problem. More often it is related to crashes, stalled vehicles, tourism, other special events. And it is easy for big city residents to dismiss that. But then they are stopped for a couple of hours on a highway behind a crash and the congestion problem comes home to them. And safety and congestion problems are not different. In many cases, they are solved by the same strategy or the same issue.

So, we should really think about these problems and opportunities as sort of niche markets or a series of niche markets. Some problems have a clear technology or an infrastructure fix. Some of them are really only solved with better information. Some of them are better addressed by different policies or programs or incentives or perhaps different institutional relationships. Some of them require big solutions. Some of them require small solutions.

And many of these congestion points or routes can be improved with relatively low cost strategies. So we are not talking about solutions that only require a lot of money. Simple ideas are often the

ones that we should look at first because they not only solve part of the problem, but they also build trust with the public that the money that we are spending is returning good value, good return on their investment. It gives them some trust, gives the whole process a sense of transparency and accountability.

So, I think the couple of problems that you spoke about, Madam Chairman, the wasted time, up from 2.7 billion hours to 4.2 billion hours in the last 10 or 12 years, fuel consumption up to 2.8 billion gallons, it costs $87 billion. That is a congestion tax, if you will, of $750 per traveler in the urban areas that we look at across the country. If you live and work in a busy corridor, a big metro region, your time penalties and costs could be two or three times that.

Over the last 29 months, however, there has been some good news on congestion. Unfortunately, for your job, that good news is related to the economic recession and high gas prices. I do not think that anybody is suggesting that an economic recession and high gas prices are a good solution to congestion. However 2008 and 2009 showed lower congestion levels than in 2007.

You could think of a trip that might take you 30 minutes in a free flowing time, say Huntington to downtown DC or Alexandria to downtown DC, something like that. It would take you 36 minutes on an average day. But take that same trip and turn it into one that has a weather problem or there is a crash or a stalled vehicle or something like that, it might take you something more like 47 minutes. So, this difference between an average problem and a reliability or unreliability problem is one that I think some programs should look at.

I think that it is clear that the goals for cities and towns and rural areas are similar. We want better quality of life, better livability. But I think the programs, projects and policies that each city, county and State uses to solve those problems and to achieve those goals are going to be different. I think that is a reflection of the creativity and the diversity that we have in our cities and towns, and I think that it should be rewarded.

Thank you very much for your time, and I hope to be able to answer some questions.

[The prepared statement of Mr. Lomax follows:]

America's Many Congestion Problems ... And Some Ideas to Solve Them

Testimony of
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To The
United States Senate
Committee on Environment and Public Works

March 18, 2010

Madam Chair, distinguished members of the Committee, thank you for the opportunity to discuss the congestion problems facing our citizens, businesses and freight shippers. I believe our transportation system faces a number of challenges – congestion among them – and that there are some solutions to what some feel are intractable problems. The next few years will see some key opportunities with a number of transportation solution strategies and, obviously a number of huge problems. You can play an important role in helping people get to their jobs, schools, shops and health facilities; moving the freight to support a desirable quality of life; and promoting livable communities. I welcome your questions today, or at other times in the future.

Summary

I'd like to summarize a few key points that relate to your discussions about mobility and congestion.

- Congestion problems will continue to challenge our metropolitan regions in the future. Travel delays and unpredictable travel times for people and freight will also be a problem in small and medium sized regions – this will not just be a "big city" problem.
- Congestion in rural areas looks different; its more often related to crashes, stalled vehicles, tourism or other special events. Its easy for metropolitan residents to dismiss, until they are stopped on the highway for two hours behind a serious crash.
- Safety and congestion problems are not different – and many solutions to one problem help the other. If we think of these as related problems, we will be much closer to comprehensive improvements in the quality of life.
- We should think about the problems, the opportunities and the solutions in terms of niche marketing. There isn't one problem or one all-encompassing solution.
    - Some problems have a clear technology or infrastructure "fix"
    - Some can only be solved with better information
    - Some will be best addressed by different policies, programs, incentives or institutional arrangements.
    - Some problems require big solutions
    - Many congested points or routes can be improved with relatively low-cost strategies
- The simple ideas - obvious solutions that make a difference to the public – are the improvements that build the trust to support bigger improvement programs. These are not being deployed as widely or aggressively as they should.

A transparent, data driven analytical approach combined with a good public involvement and communication program typically yields a variety of solutions with a range of costs and substantial benefits. This style of solution also allows local decision-makers and the public to guide the process and ensure that the solutions support community goals.

The range of solutions will include:

- Strategies to get more productivity out of the current system – faster travel times, more persons or freight carried
- Programs designed to provide travelers with choices of travel modes, departure times, and prices
- Electronic options for trips – tele-work, teleshopping, videoconferences
- Projects to increase person and freight moving capacity – growing regions will require more capacity to handle the travel for new jobs and residents.

And while the goals for cities, towns and rural areas are similar, the projects, programs and policies that each city, county and state uses to solve problems will be different. I think this is a good reflection of the creativity and diversity in our cities.

Congestion Growth

It is clear that in all of the fast growing areas there is not enough funding to keep congestion levels where they are, much less make improvements. The effects of congestion increased 55% between 1995 and 2007:

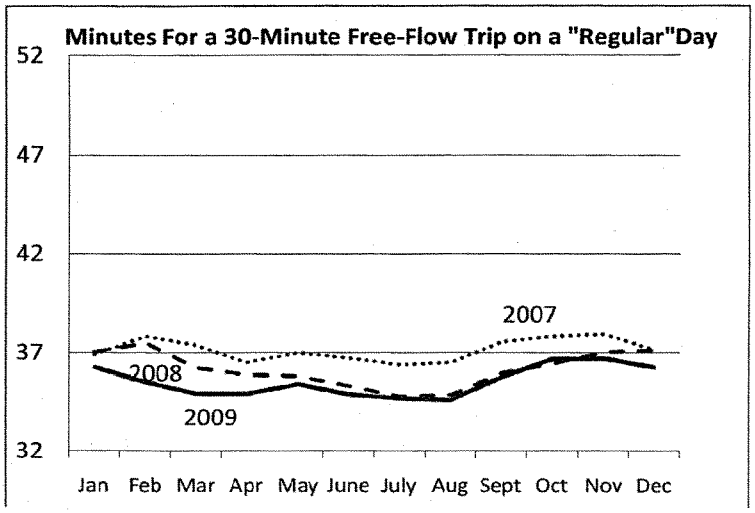
- Wasted time is up from 2.7 billion hours to 4.2 billion hours
- Extra fuel consumed is up from 1.8 billion gallons to 2.8 billion gallons
- Congestion now represents an $87 billion "tax" if you only include these hours and gallons.
- This is 36 wasted hours, 24 extra gallons and more than $750 in congestion "taxes" paid in cities of all sizes.
- And if you live or work in a busy corridor or a big metro region, your commute penalty can easily be two, or even three times larger.

Over the last 29 months, there has been some good news on congestion. Unfortunately for future program designs, the factors that caused the congestion decline - an economic recession and high gas prices - are not normally thought of as a "good thing." Exhibit 1 shows what has happened to a trip that takes 30-minutes in free-flow conditions on an average day. 2008 and 2009 show shorter trips for almost every month than 2007. But you can also see that the gap was closing again at the end of 2009. And this was when unemployment was still around 10 percent.

But that is an average day. Congestion varies quite a lot from day-to-day and the "worst trip of the month" is a good measure of the reliability of the transportation system. Mathematically the 95th percentile travel time estimates the 19th worst trip out of 20. Based on Exhibit 2, if your boss allows you to be late to work one day a month, you should allow 47 minutes to make a trip that takes 30 minutes in free-flow conditions and 36 minutes on an average day. Exhibit 2 also illustrates the seasonal nature of congestion – it is lower in the summer and worse in the Fall and Winter. Again, those times are better than 2007, but not great.

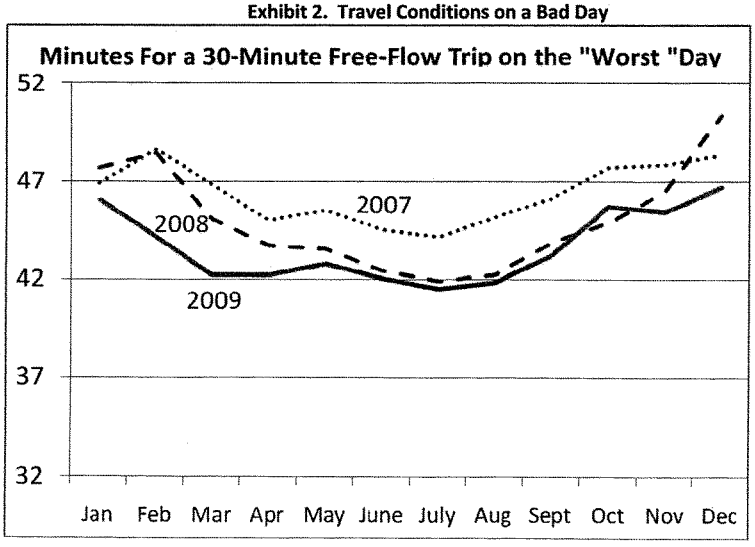
The varying amount of extra time that travelers and freight shippers have to allow for crashes, breakdowns, weather problems and special events are a significant part of the congestion problem. Traveler frustration, fuel consumption and travel time can be reduced, and taxpayer trust increased, if travel times are more reliable even though some congestion will remain.

Exhibit 1. Travel Conditions on an Average Day



Source: Monthly Urban Congestion Report, FHWA, 2010

Exhibit 2. Travel Conditions on a Bad Day



Source: Monthly Urban Congestion Report, FHWA, 2010

Rural and small town congestion is not as bad, but in some sense it can be even more destructive. Economies, delivery schedules and quality-of-life in these places is defined by phrases such as "easy to get around." Congestion is usually not present every day, or if it is, it does not last long. The problems arise from periodic or unexpected events such as special events or crashes, stalled vehicles, weather or other situations; some of these can be planned around and some have huge benefits for the local area as well. But they all detract from the "livability" in the area.

The effect on freight movement from rural congestion is a significant problem, and one that is not widely appreciated. The goods that move on the long intercity corridors are often part of a just-in-time manufacturing process; they have "somewhere to be" and an arrival time. Delays do not just mean extra driver time or fuel costs. They can mean a slowdown in an assembly process, or a requirement for a facility to devote more space for warehousing components rather than producing finished items. All of these affect competitiveness, productivity and the quality-of-life in small towns and rural regions.

Rather than viewing the congestion reduction as a "permanent shift," we should think of this as a "respite" during which we should work like crazy to get back in touch with the problem. I would characterize the economic stimulus is a decent start on the capacity, operational and policy enhancements that are needed. Several years of this kind of investment and performance improvement are needed to address the congestion that will return when the economy improves.

The Solutions

Judging from successful approaches in many states, there are a number of comprehensive strategies that combine investments in "things" as well as "people." The solutions, therefore, are an integrated and related combination of:

- Operate and maintain what you have to get the most productivity from the system.
- Provide information and options to travelers, home buyers, businesses and other interested groups so that they might make choices to avoid long travel times, costly fuel purchases or high housing costs.
- Expand the system where bottlenecks or growth make other options inadequate to meet community goals. Communicating the need and benefits are keys to obtaining public support for these programs.
- Monitor the effect of the programs, projects and policies to make operational and design improvements and to provide an accountable and transparent reporting to the taxpayers.
- Finally, we know what works. Transportation is a service, and we need to treat the travelers and shippers as consumers of that service. Our ability to fund transportation needs rests on our ability to manage the system to get the most out of what we have and to communicate the benefits and costs of the service options. Institutional structures must be organized around policies and programs that deliver reliable service and which prioritize spending around "get the most bang for the buck" principles.

I would like to expand on these ideas in five key elements: the problem, the future, solutions, benefits and principles for change.

Details – The Problem

"Congestion" to citizens is a problem. Technically we might use words that describe elements of problems or solutions like accessibility, mobility, reliability, connectivity, seamless productivity. These are all useful distinctions and point to viable and important solutions, but the meaning of these various words may be lost on people and freight shippers who understand their congestion problem, but do not parse it in the way that experts do. People are concerned when it takes them longer to get where they want to go than they think it should. I think it is important to recognize this difference between what people call the problem and how we attack it.

Our research suggests that no matter what you call it, we've got several problems. A quick summary:

- We waste quite a lot of time – 4.2 billion hours in 2007 in urban areas
- We use more fuel than we should – 2.8 billion gallons in those urban areas
- This has value - $87 billion in urban areas in 2007
- We cannot reliably predict travel time very well due to several factors such as crashes, vehicle breakdowns, weather, special events and road work.
- Jobs, shops and homes are spread out for a variety of understandable reasons, many of which make transportation service more difficult to provide.
- There are fewer travel options than people say they want, but many of the existing options are underutilized.
- We have to plan around congestion during most daylight hours and on weekends.

This sounds like a transportation problem and it is. But it is also an economic problem. Over the last couple of years there are some places that wish they had more congestion; it often accompanies more jobs and people. The analogy might be drawn as "congested roads are like crowded movie theaters and sold-out sporting events; everyone wants to be there." The difference, I think, is that roads and transit routes are the way we get to the crowded places, not the places that we want to go.

The reliability problem is perhaps less understood than the "average congestion" issue. Our research of traveler and business transportation choices and my understanding of how the solution strategies knit together leads me to believe we should pay a lot more attention to the reliability aspect of congestion than we have because it clearly connects some of the public and private sector changes in operating practice and project construction with the improvements that the taxpayers, travelers and businesses demand.

When people tell us about their congestion problems, they usually overstate the amount of time they are delayed. One could read this as "people just like to complain," but if you look at the detailed data on variation in travel time from day-to-day, what they are telling us is how much travel time they have to plan around. We have only had access to this information in the last few

years because of the investment in intelligent transportation systems that monitor the minute-to-minute performance of the freeways in some urban areas. A monthly report we help prepare for the Federal Highway Administration shows that in every one of the 23 regions we examine, you should plan on twice the extra travel time than normal if you have an important meeting, freight delivery or family event.

This reliability problem shows itself to be an important component of trip planning in many ways. Just-in-time manufacturing processes rely on the transportation network to provide predictable travel times to move components between factories or to final assembly plants. Rather than building a car from raw materials to a finished product at one manufacturing location, for example, the parts arrive at one plant for final assembly. If this one plant can time the arrival of the pieces so that they arrive "just-in-time" to be put into the car or truck, the building will need much less space for inventory storage and can use the manufacturing space much more productively.

The same phenomenon occurs with moving people. Employers must endure workers who arrive late and harried from longer than normal trips, or those workers must time their commute so that they arrive early on most days. Travel between service calls or between jobs and school or day care must allow for this unreliability factor and typically winds up as either fewer service calls or longer "sitting around time" – neither of which benefits the travelers. Health care and other appointment-driven businesses allow for late arrivals by clients, forcing much more waiting room time (although the magazine industry probably views this as a good thing). Think how much time is wasted and frustration developed when meetings start because of "traffic".

Details - The Future We Face

I believe I have some ideas of how the problems and solutions will look in the future, but I'd like to start with some idea of what type of land use and travel pattern we might be trying to serve. My colleague Alan Pisarski, author of "Commuting in America 3" (which should be required reading for anyone who votes on transportation improvements or funding), has identified a number of future demographic and development pattern characteristics that will exist over the next 20 to 30 years. Continued suburbanization of jobs and homes in very large metro regions will challenge the current transportation and land use planning structures that do not handle existing mega-region issues very well. As the baby-boom generation reaches retirement age, the worker-job balance will shift toward the workers, making their interest in a high quality-of-life a more significant concern of the business community. Mr. Pisarski refers to this as an "amenity-based" economy -- one where a greater percentage of workers can live in places away from their job (as decided by their weights on decision factors such as housing cost, school, health care and recreation quality) and can demand a combination of higher wages from the employer and better living conditions from their city/county/state. Providing workers several ways to get from low-cost, high-quality home locations to well-paid jobs may be even more difficult, but also much more important to regional economies, than it is now.

Many of the current homes, shops and offices will still be in place and other developments to handle the millions of new urban residents will look similar to the current mix. Suburbs will

continue to grow, commuters will travel – sometimes long distances – between their home and their job and not everyone will move into high-rise apartments or town homes. But it also appears that there will be more people with short commutes between home and job, whether that is because they move their home and job closer together, or their job involves an electronic connection to their office rather than a physical one. It is clear that people choose to live and work where they do for a variety of reasons and congestion is not at the top of that list in every case. The increase in freight movement will accentuate those concerns and provide unique difficulties at the local, regional and national level.

Today's teenagers will be key constituents, business leaders and decision-makers in less than the number of years it takes to build some major transportation improvements. They are much more active producers and consumers of information than you or I are. They are more comfortable with text messaging, producing their own videos and using the Internet to acquire what they need. They are not interested in waiting for *anything* – job satisfaction, arrival at work, access to information, etc. They want safe and secure travel, they appear to be ready to trade some job-related income and advancement possibilities for a better lifestyle and, if the high school and college students I know are any indication, they believe they will change the world just as every other generation has. I'm fairly certain they already have.

Desirable cities will have the same elements they currently do – mobility, low housing prices, good schools, recreation and entertainment opportunities, a supportive business environment and desirable quality of life. These cities can attract the 21st Century work force—a group of people who will increasingly be able to live where they want and use the Internet to make a nice living. Jobs in the service and information developing and providing sectors that can be performed from almost anywhere are likely to be a much larger part of employment growth than location-tied manufacturing sectors.

So I do not believe we can "get by" with a less than adequate transportation system. We need to aim for very well operated, cost-efficient systems that serve a wide variety of needs with exceptional reliability. I do not think that is considered an achievable vision in most regions or agencies. Congestion forecasts in Atlanta and the major metropolitan regions of California and Texas indicate a 50 percent to 100 percent increase in the problem over the next 25 years, based on expected revenues. If all the current flexible financing arrangements and creative public-private sector partnerships are used, this value will come down, but no one suggests that even today's unacceptable congestion levels are achievable by 2030 without additional funding, much less be able to improve mobility to desirable levels.

Details - The Need For a Mobility Goal

The spread of congestion to more routes, more hours of the day, and more neighborhoods and job centers has resulted in longer travel times, less predictable arrival times, traveler frustration and business sector concerns. We've come through a period where no-toll and free-flow travel was a lofty but seemingly realistic goal for all hours of the day. I think those days are passed, but high-speed and reliable service is still an achievable target for most hours even in the largest megapolitan regions and all day for many medium and small cities. If there are going to be one to

three million more people in an already congested metropolitan region, there needs to be an expansion of roads, buses, trains, ferries, sidewalks and bike lanes. This expansion is very important.

Mobility goals have been developed in many regions and states (I am familiar with those in California, Atlanta and Texas). These are not constrained by financial resources; they are real "what do we want to become?" goals. They are a very useful component of the process that engages the customers, taxpayers and freight shippers to decide which improvement strategies are pursued and how much investment is appropriate. This is not a replacement for the financially-constrained long-range plan – it is a necessary addition that connects the projects and programs with the community aspirations.

Details - The Need for All Solutions

To accomplish the community-developed visions, our transportation solutions cannot be a system of "or." The word "and" will be a common theme. We need to add roads *and* public transportation. We need to clear collisions quickly *and* tell riders when their bus or train will be here. We need to get workers to telecommute *and* have their employers see flexible hours, commuting mode options, transit fare subsidies and creative parking solutions as attractive employee hiring and retention factors. We need to solve local problems of access to jobs, health care and education *and* solve national problems such as port or intermodal terminal congestion that occur within a region. Cities must reduce regulatory barriers to downtown and near town development *and* recognize that many people wish to live in a nice house with a yard. And when the kids leave the house, those same people may choose to move to a condominium near their job, cultural venues or ballparks.

Our Urban Mobility Report has consistently recommended a broad set of strategies to solve congestion problems. Current private sector manufacturing and freight movement operations might be a good model for future personal travel systems – freight shippers have schedule expectations that vary by the goods being shipped, their importance and they react to incentives such as time savings and cost. But different than many current commuters, truck, ship and rail operators are also very well informed and are willing to change their trip plans, modes and routes to take advantage of time or cost incentives. Consider the commuting, safety and air quality parallels to these aspects of retailing and service delivery:

- Brick-and-mortar retailers have systems that let them know what item is sold and when, as well as the trends for each item on a daily, weekly and seasonal basis.
- Those companies have suppliers that react to trends in demand with incredible speed, changing the type of product and schedule as customer purchase patterns change.
- Delivery companies can tell where a shipment is at all times and can estimate when it will arrive or if there may be problems along a route be delivered.
- On-line merchandise companies can learn from transactions and search trends to tailor advertisements, discounts and products for each individual.

The solutions, therefore, are an integrated and related combination of:

- Operate and maintain what you have to get the most productivity from the system.
- Provide information and options to travelers, home buyers, businesses and other interested groups so that they might make choice to avoid long travel times.
- Expand the system where bottlenecks or growth make other options inadequate to meet community goals.
- Monitor the effect of the programs, projects and policies to make operational and design improvements and to provide an accountable and transparent reporting to the taxpayers.

The interrelationship of these factors has been clearly demonstrated. The California and Washington transportation programs (as only two examples) have received significant revenue increases based on a combination of:

- Doing a good job with what they have,
- Providing a clear plan for the additional spending that attacks problems, and
- Committing to a communication effort that both informs the public about the effect of the programs and is used internally to refine the next set of project designs and operating strategies.

Expanding the systems, therefore, must be combined with efficient operations and information that allows choices to be made about current trips and about long-term investment strategies. The varying amount of extra time that travelers and freight shippers have to allow for crashes, breakdowns, weather problems and special events are a significant part of the congestion problem. Traveler frustration can be reduced (and taxpayer trust increased) if these seemingly simple issues can be dealt with. Of course the solutions are not always simple, but if we can clear collisions quickly, tell riders when their bus or train will arrive, time the traffic signals so that groups of cars move through a series of green lights and allow shoppers to get to stores without tying up traffic trying to move on major streets, we have a chance to meet expectations and convince the taxpayers their funds are being spent wisely.

Equally important, however, is the question of "who should implement the change?" There is a temptation to put the responsibility for addressing congestion, safety, air quality and other challenges on road and public transportation agencies or private sector road operators. This is a mistake. It ignores the aspects of the problems caused by poor decisions by travelers and eliminates the enormous power of employers and citizens to made choices that reduce congestion and improve safety. I do not think these choices would be made "to" reduce congestion; the objectives would be more relevant – improve profits, operational efficiency or the quality of life. But decisions to drive carefully, travel between home and office during off-peak hours or develop residential, office and commercial areas could have a range of beneficial transportation effects.

Some of the solution might also lie in modifying the expectations for transportation systems toward achievable goals. These would not represent surrender to economy-strangling congestion, but rather would recognize that there will be traffic congestion during one or two hours in both

the morning and the evening peak hours in larger urban regions and near popular rural tourist spots as a product of their desirability. This congestion does not, however, have to result in unpredictable arrival times, broken operating equipment, poor road quality, high collision rates or poor air quality.

Education can also play a role in attacking congestion. There are many available travel options and information on routes, modes, fares, tolls and travel times will be ubiquitous. The missing element may be properly motivated travelers and employers who understand that their communities and their bottom-line will benefit from a more flexible approach to commuting, working, manufacturing process and delivery processes.

Safety improvements traditionally come from a combination of design changes, education and enforcement of traffic laws. All of those elements can also benefit congestion – the Ohio DOT showed as much when their collision and congestion maps identified most of the same road links and intersections. Traffic crashes are the leading cause of death for people between 4 and 34 years of age; safety should be a significant priority in all the innovative mobility improving strategies we deploy.

Details - The Benefits

Please do not make the mistake of thinking this issue is only about what to do and the often discussed topic of how to pay for it. I hope you also ask about the benefits of attacking the congestion problem. The fuel consumption, congestion delay, safety, air quality and other benefits are not only substantial, they are also the way to help citizens and businesses understand the reasons for doing the improvements. Transportation projects, after all, are not ultimately about faster travel, they are about supporting an economy that competes in a global market, supports families, encourages innovation and creates options that allow citizens to improve their lives.

A study for the Texas Governor's Business Council used information developed by the state's metropolitan planning organizations and the Texas DOT to estimate the benefits of improving mobility. To keep the relatively high level of congestion experienced in major Texas cities from getting worse will require an increase in spending from the current trend of about $50 billion, to $125 billion between now and 2030. The more desirable outcome of eliminating serious congestion will increase spending to $170 billion. Each dollar of that spending generates $7 in savings from lower travel delay, reduced fuel consumption and business efficiency.

I'd like to suggest that benefit estimates like this are an important aspect of the challenge. Connecting projects, programs and plans to attributes that provide information for decision-makers like service quality, travel reliability, potential employee markets and quality of life should be a key component. If we focus our nation's transportation investments on programs, policies and projects that will enhance the quality of life, it will be easier to make a case for transportation investment. If all the discussion is on the cost of the program and funding mechanisms, we may be consigned to irrelevancy.

Suggested Guiding Principles for Change

I have a few suggestions on how to translate the future situation I have outlined and the challenges, we face into tangible advice for members of the Subcommittee. Many of the trends I describe exist in part because of the manner in which government at all levels has structured its decision making and how that structure has worked to produce a transportation system that enables these trends.

1. **Recognize some problems are regional and interregional but many of the operating and governance structures are not. How do we make them match or work better?**

Congress should recognize that the current system of decision making for transportation is based on states or metropolitan regions. States and regions examine their own boundaries when attempting to develop solutions to current transportation problems and in planning for their future transportation systems. The current federal highway program reinforces the natural inclination to stop solutions at borders, whether they are the edge of states or metropolitan regions. This results in a patchwork of solutions to large interregional problems with little to no continuity. The mismatch occurs where the current problems, and more perilously the future problems, do not track the decision-making entity boundaries. We already recognize regional and in some cases national consequences flowing from any of a number of transportation problems.

A good example of this is the consequence of rising transportation costs created by the bottlenecks at the ports along the West Coast. As congestion rises at these ports and in the inland infrastructure, costs rise. The costs are born by consumers thousands of miles away, in states other than California, Oregon and Washington. Under the current regime, downstream state transportation decision makers do not have incentives to trace back their consumers' costs to the West Coast and undertake a problem-solving exercise with the West Coast states. Congress should consider ways to match the decision making and governing structure to the nature of the problems. Our problems are, and will continue to be, interregional and national.

The Ohio Turnpike and Ohio DOT created an innovative interjurisdictional arrangement that has the DOT supporting a lower toll rate on the Turnpike to keep the larger trucks off the DOT roads. This minimizes the pavement damage and operational problems on the state roads while providing the Turnpike with the funds needed to support the maintenance and capacity required to keep a key interregional highway in good condition.

This is the same kind of multi-use corridor program that sees buses, carpools and paying travelers on lanes that provide reliable high-speed service in California, Texas and Minnesota. One project, the I-10 West Freeway in Houston, will have four such "managed lanes" by 2008 that were purchased by the local toll road authority. The $237 million purchase price provided much needed cash flow to the Texas DOT and resulted in a 6-year construction schedule rather than the expected 12-year program. A savings of $2.4 billion in travel delay, fuel consumption, construction cost inflation and returns to the economy were obtained for an added cost of about $300 million for the 24-hour construction schedules, incentives and utility relocation.

2. **People will react to incentives - price and time as examples - but we rarely provide them opportunities to do so. At the same time, states and regions have the responsibility to maximize the efficiency of their transportation infrastructure.**

These two facts can work together to re-capture the unused, existing capacity through the use of tools that spread demand out over larger periods of time, reduce congestion and improve reliability. Concentrated travel demand is our single worst problem in highly urbanized cities. Transit, congestion pricing, car pooling, telecommuting etc, are all tools to manage concentrated travel demand. The options allow travelers and shippers the choice to say "I really need to make my destination on time and I am willing to pay or carpool or ride a bus for a reliable trip."

Congress, in past reauthorizations, however, has alternately encouraged tele-commuting or car pooling, and most recently congestion pricing and tolling. The problem with this approach is that Congress never collected these tools together in an incentive to commuters. Even the tax code changes that have been made to allow employers to underwrite public transportation service cost does not also extend to other commute alternatives such as carpooling, bicycling or walking trips to work. People react to incentives, but they also appreciate choice and when provided with it, as programs in many places including Los Angeles, Seattle and San Antonio show, they will make predictable choices to maximize their income and quality of life.

Instead of Congress elevating one choice over another, it should incentivize states to provide choices to commuters from among the many tools that make the choices as equal as possible. This empowers a commuter with choice. States and regions can also provide more options to commuters with emerging technologies and better information. If the goal is congestion reduction is there a role for a commodity market in peak period trips? Why shouldn't commuters be able to auction off their rights to travel by themselves in a car? Why shouldn't employers be able to support alternative travel modes and commute arrangements that employees desire and which improve office productivity instead of being encouraged to accept the parking offered as part of the "business as usual" office lease? Why shouldn't workers be able to declare the one day per week that they tele-work from home as a 20% share of a home office deduction? Or take a pre-tax mode-neutral commute subsidy from their employer?

3. **No one is really paid for eliminating congestion. Why?**

Agencies conduct many studies and evaluate options; many congested states and metro regions are managing roads and transit systems to achieve productivity improvements. But it is clear that more aggressive approaches exist. Operations and institutions that target serious problems with aggressive treatments plans usually combine technology, information, policies, regulatory changes, private sector partners and public agency operators – each element doing what it is best at, without regard for jurisdictional boundaries or "turf" issues. The federal program could reinforce these aggressive approaches with support for innovation and coordinate monitoring, reporting and performance standard development. States or regions could be rewarded for achieving and maintaining congestion and safety standards, as well as standards for reporting and communicating with their customers.

This concept could also be extended to other transportation program elements. A move away from budgets for specific programs or treatments and toward an emphasis on congestion, safety, asset value, pavement ride quality and other measurable factors could accentuate a shift from "what gets done" to a more relevant question like "how does it perform?" The *SAFEclear* towing program in Houston is a partnership between the City and towing companies that have a 6-minute response time goal for vehicle breakdowns and collisions. The program is in addition to a joint TxDOT, Harris County, Houston and Houston Metro program to assist stranded motorists. Collisions have been reduced by more than 15 percent in the two-year operation of the program and another $30 million in yearly delay and fuel savings have been realized for a $2 to $3 million per year project cost.

Focusing on the safety and congestion problems, for example, might lead to a focus on removing bottlenecks that artificially constrain travel or lead to unreliable travel times on the road or public transportation systems. Some of these projects require investments in the tens of millions of dollars, but there have been many improvements that cost less than one million dollars return twenty or thirty times their cost in crash, delay and fuel consumption savings. Short lane additions in Minneapolis-St Paul and Dallas-Fort Worth, and several direct connection ramps between bus and carpool priority lanes and the park-and-ride lots in the Seattle area show the value of making spot improvements that solve multiple problems.

These kinds of improvements reduce the unpredictability of travel time. Many small cost improvements address problems that the public sees – lack of turn lanes, traffic signal malfunctions, collisions that take hours to clean up – and yet cannot understand why they are not solved. Fixing these problems reduces congestion, improves safety and also gives the public confidence that their tax dollars are being spent wisely.

The problems in states and metropolitan regions are similar but not the same and there's no reason to think the goals and solutions will be the same. We have much better access to monitoring data now than when the federal transportation program was begun. Emphasis could be placed on the process to develop standards and communication practices at the state and region level. Many processes and measures will result, but if every program examines the range of concerns, publicly supported improvements will happen.

4. **Data driven and results-oriented approaches to problems have proven their effectiveness in many fields of government and business; we should expand them.**

The analytical processes, monitoring data and communication strategies are all important for improving operations, better long-range planning and for generating the support of the public. The need for a comprehensive strategy for system and service improvement will characterize newer and more aggressive approaches to alleviating transportation problems. The cycle of planning, testing, deployment and evaluation may turn over much more rapidly in the future. As an example, agencies will need better data to both respond to customer requests for information and to change operations on an hourly or daily basis. Congressional support for data collection and analysis improvements will be returned in better service, improved communication with the public and reliable operations.

A 2007 publication from the Transportation Research Board (Transportation Information Assets and Impacts, Electronic Circular #109) makes the case that decisions will be made with or without the data. If data is available, understandable and points to relevant to actions or decisions, it can be a critical link to improvement in many factors. One key aspect identified by the Committees and decision-maker interviews are the national datasets that form the basis for decisions that cannot be made using locally derived data. Very often the decision-makers, and sometimes the analysts themselves, are not aware of the national nature of these information sources. The methodologies and analytical procedures often form the best practices that are used to develop local datasets on subjects such as freight transportation, personal travel patterns and traffic counting. We should have the information and analyses to support the detailed and sophisticated analyses needed to make investment decisions.

Providing data to individual travelers, as happens in the various 511 phone programs and traveler information websites, can also dramatically improve the service provided by the transportation system. These operations do not reduce congestion by themselves (like an added street lane would), but the information they provide helps travelers decide on their mode and route, and understand the time that might be needed for the trip in places as diverse as Ohio and Kentucky who had the first operating 511 system in the Cincinnati region, to Nebraska, Utah, Arizona and Minnesota that had statewide systems in 2002. The San Francisco-Oakland region 511 program (like many in the U.S.) has information on a comprehensive set of multi-modal travel options. Major metropolitan regions appear to be moving toward a single card or computer chip to pay tolls, transit fares, parking and other fees for transportation services. Centralized websites like the Bay Area's can present these options in ways that make travelers more comfortable with their choices – again, data to make decisions. Advanced applications of these systems might have your cell phone find the weather and traffic forecast for the day and automatically find your travel options based on your job and family schedule that day, your preferences for radio stations, conversation topics, job location, and then call the cell phones of possible carpool partners to see if they are interested in sharing a ride on a high-speed lane, or show you the transit map and fare info for the bus or train, or tell you how long the drive will be if you go by yourself at various times. You can think of this as a real-time combination of services like e-Harmony and traffic.com.

The real-time end of the information needs spectrum is improving with these market-based systems and the private sector data uses for both freight and passenger travel. But there are still many professionals who are faced with supervisors who say "I've been asked what sounds like a fairly logical question and we need an answer by this afternoon...." It is clear that "covered issues" with good long-term datasets – such as pavement and bridge condition – are in a better position to provide support for these types of questions, but many times the only option is to use data from older sources or other places. It is also clear that decisions will be made with whatever data are in the room when the options are considered. There are hundreds of these questions being asked each day – but no one to compile them and make a case for improving the data. No one lobbies their Congressman with "better data" as one of the 3 issues on their 8 ½ by 11 page.

Thank you for allowing me to share some ideas on the future we might be facing.
More information on mobility research at the Texas Transportation Institute can be found at:
http://mobility.tamu.edu and http://tti.tamu.edu

Committee on Environment and Public Works, March 18, 2010 Hearing
Responses to Questions by Dr. Tim Lomax, Texas Transportation Institute

Senator Barbara Boxer

Q1. What kinds of investment do you believe are necessary to make improvements to congestion nationwide?

Substantial investments are needed in three general types of projects and programs.

- More operations treatments – We must do more with technology, inter-agency cooperation and staffing deployments to get more reliable service from the transportation systems we have.
- More freeways, public transportation facilities, transit vehicles, streets, bike lanes and sidewalks – Most traffic congestion is in urban areas and these regions will see large increases in population and jobs in the next decade. We must add to the transportation system if we want to maintain the current congestion level. If we think there is too much congestion, we need to add even more to address current problems and the growth.
- More choices – Pricing, tele-work, land use development patterns and a range of incentives to travel when the system can handle the trips are among the choices that should be encouraged.

Every region will have a different approach to these solutions and, as I suggested in my testimony, I don't view this as a bad thing. Agencies and decision-makers should offer a range of choices, describe the effects and identify the strategies that work and are accepted in a variety of settings.

I suggest that we remember that there are a lot of congestion causes – many of them outside the realm of transportation. If we are interested in a comprehensive attack on the problem, for example, we might consider how the perception of poor quality in urban schools affects the housing decisions, and thus the transportation network needs. Is this a significant factor that encourages people to move to the suburbs?

Perhaps there are ways to incentivize, or even require, cities to adjust their education investments and land use plans to take advantage of large public transportation investments that are made to support denser mixed-use developments (homes, shops and offices near the transit stations). Some regions are also using a variety of incentives to get workers to travel in non-peak periods. These strategies are more likely with the computer technologies we have and with an increasing number of employers who have had success with remote working situations.

Responses from Tim Lomax, Texas Transportation Institute, 979-845-9960, t-lomax@tamu.edu

Q2. You mentioned in your testimony that safety improvements may play a positive role in reducing congestion. What specific safety improvements do you see creating dual benefits between safety and congestion?

The interaction between safety and congestion occurs when crashes either do not happen or when they are detected and cleared quickly. Several strategies can be used to obtain these results.

Rapidly removing the crashes and stalled vehicles is the most frequently cited program with both safety and congestion benefits. "Incident management" (as these programs are known) is a part of almost all urban region transportation programs and operate in many rural areas. As with many transportation solutions, however, there are ways to deploy this treatment more aggressively and successfully. I assisted in an evaluation of the Houston SafeClear program that found a 1-minute reduction in average response time leads to 80 fewer crashes per month. SafeClear is different than traditional incident management programs in that the City of Houston awarded contracts to towing companies; the companies are responsible for responding to incidents within 6 minutes. To do this, they deploy tow trucks in roving patrols that find about ¾ths of the crashes and stalled vehicles. This combination of technology and accountability has proven to be effective in reducing collisions and congestion. http://www.houstontx.gov/safeclear/index.html

Using overpasses and underpasses to separate high-volume streets, or streets and railroad lines are cost-effective construction programs with safety and congestion benefits. A set of treatments summarized by the term "access management" also have positive safety and congestion effects. These include turn lanes, curbed medians for streets, working with developers and shop owners to reduce the number of driveways and other conflict-reducing roadway designs.

Other programs and project types with multiple benefits are those traditionally included in both urban and rural areas. It should be noted that a significant amount of the congestion problem in rural areas is caused by crashes. Meaningful safety improvements can be made by deploying the solutions below. Speeding and alcohol abuse are two areas warranting attention; these are outside the traditional transportation agency responsibilities but have a significant effect on the challenges faced by those agencies.

1. Deploy drunk-driving check points to help address the alcohol issue
2. Enforce the speed limit
3. Continue the use of automated red light camera enforcement
4. Emphasize the benefits of the graduated driver's license
5. Widen more sections of two-lane rural highway
6. Install median barriers that separate traffic directions on higher-volume, high-speed roadways

Responses from Tim Lomax, Texas Transportation Institute, 979-845-9960, t-lomax@tamu.edu

Q3. You discussed in your testimony the growing problem of congestion on our highways. You also discussed travel options and the idea that people want more travel options, and that many of the current options are underutilized. What travel options are underutilized and how can Federal, state or local governments encourage better utilization of these options?

I point to two general types of options – making trips using different travel modes and finding ways to accomplish a trip purpose without physically making the trip. Which solution is best will vary for each region and within regions (for example, some solutions work well in downtowns and not very well in the suburbs). Examining the "cost per trip avoided" is a way to focus on the best set of strategies for a particular region. Some specifics are included below.

Ridesharing/carpooling – Many commute trips can be made in carpools, vanpools or by transit, but commuters think that these strategies cannon meet their schedule and flexibility needs. Irregular work schedules and the need to be available for sick children mean that regular carpools are tougher to sustain. There are some companies and programs (for example, NuRide – a private ride sharing company; guaranteed rides home; transportation management associations) that can encourage and support day-to-day commute decisions, rather than the typical "I'm going to drive to work for the next 30 years" assumptions.

Tele-work or teleshop – Some people can work or shop from home during the peak periods. Keeping these trips off the roads is a congestion benefit. Even if the person only shifts their time of travel (for example, making a trip at 9 a.m. after working at home from 7 to 9) there are significant congestion benefits. These programs are most cost-effective for public agencies if the costs are borne by private employers who find a business case for such programs.

Commute trip reduction – The Washington State DOT has a program that ranks proposals by cost per trip eliminated. Both public and private agencies participate in the program. The most cost-effective ideas are funded regardless of who operates the program, and the projects are monitored to ensure that they meet the targets.

Parking management programs – The costs, availability and location of parking have a significant effect on commute mode used in every type of job center. Parking cash-out programs in which employees are allowed to trade their parking space for cash and transportation allowances that offer mode-neutral payments to support commuting expenses (e.g., assist payment of parking or transit fares).

High-Occupancy/Toll (HOT) projects – Providing a separate lane or lanes for high-speed and reliable travel has been used as a method to encourage transit and carpooling; these lanes are now being used to provide the same advantages for those who have a value for the trip. Allowing users to pay for a trip that must be made on-time is one additional method for resolving the problems caused by congestion.

Responses from Tim Lomax, Texas Transportation Institute, 979-845-9960, t-lomax@tamu.edu

Senator James M. Inhofe

Q1. Your testimony advocates for improvements in data collection and analysis. Could you please provide more detail on the types of data needs best handled at the national level? At the State level? At the local level? What kind of monetary investments will these involve?

A Transportation Research Board Report (Electronic Circular 109) discussed data as an asset that needed to be managed and supported. The study emphasized the importance of understanding the uses that decision-makers have for the data, the update frequency and level of detail required. Data, it was noted, make it harder for people to maintain myths. The same types of data are needed at all levels, but some aspects are easier to accomplish at certain levels and more useful for the decision-makers. http://onlinepubs.trb.org/onlinepubs/circulars/ec109.pdf

Among the kinds of information requested by decision makers, both for defining problems and selecting solutions, were these:

- Infrastructure condition data, sometimes the dominant factor in asset management decision making;
- Demand data (e.g., volumes);
- Performance data (e.g., congestion measures);
- Demographic trends; and
- Outcomes of past actions—performance, social and environmental impacts, actual costs. Decision-makers and program planners alike are interested in connecting spending to actual outcomes (e.g., performance or condition improvements) and in ensuring accountability.

These data needs might be mapped to levels of government in the following way. In general, the best data quality is usually obtained if the agency collecting the data has a specific and important use for that data. As you can imagine, if the data are viewed as some sort of unfunded mandate, or being collected for "an unimportant or unknown purpose and used by someone else without affecting my operations," the quality of that data may not be good. The lessons from the Circular 109 study is that the data should be collected at a level as close to the use as possible and that the source of the data should always be disclosed so that users understand the benefit they gain from the efforts of national level data programs.

National data needs – Standard descriptive measures and data should be used to allow comparisons between states. In addition, there are datasets that are much easier to prepare at national levels. Examples such as commodity flow surveys, personal travel surveys, highway safety databases are used as basic information pieces and as default parameters for metro and rural region analyses.

State data needs – The political and institutional relationships of the states are different and data is needed to support this variety of uses. State transportation agencies are also uniquely positioned to cost-effectively collect a variety of data that can then be used by urban and rural

communities. They may also be the best collector of rural and intercity transportation system data such as pavement conditions or bus or rail ridership.

Local data needs – Information related to local or regional goals and unique aspects of planning, design and operation are best handled by the agencies that will use them. It is particularly important to have this data where state or national "averages" do not apply, such as travel speeds on specific roads or vehicle inventory information for emissions tracking.

Monetary investments will be needed, but I think there are many cases where "data collection" is not the goal. In these situations one might consider data collection as part of doing business. For example, if an agency monitors traffic congestion on a daily basis to deploy tow trucks, change traffic signal and freeway ramp meter timing and provide information to travelers and freight movers, should you charge the traffic speed and travel time data as a collection cost? I don't think so. If you then use that data to decide on the best congestion-relief projects or use the traffic volume information for pavement condition analyses, is that a data collection cost? Again, I don't think so. It is a cost of doing business in the best way possible.

As agencies are aggressively moving toward performance-based decisions, high-quality data become even more important. There are some national scale projects (for example, National Household Transportation Survey, Commodity Flow Survey, Vehicle Inventory and Use Survey) that no single state/local agency can fund and which are used for such a wide variety of analyses that they need to be considered as "data collection costs." The appropriate way to view these, in my opinion, is to consider how the decisions are made without these data; because the decisions are made. If agencies do not have the data in usable and understandable formats, their leaders still must make decisions – those decisions, however, will not be based on the best current information. Some surveys do not require annual updates, but waiting a decade would also seem too long.

Q2. You suggested rewarding States or regions for achieving and maintaining congestion, safety and other standards. What types of rewards do you believe work best? Please keep in mind that funds will not be unlimited in the next transportation bill.

There should be a set of incentives for performance and innovation. In saying this, I recognize there will always be a need to return taxes and fees to the states based on the amount they contribute, but perhaps any increase in revenue could be targeted with some incentives. The focus might be to reward "best practices with demonstrated results in relation to regional or state goals." I don't believe it is useful to decide whether a region has, for example, decided that their congestion target is the one I would choose, but rather, are the projects, programs and policies being funded in the transportation plan targeted toward achieving the goals of the region. Such a program could provide local leaders with the policy support to choose projects in portions of the region that have the greatest needs, rather than using the "creamy peanut butter" approach of spreading the funding around evenly. Incentives could also be provided for multi-state

cooperation to remedy a problem in one state that affects the economies and travel conditions of several states.

There is a tremendous amount of creativity at the local and regional level. Any incentive program might benefit from a set of criteria for the result rather than for the specific mechanisms used to achieve that result.

Some examples:

Regional approaches to regional problems – Cross country freight movement that is hindered by a problem in one area could be funded from several other areas that are affected by that problem.

Rapid removal of crashes – A "race for clearance" incentive could push regions to be more aggressive about deploying resources and push for interagency agreements to address some of the institutional issues related to "who is in charge?" of a crash scene. I would not suggest that we incentivize risky behavior, but there are many innovative ideas being used in some places and not at all in most places.

Signal timing – One frustration heard in almost every area is "why cant we time the traffic signals so that they turn green when a group of cars arrive?" In some cases the solution is a technology upgrade or re-analysis of the timing plans, in other cases adjacent cities need to coordinate their systems.

Responses from Tim Lomax, Texas Transportation Institute, 979-845-9960, t-lomax@tamu.edu

Senator George V. Voinovich

Q1. The National Gateway project, which runs from North Carolina north through Baltimore and then west to Ohio, would remove 1 million trucks from Ohio highways over 10 years. Obviously, this has significant implications for reducing fuel consumption and greenhouse gas emissions. Given the fact that one freight train can carry the same load as 280 trucks, do you believe that increasing freight rail is an important component of our national efforts to increase mobility and reduce congestion?

Facilitating greater use of freight rail is emerging as an important national strategy as funds for highway expansion diminish. Performance measures like emissions per ton-mile of freight describe the environmental advantage of rail over trucks. But another real "win" for the public sector will be in public-private projects aimed at increasing the market share that rail carries in congested corridors. This will return scarce highway capacity to passenger traffic and perhaps most importantly, slow the wear and tear inflicted by heavy trucks on the highway infrastructure.

The challenge will be to identify how to best accomplish the shift in goods movement from a) fast and flexible trucks to b) a rail system that is inherently less flexible. Certain commodity groups are amenable to this shift, but the precise parameters that encourage a modal shift in specific locations are not well understood. Cost is a prime factor, but time is also important. Rail service has a harder time controlling their delivery time than trucks, a factor that gets included when a shipper or manufacturer examines their total cost.

Further, the service distance where rail is most economical begins at between 500 and 700 miles. Rail is the long-haul carrier of choice, but 80 percent of the goods travel less than 700 miles. This short and intermediate-distance segment is completely dominated by trucking. New systems that are a hybrid technology combining the best features of trucking and rail offer the potential to bring the environmental and road congestion-relieving benefits of freight rail transportation into the short and intermediate-distance market. TTI's *Freight Shuttle* is one such system that is being proposed as a privately-financed, commercially viable alternative to trucks in highly-congested trade corridors.

The Freight Shuttle is an automated system that operates on a fully-elevated guideway and can be located in existing public or private rights-of-way. It offers shippers a lower cost and time-certain alternative to trucking and provides an efficient feeder system into the intermodal freight rail network that can help increase the goods movement market share of railroads.

Responses from Tim Lomax, Texas Transportation Institute, 979-845-9960, t-lomax@tamu.edu

Senator David Vitter

Q1. Can you please discuss what models for transportation infrastructure have been the most successful over the last ten or twenty years in terms of reducing congestion and facilitating commerce. What cities in America would you cite as the most successful and why (please also discuss the economies of those cities)?

I cannot point to a region or state that is doing everything right, but there are many elements of the "right stuff" across the country. A few of the ones I know about are described below, but I am sure there are many other places that I haven't listed. Most cities that have growing congestion problems have growing economies. Many of these are already congested and holding current congestion levels is difficult; reducing congestion is not viewed as possible.

Washington State DOT – They have focused on operating their system as efficiently as possible for more than a decade. They do a good job of evaluating their projects and providing information to the public in a transparent and accessible way. They have led the industry in accountability and communication. http://www.wsdot.wa.gov/accountability/

Ohio DOT – They performed a safety and congestion analysis on their system and found locations where both problems exist. Funding was then focused on developing improvements that solve both problems.

Missouri DOT – Their Tracker performance report is a significant step toward a comprehensive information system about the effect of DOT spending. They also have an employee bonus plan that rewards employees for money saving ideas; the ideas come from the staff and funded by the actual dollar savings to MoDOT. http://www.modot.mo.gov/about/general_info/Tracker.htm

California – The large metropolitan regions are focused on addressing problems in corridors, rather than looking at short segments. This approach ensures that the limited funding targets location where improvements can be sustained, rather than funding projects that move congestion one or two miles to the next bottleneck. Caltrans has been a leader in most transportation operations topics for several decades.

Minnesota DOT – They have a program to focus on low-cost/high-benefit improvements to relieve bottlenecks. Short sections of road addition have been used to solve localized congestion problems. The nearby road sections are not congestion-free, but the serious traffic slowdowns have been reduced.
http://www.dot.state.mn.us/hottopics/Hottopics2009/lowcostcongestionproject.pdf

Texas cities – The fast growing Texas economy has placed significant strain on transportation systems. The larger metropolitan regions have pursued new roadway and transit capacity funded by a variety of methods, mostly bonding and toll funding. For example, the right to operate a four-lane high-occupancy/toll lane in the middle of I-10 West in Houston was purchased by the local toll authority. The $250 million price allowed TxDOT to speed construction from a 12 year to a 6 year project.

Responses from Tim Lomax, Texas Transportation Institute, 979-845-9960, t-lomax@tamu.edu

Houston – The City government has focused on operating the current transportation system as efficiently as possible. The City performed a city-wide traffic signal re-timing that reduced peak travel times. The SafeClear towing program is an aggressive crash clearance program costing about $5 million per year. Crash costs are down approximately $50 million per year and congestion costs have been reduced by $20 million to $30 million. http://www.houstontx.gov/safeclear/index.html

High-Occupancy/Toll (HOT) lanes – These facilities offer travelers a choice that most people do not have; they can pay a fee and travel on a high-speed and reliable roadway. While there is certainly a concern about wealthy travelers not suffering their "share" of congestion delay, the facilities operating in Minnesota, California, Washington, Florida and Texas appear to have public support and are used by travelers from a wide-range of income levels. http://managed-lanes.tamu.edu/projects

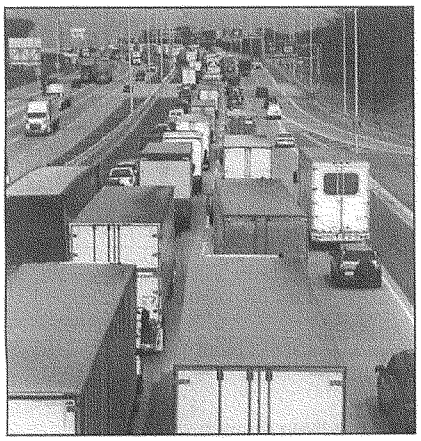
Responses from Tim Lomax, Texas Transportation Institute, 979-845-9960, t-lomax@tamu.edu

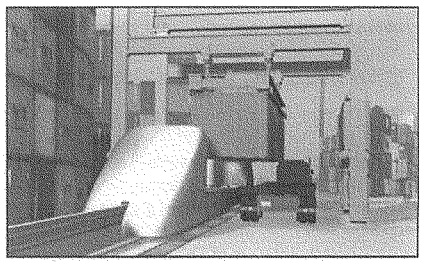
The Universal Freight Shuttle: A 21st Century Solution to Freight Transportation Challenges

Background

The transportation of freight is the life-blood of the world economy. Goods and materials flow in vast quantities from production sites to manufacturers and from manufacturers to customers in a highly complex, cost-minimizing/profit-maximizing system that has developed over many decades. This system has achieved high levels of efficiency and responsiveness that, in turn, have fueled economic growth in both domestic and international markets.

The inter-modal revolution—employing standardized containers in the transportation of goods and materials—has linked steamship lines with railroads and trucking systems to provide a seamless transportation network that can move cargo from overseas suppliers to retail outlets in sealed containers. The growth in global container shipments is matched by an ever-increasing number of trucks on our highways. Just-in-time manufacturing techniques and advanced logistics strategies are significantly impacting the transportation of goods. The result has been an expanding economy, lower prices of consumer goods and job creation. Projections suggest that the quantity of freight will double over the next decade.





Artist rendition of the proposed Universal Freight Shuttle showing the transfer of a container from a truck to the shuttle for long-distance travel.

However, for all of the accomplishments of the modern freight transportation industry, there are significant problems emerging that threaten to constrain trade and limit future economic development, including:

- increasing roadway congestion;
- safety concerns resulting from mixing freight and passenger transportation on highways;
- deteriorating highway infrastructure;
- escalating fuel costs in a completely oil-dependent transportation sector;
- air quality concerns;
- capital- and capacity-constrained railroad systems;
- port congestion;
- labor issues; and
- sky-rocketing infrastructure and maintenance costs.

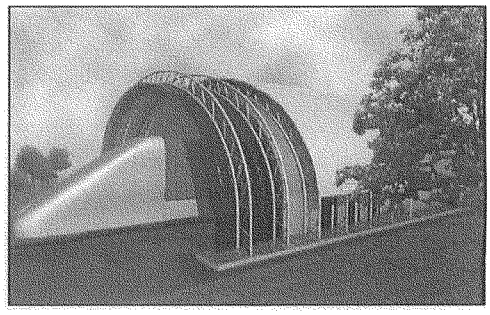
Project Description

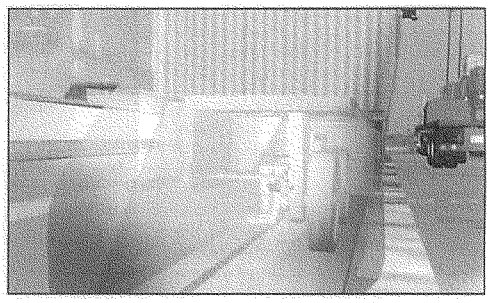
These problems provide a tremendous opportunity for the introduction of an innovative transportation system that combines the best features of trucks and railroads with advanced command and control technology, robotics and an environmentally sound operating system: the Universal Freight Shuttle (UFS).

The Texas Transportation Institute (TTI) has developed this new hybrid system, which will significantly reduce the number of long-haul, heavy-duty diesel trucks on the highway, increasing safety and reducing air pollution. It has the promise of revolutionizing how freight is transported within ports, across borders and along highway corridors.

About TTI

TTI is recognized nationally for its expertise in all modes of transportation and has been extensively involved in mobility research for more than 50 years. The agency's researchers have developed and evaluated a wide range of solutions to mobility issues, including managed lanes, improved public transportation services, and intelligent transportation systems to improve decision-making processes and performance measurement. These studies have successfully assessed potential improvements, enhanced evaluation and prioritization processes, and resulted in the cost-effective implementation of numerous projects to improve mobility and quality of life.





Top: Artist rendition of the proposed Universal Freight Shuttle. Above: Artist rendition of the underside of the shuttle showing how the freight containers are mounted for transport.

The UFS consists of an electric-powered, automated vehicle propelled by linear induction motors that travels on a specially designed guide-way and running surface, similar to the "people-movers" at major airports and cities. The shuttles are large enough to move any standard-size freight container or trailer and do not require an onboard driver.

The propulsion system involves both the vehicle and the guide-way as inherent components of the motor assembly and, as a result, has virtually no moving parts to wear out or fail and no negative effects on the environment. Carrying either containers or over-the-road trailers, the vehicle is designed to operate over an elevated, grade-separated right-of-way, reducing the burden on highways in terms of safety, wear and tear, and traffic congestion, while offering increased security, performance and lower costs.

Use of the UFS at land borders and maritime ports includes Homeland Security scanning stations, which will allow every container to be "inspected in motion," compared to the estimated 5% that are inspected today, without the long lines and delays experienced at border crossings. Along highways, the UFS will operate on existing rights-of-way.

Key Stakeholders

Freight transportation is a highly competitive and cost-constrained industry. The UFS fits into this industry by fulfilling the need to transport freight in a cost-effective, environmentally sound manner, while improving the safety of our roadways.

The UFS has been in the concept and design phase for about eight years, with the intention of satisfying the needs of all freight transportation stakeholder groups, including:

- federal and state departments of transportation;
- freight transportation companies;
- shippers; and
- U.S. consumers.

A prototype will be developed and tested beginning this year at a test location in Texas.

Contact

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http://tti.tamu.edu

2/12/08

Senator BOXER. Thank you, Mr. Lomax.

I am so happy I have the chance to introduce Hon. Scott Haggerty who is the Supervisor for my home State, the Alameda County Board of Supervisors. He is speaking on behalf of the National Association of Counties.

I just have such fond memories of being a County Supervisor all those years ago. And I know that is where the rubber meets the road absolutely, whether you are talking about highways or anything else. You are really there with the constituency.

So, we really look forward to your testimony, and when you are completed I am going to leave to go over for the signing, and I am going to hand the gavel over to Senator Sanders.

Please proceed, Supervisor.

STATEMENT OF HON. SCOTT HAGGERTY, SUPERVISOR, ALAMEDA COUNTY, CALIFORNIA; CHAIRMAN, TRANSPORTATION STEERING COMMITTEE, NATIONAL ASSOCIATION OF COUNTIES; CHAIRMAN, METROPOLITAN TRANSPORTATION COMMISSION

Mr. HAGGERTY. Thank you very much for those kind words.

Good morning, Madam Chair, and Members of the Committee. My name is Scott Haggerty, and I am a member of the Board of Supervisors in Alameda County, California. I also serve as the Chair of the Transportation Steering Committee for the National Association of Counties. I am also the Chairman of the San Francisco Bay Areas Metropolitan Transportation Commission which covers nine counties in the Bay Area with a total population of over 7 million citizens.

Madam Chair, before I get started with my prepared remarks I would like to thank you for your leadership in getting the bill and going over to see—or to make sure—that the bill gets signed this morning that extends the Surface Transportation Program and affords $20 billion to the end of the year. It is a great achievement, and we certainly thank you for that.

NACo's view is that congestion in the metropolitan areas is an important issue in America's transportation today. In many of the metropolitan areas we have constrained mobility and increasing congestion. We know that many commuters and freight carriers traveling in or through our metro regions do not know how long it will take to reach their destinations. We know that the delays in these trips are costly, they harm the environment, hurt America's commerce, and seem to get longer each year.

County governments understand congestion and recognize that it is a big problem. Counties are increasingly very large jurisdictions. There are 34 counties with populations in excess of 1 million. Seven of the top 20 mega-counties are in California. Another 76 counties have between 500,000 and 1 million constituents. We estimate that 120 million people live in these 120 large jurisdictions. Approximately 85 percent of all congestion, traffic congestion, transit ridership, and auto related air pollution are in metro areas.

No place in America better reflects the challenges of mobility and congestion in both rural and urban America than Alameda County. It is home to more than 1.5 million people and to large cities such as Berkeley, Oakland and Fremont. It is home to one of America's

busiest international seaports, the Port of Oakland, and to major transit agencies such as BART and AC Transit.

Alameda County suffers from the worst highway congestion in the Bay Area, which in turn is the second most congested metropolitan region in the country behind only Los Angeles. This is a problem that we quite literally cannot afford to ignore.

Yet my county is also home to vast ranches, orchards and vineyards. Alameda County is not only the gateway to San Francisco but to the high tech world of Silicon Valley and the agricultural bounty of the San Joaquin Valley as well.

NACo strongly urges the reauthorization of the Federal Surface Transportation Program to include the creation of the Metro Mobility Program and that these regions with populations of 500,000 or more be eligible.

We are pleased to see that this concept was included in the House Reauthorization Bill. The goal of this program would be to reduce and/or better manage congestion. Local government officials sitting on the Metropolitan Planning Organization would select projects for funding and a broad based congestion plan that would be required in each metro area and that includes a plan to better manage freight as well as commuter traffic.

While there are a variety of strategies for reducing congestion that could be funded under this new program, a Metro Mobility Program needs to include capacity improvements as an eligible activity. However before any projects are funded there should be a clear statement with supporting data demonstrating how the project will address congestion and improve mobility.

Give that breakdowns and accidents are responsible for an estimated 50 percent of congestion, incident management should be considered as a priority in the new reauthorization. An incentive grant program should be created which funds counties/metropolitan areas that implement a comprehensive incident management plan. This could lead to improved cooperation among State, county and city governments in developing agreements and strategies to quickly identify and to act to remove vehicles from the roadways. This is an essential and often less expensive approach to congestion mitigation.

We still need improvements in the transportation planning process, even if it requires more capacity and more planning funds. MPOs should have the authority to program all Federal highway and transit funds coming into a metro area, not just the Surface Transportation Program funds and the Transit Program funds.

While the EPW Committee does not have jurisdiction NACo wants to be clear that it supports a robust transit program that improves mobility, reduces congestion, conserves energy resources, limits greenhouse gases and serves the needs of our underserved population. We cannot fail to mention the nexus between transit and highways since thousands of buses do travel on roadways that are funded with programs that this Committee authorizes.

This would not be a NACo statement if I did not touch on rural issues. We strongly urge this Committee to retain both the Federal Highway Bridge Program and the Off-System Bridge set aside. Without these programs there is no assurance that there would be

an adequate investment by States and local governments in our rural transportation infrastructure.

We also recommend the expansion of the High Risk Rural Road Safety Program and an enhanced rural planning process. Finally, we must improve project delivery, particularly for many less complicated and smaller projects, through a streamlined process that does not unacceptably stretch out environmental review of the permitting process. The 90 percent of Federal highway projects that receive categorical exemptions should have a faster and easier path to project approval and completion.

We are a decade into the 21st century, and despite all efforts by all levels of government congestion and mobility solutions continue to challenge us. We cannot afford to continue the status quo.

This completes my testimony. I would be pleased to answer any questions from members of the Committee.

[The prepared statement of Mr. Haggerty follows:]

STATEMENT OF

THE HONORABLE SCOTT HAGGERTY
SUPERVISOR
ALAMEDA COUNTY, CALIFORNIA

AND

CHAIRMAN, TRANSPORTATION STEERING COMMITTEE
NATIONAL ASSOCIATION OF COUNTIES

AND

CHAIRMAN
METROPOLITAN TRANSPORTATION COMMISSION

ON

MOBILITY AND CONGESTION IN URBAN AND RURAL AMERICA

BEFORE THE
SENATE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

MARCH 18, 2010
WASHINGTON, DC

25 Massachusetts Avenue, NW I Washington, DC 20001 I 202.393.6226 I fax 202.393.2630 I www.naco.org

My name is Scott Haggerty. I am a member of the Board of Supervisors of Alameda County, California and serve as the Chair of the Transportation Steering Committee of the National Association of Counties (NACo*). I am also the Chairman of the San Francisco Bay Area's Metropolitan Transportation Commission (MTC), which covers nine counties in the Bay area with a total population of over 7 million citizens.

NACo's view is that congestion in metropolitan areas is the single most important issue in American transportation today. In many metropolitan areas we have constrained mobility and increasing congestion. We know that many commuters and freight carriers traveling in or through metro regions do not know how long it will take to reach their destination. We know that the delays in these trips are costly, harm the environment, hurt America's commerce and seem to get longer each year. County governments understand congestion and recognize it is a big problem. Counties are increasingly very large jurisdictions—there are 34 counties with populations in excess of 1,000,000. Seven of the top 20 mega counties are in California. Another 76 counties are between 500,000-1,000,000. We estimate that 120 million people live in these 120 large jurisdictions. Approximately 85 percent of all traffic congestion, transit ridership, and auto-related air pollution are in our metro regions.

No place in America better reflects the challenges of mobility and congestion in both urban and rural America than Alameda County. It is home to more than 1.5 million people, and to large cities such as Oakland, Fremont and Berkeley. It is home to one of America's busiest international seaports, the Port of Oakland, and to major transit agencies such as BART and AC Transit. Alameda County suffers from the worst highway congestion in the Bay Area, which in turn is the second most congested metropolitan region in the country — behind only Los Angeles. This is a problem that we

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* The National Association of Counties (NACo) is the only national organization that represents county governments in the United States. Founded in 1935, NACo provides essential services to the nation's 3,066 counties. NACo advances issues with a unified voice before the federal government, improves the public's understanding of county government, assists counties in finding and sharing innovative solutions through education and research, and provides value-added services to save counties and taxpayers money. For more information about NACo, visit www.naco.org.

quite literally cannot afford to ignore. Yet my county is also home to vast ranches, orchards and vineyards. Alameda County is a gateway not only to San Francisco but to the high-tech world of Silicon Valley, and to the agricultural bounty of the San Joaquin Valley as well. Alameda County is a member of MTC, which I currently chair. MTC is responsible for approving all transportation projects in our nine county region funded with state and federal funds.

NACo strongly urges that the reauthorization of the federal surface transportation program include the creation of a Metropolitan Mobility Program and that those regions with populations of 500,000 or more be eligible. We were pleased to see this concept included in the House reauthorization bill. The goal of this program would be to reduce and/or better manage congestion. Local government officials sitting on the Metropolitan Planning Organization would select the projects for funding and a broad-based congestion plan would be required in each metro area that includes a plan to manage freight as well as commuter traffic. While there are a variety of strategies for reducing congestion that could be funded under this new program, a Metropolitan Mobility Program needs to include capacity improvements as an eligible activity. However, before any projects are funded, there should be a clear statement with supporting data demonstrating how a project will address congestion and improve mobility.

Given that breakdowns and accidents are responsible for an estimated 50 percent of congestion, incident management should be considered a priority in the new reauthorization. An incentive grant program should be created which funds counties/metropolitan areas that implement a comprehensive incident management plan. This could lead to improved cooperation among state, county and city governments in developing agreements and strategies to quickly identify and act to remove vehicles from the roadways. This is an essential and often a less expensive approach to congestion mitigation.

We still need improvements in the transportation planning process, even if that requires more capacity and more planning funds. MPOs should have the authority to program all federal highway and transit funds coming into a metro area, not just the Surface

Transportation Program (STP) funds and the Transit Program funds. While the EPW Committee does not have jurisdiction, NACo wants to be clear that it supports a robust transit program that improves mobility, reduces congestion, conserves energy resources, limits greenhouse gases and serves the needs of underserved populations. We cannot fail to mention the nexus between transit and highways since thousands of busses do travel on roadways that are funded with programs this committee authorizes.

This would not be a NACo statement if I did not touch on rural issues. We strongly urge this committee to retain both the Federal Highway Bridge Program and the Off-System Bridge set aside. Without these programs, there is no assurance that there will be adequate investment by states and local governments in our rural transportation infrastructure. We also recommend the expansion of the High Risk Rural Road Safety Program and an enhanced rural planning process. Finally, we must improve project delivery, particularly for the many less complicated and smaller projects, through a streamlined process that does not unacceptably stretch out environmental review and the permitting process. The 90 percent of federal highway projects that receive Categorical Exclusions should have a faster and easier path to project approval and completion.

We are a decade into the 21st Century. Despite efforts at all levels of government, congestion and mobility solutions continue to challenge us. We cannot afford to continue the status quo. This completes my testimony and I would be pleased to answer questions from members of the Committee.

Questions for Haggerty
Questions from:
Senator Barbara Boxer

1. Your testimony stated that congestion in metropolitan areas is the single most important issue in American transportation today. Please explain in more detail why you believe this to be the case.

Metro regions are where most Americans live and where much of our nation's economy is located. The delays caused by congestion are costly to our economy in terms of lost productivity and very inconvenient to the citizens living in these regions who have to devote an increasing amount of time in getting from one place to another. Additionally, increasing congestion creates more pollutants.

2. Quick response and removal of accidents and breakdowns can have a significant impact on congestion. How can an incentive program like the one you suggested encourage cooperation between various state and local authorities to improve incident management?

The incentive to secure a grant would be to have an interlocal or cooperative agreement between the various county, city and state agencies responsible for public safety on a region's highways. It may be the state police, a county ambulance and a city fire service or some variation of that configuration that respond to the same incident and at times it appears as if there is not who is in command at the scene nor is there a clear procedure on how to remove the vehicles involved in the incident. In any case, one goal of a federal grant would be to require cooperation in responding to an incident, aiding the victims and quickly removing the vehicles.

3. What benefits could be derived from the Federal government providing more funding directly to Metropolitan Planning Organizations like the Metropolitan Transportation Commission in the Bay Area?

By directing additional funding and authority to the nation's metropolitan areas in the next surface transportation act, Congress will ensure that a greater share of funds goes to metropolitan areas where 65 percent of Americans live, where 68 percent of American jobs are, where 97 percent of congestion is located and where 95 percent of transit passengers are. Metro areas are where the American economy provides jobs and tax revenue to the government. It is often where the freight bottlenecks are located and too often the areas neglected because the solutions to the problems are complex and difficult to deal with.

What the San Francisco Bay Area and other metro areas in California have shown is that empowering metropolitan areas will deliver results with multi-modal investments in highway, roadways, transit and goods movement projects. Building this capacity across the nation will allow American to address the major issues faced by this generation; fostering economic growth, gaining energy independence and efficiency and addressing critical environmental challenges.

Questions for Haggerty
Questions from:
Senator James M. Inhofe

1. Your testimony states that incident management should be considered a priority. Could you please describe the MTC's experience with incident management? Does the Federal program include legislative or regulatory barriers to establishing incident management programs? Or is the problem that it simply isn't encouraged strongly enough?

About half of all congestion in the San Francisco Bay Area is caused by incidents. That means that accidents, breakdowns, folks running out of gasoline. The problem is that incidents happen everyday so it appears as a problem that needs billions of dollars of construction to fix. It does not. Rapid removal of accidents and breakdowns one of a group of operational strategies we support that are enormously cost effective. It is also an area where cooperation between state and local authorities is both necessary and very effective. California's SAFE program – Service Authority for Freeways and Expressways – is an excellent model. Local or regional authorities contract out service in an efficient manner while the California Highway Patrol (CHP) and the California Department of Transportation (Caltrans) provide necessary public safety and freeway operations services. SAFE programs have been in operation for almost 25 years. The program garners 95% approval ratings from customers and consistently ranks among the highest uses of transportation funds in benefit-cost analyses.

The actual towing service is provided by private tow truck companies, selected through a competitive bid process, under contract. In the San Francisco Bay Area the management of the program is done by the Metropolitan Transportation Commission (MTC). During the hours of operation, the vehicles and drivers are exclusively dedicated to patrolling their section of the freeway, called a "beat". Using the latest technology, this system allows communication between CHP dispatchers and on-the-scene tow trucks. This, in turn, ensures that the nearest available truck is dispatched to quickly clear freeway lanes and help motorists with disabled vehicles. The program is funded primarily by a $1 vehicle registration fee, but it relies on communication between locally administered tow trucks and the California Highway Patrol. Through a combination of roadside call boxes, motorist calls to our 511 travel information hotline, loop detectors embedded in the roadways, closed circuit television cameras and vehicle transponders used for toll collection, trouble hot spots are quickly detected in order to minimize backups.

Additional funding is provided by Caltrans and the CHP provides state funding to support the traffic operations systems, including funding for Freeway Service Patrol and staffing of traffic management centers.

In addition to FSP, which is focused on incident removal, MTC also administers "511", a traveler information three digit telephone call and web site at 511.org. By providing travelers with real-time information about travel times, delays and detours, 511 helps Bay Area travelers save time and money when incidents occur. This service has proven especially effective during

disruptions of our transportation network, such as last year's Bay Bridge closure. 511.org web site traffic jumped five-fold during the closure, as Bay Area travelers logged on for the latest status of the repair work and for help finding alternatives. Minimizing the impact on alternative routes, many chose to use transit; BART ridership jumped 60 percent during the bridge closure.

The challenge facing transportation agencies interested in directing more funds to traffic operations is not one of funding eligibility, but rather, one of the culture of prioritizing scarce resources. State departments of transportation are principally focused on "brick and mortar" projects that are the mainstay of their traffic engineering background.

Federal law could improve the situation by requiring detailed traffic operational plans be developed in congested corridors. All across the Bay Area, metering of freeway on-ramps is a highly effective strategy in reducing congestion and it was deployed at a fraction of the cost of traditional freeway widening projects and in a fraction of the time.
For example, in 2008, on sections of eastbound Interstate 580 in the cities of Dublin, Pleasanton and Livermore, where the afternoon commute has been ranked either the second or third most congested freeway segment in the entire Bay Area since 2002, ramp meters reduced the peak commute from 35 minutes to 22 minutes, a drop of 37 percent.

2. You said that NACo supports the concept of a metropolitan mobility program included in Congressman Oberstar's bill. Do you have any comments on the details of that proposal?

NACo supports the concept of a metro mobility program—a dedicated program for addressing congestion in a metropolitan region. Chairman Oberstar's approach is a discretionary grant program. Another approach would be a formula metro mobility program.

3. Various proposals for the next surface transportation bill include requirements for new plans focused on specific issues (congestion, freight mobility, etc.) as a means to give priority to those issues. While I certainly understand the argument for bringing more focused Federal attention to these issues, I believe the current planning factors should already take into account most, if not all, of those specific issues. Do you agree? If so, do you have any suggestions as to how we could highlight these issues of concern within the existing planning process, rather than requiring numerous new plans?

NACo has no position on this issue.

4. NACo and other groups have advocated for an elevated role for metropolitan regions, either through direct funding, expanded programming authority, or both. Would you support such a program limited to spending on facilities most directly in the federal interest, such as Interstates and National Highway System roads?

No. In fact, NACo believes that metropolitan officials through their MPOs should be making more the decisions in more the core federal highway programs regarding which projects should be funded. Currently, the STP program is the only federal highway program that MPOs have the

authority to program. If one is trying to address, say, congestion, the MPO should have access to decisions involving more federal highway programs that could contribute to congestion reduction.

5. One of my biggest concerns with the Administration's Livability Initiative is that, to date, it is an amorphous concept that every Administration official has defined differently. What do the terms "livability" and "livable communities" mean to you?

Good question. My experience in Alameda County is that as an elected official one needs to consider housing and development patterns as one makes decisions on how to invest federal transportation funds. That is good public policy. However, we would stop short of and oppose any federal mandate that would require, say, HUD approval of transportation spending or any preemption of local land use authority. What we would support are federal grant funds being available to local governments to improve their planning capacity to create more livable communities.

6. Do you have any suggestions for how to improve the environmental review and permitting process, particularly for the categorical exclusions like you mentioned in your testimony?

The following are some legislative options NACo has put forward:

1. "Any federal aid highway, bridge, safety, sidewalk, bicycle and pedestrian project that is designated as a categorical exclusion, is in the existing right-of-way and does not require any additional real estate acquisition shall be exempt from any additional (shall be considered to have met all) federal permitting requirements."

2. "All federal permitting agencies shall have sixty days to determine if a permit will be required for a federal aid highway, bridge, safety, sidewalk, bicycle and pedestrian project that is designated as a categorical exclusion, is in the existing right-of-way and does not require any additional real estate acquisition. If it is determined by a federal agency that a permit is required, such federal agency shall have an additional sixty days to issue a permit."

3. "Within one year after the enactment of this legislation, each State transportation agency shall create an Office of Local Assistance to assist local transportation agencies with the development of federal-aid projects and shall publish a local government assistance manual for federal-aid projects."

Questions for Haggerty
Questions from:
Senator David Vitter

1. California is obviously facing a number of challenges in terms of economic development and transportation infrastructure. Can you discuss how infrastructure affects economic development and the biggest challenges you see in growing an economy with sufficient infrastructure?

There is simply no question that there is a very close relationship between economic development and infrastructure. California, with 35 million residents and a large economy, has depended on good transportation infrastructure to grow our economy. Obviously, in the current economic climate, both the growth of the economy and spending on infrastructure have been curtailed. The biggest challenge California and the nation faces in ensuring sufficient infrastructure funding and the amount of time it takes to complete projects...and they are connected. Americans may be willing to pay increased federal fuel user fees if they can clearly see the results of that investment. However, many counties and states face a daunting task when trying to get through the project approval process using federal funds. We think voters will support increased user fees and spending but they need to see the results much more quickly. Elected officials at both the federal and local levels need to see projects rolled out more quickly if they are going to take the political risks associated with supporting increased user fees. The federal project approval process needs to be reformed so that it does not take 4, 5, and sometimes 10 years for projects to get federal approval.

Senator BOXER. Well, thank you so much. As I go off for the signing of this reauthorization of the Trust Fund I do want to thank Senator Inhofe. He has been a really good supporter of transit, highways, of our Highway Trust Fund, and I just wanted to note that. And of course colleagues here at the table who helped us.

John—before you leave. Senator. I wanted you to just hear this just because it interested me when I said we had so many rural roads. We called the Federal Highway Administration—just so you know that I was not just being rhetorical. We have 89,000 miles of urban roads in California and 83,000 miles of rural roads. So, we are together. We are going to work together because we all have common interests. I just want to make sure you knew that.

Senator BARRASSO. Thank you, Madam Chairman.

Senator BOXER. With that, I am going to hand off the baton, as it were, to Bernie Sanders and thank my colleagues.

Senator SANDERS [presiding]. Thank you, Madam Chair.

We are next going to hear from Hon. James Townsend, Webster County Judge Executive from Kentucky on behalf of the National Association of Regional Councils.

Thanks for being with us, Mr. Townsend.

STATEMENT OF HON. JAMES TOWNSEND, JUDGE EXECUTIVE, WEBSTER COUNTY, KENTUCKY; PRESIDENT-ELECT, NATIONAL ASSOCIATION OF REGIONAL COUNCILS

Mr. TOWNSEND. Thank you very much.

Good morning, Madam Chairman, Ranking Member Inhofe and other members of the Committee. I appreciate the opportunity to testify and ask that my written statement be submitted for the record.

Senator SANDERS. Without objection.

Mr. TOWNSEND. As said, my name is Jim Townsend. I am County Judge Executive of Webster County, Kentucky, in the western part of the State. And we are very rural. Also, I am President-Elect of the National Association of Regional Councils, and I also serve on the Executive Committee of my regional planning organization, which is the Green River Area Development District.

Today I will address the needs and opportunities in America's regions, particularly rural America. My comments will cover four main areas and will highlight the important role regional planning organizations have in delivering transportation and services to localities.

America's rural regions can be best served in the next Federal Transportation Bill by providing local involvement in safety, robust investment in both urban and rural regions, opportunities for livability through comprehensive planning, and a strong role for rural, local elected officials through their regional transportation planning organizations.

Locally elected officials are very aware of the safety needs in our communities. Rural areas have more than half the highway deaths and twice as many serious injuries. This is unacceptable to us. NARC recommends strengthening urban and rural regional planning to develop the plans and programs necessary to address this problem. Education and enforcement through regional planning organizations are key to improving safety.

In transportation policy many are focused on urban needs and the effects on congestion. While NARC supports this discussion we stress the importance of addressing rural congestion and mobility challenges that we have. NARC recommends that the Federal Government strengthen the rural planning process and actively include the concerns of rural communities. Rural, local elected officials stand ready to communicate local needs and implement the Federal vision.

We applaud the Federal focus on livability and strongly support including both urban and rural planning and implementation. The National Association of Regional Councils recommends including local governments through our regional planning organizations to identify on-the-ground livability needs and implementation strategies, taking into account the rural ties to the Department of Agricultural and to the Economic Development Administration.

As you are aware, regional planning organizations are governed by local officials. They are elected. The relationship between localities and regional cooperation is a very effective mechanism for developing consensus and solutions. NARC recommends that MPOs retain their current regional decisionmaking processes and that rural planning organizations are given authority to implement the Federal and State visions.

We thank this Committee for their continued support of regionally important programs that get to heart of the local problems and the local needs.

Again, I would like to thank you for the opportunity to be here today. Please use NARC as a resource for any Committee activities. I welcome any questions, and look forward to working together.

Thank you very much.

[The prepared statement of Mr. Townsend follows:]

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Written Statement for the Record

The Honorable James Townsend, Judge Executive
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and
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Before the U.S. Senate
Committee on Environment and Public Works
Washington, D.C.

Mobility and Congestion in Urban and Rural America
March 18, 2010

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Good morning and thank you, Chairman Boxer, Ranking Member Inhofe and members of the Committee. I am honored to be before you today to testify on the important role our nation's regions play in promoting solutions to mobility and congestion in urban and rural America.

I am James Townsend, the Judge Executive of Webster County, Kentucky, and the President-Elect of the National Association of Regional Councils (NARC). In addition, I serve on the Executive Committee of my Council of Governments, the Green River Area Development District (GRADD) headquartered in Owensboro, KY. Today, on behalf of NARC and my region, I will share with you the good work happening throughout the nation's regions, in particular rural America. I will illustrate how urban and rural regional planning organizations efficiently, effectively and successfully plan intermodal transportation networks, and link policy concerns with practical solutions.

All of NARC's members, GRADD included, support this Committee's efforts to create and maintain a robust transportation network, and commend the Committee's commitment to a strong federal partnership with our nation's local elected officials. NARC and its members welcome the Committee's questions in addressing the needs, opportunities, and challenges facing our nation's regional organizations and constituent local governments.

Background

The National Association of Regional Councils is a non-profit trade organization that serves as the national voice for regionalism, advocating for multi-jurisdictional cooperation as the most effective way to address community planning and development opportunities and challenges. NARC is governed by local elected officials and represents member organizations composed of multiple local governments that work together to

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improve America's communities - large and small, urban and rural. Through advocacy and assistance, NARC's mission is to increase funding and authority for all regional councils (RCs) and metropolitan planning organizations (MPOs), regardless of their size or location, and to strengthen American regions and communities in transportation, economic and community development, homeland security, and the environment – cross-linking fundamental planning and implementation functions within these areas.

Regional councils deliver an array of federal, state and local programs that provide planning support and technical assistance to local governments. The network of nationwide RCs includes organizations such as MPOs, Councils of Government (COG), Rural Planning Organizations (RPO), Economic Development Districts (EDD), Area Development Districts (ADD) and Local Development Districts (LDD). Most regional councils are created by compact and enabling legislation as consortia of local governments. Their mission is the delivery of services and programs for economic development, emergency management, infrastructure development, aging services, air and water quality, land-use planning, work force development, and transportation planning at a regional level. MPOs are mandated under federal law and have important responsibilities in planning and programming federal transportation dollars at the local and regional level. As such, regional councils and MPOs represent local elected officials from cities, counties, townships, and villages.

My COG and an active NARC member, GRADD, is one of fifteen Area Development Districts statutorily created by the State of Kentucky. Each ADD represents a multi-county planning district and provides resources to the localities in their regions. The GRADD Board of Directors is comprised of elected officials and community leaders. The seven counties comprising GRADD's region serve as a forum, clearinghouse, technical center and convener for the region. Unlike many other organizations structured along multi-jurisdictional lines, the ADDs have both federal and state statutory authority.

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Through GRADD's efforts in rural and urban transportation planning, the organization seeks to address challenges within our transportation infrastructure system. Like many rural areas nationwide, GRADD's region faces a deficiency of rail access, insufficient access to public transportation, safety concerns stemming from aging infrastructure, the inadequacy of service and size of the Owensboro Airport, and the lack of interstate access. GRADD's regional work includes its work as an Area Agency on Aging; Regional & Local Health Councils; Elder Abuse Prevention; Economic, Community, and Small Business Grants; Water & Sewer System Development, Regional Industrial Parks, Homeland Security and Emergency Responder Grants; Census & Demographic Data; Air Quality Improvement activities; Traffic Studies; Public Transit Assistance; and Workforce Development Activities. **(attachment 1)**

Current State of Play

According to the U.S. Chamber of Commerce's Future Highway and Public Transportation Finance Study, our nation needs to invest an additional $50 billion annually to maintain our infrastructure network, and another $100 billion annually to improve it. The American Society of Civil Engineers has given the nation's infrastructure network a "D" grade, estimating that $2.2 trillion is needed over the next five years for infrastructure upgrades. All of our regions, as studied by NARC, face severe underinvestment as needs outstrip our ability to fund critical infrastructure, while both urban and rural America are sitting on billions of dollars of unfunded, dormant infrastructure projects. In my region, we estimate over $2.5 billion in unfunded, needed transportation improvements and these numbers are even after the much appreciated infusion of federal stimulus funding.

Regional planning organization's are today's "boots on the ground" planners and implementers of tomorrow's regional infrastructure. The nation's regional planning organization's are currently working on their comprehensive transportation plans to create a vision of what users of a system in the year 2040 will need, and forecasting future activities for the approximately 120 million projected additional users by 2050. In order to

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continue our successful efforts, regional planning organizations need a strong federal partner and decisive federal leadership to help make safe and secure transportation a reality. If the federal government wishes to be part of a unified solution tomorrow, federal leadership needs to be at the table today.

Mr. Chairman, the convergence of a softening economy, rising unemployment, forecasted population growth, and the clear need for substantial investments in the country's infrastructure provides us with both a great challenged and tremendous opportunity to ensure future generations of Americans can compete in a global economy. The question is – how can Congress best direct funding not only to provide congestion relief, increased mobility, family-wage jobs, while creating a world class, globally competitive transportation system in the process? Let me offer the GRADD region as a successful example of progress toward that goal.

Safety

The creation and promotion of a safe transportation system is the fundamental federal interest in surface transportation. The transportation community describes the approach to developing a safe transportation network through the five "E's"; Engineering, Education, Enforcement, Encouragement, and Evaluation. NARC appreciates Congress' focus on safety in the last surface transportation authorization, SAFETEA-LU, and the holistic approach to the development of a safe transportation system, but more can be done. Often, Education and Encouragement are not recognized to the level needed to affect culture change in this area. Regional planning organizations, especially their local elected officials, are in a strong position to help change that.

Each year, *Forbes Magazine* publishes its list of the 10 deadliest roads in America, and nearly all of them are two-lane, undivided highways running through rural America. When the Administration talks about promoting its "Livable Communities" agenda, many of my counterparts in rural America interpret that as keeping people alive on the roads. In the early 1990s, GRADD created a national demonstration program, the *Citizens Regional Awareness for Safe Highways* or "CRASH," **(attachment 2)** that sought to increase public awareness

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of the effects of high speed driving and alcohol involved crashes within the region. Because the GRADD region represents a mixture of urban and rural roads, the need to educate the public on safe driving habits to reduce the number of fatalities is critical in addressing both the isolation of rural areas as well as the congestion in urban areas. Through this program, GRADD led the Citizens Advisory Boards (CAB) within each county and further developed a communities plan to reduce fatalities and injuries. We did this by leveraging existing highway safety materials throughout the GRADD region; providing highway safety training to each county CAB; and, providing highway safety programs that are presented to schools, civic and religious organizations, businesses and any other public or private group. This program served the five "E's" by providing selective enforcement and public education in high crash corridors in identified areas with GRADD through coordinated efforts with the Kentucky State Police, local police agencies and sheriffs' offices.

After the passage of SAFETEA-LU, the State of Kentucky embraced safety as a priority. Due to this attention from both state and local governments, highway and traffic safety programs have flourished throughout the GRADD region and the State. **(attachment 3)** At least on the surface, the public education efforts appear to be working, indicating that the State and the region are moving in the right direction to increase traffic safety and to reduce fatalities.

Connectivity and Mobility

The movement of people and goods has a significant impact upon the economy of a region. The quality of transportation options and ease of access influences how business is conducted and where people decide to live. Creating a connected transportation network, which promotes mobility, in both urban and rural America is highly important to achieving these goals. Regional planning organizations, MPOs in the urban areas and RPOs in the rural areas (where they exist) are experienced partners in promoting linkages between people through transportation. Through the incorporation of the federal planning factors, MPOs translate the federal vision into local priorities. This process provides both city and county officials the best opportunity to tie in the

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needs and priorities of their constituents directly into the transportation planning process. In rural America, however, the creation of a Comprehensive Economic Development Strategy (CEDS) through the Economic Development Administration helps RPOs communicate their vision and priorities for local mobility and connectivity projects. While the federal government does not currently recognize a rural counterpart to the MPO, it is NARC's hope that the same "process" by which decisions are reached in urban areas will be afforded to the elected officials in rural America. The decision making process is the same whether urban or rural. It is our hope that rural regions will be given a similar voice at the table to express their needs and priorities.

Livability

Rural regions are moving forward to implement their livability vision, much like their urban counterparts. Local elected officials nationwide are engaging in a discussion on how best to make their communities livable based on local desires, community needs and on-the-ground economic benefits. By directly responding to constituent needs, local elected officials, through their RCs and MPOs, are gaining marked success. NARC is excited to see a commitment from the federal government to support this type of work, and applauds the efforts of the US Department of Transportation (DOT), US Department of Housing and Urban Development (HUD), and the US Environmental Protection Agency (EPA) in their efforts to breakdown programmatic and funding silos and engage in a constructive dialogue on the future of their programs, and how they might best work together to achieve federal objectives. NARC has developed the report, "Federal Livability Framework: A Central Role for Regions," **(attachment 4)** which has several important recommendations to Congress and the Administration on this topic, including the important role local governments play in implementing livable communities. Additionally, for rural regions, strengthening the DOT-HUD-EPA federal interagency partnership with involvement from the US Department of Agriculture and the US Department of Commerce is critical to ensuring the needs of rural America are strategically incorporated.

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For my region, GRADD has demonstrated a commitment to livability in its 2008 Transportation Goals and Objectives, and Comprehensive Economic Development Strategy (CEDS). **(attachment 5)** Our plan's transportation goals focus on increasing access to all modes of transportation within the region, improving transportation safety, developing intermodal access of the transportation system, and providing access to tourism and agri-tourism related venues in the area. These goals emphasize a desire for increased inter-connectedness and accessibility within the transportation system. Livability is an important consideration in the economic development of the region, and this can be seen in GRADD's CEDS' goals, which are to:

- promote an economy that will allow the citizens of GRADD to achieve and maintain a quality standard of living;
- recognize it as an integral part of its economy;
- make higher education more accessible and affordable;
- provide an adequate inventory of sites and buildings to attract and retain business and industry;
- improve the quality and qualifications of the workforce and expand employment opportunities;
- improve transportation access and capacity;
- ensure that all residents have clean, affordable water; and,
- promote efficient handling and disposal of solid waste.

These goals emphasize the need to solve the economic problems of the region, form a plan of action to implement its goals and strategies, and develop performance measures to evaluate if goals are being met. The strategic projects of the CEDS reflect the priorities of both community and regional actors, and highlight a common theme of dedication to job creation, economic prosperity and improved quality of life – all of which are critical to the livability and sustainability of a region.

Stimulus Success

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Regional planning organizations have proven successful at steering federal American Recovery and Reinvestment Act (ARRA) funds. In my region of western Kentucky, GRADD was responsible for helping to bring in over $55 million in ARRA funds, of which over $35 million were focused on improving the region's transportation system. These projects included:

- $1.1 million for Owensboro Transit System to purchase buses;
- $4.1 million Green River Intra-County Transit System to parking Garage and 4 Hybrid Buses;
- $27,200,000 for the US 60 Bypass Extension;
- $2,500,000 for Owensboro – Daviess County Airport Improvements; and
- $480,000 for Hazard Elimination Projects for Henderson, KY

This type of success was possible because of this Committee's efforts to ensure that portions of ARRA money were directed to local governments, and NARC would like to thank you for your leadership in this area.

GRADD is certainly a success story in all facets of ARRA requirements. **(attachment 6)** We used our organization website, e-mail updates, and weekly briefings to keep the local elected officials and citizens updated. Our ARRA data has been accessed consistently throughout the process, and appears to have been the most effective way informing the region's communities. GRADD was influential in tracking and reporting information on federal stimulus money and assigned staff to assist the local communities with preparing funding applications and reporting upon request. Because of this assistance, GRADD has been able to eliminate a number of transportation infrastructure hazards, purchase buses, and make needed upgrades to both airports and highways. NARC would request that additional stimulus funding that Congress sees fit to appropriate be distributed through similar mechanisms.

Local Authority

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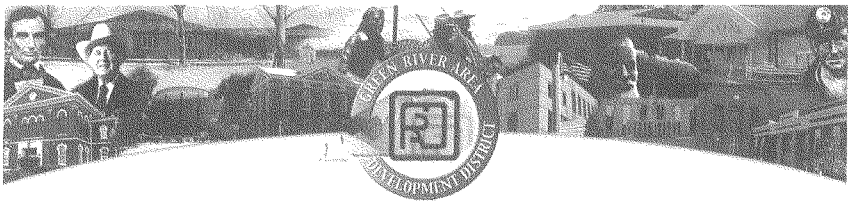
None of the above successes and solutions would have been possible without the ability of local elected officials to participate directly in the process. We [local governments] are the unit of government most closely tied to the electorate, and as local elected officials, we bring a high level of accountability to the federal government, our States and, most importantly, our citizens. Our communication and representation of local needs is an important part of translating the federal vision into local priorities and strategies. NARC is requesting through the next surface transportation authorization, that any federal policy that is developed be considered through the lens of how it will ultimately be implemented, and what urban, suburban and rural local elected officials will need to get the job done. Regional planning organizations, and the localities they serve, continue to develop consensus and further federal, state and local objectives. NARC recommends that Congress continue to use regional collaboration and consensus as an integral tool in the implementation of the federal surface transportation program, and expand it to address the needs of rural America as well.

Mr. Chairman and members of the Committee, on behalf of GRADD and NARC, I thank you for the opportunity to testify before you on the importance of urban and rural regions in promoting connectivity and mobility in surface transportation. On an equally important note, you will notice that my discussion on the importance of the CEDS process, authorized under the Economic Development Administration is an important, and existing, program critical to funding rural transportation needs. As the authorization for EDA falls under this Committee's jurisdiction as well, NARC would like to reiterate its support for a speedy reauthorization of both the federal surface transportation program, as well as the Economic Development Administration. Both authorizations are necessary to promoting enhanced mobility and reduced congestion across America.



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GRADD SERVICES

AGING, HEALTH & SOCIAL SERVICES

- Area Agency on Aging
- Senior Citizen Centers
- In-Home Assistance Programs
- Community Services Programs
- Consumer Directed Option Medicaid Waiver Program
- Regional & Local Health Councils
- Long-Term Care Ombudsman
- Elder Abuse Prevention/TRIAD
- AmeriCorps Service Program
- Family Caregiver Support
- Aging & Disability Resources
- Special Events & Activities for Senior Citizens

COMMUNITY & ECONOMIC DEVELOPMENT

- Economic Development Grants & Loans
- Community Enhancement Grants
- Water & Sewer System Development
- Local Government Assistance
- Low-Income Housing Programs
- Small Business Assistance
- Regional Industrial Parks
- Resource Conservation & Development
- GIS/GPS Mapping
- Recreational Grants
- Hazard Mitigation Planning
- Homeland Security Grants
- Emergency Responder Grants
- Census & Demographic Data

TRANSPORTATION PLANNING

- Oversight of Regional Transportation Planning Process
- Owensboro-Daviess County Metropolitan Planning Organization
- Traffic Studies
- Analysis of Motor Vehicle Accidents
- Air Quality Improvement Efforts
- Owensboro Public Transit System Assistance

WORKFORCE DEVELOPMENT

- Labor Market Trends & Analyses
- One-Stop Career Center Services
- Job Search Assistance
- Training for Dislocated Workers
- Linkages with Economic Development
- Organizing Community Resources
- Administration of Workforce Investment Act Program

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PSP:	GENERAL PROJECT DESCRIPTION	PAGE _____ OF _____

A. PROBLEM IDENTIFICATION (Continued)

The Green River Area Development District (GRADD) represents a good mixture of urban and rural roads. The rural roads present a problem because of their extreme isolation from the urban areas. This isolation is cause for the excess speeding, high number of accidents and driving under the influence, that is so prevalent within the GRADD region.

According to the, "Analysis of Traffic Accident Data in Kentucky (1989 - 1993)," Kenneth R. Agent and Jerry G. Pigman, the cities and counties of GRADD are identified as having high rates involving total accidents, pedestrian, bicyclists, motorcycles, speeding tickets issued and driving under the influence. Seatbelt usage in GRADD, 26 percent, is below the statewide average of 39 percent.

The above mentioned statistics are the justification for GRADD being chosen for the national demonstration program, Citizens Regional Awareness for Safe Highways, "CRASH."

PSP:	GENERAL PROJECT DESCRIPTION	PAGE _____ OF _____

B. GOALS

To increase the public awareness of the effects of high speed driving and alcohol involved crashes within GRADD. To educate the public on safe driving habits to reduce the fatalities and injuries on the highways within the seven counties of GRADD. To increase the seatbelt usage of the general public.

C. SPECIFIC OBJECTIVES

To develop or use existing highway safety materials, with the assistance of the Kentucky highway safety leaders, for public distribution to the GRADD area.

Continue to lead the Citizens Advisory Boards (CABs) within each county and further develop community plans to reduce fatalities and injuries specifically related to that county.

Continue to provide updated and specific highway safety trining to each county CAB.

To provide highway safety programs that are presented to the schools, civic and religious organization, businesses and any other public or private group.

To provide selective enforcement and public education in high crash corridors in identified areas with GRADD through coordinated efforts with the Kentucky State Police, local police agencies and sheriff's offices. (These would incorporate the four major holidays and their specific programs).

D. STRATEGIES AND ACTIVITIES

Attend various community events to bring the message of highway safety to the public, such as, Christmas Parades, county fairs, festivals and any other event that requests the service.

To work with the highway safety leaders within Kentucky on various projects & programs.

To develop a comprehensive highway safety media campaign.

Continue to produce the quarterly newsletter, "The Insider," throughout GRADD that details the programs efforts and future projects.

Bring programs to the communities that are suggested by individual CABs in each county.

Provide training, such as, TIPs, Child Safety Seat Usage, Alcohol and Speed-related programs to the members of each CAB.

PSP:	GENERAL PROJECT DESCRIPTION	PAGE _____ OF _____

D. STRATEGIES AND ACTIVITIES (Continued)

Ensure that each CAB is represented by a diverse group of local volunteers.

Produce brochures and pamphlets to be distributed within the GRADD area.

PERFORMANCE MEASURES IMPACT

Conduct "Battle of the Belts" at all local high schools and safety programs at elementary schools along with seatbelt surveys/checkpoints in efforts to raise the seatbelt usage rate one percentage point in each county.

When a road segment is determined to be a high accident location, will work with the transportation planners of GRADD to determine appropriate measures to reduce the number of accidents, such as, installation of pavement markings, new signs or recommend speed limit change.

Provide TIPs training to reduce the number of alcohol related accidents.

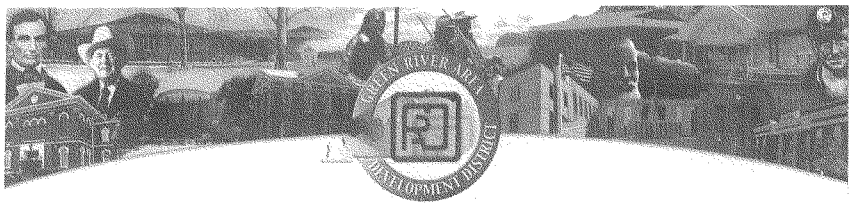
ADMINISTRATIVE

Provide monthly progress reports.

Provide quarterly financial reports.

Prepare bids for commodities, receive quotes and analyze for best price, award contract for commodities.

Prepare meeting notices for the seven CABs within GRADD, prepare meeting minutes and follow up on any items the CAB members need additional information on.



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GREEN RIVER AREA DEVELOPMENT DISTRICT
HIGHWAY SAFETY PROGRAM

The Green River Area Development District (GRADD) has worked to reduce highway collisions, fatalities, injuries and economic losses relating to traffic collision in GRADD's seven counties. GRADD's award-winning public awareness and education programs touched all age groups. From car seat safety for newborns, to school-based education, to safer driving classes for senior adults, GRADD offered a variety of programs.

Some examples include:

- Safety Belt Rollover Simulation at local schools
- "Seat Belt Promise" Program at local elementary schools
- High school "Buckle Up" initiative
- Regional Safety Fairs
- Back-to-School Readifests
- Car Seat Safety Awareness
- "Stop Red-Light Running" campaign
- Safe driving classes for senior adults
- Highway safety awareness at community events and health fairs
- Identification of Low-Cost Safety Improvement Projects
- Road Safety Audits
- US 60 Safety Corridor Team
- Alcohol prevention programs

GRADD has been recognized for its highway safety efforts at both state and national levels. During 2008, the GRADD US 60 Safety Corridor Team was honored at the Kentucky Lifesavers Conference for having "The Second Highest Reduction in Fatalities along a Safety Corridor for 2005". In 2007, the GRADD Regional Highway Safety Program was recognized by the National Association of Development Organizations (NADO) with a 2007 Excellence in Regional Transportation Innovation Award.

The safety programs utilized over the past eight years brought about proven results. Fatalities decreased and safety belt usage increased for the GRADD area.

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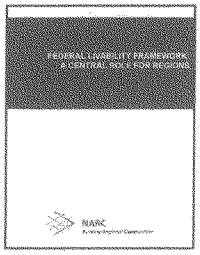
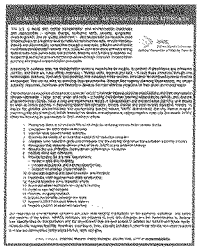
Available NARC Policy Reports



Federal Livability Framework: A Central Role for Regions provides background information and recommendations on how to position regional planning organizations and their local governments at the center of a federal livability initiative that promotes comprehensive, cross-linked regional planning and project implementation. The document includes a sampling of regions – urban and rural, large and small – that are leaders in livability efforts throughout the country.

This report is available at www.NARC.org.



Climate Change Framework: An Incentive-Based Approach provides policy recommendations for any potential federal cap-and-trade bill to best position metropolitan planning organizations (MPOs) and their local governments for meeting any new federal requirements for reducing greenhouse gas emissions through transportation planning. NARC offers 18 suggestions focused on flexibility, incentives, local buy-in, tools, capacity and data in order to tap into the innovation required to make our communities better places to live, work and grow.

This report is available by contacting Shannon Menard at shannon@NARC org.

Areawide Water Quality Management Planning: An Integral Component to Water Quality and Protection recommends reinstating a federal commitment through adequate and sustained funding for the Clean Water Act's (CWA) Sec. 208 Areawide Water Quality Management Planning (WQM) program as a key step for establishing local water quality and watershed protection programs, and actions for achieving the implementation of improved water quality standards. The document includes specifics on how regional planning organizations would be able to use a reinvigorated program to address 21st Century problems.

This report is available by contacting Shannon Menard at shannon@NARC.org.

For any additional NARC policy materials or information, please contact Shannon Menard:
Shannon@NARC org or 202.986.1032, x217

GRADDify your community...plan today, progress tomorrow

TRANSPORTATION

GOAL: Improve transportation access and capacity throughout the region.

OBJECTIVE: Support and endorse projects that positively impact the region, including those that are currently listed for engineering and construction in the Transportation Cabinet's Six-Year Plan, as well as highway construction not listed in the plan.

STRATEGIES:

- Promote more efficient movement of people, goods, and services throughout the region.
- Support an increase in federal and state funding for transportation projects (highway, rail, air, water, mass transit, and bikeways).
- Establish a Truck Network in all GRADD counties.
- Develop a four-lane interstate connector to Owensboro.
- Develop a major north to south interstate highway, such as I-69, through the district.
- Develop a major east to west high through or near the district.
- Construct interchanges to provide direct access to all industrial parks within the region.
- Restrict heavy truck traffic in downtown business districts within the region.
- Improve access to regional transportation services between the seven area counties with attention to elderly and persons with disabilities.
- Improve intermodal access of the district's transportation system through the Owensboro and Henderson riverports.
- Promote the development of a north to south passenger train route through the area.

Green River Area Development District ▪ 3860 U.S.Highway 60 West ▪ Owensboro, Kentucky 42301-0200
(270) 926-4433 ▪ Fax (270) 684-0714 ▪ www.gradd.com ▪ TDD Users: 1-800-648-6056
Serving the Municipal and County Governments of Daviess ▪ Hancock ▪ Henderson ▪ McLean ▪ Ohio ▪ Union ▪ Webster

PROGRESS:

- **Congress approved the designation of the Audubon and Natcher Parkways as interstate spurs.**
- **KY 56 in Union County has completed the design phase and is now in the right-of-way phase.**
- **The US 60 Bypass in Owensboro is on target to begin in late 2009.**
- **The Southtown project in Owensboro is in the process of completing the right-of-way phase.**
- **The Sand Lane project is in the construction phase.**
- **Design began for the US 60 bridge approach in Hawesville.**
- **The Owensboro Regional Airport completed a runway extension.**

OBJECTIVE: Improve safety of the region's transportation system.

STRATEGIES:

- Reduce the highway fatality rate in the region to 1.0 per 100 Million Vehicle Miles.
- Establish increased funding for highway safety initiatives.

PROGRESS:

- **The highway fatality rate has shown a decline over the past few years. GRADD will continue to work to reduce the fatalities on the GRADD highway network.**
- **Child Safety seat checks were conducted on three separate occasions, resulting in 45 inspections overall.**

GRADD funding through the American Recovery and Reinvestment Act, as of June, 2009.

Total GRADD Region funding to date = $51,725,974

Major Projects Funded

$27.2 million – Owensboro Bypass Extension (DOT)

$3.4 million – Audubon Area Community Services – GRITS Parking Garage (FTA)

$2.5 million – Owensboro-Daviess County Regional Airport Improvements (FAA)

$2 million – Hartford Sewer Improvements (USDA)

$1.6 million – Owensboro Public Schools – Title I (Dept. of Ed)

$1.4 million – Daviess County Public Schools – Title I (Dept. of Ed)

$1.35 million – Owensboro Housing Authority – Public Housing (HUD)

$1.3 million – McLean & Webster County Trover Clinics – Medical Staff (HHS)

$1.1 million – Owensboro Transit System – 3 Buses (FTA)

$1.05 million – Henderson County Schools – Title I (Dept. of Ed)

Funding received through GRADD directly = $28,854,234

(55.8% of regional total)

Owensboro Bypass Extension – $27.2 million (DOT)

Summer Works Program – $595,000 (DOL)

Dislocated Worker Program – $575,000 (DOL)

Adult State Grants – $261,000 (DOL)

AmeriCorps Program – $154,000 (CNCS)

Senior Citizen Meal Programs – $62,000 (HHS)

Senator SANDERS. Thank you very much, Mr. Townsend.

The Honorable Bryce Marlatt is the Vice Chairman of the Oklahoma Senate Committee on Transportation. Thanks for being with us.

Mr. Marlatt.

STATEMENT OF HON. BRYCE MARLATT, OKLAHOMA STATE SENATOR; VICE CHAIRMAN, OKLAHOMA STATE SENATE COMMITTEE ON TRANSPORTATION

Mr. MARLATT. Thank you very much, Mr. Chairman, and thank you Ranking Member Inhofe. I really appreciate the opportunity to testify before this Committee.

As you said, I serve in the Oklahoma State Senate, Senate District 27, and also serve as Vice Chairman on the Transportation Committee. Senate District 27——

Senator INHOFE. Let me interrupt. Tell the panel what your district is like.

Mr. MARLATT. Senate District 27 is the largest Senate district in the State of Oklahoma and the entire legislature. It encompasses the entire Panhandle of Oklahoma and all of the northwest part of the State. It is about 320 miles across, so we have got a lot of ground to cover, obviously.

Anyway, I really appreciate the opportunity to be here, and we encompass a lot of obvious U.S. Federal highways and highways on the national system, and I am continually working on transportation needs in the State of Oklahoma.

Approximately 60 million people—21 percent of the population—live in rural communities in the United States. This is an increase of about 11 percent since the 1990s. Millions of Americans travel on rural, county and State road systems every day. Rural roads are vast throughout the country and have significant needs.

The county highway system in Oklahoma is comprised of 85,000 miles. Oklahoma's rural nature and historically ag and energy based economy have witnessed a conversion of many farm-to-market roads into highways. While these roads were ideal for transporting livestock and crops to market they are less than adequate when supporting the daily needs of transportation.

In fact based on the evaluation of safety features such as passing opportunities, adequate sight distance, the existence of paved shoulders, recovery areas for errant vehicles and the severity of hills, 24 percent of our over 12,000 miles of rural highways alone rate as critical or inadequate.

Over 4,700 miles of Oklahoma highways are two-lane roads without shoulders, and this lack of adequate capacity for Oklahoma rural highways prevents rural Oklahoma from participating fully in the State and national economy. We will never have the jobs and economic development that we need in rural Oklahoma or rural America if we do not address infrastructure.

Rural roads also pose unique challenges. For example, generally speaking rural roads have a greater rate of traffic fatalities than urban roads. Rural accidents occur at an alarming rate, and the severity of the collisions is significant. When specifically considering the accidents that occur in Oklahoma's critical or inadequate highways, 86 percent happen on rural two-lane roads. However many

of these critical, needed highway safety improvements that could prevent property damage, personal injury or the tragic loss of life remain unattended due to the lack of funding.

In particular I have been working to upgrade U.S. Highway 270, which stretches from the west part of Oklahoma City through northwestern Oklahoma and all throughout the Panhandle. Currently, the Oklahoma Department of Transportation has plans for each section of the crucial corridor through 2017. These upgrades are planned in each county from Canadian through Woodward and on throughout the Panhandle. It is extremely important for me, from the perspective of safety, jobs and participating in the Oklahoma national economy, for this 270 corridor to be completely modernized.

The Nation's rural bridges have unique needs. For example Oklahoma has over 14,000 bridges, 5,600 of them are on rural highways. When considering the 6,700 highway bridges, over 1,400 are either too narrow to support daily traffic or have structural deficiencies or both. More than 1,100 of the 1,400 bridges, or 78 percent, exist in rural areas, and in addition rural commerce can be severely impacted by bridges with restricted load limits as detours can add many miles to the price paid for the transportation needs in fuel and time.

It is imperative for the rural highways and bridges to be returned to and kept in a state of good repair. These highways move entire sectors of our economy including ag, energy, forestry and tourism, to mention a few. Steady, predictable and increasing funding sources are necessary because funding allows our transportation professionals to plan our progress and affords the opportunity for our contractors to develop their work forces and construct our roads and bridges as efficiently as possible.

States and local units of government cannot alone finance, construct and maintain national systems of highways. A strong Federal commitment is necessary to ensure the continuity and viability of our transportation infrastructure far into the future.

Since the current Federal Highway Authorization Bill expired on September 30, 2009, States have been operating under a string of continuing resolutions which cost Oklahoma about $15 million a month. Congress' recent action to extend the Federal Highway Program through the end of the year is significant and will help while a new reauthorization bill is under development.

And Oklahoma is consistently proud of the work of our Senior Senator, Senator Inhofe, and I am proud to say that I have worked for you, and thank you very much for the reauthorization bill that you worked on.

The States want to do our part to find new funding solutions to our Nation's transportation needs. Over the last 3 years, there has been approximately a 5 percent decline in Oklahoma motor fuel tax due to less demand and increased fuel efficiencies. This has resulted in a $30 million loss in revenues for my State's roads and bridges.

As Vice Chairman of the Oklahoma Transportation Committee, I offered Senate Bill 1941 to create an Innovative Funding Task Force for the purpose of studying and evaluating innovations, technologies and new methods being employed nationally and by other

States to more adequate and equitably fund roads and bridges and infrastructure, including both new construction and maintenance. This legislation passed the Oklahoma Senate on March 1st, and I would expect quick consideration in the House of Representatives.

Currently, the funding sources of fuel and gross production tax fluctuate a great deal. The Federal fuel tax is——

Senator SANDERS. If you could wind it up, Mr. Marlatt, please.

Mr. MARLATT. Oh, OK. We have made great strides in investing in the infrastructure and reversing the tide of declining funding in Oklahoma. And I appreciate your support and your work on the new authorization bill and would yield for questions as you see fit.

[The prepared statement of Mr. Marlatt follows:]

TESTIMONY OF OKLAHOMA STATE SENATOR BRYCE MARLATT
U.S. Senate Environment and Public Works Committee
Mobility and Congestion in Urban and Rural America
March 18, 2010

Madam Chairman, Ranking Member Inhofe, and members of the Committee, I appreciate the opportunity to testify about the transportation needs for rural America. I represent Oklahoma's Senate District 27. My district covers an eight county area in rural northwestern Oklahoma. My district not only covers the largest area of any other senate district, it is the largest district in the Oklahoma State Legislature. I also serve as vice-chairman of the State Senate Committee on Transportation. I work on and understand the transportation needs of rural America. I also understand that in developing the next federal highway reauthorization bill, meeting urban and rural transportation needs will be a challenging endeavor.

Approximately 60 million people, 21 percent of the nation's population, live in rural communities in the United States. This is an increase of approximately 11 percent since 1990. Millions of Americans travel on our rural county and state road systems everyday. Rural roads are vast throughout the country and have significant needs. The county highway system in Oklahoma is comprised of nearly 85,000 miles. Oklahoma's rural nature and historically agricultural based economy has witnessed the conversion of many farm-to-market roads into highways. While these roads were ideal for transporting livestock and crops to market, they are less than adequate when supporting today's heavier trucks, increased traffic demands and higher operating speeds. In fact, based on an evaluation of safety features such as passing opportunities, adequate sight distances, the existence of paved shoulders, recovery areas for errant vehicles, and the severity of hills and curves; 24% of our 12,266 miles of rural highways alone rate as critical or inadequate. Over 4,700 miles of Oklahoma highways are two-lane roads without shoulders. This lack of adequate capacity for Oklahoma's rural highways prevents rural Oklahoma from participating fully in the state's economy. We will never have the jobs and the economic development we need in rural Oklahoma if we don't address our infrastructure.

Rural roads also pose unique challenges. For example, generally speaking, rural roads have a greater rate of traffic fatalities than urban roads. Rural accidents occur at an alarming

rate and the severity of the collisions is significant. When specifically considering the accidents that occur on Oklahoma's critical or inadequate highways, 86% happen on rural two lane roads. However, many of these critically needed highway safety improvements that could prevent property damage, personal injuries, and the tragic loss of life remain unattended due to a lack of funding. In particular, I have been working to upgrade Oklahoma Highway 270 which stretches from west of Oklahoma City through northwestern Oklahoma and through the Oklahoma Panhandle. Currently the Oklahoma Department of Transportation has plans for each section of this crucial corridor through 2017. These upgrades are planned in each county from Canadian County through Woodward and through the Panhandle. It is extremely important to me from the perspective of safety, jobs, and participating in the Oklahoma and national economy for this 270 corridor to be completely modernized.

The nation's rural bridges also have unique needs. For example, Oklahoma has over 14,000 county bridges, 62% of Oklahoma's bridges. Of the over 6,700 bridges on the state highway system alone, some 5,600 are on rural highways. When considering the 6,700 highway bridges, over 1,400 are either too narrow to support today's traffic or have structural deficiencies, or both. More than 1,100 of the 1,400 bridges or 78% exist on highways in rural areas. In addition, rural commerce can be severely impacted by bridges with restricted load limits as detours can add many miles to a trip, and a price is paid through the cost of time and fuel. In Oklahoma, we are doing everything we can to accelerate our bridge replacement and rehabilitation efforts. However, State funding alone cannot keep pace with the deterioration of our system.

It is imperative that our rural highways and bridges be returned to and kept in a state of good repair. These highways move entire sectors of our economy including agriculture, energy, forestry, and tourism to mention a few. Steady, predictable, and increasing funding sources are necessary because consistent funding allows our transportation professionals to plan our progress and affords the opportunity for our contractors to develop their workforces and construct our roads and bridges as efficiently as possible. States and local units of government alone cannot finance, construct and maintain a national system of highways. A strong Federal commitment is

necessary to insure the continuity and viability of our transportation infrastructure far into the future. Since the current federal highway authorization expired on September 30, 2009, states have been operating under a string of continuing resolutions which cost Oklahoma about $15 million a month. The Congress' recent action extending the Federal Highway Program through the end of the year is a significant help while a new reauthorization bill is under development, and Oklahoma is consistently proud of the work of our senior senator to meet Oklahoma's long-term rural and urban transportation needs.

However, the states want to do our part to find new funding solutions to our nation's transportation needs. Over last three years, there has been an approximate 5% decline in the Oklahoma motor fuel tax due to less demand and increased fuel efficiencies in cars. This has resulted in about a $30 million loss in revenues for my state's roads and bridges. As vice chairman of the Oklahoma Senate Transportation Committee, I have authored Oklahoma Senate Bill 1941 to create the "Innovative Funding for Oklahoma Roads Task Force" for the purpose of studying and evaluating innovations, technologies, and new methods being employed nationally and by other states to more adequately and equitably fund road and bridge infrastructure, including both new construction and maintenance. This legislation passed the Oklahoma Senate 46-0 on March 1, and I would expect quick consideration of the legislation in the State House. Maintenance funding for roads and bridges is always an immediate need. Currently, the funding sources of fuel and gross production taxes fluctuate a great deal. The Federal fuel tax is also in decline, and I don't think anyone has the desire to see fuel taxes increased at the state or federal level in these tough economic times.

Therefore, we need to start the candid and serious dialog on how to begin looking at adequately funding our roads through alternative financing. Undeniably, what is decided at the Federal level with the next authorization of the Federal Highway Law will greatly impact urban and rural Oklahoma. Changes made to the funding formulas and how they are distributed must take into account the nation's rural areas and populations. While public transit and things such as high-speed rail, may make sense for densely populated areas, in rural Oklahoma we are still focused on the fundamental need to more adequately fund roads and bridges. As such, I

respectfully urge this Committee to consider the vast needs of rural America and to continue making the backbone and core of our nation's infrastructure – our existing roads and bridges – a top priority.

Of equal importance to meeting our transportation funding needs is how we expand our nation's usage of abundant natural resources, harness those alternative energies for mobility in goods, people, and services and then ultimately how we tie those back to transportation infrastructure funding.

In Oklahoma, we passed significant legislation to increase the usage of Compressed Natural Gas, known as CNG. Last year, the Oklahoma Legislature passed House Bill 1949, which is part of an ongoing statewide energy initiative, which extends an existing tax credit on the purchase of a qualified clean-burning motor vehicle for five years for compressed and liquefied natural gas and electric cars. The credit is equal to 50 percent of the cost of a conversion of vehicles to operate on a qualified fuel, as well as those originally equipped to do so.

We also provided a tax credit for businesses seeking to build infrastructure to fuel such vehicles, along with a $2,500 tax credit for consumers installing home-fueling stations. Our hope is that these new credits will help double the number of publicly available CNG fueling stations across the state.

However, in the face of the declining fuel tax, as these alternatives become more widely used, we must also ensure these users are providing an equitable portion of infrastructure funding, in order to prepare for the future.

We have made great strides in investing in transportation infrastructure reversing the tide of declining funding for Oklahoma's roads and bridges. I know that with innovation and determination, other states are working hard to meet their states' rural and urban transportation needs. However, we will never have the jobs and the economic development we need in rural

and urban America if we don't address our infrastructure. I appreciate this Committee's work toward addressing the needs of our national transportation infrastructure.

Senator SANDERS. Thank you very much.

Our next panelist is Hon. John Robert Smith. He is the former Mayor of Meridian, Mississippi. He is the Co-Chair of Transportation for America and President of Reconnecting America. And Senator Carper wanted to say a few words of introduction.

Senator.

Senator CARPER. I just wanted to welcome Mayor Smith to join us. I was privileged to serve on the Amtrak Board when I was Governor of Delaware, and our terms did not overlap. When I stepped down he was joining the Amtrak Board, and he went on to become Chairman of the Amtrak Board. I think he may have succeeded Tommy Thompson, if I am not mistaken, as the Chair and was appointed by President Clinton and I think recommended by Trent Lott.

But he is a real good, common sense guy and he understands transportation well. And a pretty good mayor, too. So it is very nice to see you again. Welcome.

Thank you.

STATEMENT OF HON. JOHN ROBERT SMITH, FORMER MAYOR, MERIDIAN, MISSISSIPPI; CO-CHAIR, TRANSPORTATION FOR AMERICA; PRESIDENT, RECONNECTING AMERICA

Mr. SMITH. Chairman Boxer, Senator Inhofe, esteemed members of the Committee, I am John Robert Smith. I am the President of Reconnecting America and a founding partner of Transportation for America Coalition, which we call T for America.

I want to thank the Committee for holding this hearing to discuss the transportation challenges facing small towns and rural America. I know those issues firsthand for I served for 16 years as the Mayor of my home town of Meridian, Mississippi, a small city of 40,000 people.

Transportation challenges facing small town America are not those of congestion only but of access. Long commutes, volatile energy prices and shifting demographics all impact the prosperity of these communities. Many small towns and rural areas lack the financial resources, the planning capacity, and the authority to implement solutions to their transportation needs. I think a bold new policy is needed on a Federal level to address those needs.

Last year the T for America Campaign hosted a series of roundtable discussions with transportation practitioners, non-profit advocates, service providers and elected officials. This working group identified the barriers to accessible transportation in non-metropolitan areas and prepared six principles of reform. Those ideas are summarized in a white paper that we will release later today entitled Principles for Improving Transportation Options in Rural and Small Communities. You will find them as an appendix to my written testimony.

First, we must empower local communities through institutional reforms. You have heard that from other speakers. The residents and leaders of small towns and rural communities have the responsibility for key elements of the transportation system that connect their towns to other areas. They know best the local transportation needs and challenges, and they just want to be a part of the decisionmaking process in finding those solutions.

Second, it is imperative that America improve the condition and safety of its transportation system. The poor condition of many of our roads and bridges has reached a crisis point, threatening lives in this economy. Let me share a couple of statistics.

More than 450,000 rural bridges, almost half of the bridges of more than 20 feet in length in this country, are structurally deficient. Fifty-eight percent of highway fatalities occur on rural roads, a rate twice that of urban roads. We must find highway design solutions and commit funding to reverse these dangerous conditions that threaten the lives of our people.

Third, there must be adequate investment in public transit. The demand for transportation options is growing in rural America. Aging baby boomers like me in many small rural towns are increasingly relying on local transit providers. When gas prices spike in my home town of Meridian people must depend on public transit just to see the doctor, go to the grocery store or get to their jobs.

Fourth, there is a desire among those who live in rural America to preserve and create livable communities. Now, some think that livable communities is a catch phrase only applied to large metropolitan areas. I can tell you that is not the case. Sprawling development patterns have damaged the historic character and the heritage of many small towns.

In my own home town through investment in our downtown and the creation of a transportation hub we bolstered the local economy and reversed the decline of our historic buildings in our city center. Other communities can do likewise if this country will commit the resources needed to enhance the economic competitiveness of existing communities.

Fifth, investment in intercity transportation networks will allow us to link public transit to passenger rail to high speed rail to commercial air service and intercity buses. This is the key to mobility in rural America—connectivity.

Our decision in Meridian to invest in the revitalization of our historic train station as a multi-modal center proved to be a catalyst for transforming our main street, increasing public transportation ridership and helping to generate millions of dollars of private sector development in surrounding neighborhoods.

Expanding and funding eligibility of intercity transportation facilities and intercity rail and bus service are critical in rural America.

Finally, we must renew our focus on the movement of goods, particularly through rural America. State and local governments need the flexibility to invest in multi-modal infrastructure like rail, inter-modal transfer points and inland waterways. Multi-modal freight solutions are required to ensure that rural America can be competitive in this 21st century global economy.

In conclusion, a safe, strong and efficient transportation system in our small towns, rural areas and metropolitan cities is necessary if we are going to continue to grow our economy and provide the American dream to everyone.

Thank you.

[The prepared statement of Mr. Smith follows:]

Written Testimony of the Transportation for America Coalition
Delivered orally by John Robert Smith, President, Reconnecting America

Respectfully submitted to members of the U.S. Senate Committee on the Environment and Public Works

March 18, 2010

The members of the Transportation for America Coalition would like to thank the Committee on the Environment and Public Works for holding this hearing on the transportation challenges currently facing rural America. Functional, safe, and efficient transportation systems for all Americans are one of the cornerstones upon which this country was built. Now, the future of America's economic growth, its future energy security and the health of its citizens depend on our ability to affordably connect people with jobs, education, healthcare, and their families.

The unique transportation needs of small town and rural Americans are clear: longer distances between job opportunities, volatile energy prices, and shifting demographics are all impacting the continued prosperity of these communities. While these are similar challenges facing metropolitan areas, many small towns and rural areas lack the financial resources, planning capacity, or the authority to implement local priorities that may not always align with those at the state level. A bold new policy is needed to reform federal investments in the transportation system in a way that particularly benefits the residents of rural and small town areas by ensuring adequate investment to maintain existing infrastructure, facilitate economic growth, and provide affordable mobility options.

Recognizing the need for discussion and consensus around these issues, the Transportation for America Campaign hosted a series of roundtable discussions, meetings, and briefings throughout 2009 and into 2010 to bring together transportation practitioners, nonprofit advocates, service providers, and elected officials interested in improving accessibility in rural America. This working group identified barriers to accessibility in non-metropolitan areas, and prepared six principles for reform to address these challenges. These ideas are summarized in the "Principles for Improving Transportation Options in Rural and Small Town Communities" white paper being released today by Transportation for America, and included as an appendix to my written testimony. I would like to highlight each of these six principles for the Committee to consider as you work to re-authorize the federal surface transportation program.

1. Empower Local Communities through Institutional Reforms

The residents and leaders of non-metropolitan counties, small towns, and rural communities have responsibility for key elements of the transportation system that connect their towns with other areas. Residents and leaders in rural regions also better understand their community's transportation needs and general challenges and should be ***part of the decision-making process*** when transportation projects are planned, selected, and constructed in their area.

The current process for soliciting input from rural stakeholders does not adequately consider the impact of transportation projects on economic development, housing, health, and livability; nor are the local priorities of small towns and rural stakeholders always reflected in the priorities of the state DOTs or neighboring MPOs. Therefore, we support institutional reforms that establish and fund Regional Transportation Planning Organizations (RTPOs) and increase the level of coordination between states, Metropolitan Planning Organizations (MPOs), and local areas.

T4America's recommendations would allow rural residents to identify a barrier to progress in their community and come up with a transportation solution to address that challenge. We want to ***empower rural residents*** to make decisions that greatly affect their own communities.

2. Improve Transportation System Conditions and Safety

The poor condition of many of our roads and bridges is only getting worse, threatening lives and the economy. Today, the average age of America's bridges is 43 years and while there are more than 450,000 rural bridges, almost half of the bridges more than 20 feet long are structurally deficient.[i] A main focus of the Surface Transportation Authorization Act (STAA) debated in June 2009 is to ensure state transportation agencies have the resources to repair and rehabilitate existing highways, roads, streets and bridges by offering new programs like the Critical Assets Investment (CAI) program. The federal transportation program must ensure adequate funding is dedicated to maintain and preserve bridges, roads, and transit systems, particularly in rural areas, which constitute about 3.1 million of the 3.9 million miles of public roads, carrying about 40 percent of the total volume.[ii]

Communities across America require a renewed focus on improving the safety of all travelers on rural roads, including drivers, transit passengers, pedestrians, and cyclists. Indeed, 58 percent of highway fatalities occur on rural roads, a rate twice that of urban roads.[iii] The federal transportation program should recognize the opportunity to use highway design solutions that recognize the safety and mobility needs of all transportation users and target funding to improve data collection to address recognized safety issues.

Federal funds should provide states with the flexibility to use rural Interstate Highway corridor rights-of-way for the deployment of fiber optic cable and/or wireless communication infrastructure, across multiple States linked by the Interstate Highway system. Section 5507 of the Safe, Accountable, Flexible, Efficient Transportation Act: A Legacy for Users (SAFETEA-LU) directed USDOT to assess the feasibility of installing broadband technology along rural highways to improve rural communication connectivity. The Rural Interstate Corridor Communications Study explored the feasibility of this approach and was submitted to Congress on August 18, 2008. The Report to States, submitted to Congress in February 2009 provides a summary of resources available to the States to begin deployment of high-speed telecommunications.

3. Invest in Public Transportation and Intercity Connectivity

Demand for increasing transportation options is growing in our non-metropolitan regions: between 2002 and 2005, ridership on small urban and rural public transportation systems jumped nearly 20 percent.[iv] Energy-efficient ***public transportation services and long-distance passenger services connect rural communities*** with nearby airports, transportation centers, and major metropolitan areas and contribute to regional economic growth. The aging population found in many small rural towns is increasingly reliant on local transit providers. Demand responsive service is critical to those who have no other options to see the doctor, go to the grocery store or other critical needs. Yet despite these benefits, nearly 40% of all rural residents live in communities with no public transportation.[v]

Recent research has shown that rural and small metropolitan transit services offer measurable economic benefits. In one study, rural counties with transit service were found to have 11 percent greater average net earnings growth over counties without transit, and the estimated annual impact of rural public transportation on the national economy was over $1.2 billion.[vi] The federal program should fund investments to expand capacity, improve safety, achieve reasonable service levels, and integrate the operations of passenger transportation services in to benefit those who live in rural and small metropolitan areas in the United States.

4. Preserve and Create Livable Communities

For the more than 1.6 million rural households that do not have access to a car,[vii] getting to jobs, healthcare, education, and family can be a burden on family budgets and time. Indeed, across America, households in the lowest 20 percent income bracket spend about 42 percent of their annual income on transportation.[viii] This burden is especially compounded during periods of high-energy prices, since residents of rural areas who do have vehicles drive about 17 percent more miles each year than urban residents.

Improving local economic competitiveness by prioritizing investments that revitalize downtowns and local businesses, while increasing the value of land surrounding well-planned transportation projects offers the potential to reverse sprawling development patterns that have damaged the historic character and heritage of many small towns. I've seen this happen firsthand in Meridian. It is only through investing in our downtown and building a transportation hub, which resulted in bolstering the local economy, that we were able to reverse this decline and renovate our historic buildings. The federal transportation program must ***focus resources on strengthening and preserving rural town centers to revitalize and enhance the economic competitiveness of existing communities.*** These investments can help reverse the economic decline that many rural areas are experiencing. This is precisely what makes a sustainable community, and our rural areas have just as much need and opportunity to invest in livability initiatives as metropolitan regions.

5. Investment in Intercity Transportation Networks

Passenger transportation, including public transit, passenger rail, commercial air service and intercity bus, is key to mobility in rural areas. Intercity bus is especially crucial to providing services for communities in which air or passenger rail options are not readily available or

affordable. Regional and intercity travel is currently met through interstate travel. The only supplier of passenger rail service is Amtrak, serving approximately 180 destinations in non-metropolitan communities. **Expanding the funding and eligibility of intercity transportation facilities and service should be pursued in the next surface transportation bill.** Investments in high-speed rail should serve travel needs of urban and rural centers.

Using federal transportation investments as a catalyst to enhance a community's sense of place and quality of life, should ***recognize the importance of town transportation hubs***, such as historic train stations, to serve as a physical place for public transportation modes and service providers to integrate services, as well as serving as active catalysts for economic growth in the communities where they are located. Rail stations have the proven ability to revive small town downtown areas, to knit a community together, and to stimulate housing, business, and retail development. This was certainly the case in Meridian, Mississippi a town of 40,000, where I had the privilege to serve as mayor for 16 years. Our decision to invest in the revitalization of our historic train station as a multimodal center proved to be a catalyst for transforming our main street, increasing public transportation ridership, and helping to generate millions of dollars in private economic development in the surrounding neighborhoods.

6. Renew Focus on Goods Movement

The movement of goods and freight by all transportation modes through rural areas is increasing and this trend is expected to continue in the foreseeable future. Between 1990-2001 freight transportation on major railroads increased by almost 45 percent. Yet during the same period, rail system mileage decreased by 18% and the agriculture sector, a backbone of many rural economies was among the industries most hurt by disruptions.[ix] Growth in long-distance goods movement through rural areas presents a challenge to maintaining local highways, increasing traffic and truck safety concerns, and consolidation or abandonment of manufacturing, processing, and agricultural centers resulting from the closure of many branch lines cutting off rail service to many rural areas.

Multi-modal freight solutions are required to ensure rural economies, as well as the U.S. economy, continue to be competitive in the 21st century global economy. National, state, and local freight planning, modeling, and forecasting can help determine when to upgrade current infrastructure, where new facilities and infrastructure should be located, and which factors influence the transportation decisions of private companies. Railroads, including over 500 small, locally owned companies, move 40 percent of the nation's total intercity freight (measured in ton-miles), 65 percent of the nation's coal, and 40 percent of the nation's grain and farm products.

Providing state and local governments the flexibility to invest in multimodal infrastructure, such as rail, intermodal transfer points, and inland waterways, is critical to controlling freight costs as well as the final price of the product, since transportation costs range from 1 to 14 percent of consumer prices, depending on the commodity and the distance moved.[x] At the federal level, US DOT should ***identify investments of national priority***, focusing on multimodal intercity corridors of national significance, including a

national intercity rail network and key freight corridors co-located where possible with electricity infrastructure.

Conclusion

A safe, strong, and efficient transportation system serves as the backbone of our nation, growing the economy and providing access to the American dream. Connecting our cities, counties, and regions remains critically important in rural areas and small towns across America, where inadequate and outdated infrastructure is hurting families, limiting economic development, threatening health, and restricting the creation of good jobs. These pressing challenges require innovative new solutions to improve mobility in small towns and rural areas.

No two rural areas are alike and defining the typical small town is impossible because of variations in cultural, geographic, and economic conditions that make each area unique. Rural is an inexact term with changing meanings in different contexts. For example, what is considered rural in a state with low population density, like Montana or Mississippi, may not resemble what is considered rural in a state with much higher densities, like Massachusetts or California.

I appreciate the Committee's focus today on the unique needs of our smaller towns and rural areas. The current federal transportation program does fall short in terms of meeting the needs of these communities. Reforms are needed to make transportation work better in our large and small urban areas. For rural America, these include a greater focus on preserving our rural towns and Main Streets, meeting the mobility needs of all rural citizens, including the growing numbers of elderly, building planning capacity in rural regions and urban centers, and increased investments in freight and intercity passenger transportation that connect rural and urban centers and ensure our future economic competitiveness.

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[x] Federal Highway Administration. (2002) "Benefit-Cost Analysis of Freight Investments," *Freight News*. U.S. Department of Transportation. Washington, D.C.

Questions for Mayor Smith from EPW Committee:

Based on your experience as a mayor, how can transportation policy help make small towns more economically competitive? [Boxer, Carper]

Providing residents with convenient access to local destinations such as jobs, shops, services, education and healthcare, will drive economic development though increased property values, greater efficiency in goods movement, and improved downtown access for rural businesses. Compact, walkable, mixed use development will help preserve land at the edges of small cities and towns, and reduce the amount of personal income spent on transportation – putting more money in people's pockets. However, state and federal policies often overlook these needs since small towns are not included in the state transportation planning process. Therefore it is critical that our upcoming transportation authorization empower local communities by letting them be part of the decision-making process in finding solutions. The federal government should not pre-determine the "best" solutions to meet the unique needs of small towns and rural areas.

Current surface transportation programs often restrict the use of funds to only highway capacity improvements – pre-determining the "best" solution for communities across America without considering whether or not that solution supports local economic development goals or is the most cost effective option. In addition, many small towns and rural areas have aging infrastructure and increasing maintenance needs. The federal transportation program should recognize this growing need and provide funding to maintain existing bridges and federal aid highways. The next transportation authorization should provide increased flexibility to invest in highways, transit, rail and other transportation improvements to address our Nation's diverse transportation needs. Investments should be driven by performance measures, not funding silos created by the federal government.

Do Veterans face specific transportation access issues in rural areas and, if so, do you have suggestions as to how to address them? [Boxer, Lautenberg]

America needs to take better care of its disabled veterans. Veterans, particularly in rural areas, often suffer from a lack of options to reach their jobs and critical services. In many small communities veterans may only have one option – driving, if they are able. When gas prices rise to above $4 a gallon this can put our veterans in situations where due to the high cost of driving, they make opt for the trip to their job and the grocery store but the trip to the doctor becomes optional. Those veterans with disabilities that impair their ability to drive have very few options currently if they reside or age in small communities without frequent or reliable transit service.

In Meridian we were fortunate enough to have an able-bodied veteran (my former Chief Administrative Office for the city) who volunteered his time to drive disabled veterans 90 miles to Jackson, Mississippi for medical appointments. This was not a fail-safe system though, for instance if the driver was sick there was no trip to the doctor that week. Many veterans are aging, and do not like to rely on others for help.A publicly provided transit option would be of great benefit to them. When it comes to public transit, they are currently "disconnected". We need for our veterans to be "connected" to modes of public transit so they can go to their jobs, doctor appointments and on day-to-day errands like the grocery store. The next authorization needs to provide increased funding for transit and flexibility for local communities to invest in transportation solutions that best meet their unique needs.

You discussed in your testimony that research shows an economic benefit for rural and small metropolitan areas that offer transit services. How can we increase the availability of transit service in rural and small metropolitan areas, such as rural Mississippi? [Boxer]

Transportation challenges facing small town America are not of congestion but of access. The demand for transportation options is growing in rural America and according to a study recently completed by Transportation for America, more than 79% of rural Americans believe that an expanded and improved public transportation system would benefit the United States. The aging baby boomers in many small rural towns are increasingly reliant on local transit providers and specialized transportation service. If they do not have this option, they must frequently stay

home. Often, people in my hometown of Meridian depend on public transit to see the doctor, go to the grocery store or get to their jobs.

Existing federal policy is out of date and out of touch with the reality of public transportation's growing importance to Americans and their communities. Only 18 cents of every transportation dollar supports public transportation and to make that situation worse, communities are required to supply a much larger matching amount compared to federally-supported highways. Of this funding, only a small percentage is for rural transit or specialized transportation services which serve the elderly and disabled. Fifty-eight percent of Americans believe that Congress should increase this amount. In addition, a local community has to provide a dollar for each federal dollar received in transit funding, versus providing just $0.25 for each federal dollar received for highways. This policy discourages local governments from establishing new transit service. The next authorization must address this inequity and increase investment in transit service to meet demand and the desires of Americans. Currently there a numerous transit programs with different structures and requirements such as the fund that provides hospital rides for elderly and disabled residents (5310 program), the fund that provides rides to jobs for low income individuals (5316 program), and the New Freedom program. The next authorization needs to work to strengthen the coordinated human services plan and link transit operators to improve service for taxpayers.

Questions for Mayor Smith from EPW Committee:

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Questions for Mayor Smith from EPW Committee:

One of my biggest concerns with the Administration's Livability initiative is that, to date, it is an amorphous concept that every Administration official has defined differently. What do the terms "livability" and "livable communities" mean to you? (Inhofe)

A livable community is a place that is economically competitive, affordable and provides people with multiple options to access jobs and services – many small towns in America are great examples of livable communities. "Livability" might just sound like a buzzword to normal folks outside of Washington, but they know what it means when you start describing it: repairing our bridges and highways in a timely way to keep them safe and functional; having streets that are safe that our kids can walk or bike to school without fearing for their life; ensuring that our seniors and older residents can get to their doctors' appointments on time if they don't have a car or had to quit driving; planning and thinking about the future in such a way that new businesses with new jobs get located in places close to where people live — not 30 miles away; and, linking our transportation planning with local zoning and land use, so residents aren't spending 30% of their income on transportation.

We'd never own up to the title, but small towns have many "urban" characteristics — at least in the way that most of our residents are living relatively close to our town center or square, with a street grid that gives people the option to walk. Kids ride their bikes around town, families have the option to walk when they would like to, and our historic downtowns are still magnets for business and community events. Many small towns are working hard to try and restore or preserve their Main Streets as a key strategy to support local economic development.

A livability program can both revitalize and preserve the historic character of our rural town centers. In my hometown of Meridian, which has a population of 40,000, we invested in a new train station, on the spot of our historic depot and developed it into a regional, multimodal transportation hub. This initial investment bolstered our local economy, increased the value of the surrounding assets and provided new transportation options for our residents. It spurred private development of $135 million in the surrounding area and redevelopment of the downtown, including the Mississippi State University Riley Conference Center and the restoration of the historic Grand Opera House. The Meridian station sees 350,000 people pass through annually and also serves as an event venue for over 250 events a year. Meridian can now boast of world-class arts venues, renewed residential development – both upscale and market rate and a revival of its turn-of-the-century downtown.

Livable communities give the residents of our small towns and rural areas the transportation options they need so they're not stranded without a choice. It is not about trying to change behavior. Livable communities give residents what they're demanding – good transit networks, safe streets, bridges that don't fall down and highways that aren't cracked and potholed – and can help economic development in our existing communities.

Your testimony advocates for providing federal funds allowing use of rural Interstate rights-of-way for the development of fiber optic cable and/or wireless communication infrastructure. What are the legislative, regulatory or practical barriers to States doing that now? [Inhofe]

Broadband infrastructure can help connect rural communities with each other and activity centers across the country. Many rural areas lack access to broadband service - due to the inadequate infrastructure - preventing these residents from teleworking and similar activities that can reduce demand for transportation infrastructure.

The use of highway rights-of-ways for the deployment of broadband infrastructure can significantly reduce the cost of expanding high-speed internet service to rural America. In urban areas utilities are often co-located with street rights-of-ways. We should consider policies to encourage co-location in rural areas as well. Today there is often a lack of coordination between state departments of transportation and broadband service providers. Highway construction and maintenance projects are planned and completed without looking at the potential needs for broadband service in the corridor. Installing broadband infrastructure as part of a highway project can reduce travel disruptions for drivers and lower the initial capital costs to expand broadband service. Broadband service can help connect communities and businesses, and state and local governments should be required to consider the need for broadband service in their transportation planning and project development.

Questions for Mayor Smith from EPW Committee:

Please discuss your thoughts on the implications and possibilities of increasing trucking capacity as a tool for reducing congestion on America's highways. [Vitter]

Freight is a critical issue for the United States. The ability to move goods plays an essential role in our economic competitiveness. At the same time how and where freight moves impacts our communities, highway safety and the environment. I believe that we must invest in a balanced freight system that includes increased highway and rail capacity, intermodal facilities and operational improvements to our ports to reduce greenhouse gas emission and highway congestion.

Senator SANDERS. Thank you very much.

Well, let me begin the questioning, then we will go to Mr. Inhofe.

I heard Mr. Marlatt and Mr. Smith, among others, and I came a little bit late, talking about among other things the deterioration of our roads and our bridges. In terms of full disclosure I come from Vermont, one of the most rural States in the country, and we have exactly those problems as well. We just tore down a major bridge going between New York State and Vermont. It could not be repaired, at great economic loss to those communities.

In addition, we are in the midst of a major recession with massive unemployment. From your testimony, what I hear, are you supportive of a massive infusion of Federal funds into rebuilding our infrastructure?

Mr. Lomax.

Mr. LOMAX. Yes.

Senator SANDERS. Mr. Haggerty.

Mr. HAGGERTY. Yes, definitely.

Senator SANDERS. Mr. Townsend.

Mr. TOWNSEND. Yes, sir.

Senator SANDERS. Mr. Marlatt.

Mr. MARLATT. Yes.

Senator SANDERS. Mr. Smith.

Mr. SMITH. Yes, sir, very much.

Senator SANDERS. All right.

We also have a $12.5 trillion national debt. Can I have some suggestions—and I happen to agree with you, I think, in terms of infrastructure, our roads and bridges are not getting better when we neglect them. Right? So, if we are going to be a strong, competitive Nation economically, we are going to have to adjust this problem at one point or another. We may as well do it now and create jobs.

Do you have suggestions as to how we might pay for the improvement of our infrastructure? Anybody who has ideas, I would like to hear them.

Mr. Haggerty.

Mr. HAGGERTY. Thank you very much. Well, first of all, I think the National Association of Counties clearly supports increasing the gas tax. It also wholeheartedly supports the inclusion—or actually making sure that we index it so we do not have to continue to go through this problem of trying to figure out if we can get the gas tax raised at any given time.

I think that it is also important that we look at other ways to put taxes on the user fee, especially as vehicles become more efficient. I will say this to you, though, Senator. You know when some of the counties come to you, we have come to you as self-help counties. We are actually doing what we can also to raise funds through maybe a half-cent sales tax measure, or you know, we have a fee on our bridges. If you have an access to the bridge, there is a fee on that.

And we will also be moving on, in Alameda County and actually the MTC planning area, the regional HOT lane, actually regional HOV network, where some of these lanes will convert to HOT lanes and will help not only to reduce congestion in these areas because as we move to a congestion pricing on the Bay Bridge, for example,

on July 1st, we estimate that there will be 23 percent reduction in congestion at that time.

So, those are just a few examples.

Senator SANDERS. OK. Other thoughts about how we could——

Mr. Smith.

Mr. SMITH. Yes, sir, Senator. T for America is on record as supporting a 20 cent increase in the gas tax indexed to inflation, a 2.5 percent sales tax on motor fuels, and an $8 per barrel surcharge on oil. Each one of these would leverage $250 billion in additional resources for transportation solutions.

We wanted to find out what the public thought about this so we did some polling with Democrat and Republican pollsters, and we will release that poll later this month. But the poll does show that there is public support for additional resources if the transportation decisions are transparent and those who make the decisions——

Senator SANDERS. So, do you have a number in the back of your head about if we were to adequately fund our infrastructure needs? We are not even here talking about water and other infrastructure, just roads and bridges, for example. How much would we as a Nation need to be spending?

Mr. SMITH. Well, I think we are looking at $500 billion-plus.

Senator SANDERS. OK. Over what period of time?

Mr. SMITH. Well, that $500 billion would be over a 6-year authorization. You know, we are building a future for my grandchildren.

Senator SANDERS. Right.

Mr. SMITH. President Reagan fought hard for a 5 cents per gallon gas tax that included transit funding and he made a promise to, then, my children, in 1983. What promise will we make? My grandson is 4 years old and wants to have an opportunity to live in Meridian and be accessible.

Senator SANDERS. All right.

Other thoughts, briefly, on how we fund a massive improvement in roads and bridges. Any other ideas out there? Let me get Mr. Townsend.

Mr. TOWNSEND. Yes, sir. NARC is right now working on a regional infrastructure improvement zone concept that we are working on to create financing of infrastructure, and we would be happy to provide the Committee with detailed information on that.

Senator SANDERS. What I find interesting about this whole discussion is not only are we obviously addressing a major national issue; I do not think there is any debate, no matter what your politics may be, progressive or conservative, bridges falling down are bridges falling down. And it has to be repaired. But also, I would reiterate that in the midst of a recession we can create some pretty good jobs as we rebuild this infrastructure.

So, thank you very much.

Senator Inhofe.

Senator INHOFE. Well, thank you, Mr. Chairman. This is one of the few areas where we agree philosophically on anything.

[Laughter.]

Senator INHOFE. Well, that is true.

I have always said when I was first campaigning for this job and the different times I have been elected, four times, that we have

some priorities. No. 1 has always been, in my position, national defense. No. 2 is infrastructure.

Now, when Senator Marlatt was talking about the condition of our bridges in Oklahoma I want all of you to know that we are now ranked dead last in the condition of our bridges. And it was not too long ago, Mr. Chairman, that we had a lady who is the mother of two who, in driving under a bridge, about a football size—it dropped on her and killed her. What we are talking about are life and death issues. That is why the line of questioning that the Chairman has put forth to you is very significant.

There are two problems that I see with the Oberstar bill, and I want to kind of get your reaction. I will, of course, start with you, Bryce. He is focusing very heavily on the transit bike paths and sidewalks.

Now, I would like to have you—you talked about State Highway 270. I am very familiar with that, and before you got here, in my opening statement, Mr. Chairman, I acknowledged that if you get with me in my airplane, and you go through there, you can see at any one time 500 of the wind generators going at the same time. And one of the problems you have is actually transporting the blades. I would like to have you address that.

Anyway, I want you to get on record in terms of how you feel about the amount or the percentage that is used for the various transit bike paths and sidewalks as opposed to roads, highways, bridges and so forth.

Mr. MARLATT. Thank you, Senator. I guess the concern with Chairman Oberstar's bill is that it takes away the ability for expansion on our traffic, and it takes away the ability for rural America to be connected to the global economy.

My Senate district, as you well know, has a vast—we are expanding dramatically in clean energy, compressed natural gas, and we have got a huge influx of wind blades and turbines that are coming in, over a $300 million investment alone in my district. We have got the largest substation in the United States——

Senator SANDERS. Excuse me, a $300 million investment in wind in your district?

Mr. MARLATT. In wind in my district, yes, sir. And that has the opportunity to continue to expand if we have the ability to stay connected. But one of the main concerns is the lack of shoulders, the two-lane roads going in and out, and the ability to transport the towers and the blades into my district.

The largest substation in the United States is being built in the northwest part of the State of Oklahoma to disperse the energy that we are producing, whether it be from natural gas, oil or wind. So, I really feel like the fact that the congestion issues are not going to be something that in rural Oklahoma we need expansion of roads; we need expansion of shoulders and highways so that we can continue to provide for the United States.

Senator INHOFE. Yes. Bryce, the reason I bring this up where there is a lot of talk about renewables and all that, that presents other problems, as in his district, even getting the blades there. These are things we have to consider. I know we are going to have another round of questioning, but I want to get to both Mr. Haggerty and Judge Townsend.

I mentioned there are two things I did not like particularly about the Oberstar bill, and that was one we already talked about, and the other is the expanded Federal decisionmaking and control over issues traditionally handled at the local and State levels. Examples include specific Federal performance standards, Federal approvals of substance in various State and local plans, Federal project selection, and all that.

I would like to have the two of you respond to whether or not you agree with my concern.

Mr. TOWNSEND. Yes, sir, I do agree with your concern. We feel that on the local level we should have more input into the spending and where it needs to be spent. We have the same problems in western Kentucky that are in Oklahoma. We have a lot of traffic. We basically are a farm county, and western Kentucky is basically farm country. We also have coal mines there, and coal trucks run our highways, and it is very difficult to keep those roads up and in condition from the State level as well as the county level.

Senator INHOFE. So you think State, county and local government probably knows more about your needs than the Federal Government does?

Mr. TOWNSEND. Yes, sir, I do.

Senator INHOFE. What do you think—the reason I singled out the two of you is because you both are representing large areas that transcend urban and rural areas.

Mr. HAGGERTY. We certainly agree with you, Senator. We believe that at the local control we certainly go through a very extensive planning process. You know, we do what we can to work through the problems of what local constituents on the ground are doing day to day, and we feel that we certainly have a better understanding of what it is that the needs are.

We would want to make sure that, you know, as we move forward with any plan, that it continues to work toward reduction of congestion.

Senator INHOFE. Thank you, Mr. Chairman.

Senator SANDERS. Mr. Carper, Senator Carper.

Senator CARPER. Thank you, sir. Thank you, Mr. Chairman.

I want to turn to the issue of looking for opportunities to find multi-modal solutions to our transportation challenges. Some of you mentioned that in your testimony. I think certainly Mayor Smith did.

I like to tell the story about once I was trying to get to Mackinac Island near Michigan. I drove my car from my home in Wilmington to a parking garage, and then I walked to the train station. I took the train to BWI Airport and got off the train and took a bus to the airport terminal, flew to Travers City, Michigan, got off the airplane and had another bus to a ferry which took us across the lake. We got off the ferry and got on a horse drawn carriage which took us to our hotel. I love thinking back about how that really met my—how all those different solutions helped me get where I needed to go that day in a pretty comfortable and interesting way.

Could you share with us some examples of multi-modal solutions that you are aware of, that you have worked with, and give us some ideas of how we could foster more of those from where we sit?

Mr. SMITH. Yes, sir. Senator, your trip sounds not unlike my honeymoon. We were married at a multi-modal transportation center, we took the train to Washington, we flew to Knoxville, and then we drove up into the Smoky Mountains.

Senator CARPER. And then lived happily ever after?

[Laughter.]

Mr. SMITH. Well, that is all I will share with you about that trip.

[Laughter.]

Mr. SMITH. But what we did in downtown Meridian, we took the remnants of a historic train station, and this was with ISTEA money, we invested $1.3 million of city funds, about $5 million in ISTEA funds, and we created the first multi-modal transportation center in the South, one of the first in the country, especially for a city of our size, where we brought all modes of transportation together—the passenger rail services, intercity bus service, city transit service, taxi service, connections out to the airport.

What that $1.3 million did of city investment, it has leveraged today $135 million of additional public-private sector investment within three blocks of that station. It has created transportation choices for people; people are living back downtown for the first time in my lifetime. And I live in the home my grandfather built. My grandson is the fifth generation of our family to grow up in our house. Now, we are seeing market rate apartments, condominiums, all connected into the downtown living.

We were the last HOPE VI project awarded, or one of the last in this country, totally lifted one whole historic sector of Meridian, rebuilt real homes instead of housing projects to warehouse human beings, with a sense of sidewalks and landscaping and lighting. But it is connected by transit so that those citizens who live there connect to their jobs, a lot of them in the service sector, to the community college for education and to the hospitals for healthcare. That has leveraged other economic development.

Senator CARPER. Our role—what can we do to foster that sort of development? My question is what can we do at the Federal level to help encourage and nurture and foster those kinds of activities?

Mr. SMITH. Well, to make those kinds of multi-modal hubs applicable, especially under livability, and when you think about livable communities, cities 50,000 and less need to be eligible for those funds as well. Those are small city centers that really lift regions. We support 350,000 people in rural counties around us. So, making such facilities eligible and allowing smaller cities to compete under what I think is a pretty exciting livability agenda that the Administration has rolled out.

Senator CARPER. Any other thoughts on this?

Yes, sir, Mr. Haggerty.

Mr. HAGGERTY. Thanks, Senator. First of all, I would just like to say that NACo strongly supports mass transit, which includes rail bus, van transit ferries, and our urban, suburban and rural member counties want to offer more transit.

I think the problem with transit from time to time becomes we need to make it more convenient. And I think, now speaking as a member of the Metropolitan Transportation Commission, one of the things that we have put in play is this 511.org. That is simply a

Web site that you can go to or even call on, and they will do a trip planner for you.

For example, I am saying I am leaving my house in Dublin, California—which I really do live in Dublin, I am not just trying to be Irish—and then, you know, from Dublin, California, and I need a trip planner via transit to get to San Francisco on Van Ness Street. It will print that out for me, or it will tell me verbally how to do it and which I can do.

That is the key. That is making transit convenient. That is helping people. Because part of the problem is, most of the people get out there and they say, I do not know how the heck to do this, I do not know how to ride the local bus to BART and then take BART, you know, to MUNI, and then get on the MUNI train and get to my final destination.

Senator CARPER. Well, that is great. That is great stuff. Thank you.

If we have time? Mr. Lomax.

Mr. LOMAX. One more story. Your multi-modal trip sounds like one I took from London to Calais for lunch 1 day. It took the whole day, but my family had a great time, and we got to ride many different modes of transportation. They still complain about my interest in transportation.

I think really your question, I would suggest, has an answer in both answering Senator Sanders and Senator Inhofe. You are really talking about local decisionmaking that comes from a data driven process, an interest in attaining some goals. So, I think there is a real connection here between the local interests, and what you all can do is help foster some of that data driven process. Some of the reporting requirements in Senator Oberstar's bill could be reporting of metrics. It does not have to be to standards that the Federal Government suggests or mandates, but it could be to specify the measures and compare them to local standards.

And then combine that with the support for the financing that really only happens when people understand what the value of the investment is. I think some of our lack of transportation investment comes from the fact that people just do not understand what they get.

Senator SANDERS. OK. Thank you very much.

Senator CARPER. I thank you as well.

Senator SANDERS. Senator Udall.

Senator UDALL. Thank you very much, Mr. Chairman, and it is good to see that we have some agreement here between our Ranking Member and the Chairman on infrastructure issues. This is a welcome development.

Clearly, doing infrastructure, we need to do infrastructure, as I think most of you have emphasized in your testimony, because it is an investment in the future. And in this economic time we are in, it certainly creates jobs in both rural and urban communities that we need created.

I wanted to focus a little bit on the rural part of this, so any of you that can comment on this. You know, transportation systems are critical for the economic health of rural communities. We have—an example I want to give you, is dairies in rural areas.

In Roosevelt County in New Mexico, it is a home to many large dairies that rely on a transportation network to deliver their milk, milk products, for processing and sale. Unfortunately the roads serving the dairies are in such disrepair that dairy owners must pay extra freight fees to allow for the detours and the delays that the truckers encounter.

It sounds like something that Mr. Marlatt mentioned in terms of getting the renewable infrastructure, the turbines and all of that, into the area to do your rural development.

So, what should be included in the reauthorization to ensure that the condition of rural roads is also included as a priority? Any of you, please go ahead.

Mr. MARLATT. Thank you, Senator. I think the main thing is it is important to remember that we cannot divorce the fact that we have to—we need to maintain the integrity of our roads and bridges and provide the infrastructure to move products from Point A to Point B.

As you well know, being from New Mexico, Texas County, which is in my district, is the sixth largest ag producing county in the Nation. There is a lot of product that moves every day out of Texas County, out of my district, and is disbursed to the rest of the United States. There is a lot of energy in my district that is moved from Point A to Point B to provide for the urban areas on a daily basis.

Well, we do not have a lot of rail or public transit. We do have some horse drawn carriages in my district. But I think the main thing that we need to look at is that we do not want to take away from the ability to expand our lanes, to expand our shoulders.

Transit, I do not feel like it is a great option in rural America. I think that it causes expansion of our roads to stop when we are investing in simply transit, and I really feel like that type of problem is replicated all throughout rural America. I think that maintaining and investing in the integrity of our roads and bridges is something that we need to do all we can to continue to fund.

Senator UDALL. Thank you. Any of you, please, Mr. Haggerty.

Mr. HAGGERTY. Just talking about roads here for a second, but another very vital part of roads is the Bridge Program and eliminating the Federal Bridge Program, more particularly the Federal Off-Road System Set Aside, would certainly be a mistake.

The 15 percent set aside currently totals about $700 million per year and often goes to repairing our county owned bridges and is often the only Federal Highway Funds received by rural county governments.

We—the GAO has documented that the program has been successful in decreasing the number of deficit off lying bridges. It seems to us that if you think deficit bridges are a national problem the best way to attack the problem is to retain a dedicated funding stream, that is the existing program, and not allow States to transfer bridge funds to other categories.

Senator UDALL. Great. Any other?

Thank you, Mr. Chairman. I appreciate it.

Senator SANDERS. Mr. Smith, did you want to comment?

Mr. SMITH. Yes, Senator, if I may. Our rural program includes keeping national highway system and off system bridges eligible.

And in many rural areas they no longer are. But it is also not a one size fits all. In New Mexico the Railrunner Commuter Service links small towns between Albuquerque and Santa Fe. In Mississippi it is the Amtrak Crescent through my hometown of Meridian. We are looking for choices. It is about choice, and people are looking for other options as a way to stay connected and to get to the goods and services they need for everyday life.

Senator SANDERS. I am going to have to run and give the Chair over to Senator Udall. Senator Inhofe, did you have another question for——

Senator INHOFE. Yes, I did. I know that we are about out of time here.

The big problem we have not devoted enough time to is how we are going to pay for all this stuff. And we talked about, you know, the different taxes. When we did—and I have been around through TEA–21 in 1991 and then SAFETEA in 1998 and then SAFETEA-LU, or whatever it was, in 2005. In fact, I was the author of that bill.

We, at that time, recognized that we have been doing the same funding types of sources since the Eisenhower administration. And that is why I say that we need to get more innovative than that.

I would like to direct this at you, Mr. Lomax, because Texas does some innovative things. You know, people always say they want change until there is change, and they do not want change. And you know what I am talking about because you guys went through it in Texas. And so they did in Indiana and Virginia and other States that tried that. But you have been very aggressive, and I applaud you for that.

Just briefly tell us some of the partnership types of things that you have talked about in Texas, some of the problems, the misrepresentations, the hysteria that has come from that, and that might help us, direct us a little bit, on what me might want to do. There has got to be a better way than just continuing to do it as we have done in the past and still meeting those.

Before you came in, Mr. Chairman, I talked about it was $286.4 billion, the 2005 bill. It was huge. But that did not even pay for the maintenance of what we have. So, we have to get more creative.

Mr. Lomax, would you share your thoughts with us and your experiences in Texas?

Mr. LOMAX. OK. I do not want to downplay the role of hysteria, but I think one of the things that Texas has done is to explore a bunch of options. I think some of those options have not been well understood, and I would suggest that there is a role for not just public information but public involvement in any set of options.

I think one of the things that Texas is known for is trying to get the private sector involved in transportation——

Senator INHOFE. Into partnerships.

Mr. LOMAX. As a partnership with the public entities, trying to get some more financial leverage, trying to find people with creative ideas. I think that is probably the cornerstone of what Texas has tried to do, is to get more money but also more creativity on how to solve the problems.

Certainly the toll road projects are the ones that have gotten the most attention. I think there are a variety of other operating treatments. Just coordinating the traffic signals, getting the crashes and stalled vehicles out of the roads.

Houston has essentially a contract with a bunch of different tow companies where they are responsible for a 6-minute response time. If there is a crash or stalled vehicle, those tow companies have to respond immediately. We have seen a 10 to 12 percent reduction in crashes and about a $30 billion savings in congestion just from that kind of a program. That is about a $3 million or $4 million a year seeing a 10 to 1 return rate on that.

So, I think a combination of big projects, the toll road interests, as well as small projects.

Senator INHOFE. When you say toll roads, are you talking about private toll roads?

Mr. LOMAX. In some cases they are private toll roads. There is a toll road that connects the Austin and San Antonio areas on the east side that is going to be a privately operated toll road.

Senator INHOFE. Now, on the innovation thing. Well, first of all, Senator Marlatt, you said that you had some kind of innovative funding mechanisms. Is there anything that is consistent with our conversation now that you can share with us that has come out of your study, I guess there on the State level in Oklahoma?

Mr. MARLATT. It is an innovative funding task force that is just being created that will look at all kinds of opportunities, whether public or private, and on the public-private partnership program. I think it is important—and you know this well—I think it is important for the members of the Committee to know that in Oklahoma, maybe not down the line as funding mechanisms, but as far as stretching the dollar and making the dollar go as far as possible, in Oklahoma we have an interesting program where we actually allow the Department of Transportation—the agency actually selects the process on a critical needs basis.

We have taken the politics out of the development and are actually addressing our needs on a critical needs basis. And the agency then has a responsibility to report back to the House and Senate and the Governor on the progress that they have made and making sure that they are being responsible and how they are spending the dollars. But it actually has given the control on a local level and allowed them to address the needs that they see fit.

Senator INHOFE. Any of the rest of you on this? Because what Bryce is saying is true in Oklahoma. Of course, we are blessed with probably the best Transportation Secretary of any of the States. And we do it by needs by district, and we do not come in and say, well, this is the area that I want to help. It is not that type of thing. We spread those out.

Is there any other, anything particular in the way of an innovative thing that you are aware of that has happened in your States or areas that you would want to share with us?

Mr. HAGGERTY. Well, Senator, when you talk about innovation, and I am now speaking as an MTC Commissioner for the San Francisco Bay Area, we have seven of our nine counties, which are MPOs, or Metropolitan Planning Organizations, that are half-cent sales tax authority. What does that mean? That means that every

time you buy something, a half-cent goes to transportation projects in Alameda County, for example. In Alameda County prior to the recession we were raising approximately $110 million a year that would go toward transportation projects.

And we certainly believe that gives us a leg up and the ability to do the necessary planning work to then come to the Federal Government and say, here is a project, we have worked it through, not only the locals, which we start down with the cities and the counties, and then if filters up to the MPO, and then MPO puts together a list of projects through, whether it would be our 2035 Plan or whatever, that has a list of priority projects, and then we move those up either to the State or the Federal Government to implement them.

So, I mean, I think that is something that we have done that is fairly innovative. We are starting to move some of our HOV lanes to HOT lanes, as I had mentioned in my earlier testimony. That money will be used to dedicate transit funding in that corridor.

You know, we are doing everything we can. We were fortunate to have Steve Heminger, who is our Executive Director of our MPO, sit on a national commission that actually made recommendations to Congress. And we actually are implementing a lot of the stuff that came out of that process. For example, congestion pricing, which I mentioned in my earlier testimony also.

Senator INHOFE. Good. Well, let us do this. I know we have gone beyond our timeframe. But I would like to have—when we say for the record, we normally are asking you, after this hearing is over, that you give us, share your experiences with us on anything innovative that you have either tried and has not worked. That is our big problem here. We have got to think of a way to pay for all of this stuff.

When you said there is going to be, we are looking at a $500 billion problem, I agree with you. But you have got to come up with it. And I just think we are going to have to deviate from our old 60-year-old behavioral patterns.

Mr. TOWNSEND. May I have time here?

Senator INHOFE. Does he have time here? OK. Go ahead.

Mr. TOWNSEND. We are working on regional infrastructure improvement zones and trying to change the Federal Tax Code so that we can have private and public partnerships in business invest in the infrastructure improvements. NARC is working on that right now.

Now, in the State of Kentucky, you mentioned the districts. We have districts also, and the districts meet with the counties, and we agree on what are the worst——

Senator INHOFE. You establish priorities.

Mr. TOWNSEND. We set priorities, yes, sir. And then to go one step farther, our regional—our ag district or our regional cog, which is made up of seven counties and made up of judges and mayors and individual representatives, we look at the whole area to see what are the worst problem roads in the area. And we feel—you brought up a very good question about how to fund this. It is—one of the ways I think we are going to have to do it is through private and public together.

Senator INHOFE. You said something there that really sparked something in my mind. Now, Bryce, maybe the law has changed since I was in the State legislature, but we used to have assessment districts in Oklahoma. I assume we still do. You were talking about that. That has never entered my mind. Assessment districts would be a vehicle by which you could exercise the local support for something. It is something to think about.

Mr. SMITH. Yes, sir. Senator, in Meridian a large part of our success was by public-private partnerships, and we used tax increment financing districts which you had run linear along a transportation project to help fund that project.

Also, amending Federal tax laws so that new market tax credits could support transit. Transit could be eligible for new market tax credits. That would be helpful to the private sector as they work with local units of government to provide seamless transportation experiences once you get into their downtowns.

Senator INHOFE. That is good. Let me say thank you to all five of you and particularly, of course, Bryce, for coming up here. It has been very helpful to us.

Thank you, Mr. Chairman.

Senator UDALL [presiding]. Thank you, Senator Inhofe. You have finished your questioning? I think we are ready to wrap up here. Great.

Let me also thank the witnesses in the panel today. Your testimony has been very helpful. Certainly, your ideas and recommendations are going to be taken into consideration in our work here.

I would ask unanimous consent that the testimony from the Transportation Departments of Idaho, Montana, North Dakota, South Dakota and Wyoming be inserted in the record. Without objection, so ordered.

[The referenced testimony follows:]

Statement of the Transportation Departments of
Idaho, Montana, North Dakota, South Dakota, and Wyoming
submitted to the
Committee on Environment and Public Works
United States Senate
Washington, D.C.
March 18, 2010

Chairman Boxer, Ranking Member Inhofe, and Members of the Committee:

Today, the Committee receives testimony at a hearing entitled "Mobility and Congestion in Urban and Rural America." The Committee's interest in mobility in rural as well as urban areas is greatly appreciated.

Following up on the Committee's interest, we (the transportation departments of Idaho, Montana, North Dakota, South Dakota, and Wyoming) take this opportunity to outline for the record some of the many reasons why the entire nation, including residents of major metropolitan areas, is well served by strong Federal investment to improve surface transportation infrastructure in and across rural states like ours.

Overview

While there are national interest needs for Federal surface transportation investment throughout the country, this statement will focus on the national interest in Federal surface transportation investment in rural states.

Truck movements from Chicago to California or Seattle, for example, traverse states like ours and benefit people and goods in the metropolitan areas at both ends of the movement. Simply, the highways in and across rural states are part of a national network that serves metropolitan as well as rural areas.

Benefits of Transportation Investment in Rural States

Let us briefly review some of the benefits of Federal investment in Federal-aid highways in our rural states. These routes --

- serve as a bridge for truck and personal traffic between other states and between major metro areas, advancing interstate commerce and mobility;
- enable agricultural exports and serve the nation's ethanol production, energy extraction, and wind power industries, which are located largely in rural areas;
- provide access to scenic wonders like Yellowstone National Park and Mount Rushmore;
- have become increasingly important to rural America, with the abandonment of many rail branch lines;

- are a lifeline for remotely located and economically challenged citizens, such as those living on tribal reservations;
- enable people and business to access and traverse the vast tracts of Federally owned land that are a major characteristic of the western United States; and
- facilitate military readiness.

In addition, the Federal-aid program enables enhanced investment to address safety needs on many rural Federal-aid routes.

Further, and we know the Committee has addressed this in other hearings, the investments supported by Federal highway and surface transportation programs create both direct and indirect jobs and support economic efficiency and growth. These investments provide an important boost to the economy in our states as well as others.

Funding and Financing Challenges Facing Rural States

Our states face severe transportation infrastructure funding challenges. We can't provide all these benefits to the nation without Federal funding leadership. We –

- are geographically large;
- have large tracts of Federal lands within our borders;
- have extensive highway networks; and
- have low population densities.

This means that we have very few people to support each lane mile of Federal-aid highway.

With our low population and traffic densities, tolls are not an answer to funding transportation needs in rural areas. A continued strong Federal funding role is appropriate and essential.

In the balance of our statement we will provide additional information on the national interest in Federal transportation infrastructure investment in rural states. Then, before closing, we offer some early comments on how various legislative concepts may impact the nation's ability to benefit from Federal investment in surface transportation infrastructure in and across rural states.

Discussion

Transportation Investment in Bridge States Connect the Nation's People and Businesses

Highway transportation between population centers in different regions of the country requires good roads to bridge the often vast distances between origins and destinations. This connectivity benefits the citizens of our nation's large metro areas because air or rail may not be the best option for particular movements of people or goods across the country. The many commercial trucks on highways in states like Idaho, Montana, North Dakota, South Dakota, and Wyoming demonstrate every day that people and businesses in the major metropolitan areas benefit from the nation's investment in Federal-aid highways in rural states.

The most recent FHWA data on truck origins and destinations show that the percentage of truck traffic using highways in our respective states that does not either originate or terminate within the state is well above the national average. For Wyoming the percentage was 77.1; South Dakota, 68.2; Montana, 62; North Dakota, 59.4; and Idaho, 53.2. The national median for states is approximately 45 percent. Clearly, trucking in our states is largely "long haul" and serving a national interest. Moreover, in Wyoming trucks account for 60 percent of current traffic on I-80.

Essential Service to Agriculture, Natural Resources, Energy

A significant portion of the economy in our region is based on agriculture, energy production, and natural resource extraction. Agriculture is one sector of the economy in which the United States has consistently run an international trade surplus, not a deficit. Over the last two decades roughly 30 percent of all U.S. agricultural crops were exported.

There is a strong national interest in ensuring that agricultural and resource products have the road network needed to deliver product to markets, particularly export markets. A key part of that network is the roads below the National Highway System, where crops and resources begin their journey from point of production to destination.

In addition, the ethanol and alternative fuel industry; the wind power generation industry; and oil, natural gas, and coal reserves are located mostly in rural America and not on Interstate highways. These industries are an important part of the national effort to reduce dependence on foreign oil. The roads that serve them need preservation and, in some cases, improvement.

Tourism Access

Without a strong road network in the rural West, access to many of the Nation's great National Parks and other scenic wonders would be limited. The residents of major metropolitan areas may travel the roads approaching Yellowstone National Park or the Mount Rushmore National Monument infrequently. But those citizens want quality highway access to these national treasures for those special trips. Millions of those special trips are made even though the roads leading to the parks are fairly distant from the Interstate System. For example, in 2009 recreational visitors to Yellowstone, Glacier, and Grand Teton national parks totaled nearly 8 million people. The entire population of Wyoming and Montana combined is less than 1.5 million. Moreover, investment in such highways also helps ensure that American and international tourism dollars are spent in America.

The Federal Highway Program Should Continue to Provide Funding for Interstates, the NHS, other Arterials, and Major Collector Routes

Under this long-standing statutory policy, approximately 24 percent of the Nation's over four million miles of public roads are eligible for Federal aid. This strikes a good balance, focusing the Federal program on the more important roads, but not on so few roads that connectivity and rural access are ignored. We emphasize that non-NHS Federal-aid roads are an important part of the network of Federal-aid routes. These roads make up approximately 20 percent of total road miles in the nation and carry over 40 percent of the traffic nationwide. These routes provide an important link between the NHS and the local roads where so many trips begin or end.

In many parts of rural America air service and passenger rail service are hundreds of miles away and not a viable option. For those parts of our country the road network is a lifeline, making it essential to preserve the Federal-aid network in good condition. Some of the citizens most in need of a lifeline of Federal-aid highways are among our nation's poorest and most remotely located citizens, including some living on Indian reservations.

Further, over the last two or three decades tens of thousands of rural rail branch lines have been abandoned. Over that time, Class I railroads have shed more than 100,000 route miles. While some former Class I miles are still operated by smaller railroads, many rural areas must rely more heavily on trucks for important commerce needs. In turn, that means the road network has become even more important in meeting those needs, such as delivering crops to grain elevators or moving raw products to, or finished products from, ethanol production facilities.

For these and other reasons, the extent of the road network eligible for Federal funding should not be reduced.

Safety Needs

There has been increased attention in recent years, including in SAFETEA-LU, to the national interest in improving safety on rural roads. More than two-thirds of all roads in the U.S. are located in or near areas with populations of less than 5,000. Approximately 70 percent of Federal-aid highway lane miles are in rural areas. A 2001 GAO Report found that, on rural major collectors, the fatality rate per 100 million vehicle miles traveled (VMT) was over three times the comparable fatality rate on urban freeways. The most important of these rural roads are eligible for Federal funding.

Continuing to provide Federal funding to rural states will enable them, in turn, to make investments that will improve safety on many rural routes.

Large Parcels of Federal Land Warrant Federal Transportation Investment in Impacted States

There are huge parcels of Federally owned land in the West. Idaho, for example, is over 60 percent Federal and tribal lands; Wyoming, over 50 percent; Montana, roughly one-third. California is over 40 percent Federal and tribal lands.

Development or use of Federal lands is either prohibited or limited, and state and local governments can't tax them. Yet, the nation's citizens and businesses want reasonable opportunities to access and cross those lands. This is an expensive transportation proposition for sparsely populated states. Significant investment of transportation dollars by the Federal government has been and remains a proper response, both in terms of apportionments to low population density states and in terms of direct Federal programs generally referred to as the "Federal Lands Programs."

Distinct from apportionments to states, the Federal highway program has long included separate funding for Indian Reservation Roads and highways on Federal lands and in national parks. These are lands with no private ownership (except perhaps small inholdings). While there are national parks, other public lands, and tribal territories throughout the country, it is fair to say

that the Federal public lands highway programs probably never would have been developed but for the large Federal and tribal land areas in the West. We were pleased that the Policy and Revenue Commission's report recommends continuation of Federal Lands highway programs. We agree; the Federal lands highway programs should be continued.

Public Transportation

We know the Committee has a multi-modal perspective, so we note that public transportation is not just for big metro areas. It plays a role in the surface transportation network in rural states.

The Federal transit program includes apportionments for rural transit. Federal investment in rural transit helps ensure personal mobility, especially for senior citizens and the disabled, connecting them to necessary services. Transit service is an important, often vital, link for citizens in small towns to get to the hospital or clinic as well as to work or other destinations. Some rural areas are experiencing an increase in the age of the population. Public transit helps senior citizens meet essential needs without moving out of their homes.

In short, Federal public transportation programs must continue to include funding for rural states and not focus entirely on metropolitan areas.

Additional Benefits

This national road network provides other benefits that may be hard to quantify. For example, without the option of using Federal-aid highways across the rural West and Midwest, rates for some air and rail transportation movements could be higher.

National Defense. One of the original reasons for the Interstate System was to support prompt movements of military personnel and supplies. Some military facilities are well outside metro areas and on roads off the NHS. A strong system of Federal-aid roads in rural areas, as well as metropolitan areas, continues to support efficient military movement and provides access to major Federal facilities in outlying areas, whether military or otherwise.

Funding and Financing Considerations

Rural States Face Serious Obstacles in Preserving and Improving the National Highway and Surface Transportation Network

Our rural states face a number of serious obstacles in preserving and improving the Federal-aid highway system within our borders. Our states:

- are geographically large,
- often contain large tracts of Federal lands,
- have low population densities, and
- have extensive highway networks.

Taken together, this means that, in our states, there are very few people to support each lane mile of Federal-aid highway. In South Dakota, for example, there are about 19 people per lane mile

of Federal-aid highway, in Idaho 60, in North Dakota 16, in Montana 29, and in Wyoming 29. The national average is approximately 129 people per lane mile. This alone indicates that our citizens have limited ability to pay for the national network connectivity that benefits the entire nation.

In addition, the per capita contribution to the Highway Trust Fund attributable to rural states generally exceeds the national average, as vehicle miles traveled (VMT) per capita in our states is also above the national average. In addition, rural states and areas generally have per capita incomes below the national average even as they make these contributions to the Highway Trust Fund. For example, the per capita contribution to the Highway Account of the Highway Trust Fund attributed to Montana is $151, compared to a national average of $114. This higher per capita contribution is made even though the per capita income in Montana is over $5,000 less than the national average.

These factors make it very challenging for rural states to provide, maintain, and preserve a modern transportation system that connects to the rest of the nation and to global markets and economic opportunities -- even with Federal funding at today's levels. And our citizens must contribute not just towards capital investment, which is partially funded by the Federal program, but also to maintaining Federal-aid highways, which is solely a state expense.

Accordingly, to achieve the important benefits of a truly national, interconnected highway and surface transportation system, the Federal highway program must provide substantial funding for the Federal-aid road network in rural states.

Our Needs Are Large, and Inflation Has Made it Much Harder to Meet Those Needs

We can assure the Committee that rural states' needs for highway investment and maintenance exceed available combined Federal, state, and local resources by a wide margin.

Program levels have not risen with inflation and, even with our efforts to be efficient, future needs are building up.

So, we are certainly supportive of increased funding for highway and surface transportation programs. Additional funding certainly would be promptly put to good use in our states.

Brief Comments on Legislative Issues

Let us turn now from discussing the importance to the nation of Federal surface transportation investment in rural states to how legislation might impact that national interest. There are many legislative issues we could note, but we will address just a few key points in this statement.

We approach all those issues with the understanding that the strong national interest in Federal surface transportation investment in rural states warrants states like ours participating at least proportionately in overall growth of the combined highway and transit programs. We fully recognize that others have important needs as well, but see the connectivity and other national interests advanced by surface transportation investments in our states as warranting our surface transportation programs growing at least proportionately with the overall funding in a

reauthorization bill.

Accordingly, we strongly support proportionate growth in the highway and transit programs. For example, AASHTO's policy supports a six-year highway program investment of $375 billion and a six-year transit program level of $93 billion. This is consistent with the relative ratio between the two programs at the close of SAFETEA-LU but would represent an increase in both programs. We support growth in both programs. We note that proposals to grow the highway and transit programs other than proportionately can have a significant impact on the relative distribution of funds among states (including political subdivisions) as many states, including ours, receive significantly different proportions of transit program dollars compared to highway program dollars. As we have noted, we believe that the strong national interest in Federal surface transportation investment in rural states warrants states like ours participating at least proportionately in overall growth of the combined highway and transit programs. All other things being equal, if the transit program were to grow faster, particularly much faster, than the highway program, it would be more difficult for us to meet national interest investment needs than would be the case given proportionate growth in the two programs.

The Highway Program Should Continue as a Federally Assisted State Program and Should Direct an Increased Percentage of Program Funds to the States Through Apportioned Formulas

Recently, state DOTs were roundly praised for their prompt work in delivering additional highway program funds provided by the economic recovery legislation. Despite increased recognition of that excellent performance by state DOTs, we have seen a steady stream of proposals that, in various ways, would reduce the state role in the program and distribute funds to or through other entities.

AASHTO has proposed that 90 percent of Federal highway program funds should be distributed to states by formula. That is a good goal.

Given that perspective, we have serious concerns with notions such as a $50 billion program of grants only to metro areas with populations of 500,000 or more and proposals to dedicate $25 billion to projects of national significance, defined as so large as to be effectively unattainable for our states and others. When the National Surface Transportation Policy and Revenue Study Commission suggested development of a metro mobility program, it was in the context of an approach that also included a separate rural access program. Yet we have seen suggestions for a large metro mobility program that would not provide funding for use within as many as 18 states -- while not also establishing a rural program. If the Congress is to move away from the proven approach of providing funding predominantly by apportioning funds to states, it should at least do so in a way that is balanced from an urban-rural perspective by providing for a rural program if there is to be a program for large metro areas.

Further, only so much funding will be available for the highway program in any new legislation. If large new elements are created within the highway program for which our states are literally or effectively ineligible, those new programs would absorb most of the funding growth and our states will experience little, if any, program growth. As a result, our rural states would not receive additional Federal funding needed for investments ensuring that people and commerce can move across vast distances, or ensuring that farm and other products get from source to

market, or meeting the many national interests that highways in our states serve. We don't see that as an outcome in the national interest.

Nor are we supportive of funding large new discretionary programs, rather than funding formula programs. We would prefer that increased funding be provided to highway formula programs, helping ensure that projects throughout the nation are advanced quickly. Discretionary programs inevitably are slower to put funding to work than formula programs -- not an ideal approach when it is essential to generate jobs promptly. We consider these concerns to be applicable to the proposed infrastructure bank/fund as well. The benefits of TIFIA type leveraging that could come from a bank type discretionary program might alternatively be achieved by allowing a state to seek a loan guarantee decision from USDOT and, if the request is approved, the state could transfer some of its apportionments to USDOT in support of the credit risk cost. Such an approach would provide the leveraging power of a Federal loan guarantee (a bank-like approach) while utilizing apportionments rather than discretionary programs.

While we strongly prefer formula to discretionary funding, we also note our specific concern that criteria for discretionary programs such as projects of national significance or an infrastructure fund will not provide much chance for rural states to participate financially. High dollar thresholds for projects, for example, are a major roadblock to the participation of rural states in such programs.

Avoid Program Complications and Increases in Regulatory Requirements

We hope that the next authorization bill does not make the Federal highway program more complicated. The current highway and transportation program is complex. We would like to see processes streamlined so we can deliver projects more efficiently.

We are concerned that the commendable effort to reduce the number of program categories (particularly the many very small programs or program set asides) would not provide hoped for benefits if the remaining program categories themselves include new complications.

Examples would include a reconstituted, combined Interstate Maintenance, Bridge, and National Highway System program that expands the scope and nature of current restrictions on increasing capacity. Adding turn lanes, passing lanes, or shoulders are improvements that might be thought of as capacity enhancing – but they are also important to safety. Proposals to restrict use of certain funds for capacity on NHS routes don't seem to have been developed for our states' circumstances, where many NHS routes are 2 lane highways. Capacity restrictions on key arterial routes in rural areas might inhibit safety improvements. We would prefer continuing the Interstate Maintenance, NHS, and bridge programs to an approach that nominally combines them into a single program but includes significant new restrictions and requirements.

We have similar concerns with suggestions that would not allow some funds to be used for reconstructing a road to greater than its original strength. If a road surface deteriorates from stress, why wouldn't one want to rebuild it to be stronger?

Compared to trying to unscramble such provisions, we urge consideration of continuing the NHS and increasing its share of highway program funding. That would properly emphasize ensuring

national connectivity and would also support freight movement. We also support increasing the base Federal share of non-Interstate NHS projects to 85 percent, to reinforce the importance of the NHS. These positive ideas are included in S. 309, introduced by Senator Baucus with a number of co-sponsors from our states.

Freight. As to freight, we strongly support a well functioning freight system and we certainly think we advance this goal in implementing the highway programs in our states. We are concerned that some language in one proposed approach to creating a new freight program element in the highway program would seem to require that all freight projects also be congestion relief projects. We would object to any such requirement. There are many types of projects that can assist effective freight movement, including improvements to routes in rural areas that help people and goods traverse long distances.

To better serve agriculture and the nation, projects that facilitate truck to rail transfers at grain terminals and other locations should be eligible for funding through formula programs. Freight bottlenecks in metropolitan areas and access to ports or other waterborne freight locations are not the only freight activities that should be eligible for funding.

Performance and Regulation. Another area where new requirements are being actively discussed concerns performance standards and targets. Performance measures are important, and we use them in our respective states. We believe, however, that national performance standards should be general in nature and that each state should be allowed to establish its own specific targets. We are concerned that "performance measures" legislation could, in practice, breed Federal regulations and processes that would restrict state choice and/or complicate and delay program implementation. Congress should recognize that state DOTs are already closely scrutinized by their legislatures, Governors, and stakeholders and are already doing what they can with available resources.

Flexibility, Not Requirements, Should be the Approach to Addressing Various Issues. We are aware of various proposals to address, in reauthorization legislation, climate change issues, the elusive concept of "livability," and proposed "complete streets" requirements. Our basic approach to addressing such issues is that, to the extent flexibility does not already reside in states to make investment decisions relevant to such matters, flexibility can be provided. But new requirements should not be legislated – or authorized.

Climate Change and Livability. Our states are very rural in nature and there is only so much we can do of a practical nature to promote new options or promote walking, bicycling, transit, and other efforts to stabilize, much less reduce transportation-related greenhouse gas (GHG) emissions. While large metro areas may be able to invest in such projects and attract users, our low population densities and cold weather limit the reasonable options for such projects available to us. So, among our concerns are that legislation in these areas should not force (or authorize a Federal agency to force) states like ours to undertake unrealistic efforts to reduce transportation-related GHG emissions -- especially at a time when funding is likely to fall short of meeting needs.

Complete Streets. Similarly, we do not support increased regulation through "comprehensive street design" and "practical design" provisions. Such proposals could significantly restrict state

flexibility, project design, and project selection by inviting significant new and prescriptive Federal regulation and potential litigation regarding issues such as whether states have "balanced" costs with the "necessary" scope of a project and adequately preserved "aesthetic resources" and "adequately" accommodated all users. Defining and interpreting such terms may broaden project scopes substantially and increase project costs while delaying project delivery. At most, states should have to consider such matters. USDOT should not be provided authority to order project redesigns through any such new substantive requirements.

We are also hopeful that the final legislation will not add to the list of conditions that could subject states to highway funding sanctions.

Conclusion

Strong Federal investment in surface transportation infrastructure in rural states is a prerequisite to moving people and goods throughout the country and is in the national interest, for the many reasons we have presented today. We consider it essential that surface transportation reauthorization legislation provide significantly increased Federal investment in highways and surface transportation, including for rural states. This would properly recognize that rural state highways are, and will remain, important to the national interest. By passing reauthorization legislation that maintains at least current overall program share for states like ours, without creating undue regulatory burdens, Congress will ensure that our states (as well as others) will be better equipped to help meet national interest surface transportation investment needs -- while generating jobs and economic growth. This approach will benefit not just residents of rural America, but also the citizens and businesses of our nation's more populated areas.

We (the transportation departments of Idaho, Montana, North Dakota, South Dakota, and Wyoming) thank the Committee for its consideration of our views.

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Senator INHOFE. If you would expand that so that we keep our books open for another 3 or 4 days so that if they wanted to respond in writing to the challenges we have been talking about, particularly unique funding mechanisms, they would be able to do that?

Senator UDALL. Without objection. That is so ordered. And we would welcome that kind of participation.

With no further business, the hearing is adjourned.

[Whereupon, at 11:20 a.m. the Committee was adjourned.]