

## Table of Contents

U.S. Senate Date: Wednesday, March 6, 2019

Committee on Environment  
and Public Works Washington, D.C.

STATEMENT OF:	PAGE:
THE HONORABLE JOHN BARRASSO, A UNITED STATES SENATOR FROM THE STATE OF WYOMING	3
THE HONORABLE THOMAS CARPER, A UNITED STATES SENATOR FROM THE STATE OF DELAWARE	7
PATRICK McKENNA, VICE PRESIDENT, AMERICAN ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS AND DIRECTOR OF THE MISSOURI DEPARTMENT OF TRANSPORTATION	13
STEVEN DEMETRIOU, CHAIRMAN AND CEO OF JACOBS ENGINEERING GROUP, ON BEHALF OF THE BUSINESS ROUNDTABLE INFRASTRUCTURE COMMITTEE	18
MICHAEL REPLOGLE, DEPUTY COMMISSIONER FOR POLICY, NEW YORK CITY DEPARTMENT OF TRANSPORTATION	24

HEARING ON THE ECONOMIC BENEFITS OF HIGHWAY INFRASTRUCTURE  
INVESTMENT AND ACCELERATED PROJECT DELIVERY

WEDNESDAY, MARCH 6, 2019

U.S. SENATE

Committee on Environment and Public Works

Washington, D.C.

The committee met, pursuant to notice, at 10:05 a.m. in room 406, Dirksen Senate Building, the Honorable John Barrasso [chairman of the committee] presiding.

Present: Senators Barrasso, Inhofe, Capito, Braun, Rounds, Sullivan, Boozman, Ernst, Carper, Cardin, Whitehouse, Booker, and Van Hollen.

STATEMENT OF THE HONORABLE JOHN BARRASSO, A UNITED STATES  
SENATOR FROM THE STATE OF WYOMING

Senator Barrasso. I call this hearing to order. Today, we will discuss the economic benefits of highway infrastructure, and ways we can accelerate project delivery.

It is no secret that our economy relies heavily on the well-being of our Nation's roads and bridges. In 2015, the U.S. transportation system moved a daily average of about 49 million tons of freight that was worth more than \$52 billion. Annually, that is around 18 billion tons of freight valued at over \$19 trillion and these numbers are only going up.

According to the Department of Transportation, by 2045 our aging roads and bridges will carry an additional 4 billion tons of freight every year. Our Nation's highways must keep pace.

The authorization of federal highway funding will expire in September of next year. The Congressional Budget Office projects that the Highway Trust Fund will become insolvent sometime in 2021. It is essential that Congress invests in our infrastructure and specifically our surface transportation.

That is why we must pass a multi-year reauthorization of the highway funding bill that is on time and fiscally responsible. If Congress fails to act, States and local governments will not have the funding certainty they need to plan and deliver vital infrastructure projects for the American

people. Our highways, our roads and our bridges would struggle to keep pace with our growing economy.

Last November, we kicked off the process with a hearing to gather stakeholder input. In January, we held a hearing to consider the nomination of Nicole Nason to be Administrator of the Federal Highway Administration. One week later, we favorably reported her nomination out of committee and to the floor.

The Federal Highway Administration will need a strong Administrator to work with Congress on the development and implementation of highway infrastructure legislation. It has been now over a month since we reported her from this committee. As with so many of the President Trump's nominees, the process is taking too long. We need Ms. Nason confirmed and in office.

Last month, Ranking Member Carper and I began asking Senate offices for their priorities for a highway infrastructure bill. As this bipartisan process continues, we must find ways to increase the effectiveness of federal investment, so communities can feel the economic benefits faster.

Maintaining the federal highway program's current approach of distributing funds to the States by formula is key. Using the formula-based approach expedites the delivery of infrastructure spending. It is an approach that works and should be continued.

Another way to make federal highway dollars more effective is to speed up project delivery, which I believe can be done without sacrificing environmental safeguards. As States and towns wait to get permits and approvals from Washington, valuable time is wasted and costs for projects go up.

It should not take years to permit projects that take only months to complete. In order to truly benefit the economy, highway infrastructure legislation must address the needs of rural America, as well as urban America.

Rural roads are vital to bringing raw materials and products from the heartland to the coasts. We all buy and use goods that are transported on our Nation's highways through rural States and communities.

Federal highways like I-80 run coast to coast, bringing these goods and services across America. This includes the stretch of I-80 that runs through my home State of Wyoming. We must maintain and improve the highways that crisscross our rural States to keep vital arteries of national commerce open.

Our transportation infrastructure provides a firm foundation for our economy. As we will hear today, better highways, roads and bridges across America strengthens that foundation. I look forward to working together in a bipartisan way to pass a highway infrastructure bill that will deliver real economic benefits for the American people.

I would now like to recognize Ranking Member Carper for his remarks.

[The prepared statement of Senator Barrasso follows:]

STATEMENT OF THE HONORABLE THOMAS R. CARPER, A UNITED STATES  
SENATOR FROM THE STATE OF DELAWARE

Senator Carper. Thank you for recognizing me, Mr. Chairman. We welcome our witnesses.

Before I give an opening statement, you mentioned Nicole Nason, who has been nominated and I think is a very good nominee for Federal Highway Administrator. Last month, we submitted some questions for the record. We are waiting for her to finish those and soon as we have those responses, I suspect we will move forward quickly. I will be happy to work with you and move that nomination. We need to get her into her job.

There used to be a governor from Ohio named Jim Rhodes. I was a Navy midshipman at Ohio State in the late 1960s. He was governor for eight years. He sat out for eight years and ran again. He was governor for eight years. He sat out and then he ran again and he almost did it again.

It was pretty amazing, but when he would give his State of the State address, he would mention the word jobs a whole lot. The folks in the reporting pool actually would take dibs on how many times he was going to say it. He would say jobs 30 or 40 times in one speech.

Not just because of that, but I have always been focused on jobs and how to create jobs. In our business, we do not create jobs, as you know. We create a nurturing environment for job

creation. A big part of that is the ability to get people and goods where they need to go when they need to go. This is an important hearing with that in mind.

People ask me what I like most about my job. I say, I like getting things done. They say, you must be really frustrated. Some days, I am. In this committee, we actually do get things done. We are looking forward to building on what we did last year, water infrastructure. We are looking forward to doing something equally substantial on surface transportation this year.

I think as we work to achieve that goal, I believe we have to acknowledge three important facts. One of those is the number one way to accelerate projects, quite simply, is to pay for them. Second, while the level of investment is critical, we also need new thinking as to how we invest and which innovative solutions will truly improve outcomes.

Third, perhaps most important, the benefits of highway infrastructure investment will be impeded, if not downright nullified, if we do not address the threats of climate change and extreme weather events that are increasingly disrupting our Nation's transportation system.

Let me speak first about project delivery and funding. Today, over 95 percent of highway projects are categorically excluded from review under the National Environmental Policy

Act, NEPA. I will say that again, over 95 percent of highway projects are categorically excluded from review under the National Environmental Policy Act, NEPA.

Moreover, the highway bill passed out of this committee in 2005 had 10 environmental streamlining provisions for highway projects, the highway bill in 2012 had 23 environmental streamlining provisions for highway projects, and the highway bill in 2015 had 18 streamlining provisions for highway projects, and an additional 10 environmental streamlining provisions for large infrastructure projects.

While I will consider all ideas fairly, as I always do, let me be absolutely clear: I will not support legislation that weakens environmental protections in the name of accelerating transportation project delivery. Sometimes it seems that the focus on cutting environmental protections is a way to avoid talking about the 800-pound gorilla in the room, which is our funding shortfall. We have a deficit in the Highway Trust Fund that is \$13 billion per year, and growing.

Despite spending more than we collect, we still are not spending enough to make a dent in the \$800 billion backlog of investments needed to merely improve our highways and bridges. We also need to look beyond the total level of investment, and think about the transportation goals we are trying to achieve. For instance, despite increasing spending every year, our safety

outcomes continue to be dismal, with more than 37,000 Americans killed on our roads last year, a lot of them were pedestrians.

As we begin to work on the surface transportation bill, we are looking for opportunities to address these challenges and support a new vision for a 21st century transportation system. One critical element of that vision is addressing the global emergency of climate change. The transportation sector is now our Nation's largest contributor of greenhouse gas emissions. The bulk of it these days comes from cars, trucks and vans. To reduce those emissions, federal policy can, and should, encourage the purchase of electric or alternative fuel vehicles through tax policy, as well as through funding for fueling and charging infrastructure.

Finally, we must ensure that we are planning and designing transportation systems that are sustainable and resilient to increasingly severe weather and extreme weather events. Nearly two years ago, the Rocky Mountain Institute published a report that said installing electric vehicle charging infrastructure should be, "an urgent priority in all States and major municipalities. The time to act is now." I agree.

Later today, I will introduce the Clean Corridors Act of 2019. This legislation would provide grants for the installment of electric vehicle charging infrastructure and hydrogen fueling infrastructure along the National Highway System. Even better

yet, this legislation will help us in our efforts to put the United States back in the driver's seat of the world's clean energy economy, while creating green manufacturing jobs here at home.

I am confident we can pass this bill, as well as surface transportation reauthorization into law. If we are able to address climate change, encourage innovation and produce a sustainable source of funding, let me repeat that last one, produce a sustainable source of funding, then we will have achieved a great victory for the American people.

I think we can, and I am very much hopeful that we will.

Thank you so much. Welcome.

[The prepared statement of Senator Carper follows:]

Senator Barrasso. Thank you very much, Senator Carper.

We have three witnesses who are here to testify. We welcome all of you. We have Patrick McKenna, Vice President, American Association of State Highway and Transportation Officials and Director of the Missouri Department of Transportation.

We have Steven Demetriou, Chairman and CEO of Jacobs Engineering Group, testifying on behalf of the Business Roundtable Infrastructure Committee.

We also have Michael Replogle, the Deputy Commissioner for Policy for the New York City Department of Transportation.

I welcome all of you. I would like to remind you that your full written testimony will be made a part of the official hearing record. Please keep your statements to five minutes so we may have time for questions. We look forward to hearing from you.

Mr. McKenna, please begin.

STATEMENT OF PATRICK McKENNA, VICE PRESIDENT, AMERICAN  
ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS AND  
DIRECTOR OF THE MISSOURI DEPARTMENT OF TRANSPORTATION

Mr. McKenna. Chairman Barrasso, Ranking Member Carper, and members of the committee, thank you for the opportunity to discuss the benefits to our citizens from infrastructure investments and speedy project delivery.

My name is Patrick McKenna. I serve as Director of the Missouri Department of Transportation and Vice President of the American Association of State Highway and Transportation Officials.

Today it is my honor to testify on behalf of the great State of Missouri and AASHTO, which represents the transportation departments of all 50 States, Washington, D.C., and Puerto Rico. We spent the past century building our Nation's transportation infrastructure. Once a model of innovation, achievement and progress, our current transportation system is in dire need of attention and investment.

Our focus today must be on restoring our network of interstates, roads and bridges to useful condition, ensuring they provide safe and reliable service to the American people. Looking forward, we must seek and implement innovation to operate the transportation system more safely, reliably and with less environmental and community impact. AASHTO and its member

DOTs welcome discussions related to an infrastructure initiative and the reauthorization of the federal surface transportation bill.

As this committee continues its work, please consider the tangible benefits of improving our highways both in the short and long term; the importance of the formula-based highway apportionments to States; and accelerating project delivery and improving our environment through assignment of federal authorities to States. State DOTs appreciate your leadership in passing the FAST Act in 2015. Prior to the FAST Act, there was federal funding instability and Missouri was in the difficult financial position of considering abandoning maintenance on 26,000 of our 34,000 miles of roadways.

Since passage of the FAST Act, Missouri has increased our capital budget by \$3 billion over five years. We live in a market-based economy where the supply and demand for goods and services are typically determined through very clear price signals. You know exactly what a gallon of milk costs and what you pay for electricity.

Unfortunately, for use of the transportation system, there are no similar price signals. The place to start this conversation is to recognize we need to do a better job communicating both the costs and benefits related to the uses of our transportation system.

The Federal Highway Administration estimates that each dollar spent on road and bridge improvements results in a benefit of \$5.20 from reduced vehicle and system operating costs and reduced emissions from improved traffic flow. Perhaps most importantly, according to a Federal Highway Administration study, \$100 million spent on highway safety improvements will save 145 lives over a ten-year period.

To demonstrate the purpose and urgency of transportation investment and the call to action for Congress, please consider a single bridge in central Missouri, the Rocheport Bridge. The bridge is 60 years old and needs to be replaced.

MoDOT has programmed only \$14 million for rehabilitation as the only option due to funding constraints. Replacement is estimated to cost well over \$200 million. Traffic models predict that rehabilitation would close lanes on Interstate 70 for seven to nine months with three- to eight-hour backups.

Commercial traffic traveling over the Rocheport Bridge touches every part of the continental U.S. within 72 hours. This bridge demonstrates the nationally impactful nature of strategic investment in seemingly local transportation assets. I would be remiss if I did not raise the issue of the \$7.6 billion rescission of unobligated highway contract authority to take effect on July 1, 2020 and urge its elimination.

Progress has been made toward the goal of streamlining

environmental reviews for transportation projects. However, the environmental process is still too long and costly. The most persistent difficulties arise from interaction among NEPA and other federal environmental laws.

Several States are participating in the NEPA Assignment Program made available to all States in MAP-21. Changes that will make this program both more efficient and attractive to interested States include simplifying the assignment application and audit process, allowing States in this program to be solely responsible for the development of their policies so long as federal laws and the USDOT requirements and guidance are met, and adding NEPA assignment authority to Title 49.

Another streamlining measure is to authorize any federal agency to apply a categorical exclusion that has been adopted by any other federal agency which would make CEs interchangeable among all federal agencies. No matter what we might think, we cannot streamline our way into providing a safe and sound transportation system. We cannot cut our way to buying steel, concrete, asphalt, equipment and labor. We must work together to move transportation funding and policy in the direction of providing safety, service and stability to all.

Thank you again for the honor and opportunity to testify today. I am happy to answer any questions.

[The prepared statement of Mr. McKenna follows:]

Senator Barrasso. Thank you so very much, Mr. McKenna.  
Mr. Demetriou.

STATEMENT OF STEVEN DEMETRIOU, CHAIRMAN AND CEO OF JACOBS  
ENGINEERING GROUP, ON BEHALF OF THE BUSINESS ROUNDTABLE  
INFRASTRUCTURE COMMITTEE

Mr. Demetriou. Good morning, Chairman Barrasso, Ranking Member Carper and members of the committee. Thank you for inviting me to testify on the economic benefits of infrastructure investment.

At Jacobs, the 80,000-person professional services firm that I lead, we are working every day throughout the United States and around the world to solve complex infrastructure challenges, transform government and business operations, and, very importantly, to enhance communities.

I am here on behalf of the Business Roundtable, an association of CEOs of American leading companies working to promote a thriving U.S. economy and expanded opportunity for all Americans. At the Business Roundtable, we believe that infrastructure is critical to a modern, competitive economy. Appropriate investment in infrastructure creates near-term and long-lasting benefits.

At Jacobs, we have seen these benefits, in fact, firsthand right here in Washington, D.C. with the \$390 million 11th Street Bridges Project over the Anacostia River. Jacobs led the environmental and preliminary design work for these bridges crossing the southeast, southwest and Anacostia freeways.

For decades, drivers were forced onto neighborhood streets to compensate for missing links between these highways. This restricted movement to local workplaces, schools and stores and discouraged economic development. Ultimately, the completion of this project improved traffic flows, connected communities, triggered billions of dollars of private investment in mixed-use development and resulted in new jobs, enhanced social and economic growth on a local and regional level.

For decades, America set the global standard when it came to transformative infrastructure. Yet, while the benefits were clearly tangible, our national commitment to investing in infrastructure has more recently diminished.

As a business leader, it concerns me that the U.S. spends a smaller share of GDP of infrastructure than all but two G7 countries. From 2003 to 2017, U.S. public infrastructure spending fell by a staggering 80 percent.

Forty-four percent of America's major roads are in poor or mediocre condition. Twenty-three percent of our bridges are either structurally deficient or functionally obsolete. Because of inadequate infrastructure, American businesses incur nearly \$27 billion in extra transportation costs each year.

Business Roundtable recently completed a study that quantifies the benefits of returning our infrastructure to a state of good repair and expanding it to meet the demands of a

growing economy. Let me highlight a few key findings.

First, every \$1 invested in infrastructure can return roughly \$3.70 in additional economic growth over 20 years. Think about that for a moment, a four to one ratio representing an extraordinary return on investment. The additional infrastructure investment will create 1.1 million new jobs over the next decade and boost wages. The average American household will gain \$1,400 in disposable income every year for an increase of more than \$28,000 over 20 years.

Investing in infrastructure will increase real GDP by nearly \$6 trillion over the next two decades. Every State will experience positive impacts on employment, household incomes and economic growth. This will also deliver benefits across economic sectors from farming, insurance, mining, to manufacturing. This is why it is so important to increase investment in federal trust funds, especially the Highway Trust Fund where additional revenue is needed just to keep the fund solvent at current baseline spending levels, excluding critical future needs.

In addition to infrastructure funding, we must also streamline the permitting process. Although the Business Roundtable study did not examine the effects of permitting reform, we know that red tape increases project costs and delays. Streamlining the regulatory process is essential.

A great recent example of successfully streamlining the permitting process is the I-25 Gap Project in Colorado which connects Denver and Colorado Springs, the State's two largest employment centers. The project used permitting reforms, including the FAST Act, among others, to achieve an unprecedented delivery schedule, completing the long-range planning process through NEPA to the start of construction in less than two years.

This is why Business Roundtable supports the Administration's One Federal Decision policy. It encourages you to codify the two-year deadline to reach a single decision on all proposed infrastructure projects.

Finally, we also need to modernize America's infrastructure through adaptive technology and innovation. At Jacobs, we are providing the value of new technologies for transportation infrastructure every day. In fact, we are working with Los Angeles County to pilot connected vehicle technologies that would reduce traffic congestion along an interstate corridor that is crucial to international trade. In another example, we are partnering with Florida's Turnpike Enterprise and Florida Polytechnic University to create a test facility to demonstrate the resiliency of driverless vehicles in simulated conditions of rain, fog and smoke.

The need for action is clear. The benefits are profound.

An investment in infrastructure is an investment in the future. Business Roundtable is committed to working with Congress to advance policies that will modernize U.S. infrastructure to support economic growth and expand opportunities for all Americans.

Thank you, Mr. Chairman, for the opportunity to testify. I look forward to your questions.

[The prepared statement of Mr. Demetriou follows:]

Senator Barrasso. Thank you so very much for your testimony.

Mr. Replogle.

STATEMENT OF MICHAEL REPLOGLE, DEPUTY COMMISSIONER FOR POLICY,  
NEW YORK CITY DEPARTMENT OF TRANSPORTATION

Mr. Replogle. Good morning, Chairman Barrasso, Ranking Member Carper, and members of the committee.

On behalf of Mayor Bill de Blasio and DOT Commissioner Polly Trottenberg, thank you for inviting me here to share our perspective on how federal transportation investment could better support sustainable development across America drawing lessons from New York's experience.

We urge Congress to boost federal funding for transportation infrastructure and to increase public transportation capital investment grants while ensuring competitive grant programs like BUILD are not largely directed away from urban areas. We urge support for new flexible funding for safety initiatives, for the redesign of streets to accommodate multiple travel options, and to safeguard transportation assets against extreme weather.

New York has been a U.S. lab for many of these approaches. Our officials realized 40 years ago that we could not solve congestion or support economic growth by continuing to expand New York City highways.

Since then, we have focused on improving highway operations, maintenance, management and safety, improving subways and commuter rail and investing in strategic transit

expansions. This was not only smart economic policy. By relying on multimodal systems, we also slashed traffic fatalities, air pollution and greenhouse gas emissions.

Key to New York's success has been a focus on making it more attractive to walk, bike and take public transportation. We have begun to cut excessive traffic speeds, enhance enforcement and strengthen safety ethics. This has led to remarkable accomplishments other communities could learn from.

Since 2013, U.S. pedestrian deaths are up 30 percent and overall traffic deaths are up 13 percent. In New York City, on the other hand, we have cut both of these by more than one-third to the lowest levels in a century.

My testimony outlines multiple steps Congress should take to improve traffic safety, including allocating funds directly to local governments and metropolitan planning organizations for traffic safety activities.

Turning to climate change, the transportation sector's carbon footprint is substantial and growing, over 28 percent of total U.S. greenhouse gas emissions. New York City recognizes global climate change as an existential threat and is taking action by cutting emissions.

The City is investing over \$10 million in fast charging hubs. We are expanding our fleet of 1,300 electric municipal vehicles. We are partnering with utilities and the tech

industry to develop solutions to take electric vehicle charging to scale.

Congress should take a number of steps to address climate change. Halt the phase-out of federal tax credits that incentivize the purchase of electric vehicles. Support smart electric vehicle charging infrastructure. Ensure that federal, State and local infrastructure investments are designed and evaluated to take account of the latest anticipated forecasts for sea level rise, rainfall and flooding. Restore and strengthen FHWA's recently rescinded greenhouse gas rule that was designed to support State and local cooperation on climate mitigation plans to avoid wasting taxpayer dollars.

Lastly, I want to address project delivery. While federal support for our investments is essential, federally funded transportation projects do often take longer to complete due to requirements administered by multiple agencies under dozens of statutes.

Expedited delivery need not and should not undermine important environmental safeguards and protections. A good first step would be to enhance local authority by increasing federal funding directly available to cities.

FHWA should adopt a direct aid model that resembles the FTA process by granting self certification and delegation of design authority directly to localities; streamline permitting and

reviews by developing concurrent permit processing guidelines; require States and large localities to develop programmatic agreements between relevant State, federal and local resource and transportation agencies to cover routine permitting for common activities with triggers for more in-depth review where warranted.

While I have highlighted a number of policy ideas just now, my written testimony offers additional details on the initiatives mentioned here today.

In conclusion, this Congress has an exciting opportunity to rethink how the Federal Government supports the massive infrastructure needs of cities and other communities across the Country. I appreciate the opportunity to speak with you today regarding New York City's views and I am happy to answer any questions.

Thank you.

[The prepared statement of Mr. Replogle follows:]

Senator Barrasso. I am grateful for the testimony of all of you. We are going to go to a round of questioning.

Senator Inhofe, I know you have a pressing matter so I would like to turn to you first.

Senator Inhofe. Thank you, Mr. Chairman, for allowing me to go out of turn.

I wanted to do it because there are two things I want to emphasize. You have done a pretty good job of emphasizing, Mr. Demetriou, but it is worth repeating.

You hear the word investments all the time. Every big spender around, every big spending program, you never hear the word spending, you never hear the word deficit. You just hear investments. A lot of time it is a phony characterization. However, in transportation, it is not. It is real.

In my State of Oklahoma, because of some massive improvements we have made in our transportation system, two of our communities, one, Durant and the other, Innova, are the direct beneficiaries as a result of what happened in the highway programs.

In those two communities, the companies are investing \$250 million in one and \$360 million in the other creating 300 new jobs in each location. The investment the Oklahoma Department of Transportation and the Federal Government has made improved these highways as a result of property tax, sales tax and all of

that.

What I would like to get from you, Mr. McKenna and Mr. Demetriou, is any elaboration on this, very briefly, and what you see as a return on investment? We will start with you, Mr. McKenna.

Mr. McKenna. Thank you, Senator. That is a great question.

In Missouri, we actually track our capital program. We put, at present, about \$900 million per year into that program. We track and measure that with an economic study on each five-year period.

We find when we are at that \$900 million to over \$1 billion level, we see returns of 4 to 1 in economic benefits. When we have instability of federal funding and tighten down the types of projects we work on, we can see that drop to \$2 to \$2.50 per dollar invested.

Consider the changes between a short-term paving program or a long-term capital investment program, those returns are really stark. We have tracked that for over 20 years.

Senator Inhofe. I appreciate that very much.

Mr. Demetriou, you did cover this. Is there anything you wanted to add to what you have already said concerning return on investment?

Mr. McKenna. I think I stated that there was a tremendous

return. Patrick just covered that as well. Hopefully, each of you has a fact sheet on your State that has been put together by the Business Roundtable.

Specifically for Oklahoma are the additional jobs you laid out, but more important are the benefits to the mining industry, finance, insurance and real estate industries which are important to your State. Each and every one of you has a similar fact sheet.

For me as a business leader, this is completely tied to what we do every day to drive investment and get a high return on that capital. It is clear that, from an infrastructure standpoint, that is what we are talking about.

Senator Inhofe. The second thing I would like to have you elaborate on a little bit has to do with streamlining. In the last two highway bills or transportation bills that we had, actually when I was chairing this committee, we concentrated on streamlining. It had not been done before.

I remember that Barbara Boxer at that time came around in a lot of areas where she did not agree initially but she changed her position. I think that streamlining has come a long way.

Mr. McKenna, you did not say too much about that. Tell me what your thoughts are on streamlining. Some people are saying we have already addressed that. We do not need to address it more. Why do we need to address it more in this bill?

Mr. McKenna. Thank you, Senator.

We do believe we are along the path. We have made significant progress in streamlining with a lot of coordination going on among and between federal agencies. We are trying to mirror that at the State level between cabinet agencies in each State. The coordination efforts that are going on are substantial. We do believe that we still have progress to be made.

I want to make sure everyone realizes we are not suggesting we delve into the environmental issues themselves. We do not wish to negatively impact the environment, but we do think on a process standpoint, even in simple projects where we have categorical exclusions, that coordination can still be improved. We have more work to do. If we can shave, on average, three months off 95 percent of the projects we do, that is a substantial return for the taxpayer.

Senator Inhofe. That translates into more money for infrastructure.

Mr. McKenna. Yes, it does.

Senator Inhofe. Do you agree with that, Mr. Demetriou?

Mr. Demetriou. Yes, I do. I really do encourage you to put into the law the Executive Orders putting the two-year limit on the permitting process.

I also want to say there are great examples of projects

recently applying the FAST Act, applying the deadlines, collaborating and cooperating with all the stakeholders ensuring government and environmental regulations are preserved. We are seeing opportunities to improve and shorten the timelines.

Senator Inhofe. I appreciate that very much.

Thank you, Mr. Chairman.

Senator Barrasso. Thank you, Senator.

Senator Carper.

Senator Carper. Mike, how do you pronounce your last name?

Mr. Replogle. It is Replogle.

Senator Carper. Why?

Mr. Replogle. Old Alsatian dialect. It means wine carrier.

Senator Carper. The 800-pound gorilla in the room is always how to pay for this stuff. We all know we need to do it. A fellow named Earl Blumenauer who I think is from Oregon, talks about the purchasing power of the federal gasoline and diesel. I think he is calling for five cent increases for five years and index it, going forward.

It reminds me a little of what George Voinovich and I suggested almost a decade ago to the Simpson-Bowles Commission when we called for increases of four cents a year for four years and then to index. A lot of people said that was a pretty good idea. We never got around to doing it. We really did not have

the kind of leadership we should have had from the Executive Branch. People were really reluctant here in this body to raise fees even for something we know we all need to do.

I was in a meeting with Senator Inhofe, Senator Barrasso and a number of our colleagues maybe six months ago at the White House, meeting with the President on infrastructure. He said, I am not going to give a big speech but let's listen here to all of you. What do you think we ought to do?

He turned to me first. I am sitting right across the table from him. I said, the 800-pound gorilla in the room is always how to pay for this stuff. I suggested what George Voinovich and I had suggested seven, eight or nine years ago, four cents a year for four years. He cut me off. He said, that's not enough.

I looked at John Barrasso sitting right next to the President and I winked at him. He said, that's not enough. It should be 25 cents and it should be right now. I looked around the room and I think there were a few surprised people there. He came back to it again and again in the meeting which lasted over an hour.

That night I spoke on the phone with the Secretary of Transportation. I said was that just a warn-off or something he decided to throw out there as he sometimes does? She said, no, he's been talking about this for weeks, actually longer.

As an old governor, I have always felt leadership is important, especially in doing difficult things. The President said he supports 25 cents right now on the gas and diesel tax and provides political cover for the Congress. He said, I know this is a hard thing for elected officials in the House and Senate to do, Democrats and Republicans. I will provide you that cover for that.

I said to the Secretary, was he serious about this? She said, he's been talking about it for quite a while.

I would suggest if we are serious about really doing something, I think Earl Blumenauer was on to an idea. I think George Voinovich and I had a pretty good idea. I think the President has a pretty good idea. What we need is the political courage to do it.

Not just that but can we find more ways to streamline and save some money through permitting reform? My guess is we probably can. Everything I do, I know I can do better.

How about the folks out there who use roads, highways and bridges and do not bring in anything? They are in electric vehicles, hydrogen-fueled vehicles. Shouldn't they have some obligation to maintain the roads they are driving on? I think so.

Let me ask you guys to react to what I have just said and laid out before you. Then I will ask some other questions. Mr.

Replogle.

Mr. Replogle. I think we clearly need more infrastructure investment here in America. I think we need to consider a diverse array of ways of achieving increased revenues, both through traditional means and new innovative means if we are to accomplish this. We need to make sure those funds are well targeted to the right kinds of investments.

Senator Carper. We just opened a four-lane limited access highway called Route 301 which comes right out of the eastern side of Maryland and comes through Delaware. It was always a two-lane road in Delaware with a lot of congestion, traffic lights and pollution.

We just converted it into a four-lane, limited access highway. It is a toll road with the largest loan from the Federal Government. It is a toll road and we are recovering the tolls to pay off the loan back to USDOT. That is another option.

Steven?

Mr. Demetriou. Senator, I agree with what Michael said. There is no silver bullet. There needs to be a diverse array of public, State, local and private funding. The overlay is it really should be user-based. We have that in place today with the gas tax. Unfortunately, it is 25 years since we increased it. I think we have lost about 40 percent of the purchasing

power.

We have vehicles out there that are more energy efficient, as you said, some even electric, not even paying the gas tax. We need to move to a mileage-based, user fee as quickly as possible. Initially, we should start with the increased gas tax and then move to a miles-based user fee. At Jacobs, we are working with many States and coalitions across the west coast and east coast to pilot these. I think we need to accelerate that to get to that ultimately.

Senator Carper. Mr. McKenna, please?

Mr. McKenna. Thank you.

Senator Carper. I would ask you to be brief and right to the point.

Mr. McKenna. Great points, and I agree the two primary issues we are facing are lost purchasing power from inflation over the last 20-plus years, and the rising fuel economy. We do have to address that. We do believe there are cost effective ways to do that through user fees today, adjusting those user fees to help that purchasing power.

Senator Carper. Have you done anything in Missouri along these lines?

Mr. McKenna. We have made several attempts in that regard. We have constitutional prohibitions on legislative authority to increase revenues. The public has not agreed with us to date.

We have not made as much progress as we would like.

We do have right now one of the alternatives to the fuel tax going through our legislature. It is actually a conversion of our registration fee to a mileage-based fee. The idea is to capture from all users relatively the same amount.

Whether you are paying gas and fuel tax or whether you have an all-electric vehicle or a hybrid, the idea is that we capture about \$30 a month from each of these users. We need to do that across whatever form of transportation you are using.

Senator Carper. Thanks so much. Thanks, Mr. Chairman.

Senator Barrasso. Thanks, Senator Carper.

Senator Braun.

Senator Braun. Thank you.

I come from the State, Indiana, where back in 2017 we were grappling with the same issues here. Being on Roads and Transportation there in Ways and Means, and a fiscal conservative, it was easy for us to do it. I spoke vehemently to increase the gas tax and diesel, and I own a trucking company, 10 cents a gallon on gas, 20 cents on diesel. It was in the context of a balanced budget that we do every year and cash balances.

I did not have the reservation of even increasing a user fee in the context of what I would call bad fiscal management here in general. I think that is the dilemma that we live here

on the federal level.

What I want to talk about mostly, though, and I agree with Senator Carper when he mentioned how do you pay for it, I think it is disingenuous to rely on an institution like we have here that is running trillion-dollar deficits, and \$22 trillion in debt. That would be infeasible anywhere else, if you are asking to get more revenue out of it, whether it is through transfer from the general budget or raising a user fee. I think we have to work on that in general before we really can do it with confidence that it is going to be there and sustainable.

We started experimenting with some other ideas. We had counties and cities constantly wanting more roads and bridges fixed within their domains, and had the nerve in that same year to throw out a program that had a 50 percent match. They griped about it, did not want to do it. It is oversubscribed now in the two or three years we have done it, because they had no capacity to do it. They found the way to do it. Cities and counties are going to have capacity to do stuff within a State. States have capacities to do more.

I think we cannot shy away from asking States that generally are in financially good shape, to do more. There is capital capacity there. Also, through public-private partnerships, there is even more probable capital capacity in that area. There are a lot of folks who do not like the idea of

it.

I think we have to be enterprising. We cannot expect this to be solved because look how long it has been and we did not have the fortitude to do a user fee here. It would have been a lot easier 10 or 15 years ago when we had a balance sheet that would not argue against doing it.

I know in my State, Joe McGuinness, who is our Director of Transportation, is really enterprising. I want to mention one other thing we did. I authored the bill, could not find a model for it anywhere in the U.S. This was for cities and counties, locals, to initiate a road project and bring the State along to get engaged with it and put skin in the game. Here, it seems like you never talk about skin in the game. When you do it, things work better.

We teed-up that bill the same year that we did the long-term road funding. I can tell you in my home area, we have a road project we have talked about for 40 years that local industry is going to pay half of the EIS fee and we have shamed local governments into matching it, so we are on the board. We are getting something done. That is what it is going to take.

Mr. McKenna, you would be in the same space as Joe McGuinness was. He likes it. We were in a State legislature that did something. What do you think of the idea of asking cities and counties to do more within States and States carrying

more of the burden because they are better able to do it?

Mr. McKenna. Senator, those are great comments and a great question.

In Missouri, we have a 15-year history of cost share with local communities. Those local communities, to the extent that they believe investment in the National Highway System that runs through their communities is valid and valuable, we do have them putting skin in the game. In fact, we have used \$450 million of State and federal resources and actually produced \$1 billion worth of construction projects.

I would say that in a State like Missouri, where we have the seventh largest transportation network and are ranked 48th in terms of revenue per mile, we have been looking, on an enterprising basis, for any potential solution we can find on a project by project basis. All of these types of programmatic project-based approaches work. However, they do not solve the entire system base. There are tools in the toolbox that are vitally important and everyone should be seeking those. I do think DOTs around the Country and communities have been working together pretty hard to do so.

Senator Braun. Thank you.

In respect of time, I will yield. If there is a second round, I have another question.

Thank you.

Senator Barrasso. Thank you, Senator Braun.

Senator Whitehouse. Thank you, Mr. Chairman.

Thank you to the witnesses for coming. This is one of the areas where it is kind of fun to be on EPW. We work together and I think we can get a lot of things done. I wanted to flag a couple of issues I think are important as we go forward.

One is I want to add to the record a statement of the American Property Casualty Insurance Association made to the House Committee on Transportation and Infrastructure.

Senator Barrasso. Without objection.

[The referenced information follows:]

Senator Whitehouse. They pointed out the importance of incorporating climate risk models and climate resilient standards into all public infrastructure projects and that it is not just designing and building resilient infrastructure, it is also retrofitting existing infrastructure in areas at risk. I think I see every head nodding about this.

It becomes particularly important for States like mine that are coastal where there is a lot of infrastructure along the coast, where we are at risk of losing transport capability to flooding. Highway 95, in the big rain-burst flooding of several years ago, actually closed because it was filled with water. Amtrak has been stopped because of flooding in Rhode Island and its railway along the Connecticut coast is a massive, massive potential liability. I think it is important that we pay attention to what the insurance industry, what the American Property Casualty Insurance Association is saying.

I also want to emphasize as we go forward the opportunities for better infrastructure, cheaper construction, more durable infrastructure and I think for a lot of our local States, economies through the increased use of new materials.

I would like to ask that a report called The Performance of Bridges that Receive Funding Under the Innovative Bridge Research and Construction Program by the National Academies of Science, Engineering and Medicine be added as an exhibit.

Senator Barrasso. Without objection.

[The referenced information follows:]

Senator Whitehouse. It points out that one of the problems is we lack comprehensive design standards and specifications, as well as programs for detailed long-term monitoring. A better composite solution might actually be harder to get to because the engineers never bothered to write down the specs for composite.

What is in the book is rebar, steel, concrete or whatever, so the engineers automatically go to the old and perhaps less effective and efficient technology. Trials of composite materials were a major interest of participants in the study but "Few of the States that responded to the survey use or have specifications for FRP deck elements, super structure elements, and pre-stressing tendons. Most States had little or no prior experience with these materials." I think we need to continue to press forward to make sure these new and potentially better, lighter, smarter, more durable materials have a fair chance to compete against the traditional materials.

In my State, we see more and more of a priority on bicycling and walking as an alternative. Obviously, as our roads get more and more use, if people were willing to ride a bike, many actually prefer to, we shouldn't be foreclosing that option. Pedestrian and bike infrastructure, to me, is very important in this conversation.

I will echo our Ranking Member's remarks about the charging

infrastructure for electric vehicles. I am not a serious car person but I like cars and I like driving. When you look at the electric vehicles coming into the marketplace, these ain't golf carts. This is Jaguar. This is Audi. This is Mercedes.

I have a Chevy Volt, so I have a GM electric vehicle already but they are moving it to their top line, to their Cadillac division because they see this as a really huge opportunity. The performance specs of these things are, to use Elon Musk's words, ludicrous. That is actually what he describes as one of the performance options in the Tesla. You can blow the doors off a Lamborghini with your electric Tesla for about one-fifth the price of the vehicle.

I think we have to be prepared for a larger and more rapid adoption of electric vehicles as the market sees how incredibly cool they are and what fun they are to drive. It is like basic human characteristics here.

Senator Barrasso. The question is, do they need a \$7,500 tax credit for people who do buy it?

Senator Whitehouse. They are easily worth \$7,500 compared to the \$7,500-plus worth of damage that emissions from automobiles do. I am eager to support that.

I have two last comments. As far as environmental streamlining goes, I am all for it. I actually led the environmental streamlining for offshore wind that actually got

offshore wind built.

Once we showed that it could be done, there have been literally multiple hundreds of millions of dollars of investment in offshore wind that have come immediately into the market because we showed the permitting did not have to be fatal to the project. I am all for that as long as it is not a pretext for crummy environmental protection and rolling local communities.

I do think we, in Congress, need to find ways to reassert our priorities through these bills, whether it is highway bills or Army Corps water bills. The idea that we just shovel enormous amounts of money into these executive agencies and then beg and plead for their consideration as to what might get funded and get lost in their priorities and their bureaucracy, I think we need to revisit that and create a stronger system of regard for congressional priorities.

With all of that, I would be happy if anyone wants to comment on that, please do so as a question for the record. However, my time has expired so I have to go on. Take that as a question for the record and put your answers in writing if you would like to respond to any of those thoughts.

Senator Barrasso. Thank you, Senator Whitehouse.

Senator Capito.

Senator Capito. Thank you, Mr. Chairman.

Thank you all for being here today.

Mr. McKenna and Mr. Demetriou, you both cited several statistics on the return of investment for infrastructure as being as high as maybe one to four. There is another side of the ledger, I think, that you all are aware of.

A study was released in 2017 for our State of West Virginia that said drivers in West Virginia spent \$1.4 billion, including an average of \$647 per vehicle, increased operating expenses due to potholes and poor conditions of the roads. We also have rural bridges and you mentioned Missouri with the same kind of issues with your bridges that are in poor condition. We have quite a few bridges in our State. I want to bring that up and my colleague from Indiana brought up what they are doing.

Driving the message in our State probably two-and-a-half to three years ago was more the negative effects of not doing anything, not improving your infrastructure and the negative effects it was having on the lifestyle and ability to do business in our State, the opposite side of the ledger.

We actually passed a \$1.6 billion road bond in the State of West Virginia which has difficulty on our economics much like my colleague said. It raised the gas tax with people willing to pay to have better and improved infrastructure in their lives. You can follow the progress we are making in West Virginia on the website. It is very transparent at the DOT website.

I guess my question is, do you think the better driving of

the message from here is on the negative? We are obviously good at driving negative messages from time to time. Is it a message that needs to be obviously both a positive benefit through the business? Mr. Demetriou, you outlined that quite well.

From a State perspective, I am sure in Missouri you can drive a negative message and drive more voter satisfaction on that. Do you have any comments on that?

Mr. McKenna. I do, Senator. That is a wonderful point. I think we do, as an industry, and all States need to drive a lot of the messaging forward, the costs and benefits and also really what the cost of doing nothing is.

We put together a citizen's guide for transportation funding in Missouri and put it on a website. We have determined the price people pay is about \$30 a month for access and use of the transportation network but the cost of doing nothing exceeds \$180 a month.

Those higher maintenance costs, the cost for insurance for increased damage to vehicles and for, unfortunately, incidents that rise up as much as to fatalities all over the Nation, those costs are very important. You can see very clearly, I think, the path for solutions in policy when you understand that you are exceeding your costs by \$150 a month.

Senator Capito. Mr. Demetriou, do you have a response to that?

Mr. Demetriou. I think at the end of the day, you stated it very nicely, if people understand what the purpose is and buy into that purpose, they are going to support it.

Senator Capito. Right.

Mr. Demetriou. Whether it is to overcome the negative or it is to enhance lifestyle and make things more efficient.

I will also talk from a business standpoint that as infrastructure is improved, it is going to accelerate business investment because businesses are going to be more confident in expanding their business facility, whatever it is, knowing there is going to be more efficient infrastructure and transportation adjacent to their facility.

Senator Capito. Right. Thank you.

One of the things we talked about in the President's proposed infrastructure package last year and over the last two years was to try to look at what infrastructure really means. For me in a rural State, enhanced broadband deployment is an exceedingly important part of an infrastructure package that we would put together, realizing that the highway bill is different.

I am thinking if we are looking for efficiencies, we have a lot of dig once provisions to be able to enhance not just what is going in surface transportation. There might be some economic benefits to doing that too. In other words, working

with internet service providers, we will dig once for you, but it is going to cost you maybe not that much, but it is a better efficient way to move about.

Do you have any thoughts on that?

Mr. Demetriou. You just touched on what is a tremendous opportunity for the United States, smart infrastructure, and connected infrastructure. I think the more we can look at it holistically, connecting buildings, highways, airports, the whole infrastructure community and create smarter cities, smarter buildings, smarter infrastructure, it will accelerate the improvement we are all talking about.

Senator Capito. And make our dollars go further, I think.

Mr. Demetriou. Exactly.

Senator Capito. Thank you so much.

Senator Barrasso. Thank you, Senator Capito.

Senator Van Hollen.

Senator Van Hollen. Thank you, Mr. Chairman.

Thanks to all of you for your testimony today.

We all know we have a huge infrastructure gap in our Country, the gap between the need to modernize our infrastructure and the resources we are dedicating to it. I hope, as a Congress, we can figure out a way to significantly increase our investment in that area.

We talked about some of the proposals today. That is true

whether we are talking about broadband, highways or transit. This is one little sample of what is happening every day around our Country.

This is from yesterday's Baltimore Sun. The potholes are so bad on a stretch of the Baltimore-Washington Parkway that the speed limit was lowered to 40 miles an hour because the potholes were so bad. Senator Cardin, my colleague from Maryland, may even come that way. It is just one more example of what we are seeing every day. We cannot just keep fiddling here while our infrastructure crumbles away. I want to thank all of you for being here.

Let me ask you, Mr. Replogle, and thank you for your prior service in the State of Maryland, I think in Montgomery County with the Park and Planning Commission, is that right?

Mr. Replogle. Yes.

Senator Van Hollen. Our loss is New York's gain.

You have a statement from your testimony saying you "urge Congress to increase public transportation capital investment grants and take steps to ensure that competitive grants like BUILD are not largely directed away from urban areas. Rather than allocating funding solely to existing formula programs, we urge new support and flexible funding for State and local traffic safety initiatives for the redesign of our streets to accommodate multiple travel options and for efforts to safeguard

transportation assets against extreme weather.”

Can you just elaborate a little bit on that? I am wondering if that sentiment is shared by our other witnesses here as well.

Mr. Replogle. We are at a place where we can direct our transportation dollars in a way that does more to advance our national and community goals or we can direct it as we have directed it in the past where it does not always deliver the most performance.

We have 37,000 people a year killed on our highways. Those numbers are moving in the wrong direction nationally. If you look across the Country, there are a few communities like New York City that have been able to significantly push those numbers down with some concerted action.

We call our initiative Vision Zero. It involves lowering the speed limit on city streets, enforcing traffic laws that provide for better traffic safety, doing reengineering on our streets and our intersections to make it safer to walk, bike and move about, and making sure we have multimodal street designs that accommodate bus traffic more efficiently so that buses are not stuck in traffic but can move more quickly.

These helps the whole transportation system be more productive at getting people to jobs and opportunities with less taxpayer spending.

Senator Van Hollen. That would require directing some formula funds outside the current formula or additional funds?

Mr. Replogle. The challenge we have now is a lot of the formula funding goes to the States and yet a lot of these kinds of initiatives that I described are done at the local government level. The money is not getting to the local level.

Senator Van Hollen. It has been a major frustration, I know, with a lot of counties in the State of Maryland.

Mr. Replogle. We are calling for direct funding to larger jurisdictions following the model of the Federal Transit Administration which directly allocates funding and allows for design processes and effective delegation of authority for project reviews and permitting so that we do not have to go through an extra layer at the State level which makes for inefficiency and often, in fact, filters out the funding so it does not get to the local level at all.

Senator Van Hollen. I look forward to following up with you on that.

I know the time is limited. You talked about the transit programs. Within the FTA programs, there is the capital investment grant program. I am interested in adapting that idea to help create a fund of money for bridges.

When I talk to folks across our State and hear about the crumbling bridges, it is a huge safety issue. They do not seem

to rank very high on the list of priorities when it comes to the funds.

I am also interested in whether all of you would support the establishment of the equivalent to the Capital Investment Grant Fund at FTA within the Transportation Fund for bridge purposes?

Mr. Replogle. As a city with 789 bridges, I think we would support that kind of initiative, especially if the funding enabled some direct allocation to larger jurisdictions below the State level.

Mr. McKenna. If I might, I do not disagree with any of the comments about the need. I do think if we look at this as a single pie that is not growing and we carve it up differently, the asset management needs of State DOTs, with the backlogs and numbers we have talked about, the difficulty and the reason why some of those funds are not moving through into those other priorities is simply there are not enough dollars going into the pie.

That is a critical issue for all of us. As a State with 24,000 bridges, bridge funding is an absolute priority but if you reduce flexibility for the States to address the most important priorities in their asset management plans without a concurrent rise in the resources available to do so, you will not have the desired effect.

Senator Van Hollen. Back to the bridge program, I am talking about additional funding source.

Thank you all very much.

Senator Capito. [Presiding.] Thank you.

Senator Ernst. Thank you, gentlemen, for being here today.

I think through the discussion we have heard, there are a lot of ideas out there. We all need to make sure there is smart investment in our infrastructure. I think we could all agree, we do need to control waste and do need to encourage greater efficiencies in what we do as well.

Mr. McKenna, one of the streamlining ideas you touched on in your testimony relates to the categorical exemptions or the CEs. You recommend allowing any federal agency to use the CE if it is already in place at another agency.

This does seem to make sense to me. It would provide that greater efficiency. If one agency has a CE for a certain action, then another agency should also have a CE for that same action.

Do you have any examples of how the lack of a CE or CE interchangeability between agencies has actually slowed projects?

Mr. McKenna. We can certainly draw in several examples from all over the Country. I will submit those for the record.

What we do know is that in our own dealings, in many cases

when we are working on our bridge work, when we are crossing major rivers, even if there are slight replacements, we can have circumstances where we have what we need from one agency and another does not have that authority, so they have to go through a more substantial environmental assessment.

That is where we find the slow-down. When that does happen, in fact, it is a very similar process within each agency. USDOT has some ability to do that across modes, but not across to other agencies of the government.

Senator Ernst. It would be helpful in your estimation?

Mr. McKenna. Yes, it would.

Senator Ernst. Between agencies.

Is this recommendation something that most folks you have worked with would agree on?

Mr. McKenna. Yes. We do believe that the work done by one agency versus another is quite similar, so it is a matter of speeding up the process, not short shirting the environmental regulations.

Senator Ernst. Certainly, but if one agency has done it?

Mr. McKenna. That is right.

Senator Ernst. Right. Where would you receive pushback on this idea?

Mr. McKenna. As we have made progress with the FAST Act and MAP-21, I think we have made progress there. I believe we

are gaining momentum to continue with that forward. It is when we come across statutory limitations between the programs and between different agencies with different congressional mandates, that is where we see some of the issues.

It is not so much that people do not wish to do it. It is that they may not have the statutory authority to do so.

Senator Ernst. Very good. I appreciate that.

Mr. McKenna, can you go into some detail on what you think are the benefits of States participating in the NEPA assignment program? I think there are only a few States right now that do participate in that. If you could, what do you think is keeping other States from getting onboard with that?

Mr. McKenna. I think we have seven States now that are participating in that assignment. We do have some resource issues at the State level, being able to receive that responsibility and coordinate that.

Some work to further streamline the application and approval process I think would be beneficial to help encourage others. In other cases, it is really a matter of working on a programmatic basis to set agreements that benefit both the State and the Federal Government. Being able to coordinate those efforts more could encourage that.

Certainly in the States that have much more significant and complicated projects, it is a higher priority. In States like

Missouri, our average project delivery timeframe is under a year. We have wonderful partners with Federal Highway, our division office is a terrific partner with us, and we work with our locals, our cities and our communities to try to quickly make commonsense investments.

Senator Ernst. I appreciate that. I have very little time left. I will stop there but I do think as long as we are taking a look at this, we need to understand our dollars need to go a little bit further. The less we spend on the bureaucracy, the more we can actually spend on our infrastructure.

Thank you. I appreciate that.

I will yield back.

Senator Barrasso. [Presiding.] Thank you, Senator Ernst.

Senator Cardin.

Senator Cardin. Thank you, Mr. Chairman. Thank you for this hearing.

The economic impact of modernizing our infrastructure I think is obvious. It is good to be able to establish the record here.

I want to cover a couple of points, if I might, as we deal with the economic returns of the infrastructure. Senator Van Hollen mentioned the fact that the B-W Parkway, I do take that road, the highway speed has been reduced to 40 miles an hour because of potholes. I admit that is under the Park Service,

not under these programs, but it does point out the fact that we are not maintaining our transportation infrastructure.

One of the things that concerns me is we all look at the opportunities to modernize our infrastructure and we always look for the glamorous new opportunities, as we should because it does provide economic growth.

However, we do not invest in maintaining our infrastructure at a level that we need to. That is why we have bridges that are falling down, roads that are not really safe and we do not really invest in resiliency recognizing the realities of the changing climate conditions.

We invest for the purposes of getting a good return. In reality, we are not investing in maintaining or dealing with resiliency. As we look at the reauthorization of surface transportation, I am wondering if any of you have thoughts as to how we can have a better decision-making process at both the federal and local levels so that we do not just throw money at new projects and see existing essential transportation programs sort of crumble.

I could also mention not only in this committee's jurisdiction but our transit systems are in horrible condition. We have seen loss of life in the transit system here. How do we make sure that we deal with maintenance and resiliency?

Mr. Demetriou. Let me start and tell you what I am seeing

it takes with regard to our clients across the United States. More and more everyone is seeing what you are talking about.

Every project we are working now has not only the corrective action for the infrastructure or the expansion, but it is putting sustainable solutions in place, putting in new technology and innovation to make it more efficient, both to operate and maintain as well as the construction side of it. I think as we go forward, we need to put policy in place that ensures everything is addressed not just the short-term solution.

Mr. Replogle. In New York City, we are increasingly taking a triple bottom line approach to asset management. We have stepped up the amount we are investing in repaving our asphalt roadways. We are taking strong action on behalf of our \$15 billion, ten-year capital program from my agency goes to keeping our bridges in a state of good repair and trying to improve that.

We are looking increasingly at where we need to replace or modify old bridges. The average age of our bridges in New York City is over 75 years. As the city has evolved and grown around those, it commands us to take a fresh look at how we manage and redevelop those assets over time.

I think the Federal Government could take those kinds of models and embed them in new legislation to encourage a triple

bottom line asset management program for the United States as part of a performance-based transportation initiative.

Mr. McKenna. I would agree with what Michael said. Asset management is really the key. I think you are seeing that across the Country. Some of the requirements on performance management and metrics were put first in MAP-21 and then in the FAST Act.

Some of the State DOTs are really waking up to that and doing a very good job of asset management. Simply put, asset management alone cannot do it. We need steady funding, need to know that it is coming, and need to know what amount it will be in so long-term reauthorization and steady funding is vital.

You are planning, in a budgetary sense, on a one fiscal year basis in a budget sense. State DOTs and asset management plans are ten years long. We are projecting out 20 and 30 years. Without knowing the amount we can invest, all of those plans are for naught.

Senator Cardin. Let me respond to the point from Senator Van Hollen on local input without having to go through the States. We do have a model under the Transportation Alternative Program so we might be able to build on that type of model on some of the issues you refer to because that has been a successful model for local governments being able to have more control over projects in their own communities without having to

go through the State funds.

Senator Barrasso. Thank you, Senator Cardin.

Senator Braun, you had a question or two you wanted to follow up with?

Senator Braun. Thank you.

This is for Mr. McKenna. I am asking you this because it was stated early on that it has been a long time since we have adjusted the fuel tax. We are in the worse shape possible doing things out of our general fund in the current context. I want to put you on the hot seat but I think I know what the answer would be in Indiana.

Do you think in Missouri, if the formula was changed from the 20-80 to where it would ask States to do more, or whether there was a separate grant process or funding say on a 50-50 basis like we did in Indiana with cities and counties, do you think that is something Missouri would be interested in, in terms of not relying on something that is not currently working because I think roads across the Country are getting in worse and worse shape. Where do you think Missouri would be?

Mr. McKenna. Frankly, we have challenges with funding across the board. States across the Country and in Missouri, we do count on federal partnership and we do not rely solely on that federal partnership.

As I said, we have a cost share program where we are

encouraging local participation, but we do need, as I mentioned in the example and what you can see in my testimony, a single bridge, the Rocheport Bridge needs to be replaced. Within 72 hours, the commercial vehicles that travel on that touch every single State in the continental U.S.

Even local projects require that. There is a purpose for the national program to be able to invest in those.

I am hesitant to think we would go off or move away, from in its entirety, the federal-State partnership that exists today. However, we just dropped two discretionary grant applications for INFRA into the hopper where the State is assuming a 70 percent share.

On a case-by-case basis, one of them is to solve that Rocheport Bridge problem, but on a case-by-case, project-by-project basis, yes. On a programmatic basis, I think we are a little hesitant.

Senator Braun. You would still be interested in keeping it on the 20-80 formula?

Mr. McKenna. Yes.

Senator Braun. I think that would be the reaction from most States. I just think it is going to be shortsighted because I think if we want to get those things done within our States, we are going to have to start being willing to do more because if you look at what is happening here, we are in the

least capable shape of doing what needs to be done across the Country.

I am glad you are at least taking advantage of the INFRA grants. I think I would think about maybe doing more as a State. I know in Indiana, we would definitely think about it.

Thank you.

Senator Barrasso. Thank you, Senator Braun.

Senator Carper.

Senator Carper. I just want to follow up.

As a former governor, one who has thought a lot about State-federal partnership on this front, I just jotted down five or six ideas on trying to pay for this hole, how to fill this hole for infrastructure and surface transportation.

One would be to restore the purchasing power of the traditional user fees that we have had for many, many years. Two is a toll. I talked about tolling, a four-lane highway we just opened in Delaware a month or so ago.

Public-private partnerships, a lot of people say that is the key, that is the magic. It is probably not. I think there were about 40 public-private partnerships in the Country in the last decade or so. It is not a lot but it is part of the answer.

We talked about streamlining. We have done a fair amount of that already. There may be other ways to do some more. I am

not interested in degrading the environment but exploring technology to be able to build more durable structures as we go forward in time.

This is your point, somehow figure out how to leverage more State and local funding and craft our federal funding in a way that does that. I think eventually, for the folks driving vehicles that do not use any gas or diesel they have to start paying something as well.

Eventually, what I would like to do is ramp us up to some kind of vehicle miles traveled. I think a dozen or so States have been involved a bit in these pilot programs. I think there are seven active right now. I think that is part of the future.

Thank you very much for mentioning that.

Mr. Replogle, in your testimony, you urged Congress to increase federal funding for transportation infrastructure. You also state not all transportation investments yield similar benefits. Could you elaborate for us how Congress should ensure that increased spending is directed to supporting productive long-term investments?

Mr. Replogle. I think there are a number of studies that have been done over the years showing if you invest \$1 in a new highway, it creates little over a dollar's worth of economic activity.

If you invest that dollar in public transportation, you

play this through economic multiplier models, 80 percent of that dollar in public transportation goes into transportation into wages for the people who are providing the public transportation services. That multiplies to about \$2.80 in the local economic activity.

You can look at this from an economic multiplier. The economic multipliers are heavier for transit investment than they are for highway investment. Those vary somewhat from region to region.

You can also look at this from the standpoint of capital investment dollars. If you put those dollars into expanding a highway, an interstate highway, it is going to certainly create jobs in the construction industry and provide for long term mobility.

If you put that same money into building sidewalks and bike paths in communities, it is actually more labor intensive and creates more local jobs that are somewhat less skilled, so it helps support the local base of the economy while also helping traffic safety and saving lives in ways that we have not been paying sufficient attention to in America.

That is one of the reasons why pedestrian deaths keep going up at a much sharper rate than overall highway deaths which are still going up. We need to address both of those. We need to think about those things together, again, triple bottom line,

economic, social and environmental.

Senator Carper. I have a follow-up question for you.

Later today, I am going to be introducing legislation entitled The Clean Corridors Act of 2019 which expands opportunities for electric vehicle charging. I would ask, how critical is EV charging infrastructure build out as a tool to address the global emergency of climate change?

Mr. Replogle. It is quite urgent that we rapidly invest in electric vehicle charging opportunities so that you can take a trip, most trips across America, without having to have range anxiety that you are going to have trouble finding a place to recharge your vehicle in a convenient way.

We have that ability with the gasoline and diesel-powered fleet, but we do not have that quite yet for electric. We will need to electrify our surface transportation if we are to decarbonize it and to address the climate change challenge that is an existential crisis for our society and our civilization.

Senator Carper. Thank you.

You mentioned a trip across America. My wife and I went to see a movie last weekend that won the Academy Award for Best Motion Picture, Green Book, which is a trip across wide parts of America by a talented African American pianist, Don Shirley, I think was his name, he was actually quite a concert musician as well, and a guy from the Bronx who was Italian-American. The

two of them could not have been more different.

The story is set in 1962 and going through the South. If you were African-American, you had to use this Green Book to find a place where you could stay and eat. It was a wonderful, wonderful film. It reminded me a bit of Hidden Figures, the NASA stuff with John Glenn which was also inspiring.

It is nice to know they still make movies like that. It is nice to know we still have hearings like this.

Thank you all.

Senator Barrasso. Thank you very much, Senator Carper.

Mr. McKenna, earlier Senator Carper cited the Government Accountability Office statistic that about 96 percent of environmental reviews are completed through categorical exclusions.

Does this figure mean there are no more or other meaningful ways we could further accelerate project delivery?

Mr. McKenna. No, I think actually that citation shows that even within the process for categorical exclusion that might be one of the areas that moves the needle even further. If we make a 50 percent gain in efficiency on 95 percent of the projects in this Country, that is a significant gain on process, not on projects that would impact the environment.

I think even when we shave a week, a month, two months or three months off that, in a lot of States in this Country that

is the whole construction season. It is really impactful.

Senator Barrasso. Mr. Demetriou, do you have any examples or thoughts on that specific question as well?

Mr. Demetriou. I want to use three projects I want to highlight and how it can be done in today's environment.

The 11th Street Bridge is a project I mentioned earlier and the Anacostia River. Average infrastructure projects of an equivalent type nature were six-plus years. That project was 27 months to get a record of decision.

I already mentioned the Colorado project, two years. Then the Elgin-O'Hare West Bypass is another great example, six months ahead of schedule to get the record of decision.

All three of these projects basically had the four key elements needed in addition to policy. It had up-front funding that was committed. A lot of times that is the major driver. Two, it had upfront commitment by the political environment, the regulatory and the business purpose was clear whether it was a need to respond to a disaster or need for improvement.

I think the biggest piece was the collaboration and communication people committed to. The regulatory agencies, the owners and the contractors altogether made sure that upfront everyone knew what had to get done.

It is already happening. I think the more we can codify and put this into law, we will further accelerate all of that.

Senator Barrasso. I appreciate that.

I do have AASHTO's FAST Act reauthorization proposals from November 2018 which include a number of the recommendations for streamlining these environmental reviews for transportation projects.

If there is no objection, I ask unanimous consent to enter this into the record. It is so ordered.

[The referenced information follows:]

Senator Barrasso. Director McKenna, in the last Congress we heard from a number of State Departments of Transportation that the Department of Transportation's non-environmental requirements could be reduced in ways that would give States more flexibility, empower States to focus on priority tasks, and accelerate projects.

One idea is to make stewardship and oversight agreements more standardized and less proscriptive, and more efficient. These agreements are often too complex and can add burdensome requirements in federal approvals that are not required by statute.

Do you see opportunities for these agreements to be simplified and for the Federal Government to be more flexible?

Mr. McKenna. Mr. Chairman, thank you for the question.

Yes, we do, particularly in those areas where some of the requirements when we talk about the State standard specifications, when we talk about pavement design policy, value engineering policy and a number of those other areas, there are, in many of the stewardship and oversight agreements, requirements that those be preapproved, those State policies be preapproved although that is not a statutory requirement.

We do think there are some good commonsense areas to further that discussion, to narrow it and make more programmatic the agreements.

Senator Barrasso. As you also know, Congress often has difficulty reauthorizing federal transportation legislation on time, often requiring repeated short-term extensions to the program. Could you talk a bit about what happens to your projects if we do not enact a long-term reauthorization bill before it expires next year and instead just do short extensions?

Mr. McKenna. Very specifically, when I joined the Missouri Department of Transportation, it was just at passage of the FAST Act. Prior to that, there had literally been a halt on new projects. Because of that short-term funding scenario, the State stopped taking financial risk, risk on reimbursement of the federal program.

It very much narrowed the types of projects we were working on. That was a great harm, I think, to the State. As it stands for what we are projecting right now, we very specifically already seeing in 2021 \$330 million of project risk in our current capital plan we have already committed to. Our communities are getting really concerned about that.

Further, we try to do a five-year capital program. When we do not have the federal certainty, we cannot commit to those projects. We are running with our metropolitan planning organizations and our regional planning commissions throughout the State. We are actually running two capital programs in the

event that the Federal Government, that Congress does not act to bolster that Highway Trust Fund and provide funding certainty. That will literally take 35 to 40 percent of our capital program right off the books.

Senator Barrasso. Mr. Demetriou, a final question. Could you give us your thoughts on how the lack of certainty caused by the absence of long-term federal highway funding impacts the private sector?

Mr. Demetriou. I think it is a major issue if we do not get the long term, six-plus year type funding. At the end of the day, businesses all have a long-term strategy. We all have our funding that is laid out for the next several years. Unless we have long term certainty around infrastructure improvement, enhancements and innovation, then we are not going to make decisions to invest in expansion or growth in our own businesses.

I think it is critical and I think it is a global competitive situation for the United States because most of us are global companies. We are trying to figure out where to put our assets. Everything is set up here to do it in the United States except for the infrastructure equation that needs to get solved.

Senator Barrasso. I appreciate the three of you being here and for your excellent testimony. There are some members who

might want to submit some written questions so I ask that you respond. We will keep the record open for two weeks.

I think all the members want to thank you and I want to thank all members who attended today. I think our esteemed guests really did an excellent job bringing home the points, Senator Carper, that we have been looking at, the time and crucial discussions regarding our Nation's surface transportation needs.

Thank you so very much.

Senator Carper. Before we adjourn, I have one question I wanted to ask Mr. McKenna about a freight enhancement program you all have in Missouri that my staff tells me has been quite successful in making meaningful and targeted investments in transfer points within the supply chain.

Can you take a minute and tell us about that?

Mr. McKenna. Thank you, Senator.

Yes, we have small general revenue that comes through our legislature. We put it in freight enhancement. It enables us to target very specific work. In many cases, we have been able to do rail spurs at our ports. Those are very important considerations when we consider the multimodal, the trans-loading needs for the agricultural economy in the State of Missouri.

We work with our regional partners and our freight advisory

committees to determine what those project priorities are and how to apply those funds. It has been very successful. We are really pleased with it and hope to be able to continue it.

Senator Carper. Thanks for sharing that.

Thank you all. It has been delightful and informative. I would like to bring you back next week but we probably could not do that.

Mr. Chairman, I would ask unanimous consent to submit a letter to the record from nine environmental organizations strongly opposing any tax and integrity of environmental laws and any attempts to limit the ability of ordinary citizens access to the courts or limit consideration of environmental, economic and social justice impacts on public projects in any infrastructure bill considered by this Congress.

Thank you.

Senator Barrasso. Without objection.

[The referenced information follows:]

Senator Barrasso. Thank you all very much.

The hearing is adjourned.

[Whereupon, at 11:39 a.m., the committee was adjourned.]