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Good morning Madame Chair. My name is Darren Kettle and I am the Executive Director of the Ventura County Transportation Commission. First, I'd like to thank you for convening this field hearing in southern California and affording us the opportunity to share our thoughts. As you have heard in prior testimony the Southern California transportation agencies have focused testimony in certain transportation policy areas and I will focus my remarks on "streamlining" both the environmental process and the need to reduce the amount of bureaucracy to access federal transportation dollars.

NEPA Delegation:

One very positive provision for California in SAFETEA-LU was the pilot program for delegating National Environmental Policy Act (NEPA) approval to states. On July 1, 2007, California became the only state to receive approval for NEPA delegation under this program, with the Legislature having waived sovereign immunity for NEPA lawsuits, and having entered into the required Memorandum of Understanding (MOU) with Federal Highway Administration (FHWA).

Since this pilot program has only been in operation for one year, we have limited information on its benefit, but the results this far have been very encouraging, saving an average of 6 months of delivery time per project. Furthermore, the FHWA has just released its initial draft audit of Caltrans performance under the NEPA delegation MOU, finding that Caltrans has performed its responsibilities to uphold NEPA. Based on the results so far, the NEPA delegation appears to be an excellent example of successful environmental process streamlining without compromising NEPA requirements.

Since the program did not get underway until July 2007, more time is needed to determine its success, even though the early indications are promising. So, we strongly recommend that Congress extend this pilot program for California.

There is broad statewide support for continuing the program, with the Legislature and Governor having just extended the waiver of sovereign immunity so that should the pilot program be extended in the next Act, California will continue to participate.

Project Approval Process:

Although the federal reauthorization bills since ISTEA have been helpful to us in many ways, one ongoing problem that we continually hear about from cities and counties is the extremely cumbersome administrative requirements for project approval. We estimate that the federally-required administrative process eats up 20 to 40% of each federal dollar. For this reason, local public works Directors are almost always willing to trade federal funds for non-federal funds at 80-cents on the dollar, or less. And while many programs such as Safe Routes to Schools are very popular and well-intentioned, the amount of money is so small, and the required administrative effort so great, that local agency staff often question whether participation is worth it.

The process also takes a significant amount of time and delay, meaning that local agencies oftentimes try to avoid using federal funds on their most urgent needs to avoid having to wait. For example, if a city or county identifies an urgent safety-related problem, they will not want to wait until the next federal safety program funding cycle to address that problem, but quickly fix the problem using other funds.

The flexible fund transfer process has been particularly onerous. Ironically, flexible fund transfers were originally set up in ISTEA to provide greater options for regions to use federal funds for the most appropriate projects, regardless of the federal modal administration of origin. While the flexibility is still very much appreciated, we want to make you aware that the slow approval process is a strong disincentive to using the funds flexibly. The approval process has lengthened, so that now these fund transfers routinely take four months or longer to process. In one case with my agency, a very simple project that would eliminate a major rail safety hazard was held up six months waiting for a fund transfer, and it might have been longer were it not for intervention from the local congressional office. We were extremely fortunate that no lives were lost due to that delay.

Having said all this, we acknowledge that the federal transportation program has always provided significant resources for transportation that would otherwise be unavailable to us, and for this we are certainly grateful, and will continue to participate and comply with whatever is required of us. However, it seems that there is much that can be done to make the programs more efficient and effective, without all of the red tape.

Senator Boxer, thank you again for convening this session.