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BEFORE THE
COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP
U.S. SENATE

HEARING ON

Need to Invest Federal Funding to Relieve Traffic Congestion and Increase Small Business Growth by Improving Our Roads and Bridges at the State and Local Level

JUNE 8, 2015

Chairman Vitter, thank you for the invitation to appear before you today in the State of Louisiana to discuss the importance of Federal transportation infrastructure investment in helping to relieve traffic congestion and improve our roads and bridges. A hearing on this topic is particularly timely, given the recent two-month patch Congress provided for surface transportation funding authorization on top of the short-term extension that preceded it. This continuing pattern of uncertainty has already caused several States to cancel or defer projects during the height of the summer construction season and has undermined the ability of States and localities to keep people and businesses at work building and repairing the Nation's roads and bridges.

President Obama has been very clear that increasing investment in the Nation's transportation infrastructure is a top priority—we need to invest more, not simply hold the line. That is why the President has laid out his vision for a six-year surface transportation authorization to spur further economic growth and give States the certainty needed to make sound, long-term investments that will create jobs. The Generating Renewal, Opportunity, and Work with Accelerated Mobility, Efficiency, and Rebuilding of Infrastructure and Communities throughout America Act, or GROW AMERICA, provides a comprehensive plan to repair and modernize the currently outdated highway infrastructure on which our Nation depends to move people and freight safely and efficiently. This proposal is fully paid for through existing revenues and by reforming the business tax system to help create jobs and spur investment while eliminating loopholes that reward companies for moving profits overseas.

IMPACTS OF UNDERINVESTMENT & DELAYED INVESTMENT

The costs of inadequate infrastructure investment are evident to all of us. Currently, our infrastructure is struggling to meet even our basic needs. Sixty-five percent of our roads are in less than good condition, and 25 percent of our bridges need significant repair or cannot handle current traffic demands. This is both an economic issue and a safety issue. In 2013, 32,719 people died on our Nation's highways. Such fatalities occur disproportionately in rural America, in part due to inadequate road conditions.

From the large shipper, to the commuter, to local businesses and service providers, Americans spend an estimated 5.5 billion hours in traffic each year, costing them more than \$120 billion in extra fuel and lost time. According to the *2012 Urban Mobility Report* from the Texas A&M Transportation Institute, data from 2011 indicate that travelers in New Orleans spent over 19 million hours in congestion delays and purchased an extra 9.4 million gallons of fuel, resulting in a cost of \$441 million; in Baton Rouge, travelers spent over 17 million hours in congestion delays and purchased an extra 10.2 million gallons of fuel, resulting in a cost of \$424 million. American businesses pay an estimated \$27 billion a year in extra freight transportation costs, increasing shipping delays and raising prices on everyday products for American families.

Additionally, the variation in travel time from day to day impacts not only commuting trips but is a significant concern of large and small businesses in all parts of the economy. Time spent on congested roads, especially when it is unexpected, can lead to missed job opportunities and lost income. According to FHWA's *2014 Urban Congestion Trends Report*, one measure of travel time reliability in urban areas in the United States with over 1 million in population indicated that travelers wishing to ensure an on-time arrival during peak hours would need to plan 88 minutes for a trip that normally would take 30 minutes if they wanted to account for the worst day of congestion during a typical month.

Worse still, the inability to pass a long-term surface transportation bill creates uncertainty for State and local project sponsors and inhibits their ability to plan effectively. Increasingly, we are seeing State and local officials abandon planning for the more ambitious and expensive projects that will move our national and regional economies forward. Instead, these officials are targeting available dollars on smaller preventive maintenance and repaving projects that, while essential, do not address the longer term needs for additional investment in transportation infrastructure capacity and quality. State and local officials are rightly concerned about continued short-term extensions of spending authority from the Highway Trust Fund—including now, when the construction season should be heading into full swing. We may not see it directly, but failure to act on a long-term bill is actually making investments in critical infrastructure more expensive—and more difficult—for all of our State DOTs.

THE NEED FOR BOLD INFRASTRUCTURE INVESTMENT

The need to invest in our transportation infrastructure becomes even more apparent when one considers not just the status of our infrastructure today, but where we are heading in the future. For a Nation that is expected to have 70 million more citizens by 2050 and a significant increase in the volume of freight traveling on our highways, railroads, and aviation systems, the current investments we put into our transportation system are inadequate to address these urgent needs.

Earlier this year, President Obama requested \$51.3 billion for FHWA in FY 2016, which is part of the proposed \$317 billion for FHWA over the six-year period of GROW AMERICA, to provide a sizeable boost in highway investment and address the Nation's critical needs across the highway network. This investment would help close what Secretary Foxx has described as an "infrastructure deficit" in this country—too many miles of road in need of repair, and too many bridges old enough for Medicare. It is the type of bold investment we need to make if we are going to meet the transportation challenges of the future and keep pace with our growing population while expanding the economy and creating jobs.

GROW AMERICA would build on reforms in the Moving Ahead for Progress in the 21st Century Act, or MAP-21, while proposing several new initiatives we believe are essential to the Nation's transportation infrastructure network. Highlights of the proposal include a strong commitment to the Department's number one priority, safety, with increased investment to continue to significantly reduce traffic fatalities and serious injuries on all public roads. The proposed Critical Immediate Safety Investments Program (CISIP) is part of the Administration's "Fix-it-First" initiative to focus on the reconstruction, restoration, rehabilitation, preservation, and safety improvement of existing highway assets. This program would dedicate needed resources to high-priority initiatives such as bridge repair and rehabilitation, safety on non-State roads, and bridge and pavement improvements on the National Highway System.

GROW AMERICA also would build on the performance-based planning framework of MAP-21 and the progress we have made to cut red tape and streamline project delivery. Further, it would provide dedicated funding for a multi-modal freight program to advance critically-needed projects to improve goods movement, economic competitiveness, and sustainability. GROW AMERICA also would: ensure we continue to invest in our Nation's most traveled highways, while allowing States and localities flexibility to focus funding on priority areas and areas of greatest need; provide incentives to States, MPOs, Tribal governments, and Federal agencies to improve strategic transportation investment decision-making; continue to invest in the TIGER and TIFIA programs; and improve the environment and provide the public with safe transportation choices, including access to transit as well as safe and connected bicycle and pedestrian networks.

We believe GROW AMERICA makes an important contribution to the reauthorization discussions taking place in Congress today. We look forward to continued work with Congress to ensure that our transportation infrastructure receives bold investment to address the needs of today and in the future.

INNOVATIONS AT WORK IN LOUISIANA

Achieving adequate and consistent funding is only part of the solution to the transportation challenges we face. We must modernize how we deliver projects and utilize technology and process innovations to make sure we get the greatest value for every dollar the public invests. We have made tremendous strides in this direction through FHWA's Every Day Counts (EDC) innovation initiative—a partnership with State DOTs and local transportation agencies. Launched in 2009 by then-FHWA Administrator Victor Mendez, now the Department's Deputy Secretary, EDC has succeeded under the leadership of FHWA Acting Administrator Gregory Nadeau, who has been the Agency's point-person in moving the initiative forward.

EDC is having a measureable effect on improving safety, shortening project delivery and encouraging the use of new technologies. The result is States and local agencies saving time and money that can be directed toward additional projects. Several process innovations, like Programmatic Agreements, were written into MAP-21. Technology innovations like Safety Edge and High Friction Surface Treatments are improving safety, and Accelerated Bridge Construction (ABC) is allowing bridges to be replaced in days, not months or years. Alternative project delivery methods, such as design-build, Construction Manager/General Contractor (CM/GC), and the use of alternative technical concepts, allow a project owner to evaluate new innovations, receive

constructability advice, and consider approaches to reduce time, cost, and overall risk in the construction of projects.

FHWA is pleased to report that Louisiana is utilizing several EDC initiatives effectively. For example, the Louisiana Department of Transportation & Development (Louisiana DOTD) has adopted a standard specification for warm mix asphalt (WMA) for use statewide. Warm Mix Asphalt is the generic term for a variety of technologies that allow producers of hot mix asphalt pavement material to lower temperatures at which the material is mixed and placed on the road. It is a proven technology that can reduce paving costs; extend the paving season; improve asphalt compaction; allow mix asphalt to be hauled longer distances; and improve working conditions by reducing exposure to fuel emissions, fumes, and odors. In 2012, over 2 million tons of WMA were placed on roads in Louisiana. Additionally, 25 of the 41 asphalt plants in Louisiana now have equipment for production of WMA.

The Geosynthetic Reinforced Soil–Integrated Bridge System (GRS–IBS) is an innovation that reduces bridge construction time and cost. Due to the ease of construction and the use of common, readily available equipment and materials, GRS-IBS projects can be built more quickly, which translates into reduced congestion around work zones. The Louisiana DOTD is constructing the Maree Michel and Creek Bridges in Vermillion Parish using this method.

Traffic incidents, including crashes, disabled vehicles, and debris on roadways create unsafe driving conditions, put motorists and responder lives at risk, and account for approximately 25 percent of all traffic delays. One of FHWA's EDC tools is a national, multi-disciplinary traffic incident management (TIM) process and training program for first responders. The TIM training focuses on response strategies that protect motorists and responders while minimizing the impact on traffic flow. The Louisiana DOTD developed an implementation plan for statewide deployment of TIM training. As of May 2015, the plan was being executed by approximately 190 TIM instructors across the State, and 3,000 personnel have attended the TIM training to date.

These are just a few examples of how Louisiana is using EDC tools to save time and money. Across the Nation, we see a real desire to look beyond "business as usual." This does not necessarily mean inventing the "next big thing"; instead, it often means taking existing tools and giving them a boost. FHWA continues to identify new innovations to champion and held a series of regional summits last fall to introduce a third round of EDC innovations. Each State has now selected innovations and begun deployment efforts. State Transportation Innovation Councils (STICs) that have been set up in 46 States, including Louisiana, are largely responsible for the evaluation of innovations and oversight of deployment efforts. The STICs encourage innovation and cooperation among a wide range of partners at the State and local levels and allow each State to customize EDC implementation to its own needs and challenges. Ultimately, the STICs are creating a national network to deploy innovation and get the most out of every Federal dollar.

Thank you again for the invitation to appear before you today on behalf of FHWA. We look forward to working with you and your colleagues in the weeks and months ahead to ensure we make the much-needed investments in our Nation's transportation infrastructure.

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