



Written Statement for the Record

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Commissioner
Grant County, Oklahoma
on behalf of the National Association of Counties**

**For the Hearing
*“Oversight: Modernizing our Nation’s Infrastructure”***

**Before the
U.S. Senate Committee on Environment and Public Works**

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Chairman Barrasso, Ranking Member Carper and distinguished members of the Committee, thank you for holding today's hearing on modernizing our nation's infrastructure, and for inviting me to testify on behalf of the National Association of Counties (NACo).

The nation's counties play an essential role in America's transportation and infrastructure networks. Investing more than \$100 billion each year in roads, bridges, transit, water systems and other public facilities, counties facilitate everything from Americans' daily commutes to the shipping of goods around the globe.

We are responsible for building and maintaining 45 percent of public roads and nearly 40 percent of bridges, and are involved in the operations of a third of the nation's transit systems and airports that connect residents, communities and businesses. The decisions that county leaders make every day about transportation, land use and economic development influence local and national prosperity, shape how communities grow and contribute to Americans' quality of life.

My name is Cindy Bobbitt and I was elected to the Grant County, Oklahoma Board of Commissioners in 2004 and now serve as Chair of the Board. Additionally, I am on the NACo Board of Directors and also serve as the association's Central Region Representative, Vice-Chair of the Transportation Steering Committee and member of the Rural Action Caucus. I've also served on the Technical Oversight Working Group (TOWG) with the U.S. Department of Transportation's Federal Highway Administration Office of Safety.

In addition to my work as a county commissioner, my husband and I operate our family farm, that my husband's great grandfather Bobbitt staked in the Land Run of 1893. We raise wheat, feed grains, alfalfa and have a cow/calf operation. At the age of nine, I started driving a tractor for my dad on the family farm and I learned first-hand about work and moral ethics.

I am not your "typical" Oklahoma County Commissioner; I am only one of five women that serve as a county commissioner in Oklahoma out of the 231 county commissioners in the state—and I am strongly passionate about my county's infrastructure needs.

Grant County is a very rural county located approximately 120 miles north of Oklahoma City and serves a population of approximately 4,500. Our local economy has largely been based on agriculture and our principal crops include wheat, corn, soybeans, feed grains and alfalfa. We also have natural resources like oil and gas and produce livestock such as cattle, hogs and horses.

We are well known for our agricultural innovations, including our two wind farms and our new 120-unit car train loading facility, just opened in 2016, to transport grain across the country for export. Our trains stopped loading on side tracks in Grant County over 25 years ago, which forced us to ship all of our grains on the highways to terminals—taking a huge toll on our infrastructure. And although the unit trains have helped to address some of our shipping needs, our local roads are taxed more now than ever.

While we may not have the day-to-day congestion experienced by urban counties, our prolonged harvest season, which begins with planting as early as March and lasts through November with the final

harvests, creates great stress on our infrastructure network. Scores of trucks travel down our county roads every hour for days on end. While these roads were ideal for transporting livestock and crops to market 70 years ago, they are less than adequate to support today's heavier trucks, increased traffic demands and higher operating speeds.

Our county is responsible for a substantial amount of infrastructure. There are 1,920 public road miles that run through Grant County, 92 percent of which are owned and maintained by the county. Grant County alone has over 3,000 bridge or bridge-like structures, including 535 bridges captured by the National Bridge Inventory. This is a tremendous amount for only 4,500 residents to maintain.

Although we have the most bridges and fifth highest road miles in the entire State of Oklahoma, our county funding for infrastructure is ranked 63rd out of all 77 counties in the state. Funding for county roads and bridges continues to fall behind inflation costs. Every month, Grant County roads districts require more money in an effort to repair and maintain our county roads and bridges. Because of inflating costs for maintenance, there is less money available for improvements, such as rocking new roads or building new bridges.

Through my involvement in NACo and my experience serving in the leadership of the association's Transportation and Infrastructure Steering Committee, I can tell you that the experience of Grant County is not unique. Roughly two-thirds of the nation's 3,069 counties are considered rural with a combined population of 60 million. These rural counties face a number of challenges in providing adequate transportation infrastructure to meet the needs of our communities, regions and national economy.

A crucial component to any infrastructure plan for counties are municipal bonds with their tax-exempt status preserved. Municipal bonds finance a range of locally selected infrastructure projects and have a long history of low default rates. Between 2003 and 2012, counties, states and other localities invested \$3.2 trillion in infrastructure through long-term tax-exempt municipal bonds, 2.5 times more than the federal investment. In counties, the legislature of the county government has to approve a bond issuance, and often voters also approve the bond financing. Municipal bonds maintain a track record of low default rates, better than comparable corporate bonds. Any tax imposed on currently tax-exempt municipal bond interest will affect all Americans, as investors in municipal bonds and as taxpayers securing the payments of municipal bonds. Simply stated, the tax-exemption of municipal bond interest from federal income tax represents one of the best examples of the federal-state-local partnership.

The federal government is an important partner in addressing our nation's critical infrastructure challenges. At the local level, counties see the direct impact of federal investment—which helps us to not only move goods and people, but to drive our local economies.

Today, I would like to highlight some of the primary challenges facing transportation and infrastructure in rural counties and provide recommendations for ways Congress help us tackle these important issues.

Challenges facing rural counties and rural transportation infrastructure

First, rural counties are facing numerous challenges that strain local funding options.

Many of America's rural counties are experiencing declining populations due both to aging and younger residents seeking job opportunities in suburban and urban areas. Ongoing population losses reduce our tax base, which has a direct effect on our ability to fund infrastructure projects. At the same time, many rural areas still have thriving agricultural production, as well as strong manufacturing and value-added agricultural and natural resource industries.

Counties are further challenged because states are limiting our ability to raise revenue for capital projects. The main general revenue source for many counties are property and sales taxes. However, while counties in 45 states collect property taxes, under state law those counties can only keep about a quarter (23.7 percent) of the taxes collected.

Additionally, 42 states limit the authority of counties to raise or change property taxes. Only 12 states authorize counties to collect their own local gas taxes, which are limited to a maximum rate in most cases and often require additional citizen and/or state approvals for implementation.

For example, the State of Oklahoma limits a sales tax option for counties to two percent. Grant County, through the vote of the people, has approved a 1.25 percent sales tax, with 1 percent being divided between 12 entities for rural fire departments, ambulance services, sheriff department and emergency service with the other quarter percent for the Grant County fairgrounds improvement. None of these funds go to rural roads and bridges.

Furthermore, ad valorem taxes—also known as property taxes—in Oklahoma legally cannot go to fund any road and bridge infrastructure. Instead they go to support schools, jails, courthouses and health departments, just to name a few.

Limitations like these significantly impact counties' ability to effectively raise additional revenue to pay for services and infrastructure. Due to these state and local funding constraints, rural counties depend on a strong state and federal partnership to deliver transportation investments that are critical to our communities and national economy.

Second, rural counties are experiencing increasing and shifting demands on our transportation infrastructure.

Rural counties' economies are often built on a foundation provided by agriculture, manufacturing and natural resources. In Grant County, like in many rural counties, agriculture is the largest industry, generating \$96.8 million in economic output according to most recent U.S. Census data. Nationally, the three million road miles and 450,000 bridges in rural America play a critical role in the movement of agricultural products, manufacturing goods and energy resources from our communities to domestic and global markets.

Changes to the agricultural sector have increased the distance products have to travel in order to get from our farms to markets, which impacts our local economies and infrastructure. According to the U.S. Department of Agriculture's National Agricultural Statistics Service, between 2007 and 2012 the number

of farms in America decreased by over 95,000, accounting for a loss of over seven million farmable acres. In that same amount of time, the average size of the American farm increased by almost four percent. This shift means our country has fewer farms to help meet the increasing demand for agricultural goods - which now take longer to reach the consumer – directly impacting the cost of food while increasing the burden on rural infrastructure.

Unfortunately, rural infrastructure has become increasingly insufficient to accommodate the demands of these modernizing industries and higher yields of production. According to the Federal Highway Administration, 40 percent of county roads are inadequate for current travel and nearly half of the 450,000 rural bridges in America are structurally deficient.

In addition to agriculture, fast-growing energy industries like oil and gas put a lot of pressure on county transportation systems due to the rise in heavy traffic. For example, the energy boom in North Dakota caused traffic – especially heavy truck traffic – to rise by 40 percent. A 2012 assessment of North Dakota counties and other local road needs projected that the average number of daily truck trips on county roads in the four highest oil producing counties would increase 98 percent between 2012 and 2025. The roads used to access oil drilling areas were not built for heavy truck traffic, which damages existing infrastructure and reduces safety.

Almost all of our food, fiber and natural resources begin in rural America and are vital to support our communities and global economy. The development and maintenance of our rural infrastructure is critical to the security, health and well-being of our country.

Third, rural counties are combating rising costs of transportation projects.

In addition to facing growing demands for transportation investment and numerous limitations on local revenue sources, rural counties are encountering rising costs for transportation and infrastructure projects. Based on the American Road and Transportation Builders Association's highway construction price index, the cost of construction, materials and labor for highway and bridge projects increased 44 percent between 2000 and 2013, outpacing the 35 percent increase in general inflation.

In my county, we have seen a drastic increase in the cost of projects. Just a few years ago, Grant County could budget for a road reconstruction project at less than \$500,000 per mile. Today, that same project is estimated at \$1 million per mile. Less costing materials for roads, such as rock and shale, cost from \$40,000 to \$100,000 per mile but have to be replaced more often, all 100 percent financed by Grant County.

Our greatest challenge is ensuring that we can build and maintain a safe, efficient infrastructure system that allows Oklahoma and Grant County to remain competitive in an increasingly global marketplace. In reality, we need to be investing well above the current insufficient levels. A state or county just trying to stay afloat isn't going to be in a position to compete in the global economy against other entities or other countries that are rapidly increasing their infrastructure investment.

Recommendations to improve and strengthen our nation's rural infrastructure

Rural counties need a strong federal partner and an infrastructure program that supports the needs of rural America. Unfortunately, in addition to facing greater demands on our transportation infrastructure, the rising costs of projects further complicate these goals. Rural counties have experienced funding reductions at the federal level that further diminish our ability to deliver critical transportation and infrastructure projects.

In addition to developing a permanent funding fix for the Highway Trust Fund, we have some additional recommendations for ways that Congress and the administration can better support the infrastructure needs of rural America.

Congress should make federal highway dollars available for locally owned infrastructure.

Local governments own 78 percent of the nation's road miles, including 43 percent of federal-aid highways and 50 percent of the National Bridge Inventory. Many of these highway miles and bridges can be found in rural America. Not only do county roads, bridges and highways connect our counties and states, they serve as a lifeline for rural counties and our citizens, playing a critical role in the movement of freight and other goods and services to market.

It is important to note that this is not a rural versus urban issue. Investing in rural infrastructure creates a ripple effect that also benefits urban areas. Farmers and ranchers often have to avoid crossing rural bridges because of weight limits. These detours add miles and cost to trips, as producers move their grain and livestock to markets. In the end it adds cost to companies in urban areas and is passed on to you, the consumer.

Freight transport supports rural industries and provides a foundation for America's economy. Failure to adequately invest in the road and bridge infrastructure that supports freight transport puts rural economies and the national economy at a competitive disadvantage. The efficiency of the American freight system directly impacts our industries' ability to compete in export markets, with transportation costs being one of the most significant factors impacting our farmers' bottom lines. Inefficient and inadequate transportation infrastructure increases the prices that American consumers pay for goods, negatively impacts local economies, particularly in rural areas, and reduces U.S. competitiveness when exporting these products abroad.

While larger, urban areas are able to utilize more innovative funding and financing options including public-private partnerships, rural areas do not often attract that same interest from the private sector. Direct federal funding is a must for rural areas if they are to keep pace with the nation's food, fiber and natural resource demands. In the few instances where such a project would be explored, it is most important to note that even to take advantage and leverage low-interest financing through private markets, federal and state programs, federal funding is a necessity.

With federal funding become less and less, most rural counties are concentrating on maintenance and improvements to collector roads that service and ensure safe passage of school busses, rural mail carriers, police, ambulances, fire trucks, and other emergency services, just to name a few.

Increased federal funding to bridges off the National Highway System is critical to rural America.

The nation's more than 610,000 bridges are vital components of our transportation network that are in critical need of repair. According to the American Society of Civil Engineers Annual Infrastructure Report Card, one in nine of the nation's bridges are rated as structurally deficient, while the average age of the nation's bridges is currently 42 years.

The Federal Highway Administration (FHWA) estimates that to eliminate the nation's bridge deficient backlog by 2028, we would need to invest \$20.5 billion annually, while only \$12.8 billion is being spent currently. That almost \$8 billion shortfall has resulted in temporary fixes, project delays and a greater public safety risk.

Many of our bridges in rural America have already or are rapidly approaching their intended lifespan. We have larger vehicles travelling on them and at speeds faster than originally planned. Yet these bridges, especially in rural communities, are some of the most critical bridges for the movement of freight and providing vital connections for our citizens.

Nationwide, more than half of our National Bridge Inventory is considered "on-system" and more than half of those bridges are not on the National Highway System. Unfortunately, the amount of funding available for more than 75 percent of the nation's bridge inventory – specifically bridges that are not a part of the designated "National Highway System" (NHS) – has significantly declined over the last several years.

Prior to the passage of MAP-21, nearly \$6 billion was authorized annually for the Highway Bridge Program to support bridges on and off the Federal-aid Highway System (or "on-system" and "off-system" bridges), with no less than 15 percent of each state's apportionment being set aside for off-system bridges. MAP-21 eliminated the Highway Bridge Program, shifting the program's funding (with the exception of the off-system bridge set aside) to the National Highway system. This only supported projects on the NHS, which excludes 467,584 on and off-system bridges. Rural America struggled to make up the funding gap.

In 2015, the FAST Act made more federal-aid highway dollars available to locally owned highways and bridges. The bill also made strides to restore the overall funding for the Surface Transportation Program (STP) – now rebranded the Surface Transportation Block Grant Program (STBGP) and opened up the National Highway Performance Program (NHPP) to support all on-system bridges, essentially making an additional \$116.4 billion available to locally owned infrastructure. Counties appreciate these efforts in this regard to aid local governments address their bridge funding needs.

The FAST Act maintains the current off-system bridge set-aside, providing \$776.5 million annually out of the states' share of the STP program. The bill also allows for all on-system bridges to be funded through the NHPP program, which receives a total of \$116.4 billion from FY 2016 – FY 2020. In addition, the FAST Act expands and grows the STP program, providing additional funding for a wide variety of projects, including bridge repair, replacement and rehabilitation projects. Again, counties like mine are pleased Congress recognized the need to assist with these funding struggles.

In future bills, we urge Congress to make additional investments to leverage our state and local investments.

My county has extensive challenges with our bridges. Grant County alone has over 3,000 bridge or bridge-like structures, including 535 bridges captured by the National Bridge Inventory. It's hard to imagine, but we have almost as many bridges as we have people in our county.

In Grant County, of the 168 on-system bridges, 101 are the sole responsibility of the county. We are also solely responsible for an additional 367 off-system bridges. This does not even take into account over 3,000 other bridge-like structures in Grant County that we are also responsible for. Only 535 of our bridges are captured by the National Bridge Inventory.

Our roads and several of our bridges were built before the Model T, and although most of them are still working, large portions are structurally deficient. "Structurally deficient" means one component of a bridge—the deck, superstructure, substructure, or culvert—is rated in "poor" condition by the U.S. Department of Transportation's (DOT) National Bridge Index rating scale. A bridge can also be classified as structurally deficient if its load carrying capacity is significantly below current design standards or if a waterway frequently floods over.

In my 12 years in office I've overseen the construction of more than 30 bridges and rehabilitated over 20 bridges. And if we would have had the needed funding, those 20 rehabbed bridges would have been new bridges. We are doing all we can with the limited resources we have.

Our challenge moving forward is that we must build for the future, not the present. Twenty years ago counties were building 18 to 20-foot wide bridges; today we're building bridges 24 to 26-feet and some wider. New agricultural combines are 19 feet wide, tire-to-tire with 36 to 40 foot headers. We're seeing farm equipment get larger and heavier and the agricultural output is getting much higher. Legal weight limits on highways in 1923 was 28,000 pounds and in 1975 it was increased to 80,000 pounds, the same for today's standards. The same trucks and traffic that travels across the state highways also travels county roads.

Because the state of our bridges have had a detrimental impact on our commerce, our county commissions have worked to accelerate bridge replacement efforts through focused and concerted efforts with our state. In 2011, the Oklahoma Department of Transportation (ODOT) transferred 2,067 used beams from the deconstruction of the Cross Town I-40 bridge in Oklahoma City for repurposing on county bridges. The counties can see a savings of \$15,000 to \$40,000 per project with these beams. As of this date, 39 counties have requested 744 beams and have built 69 bridges.

Grant County received over 100 of the 2000 plus re-purposed bridge beams from the deconstruction—more than any other county in Oklahoma—and have built ten new bridges to-date using county funds. While we have the beams to complete more bridges, we lack the funds to move forward with the actual construction. The bridge beams account for approximately eight (8) percent of the total cost of a county built bridge; therefore, Grant County still needs funding for the remaining 92 percent to complete each bridge project. Similar examples can be found across the country.

Even with this progress and our best efforts to gain control of the bridge infrastructure deterioration curve, the conditional problems caused by inadequate transportation funding continue—and so many other rural counties find themselves in the same situation.

Increased focus on safety and high risk rural roads will help our communities

Safety is one of the greatest concerns for rural counties, with the fatality rate on rural roads being about 2.5 times higher than on urban roads, according to the Federal Highway Administration's Office of Safety.

According to the 2013 American Community Survey from the U.S. Census Bureau, 19 percent of the U.S. population lived in rural areas but rural road fatalities accounted for 54 percent of all road-related fatalities. This is due to a number of factors like the physical characteristics of our roadways, including capacity and condition; behavioral issues such as higher speeds, reduced seat-belt use, and higher rates of impaired driving; and longer emergency medical response times due to the distance between incidents, emergency responders and medical facilities.

In 2014, more than 16,000 people were killed on local roads across the U.S. — a fatality rate greater than 1.5 per 100 million vehicle-miles of travel, according to the National Highway Traffic Safety Administration. This is almost three times the fatality rate of the Interstate Highway System. Also in 2014, the overall cost of crashes on local roads was well over \$100 billion, accounting for fatalities, decreased quality of life due to injuries and economic costs (medical, insurance and property loss).

Recognizing this important issue, on July 13, 2015, U.S. Transportation Secretary Anthony Foxx signed a resolution reflecting the need to improve safety on county-owned roads and affirming that the U.S. Department of Transportation will work with the National Association of Counties (NACo) to improve road safety in America's communities. This resolution underscores the important role that local elected officials play in improving road safety in their communities and we hope to continue this work with the new administration.

An increased focus on high risk rural roads will help the health and safety of so many of our rural communities and decrease the number of fatalities on our roads

Federal support is needed for programs that allow counties to address mobility and infrastructure needs.

The aging populations and geography in rural counties create unique mobility challenges. In rural communities in particular, aging and disabled citizens can become extremely isolated and unable to access healthcare and other critical goods and services. One of the ways counties address the needs of our aging and disabled populations is through rural public transportation options. Rural public transportation systems provide both traditional fixed-route and demand response services in every state.

While my county does not have the resources for public transportation, one of my fellow counties has a great example of how they are addressing the needs of their community.

The Renville County (Minnesota) Heartland Express was established in 1996 due to the demand for transportation in their very rural community. With businesses closing, it has become harder for people to get groceries or go to a doctor without traveling a great distance. Renville County's fleet of seven buses takes children to and from school and daycare, connects workers with jobs and provides a means for elderly citizens to get groceries, access doctors and maintain social connections that are so critical to their overall welfare. Because of the vast geographic distance our public transportation systems have to cover and the growing population of transit dependent citizens, it is important to rural counties that Congress devote appropriate attention and resources for transit programs for rural public transportation.

Although my county does not qualify, there is another program that rural counties can benefit from—the Federal Lands Access Program (FLAP). FLAP supplements state and local resources for public roads, transit systems and other transportation facilities projects that provide access to, are adjacent to, or are located within federal lands, with an emphasis on high-use recreation sites and economic generators.

With 62 percent of the nation's counties having federal land within their boundaries, FLAP is meeting a critical need in rural counties. In general, very few federal programs support truly local roads but FLAP is an exception. Many of the counties that benefit from the program simply do not have the local resources to complete projects that are supported with FLAP funding.

Federal lands, such as national parks, often drive tourism and recreational activities that support rural economies. Quality infrastructure and mobility options are critical for supporting these industries and rural communities.

We urge Congress to increase the role of counties in statewide planning and project selection processes

With recognition that there are greater transportation needs than available funds, project selection and planning processes should prioritize investments that maximize the long-term benefits for communities and regions.

To help achieve greater performance and efficiency of our transportation system, local elected officials should have an elevated degree of involvement in decision-making processes. Local elected officials are well positioned to provide input on potential projects and their ability to support economic and community development.

For example, rural county officials can help identify efficient routes within rural regions that connect multi-modal freight facilities, agriculture and natural resource production and distribution centers. Thinking beyond the explicit benefits of transportation projects and better understanding their broader context and value through the lens of local leaders can maximize the effectiveness of federal transportation dollars.

In closing, any new infrastructure investments must recognize that transportation and infrastructure needs of rural counties are important to the nation's economy, public health and safety.

Improving the quality of transportation and infrastructure in rural America will not only result in benefits for rural counties like mine, but perhaps more importantly will improve the nation's overall infrastructure network, which serves as the foundation for our country's economy.

The federal government is an important partner in delivering locally-developed transportation and infrastructure projects. At the local level, counties need a reliable federal partner and long-term funding certainty to build, maintain and strengthen our infrastructure system.

Thank you again, Mr. Chairman and members of the Committee for the opportunity to testify today. I would be pleased to answer any questions.