

*Comments of Bob Balgenorth*

*To Senator Barbara Boxer*

*Senate Environment and Public Works Committee*

*September 3, 2008*

Senator Boxer,

Thank you for this opportunity to discuss Federal transportation funding.

I am Bob Balgenorth, President of the State Building and Construction Trades Council of California. The Building Trades Council represents about 350 thousand unionized construction workers.

And I am here representing these workers, who hope to build a better and more efficient transportation system for California.

Making the right investments in transportation for 2009 and beyond is the key to creating and keeping good jobs, and is vital for our economy, our safety, and our quality of life.

Investing in transportation is important everywhere, but it is critical in California. Frankly, we have grossly underfunded transportation systems in California, and for the sake of our state, and our country, we just can't continue down this path.

National studies show that California has paid a high price for neglecting our transportation system. Of the 10 metropolitan areas ranked for the worst condition of the pavement in their roadways, six are in California. That means more delays, more wear and tear on cars, and more accidents.

As our roads have deteriorated, our economy has suffered, the movement of goods has slowed, we've lost jobs, and become less safe.

First, let's consider the movement of goods through California. This is a national issue. The quantity of goods that reaches this country through California's ports is staggering. The ports of Los Angeles and Long Beach combined are the largest port in the country. Each year, 500 billion dollars worth of cargo-- automobiles, furniture, apparel, electronics, bound for homes and businesses

throughout the country--arrives in America through these ports. But we're steadily losing our ability to move this cargo around. The American Association of State Highway and Transportation Officials has warned of a coming "Freight Tsunami" that will overwhelm our highways and become a huge barrier to trade and economic growth. A greater investment in transportation corridors that allows for the efficient movement of goods is urgently needed.

There is also a direct economic benefit from investment in transportation projects. The federal Department of Transportation has concluded that every billion dollars spent on transportation construction creates at least 30 thousand family-supporting jobs.

California is now in a recession, which has seriously impacted construction jobs. According to the state Employment Development Department, California has lost more than 80,000 construction jobs in the past year. This highway bill will do a great deal to help offset this loss.

Additionally, we can no longer rely on the gas tax to meet our needs. The state tax has been 18 cents a gallon since 1994. The federal tax has been 18.4 cents since 1993. Not only has inflation seriously reduced its value, but drivers are seeking greater fuel efficiency. As they buy fewer gallons of gas, they'll pay fewer dollars in gas tax.

So we will need a new, predictable, reliable source of revenue that will allow us to invest regularly in transportation over time. Fees linked to vehicle miles traveled may be one such option.

Doing nothing is not an option.

Although we are currently in a downturn, construction tends to occur in boom and bust cycles. So it's wise to make sure that highly skilled workers are ready to go when we begin to build. In the building trades, we have over 50,000 young workers training in our apprenticeships at any one time. California construction unions invest in excess of 100 million dollars a year to ensure that the next generation workers have the skills to build the highest quality projects. But now we're seeing a shortage of qualified people entering our apprenticeship programs, with math and the other skills they need. That's because schools no longer prepare kids for career paths outside of college.

So it would be wise, when drafting the highway bill, to include an element to provide funding to train the workers who will build the roads.

When we fail to invest in transportation, we harm our economy, and we harm people. A year ago, we were all saddened when an old bridge collapsed in Minnesota, killing 13 people. The Federal Highway Administration has called more than 1,600 bridges in California “structurally deficient.”

Furthermore, according to the National Highway Traffic Safety Administration, poor road conditions do more than damage to cars and increase costs. They contribute to a third of the nation’s traffic deaths.

And, as I mentioned earlier, the research group TRIP, The Road Information Project, concluded that six of the ten urban areas with the worst road conditions in the country were here in California. Those facts, and the certainty of future major earthquakes in California, need to be considered as we craft new transportation funding plans and proposals. Without new major investments in road safety, these problems will worsen, and more people will be hurt and killed, and our nation’s ability to move goods will be jeopardized. .

So in terms of jobs, economics, and public safety, California is in a class by itself. Failing to invest wisely in California will harm the delivery of goods and services throughout the country. It will cost us great middle class jobs, and make us less safe.

We should consider making best use of highway dollars by rewarding communities whose planning and housing practices lower the burden on our highways and reduce pollution. Those communities that make the best use of highway dollars should get priority for those dollars.

Investing in transportation now is an investment in our future economy, in jobs, in our quality of life, and in public safety.

Thank you again, Senator, for your interest in this critical matter, and this opportunity to address California’s transportation priorities.