

United States Senate Committee on Environment and Public Works Testimony:

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Transportation Funding and Program Priorities

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Chairwoman Boxer, Ranking Member Vitter, Senator Sanders, and members of the Committee, thank you for the invitation to appear before you today to hear key transportation funding and program priorities for small and rural states.

It is an honor to be able to testify before this committee to help inform the important work you do. In my short time here with you this morning I wish to emphasize three main points:

- The critical role the transportation system plays in the country's economic growth and the need to replenish the Highway Trust Fund (HTF) in a timely fashion;
- The unique situations facing small, rural states and the essential role they play in the national transportation network;
- The urgency to address the challenges of extreme weather and improve the readiness and resilience of the nation's transportation system to our changing climate.

Our economic growth and success depends upon having a 21st Century transportation infrastructure. At this time, as our country begins to slowly climb out of the Great Recession, we need to redouble our investment in a safe and reliable transportation system that supports all travel modes. That is why you have such an important job in continuing the progress of MAP-21 in the next reauthorization bill.

Vermont, like many states, is confronting the challenge of an aging and deteriorating transportation highway and bridge network. As required under MAP-21, we are measuring our system performance over time. While we have made substantial progress over the last five years, nearly 30% of our bridges are still structurally deficient, functionally obsolete or both,

and nearly one quarter of our roads are rated in "very poor" condition. We have huge funding needs to simply provide safe and efficient travel on our existing network.

Vermont is not alone. All state DOTs, and our private sector contractors, are extremely concerned about the pending insolvency of the HTF. Just the prospect of a slowdown in federal reimbursements for projects currently under contract is already causing some DOTs to mitigate their risk by delaying advertising and bidding for future capital projects. If the HTF is not replenished soon, these project delays will become cancellations. A national reduction of transportation projects this spring and summer will have an immediate and direct negative economic impact. Reducing or eliminating transportation projects translates into job losses in the construction industry. In a small state like ours, this can tip the balance on our fragile economic recovery.

On behalf of all my DOT colleagues and our partners in the construction industry, we encourage you to re-fill the Highway Trust Fund as expeditiously as possible.

Small states and rural areas are especially vulnerable to potential funding challenges, and this is already severely limiting our ability to maintain our transportation infrastructure. A 2012 analysis of Vermont's transportation funding showed that Vermont is annually \$240 million short of what is needed to maintain our existing system of roads and bridges. Moreover, our dispersed and aging population is an additional pressure as more Vermonters are dependent upon transit for basic travel to work and medical appointments.

Vermont is one of several states that recently raised its state gasoline and diesel taxes in order to stabilize our transportation budget. However, this increase in the tax rate was to make up for the years of revenue declines from reduced gas consumption arising from the improvement in vehicle efficiencies and the decline in vehicle miles traveled.

Our states may be small, but we have a significant role in the national transportation network. For example, the transportation networks in border-states play a vital role in national and global trade. Vermont provides essential corridors to our nation's largest trading partner, Canada, hosting two of New England's three interstate highways into Canada. Our highway network is an integrated system that ties the nation together.

All states continue to need the federal government to play a role in funding essential investments to sustain our national transportation system. MAP 21 provided the critical and historic federal support for state transportation systems and protected the needs of small states. We request that this approach continue in the next authorization. We also strongly support the continuation of MAP-21's focus on funding flexibility, performance measurement and innovation. Our state has benefited from all of these elements with our emphasis on accelerating project delivery. We know that government must innovate, strive for efficiency, and demonstrate that taxpayers are getting the best results for their investments.

Finally, I want to comment on the increasing challenges that severe weather is imposing on our state budget and transportation infrastructure. Centuries-old weather records are being regularly dashed. With numerous snow storms and federal government closures here in Washington, the winter of 2014 has broken records throughout the region. In Vermont, we have just finished clean up for the 92nd winter weather event – an all-time high – which, unfortunately, has also meant record-setting expenditures for plowing and salt use, a trend that has occurred throughout the Northeast. With the unprecedented freeze and thaw cycles, we anticipate the next challenge when our snow melts to be increased flood threats and a bumper crop of potholes to fix.

Across our nation weather patterns are changing. Severe weather and natural disasters and the tolls they carry continue to mount. According to the Department of Homeland Security, 2011 set many records, with 14 different natural catastrophes exceeded a billion dollars each, and a record-setting 98 presidentially declared disasters. 2011 was also the year of historic flooding in

Vermont from Tropical Storm Irene, a storm that ravaged our state. In one night, over 500 miles of roadway and 200 bridges were damaged or destroyed, and over 200 miles of railway were rendered impassable. Thirteen communities were totally cut-off due to flooding and infrastructure damage and 7 fatalities occurred due to the storm. In addition 1,200 homes were damaged, and 20,000 acres of farmland flooded and crops destroyed.

I helped lead our transportation agency's emergency response to Irene, and four months later was appointed by Gov. Shumlin to lead the state's disaster recovery. Transportation departments are finding themselves in unexpected leadership roles more as disasters strike – something I witnessed first hand when I lead a team from Vermont to support the Colorado DOT in the wake of historic flooding this past fall.

Irene taught us many lessons, one of which is that we are simply not well-prepared for the kind of weather that is predicted to continue and increase in the future. I saw in dramatic ways that when transportation infrastructure is destroyed, individual and community health and safety, as well as economic security, are all at risk. Our state's unifying mission was to build back stronger than Irene found us. Irene motivated us to push for greater resilience to our changing climate at the national level. Thanks to your help with federal funding support – particularly the FHWA – ER program – we are in a strong recovery.

The more intense and severe weather requires that we think differently about the ways in which we plan, design, and construct transportation infrastructure. In addition to increasing our efforts to reduce our carbon emissions from the transportation sector, we must begin to plan for and build a more resilient infrastructure to better withstand future storms. Resilient infrastructure will not only protect human safety, it will reduce the future costs associated with rebuilding inadequate infrastructure that is repeatedly destroyed in storms. It is critical that research and investment in resilience be included in the next transportation reauthorization bill as both a national goal and a funding priority.

In sum, the Transportation Reauthorization Bill offers us an extraordinary opportunity to ensure the country's continued mobility, trade and economic prosperity while also addressing many pressing issues in our nation. This legislation can modernize, strengthen, and integrate transportation systems that connect rural residents, communities and commerce. A properly funded transportation system translates directly into jobs and a strong national economy. In order to ensure the viability of small state and rural area transportation systems, we need to ensure sustained, long-term HTF funding. Finally, we must begin to address the very serious implications of our changing climate, become better prepared for future storms, and develop greater resilience to withstand and rebound from future extreme weather events.

I know you have a huge task in front of you and I wish you the best in your efforts to maintain and improve our nation's transportation system. Thank you.