

## DRAFT Speaking Points

My name is Pedro Orso-Delgado. I am the District Director of the California Department of Transportation, District 11. District 11 includes San Diego and Imperial counties. Thank you for the opportunity to testify before you today.

Caltrans has been working with a group of California transportation stakeholders to develop a set of principles that we believe should underpin the next authorization bill. Generally, we recommend that the next program should encourage performance and accountability standards to optimize transportation benefits to the public. Within this framework, we have reached consensus on the following seven principles for the next federal transportation program:

1. Ensure the financial integrity of the Highway Trust Fund.
2. Rebuild and maintain transportation infrastructure in a good state of repair.
3. Establish goods movement as a national economic priority.
4. Enhance mobility through congestion relief within and between metropolitan areas.
5. Strengthen the federal commitment to safety and security, particularly with respect to rural roads and access.
6. Strengthen comprehensive environmental stewardship.
7. Streamline project delivery.

I would like to highlight three areas that I believe will provide the most value to California.

The first step to achieving our vision for a new transportation program is to streamline funding and programming. Transportation funding is at a crossroads, as the revenue generators we've depended on for years are not keeping pace with demand. As vehicles rely less on gasoline and more on alternative fuel sources, the gas tax becomes a less productive source of income. We need

more consistent funding sources and we need to look at making funding decisions based on outcomes and performance measures.

This can be modeled after the Proposition 1B bonds approved by California voters in 2006. Governor Arnold Schwarzenegger's Strategic Growth Plan pyramid, included in my written testimony, outlines how these funds should be distributed and is based on the premise that investments in mobility throughout the system yield significant improvements in congestion relief. Projects should be evaluated based on their ability to improve performance on highly congested travel corridors and their ability to resolve safety problems.

I would like to see the new authorization bill simplify the funding process. There are more than 100 types of federal funding that may be used on any given project. We recommend reducing the number of federal fund types to just 3 or 4 programs that concentrate the funding in areas that contribute to economic growth. A forerunner of this approach is the FHWA "Corridors of the Future" program, which identified key strategic national corridors such as Interstate 5 and Interstate 15. The program committed resources to expedite the corridor design and streamline the funding and environmental processes.

Another change is to allow greater flexibility to mix funding from across all modes within the Department of Transportation on a single project. Most of the larger projects developed today cannot be solely classified as a transit, highway, airport or maritime project – they are hybrids. Breaking down these walls will allow us to build a comprehensive multimodal corridor that works as one interrelated system, and not several pieces that don't quite fit together.

The bill should focus on goods movement, which should be established as a national economic priority.

California is the gateway for approximately 40 percent of the products entering the United States. Annually, there is approximately 37 billion dollars in trade between the U.S. and Mexico through California ports of entry. However, an estimated 8.6 billion dollars in potential income to both countries is lost due to substantial border wait times because of inadequate border infrastructure and staffing.

The excessive wait times impact both countries economically and as well as environmentally due to truck idling. It is estimated that more than 74,000 jobs were lost last year due to border delays. This is equivalent to losing 4-and-a-half Google companies.

Traffic delays and economic losses are expected to double over the next 10 years, making it more important than ever to address the situation now. The Border Infrastructure Program in SAFETEA-LU is a good example of how federal funds were focused on projects that directly contribute to the economic benefit of the nation and the movement of goods across international boundaries. There is a need for 3 billion dollars of infrastructure improvements at the California-Mexico border.

A new federal program must examine and streamline the current processes to allow for more efficient and timely delivery of projects.

Under SAFETEA-LU there are many protections to ensure that transportation projects are in compliance with federal and state environmental laws. Some of the requirements of SAFETEA-LU, however, only add to reporting and procedural requirements. The requirements allow more agencies to be involved in the process through a mandated coordination plan, which is cumbersome and redundant and creates additional steps that delay projects.

SAFETEA-LU also complicates the “design at risk” process. It prevents “at-risk” design prior to the completion of the environmental document. The law ignores those circumstances where there is only one alternative selected or where all alternatives have overlapping design elements. In those cases, being able to perform “at-risk” design could drastically speed up the design process with limited risk to legal challenge.

There are some other cumbersome requirements that inhibit the environmental review process. In our written testimony, we provide you with examples of how these items may be delegated to Caltrans to help expedite projects.

I expect that it will be a very difficult process to fulfill these goals, but it is critical that we begin making the steps to do so.

Thank you.