

# PENDING HIGHWAY LEGISLATION



## HEARINGS

BEFORE THE

### COMMITTEE ON

## ENVIRONMENT AND PUBLIC WORKS

## UNITED STATES SENATE

### ONE HUNDRED SECOND CONGRESS

FIRST SESSION

ON

### S. 823 and S. 965

### PENDING HIGHWAY LEGISLATION

MAY 13 AND 14, 1991

Printed for the use of the Committee on Environment and Public Works



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# PENDING HIGHWAY LEGISLATION

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MONDAY, MAY 13, 1991

U.S. SENATE,  
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS,  
*Washington, DC.*

The committee met, pursuant to notice, at 9:00 a.m. in room 406, Dirksen Senate Office Building, Hon. Quentin N. Burdick [chairman of the committee] presiding.

Present: Senators Burdick, Chafee, Symms, Simpson, Pressler, Lautenberg, Baucus, Moynihan, and Reid.

## OPENING STATEMENT OF HON. QUENTIN N. BURDICK, U.S. SENATOR FROM THE STATE OF NORTH DAKOTA

Senator BURDICK. This morning the Committee on Environment and Public Works begins two days of hearings on pending highway legislation, S. 965, the Surface Transportation Efficiency Act of 1991, which was introduced in April. This bill was developed after extensive field hearings held across the country. Introduced by Senator Moynihan, it is cosponsored by myself and Senators Symms, Chafee, and Lautenberg.

The committee will also hear testimony on S. 823, sponsored by Senators Reid and Baucus and nine other members representing western States. This bill addresses specific needs of rural areas in the west.

Passage of a highway bill is one of the major priorities of this Congress. The President urged the Congress to complete action on legislation by September 30th. We hope to report a bill by the end of this month. The goal of this committee is to have comprehensive, multi-year legislation passed by the Senate well before the September 30th deadline. A sound, integrated transportation system is essential to this Nation.

Our witness list this morning is extensive. At this point I ask my colleagues if they would like to present statements, and we will then proceed.

Senator Chafee.

## OPENING STATEMENT OF HON. JOHN H. CHAFEE, U.S. SENATOR FROM THE STATE OF RHODE ISLAND

Senator CHAFEE. Thank you, Mr. Chairman.

First, I want to say I am glad we are holding these hearings. I must say, it isn't very often that you see a hearing begin at 9:00 o'clock in the morning on a Monday. But if you look at the list, I note that we have 19 witnesses today, and Representative Cooper is

here today instead of tomorrow, so that will make 20. So, we've got a big program this morning. I will ask that my statement be in the record.

There is one thing I would like to say. The name of the legislation is the Surface Transportation Act. It's not the "Highway Bill." We're going to have a lot of testimony from truckers and others, who are going to say, "This is our money; we deserve it; it should go to us," but we're looking at this as a program to provide surface transportation for American citizens, and that could mean automobiles; it could mean subways; it could mean commuter trains; it could mean buses; it could even mean bicycles. And indeed there is some money that could be set aside here for bicycle trails under this.

So I hope we will keep that before us as we go through this legislation, Mr. Chairman, and I thank you very much for holding this hearing.

Thank you.

[Senator Chafee's statement follows:]

OPENING STATEMENT OF HON. JOHN H. CHAFEE, U.S. SENATOR FROM THE STATE OF  
RHODE ISLAND

Mr. Chairman, I am pleased to join with you in holding hearings on proposed legislation dealing with surface transportation.

On April 25, Senator Moynihan introduced S. 965, the "Surface Transportation Efficiency Act of 1991". I am very happy to be a cosponsor of that bill because it is landmark legislation which recognizes the importance of a coordinated surface transportation program in this country. Highways are important for the economy and mobility of this country, but they cannot solve all our transportation problems. Cities and States need flexibility to decide what the best solution is for their transportation problems. S. 965 gives the States that flexibility.

While the construction of the Interstate System is virtually complete, the need to maintain it in good condition is an ongoing and important need. S. 965 recognizes this and provides a significant amount of money to assure that the Interstate System is maintained.

In addition to the Interstate System, there are other highways that are also of national significance, particularly on the Primary System. These roads are not only important nationally, but are also critical for a strong economy within the States. S. 965 provides States with the resources to maintain and improve these roads as well. I am confident that the States will give high priority to these important roads.

Transportation facilities are not built in a vacuum. They affect our air, water, neighborhoods, and way of life. Because of the major impact they have, good planning is very important. S. 965 strengthens the planning process. It ensures that those who are affected by transportation problems will have a significant role in the decisionmaking process. This is particularly important for those cities which are in nonattainment under the Clean Air Act. Good planning takes a lot of work and sometimes a lot of time. But, in the end, the efforts of good planning will be rewarded with a better project.

There are many good things in S. 965 which I will not take the time to list, but I do want to highlight the safety belt and motorcycle helmet provision that is particularly important to me. This will have a positive, and in some cases life-saving, effect on the safety of people using the highway system. Last week the California State legislature passed a motorcycle helmet bill which is on the way to Governor Wilson for his signature. He was an original cosponsor of the safety belt/motorcycle helmet bill when it was introduced in the last session of Congress. I commend him and the State of California for this law.

We will also have several witnesses testifying on the subject of the use of recycled tires in asphalt. Used tires have become a major problem and the highway program provides a promising way to dispose of some of these old tires. On May 9, I introduced S. 1038 which addresses this issue and I look forward to the comments of our witnesses.

The Committee will also be receiving testimony on several other legislative proposals to reauthorize the highway program. We welcome these proposals and encourage everyone to present their ideas for the Committee's consideration.

Finally, Mr. Chairman, it is disappointing that there are already reports of veto threats. I hope this is not true. We have a long way to go and there will have to be compromises along the way. There must be a willingness to work together and search for compromises if we are to bring this legislation to a successful conclusion before the program expires.

I look forward to hearing from our witnesses today.

Senator BURDICK. Senator Lautenberg.

**OPENING STATEMENT OF HON. FRANK R. LAUTENBERG, U.S.  
SENATOR FROM THE STATE OF NEW JERSEY**

Senator LAUTENBERG. Thank you, Mr. Chairman, for holding this hearing.

I am pleased to be an original cosponsor of S. 965, the Surface Transportation Efficiency Act of 1991. This legislation would make some of the most sweeping, significant changes in transportation policy that we have seen in decades, and its time has come. We have to change. We can't think that we're going to be able to meet the transportation challenges that we face in the 1990's with programs and policies that were designed in the 1950's, or even earlier.

But with any bill the size of this one, and with the changes of this magnitude, there are bound to be controversies and concerns. These hearings will give us an opportunity to hear those concerns and factor them into our work as we put together this reauthorization package.

Today we are going to be looking at the issue of truck size and weight. The Administration was silent on the issue, and I believe it's time to deal with it. We have to deal with it as a matter of safety and as a question of protecting the Federal investment in our national highway network of roads, bridges, and tunnels. That's why I and Senator Chafee will be introducing legislation that would draw the line on size and weight. We want to draw a double yellow line around the longer and heavier trucks that they just can't cross.

The trucking industry is a very important one. I don't want to take away anything from its ability to play the major role it does in our economy, but that doesn't mean that we should allow the continuing expansion of the use of LCVs—longer combination vehicles—that I believe are unsafe and shouldn't be used throughout this country. We ought to stop the expansion just where it stands.

Overwhelmingly, the public is afraid to share the road with these big rigs because 74 percent of the people surveyed in a national poll say so, the people of New Jersey certainly say so. As we're going to hear today, neither do the people who drive them. We have a responsibility to protect the investment that all those paying into the Highway Trust Fund have made in this transportation system.

The Federal Highway Administration estimates it will take over \$4 billion a year just to maintain the interstate system. We have to look at the wear and tear that the LCVs would put on the roads throughout this country and ask if allowing them makes sense. In

this bill we have an important opportunity to address this issue. We shouldn't let it pass by.

I think this hearing will help focus our efforts, and I look forward to hearing from our witnesses. Once again, Mr. Chairman, I commend you for getting started with this program.

Senator BURDICK. Senator Symms.

**OPENING STATEMENT OF HON. STEVE SYMMS, U.S. SENATOR  
FROM THE STATE OF IDAHO**

Senator SYMMS. Thank you very much, Mr. Chairman and colleagues. I, too, am glad we're moving forward. I think we should try to move legislation as soon as possible, if possible, and that we should try to do it within the 100 days that the President laid out for us earlier this year in his address to the Nation.

But, Mr. Chairman, in this Surface Transportation Efficiency Act of 1991 we have proposed some dramatic changes in the structure of the Federal Aid Highway Program anticipating the end of the interstate construction era. I believe the bill moves the Nation's transportation programs in the only direction available to us if we are to meet both the needs of the rural States in trying to provide access to the natural resource production and tourism sites, and the needs of urban States trying to reduce traffic congestion.

S. 965 contains several provisions of particular interest to the western States including a sliding scale that allows Federal land States to increase the Federal match on projects; a substantial increase in funding for the Federal Lands Highway Program; tremendous new funding flexibility to help those States provide access to rural areas; program efficiencies to help reduce the administrative costs by eliminating much of the Federal Highway Administration's project-by-project review; and a new program to maintain and improve recreational trails.

I am very pleased, Mr. Chairman, that you're here this morning, and I'm also very pleased that Senator Moynihan, along with the ranking member, Senator Chafee, and the chairman of the full committee—you, Chairman Burdick—have worked with me to ensure that the bill includes those provisions of special importance to Idaho and other western States.

Having said that, I realize that we've made a start. But I also realize, as do the other members of the committee, that this is only the starting point, and there will be some important changes to this bill and I hope some real improvements. I know that many of our witnesses today and tomorrow will suggest such changes.

So without too much further delay, Mr. Chairman, I look forward to hearing what our witnesses have to say this morning. I think with a little luck, we should be able to work this out and move this bill forward with the modifications that we hear from our witnesses and others very rapidly.

Thank you very much.

Senator BURDICK. Thank you.

Our first witness is Mr. Jim Cooper from Tennessee.

STATEMENT OF HON. JIM COOPER, A REPRESENTATIVE IN  
CONGRESS FROM THE STATE OF TENNESSEE

Mr. COOPER. Thank you, Mr. Chairman and members of the committee. I very much appreciate the opportunity to testify before you today on the vital matter of highway safety. I offer my strong support for the safety provisions already contained in S. 965, the Surface Transportation Act of 1991.

Before I begin, I would like to extend my special thanks to my colleague, Senator Chafee of Rhode Island. Through his courageous leadership and tireless effort I feel that we are closer today to ending the human blood bath on our highways than we have ever been before. I thank you, Senator, for your outstanding effort.

Senator CHAFEE. I want to thank you, Representative Cooper, for being a leader in this effort that you have outlined here. You have really been terrific.

Mr. COOPER. Thank you, Senator.

It's very important that these safety provisions are already included in S. 965 because the need for them is overwhelming. Traffic accidents are the number one cause of death for Americans between the ages of 1 and 44 years of age. Every week in our country the equivalent of three jumbo jets crash, killing everyone on board, and yet no one notices. That's the amount of highway deaths that we face in our country.

Every year, the equivalent death toll is like that of the Vietnam War, and yet very few people notice. Every day, we almost lose more Americans than we lost in the entirety of Operation Desert Storm, and yet very few people care. That's about 130 people a day, about one death every 12 minutes.

And those are just the deaths. The temporarily disabling injuries amount to almost 1.8 million a year. The permanently disabling injuries are some 140,000 every year. Highway accidents are the leading cause of paraplegic and quadriplegic injuries.

We don't know a way to eliminate this death toll and this disability toll, but we do know a proven way to reduce it by almost 50 percent through the use of seat belts, and at least 30 percent through the use of motorcycle helmets. The Department of Transportation has estimated that if everyone buckled up and were helmeted in the year 1987, we could have saved 15,000 lives and some \$7 billion.

This legislation has been criticized by some, but the vast, vast majority of the American people know that these sorts of laws work.

In 1984, before the first seat belt law passed, seat belt usage rates were an abysmal 11 percent. Just 4 years later, in 1988, rates had risen, through the passage of State laws, to some 47 percent. In States with helmet laws, usage rates are almost 100 percent.

But today, Mr. Chairman, unfortunately, only 17 States across our great land—only 17 States—have both seat belt laws and motorcycle helmet laws, and 33 States lack one or the other or both of these laws. President Bush has made it a priority to have 70 percent of Americans wearing seat belts by the year 1992, and the National Highway and Traffic Safety Administration has announced a

goal of having seat belt and motorcycle helmet laws in every one of our States by next year.

Mr. Chairman, your approach will accelerate this trend. Your approach is a simple, cheap, and effective method for getting States to pass seat belt and helmet laws. We use primarily the incentive approach. We give them some money to encourage safety education in the coming 3-year period in which States will have passed seat belt and motorcycle helmet laws. Should States choose not to pass these laws, we will not absolutely force them to pass them. We will not threaten to withhold highway money. We will just say to the States, "If you choose not to save lives in one way, try to save lives in another way through safety education and spend 3 percent of your highway money on safety education in your State."

I feel that this flexible approach, with respect for States' rights will give us the maximum chance of passing these laws in almost all of our States.

I hope that my House colleagues will follow your lead, Mr. Chairman, and include in their Surface Transportation Act language such as you have already included. We have been working on this issue and already we have some 100 cosponsors in the House for this language.

The Federal Government has helped people lead longer healthier lives in so many ways. This is another opportunity and one of the cheapest and most effective ways to do that. I just hope, Mr. Chairman, that this legislation will pass to save lives and money before we bury another generation of our young.

Thank you, Mr. Chairman and members of the subcommittee.

Senator BURDICK. Thank you.

Senator Chafee.

Senator CHAFEE. Thank you very much, Mr. Chairman. I know we have a full schedule, but again I want to thank Representative Cooper, who has been such a tremendous leader in this.

I will stress the point that he makes concerning the deaths. Yes, we hear about the deaths. Every year on our highways, we slaughter as many Americans as were killed in all of the Vietnam War, but beyond that I think we forget about the terrible toll that comes from those that are critically and permanently injured. Yes, the other day we read about Bill Shoemaker, the great athlete, who is now—I guess, from the best information we have—permanently paralyzed in a hospital in California.

We have in our State institutions some 11 motorcycle victims—individuals driving motorcycles without their helmets—that are now in comas at a cost of something close to \$100,000 per year to care for them.

So it seems to me that if in the Tour de DuPont the bicyclists are required to wear helmets going 35 miles an hour, I think someone going 70 miles an hour on a motorcycle should be required to wear a helmet likewise. So I hope we are successful with this legislation.

Thank you, Mr. Chairman.

Senator BURDICK. Entering the committee room this morning is the chairman of the subcommittee that produced this product. It's a very good product. So I would like to call on the Senator from New York at this time.

**OPENING STATEMENT OF HON. DANIEL PATRICK MOYNIHAN, U.S.  
SENATOR FROM THE STATE OF NEW YORK**

Senator MOYNIHAN. Thank you, Mr. Chairman.

I think I can speak for everyone in saying how much we appreciate the way you have gladly seen this legislation put together. We are informed by no less of an authority than the New York Times this morning that the five of us have done remarkably well.

Senator CHAFEE. Is that Jessica Matthews' article?

Senator MOYNIHAN. No, that was yesterday.

Senator CHAFEE. That was a great article, except that she misspelled my name.

[Laughter.]

Senator MOYNIHAN. No such oversights occur in the New York Times, you may be sure. Worse than that, they didn't use it at all.

[Laughter.]

Senator MOYNIHAN. The key players on the Transportation Committee subcommittee were Democrats Quentin Burdick of North Dakota, Daniel Moynihan of New York, Frank Lautenberg of New Jersey, and Republicans John Chafee of Rhode Island and Steve Symms of Idaho. It's a very good editorial.

I would like to thank you Mr. Chairman, for that alternative. I think we are moving very well ahead. This will be the last round of hearings. If I understand your plans, we will have a markup on Wednesday a week. Senator Symms and I was able to accommodate you in that. So it looks like we will be ready when you want it a week from Wednesday. We should have this bill on the floor in two weeks.

The President gave us 100 days in his address to the Joint Session, and that comes up June 14th. I think we will do it.

Thank you, Mr. Chairman.

Senator BURDICK. Thank you.

Senator Baucus from Montana.

Senator BAUCUS. I have no statement at this time, Mr. Chairman.

Senator BURDICK. Are there any more questions for Mr. Cooper?  
[No response.]

Senator BURDICK. Thank you.

Mr. COOPER. Thank you very much, Mr. Chairman.

Senator BURDICK. Our next witness will be Mr. George Parker, Associate Administrator for Research and Development, National Highway Traffic Safety Administration.

**STATEMENT OF GEORGE L. PARKER, ASSOCIATE ADMINISTRATOR  
FOR RESEARCH AND DEVELOPMENT, NATIONAL HIGHWAY  
TRAFFIC SAFETY ADMINISTRATION**

Mr. PARKER. Thank you, Mr. Chairman and members of the subcommittee. I appreciate the opportunity to appear before you today. You have asked us to address the subject of heavy truck safety. I am pleased to be able to describe the National Highway Traffic Safety Administration's research and rulemaking activities on this subject.

First, let me begin by mentioning some pertinent safety data. From 1977 through 1988 we saw substantial improvements in

heavy truck safety. In 1988, the last year for which we have complete comparisons, the fatal crash involvement rate for medium and heavy trucks reached an all-time low. Between 1977 and 1988 the fatal crash involvement rate of single-unit trucks decreased by 40 percent, and the rate of combination-unit trucks decreased by close to one-third.

Media attention given to heavy truck safety frequently overlooks the fact that heavy trucks are involved in fewer crashes per mile of travel than are many other types of vehicles, including passenger cars. While medium and heavy trucks make up about 3.2 percent of the total population of all vehicles on our roads, they are involved in less than 3 percent of all motor vehicle crashes.

Still, because of their larger size, crashes involving these vehicles tend to have more serious consequences. For example, 8.4 percent of all vehicles in fatal crashes in 1988 were medium and heavy trucks, which resulted in 12 percent of the total highway fatalities for that year.

For this reason, NHTSA has always given heavy truck safety a high priority in its research and rulemaking. Currently, we are in the midst of an extensive series of performance tests and in-service field evaluations of anti-lock braking systems for heavy trucks. Our plans in this area call for making regulatory decisions within one year on stopping performance and stability requirements during braking. NHTSA is working cooperatively with the Society of Automotive Engineers to make further improvements in truck brake system compatibility through requirements for replacement brake linings and pneumatic valves.

Other heavy truck brake issues are also being addressed in rulemaking. The agency's final rule on improving the air brake timing of combination vehicles became effective on May 3rd of this year. On the same day, we issued a notice of proposed rulemaking to require automatic brake adjustment systems and brake adjustment indicators on heavy trucks. When issued as final rule, this rulemaking should help reduce the number of heavy trucks with brakes that are out of adjustment.

In the area of heavy truck handling and stability, we are building on an extensive amount of past research and are close to completing the development of test procedures for rollover stability and rearward amplification in combination vehicles.

Another area of particular concern is car-truck collisions. In situations involving collisions of cars into trucks, we are working to develop upgraded requirements for protective devices installed on the rear of trailers which may help to reduce fatalities in cases where cars crash into trailers. Also on this subject, we are working on a proposal for reflective marking systems to enhance trailer conspicuity.

On a related matter, we are concerned about the feasibility of designing practical truck front-end structures that are less aggressive in car-truck collisions. We are beginning a program on this subject that could, if successful, lead to a significant reduction in the approximately 3,500 car and light truck occupant fatalities each year resulting from such collisions.

On truck occupant protection and crashworthiness, NHTSA recently issued comfort and convenience requirements for safety



belts in heavy trucks, and we are considering a requirement that all heavy trucks be equipped with 3-point safety belts. We also are working cooperatively with the Society of Automotive Engineers to develop criteria for further improvements in the areas of collapsible steering wheels, cab interior surfaces, cab structural integrity, and fuel system integrity.

Our efforts in advanced technology are also making good progress. NHTSA has a key role in the Department's Intelligent Vehicle Highway System program. In IVHS matters that relate to heavy trucks, we are beginning assessments of driver workload, looking into ways to augment current mirror systems, developing strategies for presenting multiple warning signals and related information to drivers, and considering various vehicle-based methods of determining the status of driver alertness.

We believe this broad range of research and rulemaking activities addresses the many concerns expressed relative to heavy truck safety.

This concludes my prepared remarks. I will be glad to answer any questions you might have.

Senator BURDICK. Senator Chafee.

Senator CHAFEE. Thank you, Mr. Chairman.

Do you have any views on the rigs that have, in effect, three trailers?

Mr. PARKER. We have recognized the possibility of those types of vehicles being introduced on the roads, and we have included those types of vehicles in our research programs, starting in 1987. Both our brake research programs and our handling and stability programs have included those vehicles. We have a special research project that began last year to look at particular problems or particular performance characteristics of those vehicles, and we should be ready later this year with some conclusions from those studies.

Senator CHAFEE. Do you have any preliminary conclusions? Where do you stand? You say that you've been at this since 1987. What about statistical information?

Mr. PARKER. Statistical information on crash data, for example, is not very good, Senator Chafee. We know that these units are operated currently on roads in the west, for example, and the northwest that don't present too much of a challenge and really are not a good test, I would guess, of any safety problems from these vehicles.

On the other hand, we are aware of the different characteristics of these vehicles that could present safety problems, and that's why we have included them in our test programs and research programs.

Senator CHAFEE. But you don't have the information yet?

Mr. PARKER. We don't have the information yet.

Senator CHAFEE. Thank you, Mr. Chairman.

Senator BURDICK. Senator Moynihan.

Senator MOYNIHAN. Mr. Parker, I'm happy to see you here and to hear from the National Highway Traffic Safety Administration. I had something to do with the establishment of NHTSA in 1965, whose first head was Dr. William O. Haddon.

Mr. PARKER. Yes, that is the first administrator I worked under, Senator Moynihan.

Senator MOYNIHAN. He was an extraordinary epidemiologist. He unfortunately died young of a kidney ailment.

He and I first began working together in Albany when he, having finished his work at MIT and Harvard School of Public Health, came to the New York Health Department, having studied under DeGrath, if I remember, and began the use of epidemiological methods to deal with a problem that was clearly a public health problem and endemic to a particular environment. I think some of the first papers on this subject were given jointly by he and I at Syracuse University in 1960.

So I keep looking for that tradition of hard science. It took almost a generation to get the word accident out of the official vocabulary. There are no accidents, but rather events. Accident is a pre-scientific word.

So I look at your one sentence here—not to be in any way adversarial—but it says here, “Heavy trucks are involved in fewer crashes per mile of travel than are many other types of vehicles, including passenger cars.” I will say it again. “Heavy trucks are involved in fewer crashes per mile of travel than are many other types of vehicles, including passenger cars.”

What would Bill Haddon have said the minute he read that sentence?

Mr. PARKER. I think he would add the second part of that, that when they are in crashes, that their consequences are severe, that they cause a lot of—

Senator MOYNIHAN. Would he have said it, or would he have asked it?

Mr. PARKER. I think he might have asked the question.

Senator MOYNIHAN. That’s right. He would not have said it. Are they more severe when they do occur?

That’s the second question. What’s the first question?

[Laughter.]

Mr. PARKER. You must have known Dr. Haddon better than I did, Senator Moynihan.

[Laughter.]

Mr. PARKER. I worked for him for about 6 months, so maybe you could—

Senator MOYNIHAN. I knew him better than you. I knew him for a very long while, and we wrote those first papers together.

What’s the first question?

[Laughter.]

Mr. PARKER. I’ll ask you to ask the first question. I’ll see if I can answer it.

[Laughter.]

Senator MOYNIHAN. I’ll be cheerful about it.

The first question is, Do heavy trucks drive on safer roads?

Mr. PARKER. Yes, they do.

Senator MOYNIHAN. Well, then, if you don’t say that, you’re not thinking. You are telling this committee something that should make you feel one way, when the fact of the matter is that the heavy trucks might be the most dangerous things alive that appear on American roads, but because they appear at a particular time on particular roads, it shows up as a much lower rate per hundred

thousand miles. You may have been actually misleading us, Mr. Parker.

Mr. PARKER. I guess I would like to modify my last answer because 90 percent of the fatalities that happen with heavy trucks do not happen on the safest roads, but they happen on the other roads. I don't have the information with me to—

Senator MOYNIHAN. There you're already telling us something so that we know more, don't we?

Mr. PARKER. I don't have the information with me and I couldn't give you right away the fatality rate on these other roads. The number I gave you was an overall number—

Senator MOYNIHAN. I understand that 90 percent occur on the less safe roads. I can believe that. But does 99 percent of the problem take place on the other roads?

Mr. PARKER. A very high percentage takes place on the other roads. That is correct.

Senator MOYNIHAN. There you are, sir. Your organization has been in place for a quarter of a century. You started out with absolutely first-rate people, people that created the subject. A quarter of a century later you come up here and you give us information without telling us, "Be careful about this sentence, Senators. I'm going to tell you this, but there is also that." You follow me.

Mr. PARKER. Yes, I do.

Senator MOYNIHAN. You know how Haddon would go through it. It's like Oliver Wendell Holmes would say to his law students, "Let us wash this concept with cynical acid and observe how it shrinks."

[Laughter.]

Senator MOYNIHAN. Thank you, Mr. Chairman.

Mr. PARKER. Senator Moynihan, I would like to thank you, by the way, for being instrumental in setting up NHTSA. That has been my career. I have spent a lot of time in research and development. I guess the message that I'm trying to carry up here—and the numbers that I gave you were just an overview—but I think the strong message is: because of the information from our crash data, heavy trucks are a very major part of our research and regulatory program. We have very aggressive programs in place, both research and regulatory. We think they address the many safety problems of heavy trucks, and of course that—

Senator MOYNIHAN. But satisfy us that you're still thinking in a rigorous way.

Mr. PARKER. Well, I gave you a short summary of what is in our crash data.

Senator MOYNIHAN. Well, let me ask you another question. It says, "Crashes involving these vehicles tend to have more serious consequences." Why? What would happen?

Mr. PARKER. Primarily because of the mass differential between the large and the smaller vehicles.

Senator MOYNIHAN. Primarily?

Mr. PARKER. Primarily.

Senator MOYNIHAN. Do you have data on that?

Mr. PARKER. Well, we know that there is a large mass difference—

Senator MOYNIHAN. Does it have something to do with the fact that the crash is more likely to occur at 4:00 in the morning 75 miles from a hospital?

Mr. PARKER. I couldn't tell you. That may be something —

Senator MOYNIHAN. Tell us what you know.

Mr. PARKER. I can tell you—if I went back to the office and dug up all the information that we have that is readily at hand, I could give you information on that. I don't have that information with me.

Senator MOYNIHAN. I'm not being adversarial, I'm just saying that when you come to us, say to us, "I'm giving you this statement, but a full statement would require this other information that I'm not giving you."

These big rigs drive long distances at night, they cross from Montana to Wyoming to North Dakota. It may be—I don't know—that the accidents occur at distances far from places where they can be treated. There used to be, 30 years ago, a standard thing to give Washington, D.C. an award for having the fewest traffic fatalities. I'm sorry to say, Montana always was rated as the worst State in the Union, and no one ever noticed that with an automobile crash in Washington, D.C. you were never more than 10 blocks from the emergency room of a hospital, whereas you could be 150 miles in Montana. It didn't tell you anything.

Thank you, Mr. Parker.

Mr. PARKER. I was going to propose a hypothesis. My hypothesis is that since 90 percent occur on other than the interstate roads—that may not be the case, but we can certainly look at the information and provide it.

Senator MOYNIHAN. That's the spirit.

Thank you, Mr. Chairman.

Senator BURDICK. Senator Lautenberg.

Senator LAUTENBERG. Thank you very much, Mr. Chairman.

Based on Senator Moynihan's question, can we make an assumption about the consequences of wider use of heavy trucks, the LCVs that we're discussing—you're familiar with the subject, I presume.

Mr. PARKER. Yes, I am.

As I said, we know that they have characteristics that are different than the other vehicles, different from the tractor semi-trailers, and different from the doubles that are out there also. That's why we have included them in our research programs. As a matter of fact, we have a very directed research program we started last summer to look at these characteristics to see what additional safety problems they might present. That study is scheduled to finish this summer sometime, and we will have better information.

I wish we had, by the way, better crash information on these vehicles, but we don't.

Senator LAUTENBERG. Mr. Parker, I assume you're familiar with a document entitled, "On Guard: The Hazards of Operating Multiple Trailers," published by DOT, Office of Motor Carriers, March of 1991.

Mr. PARKER. I have not reviewed that.

Senator LAUTENBERG. Here's what it says, "Small tractor steering movements or braking applications, particularly in a lane change, are magnified by a second trailer and can reach uncontrol-

lable levels producing considerable yawing and subsequent roll-over.”

Mr. PARKER. That is exactly part of our current research program.

Senator LAUTENBERG. At this point, is it too early for you to agree with this statement?

Mr. PARKER. It is too early for us to provide——

Senator LAUTENBERG. So then you're saying that, based on what you know, their information may be faulty?

Mr. PARKER. I wouldn't say that it's faulty. I think we would like to know the degree to which that occurs and if there is anything that can be done to correct that. I think the focus of our agency is that if this body or if the States decide that these are important vehicles to put on the road, then we want to make sure that they're put on the road in the safest circumstances. So if we understand that they have a particular problem for which there is a solution, then we want to be ready with that solution.

Senator LAUTENBERG. Even though your research isn't complete, you must have some views of these things. This is, after all, a principal focus of the study for you. Isn't this more of a problem in response to lane change, et cetera? Is it fair to say that it's more of a problem for an LCV than for a single trailer?

Mr. PARKER. Yes, it is.

Senator LAUTENBERG. The same DOT document said,

The chances of rollover of the rear trailer unit rolling over during a sharp turn vary with a combination trailer unit configuration. The last trailer of a triple with 27 foot trailers is three and a half times more apt to rollover in a sharp turn than a five axle tractor semi with a 45 foot trailer.

This statement, again, was just published 2 months ago. Are you willing to say something about that?

Mr. PARKER. I couldn't confirm the ratio that they have put in that report, but that is something that would come out of our current research.

Senator LAUTENBERG. One of the problems in this area is that since 1982 the Federal Government can't control or even really assess what is going on around the country because the States have the ultimate word. I don't want to get you extended into an area where you are totally uncomfortable, but DOT is not here this morning. I regret that, but since your primary focus is safety, I assume that much of this material is familiar to you.

DOT doesn't always know what States are allowing and can enforce prevailing Federal restrictions. Do you agree that there is some confusion about what kind of trucks are being permitted from State to State?

Mr. PARKER. It would be hard for me to comment on that. I think we have a good idea where the triples are allowed, but beyond that I would have to see what information we had back at the office.

Senator LAUTENBERG. Do you think that having this kind of confusion might impede our ability to regulate these trucks and get the kind of safety levels that we're looking for?

Mr. PARKER. Of course, the safety levels that come from our agency are new vehicle safety levels, prescribed for new vehicles. The Motor Carrier Safety, the Federal Highway Administration,

would be involved with the other aspect of it, and I guess I wouldn't want to speak for them.

Senator LAUTENBERG. Mr. Parker, I have just one last item here.

Senator Moynihan focused on this, and I just want to reemphasize it for the record. You talked about the improvement in the operating record and safety record of trucks and trailers, but you do again point out that when there is a crash with one of these vehicles the consequences are fairly disastrous, "8.4 percent of all vehicles in fatal crashes in 1988 were medium and heavy trucks, which resulted in 12 percent of the total highway fatalities for that year." We saw the percentage of traffic involved. That is a significantly different effect as we examine the injuries and the deaths that occur here. Have you seen the film put out by the California Department of Transportation?

Mr. PARKER. No, I have not.

Senator LAUTENBERG. My advice to you is to see it. It shows a long vehicle truck tearing up curbs and signs with this yawing. My advice is to see it, and to be able to talk about it when you come visit us again. The subject is too sensitive, frankly, for you to not be ready to comment on it. It is imminent that we have the highway bill here. We need your advice with which to make our decisions.

Thank you very much, Mr. Chairman.

Senator BURDICK. Senator Symms.

Senator SYMMS. If I heard you clearly, what you said was that the truck fatality rate was down 40 percent because total truck miles are up. But I want to ask the second part of the question. Are more or less people being killed in truck fatalities now?

Mr. PARKER. I believe that there has been a reduction of people killed in truck fatalities.

Senator SYMMS. There has been a reduction?

Mr. PARKER. That is correct.

Senator SYMMS. And that is because of safer operation procedures by trucking companies, is that correct?

Mr. PARKER. There are a number of reasons. That is correct, sir. A number of reasons are responsible for that.

Senator SYMMS. So in other words, we are now moving in a direction of less fatalities in truck-related accidents on the Nation's highways.

Mr. PARKER. They are all moving down, Senator Symms, as a matter of fact.

Senator SYMMS. All fatalities are moving down?

Mr. PARKER. That is correct.

Senator SYMMS. Including the triple trailers that run in 10 States, primarily in the west—those fatalities are down also. Is that not true?

Mr. PARKER. That's a problem for us, and it is a problem that we're working on. We don't have good heavy truck data by truck configurators except maybe unit truck versus combination truck. We have a program in Federal Highways especially pushing this to get the States to collect better data on heavy truck crashes.

We have a program with the State of Virginia to work on better exposure data for heavy trucks. We recognize that this is a problem, and it's hard for us to come before this committee and this

body to talk about crash statistics for heavy trucks because the data isn't all that good. But because we recognize that, we have programs in place to make that better in the future.

Senator SYMMS. But in summary, though, traffic fatalities are down and truck-related traffic fatalities are also down.

Mr. PARKER. That's my understanding. I know it is the case for all fatalities. I believe it is the case for heavy trucks also.

Senator SYMMS. Thank you.

Thank you, Mr. Chairman.

Senator BURDICK. Senator Baucus.

Senator BAUCUS. I have no questions, Mr. Chairman.

Senator BURDICK. Senator Simpson.

#### OPENING STATEMENT OF HON. ALAN K. SIMPSON, U.S. SENATOR FROM THE STATE OF WYOMING

Senator SIMPSON. Thank you, sir.

Just quickly, I am pleased that we are beginning this work. I may just make about 2 minutes worth of statement, and I mean that.

It's so very important to the United States, very important to all of us, and it will get into some geographical struggling and allocation, without question. I represent a State with the lowest density now in the United States, 4.8 people per square mile. That is the land of high altitude and low multitude, I can tell you that.

[Laughter.]

Senator SIMPSON. We are very interested in this. We contribute hugely to the process. We have looked at the Administration's proposal. We've all had the opportunity to review that, and we just had a few weeks to review the other two proposals—the Baucus-Reid proposal and the Moynihan-Burdick-Chafee-Symms. They are different in their approaches, but both are equally dedicated to meeting transportation needs.

I'm looking forward to hearing the opinions, concerns, and suggestions for improvement and change. Every single of your wishes could be met if we had an endless supply of money, but we don't. We are sticking with Gramm-Rudman-Hollings. The votes on the floor show it. We are sticking with the budget agreement of October. Those votes show that. So we have those constraints, and it is important that we maintain the integrity of the highway program. We owe that to ourselves.

So at least if it is not what all would want, it at least is an increase over 1987 to 1991 levels of funding.

So with that, I look forward to hearing what all of you have to say with regard to these tough issues. This will be a very, very difficult struggle.

Thank you, Mr. Chairman. I have no questions of the witness.

Senator BURDICK. Senator Pressler.

#### STATEMENT OF HON. LARRY PRESSLER, U.S. SENATOR FROM THE STATE OF SOUTH DAKOTA

Senator PRESSLER. Thank you very much, Mr. Chairman.

As a former member of this committee I am glad to be here this morning. Later on this morning Mr. Howard of the South Dakota

Transportation Department will be testifying. We are very proud of him. Also, Jack Rentschler, on behalf of the National Association of Truck Stop Operators, will be testifying on the commercialization of interstate rights of way.

I will be in and out of the hearing, but I am very proud of their testimony.

Let me also say that I think that this committee is embarking on one of the most important bills of this year, at least in my State where we depend on transportation so heavily, where our roads are in need of repair, and where our bridges infrastructure is very much in need of repair.

Senator BURDICK. Thank you.

I thank the witness.

Mr. PARKER. Thank you, Mr. Chairman.

Senator BURDICK. Next we have a panel composed of Mr. Thomas J. Donohue, president, and CEO, American Trucking Associations; Ms. Joan Claybrook, co-chair, Citizens for Responsible and Safe Highways; Mr. R. V. Durham, director, freight division, International Brotherhood of Teamsters; and Mr. Allan S. Williams, vice president for research, Insurance Institute for Highway Safety.

We have allocated to each of you 5 minutes for your presentations.

Mr. Donohue, you may begin.

#### STATEMENT OF THOMAS J. DONOHUE, PRESIDENT, AMERICAN TRUCKING ASSOCIATIONS

Mr. DONOHUE. Mr. Chairman, thank you very much for scheduling these hearings prior to the markup. I am sure the other groups within the highway community, many of whom will testify later, join me in the belief that these hearings will be extremely constructive. They are a critical step in gaining the support of all highway users for the final Senate bill.

Mr. Chairman, with your permission and the permission of the other Senators, because this panel is primarily directed at the safety issue, I would like to give a short discussion on the safety questions, having spoken to the staff before. Then when we're finished with that, I have a few comments that I would like to make on the highway segment of the hearing.

If that's all right, I will go forward with that approach.

First of all, Mr. Chairman, on the matter of truck safety, I think it is clear in this town that the trucking industry is committed to operating safely on our Nation's highways and we are very proud of our safety record. The National Highway Traffic Safety Administration released a study last Friday that confirms our pride is well justified.

Let me quote just the first paragraph of the executive summary:

Heavy truck safety has improved dramatically over the past decade. The fatal crash involvement rate for medium/heavy trucks was 3.7 per 100 million vehicle miles of travel in 1988, an all-time low. Between 1977 and 1988, the fatal crash involvement rate for combination-unit trucks decreased 40 percent, while the rate for passenger vehicles—cars, light trucks, and vans—decreased only 25 percent. The efforts of motor carriers and their drivers, coupled with expanded State-Federal programs to license commercial drivers and inspect vehicles at roadside, all seem to be having a positive effect.



That's what NHTSA said, but I couldn't have said it better myself. Since this is a brand new study, I am providing a copy of it for the committee files.

ATA has been a strong and early advocate of truck safety programs, including: the creation of a commercial driver's license; expansion of the Motor Carrier Safety Assistance Program, which has increased roadside truck inspections 1000 percent to 1.6 million inspections a year; elimination of 20,000 commercial safety zones where trucks and drivers were allowed to run uninspected; and imposition of random, mandatory drug testing requirements for all truck drivers.

Mr. Chairman, this fine safety record, which is getting better each day, is a direct result of these industry efforts. As the NHTSA study points out, over the past 10 years the truck fatality rate has dropped 40 percent. We intend to continue to do the right things to improve that record.

You've heard much rhetoric lately about the safety record of more productive trucks, and I expect you'll hear even more of it today. Let me set the record straight. The facts are very simple and very compelling.

These trucks, called longer combination vehicles, or LCVs, have been operating for 30 years in 20 States. Because they are 40 percent more efficient, they mean lower prices and less pollution for the American consumer.

In 1988, the most recent year for full statistics, four people died in accidents involving these vehicles. That compares with 8 people killed in skiing accidents and 801 fatalities in railroad grade crossing accidents.

LCVs carry more cargo with fewer trucks, and without increasing axle weight. They are less polluting and reduce congestion.

This is why findings of studies by two independent organizations support the Nationwide use of certain LCVs in limited areas. Last June, in a study requested by this committee, the Transportation Research Board of the National Academy of Sciences recommended that trucks in excess of 80,000 pounds be allowed to operate under special permits in any State that wants them. And the AAA Foundation for Traffic Safety said in a report released last December that triples should be legalized nationwide.

If that's not enough, John Benning, chairman of Great West Casualty Company, a major insurer underwriting \$200 million in motor carrier policies a year said, "The safety of LCVs is non-issue." As far as his insurance business is concerned, he charges everybody the same price.

Now, given all that, you might think we'd be justified in calling on Congress to require the use of LCVs nationwide. But the truth is, we are not seeking any Federal mandate for the use of LCVs. However, if Congress would choose to treat all States equally, and give them the flexibility to decide for themselves what size and weight trucks should operate on their roads, I think that would be a correct decision.

Now, before I close, I want you to know how angry and disappointed I am in the Association of American Railroads and their front groups, particularly CRASH, who, for their own economic gain, have spent more than \$10 million to assault our fine safety

record and the reputation of the 7.7 million people who work in our business.

The railroads are trying to do through public policy and Government intervention what they have not been able to do in the marketplace: compete effectively for market share.

Mr. Chairman, we know that there are many legitimate highway safety concerns, and we recognize the need for the industry to work on them, such as completing the implementation of the commercial driver's license, conducting research on safer roads, implementing random mandatory drug testing, banning radar detectors, and the like.

Mr. Chairman, let me conclude that it is my judgment that there is a great deal of smoke around this issue and not very much fire. I look forward to your questions.

Senator CHAFEE. Mr. Chairman, we have a tough situation here today. I know Mr. Donohue feels that he was interrupted when he wanted to finish, but with 20 witnesses—and the first two took an hour—we're going to end up in a situation—unless we're really tough here today—where those poor folks in the last several panels won't be heard at all. I think the only way to proceed is to just have a seemingly harsh but fair rule that everybody from here on out stick to their time of 5 minutes.

Mr. DONOHUE. Senator, I'm very happy with that. I was told before hand that because this panel was interested in safety as well as highways that I could have two 5 minute statements. That was the deal that was made, but we can do anything that you like.

I am finished with my safety statement. Thank you very much.

Senator CHAFEE. I don't know who made that, but you can all see the list of witnesses, and we know how these hearings end up.

I won't use any further time.

Senator BURDICK. Ms. Claybrook.

**STATEMENT OF JOAN CLAYBROOK, COCHAIR, CITIZENS FOR RESPONSIBLE AND SAFE HIGHWAYS, ACCOMPANIED BY GERALD DONALDSON, COCHAIR, CITIZENS FOR RESPONSIBLE AND SAFE HIGHWAYS**

Ms. CLAYBROOK. Thank you, Mr. Chairman. My name is Joan Claybrook. I am President of Public Citizen and with me is Gerald Donaldson from Advocates of Highway and Auto Safety. We are co-chairs of CRASH, which is a new organization that was founded last year in order to address the issue of the safety of large trucks. That is what I would like to do here today. I would like to submit my full statement for the record and summarize it briefly.

We are very concerned about the safety of these larger combination vehicles. Indeed, the engineering of them makes them dangerous due to inherent instability caused by five articulation joints, the "crack-the-whip effect", LCV braking problems, the off-tracking which causes LCV trailers to go into adjacent lanes of traffic and climb over curbs, their exaggerated tendency to jackknife, and the driver's inability to control the last trailer. An engineer would conclude that they are indeed very unsafe.

Indeed, the National Transportation Safety Board studied 189 truck safety accidents and reported its conclusions in 1988, and 41

of those crashes involved tractors pulling two 28-foot trailers with three articulation joints. One of the causes or contributing factors in 41 percent of those crashes was instability problems associated with the rear trailer.

LCVs are also very incompatible with cars. They have problems traveling at regular speeds on grades.

In addition, the University of Michigan Transportation Research Institute (UMTRI), under contract with the National Highway Traffic Safety Administration, in the most substantial and highly recognized study that has been done to date, concluded that when one controlled for the kinds of highways and roads over which each truck type travels, the Nationwide fatal accident involvement ratio in 1986 for double trailer trucks was 27 percent higher than the ratio for single trailers. The UMTRI study also concluded that double trailer trucks are 32 percent over-involved in fatal accidents.

In addition, multi-trailer trucks are generally over-involved in crashes. A Washington State study done by the Insurance Institute for Highway Safety in 1984-1986 found that double trailer trucks were 200 percent over-involved. These were for all types of crashes, and not just fatal crashes.

Studies in Utah and New Mexico found that the accident rates for triple trailer trucks were three times the accident rates for single trailer trucks, even with very small samples of accidents.

I would now like to specifically address the limited data available for accurately evaluating the accident record of LCVs. Mr. Parker has already testified to that. I need only add that the problem is that we do not have vehicle miles traveled by type of configuration. On the other hand, the information that we've seen from the American Trucking Associations shows that the ATA is using statistics from the old Bureau of Motor Carrier Safety, which reflect voluntary reporting and simply do not provide accurate statistics.

We are concerned about these longer and heavier trucks on the highway, Mr. Chairman. These trucks are not safe on the highway. They are an enormous problem to the American public. Our highways have to be shared by both cars and trucks. We are concerned that the public is treated unfairly when LCVs are used.

What we would like to recommend to the committee in terms of remedy is that these vehicles not be allowed on interstate highways. The major concern we have is that the Federal Highway Administration, since 1982, has not been in charge of this issue. We have State determinations being made rather than allowing the Federal Highway Administration to enforce the law. The Federal Aviation Administration enforces the law as to aircraft. The Federal Highway Administration ought to enforce the law here as to trucks.

So that is our major recommendation to you because we believe that the situation now on the highway is really in chaos. No one knows what the rules of the road are. People travel between the States—it is not fair to drivers in one State to go to another State and be confronted with these longer, heavier vehicles.

All the safety statistics show that these vehicles are less safe. We believe that LCVs should not be permitted.

One of the issues that has been raised by the American Trucking Associations is that they would lose productivity. I think the committee is well aware of the problems that these vehicles have on highways and the bridge damage they cause, the billions and billions of dollars of debt that we have for fixing the infrastructure that already exists. Trucks today only pay for about 65 percent of their cost; and double 48s fund only about 20 percent of their cost in highway use and damage. That means that there is a subsidy from the American motorist for the rest.

I will conclude my statement at this point, Mr. Chairman, and will be delighted to answer any questions.

Senator BURDICK. Mr. Durham.

**STATEMENT OF R. V. DURHAM, DIRECTOR, FREIGHT DIVISION,  
INTERNATIONAL BROTHERHOOD OF TEAMSTERS**

Mr. DURHAM. Mr. Chairman, I am R. V. Durham and I appreciate the opportunity to appear before you this morning to address the question of LCVs. We represent in the Teamsters more drivers than any organization operating the twins and triples commonly referred to as LCVs.

I will be very brief, but I would appreciate it if you would allow my statement in its entirety to be made a part of the record.

Senator BURDICK. It will be received.

Mr. DURHAM. Mr. Chairman, I'm sure you know that there is an increasing pressure from the trucking employers to expand the use of longer combinations, including triples, on our Nation's highways. On behalf of the people who would have to drive these trucks, I would like to tell you why we are opposed to any expansion on the use of LCVs, including triples.

Mr. Chairman, Teamster drivers enjoy good wages and benefits. To maintain these good jobs, we need a healthy, vigorous trucking industry. We have supported increases in truck sizes and weights in the past. We encourage our employers to become more efficient and productive, but we draw the line when it comes to jeopardizing the safety of the Teamster driver and the motoring public. We cannot support increasing productivity if the cost is safety.

In fact, there is not really any innovation involved in triples. The companies simply add a third trailer to the doubles they run now, making them longer, heavier, and with more articulation points. They want to run them on more crowded roads than they are today. I have in front of me a typical set of twins, and the triple, of course, would simply be adding a third trailer to the rear.

The industry will tell you what a great safety record they have running triples in the west, but Mr. Chairman, that argument is barely relevant to the safety concerns that our members have about running triples throughout the country. If you look at the accident rate per mile traveled for passenger cars on routes where triples now operate, you would probably find it a lot lower than the accident rate per mile in more populated areas. So the industry's accident statistics for triples from those few western States have little relevance to what would happen if you allowed triples to be run across the country.

The truth is that triples have certain driving characteristics that may not pose as big of a safety hazard on wide open, lightly-traveled roads as they are likely to when you get these triples in more traffic. If you allow triples to operate in environments where they have to do more merging, sudden braking, and evasive action, and where they are more likely to have other vehicles in the lanes beside them, you can expect the handling problems of triples to result in more accidents.

Mr. Chairman, the industry argues that they only want to run triples on a few routes. They say they will live with a few staging areas and not try to run these vehicles into terminals and other points of loading and unloading. Mr. Chairman, we have learned too much from our experience in recent years with the Surface Transportation Assistance Act to believe that this commitment would be kept very long.

In 1982 we in the Teamsters worked very closely with this committee, the Congress, and the trucking industry to forge agreements in the Surface Transportation Assistance Act, in which we came up with uniform sizes, weights, twins, we preempted the States on the 80,000 GVW, and so forth. It was understood that these units would go to the terminals and have reasonable access to terminals and to facilities for food, fuel, repairs, and rest.

The uniformity agreement on truck sizes, including the twins and the semis. (At the time the norm was 42 to 45 foot. The argument was made for 48 to take care of the voluminous type freight, such as hauling empty cans. But the ink was hardly dry on the Surface Transportation Assistance Act before the shippers and the trucking industry began to drive for longer trailers.

Armed with bad policy decisions from the Federal Highway Administration, they went to State Legislatures one by one, using economic blackmail to get the States to agree to longer trailers. Today the maximum trailer length in most States is 53 foot instead of the 48. Those States that still adhere to the STAA 48 foot length are the exception rather than the rule.

Thank you again for the opportunity to appear before you.

I would just like to say that this reasonable access change by the FHWA has created additional problems for our drivers, and they are the ones that have to operate these trucks.

Mr. Chairman, I will conclude my testimony and be glad to answer any questions you might have.

Senator BURDICK. Dr. Williams.

#### STATEMENT OF ALLAN S. WILLIAMS, VICE PRESIDENT FOR RESEARCH, INSURANCE INSTITUTE FOR HIGHWAY SAFETY

Mr. WILLIAMS. Thank you, Mr. Chairman and members of the subcommittee. The Insurance Institute for Highway Safety is a nonprofit research and communications organization, supported by the Nation's property and casualty insurers. I am the Institute's research vice president. I want to address the issue of safety in relation to tractors pulling more than one trailer.

I will summarize my testimony, but I would like the full statement to be part of the record.

There is no dearth of evidence that big trucks are hazardous vehicles on our roads. The situation is even worse for tractors pulling more than one trailer. Compared with their numbers on the road, trucks with two trailers are more likely to be in crashes than are trucks pulling one trailer. Crashes of doubles are much more likely than crashes of single trailers that involve jackknifing, which suggests that the instability of the double configuration is a factor in their higher crash risk.

These findings are from a major study conducted by the Insurance Institute for Highway Safety during the mid-1980's in cooperation with the Washington State Police.

For the Institute's comparisons, researchers used a case-control design that accounts for the possibility that different types of trucks have different travel patterns. For 750 trucks in crashes, information was collected on the type of truck, the driver, and the condition of the equipment. Then researchers went back to the crash sites a week later, at the same time of day the crash occurred, and collected the same information on randomly selected trucks thereby establishing a sample of crash-involved trucks and a comparison, or control sample of trucks, that were not in crashes.

This methodology is important because it provides by far the best way, and in fact the only way, to compare the effects of truck configuration under similar travel conditions, that is, where exposure to the risk of a crash is comparable. Other methods of comparison that are commonly used, for example, comparing crash rates per mile traveled, can be misleading when the type of mileage for different vehicles is not similar.

The Institute study primarily involved western or short doubles that are known to have stability problems, but safety problems associated with longer combination vehicles can be expected to be even worse. In general, the more trailers or length, the more unstable the combination.

Handling problems associated with multi-trailer combinations are exacerbated by the fact that many trucks have faulty braking systems. This problem is aggravated by poor maintenance. Many trucks have brake defects. Defective brakes can lead to serious problems resulting in loss of control and jackknifing, especially when the vehicle is a longer combination rig.

Anti-lock brakes not only reduce stopping distances on wet and slippery roads, but also help drivers maintain control. However, anti-lock brakes are not required and few big trucks are equipped with them in this country.

Another problem, besides truck brake deficiencies, is driver fatigue caused by long hours behind the wheel. This fatigue problem can be expected to be worse for drivers of trucks with more than one trailer as drivers report greater tiredness after driving longer combinations than they do when driving conventional trucks.

It is common knowledge that truck drivers routinely violate hours of service regulations. Because truckers so often violate these rules and drive long enough for fatigue to pose safety problems, it is important to equip all tractor trailer rigs with on-board recording devices to enable more effective enforcement of hours of service regulations. Such devices automatically record when a truck is driven, its speed, and other information.

Speeding, like driver fatigue, increases the difficulty of controlling big tractor trailer rigs in an emergency situation. What is helping tractor trailer drivers to speed is radar detectors. Surveys that the Institute has conducted recently in 25 States indicate that about half of all big trucks have radar detectors in use. In doubles and triples, about one-third of the drivers are using radar detectors.

Our research also indicates that trucks with radar detectors are more likely than those without radar detectors to be speeding, no matter what the speed limit is. Radar detector use is banned in all vehicles in Connecticut, Virginia, and the District of Columbia, and they are banned in big trucks in New York, but they are legal to use everywhere else in the United States.

In conclusion, given the clear evidence that big trucks are hazardous vehicles, and that the longer the rig the more hazardous it is likely to be, there is every reason to take steps to minimize the chances of truck-related highway crashes. One step would involve retaining existing restrictions on combination vehicles. Other steps include requiring both anti-lock brakes to improve control and on-board recorders to monitor truck speed and driver's hours behind the wheel. Finally, radar detectors should be banned in big truck rigs. Together these steps would go a long way toward improving tractor trailer safety.

Thank you.

Senator BURDICK. The questions to be directed to the panel will be limited to 3 minutes, and hereafter the witnesses will be required to adhere to a 4 minute rule. That's the only way we can finish today.

Senator Chafee.

Senator CHAFEE. Why don't you give me a 2-minute signal because I want to go fast here.

Joan Claybrook, Mr. Donohue has characterized your group as a front group for the railroads. Is that true?

Ms. CLAYBROOK. No, it is not.

Senator CHAFEE. Why not?

Ms. CLAYBROOK. This organization was founded by a large number of health and safety advocates. On our board of directors we have 16 people, only 2 industry representatives. The overwhelming majority vote under our by-laws is held by health and safety advocates.

Senator CHAFEE. Mr. Donohue, why did you call her a front group?

Mr. DONOHUE. Mr. Chairman, the group was founded initially by ITEL which owns a handful of railroads and 70,000 railroad cars. Their major funding—almost all their funding—comes from railroad organizations. Ms. Claybrook has been a national advocate of disclosure of funding. Ask her where she gets her funding.

Senator CHAFEE. Where do you get your money?

Ms. CLAYBROOK. I would say about 50 percent of the funding comes from industry sources. Our broad coalition includes the insurance industry, suppliers, ITEL—as Mr. Donohue mentioned.

Senator CHAFEE. What percentage comes from ITEL? Indeed, is ITEL a railroad-oriented group?

Ms. CLAYBROOK. It is not a member of the American Association of Railroads. It is a leasing company.

Senator CHAFEE. Is it a big business leasing railroad cars?

Ms. CLAYBROOK. Yes, railroad cars. But CRASH is a broad coalition, Mr. Chafee. Our members have a shared interest. I think the important issue here is that all of the members of our coalition—a broad-based coalition with 2,000 individual contributors or more—have come together because we have a shared interest in this issue.

We worked, for example, with the insurance industry in forming Advocates for Highway and Auto Safety, which is 100 percent funded by the insurance industry. The issue is really whether we have a shared interest.

Senator CHAFEE. Is my 2 minutes up?

All right, I have a half a minute more.

Dr. Williams, what do you say about Mr. Donohue's statement that John Benning, chairman of Great West Casualty pooh-poohs the question of safety on LCVs?

Mr. WILLIAMS. There is not adequate data yet on LCVs, but I think all indications are that these are more unstable vehicles and likely to have more problems than the doubles that are presently operating.

Senator CHAFEE. Maybe the answer is that his company sees no evidence of increased risk between singles and multi, and maybe they're all pretty dangerous. What do you say to that, Mr. Donohue?

Mr. DONOHUE. Sir, the numbers on LCVs are very simple.

Senator CHAFEE. All within 15 seconds.

Mr. DONOHUE. I will.

In 1988 they drove 500 million miles, with 4 total fatalities, 1 triple fatality. In the last 10 years, only 9 people have died in triples accidents.

Senator CHAFEE. Thank you.

Ms. CLAYBROOK. Mr. Chafee, we dispute those numbers.

Senator CHAFEE. There is a dispute on numbers, I can tell that right here.

Thank you.

[Laughter.]

[A letter from Ms. Claybrook follows:]



# Public Citizen



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Ralph Nader, Founder

May 21, 1991

The Honorable  
John H. Chafee  
United States Senate  
Washington, D.C. 20510

Dear Senator Chafee:

At the hearing before the Environment and Public Works Committee last week you asked me about the organization CRASH which I co-chair and its funding base. During the same hearing Senator Simpson made references to various organizations that are formed in Washington, D.C. and no one knows who they are.

I would like to supplement my testimony first by saying that CRASH was formed last spring to address the dangers of large unsafe trucks, with a focus on longer combination and overweight vehicles, drug and alcohol use, and fatigued drivers. The Board of Directors are volunteers who get no compensation from CRASH, and represent a broad spectrum of experience and interest in these issues. They include two former governors (one from each party), representatives from medical and public health institutions (Johns Hopkins School of Public Health, the Trauma Foundation, and Trauma Services, Stanford University Hospital) experts with many years of work on highway safety (Advocates for Highway and Auto Safety, Institute for Injury Reduction, National Association of Governor's Highway Safety Representatives) and two business representatives (one rail supplier and one insurer).

Under our bylaws, the majority of the board must be non-business representatives.

As we announced when the organization was inaugurated, CRASH received a significant startup seed grant from one rail boxcar supplier. That grant represents about 40 percent of our budget for the first 15 months. This budget is \$1.9 million. We have received contributions from over 2,000 individuals, over 100 diverse companies, including insurance groups representing over 3,000 companies, as well as some modest contributions from labor unions. As I testified, we have not received any funds from the railroads themselves, despite the continuing claims by Mr. Donohue of the American Trucking Associations.

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I am quite concerned about mentioning the specific names of any of our contributors because of harassment by the ATA that occurred when we mentioned publicly the name of the seed grant giver and several other contributors. The ATA immediately wrote intimidating letters to the board of directors of our insurance group member trying to persuade them to withdraw their support. In addition, the ATA filed a frivolous complaint with the Internal Revenue Service which it properly decided not to pursue. The apparent purpose of trying to force attention on CRASH supporters is to continue this harassment and to divert attention away from the real issue: the dangers of longer combination vehicles.

In terms of total dollars, I should point out that the trucking associations budgets are 40 times that of CRASH and the political action committee contributions alone from the major trucking entities exceed the entire CRASH budget.

For many years the trucking companies have held sway in Congress because of their aggressive lobbying. CRASH is the first coalition of organizations to match the ATA in communicating with Congress directly and forcefully on this issue. Rather than focus on the dangers of large trucks, the ATA has engaged in dirty tactics to undermine its opposition. However, they have not been successful with this effort because our supporters have courageously refused to knuckle under to such pressure.

Thank you for the opportunity to elaborate on our testimony. I would appreciate having this letter made a part of the hearing record.

Sincerely,

  
Joan Claybrook  
President

Enclosure

cc: Senate Environment & Public Works Committee Members

# CRASH

CITIZENS FOR  
RELIABLE AND  
SAFE HIGHWAYS

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14. Robert Vagley  
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Washington, D.C.
15. John Volpe  
Former Governor, State of Massachusetts  
Former Secretary, U.S. Department of Transportation  
Boston, MA

Executive Director: Anthony Garrett, San Francisco, CA

Secretary Treasurer/

Project Coordinator: Jacqueline Neuwirth, San Francisco, CA

\* For identification purposes only.

Senator BURDICK. Senator Lautenberg.

Senator LAUTENBERG. Mr. Chairman, first let me say that even though I disagree with Mr. Donohue on the issue of LCVs and, frankly, just generally doubt the information that's being presented, they did support the ban of radar detectors in trucks, for which I was most appreciative. I think that's a very positive step toward safety on the highways.

One of the problems I have, Mr. Donohue—I would say that there was a little bit of hyperbole when we describe an ad campaign that assaults the reputation of the 7.7 million people that work in the trucking business. I haven't seen that anywhere. I don't think that does your argument any good.

You're sitting here with people from the insurance industry, people who drive the vehicles, people who do represent different safety organizations. Do you feel like you're kind of a lonesome voice in the dark here?

Mr. DONOHUE. No, sir. I feel that I represent the industry that delivers 78 percent of the dollar value of all the goods in this country, that has done more about highway safety in the last 7 years than anyone has done about safety in any industry. We have made progress, as measured by the Government of the United States, and the assault that has been put on our industry is self-serving and economically-based.

Senator LAUTENBERG. You're going to keep coming back with those statements, but that is not going to gain you anything, Mr. Donohue, I must tell you.

Mr. DONOHUE. Then, sir, let's just look at the Government's numbers.

Senator LAUTENBERG. We will continue to look at the numbers. We were very disappointed that our friend from NHTSA didn't have more information. But I think if this debate is going to be conducted rationally, we ought to make sure that we have the numbers, that they are very clear, that they are statistically accurate, and we go from there. The front movement, the rear movement, or what have you, isn't going to solve the problem. People are scared silly of being on the roads with these trucks. Just look at poll after poll after poll. You're saying to dismiss all their fears and dismiss all the concerns.

I saw you shake your head when we talked about the California Department of Safety film. That you discredit. Is there anything at all that anybody said that you think is reliable?

Mr. DONOHUE. Yes, sir. I think that the NHTSA study that was released on Friday is reliable. I think that all the DOT numbers give a significant reduction. I call to your attention the Congressional Research Service which has just completed a study that showed that fatal accidents in real terms—

Senator LAUTENBERG. I'm going to interrupt and just say one thing. One survey of trucking companies showed that 73 percent opposed a sizing for trucking companies. Only 23 percent supported it. Then 63 percent opposed a weight increase, and only 26 percent support it. We find that 39 percent want States to be able to set higher size and weight limits than the Federal Government while 43 percent do not.

Mr. DONOHUE. I agree with that, sir.

Senator LAUTENBERG. Thank you very much, Mr. Chairman.

Senator BURDICK. Senator Symms.

Senator SYMMS. Thank you, Mr. Chairman.

I guess one of the questions I would like to ask is, In the States where the triple trailers run, like the Rocky Mountain doubles and others, and longer combination vehicles—how long have we been running those in the western States?

Mr. DONOHUE. Approximately 30 years.

Senator SYMMS. Are there any State Legislatures that have made any moves in those States to outlaw these longer vehicles?

Mr. DONOHUE. There was a major discussion in Oregon on the subject. There were a lot of surveys. The Oregon PUC has decided to stay with LCVs. Other than that, there has been no formal movement until the last couple of months when we have had all these films. There has been some reconsideration, but nobody wants to outlaw them; they are safe and they are productive. They have the best safety record in the country.

ATA is not attempting to expand them.

Senator SYMMS. You just want to keep it the way it is?

Mr. DONOHUE. I think at some point in time that the Congress may want to let each State make its choice. You let 20 States make the choice, and you ought to let the others do so as well. By the way, nobody is suggesting increasing axle weights—nobody.

Senator SYMMS. On that question, it is axle weights that make the difference on the bridge form. Is that not correct?

Mr. DONOHUE. Yes, sir.

Senator SYMMS. The higher axle weight limits make a real difference in terms of damage to pavements and bridge structures and other elements of the highway infrastructure. But the overall truck weights are well within the bridge form. I think you all agree with that. Is that correct?

Mr. DONALDSON. No, Senator.

Senator SYMMS. You don't agree with that?

Mr. DONALDSON. No, Senator, because the whole issue of damage to bridges does not just depend on either the overall gross weight of the truck or the gross weight of the axle, but on the spacing of the axles and the character of the span. It depends on whether it's a long span or a short span bridge and on how closely clustered the axle weights are.

Senator SYMMS. Do you want to make a comment on that, Mr. Donohue?

Mr. DONOHUE. We would be here all day.

Generally speaking, if you keep the axle weights within limits, you are OK.

Senator SYMMS. I guess I want to go back to the question I asked of Mr. Parker when he was here.

You had some statistics, Mr. Donohue where you said that 8 people were killed in skiing accidents, 4 people were killed in truck multi-trailer vehicles, and approximately 800 people had been killed by running into rail crossings. Those are not on the interstate where that happens.

Mr. DONOHUE. No, sir.

Senator SYMMS. I would like to have Ms. Claybrook and Mr. Donohue answer this question.

Are we having more or less people killed on the highways today than we had last year, the year before, and the preceding years?

Mr. DONOHUE. There is a 40 percent decline in the percentage killed in relation to miles traveled, and an 18 percent real decline in the number of people killed.

Senator SYMMS. Total numbers of people killed is down 18 percent. Is that truck-related?

Mr. DONOHUE. That's in fatal truck accidents.

Senator SYMMS. Joan, you don't disagree with that, do you?

Ms. CLAYBROOK. I do. If you look at it going back to 1980, we now have more actual deaths in truck accidents than we did in 1980. Today, it's a very small number, and the number has been fairly consistent over this period of time. Of course, you also have had an increase in vehicle miles traveled. But the problem is, Senator, that we do not know the vehicle miles traveled by each specific truck configuration.

There is no information on this that is accurate nationwide. We have had statements from the Montana Department of Highways, we've heard from the PUC in Oregon, and we've had it from NHTSA itself, but we simply don't know vehicle miles traveled by LCVs. So when you talk about crash rates, we really don't know and can't compare accident rates.

Senator SYMMS. I think my time is up, but you wouldn't put any stock in the fact that State Legislatures in the States that run these are not trying to outlaw them then.

Ms. CLAYBROOK. I think that is an issue to be considered, but on the other hand, I think there is only one person that has been lobbying the State Legislatures, and that is the trucking industry. I think the State legislatures have been very responsive to the trucking industry. There is no question about that.

Mr. DONOHUE. Senator, may I put in the record the study of the Congressional Research Service that shows in 1979 5,684 people died in truck crashes, and in 1989, 4,672 died. I have the whole study, and I would like to put it in the record.

Senator BURDICK. Without objection, it will be received.

Senator BAUCUS.

Senator BAUCUS. Thank you, Mr. Chairman.

Let's take one more crack at this.

Mr. Donohue, just in about one or two sentences, what is the heart of your argument that these combinations are not unsafe? What is the heart of your argument?

Mr. DONOHUE. The heart of the argument is that the basic evidence is that they run 500 million miles a year and they run with the best safety record in the country.

Unfortunately, this argument is detracting us from the whole argument about the highway bill. But that is the basic argument. We did not go out and look for mandatory expansion.

Senator BAUCUS. Ms. Claybrook, what is the heart of your argument that these are unsafe? What does it get down to, as you see it?

Ms. CLAYBROOK. The heart of the argument that LCVs are unsafe is that triple trailers have five articulation points. They are simply engineered in a way that makes it impossible for them to be as safe as other vehicles. They are heavier, they jackknife more, they can't

accelerate as easily, they are designed in a way that makes them unstable and simply unsafe, and they don't have decent braking systems.

Senator BAUCUS. Mr. Donohue, I was a bit struck by the Teamsters. They are the folks that would drive these trucks, and they don't want them. I'm just curious—

Mr. DONOHUE. I will try in one sentence to respond to that. First of all, if you talk to those Teamsters that do drive them, they would like to continue to do so. Second, I can very much understand Mr. Durham's concern about the reduction in the number of drivers that will be needed.

Mr. DURHAM. May I respond to that?

Senator BAUCUS. You bet.

Mr. DURHAM. First of all, I certainly take offense that the statements in opposition to the longer combinations are self-serving. As I mentioned before, we worked very hard with the industry in 1982 to come up with uniform truck size and weight laws. This truck size and weight issue is so important it has to be addressed here. If you let it go back to the States, as Mr. Donohue has suggested, they take one State and they play them against the other. They say, "If you don't allow triples"—as they did recently in Minnesota—"we're going to move all the jobs over in the Dakotas."

Senator BAUCUS. What about the statement that those that drive the LCVs—

Mr. DURHAM. We certainly disagree with the statement that Mr. Donohue has made. We represent—I just settled 160,000 member contract dealing with drivers that operate the twins and the triples. One of the things that I think gets confusing is, What is an LCV? What is the definition of the longer combination?

Senator BAUCUS. Mr. Donohue, Senator Lautenberg said that the trucking industry supports bans of radar detectors. Is that correct?

Mr. DONOHUE. Yes, sir.

Senator BAUCUS. Do you also support on board monitors?

Mr. DONOHUE. Not for all trucks, no, sir, because—

Senator BAUCUS. Why not for the bigger heavier trucks?

Mr. DONOHUE. We can certainly talk about that. It's a huge expense. The study that came out from NHTSA yesterday indicated that most of those trucks are already geared to drive more slowly. They can't speed, and if we go over that material, I would be very happy to discuss that subject.

Senator BAUCUS. Most of those trucks can't speed?

Mr. DONOHUE. No, sir. They are geared by the companies that own them so that they cannot go over a certain speed limit. The engines are actually electronically geared so that they can't speed. We're talking about the triples and the double 48s now.

Senator BAUCUS. I'm talking about all big trucks. Why shouldn't they all have on board monitors? For the privilege to drive on the highways, it just seems to me—

Mr. DONOHUE. The study just produced by NHTSA gives a whole rationale, statistically, why that should not be necessary. But after it is reviewed, I would be very happy to discuss that with you.

Ms. CLAYBROOK. Mr. Baucus, I would like to say that driver fatigue is the key issue which on board monitors would address. Fa-



tigue has been shown in a number of studies to be a serious issue in terms of the likelihood of an accident.

Senator BURDICK. Senator Moynihan.

Senator MOYNIHAN. Ms. Claybrook, in your verbatim testimony—I don't find it in your written testimony—you made a statement that trucks only pay 65 percent of the cost they impose on the highways and that the double 48s only pay 20 percent.

Do you have the data to give us a citation on that?

Ms. CLAYBROOK. I would be glad to submit it for the record. It is the Federal Highway Administration estimate on the 65 percent. On the 20 percent, that was a recent study that was pulled together by the American Association of Railroads. I would be delighted to submit all that data.

Senator MOYNIHAN. You need to get that in—not next month—but tomorrow because we're going to write a bill next week.

Mr. Donohue.

Mr. DONOHUE. Senator, in 1982, the DOT cost allocation found that heavy trucks were paying 70 percent of their costs, then the taxes were increased 125 percent. The 1987 study found that we paid 80 percent of our costs and taxes have gone up again.

Senator MOYNIHAN. Good. Perhaps you would produce that.

Mr. DONOHUE. I would be very happy to do that.

Senator MOYNIHAN. I would like to thank Dr. Williams for a very clarifying testimony and just record that when William Haddon left the National Highway Traffic Safety Administration he went to the Insurance Institute, and you have maintained a very high standard, somewhat of a reproach to our public counterparts. We thank you.

Mr. WILLIAMS. Thank you.

Senator MOYNIHAN. Mr. Durham, you're the only person here that represents people working for a living that get paid by the hour. How many members does the Teamsters have now?

Mr. DURHAM. We have 1.6 million.

Senator MOYNIHAN. You're talking about 1.6 million people. They work by the hour, right?

Mr. DURHAM. They work by the hour and by the mile.

Senator MOYNIHAN. And by the mile.

Mr. DURHAM. Yes, sir.

Senator MOYNIHAN. And you come here to say that they don't want any more of these things on the road?

Mr. DURHAM. Exactly.

Senator MOYNIHAN. We heard you with great respect and attention, sir. We thank you.

Mr. DURHAM. I would like to make just one other comment, Senator, if you would permit me. All the emphasis has been put on the driver and on speed control, and whatever. I would submit to you that two very important items need to be looked at in any combination. In the dolly, if you look to Canada, you have the B model dolly where you have the double drawbar and you have more stability.

The other has already been mentioned. We have been waiting since the early 1970's for anti-lock brakes. That was promised to this committee when they agreed to increase the weight. We still don't have them, although the automobiles have them.

Senator MOYNIHAN. Would you give us a statement on those two points?

Mr. DURHAM. Yes, sir, I certainly would.

Senator MOYNIHAN. Thank you. We appreciate it.

Thank you, Mr. Chairman.

Senator BURDICK. Senator Simpson.

Senator SIMPSON. Mr. Chairman, this is a rather spirited little session here.

[Laughter.]

Senator SIMPSON. I've never heard so many quick questions in my life, but it's good.

It's difficult to hear the struggle, which is more than a struggle. It's almost a hostility between the truckers and railroads. Then we have to come along and sort it out. It gets tedious. I've said before—and my comment is just as tedious—it seems to me that we continue to do what we always do here, we pass or kill a bill based on a deaf blend of emotion, fear, guilt, or racism. It's a very difficult place to work when you have to face all that when we're supposed to be here—and we do a pretty good job—when we boil those four elements out of the issue.

No wonder everybody is scared stiff. I've seen those ads, some of them. But why is it done? It's just like political campaigning. Negative campaigning is done because it works, and we suffer from that.

So I do have trouble with statistics. It's just bizarre to me how everybody can take their own rub of statistics and come out pro-railroad, or pro-truck, and then who are these groups? That's the thing you learn in this committee. What are these groups, often with interlocking directors, same funding sources—and it doesn't matter what the issue is, whether RCRA, Superfund, Clean Air, you name it. And it works.

But my problem is—and it's a selfish one—we have a State with three interstate highway systems crossing it—I think it's one of the largest in the United States—and we have been an island State, and Senator Lautenberg has been very helpful to us over the years—and so we can't be allowed to sit in the middle of other States that have 117,000 while we have 80,000, so we want to get that permanently taken care of. Every time we bring it up, somebody brings up triple trailers.

We don't care. You can go anyway you want. Let the State Legislatures decide whether they want to go with triple trailers. That's something they can consider. But to get ground up in that process each time is a very perilous and quite tedious process.

I don't have any time for questions, I just hope that we can begin to wring the emotion and hysteria out of this to get something sensible for this committee to deal with.

Thank you.

Senator BURDICK. This concludes the round for this panel.

Thank you all very much.

Mr. DONOHUE. Mr. Chairman, may I just ask a question, please?

In the matter of the comments that the American Trucking Association has to make on the highway components on this bill, we were led to believe that we would have an opportunity to make brief remarks. Could you tell me how you would like to handle that? It's a very significant issue, and we stepped forward on the

bill. I think I could do it in 3 or 4 minutes, but I do think that based on the discussions we had, it would be appropriate.

Senator BURDICK. We'll give you 3 minutes right now.

Mr. DONOHUE. You have a deal.

Mr. Chairman, the question that remains on the highway bill is what kind of national system will we have on which we carry our goods. The nearly complete Interstate system was designed to meet the needs of the 1950's. While maintenance of that system is very important, it will not alone meet our future needs.

There are 223 new growth areas that will have a population of more than 50,000 people to whom new roads are going to have to be built. The present bill, as it is written, penalizes people for building new roads.

The two words that we would like to see considered in the final form of this bill are "continuity" and "connectivity." We would encourage and support extended funding, data collection, and interstate maintenance that are included in your bill. We will vigorously support those points.

We think the bill should have added to it a national intercity highway system, the size of which would be determined in discussion, that would assure that we could move our goods. We are concerned about the MPOs and their control of funds. That needs to be discussed because it crosses State boundaries and because of other factors related.

We are concerned about the application of the categorical air quality program, although we understand money needs to be spent. We are concerned that the funding for non-highway projects needs to be looked at, particularly some of those that go to railroads and other factors.

But most of all, we're concerned about our ability to grow. We support the research program, and we hope that at least \$30 million would be put on trucking, which is the largest of the programs and the largest of the transportation modes.

The discretionary bridge program should be continued, but DOT should have some flexibility in giving funds for some of those very large bridges that need rebuilding that can't be done out of the present fund. We are all in favor of new technology, but how that is funded, and how that is included in the bill ought to be discussed.

Mr. Chairman, congestion pricing is a very complex issue. We think the tests that are underway are good and suggest they should be continued, but they should be limited to commuter traffic and not apply to interstate commerce.

And, finally, two very quick issues, one on the matter of double taxation—that's the question of taxes and tolls. Mr. Chairman, there is an excellent study that we and the DOT and others are supporting being done by the Hudson Institute looking at alternate means of financing infrastructure. That study will be completed in the next few weeks, and I would like to submit some of that material. That might be very helpful on the tolls question.

Finally, you know in the Commerce Committee there was much discussion on tax simplification, the lick 'em and stick 'em problem we have bingo stamps. We spend all kinds of money in fuel tax and

registration administration that can be reduced by \$3 billion with simplification and uniformity.

Thank you, Mr. Chairman. That was the quickest 3 minutes on record.

Senator BURDICK. Panel number two consists of Mr. Louis Gambaccini, president, Southeast Pennsylvania Transit Authority; Mr. Eugene Peterson, director, Washington Traffic Safety Commission, National Association of Governors' Highway Safety Representatives; Mr. Jim Bensberg, Washington representative, American Motorcyclist Association; Mr. Tim Hoyt, director of safety, Nationwide Insurance, Advocates for Highway and Auto Safety; and Mr. Richard D. Morgan, vice president, National Asphalt Pavement Association.

Senator BURDICK. Mr. Gambaccini, you are recognized for 4 minutes.

#### STATEMENT OF LOUIS GAMBACCINI, PRESIDENT, SOUTHEAST PENNSYLVANIA TRANSIT AUTHORITY

Mr. GAMBACCINI. Thank you, Mr. Chairman. I very much appreciate this opportunity to be before you, and particularly your willingness to permit me to come today rather than tomorrow as originally scheduled.

My name is Lou Gambaccini, chief operating officer and general manager of the Southeast Pennsylvania Transportation Authority. I have spent some 39 years in public service, 30 of them in transportation. I have served—in addition to several transit positions—as commissioner of transportation in the State of New Jersey, and in other highway-related capacities. My present position requires my oversight of the public transportation entity that serves some 1.2 million passengers today, operates 2,500 buses, subway cars, trains, and trolleys.

I also serve currently as the American Public Transit Association chairman of the Subcommittee on Advocacy and Coalition Building. I am here today to express, on my behalf, SEPTA's behalf, and on APTA's behalf—although you will be hearing tomorrow from APTA—our strong support for the thrust of the bill that is before you.

You have heard much about the problems of the lack of a level playing field and the aspiration for a level playing field. We believe that is the core of the message that we want to deliver.

I sometimes describe the extreme inequity that has tended to favor highways over public transportation as somewhat akin to the civil rights problem. After scores of years of discrimination in civil rights, we have learned that affirmative action may be a necessary step to get to a level playing field. Nobody I know of is espousing an affirmative action program in favor of public transportation and against highways, but we are appealing for a bona fide level playing field. We believe that S. 965 is a positive step in that direction.

One only has to look back 10 years to see the extremes in the unlevel playing field. Ten years ago, the ratio of highway to transit support at the Federal level was two to one, today it's five to one, and in the five years, as proposed in the Administration's bill,

would by six to one, and at the end of the period an eight to one immediately following.

One of the ironies in that un-level playing field is that not only has transportation mobility worsened for those dependent on public transportation, but it is rapidly worsening for those that were meant to benefit for their higher levels of highway support.

We applaud the three principles outlined by the chairman with respect to the thrust of the bill improving the efficiency of existing systems, turning the initiative to States and cities for metropolitan decisionmaking, and providing transit as an option.

Along the lines of the level playing field, we say that the matching ratio must be the same for highways and transit, that research dollars should be an equivalent proportion as well. There has been a marked and even greater deterioration in support for transit from a comparability to highway research and planning 10 years ago to one-eighth to one-tenth of what was back then. We have to right that scale.

Not only does that result in direct research and planning efforts, but it has many, many other dimensions that intended to favor highways. The production of engineers, planners, administrators that have given further thrust to the advocacy of highways inimical to the future development of public transportation.

I won't take time to recite the income tax code, just the inequity. That is covered in a separate bill by Senator Moynihan, S. 26.

My time has run out.

Mr. Chairman, I don't have the prepared testimony, but I will be able to provide it within a couple of days.

Senator BURDICK. I understand that you were to catch a plane.

Mr. GAMBACCINI. Yes, sir. If I may be permitted, I would appreciate questions now.

Senator BURDICK. Do any members wish to ask him a question before he leaves?

[No response.]

Senator BURDICK. Thank you very much, Mr. Gambaccini.

Mr. Peterson.

#### STATEMENT OF EUGENE PETERSON, DIRECTOR, WASHINGTON TRAFFIC SAFETY COMMISSION, NATIONAL ASSOCIATION OF GOVERNORS' HIGHWAY SAFETY REPRESENTATIVES

Mr. PETERSON. My name is Eugene Peterson and I am the director of the Washington Traffic Safety Commission. I am here today representing the National Association of Governors' Highway Safety Representatives, NAGHSR, which as you know is the National association of State highway safety offices. The members of this association, like myself, are appointed by governors throughout the States, and we have the charge of planning and implementing the highway safety grant programs for the respective States. Our association is primarily concerned about driver behavior issues such as impaired driving, occupant protection, pedestrian, bicycle, motorcycle safety, safety enforcement, and truck safety.

My remarks will be primarily directed to the proposed safety belt and motorcycle helmet requirements in section 153 of S. 965, the

Surface Transportation Efficiency Act of 1991. I will also discuss the issue of speed compliance and other safety provisions.

At this point in time, I would like to applaud the committee and the members for the inclusion of the provisions in section 153. I could cite the statistics in terms of seat belt use. You have them before you in my statement. But personally I can tell you that I am really committed to seat belt use because of a personal incident that happened to my wife and my daughter soon after I became the director of the Washington Traffic Safety Commission.

My wife was returning home in the evening, she was making a legal turn, and she was hit on the passenger side by an over-sized truck. The car received some significant damage. My daughter was on the side of the vehicle in a properly restraining occupant restraint device. The glass shattered in the window, and all my daughter received were a few minor cuts. My wife, who was restrained, had no injuries whatsoever. She was thoroughly shaken by the incident. I think that speaks well to the reason why we need to have occupant protection devices and utilized—hopefully—70 percent by 1992, but definitely 100 percent in the years to come because they do save lives.

I would also like to speak to some of the other provisions of the bill that we support. We believe that section 153 moves in the right direction because it allows for incentives. The incentives in this provision are like those found in the Alcohol Traffic Safety Incentive Grant 23 USC 408.

We also—while we do not support sanctions—we really feel that you are moving in the right direction with the redirection aspects of section 153. Under the proposal, 1.5 percent of State highway safety construction funds, excluding interstate funds, can be redirected to non-construction highway programs. In the out years, 3 percent of the funds can be redirected.

We feel this is a good provision because what it does is to move the money into areas where they can be utilized for safety. Yes, it does give us more 402 funds, but we would favor having safety belt laws enacted in all the States, obviating the need for redirection. We also feel that the bill will increase the ability to save lives.

I want to move quickly and submit for the record a study that we have done in the State of Washington. This is a study of all fatalities in a 3-year period and conclusively proves that seat belts do save lives. The folks that did survive these non-survivable collisions that were not helmeted—it was a 50 percent proposition, where 50 percent of them lived and 50 percent of them died.

I would also like to say that we are concerned about the issue of speed compliance. We feel that the bifurcated approach to speed the way in which speed compliance is currently addressed in current legislation does not lead to a good national speed compliance program. Our positions are here, and I submit the rest of the testimony for your perusal.

Senator BURDICK. Mr. Bensberg, you're next.

STATEMENT OF JIM BENSBERG, WASHINGTON  
REPRESENTATIVE, AMERICAN MOTORCYCLIST ASSOCIATION

Mr. BENSBERG. Thank you, Mr. Chairman.

On behalf of the AMA, which represents over 200,000 motorcyclists nationwide, we appreciate this opportunity. We have several topics which we would like to address at this time.

Over 6 million Americans own and operate motorcycles on public highways and trails. We believe it is essential for Congress to realize the positive benefits motorcycles offer to the current traffic mix on our Nation's highways. Therefore, we would ask you to reject any amendments to the Surface Transportation Assistance Act that would have the effect of discouraging persons from operating a motorcycle.

While the AMA supports the passage of a comprehensive transportation bill, with all due respect to Senator Chafee, we oppose the inclusion of his language regarding the issue of compulsory helmet laws for all States. We fully recognize the accepted safety benefits of helmet usage, but in response to the greater majority of our members, we continue to oppose the imposition of mandatory helmet requirements for adult cyclists.

The proponents of this legislation will tell you that only incentives and no sanctions are used to coerce States into passing helmet laws. We believe that the effect of this language will make helmet laws in all States a certainty because of the shortage of Federal funds allocated to the States. In our view, it is analogous to offering a cold drink of water on a hot day to a drought survivor.

It is important to note that we do not oppose partial helmet laws for minors only. However, once a person reaches the age of maturity, it is our fundamental belief that that decision belongs solely to the individual.

Further, we remain unconvinced that these so-called studies typically used by proponents of compulsory helmet laws are, in fact, accurate. There remains much scrutiny to be applied to any study which would single out any group of motorists for punitive action.

The good news is that motorcycle accidents, injuries, and fatalities have plunged dramatically over the past decade. Since 1980, motorcycle-related fatalities have dropped 39 percent. Perhaps not coincidentally, during the same period, motorcycle rider education became widespread and has popularized riding safely.

We believe that this controversial issue should be decided at the State level without any encouragement or coercion from Congress. Given the choice between more highway funds, or less, it becomes obvious which the State will select.

Moving on to highway safety, we support the continued designation of motorcycle safety as a national priority, thereby making these safety programs eligible for Federal section 402 State and Community grant funding. We believe programs that have been funded with section 402 money have been highly successful. We encourage you to retain them.

Under the subject of HOV lanes, current law guarantees that motorcycles shall be considered legitimate vehicles for travel on commuter, or so-called high occupancy vehicle lanes. We simply ask this committee to retain this language and reject any amendment that would abolish section 163.

The final issue concerns the National Recreational Trails Trust Fund Act. The AMA fully supports the provisions of Title II of S. 965, the National Recreational Trails Trust Fund Act.

This legislation represents a unique opportunity of all recreationists—not just motorized interests, but hikers as well—to enjoy the funding that accrues to the Highway Trust Fund as a result of off-road vehicle usage. The program would be administered through the Department of Interior in cooperation with State and local governments. We believe this to be a legitimate use of Highway Trust Fund tax receipts since off-highway vehicles generate this money.

In conclusion, it is fair to say that no one is more concerned about the future and safety of motorcyclists than the AMA. We will continue to stress our agenda at every opportunity.

Thank you, Mr. Chairman.

Senator BURDICK. Thank you.

Our next witness is Mr. Tim Hoyt, director of safety, Nationwide Insurance, Advocates for Highway and Auto Safety.

**STATEMENT OF TIM HOYT, DIRECTOR OF SAFETY, NATIONWIDE INSURANCE, REPRESENTING ADVOCATES FOR HIGHWAY AND AUTO SAFETY, ACCOMPANIED BY JACQUELINE GILLAN, DEPUTY DIRECTOR, ADVOCATES FOR HIGHWAY AND AUTO SAFETY**

Mr. HOYT. I am Tim Hoyt, director of safety for Nationwide Insurance. Nationwide is aboard member of Advocates for Highway and Auto Safety, a coalition of consumer, safety, and insurance organizations dedicated to promoting passage of highway and auto safety laws and policies to reduce death and injury on America's highways, and economic losses due to motor vehicle crashes. I am accompanied by Jacqueline Gillan, deputy director of Advocates for Highway and Auto Safety.

I am here today because Advocates believes the reauthorization of the Federal Highway programs offers an unparalleled opportunity to increase the safety of our roads and bridges.

As has been mentioned, we are delighted the motor vehicle crashes and fatalities and injuries are on a downward trend, but nonetheless, they continue to constitute a major public health dilemma and cost society in excess of \$85 billion annually.

A great proportion of these costs end up being paid not by those involved in crashes, but by others. Addressing motor vehicle and highway safety through prevention and public policy changes not only saves lives and suffering, it saves money.

Every single day, on America's highways, 120 people, totally nearly 45,000 each are killed. There is a tenant number of injuries associated with that.

Advocates believes that several steps with relatively low price tags and great returns for safety can be taken. Some of these ideas are already incorporated into S. 965, the Surface Transportation Efficiency Act.

Let me discuss some areas of great opportunity for Federal leadership now before you.

With regard to using Federal Highway dollars to encourage State action in safety issues on motorcycle helmet and safety belt use laws, Advocates applauds you, Mr. Chairman, and Senator Chafee for your leadership in encouraging State safety belt and motorcycle helmet use laws in this bill. We are glad to see a strong version of



Senator Chafee's bill included in the Surface Transportation Efficiency Act.

The National Highway Traffic Safety Administration has set a goal, which we strongly support, to have mandatory safety belt use laws and all-rider motorcycle helmet use laws in all 50 States by 1992.

President Bush has also set a national goal of 70 percent seat belt usage by 1992. Nationwide and many other employers are working with the National Highway Traffic Safety Administration in a major campaign to achieve that goal. DOT has announced it will accentuate enforcement in this campaign, so State safety belt use laws are key to the Administration's strategy.

The American public overwhelmingly supports motorcycle helmet use laws. In a recent Roper survey, 90 percent of the respondents said they supported such laws.

The language currently in your bill will lessen a burden now being shouldered by all Federal taxpayers and health care associations, the deaths and injuries which could have been avoided if every State had safety belt and all-ride motorcycle helmet use laws. For example, one study of 105 injured motorcyclists found that 63 percent of their costs were paid by public funds, with Medicaid covering slightly more than half. Advocates recently assisted in the publication of a special edition of the Injury Prevention Network newsletter devoted to motorcycle helmet use and use laws.

We seek permission to include this newsletter in the record.

Now 28 States and the District of Columbia now have seat belt use laws; 23 States and the District of Columbia now have all-rider helmet laws; and California's law will make it 24. We know that these safety belt use laws and all-rider motorcycle helmet use laws work. We believe all States should show such vision and political will as the 17 States that have already enacted both laws. Your legislation encourages them to find that will.

We strongly support this provision, and we look forward to its inclusion in the bill Congress enacts.

The other parts of our statement are submitted for the record. Thank you, Mr. Chairman.

Senator BURDICK. Our next witness is Mr. Richard Morgan.

**STATEMENT OF RICHARD D. MORGAN, VICE PRESIDENT,  
NATIONAL ASPHALT PAVEMENT ASSOCIATION**

Mr. MORGAN. Thank you, Mr. Chairman.

My name is Richard Morgan and I am vice president of the National Asphalt Pavement Association. To say that I feel a little out of context here is an understatement, Mr. Chairman. I have been asked to discuss the waste tire abatement and disposal and rubber asphalt, which is a new subject this morning.

The National Asphalt Pavement Association is a trade association that represents the hot mix asphalt industry. Our firms produce about 75 percent of the total hot mix asphalt produced in the United States annually, which is about 500 million tons.

We commend the committee for its timely introduction of the Surface Transportation Act, and the proposal to abate waste tire

dumps and stockpiles, and to control on a continuing the waste tire disposal problem.

My testimony is submitted in full for the record, and it is based on a version of the bill I saw earlier. I do understand that the bill has been revised and introduced last week.

We endorse the proposal in the bill for a fee or a tax on the tire to be used at both the State and the Federal levels to encourage abatement disposal and control. We are in no position, however, to judge whether the amount of these fees are properly related to the problem.

We also support your strategic approach taken to the problem by requiring the establishment of waste tire recycling, abatement, and disposal programs with specific target dates. We believe that is the best way to attack the problem. However, again, we are in no position to say whether the time lines in the bill area realistic.

The bill seemed to rely almost exclusively on the use of rubber modified asphalt pavement to take care of the annual accumulation of scrap tires by requiring that after 5 years a State certify that not less than 7 percent of its asphalt pavement laid each year used rubber modified asphalt.

This does give us some problems. Rubber modified asphalt can enhance pavement performance in certain applications. We do not like to see Federal legislation mandating its use without some further study.

One of the many advantages of conventional asphalt pavements is that they are a renewable resource. It is completely recyclable. When you use modifiers or additives to the mix, such as crumb rubber, we don't know if it is recyclable. If the modified material is not recyclable, for either environmental or engineering reasons, a partial solution to the waste tire disposal problem for this generation becomes a much larger problem for the next generation.

Further, we have been under attack in the industry for fumes and emissions from conventional asphalt. When we use rubber in it, if that's going to exacerbate that problem, again, we don't know.

We recommend that the proposed legislation be amended to require that research be conducted by DOT and by the Environmental Protection Agency to determine the environmental and health impacts of producing and applying rubber modified asphalt pavements, to determine the recyclability of rubber-modified asphalt pavements, and to determine the performance of rubber asphalt pavements.

We also believe the 7 percent requirement, which is coupled with a highway sanction, is counterproductive. We would suggest some sort of incentive rather than a sanction for enforcement of the program.

Thank you, Mr. Chairman.

Senator BURDICK. That concludes the panel.

Senator Chafee.

Senator CHAFEE. I hope these answers will be brief.

Mr. Bensberg, I must say that I'm astonished at the attitude that you and your association take. You heard the testimony of Mr. Hoyt. You, yourself say in your own statement, "AMA fully recognizes the accepted safety benefits of helmet usage." I just can't understand why you don't do everything you can, even if it results in

law—we have tried other methods through persuasion, through your organization, through training—to get motorcyclists to wear helmets, and they don't. I think we all recognize that when accidents occur in motorcycles, those without helmets are severely injured. You know that as well as I do.

You saw the testimony that all too often these individuals end up as users of Medicaid. I commend our colleague Governor Pete Wilson—who, by the way, was a cosponsor of this legislation last year, so I can only assume he'll sign that bill in California—and I hope the action in California will help us all in getting this passed.

Just a quote from Mr. Hoyt's testimony on page 3, "For example, one study of 105 injured motorcyclists found that 63 percent of their costs were paid by public funds." We see it in our general hospital at home. These unfortunate individuals are in a coma. We have some that are alive, one that's been there 17 years in a coma, not wearing a helmet. I would think that your organization would do everything they could to encourage this and to help this legislation instead of standing there opposing it.

I'm really not asking for an answer.

Mr. BENSBERG. Senator, I would be happy to respond to your concerns.

First of all, I would like to point out to you a program that has been developed by the AMA and the National Highway Traffic Safety Administration, which does just that. By its very nature it encourages helmet use by the use of these free reflective decals.

Senator CHAFEE. I know you do all that, but why do you fight us? I watched the Tour de DuPont Saturday and every bicyclist wears a helmet there. I suppose your point is, well, we ought to pass a law that all bicyclists have to wear a helmet. We don't have the capacity to enforce every single law. We can't go into every home in the United States or to every bicyclist, but out here on the highways they are going far in excess of any bicyclists, and the damages are so severe, I think you would rally behind it.

I find your attitude very disappointing. You have fought this every inch of the way.

Mr. BENSBERG. We have, Senator, because our members asked us to do so.

There are a couple of points I would like to make. In watching the Indianapolis time trials yesterday, I noticed that all the auto drivers at Indianapolis all wear helmets inside their cars. I don't believe that anyone on this Committee would suggest that all car drivers wear helmets to reduce head injuries.

However, we would be a little less recalcitrant on this issue if it were not for the issue of health care waste in this country. A recent article in the Washington Post says that we can save \$100 billion a year simply by eliminating paperwork.

Senator CHAFEE. Come on. If we can save \$100 billion a year we will grab it. That doesn't mean we shouldn't where we can here. This is not solely a Medicaid issue. This is an issue that involves individuals whose lives have been ruined—you know them and I know them because of terrible injuries that have come from motorcycle accidents where they have not had helmets. I would think that you would just rally behind this legislation and be for it 100 percent.

Senator BURDICK. Senator Symms.

Senator SYMMS. I would just like to thank all the witnesses this morning for their testimony. I don't have any questions at this time. I see that it is 11:15 and I think we're one-third of the way through our list, so I will reserve my time for later.

Senator BURDICK. Senator Baucus.

Senator BAUCUS. I have no questions, Mr. Chairman.

Senator BURDICK. Senator Simpson.

Senator SIMPSON. Mr. Chairman, I thank you.

It is a difficult issue, and I hear the passion of Senator Chafee and the remarks of the representative of the cyclists. In my State of Wyoming, we have laws that provide that for a certain age and below you wear a helmet and above that you do not. It comes down to those very serious issues of individual choice and freedom, and those are difficult to legislate, even though it is obvious to me that the injuries to those that do choose that particular mode of transportation are severely imperiled, but apparently they choose to do so.

But it is difficult, and we will be wading through that one, too.

Thank you. I have no further questions.

Senator BURDICK. Senator Reid.

Senator REID. I have no questions, Mr. Chairman.

Senator CHAFEE. Mr. Chairman, could I ask one word of Mr. Morgan?

Have you seen the subsequent legislation we put in?

Mr. MORGAN. No, sir, I haven't seen it.

Senator CHAFEE. We'll have to have more chats with you privately. It's a little difficult to do it now since we're under such a tight time schedule.

Mr. MORGAN. Thank you.

Senator CHAFEE. Thank you, Mr. Chairman.

Senator BURDICK. Our next panel consists of Honorable Richard Bryan, a United States Senator from the State of Nevada; Honorable Richard Howard, Secretary, South Dakota Department of Transportation; Honorable Conrad Burns, a United States Senator from the State of Montana; Honorable John Rothwell, Jr., Director, Montana Department of Highways; Honorable Garth Dull, Director, Nevada Department of Transportation; Honorable Don Diller, Secretary, Wyoming Department of Highways; Honorable Duane Berentsen, Secretary, Washington Department of Transportation; and Honorable Eugene Findlay, Secretary, Utah Department of Transportation.

Senator BURDICK. We shall now hear from Senator Bryan.

#### STATEMENT OF HON. RICHARD H. BRYAN, U.S. SENATOR FROM THE STATE OF NEVADA

Senator BRYAN. Thank you very much, Mr. Chairman. I would like to compliment and commend you for calling this hearing today. I greatly appreciate the opportunity to be here to testify.

It is clear that this year's highway reauthorization marks a turning point in national transportation policy. I would like to take this opportunity to share a westerner's perspective, particularly that of Nevada.

I grew in a Nevada markedly different from the Nevada of today. As a youngster, every person in my State could have been comfortably seated in the Los Angeles colosseum for the Rose Bowl. We had fewer than 8,000 people in the city of Las Vegas when I started school. Today the metropolitan area includes more than 800,000. Nevada has a rapid population growth that continues. In Southern Nevada, in the Las Vegas metropolitan area, more than 4,000 people a month are moving into this area.

Simply stated, Nevada's existing highways are not adequate to meet the needs of our rapidly growing population. Efforts are underway to alleviate part of this program through greater use of mass transit. The bus system operated by the Washoe County in Reno is a model system for a smaller city. The source of funding for this is a dedicated sales tax allocation.

In Clark County, in the Las Vegas area, voters last fall approved a referendum calling for \$100 million in new taxes collected at the local level for transportation purposes. As part of that transportation commitment, a .25 percent sales tax will be dedicated for the purposes of improved mass transit in the Clark County Southern Nevada area.

Nevertheless, highways are and will continue to be the most important mode of transportation for most Nevadans.

I think it's difficult, Mr. Chairman and members of this committee, sometimes to appreciate the vast distances that we in the west travel. For example, consider the drive between Las Vegas and Reno, the two metropolitan communities in our State. this drive is roughly the equivalent of a drive from Washington, D.C. to Boston, Massachusetts. While driving from Las Vegas to Reno you pass through a dozen small communities, the most populace of which approaches some 5,000.

On the drive between Washington, D.C. and Boston, however, you pass through eight of the most densely populated States in our country, and through hundreds of towns. In addition, you pass through a number of big cities including Baltimore, Trenton, Newark, New York, New Haven, and Hartford.

Clearly, Mr. Chairman and members of this committee, there can be no direct comparison between the transportation needs of Nevada and of States on the eastern seaboard.

When it comes to transportation, Nevada needs good highways, we need good primary roads, and we need good secondary roads. When it comes to paying for all these improvements, Nevada needs Federal transportation dollars.

One of the areas that I find particularly galling and the most irritating is the Federal Highway Trust Fund. The dollars that are collected there from motorists as they pay gas taxes that go into the Highway Trust Fund are collected on the basis that those funds are to be allocated for transportation improvements.

As this committee will recall, I testified last year. As we all know, these funds are not being spent for their intended purpose. Instead, Federal dollars earmarked for highways are being used to finance the Federal deficit.

I have introduced legislation that would require a spend-down of the nearly \$11 billion that remains as part of that Highway Trust

Federal and would require our \$103.5 billion highway program over the next 5 years.

Of the highway proposals being considered by this committee, Mr. Chairman and members of the committee, only the Reid-Baucus proposal, in my view, comes close to making the kind of commitment we need to have made for our highway programs.

S. 965 is a thoughtful piece of legislation and may indeed serve the purposes of some areas of the country. Respectfully, I submit it's a proposal that will not work in Nevada.

While S. 965 attempts to provide flexibility for State and local governments to make their own decisions between highways and mass transit, leveling the playing field between the two options, the many clean air related provisions of the proposal provide significant disincentives to building new highways or expanding the capacity of existing highways. From a Nevada perspective, these proposals would be unworkable.

By placing restrictions on new capacity, the proposal preempts State and local authority to make decisions regarding clean air. Although the elimination of automobile traffic is one method of reducing vehicle related air pollution, it is not the only method. Quite simply, most Nevadans must drive to work. There is simply no other alternative as a practical measure. Every minute a car sits in a traffic jam aggravates air pollution problems. If we can eliminate these traffic problems, we will eliminate a major part of the air quality problems that we have in the metropolitan areas of my State.

Quite simply, Nevada, the fastest growing State in the Nation, needs expanded capacity on its highways. While other States may not share this need, Nevada should not be denied the Federal assistance other States have enjoyed in the past.

I would like to make one additional point, If I may, Mr. Chairman, and that is the Administration's and other proposals have suggested a reduction of the Federal share of these highway projects. I can tell you, as a former governor of my State, that such an action would be disastrous from a State perspective. As we all are aware, nearly every State faces some type of fiscal crisis. The stated purpose of this increased State share is to leverage Federal highway dollars.

Under the current highway program, Nevada qualifies for 95 percent Federal match due largely to the nearly 85 percent of the State owned by the Federal Government. By the Administration's logic, this high Federal match would encourage a low State commitment to transportation.

Quite simply, Mr. Chairman and members of this committee, Nevada needs no Federal coercion to make the maximum possible transportation commitment. The Reid-Baucus bill retains the current State/Federal matching formulas, another advantage which works in the favor of every State, and every region.

Mr. Chairman, I would like to thank you again for offering the opportunity or me to testify and share a western perspective, and specifically the perspective of the fastest growing State in America.

Thank you.

Senator BURDICK. Thank you.

Are there any questions of the Senator?

If not, you are excused.

Senator BRYAN. Thank you very much, Mr. Chairman.

Senator BURDICK. From now on we will be on a strict time limit of 4 minutes.

The next one to be heard from is the Honorable Richard Howard, Secretary, South Dakota Department of Transportation.

**STATEMENT OF HON. RICHARD HOWARD, SECRETARY, SOUTH DAKOTA DEPARTMENT OF TRANSPORTATION**

Mr. HOWARD. Good morning, Mr. Chairman. I am Dick Howard, secretary of transportation for the State of South Dakota. I appreciate the opportunity to testify today. I would like to note that my prepared statement has been concurred in and is also being presented on behalf of my sister State of North Dakota, as well as eight other States.

South Dakota and the other States that have joined in my prepared testimony strongly support S. 823, the Transportation Improvement Act of 1991 which was recently introduced by Senators Reid of Nevada and Baucus of Montana. They were joined by the two Senators, Pressler and Daschle from my home State, and seven other Senators.

S. 823 is not only a good bill for our region, but it is a good bill for all of America. It continues the basic program structure of today, but would improve it through more funding and far greater transferability between highway categories and to transit. S. 823 would continue program categories for interstate 4-R, primary, secondary, and urban highways, bridges, hazard elimination, and railroad/highway crossings. S. 823 maintains a successfully structured program that ensures the preservation of the existing Federal Aid Highway system, a system that has been developed through the cooperative efforts of the Federal, State, and local governments, and which interconnects all areas of the Nation.

This proposal would provide the means for States to continue transporting people, natural resources, and agricultural and industrial commodities within and through the individual States. This is especially important for rural western States to afford them the opportunity to compete in a global marketplace. Thus, we urge retention of these important time-tested categories as a means to ensure a balanced program for all nationally important highways.

We also support S. 823's retention of apportionment formulas which are basically the same as current formulas recognizing that they have been adopted by Congress over time to allow fair distribution of funds between the programs and among the States.

While many talk of new approaches to the future, we urge you to also remember the successful elements that have evolved in the past. The sponsors of S. 965 deserve commendation for putting forth new alternatives and innovative provisions. Certainly their bill addresses a major concern of all States, namely flexibility. It offers new flexibility for States to meet their unique needs, but we are concerned that such broad flexibility without any structure to assure participation throughout the broad range of needs will provide funding for one area or mode at the expense of another.

We think this flexibility, when combined with the increased role of metropolitan planning organizations in actually operating the programs, can seriously and negatively impact the State's programming and administration of the surface transportation program. S. 965 provides so little structure that it could also create severe problems in management of the program from an implementation standpoint.

We are very concerned with the portions of the bill that vest significant program authority in MPOs which would create new inflexibility in program administration as well as needlessly intruding on prerogatives that have always been exercised by States, and quite frankly, exercised well. Most of the roads subject to the MPO authority are owned by the States; therefore, S. 965 would separate much authority from ownership.

From the perspective of the rural States, these proposals should be dropped from the bill entirely, leaving States to continue to work with their own localities to reach project decisions. However, at a minimum, we suggest that the larger States should legislate to themselves first in this area and not impose on smaller States new requirements that are inappropriate for them.

We support the need for a strong bridge program, as deficient bridges are a national problem. However, we would like to continue the discretionary bridge program for those instances where the National ongoing program cannot handle the expensive bridges.

Finally, I would conclude with some thoughts on urban/rural balance. The Nation's interest in any highway program must include all areas of the country. Therefore the idea of connectivity must be kept foremost in mind when designing that program. It is connectivity that ensures that people have the ability to move across areas, between urban centers, and within metropolitan areas. It should also be noted that metropolitan areas in large land area rural States are not like the metropolitan areas in other States.

Mr. Chairman, I would conclude that the written testimony has been made part of the record, and I would be happy to answer any questions later.

Senator BURDICK. Our next witness will be Mr. John Rothwell, Director, Montana Department of Highways.

Senator BURNS. Mr. Chairman, could I say a word of introduction, please?

Senator BURDICK. Surely.

#### STATEMENT OF HON. CONRAD BURNS, U.S. SENATOR FROM THE STATE MONTANA

Senator BURNS. Mr. Chairman and Members of the Committee, I am pleased to be here today to introduce the Director of the Montana Department of Highways, John Rothwell.

John and I have known each other for years, and I have high regard for his insight into the needs of Montanans.

John has only held his current position since last Fall. However, in his short time as Director of Highways, he has already made a difference. He has implemented a program to reorganize the Montana Department of Highways increasing its accountability and ef-



iciency—two of the goals that the Chairman hopes to achieve nationwide.

John has laid the groundwork and is now faced with the task of organizing the newly created Montana Department of Transportation.

I am confident that under his leadership Montana will make the best use of the funds it will receive from the legislation that will be discussed here today.

I hope the Committee will carefully consider Montana's analysis of S. 823 and S. 965. I realize that you all are faced with the difficult task of putting together a highway bill that addresses the needs of the entire nation—and it is a very diverse nation.

I do not envy you.

John's testimony, and the testimony of other western States here today, will help you better understand the needs of rural America.

Montana is a land of wide open spaces. In fact, it is further from the southeast corner of the State to the northwest corner than it is from Washington, DC, to Chicago. We are also an exporter State—moving raw materials to other parts of the country and the world.

Our infrastructure needs are very different from those of Los Angeles or New York City, but they are no less important.

I commend John's testimony to you and look forward to working with you to come up with a balanced Highway Bill which will carry us all toward a more productive and prosperous 21st Century.

Thank you, John, for your help.

Senator BURDICK. You may proceed.

#### STATEMENT OF JOHN ROTHWELL, JR., DIRECTOR, MONTANA DEPARTMENT OF HIGHWAYS

Mr. ROTHWELL. Mr. Chairman, and members of the committee, I am John Rothwell, director of the Montana Department of Highways, which will become the Montana Department of Transportation on July 1st.

My native State of Montana is a vast predominantly rural State. Only 23 percent of our 800,000 people live in cities of over 50,000 population. The Montana economy depends principally on agriculture and natural resource production.

Although Montana ranks 4th in land area, and 10th in miles of interstate, it ranks 44th in population. So it is quite a task for our citizens to keep up an adequate network of roads to serve ourselves, to get our resources to market, and to serve citizens from other States that must either cross or send their goods across to Montana.

During the 30 year interstate era, our attention and resources were diverted to the task of finishing the interstate. As a result, Montana has a very adequate interstate system, which we are maintaining in a very good serviceable condition.

However, the condition of our primary system stands in stark contrast to that of our interstate. In the 1930's, the cry in Montana was, "Get the farmer out of the mud." During this era, a 24-foot paved roadway with timber bridges was state-of-the-art. Today,

over 1,000 miles of these model A roads and nearly 500 obsolete timber bridges remain in service in our primary system.

Based on the need to upgrade these roads and bridges, as well as other facilities in the State, we have identified \$5 billion worth of needs through the year 2000 in our most recent needs study, a backlog of immense proportion largely on our primary system.

In order to achieve these objectives, we urge your support of S. 823, the Transportation Improvement Act, co-authored by Senator Reid and Senator Baucus, of my home State, and cosponsored by Senator Burns of our State, as well as eight other Senators.

I want to particularly commend Senator Baucus for his keen interest in and leadership on the highway reauthorization. He just recently visited us in Montana with a field hearing on these subjects.

The provision in the Reid-Baucus bill that rewards States for spending more of their own money on highways is well-conceived. We feel this approach is more appropriate than efforts to leverage more State funds by reducing the Federal share for highway construction.

Montana would suffer by any drastic increase in State match. Montana is already fourth highest in per capita expenditure for transportation infrastructure in the country—\$380 per citizen—and our ability to generate more to meet an increased match requirement is severely limited. For example, raising the motor fuel tax by one cent in Montana will only raise \$5 million, while that same increase in Wisconsin would raise \$25 million.

The other proposal before this committee is Senator Moynihan's bill, S. 965. We heartily applaud the provisions in S. 965 that give greater flexibility to the States in managing their programs. We are also relieved that this bill would not mandate a super system such as the NHS. However, we would appreciate some assurance that the functional reclassification required by section 124 would not result in such a system or legislative fiat. We oppose giving the Executive Branch a free hand to functionally reclassify America's highways.

We also strongly oppose the excessive share of resources that would be directed toward large States in S. 965. We do not have gridlock problems, and by mandating fund distribution to MPOs on a dollar per citizen basis, Montana's three urbanized areas would get roughly two and a half times the average spent in those areas over the last decade.

We hold that Montana's greatest need is to maintain improved highways across rural areas instead of worrying about gridlock in our cities.

I do appreciate the opportunity to testify, and would be glad to answer any questions.

Thank you very much.

Senator BURDICK. Thank you very much.

Our next witness will be the Honorable Don Diller, Secretary, Wyoming Department of Highways.

STATEMENT OF DON DILLER, SECRETARY, WYOMING  
DEPARTMENT OF HIGHWAYS

Mr. DILLER. Mr. Chairman, it's a pleasure to be here. I am Don Diller, director of what is now the Wyoming Department of Transportation, and has been that for about a month.

Last month, we supported the testimony of Richard Howard, secretary of transportation of South Dakota in his testimony before the House of Representatives Subcommittee on Transportation. We are in support of his testimony submitted to you here today. We believe that S. 823 captures the balance between rural and urban States.

It presents the proposal to extend current legislation with larger authorizations that would benefit all the States. It also contains some changes that address some of the concerns that we have including adding flexibility to the existing system. It represents a known way of doing business that all the States and the Federal Highway Administration have worked long and hard to develop.

My testimony toward S. 965 I hope doesn't diminish my support of Mr. Howard's testimony on S. 823. The issues that he has supported, such as modifying design standards for rehabilitation projects, extending interstate completion schedule, and retention of additional obligation authorities are important to us in Wyoming, but I won't go into them in detail.

We agree with Mr. Howard's testimony that S. 823 responds to the two most pressing issues in today's highway problems: inadequate funding and inadequate flexibility.

S. 965 presents a perspective far different. The key element in it is that it allows large diversions of highway user taxes to other transportation modes. The proposed legislation contains several items that are desirable, such as the flexibility it allows the States and the increase of total funding over existing levels. Considering that it will be under the existing spending limitation agreements, it may be the amount that the committee feels is appropriate. We think it's well below the amount needed, and we feel we must make that clear.

We understand the problems our country faces with congestion and air quality. We are concerned, however, that in developing this S. 965 rural States like Wyoming will be forgotten. Wyoming is almost exclusively dependent upon the highway network in single occupancy vehicles for transportation, economic growth, and development.

Over 60 percent of our cities and towns are served by no other means of transportation—no air or no rail. There are several items in this S. 965 that we feel could be and should be modified to meet the needs of rural States without compromising the intent of the bill. First, is the funding level.

In Wyoming, other modes of transportation are simply not feasible. It's not feasible to provide the type of service required to move a few people over long distances by any means other than highways. Our needs are great in the area of highway improvements, but the vastness of the State and the transcontinental transportation going across our State for the basic transportation needs for others, we feel we deserve more than the two-thirds of one percent

of the Federal dollars made available for surface transportation. Most other proposals for transportation have recognized this need.

The problem is that much of the increase in total funding in S. 965 is being used for congestion management and correction of air quality. We are not affected or funded by either. But then the legislation further dilutes the portion of the Surface Transportation dollar that we get by diverting it to MPOs, transportation enhancement programs, additional planning, and management system requirements. That effect is fewer dollars.

If I can conclude, Mr. Chairman, we are very concerned about the MPOs, the matching ratios, about the single occupancy vehicle requirements, but we don't wish to be negative on this bill. We think it's a very innovative bill, but it is our belief that lacking modification in these areas, it does not adequately meet the needs of the rural States.

Senator BURDICK. Thank you.

Our next witness is the Honorable Garth Dull.

Senator REID. Mr. Chairman, I would like to take a minute to introduce the director of transportation in Nevada.

Senator BURDICK. You may.

Senator REID. We have had Mr. Dull testify before our committee on other occasions. He has done an outstanding job in the State of Nevada and is one of the leaders throughout the country. Seeing the need for maintaining a highway program, as it is developed over the years, we look forward to your testimony this morning.

#### STATEMENT OF GARTH DULL, DIRECTOR, NEVADA DEPARTMENT OF TRANSPORTATION

Mr. DULL. Thank you, Senator Reid.

Mr. Chairman and members of t, I would like to begin by briefly discussing several propositions that I believe are critical to continuing the highway program that will serve the Nation as well i the future as it has in the past. First, the current program has been extraordinarily successful. We have created the greatest transportation system in the world. To radically change such a program without compelling reasons would be foolish.

Keeping the existing highway system in good condition is essential for functioning of the Nation's economy and it is not beyond our means. We should not only protect our investment, but augment it as necessary.

The money being collected by the Federal Government for highways is not being spent for that purpose. The Highway Trust Fund continues to grow. The Federal five cent tax gas increase imposed last December is the most recent example of user fees being used for other than transportation purposes.

Yet States and local entities have been force to increase taxes to keep up with pressing demands. In short, fuel tax revenues should be spent for transportation and the Highway Trust Fund should be spent down.

I think the Transportation Improvement Act of 1991, introduced by Senators Reid, Baucus, and others will provide the kind of transportation program the Nation needs. First it builds on the success of the current program by maintaining the basic structure

and providing an allocation among categories that will guarantee a balance in the transportation system.

It provides within the basic structure increased flexibility so that the spending can be tailored to fit the State and local circumstances. It maintains the current enforcement formulas and introduces several factors to adjust apportionments. For instance, it recognizes State effort in per capita spending for transportation. The adjustment for weather extremes accounts for well-established impact that such conditions have on highways.

The low density population factor, patterned after the Administration's proposal provides a funding distribution adjustment for the shortfall that results from great disparity and distance in population. We feel these factors make sense in providing for a more equitable overall distribution of funds.

Additionally, S. 823 does not change State matching share requirements. S. 823 proposes funding at levels that make sense relative to the need. It puts the trust back into the trust fund.

For these reasons, I think S. 823 provides an excellent basis for reauthorization of the Federal Aid Highway Program.

By contract, the Administration's proposal, as well as S. 965, radically restructures the program with consequences that cannot be known and is adverse with the certainty that there will be many other unpredictable results. Both limit the Federal Government's financial responsibility at a time when it should be expanding it. It appears to be the first step in simply turning back funding of most of the Federal Aid systems of States and local entities.

While we can commend the Administration for highlighting the need for increased transportation investment and for many of the individual features of its proposal, the basic structure is seriously flawed. It does not continue the elements that have been the basis for the program's success.

While I have serious doubts as to the wisdom from the shifting from our present program's structure to the overly simplified structure of the Administration's proposed highways of national significance and an urbana/rural block grant, I am quite sure that the unstructured approach of S. 965 is not in the National interest.

Over the past 70 some years we have developed through trial and error our present highway structure. To dismantle it now would cause our transportation program to grind to a halt, would result in great harm to our economy, and disrupt our efforts of becoming more competitive in the world marketplace.

I firmly believe that the National highway program must retain its basic structure that has evolved. The Federal Aid primary, interstate, secondary, and urban programs represent the minimum program structure that we need at the Federal level. That program must be funded at a level that meets the National interest in those systems.

The major problem that we have had with the Federal Aid program is that it is underfunded. Studies by a number of experts have shown that our interstate system needs some \$5 billion to \$6 billion per year for pavement rehabilitation, bridge repair, and resurfacing. S. 965 would only provide some \$2.5 billion.

I am also concerned that the planning and program restriction of S. 965 do not fit the situation in all States. In Nevada, our two

urban areas have almost 83 percent of the State's entire population.

If I may conclude, Senator, simply put, S. 965, promoted under the guise of flexibility and efficiency, has neither the focus nor the structure to preserve our transportation system at either the State or national level. Thank you.

Senator BURDICK. Thank you.

Our next witness will be the Honorable Duane Berentsen, Secretary, Washington Department of Transportation.

#### STATEMENT OF DUANE BERENTSEN, SECRETARY, WASHINGTON DEPARTMENT OF TRANSPORTATION

Mr. BERENTSEN. Thank you, Mr. Chairman and members. Thank you for having us here today.

My agency has responsibility for highways, aeronautics, some public transportation functions, and the Nation's most extensive ferry system which serves as both an HOV system and a commuter public transportation system hauling millions of people across Puget Sound each year. We carry about as many people on our ferry system each year as Amtrak handles nationally.

My State has a substantial portion of Interstate 90 to complete and we have other completion elements before us. Much of the work will be high occupancy vehicle lanes and the work on I-90 will finish some transit only facilities.

We are pleased that both S. 965 and S. 823 provide adequate funding to complete the interstate system.

Next, I would like to commend the categorical program recognition contained in S. 823. I've been in office for 10 years, and from that experience I would urge the Congress to retain the definition of categorical programs with proper flexibility to meet transit needs and avoid the temptations of unfocused block grants.

I am convinced that the Federal Aid program for surface transportation must have substantial amounts of flexibility for transfers between categories. In my State, that will include using highway funds for transit improvements such as HOV's, fly-over ramps, and park and ride facilities. We seek the flexibility we see in S. 823.

Bridges are an integral component of our surface transportation system. I hope that a future bridge program would include a discretionary program in addition to allocations made by formula. That will provide for structural integrity of bridges through the Nation, not limit funds to States who may have done little over the past few years to address their bridge problems.

My State is a little different from some of the others you're hearing from today. We do have a very substantial urban flavor. King County is the 13th most populous county in the Nation. We have two very large seaports in Tacoma and Seattle, and we are to a great extent the gateway to the Pacific Rim. But no one should lose sight of the fact that we are connected by highways to Texas, Minnesota, and to the northeast.

Those highways travel through many other States, thus, our Pacific Northwest economy is dependent on preserving those links. We cannot support any Federal surface transportation program

that fails to recognize the importance of those links. We think the best approach to that recognition is S. 823.

Mr. Chairman, the Administration brought forward a bill in S. 610 that contained many good ideas and has prompted much needed debate. The leadership of this committee has crafted a proposal that furthers that debate, and you are to be commended.

To me, S. 610 and S. 965 seem to represent the polls of the spectrum as we look at surface transportation in this Nation. Both contain admirable features.

I believe that S. 823 presents some middle ground that deserves consideration. From my own 18 years in the Washington State Legislature, I am quite aware that middle ground normally represents consensus. I feel that is the case today and I hope some of the desirable provisions in S. 610, like the bridge program component, and S. 965, such as the high speed rail prototype, could be added to S. 823 to reflect a very broad consensus.

Thank you.

Senator BURDICK. Thank you.

Our next witness is the Honorable Eugene Findlay, Secretary of the Utah Department of Transportation.

#### STATEMENT OF EUGENE FINDLAY, SECRETARY, UTAH DEPARTMENT OF TRANSPORTATION

Mr. FINDLAY. Thank you, Mr. Chairman.

Mr. Chairman and members of t, I have come here today to support the testimony that you have heard from these other gentlemen, particularly the written testimony that will be entered by the Honorable Richard Howard, the secretary of transportation of South Dakota.

I also, however, wish to give some supplementary testimony that pertains specifically to Utah's issues and needs, and also those that pertain to surrounding States. Particularly, in Utah we prefer S. 823, as has been introduced by Senators Reid, Baucus, and other western Senators, one of whom is Senator Orrin Hatch of the State of Utah.

Because of time constraints, I'm not going to go over all that I have prepared, but I want to restrict my comments to three issues. First, concerning congestion mitigation and air quality programs, Utah is one of those States that has a significant non-attainment area. We applaud the recognition in S. 965 for dealing with air quality issues. However, there seems to be an undue emphasis on penalizing the construction of system enhancements to reduce congestion in favor of mass transit systems. We favor mass transit systems where they are feasible. We are currently planning for a light rail system to service ports in the Salt Lake Valley.

But the projected benefits of light rail and other increased bus service for that valley are marginal because of the large geographical area covered by the population. Neither the population density of the suburban housing areas, nor the density of the downtown business district will support a transit system to the magnitude of obviating the need for enhancements to our highway system. Forget congestion management.

In fact, the greatest source of air pollution in Utah is from congestion and slow traffic, which can be alleviated through the construction of planned highway system enhancements.

If S. 965 is adopted, it should be amended to allow States the flexibility to deal with their unique problems in this area. We feel that the current clean air laws require all the recognition of air quality factors in planning for transportation systems that are now needed.

In regards to funding, Utah is one of the "don't need" States, and feels that the relationship that has been in place should continue. Utah is a bridge between the Pacific Coast States and the midwest of our country. I-80 and I-70 carry tremendous volumes of interstate traffic and are vital to the interstate commerce and strategic defense of our country.

I-15, which traverses Utah from north to south, and I-84, which runs from north central Utah to the northwest, share equally significant volumes of traffic.

But these are not all. Our primary system—U.S. 40 that connects Northeastern Utah with Colorado, U.S. 50, which connects Central Utah with Nevada, via the Great Basin National Park, U.S. 89, which connects Utah with Arizona and then separates from it to connect Northern Utah with Idaho, U.S. 66 and 191, which connect Southeast Utah with Arizona, New Mexico, and Colorado—all provide vital routes for interstate traffic and connect rural parts of the country and State to markets and centers of manufacturing.

The Federal Government, in the form of the Bureau of Land Management, the U.S. Forest Service, the National Park Service, and others, own 69 percent of Utah's land mass. Attempts by the State of Utah to trade parcels of State-owned lands for comparable Federal lands that would benefit both agencies have met a virtual stone wall. As a result, Utah's tax base is severely limited to support Federal Aid Highway systems, which provide vital transportation links for the Nation's traffic.

As a result, Utah feels that it's not more than fair that other States who own such a significant part of Utah and other western States, and depend on those transportation bridges for their commerce, to share in the cost of supporting those systems.

Thank you very much I would be happy to answer any questions you may have.

Senator BURDICK. Now we start the 3 minute round. I call first upon Senator Symms.

Senator SYMMS. Thank you, Mr. Chairman.

I want to thank all of you for your testimony.

Duane Berentsen and I have met many times since I have been on this committee, and I appreciate your counsel.

Is your major concern with the total flexibility that is inherent in S. 965 just the heavy population in the western side of Washington State versus the lighter population in the eastern side?

Let me rephrase that. What would be the one or two major things you would like to see changed in S. 965 in order to make it satisfactory to you, since it is the markup vehicle and it seems to have most of the horsepower behind it, although there is a lot of support of S. 823, which has a lot of merit in it also?



Mr. BERENTSEN. We find that Washington State falls in about middle ground, regardless of what we approach, because of our population, and as I mentioned we have the 13th largest population center in the Nation, in the Seattle and surrounding area.

We have an excellent relationship now on the State level with the local MPOs. That is working very well for us. The feat that I have in the leadership bill is that by changing the complete approach of how we distribute those dollars, that we create what could be a rather chaotic situation, in our State at least, because we now have a very structured and organized approach to taking care of our public transportation concerns.

We are committed, as a State, in these next few years, to make public transportation our number one priority. I see the possibility in S. 823, the Reid-Baucus bill, of narrowing the categorical approaches, adding tremendous flexibility so that each State can do what they think best, but keep the orderly approach and the identified flow of money from the Federal level to the States to match our effort, and do away with the threat, I think of turn-back, which it seems historically tends to lead to a program eventually going away.

Senator SYMMS. Thank you.

With respect to any others that may want to make a very brief comment in that—Mr. Findlay, from Utah, where Idaho is 63 percent federally owned, and Utah is 66 percent, I think, our match proposals in S. 965 speak very well for those western States. Does it treat your State all right also?

Mr. FINDLAY. It treats us very well there, sir. The plea that I'm making is that there needs to be a waiting factor that would give a further fund allocation to those States in recognition of the fact—the matching ratio increase is just not enough. We need another factor in addition to that.

Senator SYMMS. Thank you.

Thank you, Mr. Chairman.

Senator BURDICK. Senator Baucus.

Senator BAUCUS. Thank you, Mr. Chairman.

Gentlemen, let me understand your basic point. As I understand it, we have a present highway program that basically works pretty well. There are some wrinkles in it you would like to change, perhaps. Second, by and large, with some exceptions, the western States have a higher level of effort that they use to contribute to the highway program. I know in Montana, we spent \$380 per capita. Wyoming is even higher per capita. Minnesota is even higher per capita. We're stretched in the west for contributing to the Federal Highway program. We are low density, we have a lot of Federal land, it doesn't really make up for the loss of tax base we would otherwise have.

Because we have Federal land, we can't develop it from an economic point of view to the degree to which privately held land can be developed. With all due respect to the leadership that has proposed the bill here, we tend to see, by and large, an approach that tends to be weighted a little more to urban air consideration, whether it's Clean Air Act considerations, the metropolitan planning organization, and so forth.

A little away from our concerns in the west, we're trying to figure out a way that addresses our western concerns consistent with the legitimate concerns of the Clean Air Act and so forth.

To follow this point a little further, John, let me ask you a question.

On a per capita basis, how does Montana do on receipt of mass transit dollars?

Mr. ROTHWELL. Montana has very little use for mass transit dollars. That's the one problem.

Senator BAUCUS. That's right. As I understand it, we received last fiscal year \$1 million in urban mass transit. New York, for example, received \$407 million, so New York is 400 times more. On a per capita basis, I figured it out to be that New York receives 20 times more per capita than even the State of Montana.

We have a minimum allocation division, don't we? For highway funding? Does it make sense, therefore, to have a minimum allocation for urban mass transit? Would 85 percent make sense there, too? We do it for highways. Would it make sense to have the same for mass transit?

Mr. BERENTSEN. Flexibility built into legislation would take care of that issue, I believe.

Senator BAUCUS. What about a minimum allocation for receipt of S&L bailout funds? How would that work?

Mr. HOWARD. Senator Baucus, I think it has been clearly established over the years that there is a need for donor, donee relationship and the rural sparsely populated States do not have the wherewithal of raising enough money to maintain the large highway systems that are of national importance. So certainly the rural States need some recognition in terms of additional funding because of the level of effort that they pay.

In South Dakota, our average per capita effort is 50 percent more than the National average.

Senator BAUCUS. My time has expired, but essentially, to a large degree with some exceptions, a lot of you represent States where some are losing population—at least they're not keeping up with the National average. I know the State of Wyoming is like Montana in that way. We are one Nation, and because we contribute so much more, then, to most other States in the Federal Highway program on a per capita basis, we just need some recognition.

Senator BURDICK. Senator Moynihan.

Senator MOYNIHAN. Let me just agree very much with Senator Baucus and with Senator Reid on that point. I would hope we won't get into the kind of sectoral difficulties that often bother us here so. We will take you up on a per capita savings and loan, let me assure you of that.

[Laughter.]

Senator MOYNIHAN. I can't help it if the Borough of Brooklyn has five times the population of Montana. I just can't help it. That's the way the Lord made it. We are anticipating doubling, in this bill, the provisions for Federal land and Indian lands. We don't have either.

The one thing to be clear is that the National interstate and defense highway system is our priority. First claim on that trust fund goes to maintenance of that system. If there is any State that feels

that it's interstate is not being maintained, that's your problem. You haven't come to this city and said, "No, this is a national highway system, and we have to maintain it."

We would say, "Yes, of course we do."

I hope nobody's saying that they were not maintaining the interstate. No one is, but that's the first priority.

The other theme—and I guess I would ask Secretary Findlay—we are very different one from the other in transportation needs. Those little ferries of yours carry more passengers than Amtrak. Well, there aren't many of them in South Dakota. Fewer still in Nevada. Montana is a State that is, relatively speaking, losing population. Nevada has the highest growth of any State in the Union. It grew a third in the last decade. We all have different needs.

It's been odd that, given such a range of needs, why don't we let the States, after 35 years of building a national system to national specifications, let the States decide what their priorities are.

Mr. FINDLAY. Mr. Chairman, may I respond?

Senator BURDICK. Certainly.

Mr. FINDLAY. Just two points, Senator Moynihan. Again, yes, we agree with you that the States are unique and different and they should be given the flexibility. That's the point I wanted to make.

Going back to the cost for the maintenance of the interstate, this is one of the concerns that we're expressing in our concerns for this new national bill. The old program had a funding allocation based to a great extent on the cost to complete the interstate. Now that the interstate is completed, the cost to maintain it is going to be equally great. We're fearful in Utah that we may not be given enough funding allocation to maintain the system.

Senator MOYNIHAN. Sir, I just want to say to you that you should not have any anxiety in that point. If there are grounds for it, it means that this committee will not be doing its work. The number one objective is to maintain these resources. It is without question of fact how much it costs.

Mr. FINDLAY. But that is the basis or the foundation of the point between the donor and donee relationship, the fact that the donee type States do need that extra little boost to maintain the interstate.

Senator MOYNIHAN. Yes, you do. We just aren't ever going to have an argument about it.

Senator BURDICK. Senator Simpson.

Senator SIMPSON. Thank you, Mr. Chairman.

It's obvious that when Senator Pat Moynihan and Senator Steve Symms get together that we listen because we respect them both and they have been involved in this area for a long time working together.

I just want to share my pride with you about Don Diller, who is a fine citizen of Wyoming. I waited until this opportunity. He is now the Wyoming Transportation Department head, which is a whole new thing in Wyoming under reorganization. But he has a remarkable background. He worked in my part of Wyoming, and we're fellow graduates of the University of Wyoming. He is a hands-on administrator. He started as a summer worker with the Department and came right on up through to the top. He's a real success story. I really admire him, and have for many years.

He's done a fine job of defining our problems, and so have the rest of you. We've all defined where we are with level of effort, weather, Federal lands, low density—these are unique and vital things to us in the west. I do feel—in fact, I know, after 13 years of working with him on this committee—less with Steve, but Steve's been on it since he came here—that we will do a balanced and a fair job, but it has to start with this bill because if this begins to dissemble—and I have some things I don't care about either—but if it begins to dissemble, I can tell you who will be overwhelmed in the process.

Right now, with the senior Senator from New York, there's a very good chance that that will not occur. It's very important to keep that in mind.

Let me just ask you a question, Don. With regard to the MPOs, the metropolitan planning organization, are they really appropriate in the State of Wyoming?

Mr. DILLER. Senator, we really don't feel that they are. The two MPOs that we have in Wyoming are both right around 50,000 people. In fact, the population of Casper for 1990 was a little under 50,000, but I understand it still qualifies.

But the point is that the problems that these two cities have are the same problems that the other towns and cities in Wyoming have. They are not the same problems that New York or Houston have. We just don't think the MPO provisions are appropriate at all.

Senator SIMPSON. Do you think we might even change that number?

Mr. DILLER. Senator, I couldn't say. I just don't have the experience to tell you where that number might be, but I can tell you I don't feel it's appropriate at 50,000. How high it should go, I really don't know. Some of these other people could probably shed more light on that than I could.

Senator MOYNIHAN. Well, could we stay with that for a moment because we're perfectly open, we would just like to know what you find works and what doesn't. It's important to know.

Mr. HOWARD. Certainly, Senator Moynihan, as you have said, we are all different. All the States are different and the cities are different and have different problems. MPOs, in our small rural areas—we are like Wyoming. We have two with one of 50,000 population and one of 100,000. We don't have a congestion problem, and we don't feel that we should have to implement congestion programs for a—

Senator MOYNIHAN. The law says that at 50,000 you have to have it. Is that too low?

Mr. HOWARD. We believe it is because certainly our metropolitan areas are smaller and much different from the urban metropolitan areas.

Senator MOYNIHAN. Then how are we going to get an answer from you as a group?

Mr. BERENTSEN. Mr. Chairman, I would like to comment on the MPO process. I think in most States that do have large population concentrations the MPOs have performed well in planning and doing the necessary things—

Senator MOYNIHAN. I want to make this point. These are elected officials. These are not planners. These are mayors, county executives, et cetera.

Mr. BERENTSEN. That's true. In our major metropolitan area of Seattle and King County with the two surrounding counties, Pierce and Snohomish, we are just in the process of restructuring that MPO approach.

I would just point out that the concern that our State would have with directing funds directly to the MPO, and in effect taking away from the State consideration, that we would tend to destroy what has been a very excellent overhaul approach to total funding. We have no problem with directing funds to the MPOs, but in our State—and I think we might be sort of an average State in that regard—I think we may be creating something that may be rather difficult to administer and put in place, not that we can't change with time. As I said earlier, we do know that we have to change, and the concentration of effort must be in the public transportation arena in our State.

That's why S. 823 was sort of maintaining the categorical things that have worked, but being perfectly willing to afford tremendous flexibility that would benefit the MPO concerns, we think is where it would be easier for us to use Federal dollars.

Senator BURDICK. Senator Symms.

Senator SYMMS. Mr. Chairman, I want to ask one question here. I don't think I want to leave the record here unclear.

We are dealing with a zero sum game, first off, of so many dollars and we have to try to work it out so that we can have the support of the Congress to pass it. You all understand that.

But, Secretary Findlay, you mentioned about the interstate and the upkeep of it. At my insistence, S. 965 says that 20 percent of the interstate funds may be transferred without the Secretary's approval, if they're not needed for maintenance, into other categories. You don't want to lose that, do you?

Mr. FINDLAY. No, we don't.

Senator SYMMS. It seems to me that that is a great advantage in S. 965. You heard the chairman saying that the priority is to maintain the interstate. So I would like to get the record straight on that.

Mr. FINDLAY. I'm not suggesting that we won't place that in our priorities, because that is our priority. But we do feel that—for example, it cost us \$603 million to construct the 403 miles of I-15 through the State. Now it is estimated that it is going to cost us to rehabilitate it to current standards—the 26 mile length through the Salt Lake Valley is going to cost us \$348 million. So the cost out there is tremendous.

What I'm suggesting is that the donor/donee relationship that existed in the constructing of the freeway system needs to be kept in place for the maintaining of it in the future. That's the only point I wanted to make.

Senator SYMMS. I know in Idaho the cost sharing comes out that it's approximately 92 percent Federal and 8 percent State, or maybe even less than that, on the cost sharing of maintenance.

Mr. FINDLAY. That's correct, and it's the same in Utah as far as the Federal/State match is concerned. What we're concerned about

is that the trend has been in the discussions on this legislation is that whereas Utah received approximately a dollar and a half from the Trust Fund over the life of the interstate system to construct it, and now we're down to the point where we're close to receive a dollar for a dollar in the allocation formulas that we have seen that are connected with this bill.

Senator MOYNIHAN. These are all numbers. We'll work it out. Everybody's ratio will go up.

Senator SYMMS. The same as it is in the current program 55/45.

Mr. HOWARD. That's a good formula for the States here, and I think for all the States. The 55 percent based on lane miles, 45 percent on VMT which has been established for I-4R is a good formula.

In regard to having the ability to transfer 20 percent of the interstate funds to other programs, I think that is also a very good provision, Senator Symms, in that maintaining the interstate has always been a high priority with the States, and there may be States that won't need that whole amount to preserve their interstate, which they should then be able to transfer to other programs.

Senator MOYNIHAN. You do know you're all going to get more funding. Senator Symms insisted on that other business—don't transfer your 20 percent and then claim the highways aren't being maintained. You have to make that judgment as engineers.

Mr. HOWARD. Senator Moynihan, there is one major difference in S. 823 and S. 965 in regard to interstate preservation in that S. 823 I think would authorize twice the amount of money as S. 965. So certainly I think everyone in the States—all of you recognize the importance of preserving the interstate as being the highest priority.

Senator SYMMS. Can I say just say one thing? Take Utah, for example. In the last 5 years, under the current program, Utah has received \$647 million—almost \$648 million. Under the Moynihan bill you would receive \$709 million.

Senator MOYNIHAN. Moynihan-Symms.

Senator SYMMS. Moynihan-Symms.

[Laughter.]

Senator SYMMS. Almost \$710 million. So you are going to get more money and more flexibility.

Senator MOYNIHAN. Now if you don't want that—

[Laughter.]

Senator SYMMS. If, into this process, we can raise these apportionments, this committee would like to do that. We're playing with the last budget, and we're trying to work that out.

Mr. FINDLAY. We understand that and appreciate that. But there are other discussions going on, other positions that will be brought forward to you, that will argue in favor of reducing that donor/donee relationship. That's one of the reasons I wanted to make a point of it here.

Senator SIMPSON. Mr. Chairman, I had about 15 seconds left on my inquiry. If Don Diller would furnish it—about Wyoming's high level of effort on contribution. I don't think you have time to respond to it, but if you could share that with us in an answer and recommend how we might address that, please, it would be helpful.

Mr. DILLER. Senator, I think Wyoming has the highest levels of contribution probably of any State, but that is not entirely from gas tax. The Wyoming Legislature has other means to raise State revenue to put into the highway fund.

In addition to that, one of the points I wanted to make is that we had a program—for instance, a bridge replacement program—prior to the Federal bridge replacement program. For about 10 years that was 100 percent State funded. Because we took that initiative, our total needs were reduced and we received fewer Federal funds. We would have received a bonus if we had done nothing, but we decided to do something.

Senator SIMPSON. You're talking about a penalty to those of us who pay their own way versus this formula.

Mr. DILLER. Right.

Senator SIMPSON. I appreciate it very much. I thank you for allowing me to complete that cycle, Mr. Chairman.

Senator BURDICK. Senator Reid.

Senator REID. Thank you, Mr. Chairman.

Those of you from the west have heard that you have all the maintenance funds you need for the interstates, why are the interstates in such bad shape then?

Mr. DULL. Senator, I think we don't have all the maintenance funds we need.

Senator REID. But that's what we just heard here.

Mr. DULL. That's right. There are two things here that particularly disturb me. It's not the amount of money that we're getting or our share of money that we're getting from these proposed bills. The fact is that we're not getting enough money overall. We should get more money and we shouldn't concentrate as much money in the urban areas. When we concentrate as much money in the urban areas as S. 965 proposes in Nevada, for instance, that's over 90 some percent of the State goes with less than 20 percent of the funding. When you count the interstate, the interstate maintenance is very important, but we need expansion of the interstate also. That money should be eligible for expansion.

Senator REID. That's where the 4-R should be maintained.

Mr. DULL. That's where the 4-R should be maintained, not just maintenance of the interstate, but also expansion of the interstate is very important.

Senator REID. Would anyone disagree with what Mr. Dull said, or amplify on it?

[No response.]

Senator REID. So no one disagrees with that.

I was impressed, Mr. Howard, with your prepared statement. This statement made on behalf of the States of Montana, Nevada, North Dakota, South Dakota, Wyoming, Washington, Utah, Alaska, Hawaii, and New Mexico goes into some detail comparing the two bills. I would like to indicate that it's clear that those States agree that the balance of the Highway Trust Fund should be drawn down. That's true, is it not?

Mr. HOWARD. That's true.

Senator REID. It's also true, is it not, that S. 823's package of national interest apportionment adjustment is something that the

State that are represented in this statement agree is appropriate. Is that right?

Mr. HOWARD. That's right. Those were agreed on. There are four factors. They deal with the level of effort, population density—you know, we've talked about it and it is certainly an important one. Weather factors we believe are important in that you can have your miles of pavement, and regardless of the amount of traffic, the changing weather conditions that occur in North Dakota, South Dakota, and other States deteriorate the pavement over time. So those are all important factors.

Senator REID. And one of the crucial issues, as far as the State of Nevada is concerned—and those States represented—is the high level of Federal lands. We have heard Idaho and Montana talking about 63 percent and 66 percent. Nevada is 87 percent. So that is also part of the criteria that everyone agrees should be in any bill that comes out. Is that true?

Mr. HOWARD. Right.

Senator REID. There is also indication that there should be a minimum allocation to all States of approximately one percent. Is that right?

Mr. HOWARD. There has been a proposal made by a State from the Northeast. Vermont has proposed that all States should receive a minimum of 1 percent. Certainly this group of States represented here as rural western States would certainly support that proposition.

Senator REID. One thing that Director Dull mentioned that I want to amplify. The western part of the United States is now beginning to grow—the State of Washington, the State of Nevada, and other States. There are some States like Wyoming and Montana that haven't grown like that. But there are parts of the United States that need some addition to amplification of interstate system. Is that not right?

Mr. DULL. That is correct.

Senator REID. Why is that?

Mr. DULL. Particularly in the Las Vegas area, the Las Vegas area has grown from just a few thousand just a very few short years ago to 800,000 right now. The interstate system in the Las Vegas area was constructed 25 or 30 years ago and it does need expansion. It simply can't handle the traffic that is there now.

Senator REID. Even if the population growth stopped right now, still the roads still couldn't handle it. Is that right?

Mr. DULL. They can't begin to handle it. It was never anticipated that the interstate system or the local network down there would see the kind of traffic that it sees now.

Senator REID. Thank you, Mr. Chairman.

Mr. BERENTSEN. Mr. Chairman.

Senator BURDICK. Mr. Berentsen.

Mr. BERENTSEN. I would like to get back to the flexibility question and returning funds through the MPOs. I think that's very important to many of our States that we retain as much as possible the structured approach, and probably a revisited categorical approach. But we have a fear that if the money came back to our State with complete flexibility we would just start a real war within the State as to interests.



I assure you that we have no fear of whether the MPOs, especially in the population centers, could spend the money well or should be a part of the process. But I think when we look at the historic revenue source—a user fee—that the categorical approach we've had historically has served us well in making sure that on the State level we match those programs with State dollars and keep an orderly process.

Senator REID. Mr. Chairman, if I can direct this to Senator Moy-nihan, I think he points out one of the key problems with S. 965. That is that what we've been trying to do—and that's why I'm surprised that Senator Symms is cosponsoring S. 965—we have wanted and tried to maintain for years that the Highway Fund should not be apportioned on the basis of population, but rather on miles. Here we are with S. 965 going to put this legislation into a State like Nevada where—I'm from the Southern part of the State, and I want to do everything I can to correct the Southern part of the State, but the State is more than Las Vegas. Two percent of the ground area in the State of Nevada is Las Vegas, which has 67 percent of the population.

With S. 965 we're going to do to western States what we've been trying to prevent all these years. So the city of Las Vegas would basically control the highways in the State of Nevada, and they would wind up getting everything.

Senator SYMMS. The money is still apportioned based on the formula of the big geography and small population.

Senator REID. I understand that, Steve, but the money goes to the State of Nevada, and now we're doing away with what the man from the State of Washington doesn't want. Las Vegas would basically control what happens to the money in the State of Nevada.

Senator SYMMS. They have a State Senate in Nevada, don't they?

Senator REID. We have a State Senate, but it's based on apportionment, and most of the Senators come from Las Vegas.

Mr. DULL. It would be controlled by the MPOs and not by the State Senate.

Mr. BERENTSEN. Mr. Chairman, I might suggest that what you really could be looking at is really the start of a war within the State. If the population concentrations control the Federal dollars by statute through MPOs, I can see the possibility of the rest of the State being tempted to control the State dollars to sort of even things out. That's why I think the structure that we have in place fine-tuned, is much more orderly.

Senator SYMMS. Mr. Chairman, we did get those numbers for Mr. Findlay. According to what we came up with, you taught that under S. 965 you would get back \$1.37 for every dollar that it puts in.

Mr. FINDLAY. Is that correct?

Senator SYMMS. Yes.

Mr. FINDLAY. We've not had the benefit of all those tables yet.

Senator SYMMS. That's the way we calculated it. I think it's quite accurate. It's \$1.32, and then when you add the Federal lands formula in then you get another \$4 million and it comes up to \$1.37 per dollar invested. So we're trying to protect that. I think maybe something can be worked out here. That's why I asked you that question earlier, Duane.

Mr. BERENTSEN. I believe that we're not so concerned about the level of funding, that we see the funds. We think as a group that is going to be equitable. But I think the way in which those funds come back to the State and our ability as individual States to take the intent of the Congress, use the Federal funds most expeditiously, and not cause a war within the various State interests, or mobile interests.

I think most of us know what needs to be accomplished. I guess we're sort of a little bit afraid of a major change. We think that things are going pretty well now if we can fine-tune them. We all need more dollars, but we always will.

Senator MOYNIHAN. Could I say something to that?

It was very open of you, sir, to say that you're afraid to make a change, and so are we all. We said with great specificity 4 years ago, or so—I was the conference committee chairman on the Surface Transportation Act of 1987. I said that for 30 years we have been building the interstate system. This will be the last bill of the interstate system. The next bill will be different.

Actually, the interstate system was authorized in 1944. So it took us half a century.

We have a concern, and it couldn't be more specific. I hope Senator Simpson could hear me on this, because I know he cares about things like this. Of all the sectors in the American economy, transportation has the lowest productivity. We have been flat for 15 years. I have a letter from the chairman of the Counsel, Dr. Boskin, saying, "Transportation has been rising at 0.2 percent." It is flat.

By contrast, durable manufacturing is growing at 6.0 percent. That moves. But when you put transportation in, it brings it all down because it's in the chain of economics and sooner or later you move something.

We're trying to find ways to increase productivity. We ourselves don't know, but we think out there they will figure it out. If you say, "That's what you're up to. We want to get more out of that mile of highway." We don't want to add a mile, but get more.

We're risking a certain amount of warfare. We know that. If I were a secretary of transportation, I would like things to stay the way they are.

Burt Tallemey, that great man that built the New York State Thruway—and we built it on our own—came down—here's the old Bureau of Public Roads in the Department of Congress to build the interstate. He was the secretary of transportation, and he did it—the pattern gradually adopted to his experience.

We're thinking that maybe a little bit different experience might be invigorating, that's all. We would like to see you guys produce more. We'll give you more money to do it.

Mr. BERENTSEN. I might just say that—please, understand, that I'm not concerned about more general purpose lanes on the interstate system, or even the major arterials. I think we have come to the conclusion that we need to rest, perhaps, on the existing corridors within our State, but make better use of those corridors.

Senator MOYNIHAN. That's the spirit.

Mr. BERENTSEN. When I comment on what we need for tools to do that, it is in that spirit that—

Senator MOYNIHAN. That's the spirit. Productivity is not adding a building or a second automobile plant, it is getting more automobiles out of the plant that you have.

Mr. BERENTSEN. I might just say this. I would like to come back to the Reid-Baucus approach of retaining the categorical recognition with great flexibility to do what I believe that you, Mr. Chairman, want to accomplish also.

But, again, I would like to repeat that I think it's a more orderly approach to solving our problems.

Senator BAUCUS. Mr. Chairman, if I might just briefly add onto that, I appreciate the need for greater productivity. Certainly this country could stand to be more productive in certain sectors. But we're talking here of public service, and we're talking about highway funding. Productivity is important, but we're not talking about the automobile industry here, we're not talking about private manufacturing, which is much more profit oriented than our dispersal of public dollars.

For example, we could look for more productivity, I suppose, in the management of our Federal lands. We could ask for the Federal lands to be managed differently so that they would be more "productive," at least in a dollars and cents point of view. But Federal lands are owned by the public, they are there to provide a service as much as anything else for the American public. Our highway system also is a service. We tax our people and dispense those dollars to make sure that we have a national program.

So as much as we're interested in productivity, we have to ask ourselves if we're going to worship only at the altar of a dollars and cents return, or are we also trying to provide a national system that makes sense.

Obviously there are many factors involved here in addition to what I have just mentioned.

Senator MOYNIHAN. Senator, I just have to say that I hope you understand what I said. You're just one of those Democrats. I'm a hard-nosed Republican. I say that there is no such thing as a free lunch and there is no such thing as a freeway.

[Laughter.]

Senator SIMPSON. You told me to never to bet my kidneys against a brewery. Didn't you tell me that?

[Laughter.]

Senator SIMPSON. That's what you taught me.

He was my best counsel when I was fiddling around with Peter Arnett. He said, "Simpson, there are two great adages of all time. Never bet your kidneys against a brewery, and never get into a fight with people who buy ink by the barrel," and I forgot both of them.

[Laughter.]

Senator BURDICK. We will now call the last panel.

This panel consists of Honorable Jack Rentschler, State Representative, South Dakota, former chairman, National Association of Truck Stop Operators; and Mr. Mike Naylor, Director, Air Pollution Control Division, Clark County, Nevada.

Mr. Rentschler, you may begin.

**STATEMENT OF HON. JACK RENTSCHLER, STATE REPRESENTATIVE, SOUTH DAKOTA, FORMER CHAIRMAN, NATIONAL ASSOCIATION OF TRUCK STOP OPERATORS**

Mr. RENTSCHLER. Mr. Chairman and members of the committee, I am a truck stop operator from South Dakota and a member of the South Dakota House of Representatives in my first term. I am pleased to be here this morning to offer testimony on behalf of the National Association of Truck Stop Operators, or NATSO, with the support of the Petroleum Marketers Association of America, the National Campground Owners Association, the Society of Independent Gasoline Marketers of America, and the National Association of Convenience Stores concerning section 306 of the Administration's proposed Surface Transportation Assistance Act.

That provision would for the first time permit the establishment of commercial facilities on the rights-of-way on the non-toll portions of the Interstate system. The NATSO membership accounts for the vast majority of full service truck stops and travel plazas located in the United States. Most NATSO member facilities are owned and operated by small businessmen and women, almost exclusively at the interstate interchanges. They serve not only the commercial driver, but also the general motoring public.

In the mid-1950's, Congress acted to prohibit the establishment of commercial activities on the rights-of-way of the interstate system. It did so because of what had already taken place on the major toll roads of the northeast where monopolies existed on the State government-owned or controlled land. Congress recognized that in order to ensure competition, service facilities had to be located on private property at the interchanges. This policy has served the public well for 35 years.

NATSO opposes the proposal to change the current commercialization policy and believes Congress should as well. We are encouraged that there are Senators on this committee who have introduced two bills which do not include the Administration's proposal.

If the current ban on commercialization were to be lifted, not one more gallon of motor fuel would be sold, not one more meal would be served, no additional repairs on automobiles or trucks would be done. Goods and services would simply be offered at different locations. The economic impact to States would be at best a wash while the impact on communities at the interchanges could be devastating.

When the Interstate system was established, there was no well-developed industry to meet the demands of the Interstate traveler. Congress encouraged private enterprise to meet that challenge. Small businessmen and women have risen to the occasion by collectively investing billions of dollars in the numerous facilities at almost every Interstate interchange today.

To propose now that State governments be allowed to sponsor large corporations in unfair competition with small business flies in the face of the American system of private enterprise.

Some believe a change in the commercialization policy will provide incentives to develop facilities in those areas where there generally are none. Mr. Chairman, I can promise you and the committee that where there is sufficient demand for goods and services at

any location along the interstate system private business will supply those goods and services without any change in current Federal law, just as they have for the past 35 years.

The fact is that the rights-of-way facilities which proponents of this proposal envision, would be located in areas where motorist demand is currently being met at the interchanges. The new rights-of-way facilities would simply rely upon their superior locations to steal business away from interchange facilities that presently exist.

So we are hopeful that as you consider the new Transportation Act that you consider a truck stop like mine in Sioux Falls, South Dakota which employs some 80 people and has an annual payroll of \$1.1 million. My business also pays pay \$46,000 in real estate taxes each year to our local school district. That and much more could be seriously jeopardized all over the United States if the proposal to inject commercialization on the interstate were enacted.

I appreciate very much being here to testify before you gentlemen today. Thank you.

Senator BURDICK. Mr. Naylor.

#### STATEMENT OF MIKE NAYLOR, DIRECTOR, AIR POLLUTION CONTROL DIVISION, CLARK COUNTY, NV

Mr. NAYLOR. I am Michael Naylor, the director of the air pollution control division at the Clark County Health District in Las Vegas. I know it's close to lunch time. Let's take a brief trip to Las Vegas.

Senator Reid has asked me to prov, the implications of the new Federal Clean Air Act Amendments that came from this committee, and maintaining the I4-R component of S. 823. The I4-R is the resurfacing, restoration, rehabilitation, and reconstruction of interstates.

Las Vegas is ranked number five in the United States due to our unhealthy levels of invisible carbon monoxide. Senator Moynihan, we are tied with New York City for this ranking.

Please examine the charts we have handed out this morning. You will see that 96 percent of our carbon monoxide comes from gasoline powered vehicles. Our gasoline consumption has doubled since 1976. Our daily vehicle miles traveled have tripled since 1976, and have doubled over the last 7 years.

Our carbon monoxide situation has improved, despite our growth. We still have an additional 40 percent reduction needed to meet the 1995 deadline imposed by recent amendments to the Clean Air Act. The planning agencies of the Las Vegas Valley, if they fail to adequately plan and implement, will face Federal funding sanctions for highway funding.

The charts illustrate that our carbon monoxide unhealthfulness, and our number of unhealthy days, have dropped substantially since 1976. This is a result of concerted Federal, State, and local action. The best example of our local action is our oxygenated gasoline program, the strictest one in the country.

Senator MOYNIHAN. Do you want to say that again?

Mr. NAYLOR. The oxygenated gasoline program. The Clean Air Act has seen fit to require oxygenated gasoline nationwide starting

next year, but we, Denver, Colorado, and Phoenix led the way with this.

Unfortunately, the Clean Air Act provides nothing else for our area to reduce carbon monoxide. The new Clean Air Act requires Nevada to solve the carbon monoxide problem on its own. That solution is going to consist of the following: lessening traffic congestion; effecting massive improvements in our transit system; requiring employers to implement employee trip reduction programs; and phasing in of alternate clean-burning fuels.

An example of our congestion is the interchange of U.S. 95 and Interstate 15, called the spaghetti bowl. Interstate 15 and U.S. 95 are the only two freeways serving the Las Vegas Valley. They meet in a 1960's vintage and now obsolete interchange just east of downtown. The interchange and nearby freeway have experienced 8,500 accidents in the last 10 years, or about 2 and a half accidents per day. Besides the fatalities, the injuries, and the damage to property, these accidents further increase the emissions of carbon monoxide due to the slow-moving traffic and they waste more gasoline.

Improvement of the freeway interchange by increasing capacity is also necessary to accommodate the HOV lanes for transit vehicles and ride share participants. Our community has a ride share plan.

Senator MOYNIHAN. How so are you planning?

Mr. NAYLOR. We are planning on HOV lanes, but in an old interchange system, there is no room for HOV lanes.

Our community has shown its willingness to take preventative action, witness our oxygenated gasoline program, and our very high rate of State and local fuel taxes.

Since the Clean Air Act does so little to help us, except by requiring deadlines and penalties, we need your help with improving our interstate freeway system. The improved traffic flow will reduce the carbon monoxide.

Thank you.

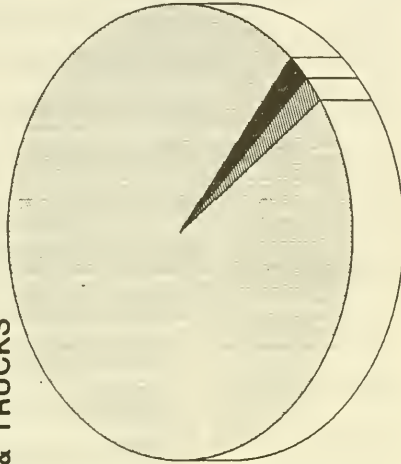
[The charts referred to by Mr. Naylor follow:]

**CAUSES OF HIGH CARBON MONOXIDE LEVELS  
IN LAS VEGAS DURING THE WINTER SEASON**

**INVISIBLE**

(lowers oxygen capacity of blood)

**GASOLINE CARS & TRUCKS  
96%**

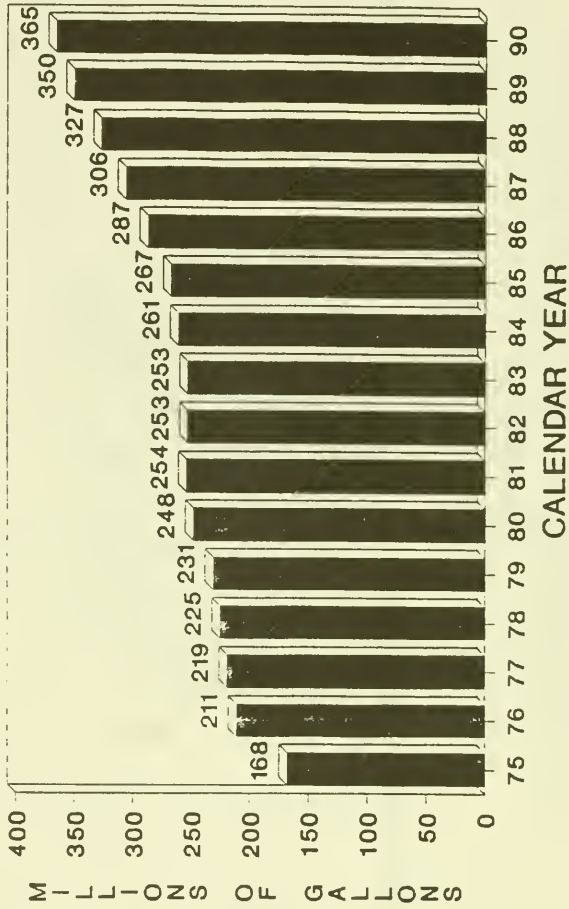


**NATURAL GAS HEAT  
& DIESEL VEHICLES  
2%**

**RES: WOODBURNING  
2%**

**SOURCE: AIR POLLUTION CONTROL DIVISION**

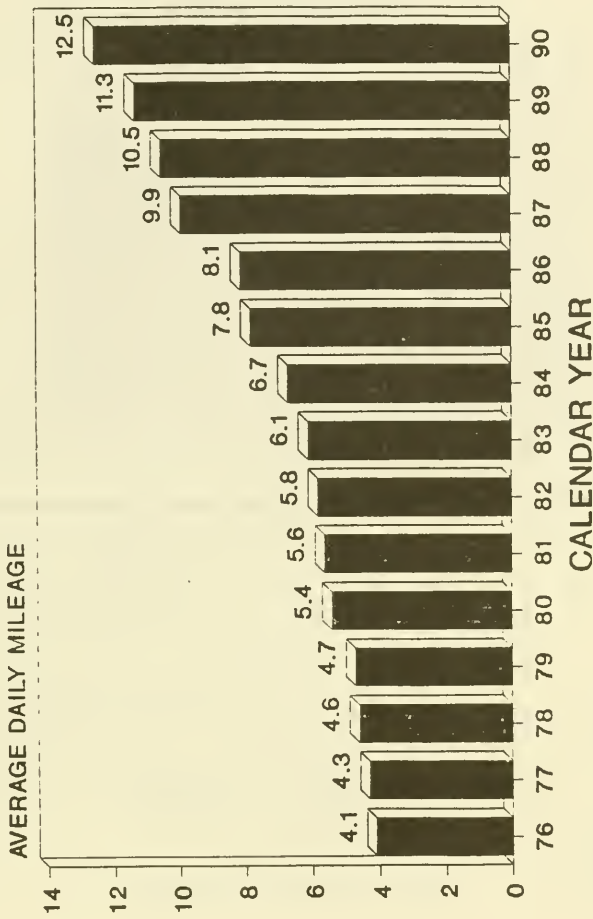
# ANNUAL GASOLINE USAGE IN CLARK COUNTY 1975 - 1990



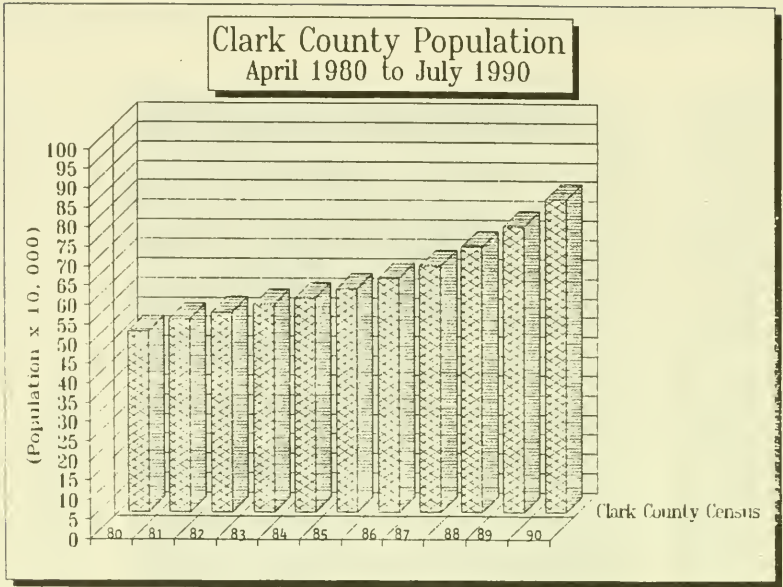
From Nevada Department of Taxation

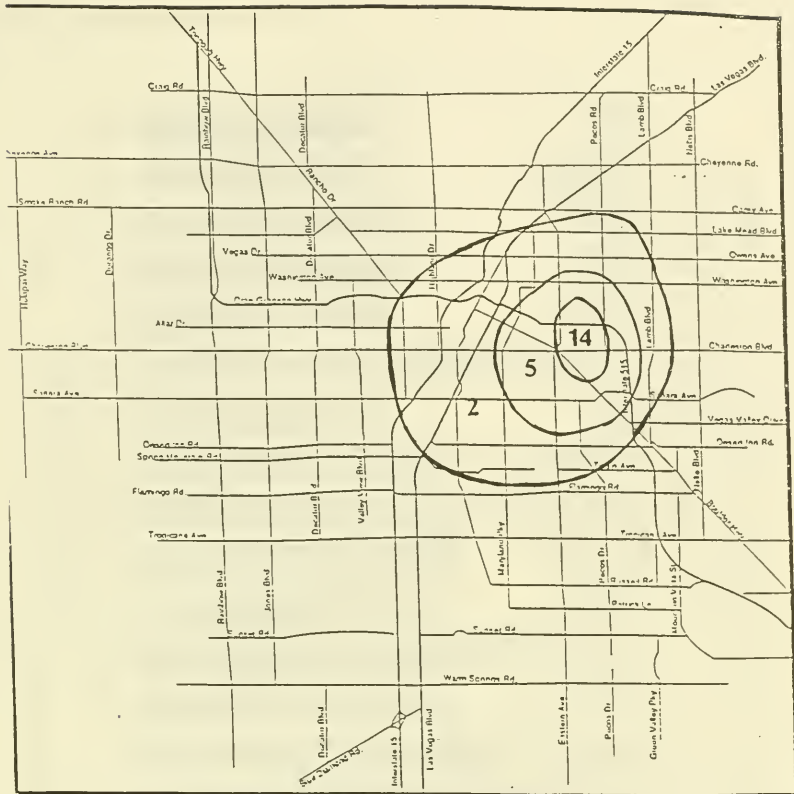


# AVERAGE DAILY VEHICLE MILES TRAVELED BY ALL CARS IN LAS VEGAS VALLEY, 1976-1990



(IN MILLIONS OF MILES)



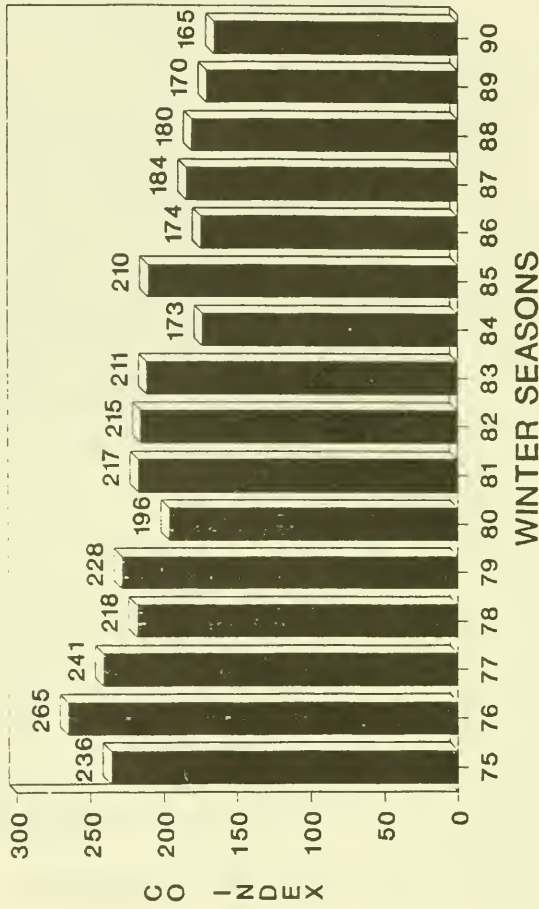


**ESTIMATED  
NUMBER OF UNHEALTHFUL DAYS  
FOR CARBON MONOXIDE**

**1990 - 1991 WINTER SEASON**

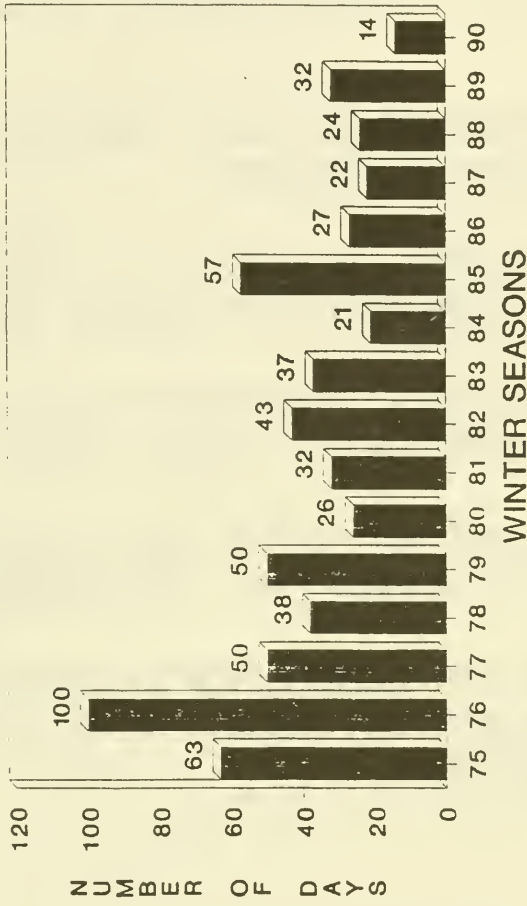


**CARBON MONOXIDE INDEX 1975-1990  
THE FIVE WORST DAYS PER WINTER SEASON  
MONITORED AT: E. CHARLESTON & 29TH ST.**



CLARK COUNTY HEALTH DISTRICT

NUMBER OF DAYS WHEN CO INDEX  
EXCEEDED 100, WINTERS FROM 1975-1990  
MONITORED AT: E. CHARLESTON & 29TH ST.



• 77 & 79 adjusted for missing data

**WHY HAVE THE CARBON MONOXIDE  
LEVELS DROPPED SINCE 1976?**

- 1. THE FEDERAL MOTOR VEHICLE EMISSION CONTROL PROGRAM.**
- 2. NEVADA DEPARTMENT OF MOTOR VEHICLES REQUIREMENTS FOR ANNUAL SMOG TESTS.**
- 3. REGIONAL TRANSPORTATION COMMISSION'S COMPUTERIZED TRAFFIC SIGNAL PROGRAM.**
- 4. CONSTRUCTION OF EAST LEG FREEWAY BY THE NEVADA DEPT. OF TRANSPORTATION.**
- 5. CLARK COUNTY HEALTH DISTRICT'S MANDATORY WINTERTIME OXYGENATED GASOLINE.**

Senator BURDICK. Senator Baucus.

Senator BAUCUS. As I understand it—let me first ask my question about provisions in the bill, S. 965 or S. 823.

Which of the two bills has provisions that make more sense to you from your point of view? You're the director of air pollution control for the State of Nevada. Is that correct?

Mr. NAYLOR. Just for the Las Vegas area.

Senator BAUCUS. Let's say Clark County then.

Mr. NAYLOR. The major provision of S. 823 is to retain the current funding mechanism where reconstruction of interstate freeway projects can be handled. I understand that S. 965 would lessen the amount of funding available for reconstruction. But since our interstate freeway system is already overly congested, it cannot handle any more growth and it has a high accident rate already. It does need to be reconstructed and redesigned.

Senator BAUCUS. As you understand the provisions of both bills, and from your point of view as Clark County Air Pollution Control Director, do you think you can do your job better, generally—as you understand—under the provisions of S. 823. Is that correct?

Mr. NAYLOR. Yes, that is correct.

Senator BAUCUS. Thank you. I have no further questions.

Senator BURDICK. Senator Reid.

Senator REID. Thank you, Mr. Chairman.

I think the statistic that you mentioned in your testimony, and that you and I have spoken of earlier, about the one area on the interstates—the so-called spaghetti bowl—that there are two and a half accidents there each day, seven days a week, every day, every week of the year. Isn't the right?

Mr. NAYLOR. Yes.

Senator REID. And those accidents involve not just fender benders, but people are getting killed there. Is that right?

Mr. NAYLOR. Yes.

Senator REID. In fact, since it has been constructed, there have been almost 10,000 accidents.

Mr. NAYLOR. It has been 8,500 accidents in the last 10 years.

Senator REID. And one of the reasons that you like S. 823 is that without it we'll never get a spaghetti bowl. Is that right? It's \$100 million project, or thereabouts?

Mr. NAYLOR. Yes. It's very difficult to finance that locally.

Senator REID. It's also my understanding, Mr. Naylor, that if the Greater Las Vegas area did not grow another person that the system that we have there is inadequate to handle the people that live there now. Is that right?

Mr. NAYLOR. The current system has been obsolete for 10 years. With our rate of growth, that rate of accidents is only going to increase until we can get that interchange reconstructed.

Senator REID. Thank you.

Senator BURDICK. Are there any further questions?

Senator MOYNIHAN. First of all, I just want to thank Mr. Rentschler. You just can't get any argument out of this committee. It was nice of you to come. You can go back and tell the association you persuaded us all.

To Mr. Naylor, we can work this out, but the Clean Air Act says that you have to put more lanes in that spaghetti bowl, right?

Mr. NAYLOR. The Clean Air Act does not forbid any control. The Clean Air Act says that we have to do what we have to do to clean up the air.

Senator MOYNIHAN. Are there vehicle restraints? It says that you can't have emissions—

Mr. NAYLOR. I don't think we can—we can't prevent vehicle growth from increasing. We're certainly going to have a good mass transit system eventually and good ride sharing, but I don't think we can prevent an increase in vehicles.

Senator MOYNIHAN. That's impossible to do with your population growth.

Senator REID. Mr. Chairman, I think the point that Mr. Naylor made is that by not being able to move people with these bottle-necks, that cars idle—

Senator MOYNIHAN. That's the miserable part of it, I'm sure.

I'll make two points. First, that spaghetti bowl is just all over this country. If you've ever been to Albany you will see one of the great waterfronts of our country absolutely destroyed by miles upon miles upon miles that all came out of the futurama exhibit that General Motors put on at the 1939 World's Fair in Flushing Meadows. I used to go out and watch it all the time.

Senator REID. Our problem is that we don't have one. We want a spaghetti bowl.

Senator MOYNIHAN. We just did things with that free money that were just awful.

If in the proposal—if you want to add new capacity, you get 75 percent Federal money, and more. Now what's wrong with 75 percent Federal money for new capacity.

Mr. NAYLOR. I don't follow your last question. Can you restate that?

Senator MOYNIHAN. Under the bill that Mr. Burdick and others have come up with, you get 75 percent Federal money. Is that so awful?

Mr. NAYLOR. No, that's not so awful.

Senator MOYNIHAN. No, it's not at all.

Senator REID. Compared to 95 percent?

Senator MOYNIHAN. Compare to 95—I'll tell you. At 95 percent you build spaghetti bowls. And then spend the rest of the century wishing you hadn't because you can't turn the contractors down. It's a free good and free goods get wasted. I think that's been part of our experience.

In any event, I've learned a lot that I appreciate very much. I see what you're trying to do. You have two interstates that cross in the middle of Las Vegas, right?

Mr. NAYLOR. Yes.

Senator MOYNIHAN. That's wrong. They shouldn't have done that. That's what comes from free money.

Mr. NAYLOR. We're trying to do one of your beltways as well.

Senator MOYNIHAN. I know that you don't have to put those things crossing in the middle of town. We did it all across this country. We said, 31 years ago, that we were going to.

The funny thing is that Talley, who designed the thruway never let one go near a city. He stopped at Yonkers and didn't go into New York at all. He went around Albany, above Syracuse,



below Rochester, and only in Buffalo did he put—but he knew—he was a great engineer, and he knew to keep these things out of cities.

But it is interesting. Here is Las Vegas with as bad an air quality problem as New York City. So there are things that can hold us together as a Union.

[Laughter.]

Senator MOYNIHAN. Thank you, Mr. Chairman.

Senator BURDICK. Thank you.

There is no further business. The committee will be in recess until 9:00 a.m. tomorrow morning.

Senator REID. Senator Daschle wanted this committee to include his statement in the record. He's worked very hard on this. He's a cosponsor of our bill, and he wanted that in the record.

Senator BURDICK. We also have a joint statement from Senators Simon and Dixon, which, together with Senator Daschle's statement, will be included in the record.

[The statements referred to follow:]

STATEMENT OF HON. TOM DASCHLE, U.S. SENATOR FROM THE STATE OF SOUTH DAKOTA

Mr. Chairman, I want to take this opportunity to thank you for holding these two days of hearings on the transportation proposals pending before your committee. Reauthorization of the Surface Transportation Act is extremely important to my State, and I appreciate the opportunity to offer my thoughts on some of the difficult issues that your panel will address.

I look forward to working with you and the committee on this important legislation. North and South Dakota have many of the same needs and priorities. Over the years I have enjoyed working closely with you, Mr. Chairman, on many different issues important to our States. I do not envy your task this year, which is to reconcile the differing needs and priorities of the States we represent and serve, and, ultimately, to produce a bold legislative compromise that addresses the Nation's diverse highway needs.

No one understands better than the leadership of this committee that our Nation's economy and future competitiveness require strong legislative action to remedy the backlog of infrastructure projects we face. Our economic success is dependent upon, and a product of, well-planned and maintained roads. Public safety and mobility simply demand it. Our businesses, industries, farmers and ranchers rely on it.

It is unbelievable, given the backlog of priority projects and their implications for future American productivity, that we continue to allow our highway trust fund to grow larger and larger while the list of needed projects grows longer and longer. I hope the committee will seriously consider drawing down the balance in the Highway Account of the Highway Trust Fund as part of the reauthorization of the Surface Transportation Act.

Mr. Chairman, as you know, western and rural States rely heavily on this body to look out for their interests. Clearly, the over-representation of urban interests in the House does not consider farm and public lands interests top priorities. Yet rural States simply cannot afford to pick up a greater share of their highway costs, nor should they be expected to assume that financial burden. They are counting on us to find a compromise that treats both urban and rural interests fairly.

I am pleased that Mr. Richard Howard, Secretary of Transportation for the State of South Dakota, will present testimony today on behalf of 10 western States. Dick Howard is very knowledgeable about the effect of Federal highway aid programs on rural States, and his testimony makes a significant contribution to the reauthorization debate.

Mr. Chairman, it is well recognized that the Administration's proposal for reauthorization of the Surface Transportation Act would cause serious problems for many rural States. I commend Senator Moynihan for proposing S. 965, which is a significant improvement over that proposal.

One such improvement in Senator Moynihan's bill would keep much of the Federal-State funding ratios as they stand today. In addition, S. 965 places needed attention on reservation and public lands roads as well as bridge repair and safety.

However, I must point out that there are provisions of S. 965 that concern me greatly. For example, it is my understanding that, under this bill, the highway trust fund will not only remain at current levels, but will actually increase over the next five years if we continue last year's gas taxes. Clearly, the continuing build-up of the trust fund must stop. It is time to start committing those taxpayer dollars to the cause they were assigned to address: improving our roads. It is time to invest in our future and our economy rather than using these essential transportation funds to mask the size of the Federal deficit.

I am also concerned about the "metropolitan planning" provisions which, in essence, force States to direct 75 percent of their surface transportation funding to metropolitan areas. This, I am sure, would be helpful to a State such as New York or Massachusetts. However, in South Dakota and other rural States, the problem in most need of attention is often improvement of the vast network of farm roads and secondary roads that link our smaller towns to the cities.

Our priorities are clearly different from those of urban States with cities of over a million people, and I ask that the committee ensure that the application of the allocation formula not penalize States like South Dakota by subjecting them to an urban bias. Each State should retain maximum flexibility to utilize its Federal highway aid in a manner that best meets its unique needs within the broader guidelines of national transportation policy.

Again, S. 965 does forcefully attack some of the major transportation problems the country faces. Provisions in the bill aimed at congestion mitigation, air quality improvement and magnetic levitation clearly address urgent urban problems. However, the bill does not include parallel provisions to deal with many of the equally urgent transportation problems facing rural America, such as severe weather conditions, low density and high per-capita expenditures.

Today I am here to ask that the committee consider not only the important problems facing urban areas, but also those of rural areas, which often rely on Federal support to remain a part of the national highway system. Without such a comprehensive, fair and equitable plan, we will fall short of our overriding goal of enhancing our national infrastructure and productivity.

If we only improve urban transportation conditions, then, in essence, a large portion of this country will be neglected and ultimately cut off from the rest of the country. Global competitiveness will not come from one section of the country working as a self-contained unit, but only through the country working together as a well-oiled machine; a country where a Sunday drive across the river does not require an extra hour to reach the nearest crossing.

At this time, I will not go through the provisions of S. 823, the bill I have cosponsored and the bill that the South Dakota Department of Transportation, with the support of nine other States, is here to promote. I am certain that Senators Baucus and Reid, who I must thank for their leadership on shaping a bill that treats rural States equitably, will be detailing the ways in which S. 823 will address the rural transportation problems that affect many States across the country.

Nevertheless, I do want to restate my strong support for this legislation. As Dick Howard emphasizes in his testimony, this bill responds to the two most pressing deficiencies in the current Federal highway program—"inadequate funding and inadequate flexibility."

S. 823 is desperately needed to develop and repair the roads of rural America. S. 823 contains provisions crucial not only to South Dakota's future, but to all of rural America as an essential link in the country's future productivity and competitiveness.

Let me close by reiterating my appreciation for this opportunity to present the case for rural America before the committee finalizes its reauthorization legislation. I look forward to working with you, Chairman Burdick, and the entire Environment and Public Works Committee to ensure that rural States receive a fair shake in this year's reauthorization bill.

Thank you.

UNITED STATES SENATE  
 WASHINGTON DC.  
 May 13, 1991

Hon. Quentin Burdick  
*United States Senate*  
*Chairman, Environment and Public Works Committee, Washington, DC.*

DEAR MR. CHAIRMAN:

As you know, reauthorization of the Federal-Aid Highway and Mass Transportation Program is of critical importance to the Nation. The Federal programs, by their very nature, drive the State's programs and, to a significant extent, much of America's economic vitality and quality of life depends upon a safe and well-maintained transportation system.

Because of the vital importance of a strong Federal transportation program to the State of Illinois, we have had extensive discussions with the Illinois Department of Transportation, the City of Chicago, and other interests in the State concerning S. 965, the Surface Transportation Efficiency Act of 1991.

We are pleased to note that this bill has many features that are desirable to Illinois, such as a higher overall Federal program size, beneficial distribution formulas, a separate category for the special needs of Clean Air non-attainment areas and an appropriate Federal match for projects. It does, however, contain several features which cause us some concern.

While we are gratified to see an emphasis placed on urbanized areas, we believe strongly that a strong program of supporting our interstates and arterials must ultimately be part of a balanced approach to our Nation's transportation system. A modest 3-R type program for interstates will not satisfy the rehabilitation and reconstruction needs of our major intercity networks and will not meet the needs of areas where improved access is needed.

#### *Lack of Discretionary Programs*

The Surface Transportation Efficiency Act does not continue the interstate 4R and bridge discretionary programs. States need the supplemental funding from discretionary allocations to address major, extraordinary high-cost bridge and interstate improvement projects.

For example, Illinois has just begun a \$450 million project to reconstruct 8.5 miles of the 29-year old Kennedy Expressway (I-90) in Chicago. Without this program, the State would have to use its entire I-4R apportionment for four and one-half years on this one project, ignoring the remaining 1,933 miles of Interstate highways in the State. We urge that these discretionary programs be continued.

#### *Elimination of "reconstruction" as an eligible use of Interstate 4R funds*

The bill would eliminate "reconstruction" from the eligible uses of Interstate 4R funds (changing it to I-3R) in an effort to create a disincentive to use I-4R funds for adding lanes and new interchanges, which also fall under the "reconstruction" category.

This change would eliminate the eligibility of sometimes necessary reconstruction of old, completely deteriorated and/or obsolete design segments on the Nation's interstate system. Coupled with the loss of the I-4R discretionary program, this program change would be devastating to the preservation of the Interstate system.

We understand your desire to limit new capacity, however, a total prohibition seems unnecessarily restrictive. We particularly urge that regular "reconstruction" of existing Interstate segments, where the number of lanes and interchanges remains the same, continue to be eligible for I-4R funds.

#### *MPO provisions*

The bill requires all federally-funded highway or transit projects within a metropolitan area be selected by the Metropolitan Planning Organization (MPO). This provision represents a major shift in project selection control from States and municipalities to MPOs, and would cover all projects on State jurisdiction roads, county roads, and even local city streets. The State and the City of Chicago would lose substantial control over roads under their jurisdiction.

In addition, the needs of the State as a whole and the urban centers may not be adequately represented in MPOs, where suburban communities have majority control. We are very concerned that the amended Section 134(d) (Section 113 of the bill) may fail to provide minimum protection for central cities and develop a truly coherent State-wide plan that goes beyond regionalism.

We believe the existing MPO programming process in northeastern Illinois, conducted under the existing Federal law, is a model of cooperation and coordination that is envisioned in the proposed bill.

We strongly recommend a model that allows local officials of municipalities of 250,000 or more as well as officials representing public transit authorities within the region, the right to select projects for consideration by the MPO. The MPO can reject such projects, but cannot substitute its own projects.

In addition, the MPOs must recognize the magnitude of needs of central cities and give special consideration to these cities in the distribution of STP funds.

We appreciate the enormous challenge that you and the committee face in determining how best to utilize Federal funds to address national transportation needs of the future. We believe that minor modifications to the bill that incorporate our recommendations will strengthen our future Federal highway program. We hope that you will seriously consider them and we look forward to working with you to develop this vitally important highway reauthorization.

Sincerely,

ALAN J. DIXON

PAUL SIMON

Senator BURDICK. The committee stands in recess.

[Whereupon, at 12:50 p.m., the committee recessed, to reconvene at 9:00 a.m. on Tuesday, May 14, 1991.]

[Statements submitted for the record and the bills S. 823 and S. 965 follow:]

PREPARED STATEMENT OF THOMAS J. DONOHUE

INTRODUCTION

I am Tom Donohue, president and CEO of the American Trucking Associations, the National trade association of the trucking industry. The ATA federation includes over 4,100 carriers, affiliated associations in every State, and 10 conferences. In aggregate, ATA represents every type and class of motor carrier in the country. Combined with ATA's direct membership, we are a federation of over 30,000 member trucking companies. The trucking industry earned revenues last year of over \$270 billion and employs 7.7 million Americans.

Mr. Chairman, thank you for scheduling hearings prior to Subcommittee markup. I am sure the other groups within the highway community, many of whom will testify later, join me in the belief that these hearings will be extremely constructive. They are a critical step in gaining the support of all highway users for the final Senate bill.

With your permission:

- I would like to discuss the fine safety record of our industry and how we intend to improve it; and
- Describe what America's motor carriers need to move this nation's goods in the 21st century.

PART II: TRUCK SAFETY

The trucking industry is committed to operating safely on our nation's highways, and we are proud of our safety record.

The National Highway Traffic Safety Administration (NHTSA) released a study last Friday that confirms our pride is well justified. Let me quote just the first paragraph of the executive summary:

"Heavy truck safety has improved dramatically over the past decade. The fatal crash involvement rate for medium/heavy trucks was 3.7 per 100 million vehicle miles of travel in 1988, an all-time low. Between 1977 and 1988, the fatal crash involvement rate for combination-unit trucks decreased 40 percent, while the rate for passenger vehicles (cars/light trucks and vans) decreased only 25 percent. The efforts of motor carriers and their drivers, coupled with expanded State-Federal programs to license commercial drivers and inspect vehicles at roadside, all seem to be having a positive effect."

That's what NHTSA said, but I couldn't have said it better myself. Since this is a brand new study, I am providing a copy of it for the committee files.

ATA has been a strong and early advocate of truck safety programs, including:

- Creation of a Commercial Driver's License;
- Expansion of the Motor Carrier Safety Assistance Program, which has increased roadside truck inspections 1000 percent to 1.6 million inspections a year;
- Elimination of 20,000 commercial safety zones where trucks and drivers were allowed to run uninspected; and
- Imposition of random, mandatory drug testing requirements for all truck drivers.

Mr. Chairman, this fine safety record, which is getting better each day, is a direct result of these industry efforts. As the NHTSA study points out, over the past 10

years, the truck fatality rate has dropped 40 percent. We intend to continue to do the right things to improve that record.

You've heard much rhetoric lately about the safety record of more productive trucks. And I expect you'll hear even more of it today. Let me set the record straight. The facts are very simple. And very compelling.

- These trucks, called Longer Combination Vehicles or LCVs, have been operating for 30 years, in 20 States. Because they are 40 percent more efficient, they mean lower prices and less pollution for America's consumers.

- In 1988, the most recent year for full statistics, four people died in accidents involving these vehicles. That compares with 8 people killed in skiing accidents and 801 fatalities in railroad grade crossing accidents.

- LCV's carry more cargo with fewer trucks, and without increasing axle weight. They are less polluting and reduce congestion.

This is why findings of studies by two independent organizations support the Nationwide use of certain LCVs. Last June, in a study requested by this Committee, the Transportation Research Board of the National Academy of Sciences recommended that trucks in excess of 80,000 pounds be allowed to operate under special permits in any State that wants them. And, the AAA Foundation for Traffic Safety said, in a report released last December, that triples should be legalized nationwide.

If that's not enough, John Benning, chairman of Great West Casualty Company, an insurer underwriting over \$200 million in motor carrier policies a year, said "the safety of LCVs is a non-issue" as far as his insurance business is concerned. His company has no evidence of increased risk and sees no difference in liability exposure between single and multi-trailer units. He charges the same premiums for both.

Now, given all that, you might think we'd be justified in calling on Congress to require the use of LCVs nationwide. But the truth is, we are not seeking any Federal mandate for LCV use.

However, if Congress would choose to treat all States equally, and give them the flexibility to decide for themselves what size and weight trucks should operate on their roads, I think that would be a productive decision.

Now, before I close, I want you to know how angry and disappointed I am in the American Association of Railroads and their front groups, particularly CRASH, who, for their own economic gain, have spent more than \$10 million to assault our fine safety record and the reputation of the 7.7 million people who work in our business.

The railroads are trying to do through public policy and government intervention what they have not been able to do in the marketplace—that is, compete effectively for market share.

Mr. Chairman, we know that there are many legitimate highway safety concerns. ATA recognizes that the industry must work harder than ever to improve truck safety.

For example, we must work to:

- Complete implementation of the Commercial Drivers' License;
- Conduct research programs that lead to better and safer roads;
- Implement random, mandatory drug testing;
- Ban radar detectors in all trucks; and
- Encourage strict enforcement of speed limits.

Instead of attacking an industry that carries 78 percent of the dollar value of the Nation's goods, the railroads should follow our example and support tougher safety standards in their own industry. For example, after four successive General Accounting Office reports which attack the effectiveness of the Federal Railroad Administration program to improve railroad safety, now is the time to delegate the FRA's inspection and enforcement functions to the States under a program similar to the Motor Carrier Safety Assistance Program where Federal rules are enforced by the States. In addition there should be Federal licensing standards for locomotive engineers.

Mr. Chairman, your bill includes a provision that would improve the collection and analysis of data relating to the safety, performance and productivity of the National transportation system.

ATA fully supports this undertaking. Facts are essential to the effective private sector management and appropriate government regulation of our industry. When the facts are fully presented, the American people will be able to appreciate the contribution of trucking to our economy, and to dismiss with prejudice, these irresponsible and dishonest attacks.

Thank you, and I would be happy to respond to questions.

## PART III: AMERICA'S HIGHWAY PROGRAM

Mr. Chairman, a forward-looking highway bill must strike a thoughtful balance between establishing a national system of intercity highways and providing States and cities with the flexibility they need to make that system work.

The highways on this national system should be our corridors of commerce. Such a system is needed to provide a continuous, connected network of roads between our cities, which will carry 78 percent of the dollar value of everything grown and produced in this country. How well this system performs will determine whether the Nation's rate of productivity will improve, or decline.

The nearly complete Interstate Highway System was designed to meet these needs in a 1950's America. While maintenance of that system must be an important part of any highway bill, maintenance alone won't meet our future needs.

When the Interstate System was first envisioned by Franklin D. Roosevelt, launched by Dwight Eisenhower and implemented under the direction of Bert Talmay (Tala-me), its goal was to connect every major city of 50,000 residents or more. However, as the Nation has grown, the U.S. Census has identified 223 new growth areas in the continental U.S. which are not on that Interstate System. Access to these centers will be restricted unless Congress initiates a new national system of intercity highways.

In order to meet the mobility needs of our economy and the challenges of international competitiveness, good highways must connect these and many more points of industry, agriculture and commerce.

Mr. Chairman, we fully recognize how concerned you are about improving transportation productivity by giving States and cities the flexibility they must have to meet local needs. But this Committee should balance these needs against the necessity for a national highway system which assures continuity and connectivity.

## HIGHWAY BILL PROPOSALS

This Subcommittee has before it a great opportunity and, in fact, a great responsibility: to bring this nation's highway program into the 21st century. There are many provisions in the highway bills that we support. We urge you to pick the best provisions from all of the bills as you work with the other Congressional Committees in crafting the final legislation.

The Committee leadership bill, S. 965, contains a number of elements that ATA strongly supports.

- *Extended Funding:* We support authorizing a five-year bill which increases spending and does not impose new taxes. We applaud the bill's sponsors for including these provisions in their draft.

- *Data collection:* As I mentioned earlier, we strongly believe in establishing a system of data collection for the transportation industry. We support your efforts on this subject.

- *Interstate Maintenance:* We are strongly in favor of maintaining the Interstate System, and S. 965 moves toward that goal. However, if this bill is used as the vehicle for mark up, we urge that it be modified to incorporate the following features:

- *National Intercity Highway System:* S. 965 should be expanded to include a new system of highways linking cities, supporting commerce and assuring personal mobility. The system, whatever it is called, should include major arterial highways and be funded adequately to meet the needs of commerce.

- *MPO control of funds:* To ensure that there is continuity and connectivity between regions, States should retain control over the programming of funds. We urge you to increase local responsibility for planning only in those areas over 1 million population; not 50,000 population as the bill proposes.

- *Categorical Air Quality Program:* Much of S. 965 is built around the concept of flexibility. That same flexibility should be incorporated in your approach to addressing air quality. Rather than setting up a separate program for a limited number of cities, we urge you to make mobile source air pollution control an eligible capital expense under your proposed Surface Transportation block grant.

- *Funding for non-highway projects:* Flexibility should not mean uncontrolled diversion. We urge you to allow highway spending to be diverted only to transit capital projects. The bill should also give States the flexibility to use transit funds on highway projects, where it makes sense.

- *Ability to Grow:* States should generally have the ability to expand highway capacity without penalty or restrictions, such as the matching fund penalty under S. 965. Research: We urge you to increase research spending and to require at least \$30 million be spent on truck-related research annually.

- *Bridges:* The discretionary bridge program should be continued. DOT should be required to set aside some funds from the bridge program to meet the needs of high cost bridges essential to Interstate commerce. It is difficult for a State to meet these extraordinary needs using regular bridge funds.

- *New technology:* We agree that new technology, such as magnetic-levitation rail systems, should be explored. But we believe such programs should be funded through the General Fund. Alternatively, since a successful system could relieve mass transit and airport congestion, all beneficiaries should share the cost.

- *Congestion Pricing:* Congestion pricing is an intriguing idea that would benefit from demonstration programs that are present in the bill. But these tests should be limited initially to commuter traffic only and not applied to interstate transportation.

- *Double taxation:* On the face of it, we oppose tolls on roads we have already paid to build. At the same time, we recognize the need to look for innovative ways to finance the Nation's infrastructure. For that reason, we are one of the principal supporters, along with FHWA, the International Road Transport Union, the governors of New Jersey and North Carolina, and a host of others, of a study by the Hudson Research Institute to identify creative ways to finance our future infrastructure needs. I urge you to consider the results of this study before making final decisions on this section of the bill.

- *Tax Simplification:* Mr. Chairman, we need to reduce the mindless paperwork that trucking companies have to go through to be able to register vehicles with States, pay State fuel taxes and comply with needless and duplicative State paperwork requirements. Every year, the industry spends between 1 and 3 billion dollars to comply with differing tax rules. In addition, we are besieged by the "lick 'em and stick 'em" syndrome, requiring motor carriers to apply tax stamps to documents that must be kept in every truck. While this provision is the jurisdiction of another Committee, its elimination provides benefits to all, at the expense of none. We need your support for programs such as the International Fuel Tax Agreement and the International Registration Plan, and the elimination of bingo cards.

Mr. Chairman, I believe incorporating these suggestions would do much to enhance the Senate's bill and allow the Committee to blend innovation and practicality. Legislation which is forward-thinking, yet meets the needs of the Nation's highway users, will bring America into the 21st century.

#### CONCLUSION

Mr. Chairman, the challenge facing the Congress is to create transportation systems that respond to public need: the needs of consumers, manufacturers, workers, our cities, our farmers, our families, our national defense, and the needs of America's 240,000 motor carriers who service all of these important constituents.

How all of us, working together, meet this challenge will determine our economic future, and that of our children.

Yes, we need to be innovative and bold. But we must continue, and expand, the highway network which connects our nation's cities, farms and manufacturing centers. That network is fundamental to our productivity and international competitiveness.

The decision to be made by this Subcommittee and the Congress is not a simple choice between one transportation investment and another. It is, instead, a far more complicated process of developing an integrated transportation system that meets the needs not only of today, but of tomorrow as well.

Mr. Chairman, ATA and this industry are prepared to work with you and the Congress to develop, and then vigorously support, a program that benefits all Americans. Thank you.

I will be pleased to answer any questions.

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#### PREPARED STATEMENT OF JOAN CLAYBROOK

Mr. Chairman and Members of the Committee, we appreciate the opportunity to appear before you today. I am Joan Claybrook, President of Public Citizen; and I am accompanied by Dr. Gerald Donaldson of Advocates for Highway and Auto Safety. We share the privilege of serving as cochairmen of Citizens for Reliable and Safe Highways, or CRASH.

Formed by safety advocates and a broad coalition of medical experts, State safety officials, former governors, insurers, shippers and railroad suppliers, CRASH has spent the past year working at the grassroots level for improved truck and highway safety. Now we are turning our attention to the Congress because it is urgent that

the surface transportation reauthorization bill which this Committee is now drafting take all the necessary steps to guarantee the future safety of the public on our highways.

In view of the number of witnesses appearing before the Committee, I will be summarizing the materials before you which have been submitted for the record.

First, I will address the safety of longer combination vehicles—Twin 48's, Rocky Mountain Doubles and Triples—weighing up to 135,000 pounds and covering up to 120 feet or more in length—the equivalent of a ten story building.

The "Safety Debate on LCV's" report, which you have before you, is the product of hundreds of hours of review and analysis of available research studies and reaches the following conclusions:

*1. The engineering of LCVs makes them dangerous.*

Due to the inherent instability caused by five articulation joints, the "crack-the-whip effect", LCV braking problems, the offtracking which causes LCV trailers to go into adjacent lanes of traffic and climb over curbs, their exaggerated tendency to jackknife, and the LCV driver's inability to control the last trailer, an engineer can conclude that LCVs in widespread use would be dangerous without even considering their prior operating history.

*2. Engineering problems cause crashes.*

For example, the National Transportation Safety Board studied 189 heavy truck accidents and reported its conclusions in 1988. Forty-one of those crashes involved tractors pulling two 28 foot trailers with three articulation joints. One of the causes or contributing factors in 41 percent of those crashes was instability problems associated with the rear trailer.

*3. LCVs are incompatible with cars.*

LCVs slow speed on upgrades, their difficulty in merging from an onramp with freeway traffic, their splash and spray and the difficulty of passing LCVs are not only frustrating to auto drivers, those characteristics are also unsafe.

For example, trucks which travel 15 mph below the prevailing speed of other vehicles have accident involvement rates nine times higher than those that travel at prevailing speeds.

*4. Multi-trailer truck accidents are more severe.*

A 1990 study by the University of Michigan Transportation Research Institute, (UMTRI), concluded that, when one controlled for the kinds of highways and roads over which each truck type travels, the Nationwide fatal accident involvement ratio in 1986 for Double trailer trucks was 27 percent higher than the ratio for Single trailers. The UMTRI study also concluded that Double trailer trucks are 32 percent over-involved in fatal accidents.

Another recent study commissioned by the Association of American Railroads found that the fatal accident involvement ratio of Double trailer trucks to be 58 percent higher than the ratio for Single trailer trucks.

*5. Multi-trailer trucks are over-involved in accidents.*

In a study of all truck accidents (not just fatal accidents) on Washington State Interstates from 1984-1986, the Insurance Institute for Highway Safety found that Double trailer trucks were 200 percent over-involved in accidents.

Studies in Utah and New Mexico found that the accident rates for Triple trailer trucks were three times the accident rates for Single trailer trucks, even with very small samples of accidents.

I would now like to specifically address the limited data available for accurately evaluating the accident record of LCVs. While the proponents of wider usage of LCVs will claim lower crash rates for longer combination vehicles than for semi- and twin-trailers, their position is not supportable. Initially, they extract favorable data from a number of sources, some of them not publicly available; pour them into a cauldron; and extract a witches' brew of confused conclusions.

Then, they don't explain just how limited current LCV operations are. In almost every State where they are now allowed, LCV's have been operated primarily under *optimal conditions*—mostly on the very best roads, with the best drivers, under the best weather conditions, during specified hours of the day—and on short trips where driver fatigue is less of a problem.

Moreover, it is currently impossible to do national accident rate studies for specific LCV types for two reasons:

First, national truck crash reporting by specific truck configuration is unreliable. Many, if not most accident reports do not note whether a crashed truck had one



trailer, two trailers or three; or how long each trailer was. A recent letter from the Montana Department of Highway Safety illustrates the problem:

Prior to 1982, Montana had no distinction between types of semi-trucks. Recently, we have found major problems on reporting of triples, which are coded incorrectly about half the time during the last three years.

Second, no reliable national data base exists on the number of vehicle miles travelled according to truck configuration. In a recent study of Triples crashes in Oregon, the Oregon Public Utilities Commission (PUC) stated categorically:

. . . we do not know the mileage nor the proportion of miles travelled by these vehicles in triple combination.

The Oregon PUC study went on to find that it was not even possible to determine or compare accident rates for Single, Double or Triple trailer trucks, stating that:

Mileage information is not available on the various combinations; therefore, it is not possible to compare accident data on a statistically valid basis.

By the way of background, you should be aware that the State of Oregon has had extensive experience with LCC's. Both Triples and Rocky Mountain Doubles have operated in Oregon since 1967. At the start, Triples were limited to specific portions of the Interstate. This was soon expanded, however, allowing Triples to run on some two-lane, two-way State highways, but only in fair weather. In 1989, the weather restriction was lifted, permitting Triples to run *in the rain on two-lane, two-way State highways*.

Today, Triples run on 3,526 miles of Oregon roads—including certain city streets and country roads—while Rocky Mountain Doubles may be found on 4,065 miles of roadway.

As the Oregon experience shows, there is a tendency for the trucking industry to push over time for expansion of LCVs beyond the Interstates and outside of the original strict limitations on use. There are never guarantees in the beginning that any of the original restrictions, which also limit the dangers to some extent, will continue.

The results for highway safety are predictable, as the Oregon Public Utilities Commission study reveals:

- Of the 65 crashes occurring in Oregon during the 5 years studied, 30 percent of the Triples accidents took place off the Interstates, with 20 percent occurring on city streets;
- While only 1.3 percent of Single trailer truck crashes resulted in trailer separation, 4.6 percent of Rocky Mountain Double crashes and 6.4 percent of Triple crashes involved trailer separation; and
- The crash data between 1985 and 1990 illustrates what the Oregon PUC calls "the speed problem," the difficulty of Triples climbing upgrades: 14 percent of the Oregon Triples' crashes involved motorists striking the rear of the LCVs at night and more than half of these night-time, rear-end accidents occurred on uphill grades.

One wonders, then, where the proponents of these truck-trains get their glowing, State-by-State accounts of LCV operations.

Consequently, as safety advocates, *CRASH now asks this Committee to include in its highway reauthorization bill a provision prohibiting the operation of LCVs on the Interstate System*. Only through such clear and direct action will you be able to assure your State's residents, and the American public as a whole, that unsafe Triples, Rocky Mountain Doubles, and Turnpike Doubles will not be running alongside them on our Interstate highways.

This action will also serve to reduce road and bridge damage on our most heavily traveled highways—roadways that are already experiencing serious deterioration. I know that I don't need to remind the Senators on this Committee that 15.9 percent of the bridges on the Interstate are already classified as functionally obsolete or structurally deficient by the Federal Highway Administration, while 22.7 percent of the pavement on the Interstate system has been assessed by FHA as needing immediate improvement.

FHA estimates the cost of these pavement repairs to be \$88.6 billion through 2005, or an average of \$4.7 billion annually. In addition, over the same period, the costs for needed repairs on Interstate bridges alone are estimated to be \$24.6 billion.

We cannot afford to take the chance of subjecting our highways to heavier abuse and costlier deterioration from LCVs. Neither can we ignore their serious threat to safety in the name of productivity.

As far as productivity, you should be aware that according to a May 6 *Wall Street Journal* report on corporate performance for the first quarter of 1991, the trucking industry ranks as the second highest performer of the 80 industries reviewed, with a net income increase of 411 percent!

We cannot afford to wait for the next highway bill. Nineteen States already permit unsafe LCVs on their Interstates and other Federal-Aid highways, and LCV proponents are already initiating lobbying campaigns in many other States.

Safety is too important to leave to State option. In fact, the governors themselves have concluded, in the National Governors Association's adopted highway transportation policy statement, that we need uniformity in allowable truck sizes and weights. And, Mr. Chairman, we need it now!

We are a mobile society. The crossing of State lines has become an everyday event for more and more of our population. In view of this reality, only a Federal prohibition of LCC's can fully and equally protect our highway users when they are driving at home and when they travel in other States.

The second area I want to address concerns the intricate workings of the Federal weight limits and grandfather provisions of Title 23's infamous Section 127.

To refresh your memories, when the Interstate System was created in the 1956 Federal-Aid Highway Act, Federal limits were set for total vehicle and axle weights and for the width of vehicles using the new Interstate System. At the same time, provision was made to allow States that had previously established higher weight and width limits for their public highways by law or by regulation to continue them on the Interstate.

We understand that the 1956 provisions grandfathered three States for gross vehicle weights higher than the 73,280 pound limit contained in the 1956 Act. A larger number of States were similarly grandfathered in 1956 for higher axle weights.

The gross vehicle and axle weight limits to this day apply only to the Interstate System and not to other Federal-Aid Highways despite their lower design standards and reduced capability to safely handle larger or heavier vehicles. The public is rightly confused by these arbitrary distinctions; and the Federal Highway Administration (FHA) itself recognized the problem in their March 1990 "Overweight Vehicles—Permits and Penalties" report:

- . . . , FHA's ability to protect the Nation's multi-billion dollar investment in its highways and bridges has been compromised by permissive legislation regarding vehicle weights, by competing interests of the highway and transportation industries, and by various court decisions.

- The States are liberalizing their weight regulations through new interpretations of their grandfather rights, particularly with respect to the issuance of multiple-trip permits for divisible loads that exceed statutory weight limits. This trend is likely continue . . . . In these cases, the Federal weight limits have limited effect.

Finally, FHA concludes by describing the unintended and illogical result of our existing truck weight statutes:

The Nation's present system of vehicle weight laws (State and Federal) for several States results in heavier trucks being compelled to use highways with pavements built to standards lower than those for Interstate pavements.

The 1974 Federal-Aid Highway Amendments added the Federal bridge formula governing the spacing of axles and increased the Federal gross vehicle weight to 80,000 pounds and put the axle weight limits at their present levels (20,000 single/34,000 tandem axle). It also allowed for the continued operation of vehicles on the Interstate which violated the new bridge formula but had operated lawfully in the State prior to January 4, 1975 (the date of enactment of the 1974 Amendments).

Until the Surface Transportation Assistance Act of 1982, compliance with the Federal gross vehicle and axle weight limits and determination of whether a State had grandfathering rights to permit heavier vehicles on the Interstate were the purview of the Secretary of Transportation through the Federal Highway Administration. Senator Symms' amendment changed that by allowing each State to determine its own grandfather rights.

In spite of Senator Symms' floor statement during consideration of his amendment, which clearly encouraged FHA's involvement in the State determination process, the inadvertent impact of his amendment has been the total removal of the Federal Government—the Secretary of Transportation and the FHA—from the administration of what is supposed to be a Federal standard for the National System of Interstate and Defense Highways.

The result has been confusion, if not chaos. The Federal Highway Administration can no longer provide authoritative information on the weights of trucks allowed by

States to use the Interstate. Nor can DOT tell you the basis of some States' grandfather claims, claims which currently are used to justify vehicles exceeding the 80,000 pound statutorily-established Federal weight limit for the Interstate highways by as much as 49,000 pounds.

An ever-increasing number of States have claimed the right to exceed the Federal weight limits on the Interstate through the haphazard issuance of permits for divisible loads. Section 127, however, makes only one specific exception for:

*those vehicles and loads which cannot be easily dismantled or divided and which have been issued special permits in accordance with applicable State laws. (Emphasis added.)*

However, the Federal Highway Administration's most recent report, entitled "Overweight Vehicles—Permits and Penalties," demonstrated steady increases in the number of multiple trip permits issued by the States for overweight divisible loads:

there was a 10-percent increase in multiple-trip, divisible load permits from 1987 to 1988 and a 21-percent increase from 1988 to 1989. Multiple-trip divisible load permits have increased at an average rate of about 14-percent per year between 1986 and 1989.

This is of particular concern as the increase in the number of multiple-trip permits means that many more trips are being made at axle or gross vehicle weights that are above the established State or Federal limits. For the most part, States do not collect information on use of these multiple-trip permits and, therefore, do not know how much pavement and bridge damage can be attributed to these vehicles. Further, depending on the fees charged for these permits, their use generally results in other highway users subsidizing vehicles that routinely operate at weights above the established limits.

We respectfully suggest to the Committee that this explosion of permitting over the past several years for overweight divisible loads—and the resulting increases in road and bridge deterioration caused by overweight vehicles—is the direct result of tying the Federal Government's hands in the enforcement of the Federal weight limits for Interstate highways.

To get a handle on the growing abuse of overweight, divisible load permitting, *CRASH asks the Committee to amend Section 127 to give the Secretary of Transportation a role in enforcement of the Federal truck weight limits for the Interstate Highway System and in establishing principles and procedures for the States to use in defining which loads can be easily divided or dismantled.*

I also want to let the Committee know of two related legislative matters on truck and highway safety within the purview of the Senate Committee on Commerce, Science, and Transportation which *CRASH* is supporting. First, *we are seeking legislation to establish an accurate and uniform national truck safety and monitoring system as part of the reauthorization of the Motor Carrier Safety Assistance Program (MCSAP).* This would remedy many of the data gaps identified in our testimony. The second *seeks to strengthen MCSAP by requiring the Secretary of Transportation to work with the States to establish more uniformity in State vehicle inspections, set minimum fines for safety violations, and improve the enforcement of truck out-of-service orders issued outside of their State of residence.*

To close, I would like to thank the Subcommittee for holding this morning's hearing because truck size and weight are such important issues to the driving public who overwhelmingly oppose big trucks on the highway. In fact, a national survey done in April shows 74 percent of those questioned favoring a national truck length limit banning LCVs. An April poll conducted in the State of Oregon, where Triples and Rocky Mountain Doubles are in fairly wide use, as previously noted, 84 percent of those surveyed were willing to see their grocery bills go up by 1 to 2 percent in exchange for elimination of LCVs.

Moreover, when professional truck drivers were asked their views on longer combination vehicles by the American Automobile Association Foundation for Traffic Safety, more than 80 percent of the drivers said they would not like to drive Twin 48's in the future even though close to 11 percent had. For Triple trailer trucks, the results showed a bit more driver opposition, with almost 86 percent of the truckers not wanting to drive triples (which 3 percent of them had driven).

Finally, I want to reiterate that you have a great opportunity before you in this legislation to make a major difference in the safety of our highways.

1991 could be the time when we hold the line and reverse the dangerous trend of unending increases in truck weights and lengths, increases which threaten our lives and destroy our highways and bridges.

I hope you will agree that 80,000 pound trucks with a maximum of 65 feet for their trailers is big enough, long enough, and heavy enough. Certainly, the people who use the highways, the vast majority of drivers who operate heavy trucks, State transportation officials, insurers, medical professionals who must treat the victims, and the State and local police who must deal with crash-generated traffic jams and severely injured motorists all agree with the need to limit these behemoths on the public roadways.

Thank you. We would be pleased to answer any questions you may have.

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PREPARED STATEMENT OF R. V. DURHAM

Mr. Chairman, my name is R. V. Durham. I am Vice President and Director of the National Freight Division of the International Brotherhood of Teamsters. The Teamsters Union represents hundreds of thousands of men and women in virtually every sector of the trucking industry. The Freight Division represents more drivers of heavy trucks than any organization in this country. Most Teamster drivers of doubles and triples are in the Freight Division.

I have come here today to share with you our concerns about the increasing pressure from trucking employers for the expanded use of triples and longer doubles on our nation's highways. On behalf of the people who would have to drive these trucks, I would like to tell you why we think this would be a bad idea.

Mr. Chairman, to ensure that Teamster truck drivers have decent wages and working conditions, we need a healthy, vigorous trucking industry. We encourage our employers to take advantage of technological advances to become more efficient and productive in their operations. However, when these advances jeopardize job security or employee and public safety, we must draw the line. Public policy for the safe transportation of goods, no matter the mode, should be based on standards that benefit the motoring public, transportation employees, and not solely competitive needs of transportation industries. Public policy should not be based solely on bottom line economics.

Mr. Chairman, the so-called productivity increase that trucking industry executives seek is very simple: They want BIGGER TRUCKS. Their request is not based on any innovation or technological advances. They simply want to haul more goods with the same technology—And that is not good public policy.

The executives in the trucking industry propose to operate longer, heavier trucks with more articulation points. They propose to do this on more crowded roads. They propose to do this with the same braking systems that most safety experts know need improvement even for today's trucks. This adds up to an increasingly unsafe situation. We urge you to prevent this from happening. Do not allow the expanded use of these longer combination vehicles beyond those States where they now operate.

Mr. Chairman, you will undoubtedly hear a great deal about the safety record of longer combination vehicles in the few States where they are now permitted. It is important to note that these vehicles operate primarily in the western U.S., on routes where there is relatively light traffic. We do not believe that the same safety record would be possible in other States that are more densely populated, or where road structures are not as modern as those in the West. The handling characteristics of longer combination vehicles, which can be forgiven to an extent on wide open, lightly traveled roads, will make them a greater safety risk in more demanding traffic environments where there is less margin for error. For example, our members who operate triple trailers on the Kansas Turnpike do not have to make as many evasive actions and quick steering maneuvers as do our members who drive on the New Jersey Turnpike. If the door is opened to run these longer combination vehicles on more crowded highways, the crack-the-whip effect, which results from such maneuvers, will take on a whole new dimension.

This "crack-the-whip" effect, known by engineers as rearward amplification, occurs when a small steering adjustment by the driver is amplified with each trailer that follows it. Our members experience this with regular doubles—two 28 foot trailers. This was such a significant issue that we have negotiated safety language in our National Master United Parcel Service Agreement and our National Master Freight Agreement to reduce the problem of rearward amplification with twin 28 foot trailers.

Another safety concern among our members, who currently operate triples in the Western United States, is that many tractors used to pull triples do not sufficient power in order to maintain the minimum speed on grades. This minimum speed problem reached a point in Kansas recently that two motor carriers made it standard procedure for triple drivers to just turn in their traffic tickets to the motor carrier for payment. If this is a problem on relatively open, lightly traveled highways, it will be a much greater problem if triples are allowed in densely populated States, where there are more cars and trucks on the highways and fewer opportunities for other drivers to maneuver around slow moving trucks safely.

Mr. Chairman, brake timing, balance, and adjustment are critical safety issues on all heavy trucks. These concerns become magnified on longer combination vehicles. The longer the vehicle and the more trailers involved, the more difficult brake maintenance becomes for the entire combination. This will be especially significant when combination vehicles come from different companies and are maintained by different mechanics.

Anti-lock brakes on both tractors and trailers could reduce the safety concerns related to braking performance of longer combination vehicles. But frankly, Mr. Chairman, given the track record of this deregulated industry, we are not optimistic that those who are seeking "productivity" increases would be willing to make the necessary investments in the safest equipment.

Mr. Chairman, in 1982 we worked closely with the Congress and industry to forge the Surface Transportation Assistance Act. The STAA provided for uniformity in truck size and weight, and reasonable access for these vehicles to terminals and facilities for food, fuel, repairs and rest. It was our understanding—and, we believe, Congress' as well—that these uniformity and access provisions were important for productivity increases in the trucking industry.

The Surface Transportation Assistance Act provided, we thought, a uniform trailer length of 48 feet. But the ink was barely dry on the STAA before efforts began to undermine it. Pressure from shippers and motor carriers combined with bad policy decisions at the Federal Highway Administration have allowed longer trailers in most States. We are approaching virtual uniformity on a trailer length of 53 feet. There are more States with trailer lengths beyond 53 feet, than there are States that still adhere to the 48 foot length. States, which have retained the 48 foot limit, are under tremendous political pressure from industry and shipper groups to adopt the 53 foot rule.

This has been possible because of the abuse of equipment grandfathering provisions, and because shipper and trucking interests were able to go to State legislatures one-by-one and achieve a kind of domino effect by the use of economic blackmail. These States were threatened with loss of business and jobs, because shippers would locate in neighboring States with a more favorable transportation environment that included 53 footers.

This is the same kind of scenario that we can expect to see played out in the States in the next few years—except that the object of industry's desire will not be longer single trailers, but longer combination vehicles: triples and long doubles. The industry's request of Congress will not be for a national mandate of these vehicles. Instead, they will request a few seemingly modest adjustments in the laws to allow individual States the "flexibility" to "make up their own minds" on these matters. In reality, this flexibility coupled with tremendous localized political pressure will leave us with a nationwide network of triple trailers and twin forty-eights.

Mr. Chairman, individual State governments have neither the resources nor the legal authority that they would need to implement laws and safety regulations that would be needed to mitigate the safety risks associated with these larger trucks. Please, do not allow the States to shoulder the burden of trying to deal with demands for long combination trucks one-at-a-time.

Mr. Chairman, truck size limits are not the only provision of the STAA to fall victim to the combination of industry greed and bad FHWA decision making. The reasonable access provisions have also been gutted by this deadly combination.

In the STAA, Congress granted motor carriers the right to operate wider, longer, heavier trucks than they had previously allowed on many parts of the National Network of highways. This included the right to run doubles nationally. The States were also required to allow these trucks "reasonable access" to terminals, and to facilities for food, fuel, repairs, and rest. But FHWA has abused its rulemaking authority and expanded this to require States to allow unlimited access off the National network to these trucks.

The key to undermining "reasonable access" was the ability of shippers and motor carriers to sell DOT on a tortured definition of "terminal." Everyone in the trucking industry has a pretty good understanding of what a terminal is. I believe

that the Senators and Representatives who wrote this language in 1982 shared that understanding. I believe also that if Congress had meant that STAA-sized trucks should have unrestricted access off the network highways, Congress would have legislated those provisions. Congress didn't: You said that they should have access to terminals, food, fuel, repairs and rest—that's all.

Last year, FHWA ruled that a "terminal" shall from now on be any place where someone wants to put something on a truck, or take something off a truck. That's ridiculous. Even if we ignore the dictionary definition, the practical effect has on truck safety is dangerous.

In Baltimore, we now have drivers making their regular pickups and deliveries with twin trailers on the city streets. They operate 102-inch-wide doubles on residential streets in the Baltimore suburbs, and on two-lane roads in the more rural areas of northern Maryland. Many of our members would prefer not to do this. But when DOT makes it legal, it is hard for individual drivers to refuse.

We have a similar problem in the Philadelphia area, where members of Teamsters Local Union 384 have filed grievances because they are being sent out to make local deliveries with 102-inch-wide, 48 foot trailers. They are assigned routes that take them through residential neighborhoods and small-town commercial areas. A year ago, before DOT's new definition of a "terminal," they would have made these runs with smaller trailers.

One of these Pennsylvania drivers was fired a few weeks ago for refusing to take a 102-inch-wide, 48 foot trailer through a residential neighborhood where he felt he could not do so safely. He has filed a grievance, and a complaint with OSHA under Section 405. One type of Section 405 protection may not be available to him, though, because what the company ordered him to do was probably legal under DOT's new access rules.

Mr. Chairman, our members are professionals in the trucking industry. They understand their business, and want to do a good job for their employer. They agree with the companies' legitimate need to be able to move trucks from their terminals to the highways efficiently. Our members are also responsible citizens, who often live in these communities and who have a strong appreciation of their safety responsibilities as professional drivers. On their behalf, we urge you to affirm Congress' mandate in 1982, and correct this unlimited access problem before it gets much worse. Reasonable access to real terminals is necessary. Unlimited access for deliveries is dangerous.

Mr. Chairman, this concludes my testimony today. I want to thank you and the members of this Committee again for giving us this opportunity to share our concerns with you. This Committee has been a strong force for safety on our nation's highways. The International Brotherhood of Teamsters looks forward to working with you in the future on these matters of such vital concern to us all. If you have any questions, I will do my best to answer them.

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#### PREPARED STATEMENT OF ALLAN F. WILLIAMS

The insurance institute for Highway Safety is a nonprofit research and communications organization, supported by the Nation's property and casualty insurers, that identifies ways to reduce motor vehicle crashes and crash losses. I'm the institute's research vice president and, at this committee's request, I'm here to address truck safety issues—particularly the issue of safety in relation to tractors pulling more than one trailer.

There's no dearth of evidence that big trucks are hazardous vehicles on our roads. Each year, more than 4,000 people die in crashes involving tractor-trailers. About 3,500 of these people who died are sharing the road with trucks. In fatal crashes involving cars and tractor-trailer rigs, car occupants are killed 49 times as often as truck occupants.

#### HAZARDS ASSOCIATED WITH LONGER TRUCK RIGS

The situation is worse for tractors pulling more than one trailer. Compared with their numbers on the road, trucks with two trailers are more likely to be in crashes than are tractors pulling only one trailer. Crashes of doubles are much more likely than crashes of single-trailer rigs to involve jackknifing, which suggests that the instability of the double configuration is a factor in their higher crash risk.

These findings are from a major study conducted by the insurance institute for Highway Safety during the mid 1980's in cooperation with the Washington State Police (see attached report, "Crash involvement of Large Trucks by Configuration: a

Case Control Study").\* The study covered two years and included 734 large trucks involved in crashes on interstate highways, compared with a sample of trucks that were not involved in crashes. This study provides probably the most comprehensive picture of twin rig safety that's available.

For the Institute's comparisons, researchers used a case-control design that accounts for the possibility that different types of trucks have different travel patterns. Truck crashes on interstate highways were investigated. Information was collected on the type of truck, driver, and condition of the equipment. Then the researchers went back to the crash sites a week later, at the same time of day the crash occurred, and collected the same information on randomly selected trucks, thereby establishing a sample of crash-involved trucks and a comparison, or control, sample of trucks that weren't in crashes. This methodology is important because it provides by far the best way—in fact, the only way—to compare the effects of truck configurations under similar travel conditions (that is, where exposure to the risk of a crash is comparable). Other methods of comparison that are commonly used—for example, comparing crash rates per mile traveled—can be misleading when the type of mileage for different vehicles isn't similar.

Motor carriers with large fleets have argued they can operate doubles without increased crash risk by using experienced drivers with good crash records and paying extra attention to maintenance and safety. But, although institute researchers found doubles in larger fleets to have lower crash rates than those in smaller fleets, their crash rates in Washington State still were higher than that of tractors pulling only one trailer.

The institute's study involved primarily western (short) doubles, which are known to have stability problems. The safety problems associated with longer combination vehicles can be expected to be even worse—in general the more trailers or length, the more unstable the combination.

#### ANTILOCK BRAKES ON TRUCKS

Handling problems associated with multitrailer combinations are exacerbated by the fact that many trucks have faulty braking systems. On wet and slippery roads, especially, there are huge disparities in the braking capabilities of tractor-trailers compared with cars. Stopping distances are much longer, and the ability of truck drivers to control their rigs during emergency braking is limited. This problem is aggravated by the poor maintenance practices of many truckers. According to research conducted in Washington State (see above), brake defects are present in the majority of crash-involved vehicles. Defective brakes can lead to serious problems resulting in loss of control and jackknifing, especially when the vehicle is a longer combination rig. Antilock brakes not only reduce stopping distances on wet and slippery roads but also help drivers maintain control. Yet few big trucks are equipped with antilocks.

The history of trying to get antilock brakes on tractor-trailer rigs is a lengthy on-again, off-again story. In brief, the National Highway Traffic Safety Administration began in 1969 by proposing stopping distance plus steering control and stability requirements for big trucks in sudden stops. These proposals would have allowed only momentary wheel lockup while stopping. A Federal truck brake standard took effect in 1975, but its antilock and stopping distance requirements were suspended in 1978 as a result of litigation and now, 13 years later, no such requirements are in effect.

The antilock brake technology that would improve truck and trailer braking and stability has been extensively tested, both on the test track and on the road. Common Market countries have required all intercity buses weighing more than 12 metric tons plus trucks and trailers weighing more than 10 tons to be equipped with antilocks since October 1, 1990. Similar regulations will take effect in Japan in October 1991. But the United States is lagging behind other countries. The Federal Government doesn't now require antilocks on big trucks. It's time to turn this policy around and start fast-track remaking that will lead to antilock brakes for new trucks and other large commercial vehicles.

#### DRIVER FATIGUE

Another problem, besides truck brake deficiencies, that makes operating big trucks especially hazardous is driver fatigue caused by long hours behind the wheel. The institute's research conducted in Washington State (see above) indicates that tractor-trailer drivers at the wheel for more than 8 hours at a stretch are nearly twice as likely to be involved in a crash as drivers who've been at the wheel less

\* Attachments to this statement have been retained in committee files.

than 2 hours. Researchers also reported that drivers who're at the wheel for more than 8 hours at a stretch and still behind the wheel between midnight and 6 a.m. are three times as likely to crash as truckers who've been driving less than 2 hours. This fatigue problem can be expected to be worse for drivers of trucks with more than one trailer. Drivers report greater tiredness after driving longer combinations than they do when driving conventional trucks.

A recent institute study found that, on a 1,200 mile route from Washington to Minnesota, as many as 9 out of 10 tractor-trailer drivers were in violation of hours-of-service regulations (see attached report, "Hours-of-Service Violations Among Tractor-Trailer Drivers"). Such regulations prohibit interstate drivers from operating more than 10 hours following 8 hours off duty or more than 60 hours in any 7 consecutive days.

Because truckers so often violate these rules and drive long enough for fatigue to pose safety problems, it's important to equip all tractor-trailer rigs with on-board recording devices to enable more effective enforcement of hours-of-service regulations. Such devices automatically record when a truck is driven, its speed, and other information. This kind of equipment has been required in European countries for 30 years, but it's merely permitted in this country. On-board recorders should be required, not merely permitted, in all tractortrailers involved in interstate commerce—the sooner the better.

#### TRACTOR-TRAILER SPEED AND RADAR DETECTOR USE

Speeding, like driver fatigue, increases the difficulty of controlling big tractor-trailer rigs in emergency situations. And what is helping tractor-trailer drivers speed down U.S. highways? Radar detectors. Surveys conducted in 25 States indicate that about half of all big trucks have radar detectors in use. In doubles and triples, about a third of the drivers are using radar detectors. These studies were conducted using special devices that indicate the presence of radar detectors in vehicles as they're driven down the road.

Trucks with radar detectors are more likely than those without radar detectors to be speeding—no matter what the speed limit is. On interstate highways with 55 mph speed limits for trucks, 1½ times as many trucks with radar detectors travel at least 10 mph faster than the speed limit, compared with trucks not equipped with radar detectors. Where speed limits are 65 mph, three times as many trucks with radar detectors travel at least 10 mph above the speed limit, compared with trucks not equipped with radar detectors.

Radar detector use is banned in all vehicles in Connecticut, Virginia, and the District of Columbia. They're banned in big trucks in New York. But they're legal to use everywhere else in the United States—a situation that ought to change. Radar detectors should be illegal in all trucks involved in interstate commerce.

#### CONCLUSION

Given the clear evidence that big trucks are hazardous vehicles—and that the longer the rig, the more hazardous it's likely to be—there's every reason to take steps to minimize the chances of truck-related highway crashes. One step would involve retaining existing restrictions on combination vehicles. Other steps include requiring both antilock brakes to improve control on slippery roads and on-board recorders to monitor truck speeds and drivers' hours behind the wheel. Finally, radar detectors should be banned in big truck rigs. Together, these steps would go a long way toward improving tractor-trailer safety.

#### PREPARED STATEMENT OF LOUIS J. GAMBACCINI

##### INTRODUCTION

I would like to thank the Committee for fitting me in today on such short notice. My name is Louis J. Gambaccini and I am the Chief Operations Officer and General Manager of the Southeastern Pennsylvania Transportation Authority, better known by the acronym SEPTA. SEPTA provides public transportation to the 3.8 million residents in the 2,200 square-mile, five-county Greater Philadelphia area. The average ridership on our 2,500 buses, subways, trains and trolleys is 1.2 million passengers per day. SEPTA is the fourth largest transit system in the United States.

During my career I have seen the issues of surface transportation in the United States from both sides of the plate, as it were. Before coming to SEPTA, I served the Port Authority of New York and New Jersey with responsibility for overseeing bridge, tunnel, and transit facilities linking New York City and the State of New



Jersey. Before that I served as Commissioner of the New Jersey Department of Transportation. In addition I served as Chairman of the Tri-State Regional Planning Commission (New York, New Jersey, and Connecticut). So I come to you not only as a long term transit manager, but as someone who has been involved in diverse modes of transportation—including highways.

### *Level playing field*

In your hearings on the reauthorization of the Surface Transportation Assistance Act (STAA), members of the committee have undoubtedly heard actors of every stripe sing the phrase "level playing field". Transit advocates speak of the need to create a "level playing field" as do the highway interests. It's an apple pie and motherhood phrase—what American is against fairness? The question for the committee is: what does it mean? When marking-up this bill, as you are set to begin to do, you will be making decisions in policy areas in which "level playing field" has specific meanings. I would like to discuss these instances and explain why I believe S. 965 is such a positive first step in the creation of a level playing field.

### *The current bias toward highways*

National transportation policies have long been biased in favor of the automobile. Examining the issues confronting our nation's transportation system, we find problems that are the direct results of the success of pro-automobile policies. Through the 1980's, automobile vehicle-miles-traveled grew at over four times the rate of the country's population. For the resulting smog, congestion, dependence on foreign oil, and growing pockets of economic stagnation, we can thank these policies.

The last decade saw an 85 percent increase in annual Federal highway outlays while transit outlays fell by 5 percent. In fiscal year 1981, the ratio of Federal appropriations for highways to Federal appropriations for mass transit was 2:1. Today it is 5:1. The Administration's reauthorization proposal would raise this to 6:1. Flexibility is important, but it is no substitute for an increase in Federal transit funding. In designing a level playing field, Congress must halt the growth of this ratio. Not only did the Federal Government funnel more and more money into highways, but, as part of its obsession with concrete, the Federal Government also paid a larger share of the cost of highway projects. The Federal share of most highway projects is 10 to 15 percent higher than that for transit projects. The Administration would like to exacerbate this spread. What logic dictates that the Federal Government should make the price to States for highway projects cheaper than those for transit projects? Equal matching ratios for highway and transit projects are at the heart of a level playing field.

The impact of Federal research and planning dollars in the DOT budget is often overlooked. In the 1980's, the Federal Government diverted the flow of research money in the transportation industry away from transit and toward highways. In fiscal year 1980, DOT spent roughly the same amount of money on highway R&D and transit R&D. In fiscal year 1989, Federal outlays for highway research were over four times greater than for transit. With this money follows the flow of future engineers and planners, creating a bias within the industry itself.

Then there is the infamous tax equity issue. An employer in Philadelphia can spend \$500 every month to rent a parking space for an employee and the benefit is tax free. But if he wants to purchase a rail pass for his employee to get to work on public transit, the income tax code defines the cash value of the pass as income. Any employer-provided transit subsidy greater than \$15 per month is taxable beginning with the first penny. Fortunately Senator Moynihan has authored a bill, S. 26, that would go a long way toward rectifying this.

### *Consequences and opportunity*

The list of inequities could go on. The Federal Government's favoritism toward highways over transit has contributed to the decline of America's great urban centers: air pollution, congestion, and the economic and social isolation of inner city residents. I will not ask Congress to take remedial affirmative action to compensate for these past injustices. I merely ask it to seize the opportunity this year's STAA reauthorization presents to create a level playing field.

For thirty years, the centerpiece of Federal transportation policy has been the construction of the interstate highway system. With the system now essentially complete, this reauthorization presents the Congress with a once-in-a-generation opportunity to rethink national transportation policy. Continuing the ceaseless construction of highways will not solve the transportation problems facing this country right now. Federal transportation policy must center on the safe and efficient movement of people, not of vehicles.

### *Level playing field and S. 965*

I believe that S. 965 is a potent first step in this direction. The bill's framework of dispensing Federal transportation assistance has many laudable features. The bill equalizes the Federal shares of transit and highway projects. The bill contains a program that would provide funds to help cities meet the goals and timetables set in last year's Amendments to the Clean Air Act. The bill does not create a "Son of Interstate" program that would guarantee thirty more years of concrete.

In addition, the bill sets a framework for implementation of the Clean Air Act by strengthening the role of sub-state planners and forcing transportation plans be consistent with measures needed to meet the Clean Air Act targets.

Most importantly, however, the bill is the first one offered that creates a framework for a workable flexibility program. Under S. 965, the Department of Transportation would distribute one-half of all highway funds under a new Surface Transportation Program. Funds from this program could finance any surface transportation project. Local leaders would decide how to most efficiently to meet the demands placed on transportation networks by selecting the specific surface transportation projects to fund. The bill would guarantee a continued flow of highway dollars into urban areas by requiring that 75 percent of a State's Surface Transportation Program apportionment must be split between rural and urban regions based upon population.

In total, S. 965 offers real opportunity for additional money for large urban transit systems—those hit most severely by the cuts and those where transit service is most desperately needed.

The bill is not perfect. I understand what the bill is trying to do with sub-state planning organizations in section 134, but careful consideration must be given. These organizations vary so much from region to region that I believe more work has to be done in order to achieve the bill's laudable goals.

### CONCLUSION

S. 965 is a good starting point in the creation of a level playing field. Besides allowing inter-modal funding flexibility, however, Congress needs to increase funding for public transit, putting an end to the growing discrepancy between Federal highway and transit appropriations, and equalize the grant matching ratios for all surface transportation projects. The nation's environment, security, and economic well-being depend upon the ability of Congress to seize the opportunity this year's reauthorization presents to rethink national transportation policy and create a level playing field.

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### PREPARED STATEMENT OF EUGENE PETERSON

#### *I. Introduction*

My name is Eugene Peterson and I am Director of the Washington Traffic Safety Commission. I am representing the National Association of Governors' Highway Safety Representatives (NAGHSR) which, as you know, is the National association of State highway safety offices. Its members are appointed by their Governors to develop and implement their State highway safety program and to administer the Federal highway safety grant programs for their respective States. The Association is primarily concerned about driver behavior issues such as impaired driving, occupant protection, pedestrian, bicycle, motorcycle safety, safety enforcement, and truck safety.

My remarks will be primarily directed to the proposed safety belt and motorcycle helmet requirements in section 153 of S. 965, the Surface Transportation Efficiency Act of 1991. I will also discuss the issue of speed compliance and other safety provisions.

#### *II. Mandatory Occupant Protection Provisions*

NAGHSR supports Section 153, the mandatory safety belt and occupant protection provisions. The Association firmly believes that mandatory safety belt and motorcycle helmet use laws work. Safety belt use reduces the risk of fatal or serious injury by 40 percent to 50 percent. The National Highway Traffic Safety Administration (NHTSA) estimates that safety belts saved an estimated 4,575 lives and 119,100 moderate to severe injuries in 1989 alone. States with safety belt laws had an average use rate of 54 percent, compared with a 36 percent rate in States without such laws. By buckling up, motor vehicle occupants saved an estimated \$3 billion in medical and social welfare benefits in 1989. If everyone had used safety belts, approximately \$4 billion more could have been saved.

A Washington State study released last month confirms the benefits of occupant protection. The study examined 337 crashes involving 1,058 occupants, which occurred during the years 1987-89. Nearly 450 fatalities were investigated in the study. The study found that 50 percent of the unbelted occupants died needlessly in crashes which were survivable. The study also found that in the majority of cases where a restrained occupant died, the crash was a non-survivable one. That is, the crash dynamics were such that the occupant wouldn't have survived whether restrained or not. The study further found that there was an increased prevalence to survive non-survivable crashes among belted occupants as compared to non-belted ones. The message of this study is loud and clear: wear a safety belt and you stand a better chance of surviving a crash.

NHTSA also estimates that mandatory motorcycle helmet use laws reduce the risk of fatal injury by nearly 30 percent. Between 1982-87, the Agency reports that an estimated 4,645 lives were saved. If every rider had been wearing a helmet during that same time period, more than 9,000 lives could have been saved. The usage rate for States that have mandatory motorcycle helmet use laws is nearly 100 percent (since such laws as so easy to enforce). For States without such laws, usage rates average 36 percent.

Although the States have made considerable progress in adopting both types of laws, there are still many States that do not have one or both laws. NAGHSR members believe that when human lives are at stake and when simple and effective strategies exist for saving those lives, Federal intervention in State matters is sometimes both necessary and desirable.

Section 153 provides the impetus for the remaining States to enact helmet and safety belt laws. The bill authorizes significant incentives to the States and allows them to use the incentive grant funds for education, training, enforcement, and monitoring efforts. We are pleased that the proposed legislation recognizes that incentive programs such as the Alcohol Traffic Safety Incentive Grant program (23 U.S.C. 408) have successfully enabled States to enact legislation or take action on issues they would not have the resources to otherwise address.

Section 153 also penalizes States that do not enact the safety belt and helmet laws within a specified time period. Under the proposal, 1.5 percent of State highway construction funds (excluding Interstate funds) would be redirected to non-construction highway safety programs. In the outyears, 3 percent of the funds would be redirected. Although NAGHSR strongly prefers incentives over penalties, the Association believes that the proposed redirection is an acceptable solution to the problem of State inaction. More importantly, we believe that the redirection approach is far preferable to the sizeable sanctions which had been proposed in last session's version of this bill.

Clearly, NAGHSR's members would benefit from the redirection. Construction funds would be redirected into the Section 402 State and Community Highway Safety grant program (23 U.S.C. 402)—a program which NAGHSR members administer and which has been inadequately funded for the last decade. However, the Association supports the bill on its merits and not because it could result in an increase in 402 funds. In fact, NAGHSR's members would actively encourage States to adopt the necessary legislation within the mandated time period, thereby obviating the need for redirection. The business of NAGHSR's members is, after all, saving lives and we strongly believe that mandatory use laws are one the most effective, least costly ways of achieving that objective.

We are pleased with the provision which would phase in the penalty provisions. States would be eligible for incentive grants in fiscal year 1992 and would be required to pass the occupant protection legislation by the start of fiscal year 1994. Funds would not be redirected, however, until fiscal year 1995. Such a phase-in would allow States to build support for the mandatory use laws. It would also give State legislatures several chances to pass the necessary legislation.

NAGHSR believes that the redirection approach is a creative alternative to sanctions. To us, the inclusion of the redirection language is a signal that Congress has listened carefully to State concerns about sanctions and has attempted to come up with a less onerous, more logical and acceptable approach. Sanctions are often counterproductive and do not generally link a problem with an appropriate solution. Unlike sanctions, the proposed redirection would directly connect a safety problem (inadequate occupant protection) with a safety solution (increased funding for occupant protection and other safety programs). We can accept the penalty provisions of Section 153 because they make sense.

### *III. Speed Compliance*

We are disappointed that S. 965 does not address the problem of speed compliance. The reauthorization of surface transportation programs provides this Committee with an opportunity to correct the inequities in the current compliance formula while encouraging greater compliance with all speeds. In this reauthorization, NAGHSR's interest is to ensure that motorists comply with the posted Interstate speed limit, whatever that limit may be. Our concern is that the current speed compliance formula for Interstate roads simply does not work.

Current law considers States out of compliance if more than 50 percent of a State's motorists exceed the posted 55 mph speed limit. Noncompliant States may be forced to forfeit up to 10 percent of their primary, urban and secondary system funds. The sanctions do not apply to the 41 States that have increased their speed limit to 65 mph on rural Interstate highways. Furthermore, 55 mph States are required to monitor and report speed data to the Department of Transportation, while 65 mph States are not.

This bifurcated approach to compliance has caused two inadvertent, potentially harmful consequences. For one, it has created a disincentive for States to retain their posted speeds at 55 mph and an incentive for States to raise their speed limits. Second, it has caused States with some of the lowest fatality rates in the Nation (such as Minnesota and New Jersey) to face severe sanctions for failing to promote highway safety. In NAGHSR's viewpoint, the current compliance formula is not working and needs to be altered.

The Administration has proposed that States self-certify they are in compliance with the National maximum speed limit. NAGHSR does not support that recommendation because it does not aggressively attack the problem of speed compliance. In effect, self-certification asks the regulated community to regulate itself. We believe that the current compliance standard should not be discarded but corrected so that it is no longer imbalanced and ineffective.

NAGHSR urges the Committee to address the inequities in the current compliance formula by:

- requiring all States to monitor and report speeds on all Interstate miles and to submit speed-related statistics to the Department of Transportation. Without a mandatory requirement for speed monitoring and reporting, our experience has been that States will not voluntarily monitor and report speeders. As a result, no data will exist to determine whether or not increased speed limits adversely impact safety;

- developing a weighting scheme which would take into account the vehicle miles of travel within each State, the seriousness of the speed violation, the enforcement efforts undertaken by the State, and the relative safety of different types of highways. This would allow the formula to take many factors into account which affect speed compliance;

- giving the States maximum flexibility in the implementation of a compliance program, either by phasing in the compliance threshold over a multi-year period, or by adjusting the threshold by a fixed percentage (e.g. 10 percent) in order to compensate for monitoring and sampling errors. This would give the States the flexibility they need to adjust to a revised compliance formula;

- establishing speed incentives encouraging States to increase and strengthen their efforts to enforce the National speed limit instead of sanctions for failing to enforce it.

This approach is consistent with the one recommended by the Government Accounting Office in its 1988 report to Congress. NAGHSR believes that it would correct the inequities in the current formula while encouraging greater compliance.

### *IV. Other Safety Provisions In S. 965*

As previously noted, NAGHSR's members administer and strongly support the Section 402 State and Community Highway Safety Grant program (23 U.S.C. 402). The largest portion of the 402 program (\$115 million) is administered at the Federal level by the National Highway Traffic Safety Administration (NHTSA). The remainder of the program (\$10 million) is administered by the Federal Highway Administration (FHWA). Programmatic authority for the entire 402 program and funding authority for the NHTSA portion of 402 program resides with Senate Commerce, Science and Transportation Committee. However, funding authority for the FHWA portion of the 402 program appears to reside with this Committee.

The FHWA 402 program is a non-construction highway safety program which serves to support safety construction and traffic operational improvements. Under the program, States may fund improved safety data collection and programming systems, special safety problem studies and analyses, training and technical guides

(e.g. work zone safety training), and accident reconstruction studies. FHWA 402 funds can also be used to purchase and maintain traffic control device inventories.

The FHWA 402 program has been a small but significant program. Over the next decade, the program will become more important. As the country's population ages and the size of the elderly population increases, there will be tremendous pressure to upgrade traffic control devices and enlarge traffic signs in order to improve safety for the aging population. Furthermore, as the emphasis shifts from Interstate construction to repair and reconstruction, there will be a tremendous growth in the number of work zones. This, in turn, will require more working zone safety training and education programs, and hence, more demand for FHWA 402 funds.

Funding for the FHWA portion of the 402 program has not increased in the last ten years, as shown in attachment #1. In fiscal year 1991, funding for the Federal-aid highway program increased by \$2.3 billion, yet the Federal non-construction highway safety grant programs did not receive one penny of the additional funds. If inflation were taken into account, funding for the Federal highway safety grant programs—including the FHWA portion of the 402 program—would actually show a 30-40 percent decrease over the last 10 years. In effect, State highway safety offices have been forced to do more with considerably less.

NAGHSR is concerned that there is no specific authorization for FHWA 402 funds. Safety transportation improvements and programs would be eligible under the proposed Surface Transportation Program. Additionally, 8 percent of the Surface Transportation Program funds would be earmarked for transportation enhancement activities, including safety enhancements. However, it is not clear whether nonconstruction safety funds would be an eligible activity. Furthermore, we are uncertain how the language in the Senate Commerce Committee bill, which provides funding for a specific categorical program, will be merged with the language in S. 965, which may fund FHWA 402 activities as part of a larger surface transportation block grant. We are particularly concerned that States will utilize all the surface transportation block grant funding for construction purposes and none for non-construction safety purposes.

We urge you to provide a separate funding authorization for the FHWA portion of the 402 program and to increase funding for this program to \$25 million in fiscal year 1992, with an additional \$5 million for each year thereafter. This action would allow the program to be large enough to have an impact at the State level and would increase the program commensurate with the need to improve traffic control devices for the elderly and to ensure safety in work zones. This would also ensure that non-construction funds are not diverted into highway construction programs.

NAGHSR supports the safety management planning requirements of Section 135, and we are pleased to see that accident data would be collected and analyzed by the proposed Bureau of Transportation Statistics. We suggest that the accident data should include both fatality and injury statistics to the extent possible. We also urge that the Bureau provide both technical and financial assistance to States to help them develop and implement uniform accident and injury data elements and to facilitate linkage of accident and injury data bases.

NAGHSR supports the 8 percent set-aside for transportation enhancements and urges the earmarked funds be used for safety improvements. Further, we suggest that the funds should be limited to low-cost safety improvements such as installation of signs and traffic control devices at high hazard locations, upgrading of rail-grade crossings, etc.

NAGHSR also supports continued funding for Operation Lifesaver but urges the Committee to increase funding for this small but important program. In 1988, more than one-third of all fatalities at rail-grade crossings were at crossings where there was an activated crossing signal. The fatalities occurred because the motorists ignored or evaded the crossing signal even though there was an oncoming train. This startling statistic indicates that driver behavior at grade crossings is as much of a problem as is the availability and reliability of crossing signals.

The purpose of the Operation Lifesaver program is to educate the public about the hazards of grade crossings, to encourage appropriate behavior when a crossing signal is activated, and to encourage better enforcement of penalties for grade crossing violations. Since a growing number of grade crossing fatalities are caused by improper driver behavior, more attention and resources should be focused on the dangers of grade crossings. We urge that the funding for Operation Lifesaver should be increased to \$350,000 a year.

### *V. Importance of Highway Safety*

In closing, I would like to emphasize the importance of highway safety and to urge that both construction and non-construction Federal highway safety programs should be adequately funded.

Too often, Federal highway safety programs are supported by considerable rhetoric but inadequate financial and technical assistance. Yet in 1989, more than 45,000 persons lost their lives in motor vehicle crashes and more than three million were injured. Every ten minutes there is a traffic fatality, and every ten seconds, a traffic-related injury. The annual death rate from motor vehicle crashes is the equivalent of crashing an airliner with 129 persons on board every single day.

Motor vehicle injuries are a major public health problem for the country. About one-third of all unintentional injury deaths are caused by motor vehicle crashes. The leading cause of death for children and young persons aged 1-34 is motor vehicle crashes. For all ages, the motor vehicle death rate is surpassed only by the rates for heart disease, cancer and stroke.

The estimated economic costs of motor vehicle crashes is staggering. According to the Cost of Injury in the United States (1989), the cost of motor vehicle crashes to society is \$48.7 billion a year. This conservative estimate does not include the non-quantifiable costs associated with human suffering and trauma, or societal costs associated with the long-term loss of productivity. An additional \$20 billion is lost each year just in insured private passenger and property damage claims. Traffic injury costs, according to Injury Prevention: Meeting the Challenge (1989), are second only to cancer in their economic cost. Unlike cancer and other disabling diseases, however, most of the economic costs associated with motor vehicle deaths and injuries can be avoided through prudent investment of governmental and private sector resources in proven highway safety countermeasures.

While highway accident rates may be going down, the cost per injury and the cost of property repair are increasing, and this trend is expected to continue into the foreseeable future. Even if accident rates decrease, society's economic burden is likely to continue to rise dramatically.

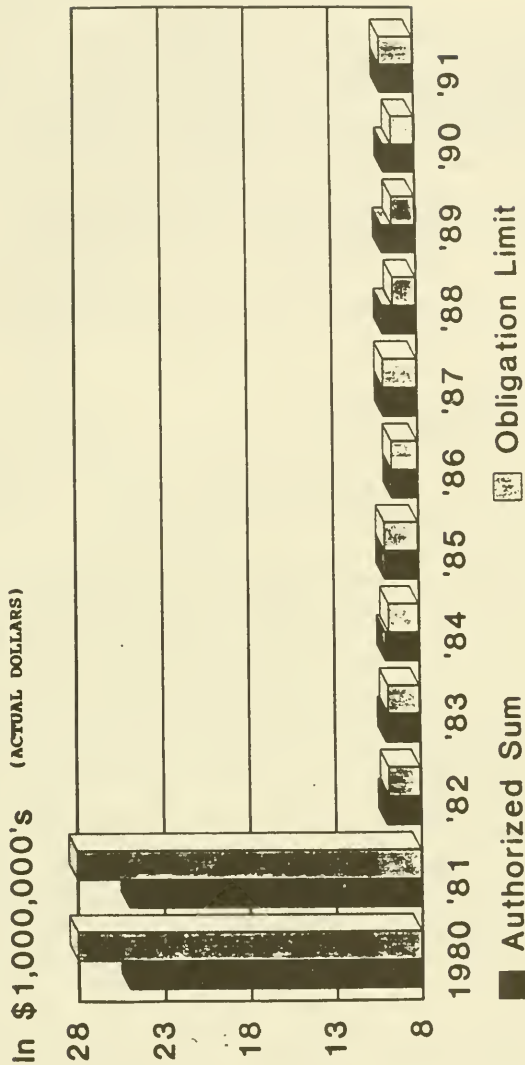
Increased vehicle miles of travel, increased number of licensed drivers and automobile registrations, a changing fleet mix and size, greater reliance on the automobile, increased suburbanization and a deteriorated highway system will adversely impact the safety of the Nation's highways over the next decade. More Federal, State, local and private sector resources will have to be devoted to highway safety to offset predicted increases in human and economic losses caused by motor vehicle crashes.

The problem of highway safety must be addressed in a comprehensive, coordinated manner that is targeted to the driver as well as the vehicle and the roadway. Proven, effective driver behavior programs do exist at the Federal level and should be continued at increased funding levels. NAGHSR's position on the reauthorization of Federal non-construction driver behavior programs is explained in its testimony for the Senate Committee on Commerce, Science and Transportation. We urge the members of this Committee to review that statement, to be cognizant of the need to improve construction as well as non-construction highway safety programs, and to be sensitive to our concerns about nonconstruction Federal highway safety grant programs when the surface transportation bill is considered on the Senate floor.

Mr. Chairman, that concludes NAGHSR's written statement. The Association greatly appreciates the opportunity to submit its views and suggestions to the Committee for its consideration. We look forward to working with you and the other Committee members as S. 965 works its way through the reauthorization process. Again, thank you.

# Highway Safety Program Funding

## Section 402 - FHWA Portion



SOURCE: U.S. Department of Transportation

## PREPARED STATEMENT OF JIM BENSBERG

## PREFACE

On behalf of the AMA, which represents over 200,000 motorcyclists nationwide, we appreciate this opportunity to comment on S.965, the Surface Transportation Efficiency Act of 1991.

We have several topics which we would like to address at this time. Over 6 million Americans own and operate motorcycles on public highways and trails. It is our desire to see that their concerns are heard by Congress during the ensuing registration.

First, we urge Congress to pass a five-year measure reauthorizing the Federal Highway Program before its expiration September 30, 1991.

Further, we believe it is essential for Congress to realize the positive benefits motorcycles offer to the current traffic mix on our nation's highways and roadways. Therefore, we ask you to reject any amendments to the Surface Transportation Assistance Act which would have the effect of discouraging persons from operating a motorcycle.

## ISSUES

*Mandatory Helmet Requirements*

While AMA supports the passage of a comprehensive transportation bill, we oppose the inclusion of language introduced by Senator Chafee in S.965 regarding the issue of compulsory helmet laws for the States. AMA fully recognizes the accepted safety benefits of helmet usage, but in response to the greater majority of our members, we will continue to oppose the imposition of mandatory helmet requirements for adult cyclists.

The proponents of this type of legislation will tell you that no sanctions, only incentives, are used to coerce States into passing helmet laws. Thereafter, States would be directed to earmark highway dollars for certain safety programs. The effect of this language will make helmet laws in all States a certainty because of the shortage of Federal funds allocated to the States. It is analogous to offering a cold drink of water on a hot day to a drought survivor.

Currently, 23 States have full mandatory helmet laws in place for riders of all ages. Another 24 States have partial helmet laws for minor operators and passengers, and three States have no helmet law whatsoever. It is important to note that AMA does not oppose partial helmet laws for minors only. We believe that States should have jurisdiction over the welfare of its younger citizens who may lack the experience and judgement necessary to make an informed decision regarding helmet use. However, once a person reaches the age of majority, it is our fundamental belief that the decision belongs solely to the individual.

Further, AMA remains unconvinced that the so-called studies typically used by proponents of compulsory helmet laws are, in fact, accurate. There remains much scrutiny to be applied to any study which would single out any group of motorists for punitive action. Our research indicates that motorcyclists, helmeted or not, are no greater "burden" on the health care system than non-cyclists and perhaps are more likely to have adequate insurance than many motorists.

The good news is that motorcycle accidents, injuries and fatalities have plunged dramatically over the past decade. Since 1980, motorcycle related fatalities have dropped 39 percent. Perhaps not coincidentally, during this same period, motorcycle rider education became widespread and has popularized riding safely. Motorcyclists have willingly paid for these programs by agreeing to additional State licensing fees on motorcycles.

Finally, AMA believes that this controversial issue should be decided at the State level without any encouragement or coercion from Congress. Given the choice between more highway funds, or less, it becomes obvious which the State will select. In short, we believe the mandatory helmet provisions of S. 965 have no place in the Highway Reauthorization Act and we urge its deletion.

*Highway Safety*

AMA supports the continued designation of motorcycle safety as a "national priority", thereby making motorcycle safety programs eligible for Federal Section 402 State and Community grant funding. We believe programs which have been funded with Section 402 money have been highly successful in helping reduce the accident and fatality toll from motorcycle related crashes.

There are many innovative programs States can initiate with 402 funds if they continue to be available. Motorist awareness campaigns, special emphasis on licens-



ing and training, and general information about safe motorcycling should receive adequate Federal funding.

One of the many programs we have promoted over the years is the PRO-RIDER public awareness campaign funded by the National Highway Traffic Safety Administration. As you can see, (show display) this attractive point-of-purchase counter display distributed to retail motorcycle outlets and rider education centers throughout the U.S. encourages helmet use by offering a free incentive. These reflective helmet decals are especially popular with younger riders who pledge to ride free from alcohol, and follow the common sense guidelines of the PRO-RIDER code.

We believe this program is invaluable in our efforts to further reduce motorcycle related accidents and fatalities. The PRO-RIDER campaign has been lauded by many safety experts including DOT Secretary Samuel Skinner who says "(t)he significant decline in deaths is partly due to cooperative programs such as PRO-RIDER . . ."

#### *HOV Lanes*

Current law, (USC 23, Sec. 163) [guarantees that motorcycles shall be considered legitimate vehicles for travel on commuter, or so-called High Occupancy Vehicle lanes. We ask this Committee to retain this language in S.965 and reject any amendment which would delete Section 163. The FHWA estimates that congestion delays cost Americans \$73 billion a year. It is our belief that motorcycles can do much to relieve highway congestion, urban gridlock, and inner city parking problems and therefore, their use, even by a single operator, should be encouraged by Federal policy.

#### *National Recreational Trails Trust Fund Act (Title II, S. 965)*

The AMA fully supports the provisions of Title II of S. 965.

This legislation represents a unique opportunity for all outdoor recreationists to share in the enjoyment of our public lands. Not only will user fees from the Federal gas tax be allocated for motorized trail construction, but a significant portion of the funds collected through the Highway Trust Fund will be dedicated to enhancing and preserving nonmotorized trails as well. This concept, we believe, is consistent with the multiple use policy which has traditionally governed our public lands. Fuel taxes, paid in the form of "use fees" should continue to accrue and be allocated for purposes relevant to those who generate them. This provision of S. 965 if approved as part of the reauthorization of Federal highways, would allocate a small portion of gas tax revenues derived from trail related motorized activities to the construction and maintenance of trails. The National Recreational Trails Trust Fund would be established to allocate funds for this purpose. At .003 percent of annual Highway Trust Fund receipts, an estimated \$45 million would be generated annually. The program would be administered through the Department of Interior in cooperation with State and local government which would ultimately receive and spend the grant money.

AMA believes this to be a legitimate use of Highway Trust Fund tax receipts since off-highway vehicles generate this money. However, not just motorized interests will benefit. All recreational trail users, including hikers, will benefit as well.

In today's adverse economic climate, States must look to tourism and recreation to supplant lost revenue from other sectors. This bill will enable States to construct and maintain recreational trails which are traditional sources of tourist attraction.

#### CONCLUSION

In summary, it is fair to say that no one is more concerned about the future and safety of motorcyclists than AMA. We will continue to stress our agenda at every opportunity and we are therefore thankful for your attention to our suggestions relative to the Surface Transportation Efficiency Act of 1991.

#### PREPARED STATEMENT OF TIM HOYT

Thank you, Chairman Moynihan. I am Tim Hoyt, Director of Safety for Nationwide Insurance. Nationwide is a board member of Advocates for Highway and Auto Safety, a coalition of consumer, safety and insurance organizations dedicated to promoting passage of highway and auto safety laws and policies to reduce death and injury on America's highways, and economic losses due to motor vehicle crashes. I am accompanied by Jacqueline Gillan, Deputy Director of Advocates for Highway and Auto Safety.

I am grateful for the opportunity to testify on safety issues in the Surface Transportation Efficiency Act. I am aware, Mr. Chairman, of your commitment and many

contributions to safety on our highways throughout the years. Advocates wishes to thank you for that leadership and for hearing this safety panel. I will summarize my remarks and ask that the entire statement be inserted in the record.

I am here today because Advocates believes the reauthorization of Federal highway programs offers an unparalleled opportunity to increase the safety of our roads and bridges. The Federal Government can decrease the toll on our highways by providing leadership through using Federal highway dollars to encourage State action on safety issues, in addition to supporting existing highway safety programs. Motor vehicle crashes constitute a major public health dilemma, and cost society more than \$85 billion annually. Motor vehicle crashes are the number one cause of death of Americans under the age of 44.

A great proportion of these costs end up being paid not by those involved in crashes, but by taxpayers, insurance carriers and other policy-holders. Addressing motor vehicle and highway safety through prevention and public policy changes not only saves lives and suffering, it saves money. The fewer the crashes, the lighter the societal cost burden.

Every single day, as many Americans die on our highways as were killed during the 45 days of Operation Desert Storm—120 per day, nearly 45,000 people per year. Additionally, nearly 4.8 million Americans are injured and 500,000 more are hospitalized each year in automobile crashes. This toll is especially bitter because thousands of these deaths and injuries could have been prevented with effective highway safety countermeasures and because so many of the victims are young people.

Although much progress has been made, more remains to be done through effective Federal, State and local programs. Several significant challenges to improve highway safety lie ahead.

Advocates believes that several steps with relatively low price tags and great returns for highway safety can be taken. Some of these ideas are already incorporated into S. 965, the Surface Transportation Efficiency Act. Let me discuss some areas of great opportunity for Federal leadership now before you.

#### I. USING FEDERAL HIGHWAY DOLLARS TO ENCOURAGE STATE ACTION IN SAFETY ISSUES.

##### *Motorcycle Helmet and Safety Belt Laws*

Advocates applauds you, Mr. Chairman, and Senator Chafee for your leadership in encouraging State safety belt and motorcycle helmet use laws in this bill. We are glad to see a strong version of Senator Chafee's bill included in the Surface Transportation Efficiency Act.

We believe that all States should have these use laws, and the Administration agrees. The National Highway Traffic Safety Administration (NHTSA) goal, which we strongly support, is to have safety belt use laws and all-rider motorcycle helmet use laws in all 50 States by 1992 (as cited in "Moving America Safely The National Highway Traffic Safety Administration's Priority Plan," August 1990).

President Bush has also set a national goal of "70 by 92"—70 percent safety belt use by 1992. Nationwide and many other employers are working with National Highway Traffic Safety Administration (NHTSA) in a major campaign to achieve this target. Safety belt use laws will be accompanied by enforcement and education activities to reach this goal. DOT has announced it will accentuate enforcement in this campaign, so State safety belt use laws are key to the Administration's strategy. Reaching the 70 by 92 goal will require action in a variety of areas, including educating the public, training law enforcement officers, and passage of State use laws.

The American public overwhelmingly supports motorcycle helmet laws. In a recent Roper survey, 90 percent of the respondents said they supported such laws; fully 76 percent defined their support for these laws as "strong." Last Thursday, California's State legislature passed an all-rider helmet bill. We expect your former colleague, Governor Pete Wilson, to sign the measure into law.

The language currently in your bill will lessen a burden now being shouldered by all Federal taxpayers: the health care costs associated with deaths and injuries which could have been avoided if every State had safety belt and all-rider motorcycle helmet use laws. For example, one study of 105 injured motorcyclists found that 63 percent of their costs were paid by public funds, with Medicaid covering slightly more than half. Advocates recently assisted in the publication of a special edition of the Injury Prevention Network newsletter devoted to motorcycle helmet use and use laws. This newsletter addresses the medical costs and life-saving benefits of State helmet laws, as well as dispelling the arguments raised by helmet-law opponents. We seek permission to include this newsletter in the record.

The method the Surface Transportation Efficiency Act proposes is a fair and moderate approach to spark State action. States will have an adequate phase-in period to enact both laws, and if they do not act, they will see a small portion of their highway dollars redirected into their safety programs. This redirection makes sense because States that do not have both of these life-saving laws will need additional monies for safety uses such as emergency medical services for crash victims, enforcement and education. States which have adopted both of these laws would be eligible for highway safety incentive grants. Under this legislation, for example, the State of New York would be eligible for \$5.9 million in grants over a three-year period.

Thirty-eight States and the District of Columbia now require safety belt use; 23 States and D.C. have all-rider helmet use laws (with California's law on the books, there will be 24). Advocates has worked hard in States across the county to pass these laws, which will result in millions of dollars and hundreds of lives saved every year. Other States passing helmet laws in recent years include Texas, Oregon, Nebraska and Washington.

We know that State safety belt use laws and all-rider motorcycle helmet use laws work. We believe all States should show such vision and political will as the 17 States which have already enacted both laws. Your legislation encourages them to find that will.

We strongly support this provision, and we look forward to its inclusion in the bill Congress enacts.

### *Speeding*

It will take further Federal initiative to address the growing speed epidemic on our highways. Recent studies have shown a yearly increase of more than 700 deaths as a result of States raising the speed limit to 65 MPH on rural Interstates. It is clear that increasing the speed limit to 65 MPH results in even more speeding. In one State in which traffic was carefully tracked when its rural Interstates were posted at 65 MPH, the proportion of cars exceeding 70 MPH increased nearly five-fold. A recent Roper Poll shows that although the public recognizes speed as an important factor in highway crashes, an increasing number find it acceptable to drive over the speed limit. Speeding is a public health and safety issue.

Yet, under the current Federal highway program, safety-minded States that wish to remain at 55 MPH are penalized for attempting to stem this speed epidemic. If a State has kept its roads posted at 55 MPH, it is subject to the loss of Federal highway dollars if its drivers don't comply with that speed limit; but if a State has raised the speed limit to 65 MPH, it is not covered by the speed limit compliance rules on those roads and thus can sidestep sanctions. Thus, States such as New York that have remained at 55 MPH face constant additional pressure to increase their speed limits to 65 MPH.

This anomaly must be addressed as you reauthorize the highway program. It may be tempting to simply eliminate enforcement provisions such as sanctions. But such action would give the Federal Government's blessing to excessive speeds and would result in continued escalation of speeds and speed-related deaths on our roads.

We believe a better approach is to create effective mechanisms encouraging the States to remain at or return to 55 MPH, and to increase enforcement of both 55 MPH and 65 MPH limits.

Under Advocates' proposal, if a State posts roads at 65 MPH, the State must prove that it is complying with the 65 MPH speed limit and that the fatality rates of its highways posted at 65 MPH do not exceed those of highways at 55 MPH. One penalty of non-compliance should be the return to 55 MPH on those roads.

In addition, if a State wishes to post or to continue to post a rural Interstate at 65 MPH, drivers of those roads should feel confident that the highway is as safe as it should be at that speed. The State should be required to upgrade the standards of their Interstate highways posted at 65 MPH. We have specific recommendations on how to achieve systematic safety improvements on our existing Interstate highways which is explained later in our testimony.

To encourage compliance on roads posted at 55 MPH, a variety of mechanisms can be used, such as a reduction of highway construction funds and/or an increase in the State match for major highway programs excluding safety.

This is not a popular position to take, but without strong Federal oversight of States' enforcement programs, we will see an increasing disregard for posted speed limits, resulting in more fatalities and injuries. We strongly urge that the Senate reauthorization bill address the speeding problem through prohibiting any expansion of the 65 MPH speed limit, encouraging States to remain at or return to 55 MPH and instituting mechanisms encouraging States to enforce the speed limit.

## II. INTEGRATING SAFETY INTO EXISTING HIGHWAY CONSTRUCTION PROGRAMS

*Management Programs*

A significant portion of authorized funds in the Surface Transportation Efficiency Act will be used by State and local governments for the maintenance of Federal-aid highways. Rarely has safety been a paramount consideration early in the planning process or throughout preliminary engineering and construction of roadways. Effective Federal oversight of highway fund expenditures must be guaranteed to ensure the thorough integration of safety into highway projects.

Since the early seventies when the resurfacing, restoration, and rehabilitation process became the dominant approach in renovating older highways, safety has taken a back seat to the business of renewing pavement on highways whose outdated designs have mostly been left unchanged. The dangerous curves, narrow lanes and shoulders, and roadsides littered with hazards have persisted despite the use of record amounts of Federal assistance to resurface these primary and secondary highways.

We are pleased to see that your proposals include requiring States to implement a variety of management plans, which will help ensure that safety is a paramount consideration in the use of Federal assistance. A similar approach was contained in the Administration's legislative proposal. Such management systems will provide the kind of Federal oversight necessary to spend Federal dollars more effectively and to bring safety into early and thorough consideration in State highway efforts.

To further this proposal, Advocates has created detailed frameworks through which the States, with Federal Highway Administration (FHWA) assistance and direction, can develop effective highway safety, highway work zone safety, the Interstate system, bridge, and pavement management plans. We propose that Congress direct FHWA to establish the appropriate management models, striking a balance between the genuine need for flexibility by the States and the need for a vigorous Federal steward to assure effective use of the dollars disbursed from the highway trust fund.

For example, highway work zones are extremely hazardous for construction workers as well as the traveling public. More than 785 people were killed in work zones last year. An intensive effort through State highway work zone safety programs can effectively address this problem and reduce these fatalities and injuries.

In addition, as part of the Interstate system plan, we recommend a provision for an Interstate Safety Emphasis Program. States that adopt a 65 MPH speed limit will be required to review the safety of those Interstates posted at 65 MPH and systematically upgrade those roadways in order to reduce fatal and injury crashes. As mentioned earlier, no systematic review of the design of these highways to safely sustain this higher speed limit was completed before it was posted. As mentioned earlier, more than 700 fatalities annually have been attributed to increasing the speed limit on rural Interstates. We believe this review and upgrading will help stem this increase and will demonstrate the virtues of superior highway design and traffic engineering.

Such comprehensive management programs are necessary to restrengthen the Federal stewardship of the National highway program and guarantee that Congressional objectives of safety, mobility, and cost-effectiveness are met throughout the Federal-aid highway systems. National performance goals for the design and management of our highways and bridges must be clearly established by Congress and put into practice by the States through the auspices of FHWA not only to protect our investment but also to guarantee the safety of the traveling public.

Furthermore, we cannot produce a 21st century highway system to meet all of our mobility requirements through a laissez-faire approach to the use of Federal money and through the application of inferior highway and bridge design standards that are a return to the 1950's. Congress must have a clear vision of the highway system it wants this nation to have at the millennium and it must put into operation now the mechanisms necessary to secure this system.

To develop Federal standards for adequate maintenance of highways, Congress should direct the National Academy of Sciences to conduct a study on minimum maintenance performance standards and the elements necessary for a comprehensive maintenance management system in the States.

## III. TRUCK SAFETY ISSUES

The Surface Transportation Efficiency Act must also address the vital issue of commercial vehicle safety, an issue which affects all highway users. When tractor-trailers crash, passenger vehicle occupants are the likely victims. In fatal crashes involving passenger cars and tractor-trailers, the car occupants are killed 49 times

as often as the truck occupants. Combination trucks pulling two or more trailers are disproportionately represented in fatal accidents and are also more likely than single trailer trucks to jackknife in a crash. Thus, this bill must contain clear direction if we are to halt any increase in allowable truck size and weight limits, especially in longer combination vehicles (LCVs), at either the Federal or State level.

Since changes in Federal law in 1982, FHWA has repeatedly indicated its inability to control State size and weight practices and we have seen a steady upward trend in truck lengths and weights. About 35 States currently allow loads greater than the Federal limit of 80,000 pounds and 20 of these States permit such loads to be carried in LCVs.

#### IV. OTHER SAFETY CONCERNS RELATED TO THE SURFACE TRANSPORTATION EFFICIENCY ACT

Advocates appreciates the leadership and vision shown in this legislation, and believes it takes several bold steps which will improve the safety of the travelling public. The legislation does a commendable job of tackling the thorny issues of Clean Air Act requirements and reversing past emphasis on single occupant auto travel. We understand the difficulty and complexity of these issues. However, Advocates is concerned that some of the approaches in the bill may unintentionally work against safety.

For example, the bill proposes to eliminate conformity with federally issued design standards, which are currently required for Federal approval and assistance of any project. States will be allowed to design any Federal-aid project with their own unique standards. Advocates believes the public is better served by moving in the other direction—increasing design uniformity and toughening design standards. Current Federal design standards are already being substantially weakened. Allowing 50 different standards for roadway design and traffic devices will further confound drivers.

One little-appreciated aspect of roadway safety is a driver's ability to rely on some consistency in the road environment through uniformity in highways of lanes, striping, signing, shoulders, etc. This uniformity is one reason for the low fatality rates on our Interstate system and such consistency becomes more important as the driver's age increases. Surprising drivers by not meeting their expectations creates hazardous situations and undermines safety.

Advocates urges the committee to increase, not lessen, uniformity on our highways, especially as our population is growing older.

The bill's commendable zeal for addressing clean air and transit issues through increasing the State and local cost for "capacity increases" may have the unintended side effect of harming efforts to improve safety on our bridges and Interstates. For example, the bill identifies bridge widening as a capacity increase. However, many bridges have narrower shoulders and lanes than the roads connected to it, and thus need to be widened to make the bridge safer and eliminate bottlenecks. More deaths occur each year from crashes into the abutments of bridges that are too narrow than by the more dramatic collapse of a bridge. Such widening does not increase capacity, but would not get the same Federal match as rehabilitating an existing, outdated bridge. The bill as currently drafted may provide incentives to maintain substandard designs.

Similarly, some safety improvements on Interstates would be considered "capacity improvements" under your bill and would not be eligible for Federal funding. Since many of our roadways are already outdated, this provision may have the affect of discouraging States from making safety improvements.

We urge the committee to allow such safety improvements.

Our ability to take effective steps to increase safety is greatly shaped by the information we receive about our highways. Advocates is supportive of efforts to improve the collection of information on motor vehicle crashes and crash victims, and is pleased to see the emphasis on data collection in the Surface Transportation Efficiency Act through the creation of a Bureau of Traffic Statistics. If such a bureau is created, Advocates urges that it include strong emphasis on safety-related statistics, including commercial vehicle crashes.

#### CONCLUSION

Our nation is already paying an enormous, unnecessary price in dollars, family tragedy and lost productivity because of the unacceptably high numbers of deaths and injuries on our highways.

Without a new focus on safety, societal and economic costs—such as hospital and other medical costs, short-term and long-term rehabilitation, Medicaid and other

government support programs, insurance, even lost years of productivity—will escalate further, adding to budget deficit burdens.

Beginning with passage of the Federal highway and motor vehicle safety acts in the late 1960's, we have learned that serious investments in safety are necessary, possible, and cost-effective, and that a well-balanced State-Federal partnership is key to Improving safety. We hope you will consider our proposals to fully integrate safety into every aspect of the Federal highway program.

I would be happy to answer any questions you may have. Thank you very much.

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PREPARED STATEMENT OF RICHARD D. MORGAN

Mr. Chairman, my name is Richard Morgan, Vice President of the National Asphalt Pavement Association (NAPA)

The National Asphalt Pavement Association appreciates the opportunity to present its views, on this subject and the Waste Tire Recycling, Abatement and Disposal proposal particularly with respect to Rubber Modified Asphalt. NAPA is a national trade association exclusively representing the Hot Mix Asphalt Industry. We have a membership of approximately 700 corporations most of which are Hot Mix Asphalt (HMA) producers and paving contractors. More than three-fourths of the NAPA-member firms qualify as small business firms under the definitions of the Small Business Administration. Our member firms produce approximately 75 percent of the total HMA produced in the United States annually (490 million tons in 1990).

We commend the Committee for its timely proposal for the 1991 Highway Act, and in particular for its proposal to abate current waste tire dumps and stockpiles—to control on a continuing basis the waste tire disposal problem. This problem can be solved with innovative planning, a properly targeted system of economic incentives, a strong commitment by government, industry, and the general public. The legislative initiative with some revision can be a vital first step.

We endorse the proposal to impose a fee or tax on the sale of the tire to be used at the State level to encourage waste tire recycling, abatement, and disposal. We also support the establishment at the Federal level of the waste Tire Recycling, Abatement and Disposal Trust Fund as well as the proposed activities eligible for use of these funds. We are in no position to judge whether the amount of the fees are properly related to the problem.

The strategic approach taken by this proposal in requiring the establishment of waste tire recycling, abatement and disposal programs with specific target dates is the best way to attack the problem. We take no position on whether the timeline is realistic or not. We are somewhat concerned that the rather detailed program requirements and Federal approval process could result in delays and red tape. We would recommend that State plans be given a presumption of validity. So long as they were designed to meet the target dates and that they be judged on results rather than detailed plan or program content.

The bill seems to rely almost exclusively on the use of rubber modified asphalt pavements to take care of the annual accumulation of scrap tires by requiring that after five years a site certify that not less than 7 percent of the asphalt pavements laid each year use rubber modified asphalt.

We believe that the use of the rubber modified asphalt may enhance paint performance in certain applications. We are, however, concerned with the potential impact on our Industry if Federal legislation is passed which strongly endorses or mandates the extensive use of rubber modified asphalt for general paving applications without further study.

As an industry we fully support the concept of recycling, but with a rational scientific approach. Our Industry has made significant advances in recycling old asphalt pavement materials into new pavements. Our basic product, HMA, is a renewable resource. Hence, where torn-up asphalt pavement was once placed in landfills as waste it is now found as inventoried stockpiles at most of the Nations HMA facilities. When an HMA pavement has served its useful life, it can be removed, mixed with new materials, and relaid.

One of the many advantages of HMA pavement is that it is a renewable resource. It is completely recyclable. We estimate that annually approximately 25 percent of all HMA is recycled mix. When modifiers or additives are used in the mix such as crumb rubber, the future impact on the potential recyclability is not known. If the modified material is not recyclable for either environmental or engineering reasons, a partial solution to the used tire disposal problem for this generation becomes a

much larger problem of disposal of used Rubber Modified asphalt pavement for the next generation.

We strongly promote innovation in the Industry, but again with a rational approach. With regard to rubber modified asphalt, laboratory and field studies would seem to indicate that it may have desirable attributes. If development is allowed to occur in an orderly fashion without legislative intervention, the position of rubber modified asphalt in the marketplace will be determined by the performance of the product, its price, its ease of handling, and production, etc.

While rubber modified asphalt has promise, there are many unknowns. We believe that provisions should be made for further research and study of rubber-modified asphalt technology. The research should cover the environmental, economic, and engineering aspects of the product. Our specific support for this position follows:

There are two technologies associated with modified asphalt. One is where crumb rubber is mixed with asphalt cement under carefully controlled conditions to form an asphalt rubber binder. This is referred to as the "wet process." The other is where crumb rubber is mixed dry with the aggregate prior to coating with asphalt cement. This is referred to as the "dry process." The definition of "rubber-modified asphalt pavement" set forth in the legislative proposal covers the dry process only. Our concerns extend to both of these technologies.

#### ENVIRONMENTAL ISSUES

The HMA Industry is currently under siege by environmental agencies at both the Federal and State levels as well as by the Occupational Safety and Health Administration (OSHA). The environmental interests are concerned with emissions from the stack of HMA production facilities and the OSHA interests are concerned with worker exposure to fumes. In either the wet or the dry process the Crumb Rubber Additive (CRA) would be heated to temperatures in excess of 325 degrees Fahrenheit. This could result in stack emissions that could exceed both existing and proposed emission standards. It is recognized that burning tires emit solvents and polynucleic aromatic hydrocarbons (PAHs), many of which could be carcinogenic. We do not know whether the fumes or emissions from either the wet or dry process could be potentially hazardous or environmentally unacceptable.

The rubber-modified asphalt technology should not be legislatively endorsed until we have answers to these environmental concerns. It makes little sense to trade additional landfill capacity for decreased air quality or increased worker hazards. We should learn from past experiences that trading one environmental problem for another is counterproductive. This research on fumes and emissions should be carried out on both virgin HMA with CRA and recycled HMA with CRA. The environmental impacts will be a major factor in determining acceptability of the technology.

NAPA is currently pursuing research on both emissions and fumes on conventional HMA. Our funds are limited, and we do not have the resources to start a new research initiative on HMA with CRA. In our opinion the burden should not be entirely on the Industry to prove its case or to seek the truth. That burden should be more appropriately placed on the governmental agency which is dictating the change. We hope and recommend that the proposed legislation be amended to require that research be conducted by the Department of Transportation (DOT) and the Environmental Protection Agency (EPA) to determine:

1. The environmental and health impacts of producing and applying rubber-modified asphalt pavements;
2. The recyclability of rubber modified asphalt pavements; and
3. The performance of rubber modified asphalt pavements.

This research would be financed by the Trust Fund established by this proposal. The results should be available before the use of rubber-modified asphalt pavements is mandated. The DOT/EPA should be directed to complete this research within a set time frame, say two years after date of passage of the act.

Related to the above is the question of specifications and mix design. For decades governmental agencies and the private sector have been developing specifications for optimum HMA pavements. Even after all of these efforts we have not reached perfection. The Strategic Highway Research Program (SHRP) has devoted \$50 million to research in the area of asphalt cement and asphalt pavements. One of their primary goals is to produce specifications for the asphalt binder and the asphalt aggregate cure that relate to performance. A natural follow-on to this is, of course, developing mix design procedures and test procedures related to performance of HMA pavements. As part of this effort, modifiers and additives such as rubber will be evaluated. Hopefully, much more will be known about the product and performance of the product when the SHRP research is completed in 1993. What is needed is rational development of generic specifications for rubber modified asphalt pave-

ments. Development of mix designs and test procedures takes time, but it must be done not only to find out how the mixes will perform but also to permit and to promote free entry into the marketplace.

#### ECONOMIC ISSUES

Because of the limited use of HMA with CRA, little is known about the costs—both initial and life cycle. Costs on recent projects have been, quite high when compared with conventional HMA. Part of this is due to the proprietary nature of some of the products and processes currently available. Perhaps with generic specifications and more generally accepted use, costs of HMA with CRA will come down. Regardless, costs will be higher than conventional HMA, and there is limited scientific evidence that the product is better than conventional HMA for most applications. Nearly all conventional HMA pavements perform quite adequately throughout their service life.

It is, therefore, very difficult to develop an economic justification for using a more expensive pavement, such as one with CRA. An issue is then, who or what should bear the increased costs if HMA with CPA is specified for general use. This proposal takes the proper approach in permitting the use of the State and Federal fee on the tire to offset the additional costs of using rubber modified asphalt. Highway funds are limited at both the State and Federal levels, and anything that drives up the cost adds to the problem of our already decaying highway infrastructure.

As mentioned previously, section 4, "Use of Rubber-Modified Asphalt Pavement", requires that after five years the State must certify that not less than 7 percent of the asphalt pavement laid each year is rubber-modified asphalt pavement. Federal-aid highway funds under Title 23 are withheld unless this certification is done. We believe that sanctions on the Highway Program are counterproductive in general, and recommend that the sanction be replaced with some sort of economic incentive.

Apparently this 7 percent is designed to take care of the annual accumulation of scrap tires. It assumes the problem is uniform across all States, but it obviously isn't. Further, we could not find a provision in this section 4 to subsidize the increased costs of rubber modified asphalt. We would recommend that more flexibility be built in to this section along the following lines:

As mentioned above, replace the sanction with some type of an incentive. As a minimum, make provisions to offset the higher cost of the rubber modified asphalt from the Trust Fund established under section 8. Further, provide that the DOT Secretary can set aside the 7 percent requirement if the State's program includes provisions to otherwise dispose of the scrap tires by other means and uses including recycling and energy recovery. This would give the States the opportunity and incentive to use crumb rubber in asphalt pavements other than those funded under Title 23; for using the so-called wet process whereby ground rubber is added to the liquid asphalt; or for uses other than pavements.

#### SUMMARY

The HMA Industry supports innovation, supports recycling, and supports this Committee's initiative to find a solution to the scrap tire problem. We do believe that HMA with CRA can provide benefits both in the form of assisting in the scrap tire disposal problem and enhancing the quality of the pavements in certain applications. We further believe that as with any new or untested technology, development should occur in an orderly fashion. Issues such as best uses of the product, economic feasibility, and environmental effects of the product in both its virgin form and recycled form, have to be addressed before widespread use is endorsed and perhaps mandated by the U.S. Congress. We would be pleased to work with the committee in the further development of this legislative proposal.

S. 965

We reiterate our compliments to the Committee on the timely inaction of S. 965, the STEA of 1991. The bill has many positive features which NAPA supports. It provides for completion of the Interstate and Interstate Substitution Program as well as maintenance and rehabilitation of the Interstate system. It encourages innovative solutions to urban transportation problems. It provides increased funding for research, development, and technology.

We are concerned that the bill does not recognize any Federal interest in a highway system other than the Interstate. The Interstate mileage is about 1 percent of the total U.S. road mileage and carries close to 22 percent of total travel. The Primary System consists of 6.7 percent of the total mileage and carries another 29 percent of the total travel. We believe that it is vital to the economy of the Nation that



some portion of Federal funds be focused on a National Highway System (NHS) that extends beyond the current Interstate. The Administration's Highway Bill, S. 610, proposes an NHS of approximately 150,000 miles, and we recommend that a similar proposal be included in S. 965.

A separate category of funds could be allocated to that system or a percentage of the surface Transportation program funding dedicated to it. The system could be designated by the States with Federal concurrence. The mileage should not be a factor in any fund distribution formula. Liberal transfer provisions should be included so that the States would not have to spend money on this system if they have greater needs elsewhere. The Pavement Management System required under section 114 could be the basis for determining where the State priorities are. In summary, a NHS provision could be included without undermining the overall flexibility thrust of S. 965.

We thank this committee for the opportunity to present our views on this important issue.

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PREPARED STATEMENT OF HON. RICHARD BRYAN, U.S. SENATOR FROM THE STATE OF NEVADA

Mr. Chairman, I commend you for calling this hearing, and I appreciate having the opportunity to testify. As I am sure you are aware, the future of our Federal highway program is of critical interest to sparsely populated, but rapidly growing, States such as Nevada.

I am also very pleased to see that Garth Dull, the Director of the Nevada Department of Transportation, and Mike Naylor, from Clark County, Nevada, will also testify. With Senator Reid as a member of the Committee, Nevada is very well represented here today.

First, I would like to commend the Committee for the determination it has shown to meet the challenge President Bush issued during his State of the Union message to enact a new highway program in a timely fashion. If the highway reauthorization is handled with even a portion of the skill exhibited in this Committee's action on the Clean Air bill last year, I think Congress will be able to meet the President's challenge.

It is clear that this year's highway reauthorization marks a turning point in national transportation policy. The Interstate System, the most ambitious public works project in our history, is nearly complete. As the distinguished Chairman of the Surface Transportation Subcommittee has pointed out, it is time to take a close look at our transportation priorities of the past, and plan for the future.

Senator Moynihan, with his usual eloquence, has, on a number of occasions, provided us his perspective on the effect of the Interstate System on the eastern seaboard's major metropolitan areas. I would like to take this opportunity to offer the perspective of a Westerner, particularly a Nevadan.

I grew up in a Las Vegas markedly different from the Las Vegas people witness today. The Las Vegas of my youth was a small city, surrounded by hundreds of thousands of square miles of desert. The desert is still there, but Las Vegas is now a booming metropolis. In the 1960 census, shortly after the Interstate program began, the total population of Nevada was only 285,000. By 1990, the population was more than 1.2 million.

The increase in urban population, however, did not, for the most part, result from a buildup of densely populated urban centers. The urban areas simply spread over the desert, creating a very special sort of lifestyle. Even as the population of Las Vegas continues to grow, residents are still offered the feeling of spaciousness and independence that made the West famous.

The growth in the major urban centers of Nevada continues at a breakneck speed. Clark County alone attracts nearly 4,000 new residents each month. While each of these new residents contributes to the economic well being of our State, each also adds to the incredible transportation infrastructure crisis our State faces.

Nevada's existing highways are simply not adequate to meet the needs of our rapidly growing population. Efforts are under way to alleviate part of this problem through greater use of mass transit. The bus system operated by the Washoe County RTC in Reno is a model system for a smaller city. The Washoe County RTC has a dedicated source of funding for mass transit. In Clark County, where Las Vegas is located, voters recently approved a referendum calling for \$100 million in new taxes for transportation. As part of this effort, a .25 percent sales tax will be dedicated to mass transit.

Nevertheless, highways will continue to be the most important mode of transportation. In Nevada, broken and inefficient highways are more than an inconvenience they are a threat to Nevadans' way of life.

I think it is difficult for observers from other regions to understand the distances we travel out West. For example, consider the drive from Las Vegas to Reno, the two major cities in Nevada. This drive is equivalent to a drive from Washington D.C. to Boston, Massachusetts. While driving from Las Vegas to Reno, you pass about a dozen small towns, the largest of which might have a population of 5,000.

On the drive between D.C. and Boston, however, you pass through eight States, and through hundreds of towns. In addition, you pass through a number of big cities, including Baltimore, Trenton, Newark, New York, New Haven, and Hartford. Clearly, there can be no direct comparison between the transportation needs of Nevada and of States on the eastern seaboard. Similar differences exist between States throughout the Nation.

I am no expert on highway programs, but I do consider myself an expert on what Nevada needs. When it comes to transportation, Nevada needs good highways. Nevada needs good primary roads. Nevada needs good secondary roads. Nevada needs improved interchanges. Nevada needs better bridges. And when it comes to paying for all these improvements, Nevada needs Federal transportation dollars.

We have long recognized the need for a national transportation system. It is hard to imagine a system of interstate commerce without the Interstates. In addition to affecting the everyday lives of our citizens, a uniform and efficient national highway system is essential to our international competitiveness. The industrial base of our nation was built on the transportation system created by the railroads—future industrial growth will depend to a large extent on our highways.

While I will leave the discussion of the technical aspects of the various highway proposals to Mr. Dull and his colleagues, I have several broad points that I would like to make today.

First, Federal spending on highways has, for a number of years, been inadequate. The increasing highway needs of our nation far outpace Federal spending. If this were simply a matter of having too few Federal dollars to go around, I might reluctantly accept it. There are a large number of important Federal programs which are not adequately funded due to budgetary constraints.

This should not be the case for highways, however. The Federal Government collects taxes on every gallon of gasoline sold. These taxes are credited to the Highway Trust Fund, for the sole purpose of paying for transportation improvements. As I testified before this Committee last year, these funds are not being spent for their intended purpose. Instead, Federal dollars earmarked for highways are being used to finance the Federal deficit.

As many members of this Committee are aware, I have introduced legislation which will require the Department of Transportation to spend every available dollar in the Highway Account of the Highway Trust Fund on transportation improvements. The Federal Highway Administration has estimated that my bill would require highway spending of \$103.5 billion over the next five years. This calculation does not even take into account the 2.5 cents specifically diverted for deficit reduction in last year's budget package, and assumes the increase in the gas tax enacted last year will not be extended—if we count these funds as well, the total would be even higher.

Of the highway proposals being considered by this Committee, only the Reid-Baucus proposal comes even close to making this maximum commitment. On this basis alone, the Reid-Baucus proposal should receive the support of every State, and every Senator.

I am also concerned by the radical nature of the changes proposed by several of the bills before this Committee.

The proposal offered by the leadership of this Committee is a thoughtful one, and may be ideal for certain areas of the country. As I am certain Mr. Dull and Senator Reid will agree, however, the proposal simply will not work for Nevada.

Earlier in my testimony, I mentioned the many differences between the States, and made the point that these differences must be reflected in any Federal transportation program. In light of the Committee leadership's proposal, this takes on special importance. While the proposal attempts to provide flexibility for State and local governments to make their own decisions between highways and mass transit, leveling the playing field between the two options, the many clean air related provisions of the proposal provide significant disincentives to building new highways or expanding the capacity of existing highways. From a Nevada perspective, these provisions could prove disastrous.

By placing restrictions on new capacity, the proposal preempts State and local authority to make decisions regarding clean air. The elimination of automobile travel is not the only method of reducing vehicle related air pollution. As I expect Mr. Naylor to testify, the most immediate strategy Nevada can pursue to improve air quality is to get cars moving on our highways. Quite simply, most Nevadans must drive to work there is simply no other practical alternative. Every minute a car sits in a traffic jam aggravates air pollution problems. If we can eliminate these traffic problems, we will eliminate a large part of the air quality problem.

In addition, new technology such as alternative fuel and electric cars will help relieve air quality problems. Mandating increased fuel efficiency for the passenger automobile fleet, a proposal which I, and a number of members of this Committee, have been pursuing will provide substantial reductions in air pollution. Automobile travel does cause air pollution problems, but the elimination of such travel is not the only solution.

Quite simply, Nevada, the fastest growing State in the Nation, needs expanded capacity on its highways. While other States may not share this need, Nevada should not be denied the Federal assistance other States have enjoyed in the past.

I would like to make one final point. The Administration, and others, have proposed to reduce the Federal matching share of many transportation projects. As a former Governor, I can assure you that such action would be disastrous for the States. As we are all aware, nearly every State is now facing some type of fiscal crisis. The purported purpose of this increase in State share is to "leverage" Federal highway dollars.

Under the current highway program, Nevada qualifies for a 95 percent Federal match, due largely to the nearly 85 percent of the State owned by the Federal Government. By the Administration's logic, this high Federal match would encourage a low State and local commitment to transportation. Nothing could be further from the truth. For a number of years, Nevada has had one of the highest gas taxes in the Nation. As I mentioned above, the local governments have also increased their commitment to transportation.

Quite simply, Nevadans need no Federal coercion to make the maximum possible transportation commitment. The Reid-Baucus bill retains the current State/Federal matching formulas—another advantage which works in the favor of every State, and every region.

On balance, I agree with the major premise of the Reid Baucus proposal: the major flaw in the current highway program is the lack of sufficient funding, not the structure of the program. While some structural changes may be beneficial, the most important change we can make in the current highway program is to increase the total Federal dollars available for transportation to the maximum extent possible. As I mentioned above, we can at least begin to make this commitment by releasing the surplus in the Highway Trust Fund.

Mr. Chairman, I would like to thank you again for offering the opportunity to testify today.

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#### PREPARED STATEMENT OF RICHARD L. HOWARD

Mr. Chairman and Members of the Committee: I am Richard L. Howard, Secretary of Transportation of the State of South Dakota. I appear today to present testimony on behalf of my own State and advise that our prepared testimony has been joined in by the Transportation or Highway Departments of the States of Montana, Nevada, North Dakota, Washington, Wyoming, Utah, Alaska, Hawaii, and New Mexico. These States may also be submitting or presenting supplementary statements, reflecting the vital importance of Federal-aid highway legislation to all of us.

Our joint testimony today will address two bills, S. 965, the proposed Surface Transportation Efficiency Act, and S. 823, the proposed Transportation Improvement Act. These bills are the product of significant effort and thought by their sponsors. However, while applauding the effort behind both bills, our testimony today will reflect a clear preference for S. 823, introduced by Senators Reid, Baucus and nine other Senators. That bill directly responds to the two most pressing deficiencies in today's highway program—inadequate funding and inadequate flexibility.

S. 965 would also respond to the relative inflexibility of today's program but would combine some positive new flexibility with other provisions which are very troubling. Let us be clear, we do not have objections to S. 965 because it is innovative. We think the sponsors of S. 965 should be commended for their willingness to put new ideas on the table. However, just because something is new doesn't always make it better.

So while we support some aspects of S. 965, and we do not object to many others, we object to its proposals to abolish all non-Interstate Federal-aid highway categories and to balkanize State governments by transforming metropolitan planning organizations into powerful fiefdoms with control over much of the highway program. We believe that, if S. 965 is to be advanced, it must first be amended to include more specific recognition of the importance of highways and to continue to vest in States, rather than localities, authority to administer the program.

#### OVERVIEW

Let us turn now to a brief review of our position on key issues.

We measure any proposed highway legislation by the extent to which it would:

1. provide a program and funding balance which properly reflects the National interest in good transportation in and across rural as well as urban areas;
2. increase each State's flexibility to customize the program to meet unique needs while ensuring that national interests are met;
3. retain current Federal/State project match ratios to minimize the burden on already hard pressed State and local governments;
4. increase program funding and draw down the balance in the Highway Account of the Highway Trust Fund, to better meet national economic and transportation needs; and
5. preserve the Nation's already massive investment in roads on the Federal-aid highway system.

Here's how we see S. 823 and S. 965 stacking up against these criteria.

1. Rural/Urban Balance—The nation's interest—not any particular State or region's interest—in the highway program includes ensuring the ability of people and goods to move across rural areas between metropolitan centers. It also includes moving farm and natural resource products to market as well as addressing urban concerns. Funds must be distributed among the States to meet these needs in a properly balanced way. We believe the distribution of funds proposed in S. 823 is a fair one; we prefer its overall distribution of funds among the States to that provided S. 965. We particularly note our approval of S. 823's package of national interest apportionment adjustments, providing additional funds to States with low population density, high per citizen expenditures on highways, adverse weather, and a high level of Federal lands.

We also note that the Administration, which does not represent any single region of the country, proposed a distribution of funds which gives greater relative support to rural States than does S. 965. So, while we support S. 823, moving in the direction of the result of Administration's distribution (as opposed to its actual program structure and formulas) would lessen the extent to which S. 965 does not fully reflect the National interest in good roads across our country.

We also note that the State of Vermont has suggested that highway legislation include a minimum allocation to all States of 1 percent of highway apportionments. This we think is another indication that S. 965 should be amended to provide a more appropriate rural/urban balance.

2. New Flexibility (and Avoiding New Inflexibility)—Both bills would provide additional flexibility to States in choosing how to spend highway funds. We are pleased that a consensus appears to have developed in this Committee to provide States with greater flexibility to use program funds, including ability to use funds on a variety of projects without FHWA approval.

We also commend the sponsors of both bills for not creating a new National Highway System (NHS) category. The main NHS proposals that have been advanced would create major new problems of program inflexibility, placing too much emphasis on too few roads and providing too little transferability between the new categories. What the new legislation must do is solve problems resulting from the inflexibility in today's program, not trade one kind of inflexibility for another. So we're glad the Committee seems to have reached a consensus not to pursue an NHS proposal.

However, we prefer the increased flexibility approach taken in S. 823 because it combines flexibility with a clear statement that there is a national interest in continuing Federal highway systems. This would include primary, secondary and urban highways as well as the Interstate System. S. 823 would also allow considerable new transferability to transit. We note that, as introduced, S. 823 does not provide flexibility to transfer funds to so-called off-system roads, or for certain new uses of Federal highway funds proposed in S. 965, such as bridge painting. Without taking a collective position on whether we could support such flexibility, a key point which we do want to make is that the Nation would be better served if any flexibility to pursue additional new uses of Federal highway funds, such as is apparently sought

by S. 965, is done within a more traditional program structure (such as S. 823's). It could be done within such a structure by allowing some transferability of funds to new uses. But, in that way more appropriate recognition would be given to highway systems.

S. 965, on the other hand, provides so much flexibility and so little structure that we are concerned that it does not recognize the National interest in highways. It would allow a very large percentage of highway funds to be spent on non-highway purposes. It would strike from the highway statutes (title 23 of the United States Code) longstanding provisions establishing programs for primary, secondary and urban Federal-aid highways. Collectively, those provisions stand for the proposition that there is a national interest in those non-Interstate highways. And, if that precedent is established, we are concerned that funding formulas derived from today's statutes, and the National interest in those roads, might eventually be modified as well.

In addition, we are very, very concerned that the portions of the bill vesting significant program authority in metropolitan planning organizations (MPOs) would create new inflexibility in program administration, as well as needlessly intrude on prerogatives which have always been exercised by States—and, frankly, exercised quite well. While we will comment on this further later, we wish to note at the outset that we sense that the support for these MPO provisions comes from highly populated States. We feel that these proposals should be dropped from the bill entirely, leaving States to continue to work with their own localities to reach project decisions. However, at a minimum, we suggest that the larger States should legislate for themselves first in this area, and not impose on smaller States new requirements which are not appropriate for them. For example, if provisions in the bill concerning MPOs must be retained, they might be redrafted to apply only in States which have serious congestion problems or preferably only in States with at least one metropolitan area of over 3,000,000. The adverse effects of these provisions might also be reduced by revising them so that a far smaller percentage of project programming decisions would be vested in local officials.

3. Project Matching Ratios—Both bills properly reject proposals to drastically reduce the Federal share of project costs on many primary, secondary and other highways. We do believe, however, that S. 965's proposed reduction in the base Federal share of Interstate maintenance projects (before any Federal lands adjustment) from 90 to 80 percent is inappropriate. An 80 percent base share for Interstate maintenance is the same base share that S. 965 provides for virtually all other projects. This simply does not provide appropriate recognition to the National importance of the Interstate System. Thus, in the context of S. 965 we recommend continuing a 90 percent base Federal share for Interstate maintenance (3-R) projects.

4. Funding Levels—S. 823's funding levels represent a more appropriate response to our nation's urgent transportation needs. While S. 823's funding levels appear to be considerably below those which have been discussed by the leadership of the House Public Works Committee, they properly would commit the Nation to having a Highway Account balance which is lower at the end of the bill's reauthorization period than it is at the beginning. We do not see that commitment in S. 965. If S. 965 is to be the point of departure for Committee action, its funding levels should be increased.

5. Preserving Federal-aid Highways—The nation has already made a massive investment in the roads on today's Federal-aid highway systems—and that investment should be protected. This is not to say that we oppose creating some flexibility for States to use highway Trust Fund monies on a wider range of activities, but we see a continued national interest in the Federal-aid highways that should be reaffirmed in new legislation, both in terms of program structure and increased funding. This is particularly true of the Interstate System, as all recent studies show needs greater than the size of S. 965's Interstate maintenance program. On both counts we clearly prefer S. 823.

We turn now to a fuller discussion of some of the main issues raised by the two bills as well as a discussion of additional issues.

#### METROPOLITAN PLANNING PROVISIONS

As we understand S. 965's provisions concerning metropolitan planning, they would have a number of undesirable effects, and perhaps others which we do not yet understand.

For example, authority to decide who sits on an MPO is divided between State and local governments and the MPO decides the limits of its own geographic boundaries. We can envision significant disputes delaying the establishment of MPOs, both in terms of membership and boundaries. These disputes will delay program ac-

tions and the expenditures of funds—in the very metropolitan areas which these provisions are intended to “help.”

The provisions could also divorce program authority from accountability. For example, the bill would require 8 percent of surface transportation program funds to be spent on “transportation enhancement activities.” Yet, MPOs within a State might choose to spend nothing on transportation enhancement activities. The result: the State must take its limited program dollars (limited in the sense that some money has been transferred to the MPO) and spend a much higher percentage on transportation enhancement activities to bring the average of State controlled and MPO controlled spending on transportation enhancement activities up to the 8 percent average. Thus, the MPO is not just dictating what happens within its own boundaries, but elsewhere in the State as well.

Similarly, under S. 965’s provisions for redistribution of unused obligation authority, it appears that a State could be penalized by having some of its obligational authority redistributed if disputes between, for example, a city and suburbs comprising an MPO, delayed programming and project actions until late in a fiscal year. And again, even though the delay might have been “caused” by the MPO, it is the entire State’s obligation authority which is subject to the redistribution provision. Other areas in the State may be adversely affected.

Beyond such specific concerns we have a philosophical objection to these provisions. We believe they intrude upon legitimate prerogatives of the States—and not on the basis of any compelling record of evidence.

We also note that, in many States, the key roads which S. 965 would subject to MPO authority are owned by the States, not localities. Thus, S. 965 would separate the owners of roads from much authority over what happens to them.

However, if notwithstanding these objections, such MPO provisions are to remain in the bill, they should at least be ameliorated, such as by making them applicable only to States with a metropolitan area within its borders in excess of three million population. The adverse effects of the provision would also be reduced by lowering the percentage of “surface transportation program” funds to be distributed on the basis of population from S. 965’s proposed 75 percent to 50 percent or preferably lower.

#### INCREASING FUNDING LEVELS

An increasing body of research shows both that the United States is spending less on infrastructure investments than other nations and that low levels of investment in transportation infrastructure retards our nation’s productivity and the international competitiveness of our businesses. In short, investing more in transportation is good economic policy.

Beyond that, we need to invest more in our transportation system in order to (as others have said) put the trust back into the Trust Fund.

We ask that Congress annually:

(1) spend all income into the Highway Account of the Trust Fund, both current taxes and interest on the balance in the Account; and,

(2) draw down the balance in the Account over a reasonable period of time.

The funding levels within S. 823 would meet these tests, both as to authorizations and obligation authority. S. 965 delays significant funding increases until late in its program cycle, allowing the balance in the Highway Account of the Highway Trust Fund to continue to build up for years.

Mr. Chairman, we are aware that the Congressional Budget process creates competition for increased spending authority between various domestic programs and understand that budgetary concerns may have restrained the sponsors of S. 965 from supporting higher program funding levels. However, we want to emphasize that highway users have just had their taxes increased. That should be a strong consideration when the Congress decides which domestic programs should have increased funding. Last fall’s 5 cents per gallon motor fuel tax increase dedicated 2.5 cents per gallon to deficit reduction. We hope the proceeds of at least the other 2.5 cents of the tax increase will be reflected in increased spending for transportation programs under the reauthorization legislation, as well as further increases to draw down Trust Fund balances.

In short, because of critical highway needs, the relationship of transportation investment to economic growth, the recent user tax increase, and the presence of a significant balance in the Highway Account, we urge the Committee to adopt funding levels more closely resembling those of S. 823 than those of S. 965.

## THE DONOR/DONEE RELATIONSHIP/OPPOSITION TO INCREASING MINIMUM ALLOCATION

We have seen comments that, under the current system for allocating highway funds, certain States are "donors" to the Federal highway program and others are "donees," as if those labels alone mean the program should be changed. We reject that terminology as overlooking the important fact that all citizens, both those in rural and metropolitan areas, are beneficiaries of a well developed highway system stretching across our country. This basic concept must continue if we are to have a national highway and transportation system which serves national interests.

Present law already significantly accommodates the so-called donor States with a minimum allocation program. S. 965 and S. 823 would continue a minimum allocation program. We have no objection to continuing the present 85 percent minimum allocation provision of the highway program. We take this position even though most Federal programs have no minimum allocation provisions. Let me amplify by discussing the transit program. We believe that continued Federal support for transit is in the National interest, though most of the States joining in this statement do not participate significantly in that program. We believe the Nation would be adversely affected if urban congestion makes our metropolitan areas less productive. However, as a price for our agreement that there is a national interest in transit, we have not suggested—at least to this point—that there must be an 85 percent minimum allocation to each State of highway user taxes dedicated to transit.

We understand that there may be interest on the part of some States in increasing the highway program's minimum allocation to 90 percent. Arguments for such a change are apparently based on a premise that national money has to be spent in a State regardless of how well the expenditures relate to a national purpose.

We want to make clear that we would object to such proposals. Our States do not participate at all or at least not meaningfully in major Federal programs based in some of those States, such as the space program or the superconducting supercollider. And, we have not to date pressed for a minimum allocation in those programs. The point is that there are reasons of national policy why there is a donor/donee relationship in the Federal highway program as well as other programs and it is the role of the Federal Government to recognize and act upon national policy concerns.

For the record, let me briefly note some of the reasons why the Federal-aid highway program must continue to invest in roads across and in rural areas.

## NATIONAL AND REGIONAL INTERCONNECTIVITY

Efficient highway travel across rural areas provides tremendous benefits to the citizens of major population centers and the Nation as a whole. Rural States and rural areas within States function as "bridges," providing connecting links between distant metropolitan areas such as the Great Lakes and Pacific Northwest, or the Northeast and California.

Consider, for example, the amount of fuel tax that might be collected in Nevada from a truck moving manufactured goods from Cleveland to San Francisco. The highways used by that truck helped create a market for the goods moved, a market needed by the people in the metropolitan areas to support their companies and jobs. So highways in rural areas allow manufactured and raw products, tourists, business people, moving vans and our nation's military to travel efficiently throughout the country.

Further, a fair and balanced national transportation program is vital to the Nation's overall system for moving nationally significant commodities such as agricultural products, timber, and other natural resources from producing areas to national and international markets (as well as manufactured products back to rural areas).

Those movements are more important than many might realize. The Commerce Department keeps statistics on how the Nation's trade deficit breaks out on a State by State basis. In recent years, those statistics show that many of our agricultural and natural resource producing States are among those which do the most to keep our trade deficit down. Now is not the time to weaken the transportation system which supports those sectors.

In addition, Mr. Chairman, with changes in the world economic order, the United States is now receiving a great influx of tourists from other developed countries. Many of the prime destinations for these valued visitors are the wonders of our national parks and monuments. The locations of these national treasures warrants continued attention to roads in rural areas if this foreign trade is to be increased.

## HIGH LEVEL OF EFFORT MADE BY MOST DONEE STATES

Let me also emphasize that the highways in donee States such as mine also deserve strong Federal support due to the high level of effort that our citizens make to maintain and improve the highways within their borders. Most of the States joining in this statement spend far more per capita on highways than the National average, in part to support the National interest in roads across our States.

Based on the latest data which I have seen compiled, Mr. Chairman, citizens in my State of South Dakota spend \$338 annually per capita on highways, nearly 50 percent more than the National average of \$226. So, we are making a very big effort to carry our share of the load. This is not, by the way, strictly a regional phenomenon. States as diverse as New York, Virginia, Montana, New Mexico, Maine, New Hampshire, Vermont and Connecticut exceed the National per capita effort.

And, Mr. Chairman, we believe highway legislation would be improved if a formula factor were enacted which would reward States which make above average per capita investments in highways. Such a factor is included in S. 323 and would make S. 965, or any other bill, a better bill.

So, we want to make very clear that so-called "donees" are not getting a free ride. To the contrary, the citizens of those States are doing more per capita than the National average to support the National interest in Federal-aid highways.

## REVISING THE BRIDGE PROGRAM

We also note that S. 965 would revise the way that bridge funds are allocated, calling for a switch to a "level of service" approach.

This is an undefined term and we are concerned that the Congress not effectively give a "blank check" to the Administration to write an allocation formula that may eventually stand on its own (as opposed to as proposed under S. 965, where overall funding for several programs, including bridge, are calculated on the basis of a modified version of current formulas). The provision does not even require public rulemaking by the Secretary before developing level of service criteria. Further, some of our departments have reviewed a USDOT paper on this topic and, if that reflects current Administration thinking, we have some concern that the Administration concept of level of service may overemphasize bridges over other highways compared to bridges over bodies of water. This may translate into a level of service formula biased toward urbanized areas.

However, the point is that we really don't know how this change would work. We urge the Congress not to enact any provision which is both so important and so undefined.

## INTERSTATE COMPLETION

Although Interstate completion will remain a significant funding component of the next highway bill, there is broad agreement that this reauthorization bill should be the last one to apportion funds for "completion" of the Interstate System. The question is how S. 965 follows the approach to Interstate completion taken in the Administration bill. S. 823 would authorize the same amount of Interstate completion apportionments as the Administration's bill, but over six rather than four years. This extended schedule would more likely match construction schedules. In addition, we believe this approach would correctly "reward" the majority of States which have already completed construction of the Interstate System by allowing them to participate in a larger portion of apportionments for programs other than Interstate completion.

Specifically, the larger the amount apportioned for Interstate completion, the smaller the amount available for other categories. A large amount apportioned to Interstate completion will leave less available to a large group of States which have already completed their Interstates. These States deserve commendation, not a penalty. Thus, the approach of S. 823 is reasonable and we recommend it to the Committee.

A possible compromise between the two approaches would be a five year schedule, which, compared to S. 965, would "reward" the efficient States which have completed their Interstates, but to a lesser degree than would S. 823.

We would also support additional modifications consistent with the goal of completing the Interstate quickly. For example, assume a State wants to let contracts for completion of the Interstate this year or next, but would not receive all of its Interstate completion apportionments until fiscal year 1994 under S. 965 (or later under S. 823). To overcome this problem, we support an amendment allowing such a State to borrow funds from the Highway Trust Fund in amounts sufficient to com-



plete the Interstate promptly. The borrowed funds would be paid back later upon receipt of out year apportionments for Interstate completion.

#### DESIGN STANDARDS

While the wording is unclear, it appears that projects undertaken under S. 965's proposed surface transportation program need be designed and constructed solely in accordance with State, rather than Federal requirements. We have seen statements indicating that other States may object to such a change. While we are amenable to less sweeping change in this area, we believe that the sponsors of S. 965 should be commended for proposing new flexibility for States in design and construction standards.

On a related point, the Committee should consider ways to allow States to modify standards for rehabilitation projects so that, for example, a road overlay could qualify for participation with Federal funds without having to subject the road to major reconstruction.

#### FEDERAL LANDS PROGRAM

We believe both bills commendably propose to increase funding for so-called Federal Lands highway programs over present law.

#### ELIMINATION OF SPENDING AUTHORITY INCENTIVE FOR EFFICIENT STATE DOTs

The obligation authority provision of S. 965 deletes a provision in present law (Section 105(f) of the Surface Transportation and Uniform Relocation Assistance Act of 1987) which rewards States which efficiently manage their programs with additional obligation (spending) authority towards the end of the fiscal year. Frankly, most of our States have been able to regularly utilize this authority. We suggest that any new legislation retain that incentive for efficient program management.

#### CONGESTION MANAGEMENT PLANS IN RURAL STATES

S. 965 would impose a number of new management plan requirements on States. Frankly, these provisions are, again, written as blank checks for USDOT, and we have no idea what will be required. However, even at this time we understand enough to object to proposals which would force rural States to spend money on the development of "congestion management plans." We suggest the Committee eliminate that requirement entirely for States without major metropolitan areas and that the Committee also provide greater guidance in the legislation as to what the other plans would require of States.

#### FUNCTIONAL RECLASSIFICATION

S. 965 asks for a functional reclassification of highways but provides no guidance to the Secretary as to what criteria to apply to any such exercise. We are very concerned that many of our important roads could be improperly reclassified and made ineligible for participation in Federal funds unless clear congressional guidance is provided to govern any such review.

#### CONCLUSION

In the very brief time we have had to prepare for today's hearing, we have tried to assemble and develop our main positions on the two bills before the Committee.

As we explained at the outset, we think S. 823 is a very good bill.

However, should S. 965 become the focus of further Committee action, we believe it should be modified. Our major concerns with that proposal are that its MPO provisions are overly intrusive, that it would abolish Federal-aid highway systems, that its funding formula should move in the direction of the distribution results obtained under S. 823, that many of its provisions should give less of a blank check to the Executive Branch in developing and administering key program provisions, and that its funding levels should be increased. We do commend the sponsors of S. 965 for recognizing the need for increased program flexibility, for not proposing a NHS, and for not drastically reducing Federal matching shares. Those are significant and sound positions.

We thank you for the opportunity to testify at this important hearing. We look forward to continuing to work with the Committee as the legislative process advances.

## PREPARED STATEMENT OF JOHN ROTHWELL

Mr. Chairman and Members of the Committee: I am John Rothwell, Director of the Montana Department of Highways which will become the Montana Department of Transportation on July 1, 1991. I am pleased to have the opportunity to testify today on highway reauthorization bills pending before the committee, particularly S. 965 and S. 823.

My native State of Montana is a vast, predominantly rural State. only 23 percent of our 800,000 people live in cities of over 50,000 population. In spite of the beauty of our "big sky" which the late A.B. Guthrie immortalized, the Montana economy depends principally on agriculture and natural resource production.

Although Montana ranks fourth in land area and tenth in miles of interstate, it ranks 44th in population. So, it is quite a task for our citizens to keep up an adequate network of roads to serve ourselves, to get our resources to market, and to serve citizens from other States who must either cross or send their goods across Montana. We recognized that completing the interstate system was an important national transportation objective. Montana went to the financial markets and placed a bond issue so that we could let our last interstate project in 1986. During the 30-year interstate era, our attention and resources were diverted to the task of finishing the interstate. As a result, Montana has a very adequate interstate system which we are maintaining in very good, serviceable condition. However, the condition of our primary system stands in stark contrast to that of our interstate. In the 1930's, the cry in Montana was "get the farmer out of the mud." During this era, a 24-foot paved roadway with timber bridges was "state-of-the-art." Today, over 1000 miles of these "Model A" roads and nearly 500 obsolete timber bridges remain in service on our primary system.

Based on the need to upgrade these roads and bridges as well as other facilities in the State, we have identified \$5 billion worth of needs through the year 2000 in our most recent needs study, a backlog of immense proportions. Because of the magnitude of the unmet needs on Montana's highway system, our assessment of any Federal highway legislation will be based on whether it meets the following objectives:

1. Increases funding for highways;
2. Preserves the roads on Montana's Federal-aid systems;
3. Maintains a balance between rural and urban areas;
4. Provides the State with greater flexibility in managing its highway program; and
5. Does not drastically increase the State's matching share.

In order to achieve these objectives, we urge your support of S. 823, the "Transportation Improvement Act" co-authored by Senator Reid and Senator Baucus, of my home State and co-sponsored by Senator Burns of our State as well as eight (8) other senators. I want to particularly commend Senator Baucus for his keen interest in and leadership on highway reauthorization, having just recently visited us in Montana along with Senator Reid to discuss these issues.

S. 823 would preserve the State's Federal-aid systems, which is important to Montana. Its provisions for the transfer of funds will provide Montana with the flexibility needed to customize our program so that the highway needs of the State can be addressed most effectively. While these needs are of a rural nature in Montana, the same flexibility can be focused towards urban transportation problems in other States.

The provision in the Reid/Baucus bill that rewards States for spending more of their own money on highways is well-conceived. We feel this approach is more appropriate than efforts to leverage more State funds by reducing the Federal share for highway construction.

Montana would suffer by any drastic increase in State match. Increasing State match will remove funds from our State-funded construction program where 100 percent State money efficiently accomplishes highway improvements often not eligible for Federal aid. Montana already has one of the highest per capita expenditures for transportation infrastructure in the country—\$380 per citizen; and, our ability to generate more to meet an increased match requirement is severely limited. For example, raising the motor fuel tax by one cent in Montana will only raise \$5 million, while the same increase in Wisconsin's motor fuel tax would raise \$25 million.

In reference to the administration's bill, we vigorously oppose provisions that mandate a Federal "super-system" which concentrates Federal funding onto a relatively small national highway system. In Montana, under the NHS, about 80 percent of the Federal highway funds would be directed to about 2,900 miles, just 25 percent of our existing Federal-aid system. From what we have seen, some States would have NHS routes only a few miles apart. On the other hand, Montana would

be left with one area of about 38,000 square miles without any NHS routes. To leave an area the size of Virginia with no national highway system service, is clearly, not acceptable.

The other proposal before this committee is Senator Moynihan's bill, S. 965. We have had this bill for a brief time and our preliminary review indicates that it is preferable to the administration's bill.

We heartily applaud the provisions in S. 965 that give greater flexibility to the States in managing their programs. We are also relieved that this bill would not mandate a "super-system" such as the NHS. However, we would appreciate some assurances that the functional reclassification required by section 124 will not result in such a system by legislative fiat. We oppose giving the executive branch a free hand to functionally reclassify America's highways.

We feel the funding levels of S. 965 are too low, especially since less would be available for highways. Too much money is taken "off the top" in this bill for special programs and peripheral activities such as the magnetic levitation design program, congestion mitigation and air quality improvement, and numerous transportation enhancements.

We also strongly oppose the excessive share of resources that would be directed toward large cities in S. 965. Since we do not have "gridlock problems," the needs in our urban areas do not resemble those which exist in America's biggest cities. By mandating fund distribution on a "dollars per citizen" basis, Montana's three urbanized areas would get roughly two and a half times the average spent in those areas over the last decade. We hold that Montana's greatest need is to maintain and improve highways across rural areas, highways to connect our cities to each other and the rest of America. This provision will hinder that mission and we would prefer to see it deleted from any final legislation. At a minimum, before it is advanced, it should be amended so that it would not apply to States like ours whose cities are simply not large.

Because of Montana's vast distances and widely dispersed population, our, biggest challenge is to provide basic, two-lane, paved highways to serve our rural population and agricultural economy. While Montana is an agricultural exporter, our products contribute to the Nation's economy by generating profits for the processor and feeding the urban consumer. Some improvements are also needed to assist tourism, a goal that would be furthered by the thoughtful provisions developed by senator burns which are included in S. 823.

We are acutely aware, as I am sure your committee and committee staff are, that transportation needs vary widely among the 50 States. Your committee faces a daunting task in attempting to balance these differences in a manner that best serves all of the transportation needs of this diverse Nation, but which also serves the national interest.

In my testimony today (and in the joint testimony which we have separately submitted with other States) I have tried to constructively explain why we favor S. 823 and why we believe several aspects of S. 965 need considerable improvement before we could accept that bill.

This concludes my testimony, Mr. Chairman. We appreciate the opportunity to testify today.

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#### PREPARED STATEMENT OF GARTH F. DULL

There are several propositions that I believe are critical to continuing a transportation program that will serve the Nation as well in the future as it has in the past:

1. The current program has been extraordinarily successful. We have created the greatest transportation system in the world. To radically change such a program without compelling reasons would be foolish.

2. The highway program has not been simply a Federal grant program. It's been a team effort through which the separate objectives of the individual States have been met, while at the same time, the Nation's needs have been served.

3. The current Federal-aid Highway System is a national highway system. It consists of approximately 850,000 miles, including the 44,000 miles of the Interstate system. The nation would be ill-served by a narrowing of that perspective now!

4. Keeping the existing highway system in good condition is essential for the functioning of the Nation's economy and is not beyond our means. We should not only protect our investment but augment it as necessary, and finally:

The money being collected by the Federal Government for highways is not being spent for that purpose. The Highway Trust Fund continues to grow! The Federal 5 cent gas tax increase imposed last December is the most recent example of user fees

being used for other than transportation purposes, yet States and local entities have been forced to increase taxes to keep up with pressing demand.

In short, fuel tax revenues should be spent for transportation and the H.T.F. should be spent down.

I think the Transportation Improvement Act of 1991 (S. 823 introduced by Senator Reid, Baucus, etc.) will provide the kind of transportation program the Nation needs.

1. It builds on the success of the current program by maintaining the basic structure and providing an allocation among categories that will guarantee a balanced transportation system.

2. It provides, within the basic structure, for increased flexibility so that spending can be tailored to fit State and local circumstances.

3. It maintains the current apportionment formulas and introduces several factors to adjust apportionments:

It recognizes the States' efforts in per capita spending for transportation.

The adjustment for weather extremes accounts for the well established impact that such conditions have on highways.

The low density population factor pattered solar to the administration proposal provides a funding distribution adjustment for the shortfall that results from great disparities in distances and population.

We feel these factors make sense and provide for a more equitable overall distribution of funds.

Additionally, S. 823 does not change State matching share requirements. The argument that higher matching shares will leverage more State dollars simply makes no sense. States shoulder most of the funding burden now. Higher matching ratios will only distort State and local priorities, and may even cause States to forego Federal funding in some cases.

S. 823 proposes funding at levels that make sense relative to need. It puts the "trust" back into the H.T.F.

For these reasons, I think S. 823 provides an excellent basis for reauthorization of the Federal-aid Highway Program.

By contrast, the Administration's proposal, as well as S. 965, radically restructures the program with some consequences that cannot be known and is adverse with the certainty that there will be many other unpredictable results.

Both limit the Federal Government financing responsibility at a time when it should be expanding it. It appears to be the first step towards simply turning back funding of most of the Federal-aid System to the States and local entities.

While we can commend the Administration for highlighting the need for an increased transportation investment and for many of the individual features of its proposal, the basic structure is seriously flawed. It does not continue the elements that have been the basis for the programs success.

While I have serious doubts as to the wisdom of shifting from our present program structure to the over simplified structure of the Administration's proposed highway system of national significance and an urban/rural block grant, I am quite sure that the unstructured approach of S. 965 is not in the National interest. *Over the past seventy some years we have developed, through trial and error, our present highway structure.* To dismantle it now would cause our transportation program to grind to a halt, would result in great harm to our economy and disrupt our efforts at becoming more competitive in the world market place.

I firmly believe that the National highway program must retain the basic structure that has evolved. The Federal-aid primary, secondary and urban programs represent the minimum program structure that we need at the Federal level.

And that program must be funded at a level that meets the National interest in those systems. The major problem that we have had with the Federal program is its under funding.

Studies by a number of experts have shown that our Interstate systems need some \$5-6 billion per year spent in pavement rehab, bridge repair and resurfacing. S. 965 would only provide some \$2.53 billion in fiscal year 1992 rising to \$3.25 billion in fiscal year 1996—clearly an inadequate amount if we are to keep this portion of our highway system open to traffic in future years. *Overall, S. 965 does not fund the highway program at a level necessary to protect the Nation's highway system.*

While I am on the subject of Interstate rehabilitation needs, I would note that S. 965 would prohibit use of the Interstate maintenance funds for lane and interchange additions. These projects are needed in areas where the original construction took place 25-30 years ago. They should be part of keeping the Interstate system up-to date and serving our nation's economy. Many areas of this country have grown

over the past 35 years and few more so than Nevada and they need additional lanes and interchanges.

I am also concerned that the planning and programming restrictions of S. 965 do not fit the situation in all States. In Nevada, our two urban areas have almost 83 percent of the State's entire population and they are nonattainment areas. As we read S. 965, we would have the impossible situation of some \$50 million of the State's \$98.5 million in fiscal year 1992 Federal funds going to less than 2 percent of the land area of the State—and whose plans and programs the State could not change or modify. The dimensions of the problem have become more clear when we remove the Interstate Maintenance funds of some \$22 million. Nevada would be left to try to deal with 98 percent of the State with only \$26 million in Federal funds. How can we have a *National Transportation Program* under these restrictions? Simply put—S. 965 promoted under the guise of flexibility and efficiency has neither the focus or structure to preserve our transportation system at either the State or national level.

This is a long list of objections. It is not meant to suggest that the Administration's proposal or S. 965 has not received a lot of thought and hard work by capable people. What it does suggest is that it is risky to fool with a winner. The highway program is a proven winner and its future success will be assured if its basic elements are not discarded but are adjusted to meet current conditions as is proposed in S. 823, the National Transportation Improvement Act of 1991.

Thank you for your time. I would be happy to answer any questions you may have.

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#### PREPARED STATEMENT OF DUANE BERENTSON

Mr. Chairman, members of the committee, I am Duane Berentson, Secretary of Transportation, Washington State. Thank you for having us here today.

My agency has responsibility for highways, aeronautics, some public transportation functions and the Nation's most extensive ferry system which serves as both an HOV system and a commuter public transportation system. We carry about as many people on our ferry system each year as AMTRAC handles nationally.

My purpose today, like that of my colleagues, is to encourage the Committee to move swiftly, but wisely, in reporting out a surface transportation funding measure which meets the needs of the states.

My state has a substantial portion of Inter-state 90 to complete and we have completion elements on I-405 and I-705 before us. Much of the I-405 work will be High Occupancy Vehicle lanes and the work on I-90 will finish some transit only facilities.

We are pleased that both S. 965 and S. 823 provide adequate funding to complete the interstate system. We are also pleased with the way S. 823 proposes to preserve the advanced construction provisions that could allow us to move faster than some other states in completion. I know that the state of Hawaii also has concerns about being "held back" by six year funding of Interstate Completion in S. 823 but with advanced construction techniques, I believe we are protected.

Next, I would like to commend the categorical program recognition contained in S. 823. I've been in office for ten years as of this week. From that experience I would urge the Congress to retain the definition of categorical programs on a broad scale and avoid the temptations of un-focused block grants.

I am convinced that the Federal aid program for surface transportation must have substantial amounts of flexibility for transfers between categories—and in my state that will include using highway funds for transit improvements such as HOV's, flyover ramps and park and ride facilities.

Our state constitution contains a restriction on the use of motor fuel taxes. We must use gas tax revenues for "highway purposes". That does not prohibit us from building HOV's which benefit transit as well as private multiple occupant vehicles. We seek that same flexibility as we see in S. 823.

Bridges are an integral component of our surface transportation system. Bridge deficiencies around the Nation are often viewed thru different colored lenses.

I would hope that a future bridge program would include a discretionary program in addition to allocations made by formula. That will provide for structural integrity of bridges throughout the Nation—not limit funds to states who may have done little over the past few years to address their bridge problems.

My state is a little different from some of the others you're hearing from today. We do have a very substantial urban flavor.

King County (Seattle) Washington is the 13th most populace county in the Nation. We have two very large seaports in Tacoma and Seattle. We are to a great extent the gateway to the Pacific Rim. We are mid-way between Europe and Asia. International commerce is a substantial part of the economic engine that drives the Pacific Northwest. But no one should lose sight of the fact that many of the gears that are turned by that engine are connected by highways to Texas and Minnesota and the northeast.

Those highways travel thru many other states, thus, our Pacific Northwest economy is dependent on preserving those links. I cannot support any Federal surface transportation program that fails to recognize the importance of those links.

Mr. Chairman, the Administration brought forward a bill in S. 610 which contained many good ideas and has prompted much needed debate. We commend Secretary Skinner and the White House for that.

The leadership of this committee have crafted a proposal of their own which furthers that debate, and you are to be commended.

To me, at least, S. 610 and S. 965 seem to represent the polls of the spectrum as we look at surface transportation in this nation. Both contain admirable features.

I believe that S. 823 presents some middle ground that deserves to be highly regarded. From my own eighteen years in the Washington State Legislature, I am quite aware that middle ground normally represents consensus. I feel that is the case today and I hope some of the desirable provisions in S. 610 (like the bridge program component) and S. 965 (such as the high speed rail prototype) could be added to S. 823 to reflect a very broad consensus.

Mr. Chairman, thank you very sincerely for the opportunity to discuss our views with you today. Now, I would be pleased to respond to any questions.

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#### PREPARED STATEMENT OF JACK RENTSCHLER

Mr. Chairman, members of the committee, as a truck stop operator and a member of South Dakota's House of Representatives I am proud to offer testimony on behalf of the National Association of Truck Stop Operators as you consider the reauthorization of the Federal aid highway programs. My testimony today also has the support of the Petroleum Marketers Association of America, the Society of Independent Gasoline Marketers of America and the National Association of Convenience Stores.

The National Association of Truck Stop Operators (NATSO) is the only trade association representing the truck stop and travel plaza industry. Our membership accounts for the vast majority of full service truck stops and travel plazas located in the United States. NATSO members are credited with pumping approximately two-thirds of the diesel fuel sold at retail in the United States each year, and a significant amount of the gasoline sold to Interstate motorists.

Although a few NATSO member facilities are owned by larger corporations, most are owned and operated by small businessmen and women. NATSO member facilities exist almost exclusively at the Interstate interchanges, serving not only the commercial driver, but also the general motoring public.

I am here today to bring to your attention a provision within the Administration's proposed Surface Transportation Assistance Act which up until this time may have been considered useful or at least harmless by some in Congress and the Administration. I am referring to that provision which for the first time would allow the establishment of commercial facilities on the rights-of-way of the non-toll portions of the Interstate system, Section 306 of S. 610, amending Section 111 of Title 23, United States Code. I realize that the provision has not been included in either Senator Moynihan's or Senator Reid's bills, and my purpose here today is to inform the Committee why that should remain the case.

In the mid 1950's, at the height of the Congressional debate on the establishment of the Federal Interstate system, a number of forward thinking Members of Congress, and ultimately the majority of Congress, recognized two important factors needed for an effective system. The first was controlled and limited access, and the second was healthy competition among those who would provide the goods and services to the Interstate traveler. Controlled and limited access was achieved and free enterprise was fostered by writing into the law a prohibition on the establishment of commercial activities between the interchanges on the land referred to as the rights-of-way.

Congress recognized that allowing commercial facilities to be developed on the rights-of-way could inhibit the desired goal of controlled and limited access. It further recognized the greater likelihood of monopolies being created if the facilities providing goods and services to the motoring public were located on government

owned or controlled land as opposed to privately owned land at the interchanges. That recognition was based in large part on the experience' of what had already taken place on the major toll roads of the Northeast. Congress acted clearly and decisively to prevent the Interstate system from being burdened by monopoly operations and excessive ingress and egress problems. Public policy prohibiting commercialization on the rights-of-way was established, and this policy has served the public well for 35 years.

Today, however, there is an effort underway to reverse this policy. A coalition of State transportation officials and at least one major corporation were successful in convincing the Administration to include language in the President's proposed surface transportation bill which would allow commercial activities on the Interstate rights-of-way. NATSO opposes this proposal and believes the Congress should as well. As a State official I can tell you that simply because a group of State transportation officials sees merit in a proposal does not mean that their State governments or the people do also.

Though probably well intended, this seemingly insignificant proposal will have devastating effects on small businesses and rural communities across the Nation. Those who wish to change current law site three primary reasons for doing so: 1) relief to the States of the cost of operating and maintaining Interstate rest areas; 2) new revenue for State departments of transportation through leasing agreements for facilities to be developed on the public rights-of-way, and; 3) development of facilities in those areas where there currently are none.

Each of these arguments may sound worthwhile, which is probably why the proposal was included in the Administration's bill. None of them, however, holds up to careful scrutiny.

The first argument, that of "privatizing" the operation and maintenance of State owned Interstate rest areas, sounds wonderful. If there are private enterprises which would like to assume the costs of operating these facilities, they should have the opportunity to do so. In fact, the current Federal law does not prohibit this. The problem is that no business is going to assume the costs for an operation which provides no revenue. Rest areas do not generate revenue. They were never intended to, and if the State departments of transportation decide that in their current form rest areas are obsolete, then the most effective way to eliminate the operating and maintenance costs may be to close them. NATSO does not at this time suggest that this should be done. Noncommercial rest areas continue to serve that portion of the public which desires to make their Interstate stops in a non-commercial setting.

The proposal to turn the operations of Interstate rest areas over to private enterprise would only be possible, therefore, if the Federal ban on commercial activities were to be lifted. Commercial activities would provide the means for generating the revenue to cover the costs and presumably provide a profit. It is that potential for profit which we believe has led the State highway departments to view this proposal as a source of new revenue—their second argument. What they have failed to remember is that State and local governments currently derive a significant amount of revenue from those businesses located at the interchanges. It would appear that the State transportation departments believe that all at once, new commercial facilities could be developed on the rights-of-way, that those facilities would be profitable to the company operating them, that the States would take a cut off the top under the leasing agreement and then a share of the revenue through the various taxes charged, and in addition, the State and local governments would continue to receive the tax revenue currently generated by the small businesses at the interchanges.

Well it will not happen. It cannot happen. If the current ban on commercialization were to be lifted, not one more gallon of motor fuel would be sold. Not one more meal would be served. No additional automotive repairs would be made. Goods and services would simply be offered at new locations. The proximity of these new locations to the motorists would most likely cause the facilities at the interchanges to lose business and eventually close. The States may realize revenue from a new source, but they will most definitely lose it from an old one. And certainly, the economic impact on the States as a result of the loss of jobs must also be considered.

That reality is the most disturbing aspect of the Administration's proposal. When the Interstate system was established there was no well developed industry to meet the demands of the Interstate traveler. One might even argue that the Congress gambled in prohibiting commercial activities on the rights-of-way. The decision, however, paid off. Your predecessors in Congress encouraged private enterprise to meet the demands of the Interstate traveler for goods and services. Small businessmen and women, such as me, have risen to the occasion by collectively investing billions of dollars in the numerous facilities you find at almost every Interstate

interchange today. In fact the only places where you do not find well developed interchanges are on the toll roads where State toll authority supported monopolies exist, and in those areas where traffic volume is not sufficient to support a business.

To propose now that State governments be allowed to sponsor large corporations in unfair competition with small business flies in the face of the American system of free enterprise. Michael J. Boskin, Chairman of the President's Council of Economic Advisors, stated in comments relating to the 1991 Economic Report of the President that the "government's role in the economy should be limited, and where government is involved, it should be done in a cost-effective and target-effective way, relying as much as possible on market and market-type mechanisms." NATSO believes that the type of government intervention being proposed in this case is neither cost-effective nor target-effective. I am truly surprised and disappointed that this Administration would offer such a proposal, and I do not want to believe that the Congress will go along with it.

The third and final argument that the proponents for a revised commercialization policy make is that of providing services where there currently are none. This a curious argument to those of us in the truck stop and travel plaza industry. We pay very close attention to changes in traffic volume along the various portions of the Interstate system. We do so first to ensure the efficiency of our current facilities, and secondly to be prepared to open new facilities should demand in a given area increase so as to make such a move prudent. Mr. Chairman, I can promise you and this committee that if there is a sufficient demand for goods and services at any location along the Interstate system, private businesses will supply those goods and services without any change in current Federal law just as they have for the past thirty-five years.

Just last month, during a presentation to a group of NATSO members, an official of the Federal Highway Administration indicated that he had been on plenty of stretches of Interstate where he wished there had been greater facilities for the traveler. He was asked where those locations were. It turns out he is a former official with a southwestern State Department of Public Safety and the locations he had in mind were in the middle of the desert, miles from any population center. My point is that the Congress could lift the commercialization ban, and not one facility would be built by big business or small business in an area that cannot support it. All the incentives you could imagine are not going to entice a business to build a facility in the middle of the desert, or anywhere for that matter, where traffic volume is light and where an employment base and community services do not exist. The new right-of-way facilities would be located, therefore, in areas where motorist demand is currently being met by interchange facilities. The right-of-way facility would simply rely upon its superior location to "steal" the business away from the interchanges.

I have attempted to show this committee that a change in the current Federal law will serve only the best interest of those large corporations which, for whatever reason, choose not to invest at the interchanges, but instead put their resources into lobbying efforts designed to change an effective policy. The States will not receive any financial advantage, and the Interstate traveler will not be better served. In fact, anyone who has ever visited one of the big business monopoly facilities on a toll road would probably argue that the travelers would be worse off. Lacking the healthy competition which currently exists at the interchanges, prices at the right-of-way facilities would be higher and service would suffer. Small businesses also would suffer. Small businesses located at the Interstate interchanges could not compete with the State sponsored monopoly facilities located on the more convenient public rights-of-way.

As you consider the consequences of the proposal to change the policy on commercialization, I ask you to consider more than simply the impact on businessmen like me. Beyond the services they provide to the Interstate traveler, businesses at the interchanges like mine serve another important role. There are rural communities across the country which depend upon the commerce at the Interstate interchanges. Many of those communities exist because of that commerce, and many of them would suffer dramatically if the businesses did not survive. It is often the case that the truck stop or travel plaza at the interchange is the largest employer in town. Close the truck stop and the town folds. It will happen time and time again if Congress changes the law as is being requested.

There is one final point I would like to make, and it is in response to the statements I have heard Administration officials and various Congressional staff make. I have been told that the proposed change in the law is not one which would mandate that the States develop new right-of-way facilities. Rather, it simply would provide the States the option, or as the Administration is fond of saying, the flexibility to do



so. I have thought about that, again as a State official and also as one who has some Federalist tendencies. What I cannot forget, however, and I ask you not to forget, is that the Interstate system is a Federal asset. It has been built and will be maintained primarily by Federal funds. It is a system which was established for national defense purposes and it is a system vital to the interstate commerce of this country. The Federal Government—the Congress and the Administration—is the only government which should determine how the Interstate system will be utilized and maintained.

Section 111 of Title 23, U.S.C. is good public policy. It is as appropriate and effective today as it was 35 years ago. When it ceases to serve the public interest is when it should be repealed or altered. Until that time, it should be left alone.

102D CONGRESS  
1ST SESSION

# S. 823

To authorize funds for improvement of highways to further the international competitiveness of the United States, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

APRIL 16 (legislative day, APRIL 9), 1991

Mr. REID (for himself, Mr. BAUCUS, Mr. BURNS, Mr. BRYAN, Mr. DASCHLE, Mr. PRESSLER, Mr. GORTON, Mr. HATCH, Mr. CONRAD, Mr. STEVENS, and Mr. MURKOWSKI) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

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## A BILL

To authorize funds for improvement of highways to further the international competitiveness of the United States, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Transportation Im-  
5 provement Act of 1991".

6 **SEC. 2. CONGRESSIONAL FINDINGS.**

7 Section 101 is amended by adding a new subsection  
8 (f), to read as follows:

9 "(f) The Congress hereby finds and declares that—

## 2

1           “(1) investments in the Nation’s highway sys-  
2           tem contribute to the international competitiveness  
3           of the United States;

4           “(2) the annual income of the Highway Account  
5           of Highway Trust Fund (including both current re-  
6           ceipts and interest on the balance of that Account)  
7           and the balance in that Account provide sufficient  
8           fiscal resources to support a significant increase in  
9           annual Federal investment in our Nation’s highway  
10          system;

11          “(3) State and local governments already con-  
12          tribute the vast majority of all government funds  
13          spent in the United States on construction and  
14          maintenance of highways, are not presently finan-  
15          cially able to increase their contribution towards the  
16          non-Federal share of federally assisted highway  
17          projects and, given the strong Federal interest in  
18          roads on Federal-aid highway systems, should not be  
19          asked to do so;

20          “(4) providing States with added flexibility to  
21          transfer Federal-aid highway funds from one high-  
22          way category to another, or to transit programs, will  
23          enable individual States to respond more effectively  
24          to transport needs within their boundaries while  
25          maintaining a basic categorical structure for distri-

## 3

1       bution of Federal-aid highway funds which ensures  
2       that the needs of all areas of the Nation, both rural  
3       and metropolitan, are addressed;

4           “(5) increased levels of Federal investment are  
5       required just to preserve the Federal government’s  
6       past investment in Federal-aid highways;

7           “(6) the program for distribution of highway  
8       funds should not encourage fuel consumption, as in-  
9       creased fuel consumption would increase our Na-  
10      tion’s trade deficit and its air pollution; and

11          “(7) legislation for Federal-aid highways for fis-  
12      cal years 1992 and beyond, by providing for in-  
13      creased funding and greater State flexibility to use  
14      funds in the most effective manner possible, will fur-  
15      ther economic growth and enhance the international  
16      competitiveness of the United States.”.

17 **SEC. 3. REFERENCES.**

18      (a) Except as noted otherwise, title and section refer-  
19      ences herein are to sections of title 23, United States  
20      Code.

21      (b) For purposes of this Act, the term “Secretary”  
22      refers to the Secretary of Transportation.

1 TITLE I—COMPLETION OF INTERSTATE SYS-  
 2 TEM AND INTERSTATE SUBSTITUTE HIGH-  
 3 WAY PROJECTS

4 **SEC. 101. APPROVAL OF INTERSTATE COST ESTIMATE.**

5 Section 104(b)(5)(A) is amended by striking “within  
 6 10 days subsequent to January 2, 1991.” and the sentence  
 7 which follows and inserting in lieu thereof the following:  
 8 “on or before February 4, 1991. Such estimate forwarded  
 9 to the Congress by the Secretary of Transportation on  
 10 February 4, 1991 is hereby approved and the Secretary  
 11 shall apportion for fiscal years 1993 through 1998 the  
 12 sums authorized to be appropriated for such years by sec-  
 13 tion 108(b) of the Federal-Aid Highway Act of 1956 for  
 14 expenditure on the National System of Interstate and De-  
 15 fense Highways, using the apportionment factors con-  
 16 tained in table 5 of that approved estimate.”.

17 **SEC. 102. AUTHORIZATIONS FOR INTERSTATE SYSTEM**  
 18 **COMPLETION.**

19 The first sentence of section 108(b) of the Federal-  
 20 Aid Highway Act of 1956 is amended—

21 (1) by striking “and” after “September 30,  
 22 1992,”; and

23 (2) by striking the period at the end of such  
 24 sentence and inserting in lieu thereof the following:  
 25 “, and the additional sum of \$1,196,400,000 for

1 each of the fiscal years 1994, 1995, 1996, 1997, and  
2 1998.”.

3 **SEC. 103. ENCOURAGEMENT OF PROMPT COMPLETION OF**  
4 **INTERSTATE SYSTEM.**

5 Section 104 is amended by adding a new subsection  
6 (i) to read as follows:

7 “(i) Notwithstanding any other provision of this title,  
8 a State which has not completed construction of that por-  
9 tion of the National System of Interstate and Defense  
10 Highways which lies within its borders by the end of fiscal  
11 year 1995 shall not be eligible, effective at the beginning  
12 of fiscal year 1996, to receive or apply for any funds under  
13 this title which are distributed at the discretion of the Sec-  
14 retary until such time as the Secretary agrees that the  
15 State has completed construction of such highways within  
16 its borders. This subsection shall not apply to a State  
17 which, subsequent to January 1, 1990, experienced a nat-  
18 ural disaster which has delayed completion of construction  
19 of that portion of the National System of Interstate and  
20 Defense Highways which lies within its borders.”.

21 **SEC. 104. CONFORMING CHANGES.**

22 (a) Section 101(b) is amended—

23 (1) by striking “thirty-seven years” and insert-  
24 ing in lieu thereof “forty-two years”; and

## 6

1           (2) by striking "1993" and inserting in lieu  
2 thereof "1998".

3           (b) Section 118(c)(1) is amended by inserting  
4 "through fiscal year 1992" after "a fiscal year beginning  
5 after September 30, 1983".

6           (c) Section 104(b)(5)(A) is amended by inserting  
7 "through and including fiscal year 1992" in the last sen-  
8 tence thereof after "for any fiscal year".

9           (d) Section 102(e) of the Surface Transportation and  
10 Uniform Relocation Assistance Act of 1987 is amended  
11 by striking "For any fiscal year beginning after September  
12 30, 1987" and inserting in lieu thereof: "For each of the  
13 fiscal years 1988 through 1993".

14 **SEC. 105. FUNDING AND APPROVAL OF COST ESTIMATE**  
15 **FOR INTERSTATE SUBSTITUTE HIGHWAY**  
16 **PROJECTS.**

17           (a) Section 103(e)(4)(H) is amended by adding a new  
18 subparagraph (iv) to read as follows:

19           "(iv) The sums to be apportioned for fiscal  
20 years 1992 through 1995 under this paragraph for  
21 expenditure on substitute highway projects shall be  
22 apportioned using the apportionment factors con-  
23 tained in table number 4 of the report forwarded to  
24 the Congress by the Department of Transportation  
25 by letter dated September 25, 1990."

1 (b) Section 103(e)(4)(G) is amended by striking the  
2 period at the end thereof and inserting in lieu thereof the  
3 following: “, and \$240,000,000 per fiscal year for each  
4 of fiscal years 1992, 1993, 1994 and 1995.”.

## 5 TITLE II—OBLIGATION AUTHORITY

### 6 SEC. 201. OBLIGATION AUTHORITY.

7 A new section 104A is added to title 23 to read as  
8 follows:

#### 9 “SEC. 104A. OBLIGATION AUTHORITY.

10 “(a) GENERAL LIMITATION.—Notwithstanding any  
11 other provision of law (other than subsections (b) and (f)  
12 of this section), the total of all obligations for Federal-  
13 aid highways and highway safety construction programs  
14 shall not exceed \$18,000,000,000 for fiscal year 1992,  
15 \$18,250,000,000 for fiscal year 1993, \$18,500,000,000  
16 for fiscal year 1994, \$19,000,000,000 for fiscal year 1995,  
17 \$19,500,000,000 for fiscal year 1996.

18 “(b) EXCEPTIONS.—The limitations under subsection  
19 (a) shall not apply to any obligation under—

20 “(1) section 118(b)(3), 125, 144(g)(1)(B), 157,  
21 159, or 320;

22 “(2) section 147 of the Surface Transportation  
23 Assistance Act of 1978;

24 “(3) section 9 of the Federal-Aid Highway Act  
25 of 1981;



1           “(4) section 131(b) or 131(j) of the Surface  
2           Transportation Assistance Act of 1982;

3           “(5) section 118 of the National Visitor Center  
4           Facilities Act of 1968;

5           “(6) section 404 of the Surface Transportation  
6           Assistance Act of 1982; or

7           “(7) section 149(b) or 149(c) of the Surface  
8           Transportation and Uniform Relocation Assistance  
9           Act of 1987.

10          “(c) DISTRIBUTION OF OBLIGATION AUTHORITY.—

11 For each of the fiscal years 1992 through 1996, the Secre-  
12 tary shall distribute the limitation imposed by subsection  
13 (a) by allocation in the ratio which sums authorized to  
14 be appropriated for Federal-aid highways and highway  
15 safety construction which are apportioned or allocated to  
16 each State for such fiscal year bears to the total of the  
17 sums authorized to be appropriated for Federal-aid high-  
18 ways and highway safety construction which are appor-  
19 tioned or allocated to all the States for such fiscal year.

20          “(d) LIMITATION ON OBLIGATION AUTHORITY.—

21 During the period October 1 through December 31 of each  
22 of fiscal years 1992 through 1996, no State shall obligate  
23 more than 35 percent of the amount distributed to such  
24 State under subsection (c) for such fiscal year, and the  
25 total of all State obligations during such period shall not

1 exceed 25 percent of the total amount distributed to all  
2 States under such subsection for such fiscal year.

3 “(e) REDISTRIBUTION OF UNUSED OBLIGATION AU-  
4 THORITY.—Notwithstanding subsections (c) and (d), the  
5 Secretary shall—

6 “(1) provide all States with authority sufficient  
7 to prevent lapses of sums authorized to be appropri-  
8 ated for Federal-aid highways and highway safety  
9 construction which have been appropriated or allo-  
10 cated to a State;

11 “(2) after August 1 of each of fiscal years 1992  
12 through 1996, revise a distribution of the funds  
13 made available under subsection (e) for such fiscal  
14 year if a State will not obligate the amount distrib-  
15 uted during such fiscal year and redistribute suffi-  
16 cient amounts to those States able to obligate  
17 amounts in addition to those previously distributed  
18 during such fiscal year giving priority to those  
19 States having unobligated balances of funds appor-  
20 tioned under section 104 which are relatively large  
21 when compared to funds apportioned to them during  
22 such fiscal year; and

23 “(3) not distribute amounts authorized for ad-  
24 ministrative expenses and studies, Federal lands

1 highways programs, and the strategic highway re-  
2 search program.

3 “(f) ADDITIONAL OBLIGATION AUTHORITY.—

4 “(1) IN GENERAL.—Subject to paragraph (2), a  
5 State which after August 1 and on or before Sep-  
6 tember 30 of fiscal year 1992, 1993, 1994, 1995, or  
7 1996, obligates the amount distributed to such State  
8 in such fiscal year under subsections (c) and (e) may  
9 obligate for Federal-aid highways and highway safe-  
10 ty construction on or before September 30 of such  
11 fiscal year an additional amount not to exceed 5 per-  
12 cent of the aggregate amount of funds apportioned  
13 or allocated to such State—

14 “(A) under sections 104, 130, 144, and  
15 152, and

16 “(B) for highway assistance projects under  
17 section 103(e)(4), which are not obligated on  
18 the date such State completes obligation of the  
19 amount so distributed.

20 “(2) LIMITATION ON ADDITIONAL OBLIGATION  
21 AUTHORITY.—During the period August 2 through  
22 September 30 of each of fiscal years 1992 through  
23 1996, the aggregate amount which may be obligated  
24 by all States pursuant to paragraph (1) shall not ex-

1       ceed 2.5 percent of the aggregate amount of funds  
2       apportioned or allocated to all States—

3               “(A) under sections 104, 130, 144, and  
4               152, and

5               “(B) for highway assistance projects under  
6               section 103(e)(4), which would not be obligated  
7               in such fiscal year if the total amount of  
8               obligational authority provided by subsection  
9               (a) for such fiscal year were utilized.

10              “(3) LIMITATION ON APPLICABILITY.—Para-  
11              graph (1) shall not apply in fiscal year to any State  
12              which on or after August 1 of that fiscal year has  
13              the amount distributed to such State under subsec-  
14              tion (c) for such fiscal year reduced under subsec-  
15              tion (e)(2).”.

16       **TITLE III—AUTHORIZATION OF APPROPRIA-**  
17       **TIONS OUT OF THE HIGHWAY TRUST FUND**

18       **SEC. 301. AUTHORIZATION OF APPROPRIATIONS FOR CATE-**  
19       **GORICAL PROGRAMS.**

20              (a) There are hereby authorized to be appropriated  
21              out of the Highway Trust Fund (other than the Mass  
22              Transit Account) the sums set forth in subsections (b) and  
23              (c) of this section.

24              (b) \$14,389,000,000 for fiscal year 1992,  
25              \$14,788,600,000 for fiscal year 1993, \$15,022,100,000

1 for fiscal year 1994, \$15,513,100,000 for fiscal year 1995,  
2 and \$16,004,100,000 for fiscal year 1996, to be divided  
3 as follows:

4 (1) INTERSTATE 4R PROGRAM.—35 percent for  
5 resurfacing, restoring, rehabilitating, and recon-  
6 structing the National System of Interstate and De-  
7 fense Highways.

8 (2) FEDERAL-AID PRIMARY SYSTEM.—29.0 per-  
9 cent for the Federal-aid primary system.

10 (3) FEDERAL-AID SECONDARY SYSTEM.—6.5  
11 percent for the Federal-aid secondary system.

12 (4) FEDERAL-AID URBAN SYSTEM.—9.0 percent  
13 for the Federal-aid urban system.

14 (5) BRIDGE REPLACEMENT AND REHABILITA-  
15 TION.—17.5 percent for bridge replacement and re-  
16 habilitation under section 144.

17 (6) ELIMINATION OF HAZARDS.—1.6 percent  
18 for projects for elimination of hazards under section  
19 152.

20 (7) RAILROAD-HIGHWAY CROSSINGS.—1.4 per-  
21 cent for carrying out projects for the elimination of  
22 railroad-highway crossing on any public road.

23 (c) OTHER PROGRAMS.—

24 (1) FOREST HIGHWAYS.—For forest highways,  
25 \$200,000,000 for fiscal year 1992, \$210,000,000 for

1 fiscal year 1993, \$220,000,000 for fiscal year 1994,  
2 \$230,000,000 for fiscal year 1995 and  
3 \$240,000,000 for fiscal year 1996.

4 (2) PUBLIC LANDS HIGHWAYS.—For public  
5 lands highways, \$60,000,000 for fiscal year 1992,  
6 \$66,000,000 for fiscal year 1993, \$73,000,000 for  
7 fiscal year 1994 \$80,000,000 for fiscal year 1995,  
8 and \$88,000,000 for fiscal year 1996.

9 (3) PARKWAYS AND PARK HIGHWAYS.—For  
10 parkways and park highways, \$105,000,000 for fis-  
11 cal year 1992, \$115,000,000 for fiscal year 1993,  
12 \$126,000,000 for fiscal year 1994, \$138,000,000 for  
13 fiscal year 1995, and \$152,000,000 for fiscal year  
14 1996.

15 (4) INDIAN RESERVATION ROADS.—For Indian  
16 reservation roads, \$118,000,000 for fiscal year  
17 1992, \$121,000,000 for fiscal year 1993,  
18 \$126,000,000 for fiscal year 1994, \$138,000,000 for  
19 fiscal year 1995, and \$152,000,000 for fiscal year  
20 1996.

21 (5) ACCESS HIGHWAYS TO CERTAIN PUBLIC  
22 RECREATION AREAS.—For access highways to public  
23 recreation areas on certain laked under section 155,  
24 \$15,000,000 for each of the fiscal years 1992  
25 through 1996.

## 14

1           (6) FHWA HIGHWAY SAFETY PROGRAMS.—For  
2 carrying out section 402 by the Federal Highway  
3 Administration, \$10,000,000 for each of the fiscal  
4 years 1992 through 1996.

5           (7) FHWA RESEARCH.—For planning, research  
6 and to support demonstration and research projects  
7 on new technologies, including Intelligent Vehicle  
8 Highway System, new pavement mixes, new signing  
9 and marking technologies and other projects of  
10 broad interest, \$350,000,000 for each of fiscal years  
11 1992 through 1996. A minimum of \$100,000,000  
12 per year of such funds shall be applied to carrying  
13 out section 307(d).

14           (8) HIGHWAY USE TAX EVASION PROJECTS.—  
15 For highway use tax evasion projects, \$13,000,000  
16 for each of the fiscal years 1993 through 1996.  
17 These sums shall be available until expended and  
18 may be allocated to the Internal Revenue Service or  
19 the States at the discretion of the Secretary. These  
20 funds shall be used to expand efforts to enhance  
21 motor fuel tax enforcement, fund additional IRS  
22 staff, supplement motor fuel tax examination and  
23 criminal investigation, develop automated data proc-  
24 essing tools, evaluate and implement revised regis-  
25 tration and reporting requirements, reimburse State

1 expenses that supplement existing fuel tax compli-  
2 ance efforts and analyze and implement programs to  
3 reduce the tax evasion associated with other highway  
4 use taxes.

5 **SEC. 302. DISCRETIONARY INTERSTATE 4R PROGRAM.**

6 (a) Section 118(c) is amended—

7 (1) by striking “Before” at the beginning of  
8 paragraph (2) and inserting in lieu thereof: “With  
9 respect to apportionments for fiscal year prior to fis-  
10 cal year 1992, before”; and

11 (2) by inserting a new paragraph (3) as follows:

12 “(3) 4R PROJECTS.—In addition to sums au-  
13 thorized by section 301(b)(1) of the Transportation  
14 Improvement Act of 1991, there are authorized to be  
15 appropriated out of the Highway Trust Fund (other  
16 than the Mass Transit Account), to carry out Inter-  
17 state 4R discretionary projects described in section  
18 118(b)(3), \$250,000,000 for each of the fiscal years  
19 1992 and 1993, and \$275,000,000 for each of the  
20 fiscal years 1994 through 1996.”.

21 (b) Section 118(b)(3)(B) is amended by striking at  
22 the beginning of the second sentence thereof “Such funds”  
23 and inserting in lieu thereof: “Such funds and funds under  
24 paragraph (c)(3) of this section”.



**1 SEC. 303. DISCRETIONARY BRIDGE PROGRAM.**

2 Section 144(g) is amended—

3 (1) by inserting “(A)” before “Of” at the be-  
4 ginning of paragraph (1);

5 (2) by inserting at the end of paragraph (1) a  
6 new subparagraph (B) to read as follows:

7 “(B) In addition to amounts authorized to  
8 be appropriated under section 301(b)(5) of the  
9 Transportation Improvement Act of 1991 for  
10 apportionment under subsection (e) of this sec-  
11 tion, there are authorized to be appropriated  
12 out of the Highway Trust Fund (other than the  
13 Mass Transit Account) \$230,000,000 for fiscal  
14 year 1992, \$280,000,000 for fiscal year 1993,  
15 \$300,000,000 for fiscal year 1994,  
16 \$325,000,000 for fiscal year 1995, and  
17 \$350,000,000 for fiscal year 1996, which  
18 amounts shall be available for obligation on the  
19 date of apportionment under subsection (e) in  
20 the same manner and to the same extent as  
21 sums apportioned on such date, except that the  
22 obligation of such sums shall be at the discre-  
23 tion of the Secretary pursuant to paragraph  
24 (2).”;

1 (3) in paragraph (2), by inserting “with respect  
2 to funds for fiscal years 1986 through 1991” imme-  
3 diately after “1987”;

4 (4) in paragraph (2), by adding at the end  
5 thereof, aligned at the margin, the following: “Appli-  
6 cations for funding under this paragraph must in-  
7 clude an assessment of the feasibility of assessing  
8 tolls on the bridge to support the project and the op-  
9 tion of using combinations of funds other than funds  
10 made available under this section.”; and

11 (5) in paragraph (3), by striking “and 1991”  
12 and inserting in lieu thereof “1991, 1992, and  
13 1993”.

14 **SEC. 304. NATIONAL INTEREST APPORTIONMENT BONUSES.**

15 Title 23 is amended by adding a new section 159,  
16 to read as follows:

17 **“SEC. 159. NATIONAL INTEREST APPORTIONMENT BO-  
18 NUSES**

19 “(a) The Secretary shall, for fiscal years commencing  
20 with fiscal year 1992, determine each State’s total annual  
21 apportionment in accordance with all applicable provisions  
22 of law other than this section and section 157 and use  
23 that total in calculating the bonus apportionments author-  
24 ized by this section. Such sums as are necessary for the  
25 bonus apportionments authorized by this section are au-

1 thorized to be appropriated out of the Highway Trust  
2 Fund (other than the Mass Transit Account) for each of  
3 the fiscal years 1992 through 1996.

4       “(b)(1) HIGH LEVEL OF EFFORT BONUS.—The Sec-  
5 retary shall, in accordance with practice followed in devel-  
6 oping Highway Statistics Table HF-1 for the Publication  
7 Highway Statistics 1989, determine total receipts (other  
8 than Federal aid) for each State, including receipts of po-  
9 litical subdivisions, dedicated to highway purposes. The  
10 Secretary shall divide this sum by population in accord-  
11 ance with the latest available decennial Federal census to  
12 determine, on a per capita basis, the amount which citi-  
13 zens of each State dedicate to highway purposes. The Sec-  
14 retary shall, following the same methodology, also deter-  
15 mine the national per capita amount dedicated to highway  
16 purposes. The Secretary shall then determine, for each  
17 State with per capita expenditures for highway purposes  
18 greater than the national average, the percentage by which  
19 such State expenditures exceed the national average, di-  
20 vide that percentage by ten, and apportion to that State  
21 an additional amount equal to that percentage (up to a  
22 maximum of 5 percent) of its total annual apportionment.

23       “(2) ADVERSE WEATHER BONUS.—The Secretary,  
24 after consultation with the Secretary of Commerce and the  
25 States shall, for each State, determine the average number

1 of days per year when the temperature exceeds 90°F and  
2 the average number of days per year which are not frost  
3 free, add together the sum of such days for each State  
4 and compute the average number of such days for all  
5 States. For each State with a greater number of such days  
6 than the average number of such days for all States, the  
7 Secretary shall apportion to the State an additional  
8 amount equal to the State's total annual apportionment  
9 times one-tenth of the percentage by which that State's  
10 total of such days exceeds the average number of such  
11 days for all States. The maximum additional apportion-  
12 ment under this paragraph shall be 5 percent of a State's  
13 total annual apportionment

14       “(3) FEDERAL LANDS BONUS.—The Secretary shall  
15 provide to each State an additional amount equal to its  
16 total annual apportionment times one-tenth of the per-  
17 centage point Federal lands adjustment made pursuant to  
18 clause (B) of section 120(a).

19       “(4) LOW DENSITY BONUS.—Based on information  
20 from the latest available decennial Federal census, a State  
21 shall receive a bonus equal to the applicable percentage  
22 of its total annual apportionment as set forth in this para-  
23 graph, if the population density of the State is less than  
24 70 persons per square mile:

1           “(A) States with a population density of under  
2           10 persons per square mile shall receive a 5 percent  
3           bonus.

4           “(B) States with a population density of under  
5           20 and more than 10 persons per square mile shall  
6           receive a 4 percent bonus.

7           “(C) States with a population density of under  
8           30 and more than 20 persons per square mile shall  
9           receive a 3 percent bonus.

10          “(D) States with a population density of under  
11          50 and more than 30 persons per square mile shall  
12          receive a 2 percent bonus.

13          “(E) States with a population density of under  
14          70 and more than 50 persons per square mile shall  
15          receive a 1 percent bonus.

16          “(5) LIMIT ON ADJUSTMENTS.—If the extent the  
17          sum of adjustments to be made to a State’s total annual  
18          apportionment under paragraphs (1), (2), (3), and (4) of  
19          this subsection exceeds 10 percent of the State’s total an-  
20          nual apportionment, the total bonus to be apportioned  
21          under this section to a State shall not exceed 10 percent  
22          of the State’s total annual apportionment. In calculating  
23          the sum of adjustments under said paragraphs (1)–(4),  
24          percentage adjustments shall be rounded to the nearest  
25          one-tenth of a percent.

1           “(c) The bonus authorized by this section may be ap-  
2 plied by States to any project eligible under any of the  
3 categories listed in subsection (d) of this section. Funds  
4 apportioned to States under this section shall remain  
5 available for two fiscal years after the fiscal year for which  
6 they were first apportioned.

7           “(d) As used in this section, the term “total annual  
8 apportionment” means the sum of apportionments for the  
9 following program categories: Interstate 4R, primary, sec-  
10 ondary, urban, bridge, hazard elimination and railroad-  
11 highway crossings.”.

## 12           **TITLE IV—PROGRAM FLEXIBILITY**

### 13           **SEC. 401. TRANSFERABILITY OF FUNDS BETWEEN PRO-** 14           **GRAM CATEGORIES.**

15           (a) Sections 104(c) and 119(f) are amended by add-  
16 ing at the end of each provision the following new para-  
17 graph: “(3) This subsection shall not apply with respect  
18 to apportionments made for fiscal years after fiscal year  
19 1991.”.

20           (b)(1) Section 104(g) is amended by adding the fol-  
21 lowing sentence at the end thereof: “This subsection shall  
22 not apply with respect to apportionments made for fiscal  
23 years after fiscal year 1991.”.

24           (2) Section 119(d) is amended by adding the follow-  
25 ing sentence at the end thereof: “This subsection shall not

1 apply with respect to apportionments made for fiscal years  
2 after fiscal year 1992.”.

3 (c) Section 104 is amended by adding a new subjec-  
4 tion (j) to read as follows:

5 “(j) TRANSFERABILITY OF APPORTIONMENTS.—

6 “(1) This section shall govern transferability of  
7 apportionments for fiscal year 1992 and future fiscal  
8 years for categories other than Interstate construc-  
9 tion and shall govern transferability of Interstate  
10 construction funds for fiscal years 1993 and future  
11 fiscal years.

12 “(2) Notwithstanding any other provision of  
13 law, upon notification of the Secretary and without  
14 any requirement for justification whatsoever, in each  
15 fiscal year, a State may—

16 “(A) transfer up to 30 percent of its ap-  
17 portionments in each of the following categories  
18 to any of those categories—

19 “(i) Interstate System Resurfacing,  
20 Restoration, Rehabilitation and Recon-  
21 struction Program;

22 “(ii) Federal-aid Primary System;

23 “(iii) Federal-aid Secondary System;

24 “(iv) Federal-aid Urban System;

1                   “(v) Highway Bridge Rehabilitation  
2                   and Replacement Program;

3                   “(vi) Hazard Elimination Program;  
4                   and

5                   “(vii) Railroad-Highway Crossings  
6                   Program; and

7                   “(B) transfer up to 30 percent of its ap-  
8                   portionments for the Federal-aid urban system  
9                   to activities eligible for assistance under the  
10                  Urban Mass Transportation Act of 1964, as  
11                  amended.

12                  “(3) With the approval of the Secretary, a  
13                  State may make transfers of apportionments in ad-  
14                  dition to those authorized under paragraph (2)—

15                         “(A) between categories listed in para-  
16                         graph (2)(A); and

17                         “(B) from categories listed in paragraph  
18                         (2)(A) to activities eligible for assistance under  
19                         the Urban Mass Transportation Act of 1964, as  
20                         amended. In considering requests for transfers  
21                         under this paragraph, the Secretary shall con-  
22                         sider the public interest, and particularly con-  
23                         sider the physical condition of the System of  
24                         Interstate and Defense Highways within the  
25                         borders of the requesting State, and whether



.1 approval of the request would result in a pro-  
2 gram for Federal-aid highways within the State  
3 which unduly emphasizes projects in either  
4 rural or urban areas. The Secretary may grant  
5 such requests conditionally or unconditionally.  
6 Any transfer request which is not denied, ap-  
7 proved, or conditionally approved within 60  
8 days of receipt of the transfer request is auto-  
9 matically approved. The maximum transfer  
10 from a category which may be approved under  
11 this paragraph shall be 20 percent of the appor-  
12 tionment in any category listed in paragraph  
13 (2)(A).

14 “(4) With approval of the Secretary, a State  
15 may transfer funds apportioned pursuant to Section  
16 101 of the Transportation Improvement Act of 1991  
17 from projects for the completion of the System of  
18 Interstate and Defense Highways to other projects  
19 in any of the categories listed in subparagraph  
20 (1)(A) of this section provided the Secretary finds  
21 either that—

22 “(A) the State has completed its Interstate  
23 System utilizing less than the full amount of  
24 funds available to it under said Section 101; or

1           “(B) the State’s project or projects for  
2           construction of the Interstate System are not  
3           ready for construction and that, at such time as  
4           such projects are ready for construction, the  
5           State agrees to transfer an equivalent amount  
6           to such projects either from paragraph (2)(A)  
7           categories or from its own funds.”.

8           **TITLE V—ADDITIONAL PROVISIONS**

9           **SEC. 501. CONTINUATION OF PRIMARY SYSTEM FORMULA.**

10          Section 108 of the Highway Improvement Act of  
11          1982 (23 U.S.C. 104 note) is amended by striking out  
12          “and 1991” each place it appears and inserting in lieu  
13          thereof “1991; 1992, 1993, 1994, 1995, and 1996”.

14          **SEC. 502. EXPANSION OF TOLL PROGRAM.**

15          (A) Section 129(j), is amended—

16                 (1) in paragraph (1), by striking “9” immedi-  
17                 ately before “toll facilities”;

18                 (2) in paragraph (2)(A), by striking “(other  
19                 than a highway on the Interstate System)”;

20                 (3) in paragraph (2)(B), by striking “(other  
21                 than a highway, bridge, or tunnel on the Interstate  
22                 System)”;

23                 (4) in paragraph (3)—

24                         (A) by striking “Limitation on Number of”  
25                         in the title of the paragraph;

1 (B) by striking the first, third, fourth and  
2 fifth sentences thereof;

3 (C) by striking "One" at the beginning of  
4 the remaining sentence and inserting in lieu  
5 thereof: "At least one"; and

6 (D) by adding a new sentence, to read as  
7 follows: "Additional facilities, without limit,  
8 may be permitted in any State."

9 (b) Section 301 is amended by striking "with respect  
10 to certain toll bridges and toll tunnels".

11 (c) Section 129 is amended by adding the following  
12 new subparagraph—

13 "(1) Notwithstanding any other provision of this sec-  
14 tion or of section 119, tolls on a facility may be continued  
15 indefinitely, without sanction imposed by the Secretary, if  
16 after the recovery of costs, tolls received from the facility  
17 less the actual cost of operation and maintenance are used  
18 for a purpose eligible under this title."

19 **"SEC. 503. RIGHT-OF-WAY REVOLVING FUND.**

20 Effective at the beginning of fiscal year 1992, there  
21 are authorized to be appropriated, out of the Highway  
22 Trust Fund (other than the Mass Transit Account), to  
23 the right-of-way revolving fund established by section  
24 108(c), \$500,000,000 in addition to amounts previously  
25 authorized to be appropriated to such fund.

1 **SEC. 504. ADDITIONS TO INTERSTATE SYSTEM.**

2 Section 139 is amended—

3 (1) by striking “on the Federal-aid primary sys-  
4 tem” wherever it appears;

5 (2) in subsection (b), by striking “within twelve  
6 years of the date of the Agreement between the Sec-  
7 retary and the State or States involved.” and by  
8 striking “before the date of enactment of this sen-  
9 tence.”; and

10 (3) by adding at the end thereof the following  
11 new subsection:

12 “(d) Additions to the Interstate System pursuant to  
13 this section may consist of either toll or free mileage.”.

14 **SEC. 505. RAIL, HIGH SPEED GROUND TRANSPORTATION,  
15 MAGNETIC LEVITATION, AND TRANSIT  
16 FACILITIES—**

17 Title 23 is amended by adding a new section 160 to  
18 read as follows:

19 **“SEC. 160. RAIL, HIGH SPEED GROUND TRANSPORTATION,  
20 MAGNETIC LEVITATION, AND TRANSIT FA-  
21 CILITIES.—**

22 “In any case where sufficient land exists within the  
23 publicly acquired rights-of-way of a Federal-aid highway  
24 to accommodate rail, including high speed ground trans-  
25 portation and magnetic levitation systems, or nonhighway  
26 public mass transit facilities and where the accommoda-

1 tion can be accomplished without impairing automotive  
2 safety or future highway improvements, the Secretary may  
3 authorize a State to make those lands and rights-of-way  
4 available without charge to a publicly or privately owned  
5 mass transit authority or company for those purposes  
6 wherever the public interest will be served.”.

7 **SEC. 506. RURAL TOURISM**

8 (a) This section may be cited as the “Federal Rural  
9 Tourism and Recreational Development Act of 1991”.

10 (b) NATIONAL GOAL.—Congress hereby declares that  
11 it shall be a national goal to provide improved and safe  
12 access to public lands to encourage the development of  
13 travel and tourism opportunities in support of rural area  
14 economic development.

15 (c) FEDERAL LANDS HIGHWAY PROGRAM.—Section  
16 204 is amended by striking subsection (h) and inserting  
17 in lieu thereof:

18 “(h) Funds available for each class of Federal Lands  
19 Highways may be made available for the following—

20 “(1) transportation planning for tourism and  
21 recreational travel including the National Forest  
22 Scenic Byways Program and other similar Federal  
23 programs that benefit recreational development;

24 “(2) adjacent vehicular parking areas;

25 “(3) interpretive signage;

1           “(4) development of public road facilities for  
2           areas of historical, archeological, cultural, and scenic  
3           interests;

4           “(5) acquisition of necessary scenic easements;

5           “(6) construction and reconstruction of road-  
6           side rest areas including sanitary and water facili-  
7           ties; and

8           “(7) other appropriate facilities such as visitor  
9           centers as determined by the Secretary.

10          “(i) The Secretary shall transfer to the Secretary of  
11          the Interior from the appropriations for public lands high-  
12          ways amounts as may be needed to cover necessary admin-  
13          istrative costs of the Bureau of Land Management in con-  
14          nection with public lands highways.”.

15          (d) FOREST DEVELOPMENT ROADS AND TRAILS.—  
16          Section 205 is amended by adding at the end thereof the  
17          following new subsection:

18          “(e) Funds available for forest development roads  
19          and trails may be made available for—

20                 “(1) transportation planning for tourism and  
21                 recreational travel including the National Forest  
22                 Scenic Byways Program and other similar Federal  
23                 programs that benefit recreational development;

24                 “(2) adjacent vehicular parking areas;

25                 “(3) interpretive signage;

1           “(4) development of public road facilities for  
2 areas of historical, archeological, cultural, and scenic  
3 interests;

4           “(5) acquisition of necessary scenic easements;

5           “(6) construction and reconstruction of road-  
6 side rest areas including sanitary and water facili-  
7 ties; and

8           “(7) other appropriate facilities such as visitor  
9 centers as determined by the Secretary of the Interi-  
10 or.”.

11       (e) BICYCLE AND PEDESTRIAN FACILITIES FOR  
12 TOURISM.—(1) Section 217(b) is amended by adding a  
13 new paragraph (4), to read as follows:

14           “(4) Notwithstanding the provisions of para-  
15 graph (3) of this subsection, Federal-aid highway  
16 projects for pedestrian and bicycle facilities shall be  
17 authorized by the Secretary to encourage alternative  
18 modes of transportation for tourism and recreation  
19 purposes.”.

20       (2) Section 217 is amended by striking para-  
21 graph (g) and inserting in lieu thereof the following:

22           “(g) Motorized use of trails and walkways au-  
23 thorized under this section shall be determined by  
24 State and local regulations.”.

1 (f) ACCESS HIGHWAYS TO PUBLIC RECREATION  
2 AREAS AND CERTAIN LAKES.—

3 Section 155(a) is amended by adding a new para-  
4 graph (3) as follows:

5 “(3) On October 1 of each fiscal year, the Sec-  
6 retary shall allocate the sums authorized to be ap-  
7 propriated for that fiscal year for access highways to  
8 public recreation areas on certain lakes according to  
9 the relative needs the various public recreation areas  
10 serving certain lakes taking into consideration the  
11 need for access as identified through recreation and  
12 land use planning and the impacts of planning on  
13 existing transportation facilities.”.

14 (g) RECREATIONAL TRAVEL AND TOURISM.—

15 (1) Up to 10 percent of the sum authorized by  
16 section 301(c)(1) of the Transportation Improve-  
17 ment Act of 1991 may be expended for recreational  
18 travel and tourism projects on forest development  
19 roads and trails that are open to public travel.

20 (2) Up to 10 percent of the sum authorized by  
21 section 301(c)(2) of the Transportation Improve-  
22 ment Act of 1991 may be expended for recreational  
23 travel and tourism projects on public lands develop-  
24 ment roads and trails that are open to public travel.



1 (h) TECHNICAL ASSISTANCE PROGRAM.—The Secre-  
2 tary shall establish and carry out a tourism and recre-  
3 ational travel technical assistance program in nonurban-  
4 ized areas. In carrying out this program, the Secretary  
5 shall administer the program in cooperation with other  
6 rural technical assistance programs to the extent that  
7 those programs for transportation assistance exist, includ-  
8 ing assistance to American Indian tribal governments. For  
9 the technical assistance program established under this  
10 subsection, the Secretary shall set aside in fiscal year 1992  
11 \$5,000,000 from funds used to administer the Federal  
12 Highway Administration, such amount to remain available  
13 until expended.

14 (i) STATEWIDE DRIVING AND RECREATION PLAN.—  
15 Each State using funds provided pursuant to sections  
16 301(c)(1) through 301(c)(5) of the Transportation Im-  
17 provement Act of 1991 shall have a multipurpose land use  
18 statewide driving and recreational travel plan to identify  
19 and find solutions to problems related to driving and tour-  
20 ism. This plan shall be coordinated with appropriate State  
21 and local agencies and Federal Land Management Agen-  
22 cies.

23 **SEC. 507. FERRY TRANSPORTATION.**

24 Section 129(g) is amended—

1 (1) by striking "construction" and inserting in  
2 lieu thereof "construction, refurbishment and oper-  
3 ation"; and

4 (2) by striking the period at the end of para-  
5 graph (2), and inserting in lieu thereof: ", except  
6 that, in the case of ferry systems that serve routes  
7 on Federal-aid systems and other routes in an inte-  
8 grated system, such ferry may operate throughout  
9 the entire service area of the ferry system."

10 (3) For the purposes of determining allocations  
11 of Federal funds under title 23, as amended by the  
12 Act, to States which have no interstate system, ma-  
13 rine highway miles shall be considered as Interstate  
14 System miles.

15 **SEC. 508. PLANNING INCENTIVE.**

16 Section 120 is amended by adding a new subsection  
17 (o), as follows:

18 "(o) Notwithstanding any other provision of this title,  
19 the Federal share payable on account of any project in  
20 a State shall be increased by 5 percentage points, up to  
21 a maximum Federal share payable of 95 percent, if the  
22 State certifies to the Secretary that it has developed, ei-  
23 ther statewide or in significant portions of the State, com-  
24 prehensive plans with mandatory land use and transporta-  
25 tion elements."

102D CONGRESS  
1ST SESSION

# S. 965

To amend title 23, United States Code, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

APRIL 25, 1991

Mr. MOYNIHAN (for himself, Mr. SYMMS, Mr. BURDICK, Mr. CHAFEE, and Mr. LAUTENBERG) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

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## A BILL

To amend title 23, United States Code, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Surface Transportation  
5 Efficiency Act of 1991".

6 **SEC. 2. TABLE OF CONTENTS.**

Sec. 1. Short title.  
Sec. 2. Table of contents.  
Sec. 3. Secretary defined.

### TITLE I—FEDERAL-AID HIGHWAY ACT OF 1991

Sec. 101. Short title.  
Sec. 102. Declaration of policy.  
Sec. 103. Authorization of appropriations.  
Sec. 104. Obligation ceiling.

- Sec. 105. Unobligated balances.
- Sec. 106. Surface Transportation Program.
- Sec. 107. Congestion Mitigation and Air Quality Improvement Program.
- Sec. 108. Bridge Program.
- Sec. 109. Interstate Maintenance Program.
- Sec. 110. Interstate Construction Program.
- Sec. 111. Federal Lands Highways Program.
- Sec. 112. Toll facilities.
- Sec. 113. Metropolitan planning.
- Sec. 114. Statewide planning.
- Sec. 115. Research and data collection.
- Sec. 116. National Magnetic Levitation Design Program.
- Sec. 117. Access to rights-of-way.
- Sec. 118. Report on reimbursement for segments constructed without Federal assistance.
- Sec. 119. Disadvantaged business enterprises.
- Sec. 120. Availability of funds
- Sec. 121. Program efficiencies.
- Sec. 122. Use of safety belts and motorcycle helmets.
- Sec. 123. Definitions.
- Sec. 124. Functional reclassification.
- Sec. 125. Repeal of certain sections of title 23, United States Code.
- Sec. 126. Conforming and technical amendments.
- Sec. 127. Recodification.

#### TITLE II—NATIONAL RECREATIONAL TRAILS TRUST FUND ACT

- Sec. 201. Short title.
- Sec. 202. Creation of National Recreational Trails Trust Fund.
- Sec. 203. National Recreational Trails Program.
- Sec. 204. National Recreational Trails Advisory Committee.

#### 1 SEC. 3. SECRETARY DEFINED.

- 2 As used in this Act, the term “Secretary” means the  
3 Secretary of Transportation.

#### 4 TITLE I—FEDERAL-AID HIGHWAY ACT OF

5 1991

#### 6 SEC. 101. SHORT TITLE.

- 7 This title may be cited as the “Federal-Aid Highway  
8 Act of 1991”.

#### 9 SEC. 102. DECLARATION OF POLICY.

- 10 (a) Subsection 101(b) of title 23, United States Code, is  
11 amended to read as follows:

1       “(b) **DECLARATION OF POLICY.**—The National System  
2 of Interstate and Defense Highways is completed. The prin-  
3 cipal purpose of Federal highway assistance shall henceforth  
4 be to improve the efficiency of the existing surface transpor-  
5 tation system.

6       “‘It is the policy of the United States to facilitate inno-  
7 vation and competition in transportation modes through Fed-  
8 eral and State initiative.

9       “‘It is the policy of the United States to increase produc-  
10 tivity in the transportation sector of the economy through  
11 systematic attention to costs and benefits, pursuing the most  
12 efficient allocation of costs and the widest distribution of ben-  
13 efits.’”.

14       (b) Subsections 101(d) and 101(e) of title 23, United  
15 States Code, are hereby repealed.

16 **SEC. 103. AUTHORIZATION OF APPROPRIATIONS.**

17       (a) **REPEAL OF FISCAL YEAR 1993 AUTHORIZATION**  
18 **FOR INTERSTATE CONSTRUCTION.**—Section 108(b) of the  
19 Federal-Aid Highway Act of 1956 is amended by—

20               (1) inserting “and” after “1991”;

21               (2) striking the comma after “1992” and inserting  
22 in lieu thereof a period; and

23               (3) striking “and the additional sum of  
24 \$1,400,000,000 for the fiscal year ending Septem-  
25 ber 30, 1993”.

1 (b) AUTHORIZATIONS.—The following sums are author-  
2 ized to be appropriated out of the Highway Account of the  
3 Highway Trust Fund:

4 (1) SURFACE TRANSPORTATION PROGRAM.—For  
5 the Surface Transportation Program \$7,330,000,000  
6 for fiscal year 1992, \$7,700,000,000 for fiscal year  
7 1993, \$8,260,000,000 for fiscal year 1994,  
8 \$9,250,000,000 for fiscal year 1995, and  
9 \$12,260,000,000 for fiscal year 1996.

10 (2) CONGESTION MITIGATION AND AIR QUALITY  
11 IMPROVEMENT PROGRAM.—For the Congestion Miti-  
12 gation and Air Quality Improvement Program  
13 \$1,000,000,000 per fiscal year for each of fiscal years  
14 1992, 1993, 1994, 1995, and 1996.

15 (3) BRIDGE PROGRAM.—For the Bridge Program  
16 \$2,370,000,000 for fiscal year 1992, \$2,460,000,000  
17 for fiscal year 1993, \$2,600,000,000 for fiscal year  
18 1994, \$2,840,000,000 for fiscal year 1995, and  
19 \$3,050,000,000 for fiscal year 1996.

20 (4) INTERSTATE MAINTENANCE PROGRAM.—For  
21 resurfacing, restoring and rehabilitating the National  
22 System of Interstate and Defense Highways,  
23 \$2,530,000,000 for fiscal year 1992, \$2,620,000,000  
24 for fiscal year 1993, \$2,770,000,000 for fiscal year

1 1994, \$3,020,000,000 for fiscal year 1995, and  
2 \$3,250,000,000 for fiscal year 1996.

3 (5) INTERSTATE CONSTRUCTION PROGRAM.—For  
4 construction to complete the Interstate System,  
5 \$1,800,000,000 for each of fiscal years 1993, 1994,  
6 1995, and 1996: *Provided*, That section 102(c) of the  
7 Federal-Aid Highway Act of 1987, regarding minimum  
8 apportionments, is hereby repealed: *And provided fur-*  
9 *ther*, That such sums shall be obligated as if authorized  
10 by section 108(b) of the Federal-Aid Highway Act of  
11 1956.

12 (6) INTERSTATE SUBSTITUTION PROGRAM.—For  
13 the Interstate Substitution Program for projects under  
14 highway assistance programs \$240,000,000 for each of  
15 fiscal years 1992, 1993, 1994, and 1995: *Provided*,  
16 That such sums shall be obligated as if authorized by  
17 23 U.S.C. section 103(e)(4)(G) of title 23, United  
18 States Code: *And provided further*, That section  
19 103(e)(4)(H)(i) and section 103(e)(4)(H)(iii) of title 23,  
20 United States Code, are amended by striking “and  
21 1991” the three places it occurs and inserting in lieu  
22 thereof “1992, 1993, 1994, and 1995”.

23 (7) FEDERAL LANDS HIGHWAY PROGRAM.—

## 6

1 (A) For Indian reservation roads  
2 \$150,000,000 for each of fiscal years 1992, 1993,  
3 1994, 1995, and 1996.

4 (B) For public lands highways \$200,000,000  
5 for each of fiscal years 1992, 1993, 1994, 1995,  
6 and 1996.

7 (C) For parkways and park highways  
8 \$100,000,000 for each of fiscal years 1992, 1993,  
9 1994, 1995, and 1996.

10 (8) TERRITORIAL HIGHWAY PROGRAM.—For the  
11 Territorial Highway Program \$15,000,000 for each of  
12 fiscal years 1992, 1993, 1994, 1995, and 1996.

13 (9) NATIONAL MAGNETIC LEVITATION DESIGN  
14 PROGRAM.—For the National Magnetic Levitation  
15 Design Program \$50,000,000 for fiscal year 1992,  
16 \$75,000,000 for fiscal year 1993, \$125,000,000 for  
17 fiscal year 1994, \$250,000,000 for fiscal year 1995,  
18 and \$250,000,000 for fiscal year 1996.

19 (10) FEDERAL HIGHWAY ADMINISTRATION RE-  
20 SEARCH PROGRAMS.—For the purpose of carrying out  
21 research as authorized by section 307, the amount of  
22 \$120,000,000 for each of fiscal years 1992, 1993,  
23 1994, 1995, and 1996: *Provided*, That such amount  
24 shall be made available from within the amount of the



1 deduction authorized pursuant to section 104(a) of title  
2 23, United States Code.

3 (11) UNIVERSITY TRANSPORTATION CENTERS  
4 PROGRAM.—For carrying out the University Transpor-  
5 tation Centers Program pursuant to the Urban Mass  
6 Transportation Act of 1964, as amended, \$5,000,000  
7 for each of fiscal years 1992, 1993, 1994, 1995, and  
8 1996.

9 (12) HIGHWAY USE TAX EVASION PROJECTS.—  
10 For highway use tax evasion projects \$2,000,000 for  
11 each of fiscal years 1992, 1993, 1994, 1995, and  
12 1996: *Provided*, That these sums shall be available  
13 until expended and may be allocated to the Internal  
14 Revenue Service or the States at the discretion of the  
15 Secretary: *And provided further*, That these funds shall  
16 be used to expand efforts to enhance motor fuel tax en-  
17 forcement, fund additional Internal Revenue Service  
18 Staff, supplement motor fuel tax examination and  
19 criminal investigation, develop automated data process-  
20 ing tools, evaluate and implement registration and re-  
21 porting requirements, reimburse state expenses that  
22 supplement existing fuel tax compliance efforts and  
23 analyze and implement programs to reduce the tax  
24 evasion associated with other highway use taxes.

1           (13) SAFETY BELT AND MOTORCYCLE HELMET  
2           USE.—For the purpose of carrying out programs under  
3           section 153 of title 23, United States Code,  
4           \$45,000,000 for fiscal year 1992, \$30,000,000 for  
5           fiscal year 1993, and \$25,000,000 for fiscal year 1994.

6 **SEC. 104. OBLIGATION CEILING.**

7           (a) **GENERAL LIMITATION.**—Notwithstanding any  
8           other provision of law, the total of all obligations for Federal-  
9           aid highway programs shall not exceed—

- 10           (1) \$15,480,000,000 for fiscal year 1992;  
11           (2) \$15,940,000,000 for fiscal year 1993;  
12           (3) \$16,840,000,000 for fiscal year 1994;  
13           (4) \$18,410,000,000 for fiscal year 1995; and  
14           (5) \$20,190,000,000 for fiscal year 1996: *Pro-*  
15           *vided,* That limitations under this section shall not  
16           apply to obligations for emergency relief pursuant to  
17           section 135 and obligations for minimum allocation  
18           pursuant to section 157.

19           (b) **DISTRIBUTION OF OBLIGATION AUTHORITY.**—For  
20           each of fiscal years 1992, 1993, 1994, 1995, and 1996, the  
21           Secretary shall distribute the limitation imposed by (a) by  
22           allocation in the ratio which sums authorized to be appropri-  
23           ated for Federal-aid highways which are apportioned or allo-  
24           cated to each State for such fiscal year bears to the total of  
25           the sums authorized to be appropriated for Federal-aid high-

1 ways which are apportioned or allocated to all the States for  
2 such fiscal year.

3 (c) LIMITATION ON OBLIGATION AUTHORITY.—

4 During the period October 1 through December 31 of each of  
5 fiscal years 1992, 1993, 1994, 1995, and 1996 no State  
6 shall obligate more than 35 per centum of the amount distrib-  
7 uted to that State under subsection (b) for that fiscal year,  
8 and the total of all State obligations during the period shall  
9 not exceed 25 per centum of the total amount distributed to  
10 all States under subsection (b) for that fiscal year.

11 (d) REDISTRIBUTION OF UNUSED OBLIGATION AU-  
12 THORITY.—Notwithstanding subsections (c) and (d), the Sec-  
13 retary shall—

14 (1) provide all States with authority sufficient to  
15 prevent lapses of sums authorized to be appropriated  
16 for Federal-aid highways and highway safety construc-  
17 tion which have been apportioned or allocated to a  
18 State;

19 (2) after August 1 of each of fiscal years 1992,  
20 1993, 1994, 1995, and 1996, revise a distribution of  
21 funds made available under (c) for that fiscal year if a  
22 State will not obligate amounts in addition to those  
23 previously distributed during the fiscal year giving pri-  
24 ority to those States having large unobligated balances

1 of funds apportioned under section 104 and section 144  
2 of title 23, United States Code; and

3 (3) not distribute amounts authorized for adminis-  
4 trative expenses, the Federal lands highways program,  
5 and the National Magnetic Levitation Design Program.

6 **SEC. 105. UNOBLIGATED BALANCES.**

7 Unobligated balances of funds apportioned for the pri-  
8 mary, secondary and urban systems and the railway-highway  
9 crossing and hazard elimination programs may be obligated  
10 for the Surface Transportation Program as if they had been  
11 apportioned for that program.

12 **SEC. 106. SURFACE TRANSPORTATION PROGRAM.**

13 (a) **ESTABLISHMENT OF PROGRAM.**—Title 23, United  
14 States Code, is amended by adding the following new section:

15 **§ 133. Surface Transportation Program.**

16 The Secretary shall establish a Surface Transportation  
17 Program in accordance with this section.

18 “(a) **ELIGIBILITY.**—Projects eligible under the Surface  
19 Transportation Program shall include—

20 “(1) construction, reconstruction, rehabilitation,  
21 resurfacing, restoration, and operational improvements  
22 for highways (including Interstate highways) and  
23 bridges, including any such construction or reconstruc-  
24 tion necessary to accommodate other transportation  
25 modes, and including the routine painting of facilities;

1           “(2) capital and operating costs for mass transit,  
2 rail, and magnetic levitation systems, including expend-  
3 itures on rights of way and associated facilities;

4           “(3) carpool projects and fringe and corridor park-  
5 ing facilities and programs, and bicycle facilities and  
6 programs;

7           “(4) surface transportation safety improvements  
8 and programs, including highway safety improvement  
9 projects, hazard eliminations, and railway-highway  
10 grade crossings;

11           “(5) surface transportation research and develop-  
12 ment programs;

13           “(6) capital and operating costs for traffic moni-  
14 toring, management and control facilities and pro-  
15 grams;

16           “(7) surface transportation planning programs;

17           “(8) transportation enhancement activities as de-  
18 fined in section 101; and

19           “(9) any other purpose approved by the Secretary:  
20 *Provided*, That projects other than those described in  
21 paragraphs (3) and (4) may not be undertaken on roads  
22 functionally classified as local or rural minor collector,  
23 except as approved by the Secretary.

24           “(b) GENERAL REQUIREMENTS.—

1           “(1) For at least 75 per centum of funds appor-  
2           tioned to a State for the Surface Transportation Pro-  
3           gram in any year, the State shall assure that such  
4           funds are programmed based on a division between the  
5           metropolitan and non-metropolitan areas of the State,  
6           as determined pursuant to section 134, in direct pro-  
7           portion to their relative share of the State’s population.  
8           The remaining 25 per centum of funds may be pro-  
9           grammed for any area of the State.

10           “(2) Programming and expenditure of funds for  
11           projects in metropolitan areas shall be consistent with  
12           the requirements of section 134, regarding metropoli-  
13           tan planning.

14           “(3) Programming and expenditure of funds for  
15           projects in nonmetropolitan shall be consistent with the  
16           provisions of section 135, regarding statewide plan-  
17           ning.

18           “(4) Of the apportionments made available to a  
19           State under this section, each State must assure that  
20           no less than 8 per centum of such funds are pro-  
21           grammed for transportation enhancement activities, as  
22           defined in section 101.

23           “(5) In the case where a State constructs a facili-  
24           ty under this program with a Federal share of 80 per  
25           centum and later converts the facility to operation such

1 that the project would originally have been undertaken  
2 with a Federal share of 75 per centum, the State shall  
3 repay to the United States, with interest, the amount  
4 of the difference in the cost to the United States.

5 “(c) ADMINISTRATION.—

6 “(1) If the Secretary determines that a State or  
7 local government has failed to comply substantially  
8 with any provision of this section, the Secretary shall  
9 notify the State, that, if it fails to take corrective  
10 action within sixty days from the receipt of the notifi-  
11 cation, the Secretary will withhold future payments  
12 under this section until the Secretary is satisfied that  
13 appropriate corrective action has been taken.

14 “(2) The Governor of each State shall certify  
15 prior to the beginning of each fiscal year that the State  
16 will meet all the requirements of this section and shall  
17 notify the Secretary of the amount of obligations ex-  
18 pected to be incurred for Surface Transportation Pro-  
19 gram projects during the fiscal year: *Provided*, That  
20 the State may request adjustment to the obligation  
21 amounts later in the fiscal year. Acceptance of the no-  
22 tification and certification shall be deemed a contrac-  
23 tual obligation of the United States for the payment of  
24 the Surface Transportation Program funds expected to

1 be obligated by the State in that fiscal year for projects  
2 not subject to review by the Secretary.

3 “(3) Projects must be designed, constructed, oper-  
4 ated, and maintained in accordance with State laws,  
5 regulations, directives, safety standards, design stand-  
6 ards, and construction standards.

7 “(4) If the Secretary determines that a State or  
8 local government has failed to comply substantially  
9 with any provision of this section, the Secretary shall  
10 notify the State of its noncompliance and, if it fails to  
11 take corrective action within sixty days from the re-  
12 ceipt of the notification, the Secretary may withhold  
13 future payments under this section until the Secretary  
14 is satisfied that appropriate corrective action has been  
15 taken. .

16 “(5) Any State may notify the Secretary that it  
17 no longer wishes the Secretary to review and approve  
18 design and construction standards for any project other  
19 than a project on an interstate highway or other multi-  
20 lane limited access control highways, except as provid-  
21 ed in section 102(b), regarding resurfacing projects.  
22 After any such notification the Secretary shall under-  
23 take only such project review as is requested by the  
24 State.



1           “(6) The Secretary shall make payments to a  
2           State of costs incurred by it on the program. Payments  
3           shall not exceed the Federal share of costs incurred as  
4           of the date the State requests payments.”.

5           (b) APPORTIONMENT.—Section 104(b) of title 23,  
6           United States Code, is amended by—

7           (1) amending paragraph (1) to read as follows:

8           “(1) SURFACE TRANSPORTATION PROGRAM.—  
9           For the Surface Transportation Program, in a manner  
10          such that—

11           “(A) a State’s per centum share of all funds  
12          allocated or apportioned pursuant to this title for  
13          fiscal year 1992 and any fiscal year thereafter,  
14          excluding funds apportioned or allocated for the  
15          Interstate Construction, Interstate Substitute,  
16          Federal Lands Highways, Congestion Mitigation  
17          and Air Quality Improvement, Minimum Allocated,  
18          and Emergency Relief programs;

19          shall be equal to—

20           “(B) such State’s per centum share of all ap-  
21          portionments and allocations received under this  
22          title for fiscal years 1987, 1988, 1989, 1990, and  
23          1991, excluding apportionments and allocations  
24          received for the Interstate Construction, Inter-  
25          state Substitute, Federal Lands Highways, and

1           Emergency Relief Programs, all apportionments  
2           and allocations received for demonstration  
3           projects, and the portion of allocations received  
4           pursuant to section 157, regarding minimum allo-  
5           cation, that is attributable to apportionments  
6           made under the Interstate Construction and Inter-  
7           state Substitute programs in such years: *Provided*,  
8           That in calculating a State's per centum share  
9           under this subparagraph for the purpose of  
10          making apportionments for fiscal years 1992,  
11          1993, 1994, and 1995, each State shall be  
12          deemed to have received one-half of 1 per centum  
13          of all funds apportioned for the Interstate Con-  
14          struction Program in fiscal years 1987, 1988,  
15          1989, 1990, and 1991.”;

16          (2) striking “upon the Federal-aid systems” and  
17          inserting in lieu thereof “upon the Surface Transporta-  
18          tion Program, the Congestion Mitigation and Air Qual-  
19          ity Improvement Program, and the Interstate System”;

20          (3) striking “paragraphs (4) and (5)” and inserting  
21          in lieu thereof “subparagraph (5)(A)”; and

22          (4) striking “and sections 118(c) and 307(d)” and  
23          inserting in lieu thereof “and section 307”.

24          (c) FEDERAL SHARE.—Section 120(a) of title 23,  
25          United States Code, is amended by striking “Subject to the

1 provisions of subsection (d) of this section, the” and inserting  
 2 in lieu thereof “The”; by striking “, primary, secondary, or  
 3 urban funds, on the Federal-aid primary system, the Federal-  
 4 aid secondary system, and the Federal-aid urban system” and  
 5 inserting instead “Surface Transportation Program funds”;  
 6 and by inserting “for capital projects that add capacity avail-  
 7 able to single occupant vehicles, except where the project  
 8 consists of a high occupancy vehicle facility available to  
 9 single occupant vehicles at other than peak travel times, and  
 10 80 per centum of the cost of construction for other projects”,  
 11 in two places after the words “cost of construction”.

12 (d) GUIDANCE.—The Secretary shall develop and make  
 13 available to the States guidance on how to determine what  
 14 portion of any project under section 133. of title 23, United  
 15 States Code, is eligible for an 80 per centum Federal share.

16 (e) CONFORMING AMENDMENTS.—The analysis of title  
 17 23, United States Code, is amended by striking

“133. [Repealed Public Law 90-495].”

18 and inserting in lieu thereof

“133. Surface Transportation Program.”.

19 **SEC. 107. CONGESTION MITIGATION AND AIR QUALIFY IM-**  
 20 **PROVEMENT PROGRAM.**

21 (a) ESTABLISHMENT OF PROGRAM.—Section 149 of  
 22 title 23, United States Code, is amended to read as follows:

1 **“§ 149. Congestion Mitigation and Air Quality Improve-**  
2 **ment Program.**

3 The Secretary shall establish a congestion mitigation  
4 and air quality improvement program pursuant to the re-  
5 quirements of this section.

6 “(a) **ELIGIBLE PROJECTS.**—A project may be funded  
7 under the congestion mitigation and air quality improvement  
8 program only if—

9 “(1) guidance issued by the Environmental Pro-  
10 tection Agency pursuant to section 108(f) of the Clean  
11 Air Act, as amended, shows to the satisfaction of the  
12 Secretary, after consultation with the Administrator of  
13 the Environmental Protection Agency, that the project  
14 is likely to contribute to the attainment of any national  
15 ambient air quality standard;

16 “(2) the project is listed in a state implementation  
17 plan that has been approved pursuant to the Clean Air  
18 Act, as amended and the project will have air quality  
19 benefits; or

20 “(3) the Secretary, after consultation with the Ad-  
21 ministrator of the Environmental Protection Agency,  
22 determines that the project is likely to contribute to the  
23 attainment of any national ambient air quality stand-  
24 ard, whether through reductions in vehicle miles trav-  
25 elled, fuel consumption, or through other factors; and

1 only if the project does not result in the construction of new  
2 capacity available to single occupant vehicles, except where  
3 the project consists of a high occupancy vehicle facility avail-  
4 able to single occupant vehicles at other than peak travel  
5 times.

6       “(b) PROGRAMMING OF FUNDS.—Funds apportioned  
7 pursuant to this section shall be programmed in accordance  
8 with the provisions of section 134.

9       “(c) FEDERAL SHARE.—The Federal Share payable for  
10 a project under this section shall not exceed 80 per centum of  
11 the cost of the project.”

12       (b) APPORTIONMENT.—Section 104(b)(2) is amended to  
13 read as follows:

14       “(2) FOR THE CONGESTION MITIGATION AND AIR  
15 QUALITY IMPROVEMENT PROGRAM.—In the ratio which the  
16 weighted nonattainment area population of each State bears  
17 to the total weighted nonattainment area population of all  
18 States, where weighted nonattainment area population shall  
19 be calculated by multiplying the population of any nonattain-  
20 ment areas within any State that is in nonattainment for  
21 ozone by a factor of—

22               “(A) 1 if the area is classified as a marginal non-  
23 attainment area;

24               “(B) 1.1 if the area is classified as a moderate  
25 nonattainment area;

1           “(C) 1.2 if the area is classified as a serious non-  
2           attainment area;

3           “(D) 1.3 if the area is classified as a severe non-  
4           attainment area; and

5           “(E) 1.4 if the area is classified as an extreme  
6           nonattainment area;

7 where the classification of nonattainment areas is that used in  
8 the Clean Air Act, as amended, and by further multiplying  
9 the population of any nonattainment area by a factor of 1.2 if  
10 such area is in nonattainment for carbon monoxide.”.

11           (c) **PROGRAMMING OF FUNDS.**—Apportionments made  
12 under this section shall be made available in metropolitan  
13 areas within each State in proportion to the relative share of  
14 weighted nonattainment area population within the State,  
15 and shall be programmed for expenditure by the metropolitan  
16 planning organization for each such area in accordance with  
17 the provisions of section 134 of title 23, United States Code.

18           (d) **CONFORMING AMENDMENTS.**—The analysis of  
19 chapter 1 of title 23, United States Code, is amended by  
20 striking

“Sec. 149. Truck lanes.”

21           and inserting instead

“Sec. 149. Congestion Mitigation and Air Quality Improvement Program.”.

22 **SEC. 108. BRIDGE PROGRAM.**

23           (a) **FEDERAL SHARE.**—Section 144(f) of title 23,  
24 United States Code, is amended to read as follows:

1       “(f) The Federal share payable for any project undertak-  
2 en under this subsection shall be 80 per centum, except for  
3 any costs attributable to the expansion of the capacity of any  
4 bridge or the construction of any new bridge where such new  
5 capacity or new bridge is primarily available to single occu-  
6 pant vehicles, in which case the Federal share payable shall  
7 be 75 per centum. In the case where a State constructs a  
8 bridge or portion thereof not primarily available to single oc-  
9 cupant vehicles pursuant to this section, and later converts  
10 the bridge or portion thereof to be available to single occu-  
11 pant vehicles, the State shall repay to the United States,  
12 with interest, the amount of the additional cost borne by the  
13 United States that would have been borne by the State had  
14 the bridge or portion thereof been originally available to  
15 single occupant vehicles.”.

16       (b) NEW CAPACITY GUIDANCE.—The Secretary shall  
17 develop and make available to the States criteria for deter-  
18 mining what share of any project undertaken pursuant to sec-  
19 tion 144 of title 23, United States Code, is attributable to the  
20 expansion of the capacity of a bridge where the new capacity  
21 is available to single occupant vehicles.

22       (c) BRIDGE PAINTING.—Section 144(e) of title 23,  
23 United States Code, is amended by adding at the end “Funds  
24 apportioned pursuant to this subsection shall be available for

1 the painting of any bridge eligible for assistance under this  
2 section.”.

3 (d) REPEAL OF DISCRETIONARY BRIDGE PROGRAM.—  
4 Paragraphs (1), (2), and (3) of section 144(g) of title 23,  
5 United States Code, are repealed.

6 (e) LEVEL OF SERVICE CRITERIA.—The Secretary  
7 shall, by January 1, 1992, in consultation with the States,  
8 establish level of service criteria for the Bridge Program.

9 (f) CONFORMING AMENDMENTS.—

10 (1) The analysis of chapter 1 of title 23, United  
11 States Code, is amended by striking

“Sec. 144. Highway bridge replacement and rehabilitation program.”

12 and inserting in lieu thereof

“Sec. 144. Bridge program.”

13 (2) Section 144 of title 23, United States Code, is  
14 amended as follows:

15 (A) The title is amended to read

16 “§ 144. Bridge Program.”.

17 (B) Subsection (b) is repealed; and subsection  
18 (c) is amended by striking “, other than those on  
19 any Federal-aid system,” and by striking “on and  
20 off the Federal-aid system.”.

21 (C) Subsection (e) is amended by striking  
22 “(1) Federal-aid system bridges eligible for re-  
23 placement, (2) Federal-aid system bridges eligible  
24 for rehabilitation, (3) off-system bridges eligible



1 for replacement, and (4) off-system bridges eligible  
2 for rehabilitation” and inserting instead “(1)  
3 Bridges categorized for rehabilitation and (2)  
4 bridges categorized for replacement”; and (2) by  
5 striking “on the Federal-aid primary system” and  
6 inserting instead “under the Surface Transporta-  
7 tion Program”.

8 **SEC. 109. INTERSTATE MAINTENANCE PROGRAM.**

9 (a) **LIMITATION ON NEW CAPACITY.**—Section 119(a)  
10 of title 23, United States Code, is amended by inserting after  
11 the end of the first sentence: “Notwithstanding any other  
12 provision of this title, the portion of the cost of any project  
13 undertaken pursuant to this section that is attributable to the  
14 expansion of the capacity of any Interstate highway, where  
15 such new capacity is primarily available to single occupant  
16 vehicles, shall not be eligible for funding under this section.”.

17 (b) **ADEQUATE MAINTENANCE OF THE INTERSTATE**  
18 **SYSTEM.**—Section 119(f)(1) of title 23, United States Code,  
19 is amended by inserting at the end of the paragraph: “The  
20 Secretary must find that the State is adequately maintaining  
21 the Interstate System to accept such a certification.”.

22 (c) **NON-FEDERAL MATCH REQUIREMENT.**—

23 (1) Section 119(a) of title 23, United States Code,  
24 is amended by striking “section 120(c)” and inserting  
25 in lieu thereof “section 120(d)”.

1           (2) Section 120(d) of title 23, United States Code,  
2           is amended to read as follows:

3           “(d) INTERSTATE MAINTENANCE.—The Federal share  
4           payable on account of any project undertaken for the mainte-  
5           nance of Interstate highways under the provisions of section  
6           119 shall either—

7           “(1) not exceed 80 per centum of the cost of con-  
8           struction, except that in the case of any State contain-  
9           ing nontaxable Indian lands, individual and tribal, and  
10          public domain lands (both reserved and unreserved) ex-  
11          clusive of national forests and national parks and  
12          monuments, exceeding 5 per centum of the total area  
13          of all lands therein, the Federal share shall be in-  
14          creased by a percentage of the remaining cost equal to  
15          the percentage that the area of all such lands in such  
16          State, is of its total area; or

17          “(2) not exceed 80 per centum of the cost of con-  
18          struction, except that in the case of any State contain-  
19          ing nontaxable Indian lands, individual and tribal,  
20          public domain lands (both reserved and unreserved),  
21          national forests, and national parks and monuments,  
22          the Federal share shall be increased by a percentage of  
23          the remaining cost equal to the percentage of the area  
24          of all such lands in such State is of its total area,  
25          except that the Federal share payable on any project

1 shall not exceed 95 per centum of the total cost of the  
2 project.

3 In any case where a State elects to have the Federal share  
4 as provided in paragraph (2), the State must enter into an  
5 agreement with the Secretary covering a period of not less  
6 than one year, requiring the State to use solely for purposes  
7 eligible under this title (other than paying its share of projects  
8 undertaken pursuant to this title) during the period covered  
9 by the agreement the difference between the State's share as  
10 provided in paragraph (2) and what its State's share would be  
11 if it elected to pay the share provided in paragraph (1) for all  
12 projects subject to the agreement."

13 (d) GUIDANCE TO THE STATES.—The Secretary shall  
14 develop and make available to the States criteria for deter-  
15 mining—

16 (1) what share of any project funded under section  
17 119 of title 23, United States Code, is attributable to  
18 the expansion of the capacity of an Interstate High-  
19 way; and

20 (2) what constitutes adequate maintenance of the  
21 Interstate System for the purposes of section 119(f)(1)  
22 of title 23, United States Code.

23 (e) NON-CHARGEABLE SEGMENTS.—Section  
24 104(b)(5)(B) of title 23, United States Code, is amended by  
25 adding "and routes on the Interstate System designated

1 under section 139(a) of this title before January 1, 1984”  
 2 after the phrase “under sections 103 and 139(a) of this title”  
 3 each of the two times it appears in the first sentence.

4 (f) CONFORMING AMENDMENTS.—

5 (1) NEW TITLE.—The title of section 119 of title  
 6 23, United States Code, is amended to read

7 § Sec. 119. Interstate maintenance program.”;

8 (2) ANALYSIS.—The analysis for chapter 1 of title  
 9 23, United States Code, is amended by striking

“Sec. 119. Interstate System Resurfacing.”

10 and inserting in lieu thereof

“Sec. 119. Interstate Maintenance Program.”.

11 (3) Section 119 of title 23, United States Code, is  
 12 amended—

13 (A) by striking out subsection (c), with  
 14 regard to reconstruction;

15 (B) by striking out subsection (e), with  
 16 regard to toll facilities;

17 (C) by striking out, in subsection (a), “, reha-  
 18 bilitating, and reconstructing” and inserting in  
 19 lieu thereof “and rehabilitating”;

20 (D) in subsection (f)—

21 (i) by striking “PRIMARY SYSTEM”  
 22 from the title and inserting in lieu thereof

23 “SURFACE TRANSPORTATION PROGRAM”;  
 24 and

1                   (ii) by striking “rehabilitating, or recon-  
2                   structing” and inserting in lieu thereof “or  
3                   rehabilitating”.

4                   (4) APPORTIONMENT.—Section 104(b)(5)(B) of  
5                   title 23, United States Code, is amended by striking  
6                   “rehabilitating, and reconstructing” and inserting in-  
7                   stead “and rehabilitating”.

8 **SEC. 110. INTERSTATE CONSTRUCTION PROGRAM.**

9                   (a) MASSACHUSETTS.—Paragraph 104(b)(5)(A) of title  
10                  23, United States Code, is amended by striking “upon the  
11                  approval by Congress, the Secretary shall use the Federal  
12                  share of such approval estimates in making apportionments  
13                  for the fiscal year 1993” and inserting in lieu thereof—

14                  “The Secretary shall use the Federal share of the 1991  
15                  Interstate Cost Estimate, adjusted to reflect (i) all previous  
16                  credits, apportionments of Interstate construction funds and  
17                  lapses of previous apportionments of interstate construction  
18                  funds, (ii) previous withdrawals of Interstate segments, (iii)  
19                  previous allocations of Interstate discretionary funds, and (iv)  
20                  transfers of Interstate construction funds, to make apportion-  
21                  ments for fiscal years 1993, 1994, 1995, and 1996 in the  
22                  ratio in which the Federal share of the estimated cost of com-  
23                  pleting the Interstate System in a State bears to the Federal  
24                  share of the sum of the estimated cost of completing the  
25                  Interstate System in all of the States, except Massachusetts:

1 *Provided*, That Massachusetts shall be apportioned  
2 \$100,000,000 for the fiscal year 1993, \$800 000,000 for the  
3 fiscal year 1994, \$800,000,000 for the fiscal year 1995, and  
4 \$850,000,000 for the fiscal year 1996.”.

5 (b) CONFORMING AMENDMENTS.—Paragraph  
6 104(b)(5)(A) of title 23, United States Code, is further  
7 amended by striking “1960 through 1990” the two places it  
8 appears and inserting instead “1960 through 1996”; and by  
9 striking “1967 through 1990” and inserting instead “1967  
10 through 1996”.

11 **SEC. 111. FEDERAL LANDS HIGHWAYS PROGRAM.**

12 (a) ALLOCATIONS.—Section 202 of title 23, United  
13 States Code, is amended as follows:

14 (1) Subsection (c) is amended by inserting at the  
15 end

16 “The Secretary shall allocate 66 per centum of the remain-  
17 der of the authorization for public lands highways for each  
18 fiscal year as is provided in section 134 of the Federal-Aid  
19 Highway Act of 1987.”;

20 and by inserting after “allocate” the words “34 per  
21 centum of”.

22 (2) Subsection (a) is repealed.

23 (b) PROJECTS.—Section 204 of title 23, United States  
24 Code, is amended as follows:

1           (1) Subsection (b) is amended by inserting at the  
2           end

3           “Funds available for each class of Federal lands highways  
4 shall be available for any kind of transportation project eligi-  
5 ble for assistance under this title that is within or adjacent to  
6 or provides access to the areas served by the particular class  
7 of Federal lands highways.”;

8           and by striking “forest highways and”.

9           (2) Subsection (a) is amended by striking “forest  
10          highways,”; and by inserting at the end

11         “Notwithstanding any other provision of this title, no project  
12 may be undertaken in any State pursuant to this section  
13 unless the State concurs in the selection and planning of the  
14 project.”.

15           (3) Subsection (c) is amended by striking “on a  
16          Federal aid system” and inserting in lieu thereof “eli-  
17          gible for funds apportioned under section 104 or sec-  
18          tion 144 of this title”.

19         (c) CONFORMING AMENDMENTS.—Section 203 of title  
20 23, United States Code, is amended by striking “forest high-  
21 ways” in two places.

22 **SEC. 112. TOLL FACILITIES.**

23         (a) REPEAL OF NATIONAL POLICY.—Section 301 of  
24 title 23, United States Code, is hereby repealed.

1 (b) NEW REQUIREMENTS.—Section 129 of title 23,  
2 United States Code, is amended, to read as follows:

3 “§ 129. Toll facilities

4 “(a) PROHIBITION.—Tolls may not be imposed on any  
5 existing free interstate highway.

6 “(b) FEDERAL SHARE PAYABLE.—Except as provided  
7 in subsection (e), the Federal share payable for any project  
8 under this section shall not exceed 35 per centum of the cost  
9 of the project for construction of new toll facilities, and shall  
10 not exceed 80 per centum of the cost of the project for reha-  
11 bilitation of existing toll facilities or conversion of existing  
12 free facilities to toll facilities.

13 “(c) CONSTRUCTION OR CONVERSION OF FACILI-  
14 TIES.—Except as otherwise provided in this section, Federal  
15 funds to carry out this title may not be obligated on toll facili-  
16 ties or to convert free facilities to toll facilities. The Secre-  
17 tary may permit Federal participation, on the same basis and  
18 in the same manner as participation in projects on free high-  
19 ways under this title, in the construction of any toll highway,  
20 bridge, tunnel, or approach thereto, or the conversion of any  
21 free highway, bridge, tunnel, or approach thereto to a toll  
22 facility, upon compliance with the provisions of this subsec-  
23 tion, except that no Federal funds may be used to impose  
24 tolls on any existing free interstate highway. The highway,  
25 bridge, tunnel, or approach thereto must be publicly owned.



1 The appropriate State transportation or highway department  
2 or departments must be party to an agreement with the Sec-  
3 retary that provides that—

4       “(1) all tolls received from the operation of the fa-  
5       cility, less the actual cost of operation and mainte-  
6       nance, shall be applied to repayment, including debt  
7       service and reasonable return on investment, of the  
8       party financing the facility, except for amounts contrib-  
9       uted by the United States; and

10       “(2) after the date of final repayment, revenues  
11       from tolls in excess of revenues needed to recover  
12       actual costs of operation and maintenance shall be used  
13       for any transportation project eligible under this chap-  
14       ter.

15       “(d) CONSTRUCTION OF FERRYBOATS AND FERRY AP-  
16       PROACHES.—The Secretary may permit Federal participa-  
17       tion under this title in the construction of ferryboats and ferry  
18       approaches, whether toll or free, subject to the following con-  
19       ditions:

20       “(1) It is not feasible to build a bridge, tunnel, or  
21       other normal highway structure in lieu of the ferry.

22       “(2) The operation of the ferry shall not be on a  
23       route that is classified as local, as a rural minor collec-  
24       tor, or as a route on the Interstate System.

1           “(3) The ferry shall be publicly owned and  
2 operated.

3           “(4) The operating authority and the amount of  
4 fares charged for passage on the ferry shall be under  
5 the control of the State, and all revenues shall be ap-  
6 plied to actual and necessary costs of operation, main-  
7 tenance, and repair, including replacement of ferry-  
8 boats.

9           “(5) The ferry shall be operated only within the  
10 State (including the islands which comprise the State  
11 of Hawaii and the islands which comprise the Com-  
12 monwealth of Puerto Rico) or between adjoining  
13 States. Except with respect to operations between the  
14 islands which comprise the State of Hawaii, operations  
15 between the islands which comprise the Common-  
16 wealth of Puerto Rico, operations between the islands  
17 of Maine, and operations between any two points in  
18 Alaska and between Alaska and Washington, including  
19 stops at appropriate points in the Dominion of Canada,  
20 no part of the ferry operations shall be in any foreign  
21 or international waters.

22           “(6) No ferry shall be sold, leased, or otherwise  
23 disposed of without the approval of the Secretary. The  
24 Federal share of any proceeds from a disposition shall  
25 be credited to the unprogrammed balance of Surface

1       Transportation Program funds last apportioned to the  
2       State. Any amounts credited shall be in addition to  
3       other funds then apportioned to the State and shall be  
4       available for expenditure in accordance with the provi-  
5       sions of this title.

6       “(e) CONGESTION PRICING PILOT PROGRAM.—(1) The  
7       Secretary shall solicit the participation of State and local  
8       governments and public authorities for one or more conges-  
9       tion pricing pilot projects. The Secretary may enter into co-  
10      operative agreements with as many as five such State or  
11      local governments or public authorities to establish, maintain,  
12      and monitor congestion pricing projects.

13      “(2) Notwithstanding subsection (c), the Federal share  
14      payable for such programs shall be 100 per centum. The Sec-  
15      retary shall fund all of the development and other startup  
16      costs of such projects, including salaries and expenses, for a  
17      period of at least one year, and thereafter until such time that  
18      sufficient revenues are being generated by the program to  
19      fund its operating costs without Federal participation, except  
20      that the Secretary may not participate at 100 per centum  
21      Federal cost in any project for more than three years.

22      “(3) Revenues generated by any pilot project under this  
23      section must be applied to projects eligible under this title.

24      “(4) The Secretary shall monitor the effect of such  
25      projects for a period of at least ten years, and shall report to

1 the Committee on Environment and Public Works of the  
 2 Senate and the Committee on Public Works and Transporta-  
 3 tion of the House of Representatives every two years on the  
 4 effects such programs are having on driver behavior, traffic  
 5 volume, transit ridership, air quality, and availability of funds  
 6 for transportation programs.

7       “(5) Of the sums made available to the Secretary pursu-  
 8 ant to section 104(a), not to exceed \$5,000,000 shall be  
 9 made available each fiscal year to carry out the requirements  
 10 of this subsection.”.

11       (c) **EXISTING TOLL FACILITY AGREEMENTS.**—At the  
 12 request of the non-Federal parties to any toll facility agree-  
 13 ment reached before October 1, 1991, under section 105 of  
 14 the Federal-Aid Highway Act of 1978 or section 129 of title  
 15 23, United States Code, as in effect immediately prior to the  
 16 date of enactment of this Act, the Secretary shall renegotiate  
 17 such agreement to allow for the continuance of tolls without  
 18 repayment of Federal funds.

19 **SEC. 113. METROPOLITAN PLANNING.**

20       (a) **NEW REQUIREMENTS.**—Section 134 of title 23,  
 21 United States Code is amended to read as follows:

22 **“§ 134. Metropolitan planning**

23       “(a) **METROPOLITAN PLANNING ORGANIZATIONS.**—A  
 24 metropolitan planning organization shall be designated for  
 25 each urbanized area of a State of over fifty thousand in popu-

1 lation by agreement among Governor and the units of general  
2 purpose local government representing at least 90 per  
3 centum of the affected population. Each metropolitan plan-  
4 ning organization shall designate boundaries for a metropoli-  
5 tan area pursuant to subsection (b) and shall carry out the  
6 transportation planning process required by this section. With  
7 the cooperation of the affected States, metropolitan planning  
8 organizations that represent portions of multistate metropoli-  
9 tan areas shall, where feasible, provide for coordinated trans-  
10 portation planning for the entire metropolitan area.

11       “(b) METROPOLITAN AREA BOUNDARIES.—For the  
12 purposes of this title, the boundaries of any metropolitan area  
13 shall be determined by the metropolitan planning organiza-  
14 tion. Each metropolitan area shall cover at least the existing  
15 urbanized area and the area expected to become urbanized  
16 within the forecast period, and may encompass the entire  
17 Metropolitan Statistical Area/Consolidated Metropolitan Sta-  
18 tistical Area (MSA/CMSA) as defined by the Bureau of the  
19 Census. For areas designated as nonattainment for ozone or  
20 carbon monoxide under the Clean Air Act, as amended, the  
21 boundaries of the metropolitan area shall be the boundaries of  
22 the nonattainment area, except as otherwise provided by the  
23 metropolitan planning organization.

24       “(c) GENERAL REQUIREMENT FOR PLANNING.—In de-  
25 veloping transportation plans and programs pursuant to this

1 section, the metropolitan planning organization shall, at a  
2 minimum—

3           “(1) consider preservation of existing transporta-  
4           tion facilities and, where practical, meet transportation  
5           needs by using existing transportation facilities more  
6           efficiently;

7           “(2) provide that transportation planning is con-  
8           sistent with applicable Federal, State, and local energy  
9           conservation programs, goals and objectives;

10          “(3) consider the need to relieve congestion;

11          “(4) conform with the applicable requirements of  
12          the Clean Air Act as amended;

13          “(5) consider the effect of transportation policy  
14          decisions on land use and development, and the provi-  
15          sions of all applicable short- and long-term land use  
16          and development plans;

17          “(6) recommend, where appropriate, the use of in-  
18          novative financing mechanisms, including value cap-  
19          ture, tolls, and congestion pricing to finance needed  
20          projects and programs;

21          “(7) provide for the programming of expenditure  
22          on transportation enhancement activities as required in  
23          section 133;

24          “(8) consider the effects of all transportation  
25          projects to be undertaken within the metropolitan area,

1 without regard to whether such projects are publicly  
2 funded;

3 “(9) consider the overall social, economic, and en-  
4 vironmental, affects of transportation decisions; and

5 “(10) develop a long range transportation plan.

6 “(d) TRANSPORTATION IMPROVEMENT PROGRAMS.—

7 “(1) DEVELOPMENT OF PROGRAMS.—The metro-  
8 politan planning organization, in cooperation with the  
9 State and relevant transit operators, shall develop a  
10 transportation improvement program that includes all  
11 projects within the metropolitan area proposed for  
12 funding pursuant to this title and the Urban Mass  
13 Transportation Act, and that is consistent with the  
14 long range plan developed by the metropolitan plan-  
15 ning organization. The program may only include a  
16 project if full funding can be reasonably anticipated to  
17 be available for such project within the period of time  
18 contemplated for its completion. The program shall be  
19 updated at least annually.

20 “(2) PRIORITY OF PROJECTS.—The program  
21 shall establish sets of projects that shall be carried out  
22 for each three-year period after the initial adoption of  
23 the program.

24 “(3) PROGRAMMING OF FUNDS.—Notwithstanding  
25 any other provision of law, all projects carried out with

1 Federal participation pursuant to this title or the  
2 Urban Mass Transportation Act within the boundaries  
3 of a metropolitan area shall be programmed by the  
4 metropolitan planning organization with regard to the  
5 transportation improvement plan for such area and the  
6 priorities established therein.

7 “(e) ADDITIONAL REQUIREMENTS FOR AREAS OF  
8 OVER 250,000 POPULATION.—

9 “(1) For metropolitan areas of more than 250,000  
10 population, transportation plans and programs shall be  
11 based on a continuing and comprehensive transporta-  
12 tion planning process carried out by a metropolitan  
13 planning organization in cooperation with the State  
14 and transit operators.

15 “(2) The planning process shall include a conges-  
16 tion management system that provides for effective  
17 management of new and existing transportation facili-  
18 ties through the use of travel demand reduction and  
19 operational management strategies. In nonattainment  
20 areas for transportation-related pollutants, the develop-  
21 ment of the congestion management system shall be  
22 coordinated with the development of the transportation  
23 element of the State Implementation Plan required by  
24 the Clean Air Act as amended.



1           “(3) The Secretary shall assure that each metro-  
2           politan planning organization is carrying out its respon-  
3           sibilities under applicable provisions of Federal law,  
4           and shall so certify at least once per annum. The Sec-  
5           retary shall fail to certify a metropolitan planning orga-  
6           nization that is not carrying out applicable require-  
7           ments of Federal law. The provisions of subsection  
8           (d)(3) shall not apply in areas where the metropolitan  
9           planning organization has not received certification  
10          from the Secretary.

11          “(f) **ADDITIONAL REQUIREMENTS FOR NONATTAIN-**  
12 **MENT AREAS.—**

13           “(1) Notwithstanding any other provision of law,  
14           for areas classified as nonattainment for ozone or  
15           carbon monoxide pursuant to the Clean Air Act, as  
16           amended, Federal funds may not be programmed in  
17           such area for any highway project that will result in a  
18           significant increase in carrying capacity for single occu-  
19           pant vehicles unless the project is part of an approved  
20           congestion management system.

21           “(2) If, at the end of any three year planning  
22           period established pursuant to subsection (d), a project  
23           to be carried within such period has not been carried  
24           out, any changes in emissions of pollutants that con-  
25           tribute to nonattainment for ozone or carbon monoxide

1       pursuant to the Clean Air Act, as amended, that have  
2       been attributed to such project shall be discounted for  
3       the purposes of conformity review pursuant to section  
4       176(c) of the Clean Air Act, as amended (42 U.S.C.  
5       7506(c)), until such time as binding commitments have  
6       been made to complete the project by a date certain.

7               “(3) For the purpose of determining conformity  
8       pursuant to section 176(c) of the Clean Air Act, as  
9       amended (42 U.S.C. 7506(c)), the metropolitan plan-  
10      ning organization shall take into account emissions ex-  
11      pected to result from all projects to be carried out  
12      within the metropolitan area, without regard to wheth-  
13      er such projects are publicly or privately funded.

14              “(g) REPROGRAMMING OF SET-ASIDE FUNDS.—Any  
15      funds set aside pursuant to section 104(f) of this title that are  
16      not used for the purpose of carrying out this subsection may  
17      be made available by the metropolitan planning organization  
18      to the state for the purpose of funding activities under section  
19      135.”.

20              (b) ONE PER CENTUM SET-ASIDE.—Section 104(f)(1)  
21      of title 23, United States Code, is amended by striking “one-  
22      half per centum” and inserting in lieu thereof “1 per  
23      centum”; by striking “the Federal-aid systems” and inserting  
24      in lieu thereof “programs authorized under this title”; and by  
25      striking all after the third comma and inserting in lieu thereof

1 "except that the amount from which such set aside is made  
2 shall not include funds authorized to be appropriated for the  
3 Interstate Construction and Interstate Substitute pro-  
4 grams."

5 (c) APPORTIONMENT WITHIN A STATE.—Section  
6 104(f)(4) of title 23, United States Code, is amended by strik-  
7 ing "and metropolitan area transportation needs" and insert-  
8 ing in lieu thereof "attainment of air quality standards, met-  
9 ropolitan area transportation needs, and other factors neces-  
10 sary to provide for an appropriate distribution of funds to  
11 carry out the requirements of section 134 and other applica-  
12 ble federal law."

13 (d) CONFORMING AMENDMENTS.—

14 (1) The analysis of chapter 1 of title 23 United  
15 States Code is amended by striking

"Sec. 134 Transportation planning in certain urban areas."

16 and inserting in lieu thereof

"Sec. 134. Metropolitan Planning."

17 (2) Section 104(f)(3) of title 23, United States  
18 Code is amended by striking "designated by the State  
19 as being".

20 SEC. 114. STATEWIDE PLANNING.

21 (a) NEW REQUIREMENTS.—Section of 135 of title 23,  
22 United States Code is amended to read as follows:

1 § 135. Statewide planning

2       “(a) MANAGEMENT SYSTEMS.—Each State shall have  
3 a Bridge Management System, a Pavement Management  
4 System, a Safety Management System, and Congestion Man-  
5 agement System developed in accordance with regulations  
6 prescribed by the Secretary. Systems shall include invento-  
7 ries and use current condition data to identify needs. The  
8 Secretary may withhold project approvals under section 106  
9 and may decline to accept a notice and certification under  
10 section 133(c)(2) if a State fails to have approved systems.  
11 The regulations shall provide for periodic Federal review of  
12 the Management Systems.

13       “(b) TRAFFIC MONITORING SYSTEM.—Each State  
14 shall have a Traffic Monitoring System to provide statistical-  
15 ly based data necessary for pavement management, bridge  
16 evaluation, safety management, congestion management, na-  
17 tional studies, and other activities under this title. The Secre-  
18 tary shall establish guidelines and requirements for the Traf-  
19 fic Monitoring System.

20       “(c) STATE PLANNING PROCESS.—Each state shall un-  
21 dertake a continuous transportation planning process which  
22 shall—

23               “(1) take into account the results of the manage-  
24 ment systems required pursuant to subsection (a);

25               “(2) take into account any Federal, State or local  
26 energy use goals, objectives, programs or requirements;

1           “(3) take into account any valid State or local de-  
2           velopment or land use plans, programs, or require-  
3           ments;

4           “(4) take into account international border cross-  
5           ings and access to ports, airports, intermodal transpor-  
6           tation facilities, major freight distribution routes, na-  
7           tional parks, recreation areas, monuments and historic  
8           sites, and military installations.

9           “(5) provide for comprehensive surface transporta-  
10          tion planning for nonmetropolitan areas;

11          “(6) be consistent with any metropolitan area plan  
12          developed pursuant to section 134; and

13          “(7) be coordinated with the development of any  
14          State implementation plan required under the Clean  
15          Air Act, as amended, and provided for compliance with  
16          any relevant requirements of such plan and such Act.

17          “(d) ADDITIONAL REQUIREMENTS FOR STATES CON-  
18          TAINING NONATTAINMENT AREAS.—Any State containing  
19          an area in nonattainment for ozone or carbon monoxide pur-  
20          suant to the Clean Air Act, as amended, shall develop and  
21          update on an annual basis a State Transportation plan. In  
22          addition to the requirements in subsection (c) such plan  
23          shall—

1           “(1) incorporate without amendment the provi-  
2           sions of any metropolitan area plan developed pursuant  
3           to section 134; and

4           “(2) provide for coordination in the development  
5           of the State transportation plan required pursuant to  
6           this section any State implementation plan required  
7           pursuant to the Clean Air Act, as amended.

8           “(e) FUNDING.—Funds set aside pursuant to section  
9           307(c)(1) and section 307(c)(2) of title 23, United States  
10          Code, shall be available to carry out the requirements of this  
11          section.”.

12          (b) CONFORMING AMENDMENTS.—The analysis of  
13          chapter 1 of title, 23 United States Code, is amended by  
14          striking

          “Sec. 135. Traffic operations improvement programs.”

15          and inserting in lieu thereof

          “Sec. 135. Statewide Planning.”.

16          SEC. 115. RESEARCH AND DATA COLLECTION.

17          (a) RESEARCH PROGRAM.—Section 307 of title 23,  
18          United States Code, is amended as follows:

19                  (1) NEW REQUIREMENTS.—Subsection (b) is re-  
20                  designated (b)(1), and the following new paragraphs are  
21                  added thereafter:

22                  “(2) The highway research program shall include a co-  
23                  ordinated long term program of research on Intelligent Vehi-  
24                  cle Highway Systems.

1       “(3) The highway research program shall include a co-  
2       ordinated long term program of research for the development,  
3       use and dissemination of performance indicators to measure  
4       the performance of the surface transportation system, includ-  
5       ing indicators for productivity, efficiency, energy use, air  
6       quality, congestion, safety, maintenance, and other factors  
7       that reflect the overall performance of the surface transporta-  
8       tion system.

9       “(4) The highway research program shall continue those  
10       portions of the work of the Strategic Highway Research Pro-  
11       gram that the Secretary deems to be important.

12       “(5) The Secretary shall create and administer a trans-  
13       portation research fellowship program to attract qualified stu-  
14       dents to the field of transportation engineering and research,  
15       which shall be known as the Dwight David Eisenhower  
16       Transportation Fellowship Program. No less than  
17       \$2,000,000 per fiscal year of the funds set aside pursuant to  
18       section 307 shall be made available to carry out this para-  
19       graph.”.

20               (2) Subsection (c) is amended by striking “high-  
21       way programs and local public transportation systems”  
22       and inserting in lieu thereof “transportation programs”;  
23       by striking “highway usage” and inserting in lieu  
24       thereof “transportation”; and by striking “highways

1 and highway systems” and inserting in lieu thereof  
2 “transportation systems”.

3 (b) FEDERAL SHARE FOR STATE RESEARCH ACTIVI-  
4 TIES.—Section 120(j) is amended by striking “85 per  
5 centum” and inserting in lieu thereof “80 per centum”; and  
6 by striking “exclusive of” and inserting in lieu thereof “,  
7 and”.

8 (c) STATE AUTHORITY TO PROGRAM FUNDS.—Section  
9 307(c) of title 23, United States Code, is amended by striking  
10 “upon the request of the State highway department, with the  
11 approval of the Secretary, with or without State funds,” in  
12 paragraph (1); and by repealing paragraph (3).

13 (d) DATA COLLECTION AND ANALYSIS.—

14 (1) BUREAU OF TRANSPORTATION STATIS-  
15 TICS.—There is hereby established within the Depart-  
16 ment of Transportation a Bureau of Transportation  
17 Statistics. The Bureau shall be headed by a Director  
18 (hereafter referred to as ‘the Director’), who shall be  
19 appointed by the President with the advice and consent  
20 of the Senate, and who shall be removable only for  
21 cause.

22 (2) NEW REQUIREMENTS.—Section 303 of title  
23 23, United States Code, is amended to read as follows:



1 **“§ 303. Data collection and analysis**

2       “(a) PROGRAM.—The Director of the Bureau of Trans-  
3 portation Statistics, in cooperation with the States, shall  
4 pursue a comprehensive, long-term program for the collection  
5 and analysis of data relating to the performance of the na-  
6 tional transportation system. This effort shall—

7               “(1) be coordinated with the efforts undertaken  
8 pursuant to section 307(b)(3) to develop performance  
9 indicators for the national transportation system;

10              “(2) assure that data and other information is col-  
11 lected in a manner to maximize the ability to compare  
12 data from different regions and time periods; and

13              “(3) assure that data is quality controlled for ac-  
14 curacy and is disseminated to the States and other in-  
15 terest parties.

16       “(b) ESTIMATES.—The Director shall produce, on an  
17 annual basis, unbiased and comparable estimates of factors  
18 including but not limited to productivity in the various por-  
19 tions of the transportation sector, traffic flows, travel times,  
20 vehicle weights, variables influencing traveller behavior in-  
21 cluding choice of mode, travel costs of intracity commuting  
22 and intercity trips, frequency of vehicle and transportation  
23 facility repairs and other interruptions of service, accidents,  
24 collateral damage to the human and natural environment,  
25 and the condition of the transportation system, which esti-  
26 mates shall be suitable for conducting cost-benefit studies and

1 other analysis necessary for prioritizing transportation system  
2 problems and analyzing proposed solutions.

3       “(c) **REPORTS.**—Beginning on October 1, 1992, and  
4 every twelve months thereafter, the Director shall submit to  
5 the Committee on Environment and Public Works of the  
6 Senate and the Committee on Public Works and Transporta-  
7 tion of the House of Representatives a report containing the  
8 estimates described in subsection (b) and otherwise describing  
9 the status of the transportation system in the United States.

10       “(d) **COLLECTION OF DATA.**—The Secretary may use  
11 any authority granted under this or any other title, or any  
12 Act to collect data the Secretary deems to be important in  
13 carrying out the provisions of this section.”.

14       (3) **FUNDING.**—Section 104(a) of title 23 United  
15 States Code is amended by inserting “, data collection,  
16 and other programs” after “research”; and by inserting  
17 “, and section 303” after “section 307”.

18       (4) **ANALYSIS.**—The analysis for chapter 3 of title  
19 23 United States Code is amended by striking

“Sec. 303. [Repealed. Public Law 97-449].”

20 and inserting in lieu thereof

“Sec. 303. Data Collection and Analysis.”.

21 **SEC. 116. MAGNETIC LEVITATION TRANSPORTATION.**

22       (a) **DECLARATION OF POLICY.**—Section 101(c) of title  
23 23, United States Code is amended to read as follows:

1       “(c) It is the policy of the United States to establish in  
2 the shortest time practicable a United States designed and  
3 constructed magnetic levitation transportation technology ca-  
4 pable of operating along Federal-aid highway rights-of-way,  
5 as part of a national transportation system of the United  
6 States.”.

7       (b) NATIONAL MAGNETIC LEVITATION DESIGN PRO-  
8 GRAM.—

9           (1) MANAGEMENT OF PROGRAM.—There is  
10 hereby established a National Magnetic Levitation  
11 Design Program to be managed jointly by the Secre-  
12 tary and the Assistant Secretary of the Army for Civil  
13 Works (hereafter referred to as “the Assistant Secre-  
14 tary”.) In carrying out such program, the Secretary  
15 and the Assistant Secretary shall consult with appro-  
16 priate Federal officials, including the Secretary of  
17 Energy and the Administrator of the Environmental  
18 Protection Agency. The Secretary and the Assistant  
19 Secretary shall establish a National Maglev Joint  
20 Project Office (hereafter referred to as the “Maglev  
21 Project Office”) to carry out such program, and shall  
22 enter into such arrangements as may be necessary for  
23 funding, staffing, office space, and other requirements  
24 that will allow the Maglev Project Office to carry out  
25 its functions.

1           (2) PHASE ONE GRANTS.—(A) Not later than  
2           three months after the date of enactment of this Act,  
3           any eligible participant may submit to the Maglev  
4           Project Office a proposal for research and development  
5           of a conceptual design for a maglev system and an ap-  
6           plication for a grant to carry out that research and de-  
7           velopment.

8           (B) Not later than six months after the date of en-  
9           actment of this Act, the Secretary and the Assistant  
10          Secretary shall award grants for one year of research  
11          and development to no less than six applicants. If  
12          fewer than six complete applications have been re-  
13          ceived, grants shall be awarded to as many applicants  
14          as is practical.

15          (C) The Secretary and the Assistant Secretary  
16          may approve a grant under subparagraph (B) only after  
17          consideration of factors relating to the construction and  
18          operation of a magnetic levitation system, including the  
19          cost-effectiveness, ease of maintenance, safety, limited  
20          environmental impact, ability to achieve sustained high  
21          speeds, ability to operate along the Interstate highway  
22          rights of way, the potential for the guideway design to  
23          be a national standard, and the bidder's resources, ca-  
24          pabilities, and history of successfully designing and de-  
25          veloping systems of similar complexity: *Provided*, That

1 the applicant agrees to submit a report to the Maglev  
2 Project Office detailing the results of the research and  
3 development, and agrees to provide for matching of the  
4 phase one grant at a 90 per centum Federal, 10 per  
5 centum non-Federal cost share.

6 (D) For purposes of this section, the term 'eligible  
7 participant' means United States private businesses,  
8 United States public and private education and re-  
9 search organizations, Federal laboratories, and consor-  
10 tia of such businesses, organizations and laboratories.

11 (3) PHASE TWO GRANTS.—Within three months  
12 of receiving the reports under paragraph (2), the Secre-  
13 tary and the Assistant Secretary shall select not more  
14 than three participants to receive one-year grants for  
15 research and development leading to a final design for  
16 a maglev system. The Secretary and the Assistant  
17 Secretary may only award grants under this paragraph  
18 if they determine that the applicant has demonstrated  
19 technical merit for the conceptual design and the po-  
20 tential for further development of such design into a  
21 national system, and if the applicant agrees to provide  
22 for matching of the phase two grant at a 80 per  
23 centum Federal, 20 per centum non-Federal cost  
24 share.

1           (4) PROTOTYPE.—(A) Within six months of re-  
2           ceiving the final designs developed under paragraph  
3           (3), the Secretary and the Assistant Secretary shall  
4           select one design for development into a full scale pro-  
5           totype. Not more than three months after the selection  
6           of such design, the Secretary and the Assistant Secre-  
7           tary shall award one prototype construction grant to a  
8           State government, local government, organization of  
9           State and local governments, consortium of United  
10          States private businesses or any combination of these  
11          entities for the purpose of constructing a prototype  
12          maglev system in accordance with the selected design.

13          (B) Selection of the grant recipient under this  
14          paragraph shall be based on the following factors:

15                 (i) The project shall utilize Interstate high-  
16                 way rights of way.

17                 (ii) The project shall have sufficient length to  
18                 allow significant full speed operations between  
19                 stops.

20                 (iii) No more than 75 per centum of the cost  
21                 of the project shall be borne by the United States.

22                 (iv) The project shall be constructed and  
23                 ready for operational testing within three years  
24                 after the award of the grant.

1 (v) The project shall provide for the conver-  
2 sion of the prototype to commercial operation  
3 after testing and technical evaluation is complet-  
4 ed.

5 (vi) The project shall be located in an area  
6 that provides a potential ridership base for future  
7 commercial operation.

8 (vii) The project shall be located in an area  
9 that experiences climatic and other environmental  
10 conditions that are representative of such condi-  
11 tions in the United States as a whole.

12 (viii) The project shall be suitable for eventu-  
13 al inclusion in a national magnetic levitation  
14 system network.

15 (c) LICENSING.—

16 (1) PROPRIETARY RIGHTS.—No trade secrets or  
17 commercial or financial information that is privileged  
18 or confidential, under the meaning of section 552(b)(4)  
19 of title 5, United States Code, which is obtained from  
20 a United States business, research, or education entity  
21 as a result of activities under this Act shall be dis-  
22 closed.

23 (2) COMMERCIAL INFORMATION.—The research,  
24 development, and use of any technology developed pur-  
25 suant to an agreement reached pursuant to this sec-

1       tion, including the terms under which any technology  
2       may be licensed and the resulting royalties may be dis-  
3       tributed, shall be subject to the provisions of the Ste-  
4       venson-Wylder Technology Innovation Act of 1980 (15  
5       U.S.C. 3701-3714). In addition, the Secretary and the  
6       Assistant Secretary may require any grant recipient to  
7       assure that research and development shall be per-  
8       formed substantially in the United States, and that the  
9       products embodying the inventions made under any  
10      agreement pursuant to this section or produced through  
11      the use of such inventions shall be manufactured sub-  
12      stantially in the United States.

13      (d) **AVAILABILITY OF FUNDS.**—Funds authorized to be  
14      appropriated to carry out this section shall remain available  
15      until expended.

16      (e) **REPORTS.**—The Secretary and the Assistant Secre-  
17      tary shall provide periodic reports on progress made under  
18      this section to the Committee on Environment and Public  
19      Works of the Senate and the Committee on Public Works  
20      and Transportation of the House of Representatives.

21      **SEC. 117. ACCESS TO RIGHTS OF WAY.**

22      (a) **AVAILABILITY OF RIGHTS OF WAY.**—Subsection  
23      142(g) of title 23, United States Code, is amended to read as  
24      follows:



1       “(g) In any case where sufficient land exists within the  
2 publicly acquired rights-of-way of any highway, constructed  
3 in whole or in part with Federal-aid highway funds, to ac-  
4 commodate needed passenger or commuter rail, high speed  
5 ground transportation systems including magnetic levitation  
6 systems, highway and nonhighway public mass transit facili-  
7 ties the Secretary shall authorize a State to make such lands  
8 and rights-of-way available without charge to a publicly or  
9 privately owned authority or company for such purposes.”.

10       (b) AVAILABILITY OF AIRSPACE.—Section 156 of title  
11 23, United States Code, is amended by adding before the  
12 period at the end of the first sentence the following: “: *Pro-*  
13 *vided*, That the States may permit governmental use, use by  
14 public or private entities for high speed ground transportation  
15 systems, including magnetic levitation systems, or other tran-  
16 sit, utility use and occupancy where such use or occupancy is  
17 necessary for a transportation project allowed under this sec-  
18 tion, or use for transportation projects eligible for assistance  
19 under this title, without charge.”.

20       (c) CONFORMING AMENDMENTS.—Section 142 of title  
21 23, United States Code, is amended as follows:

22               (1) Paragraph (a)(1) is amended by striking “of  
23 the Federal-aid systems”; and by striking “project on  
24 any Federal-aid system” and inserting in lieu thereof

1 “Surface Transportation Program project or as an  
2 Interstate construction project”.

3 (2) Paragraph (a)(2) is repealed.

4 (3) Subsection (c) is repealed.

5 (4) Paragraph (e)(2) is repealed.

6 (5) Subsections (i), (j), and (k) are repealed.

7 **SEC. 118. REPORT ON REIMBURSEMENT FOR SEGMENTS CON-**  
8 **STRUCTED WITHOUT FEDERAL ASSISTANCE.**

9 The Secretary shall update the findings of the report  
10 required by section 114 of the Federal-Aid Highway Act of  
11 1956 to determine what amount the United States could pay  
12 to the States to reimburse the States for segments incorpo-  
13 rated into the Interstate System that were constructed at  
14 non-Federal expense. The report required under this section  
15 shall be completed by October 1, 1993, and shall be transmit-  
16 ted to the Committee on Environment and Public Works of  
17 the Senate and the Committee on Public Works and Trans-  
18 portation of the House of Representatives.

19 **SEC. 119. DISADVANTAGED BUSINESS ENTERPRISES.**

20 (a) **CONTINUATION OF CURRENT LAW.**—Section  
21 106(c)(1) of the Surface Transportation and Uniform Reloca-  
22 tion Assistance Act of 1987 is amended by striking “I and  
23 III of this Act or obligated under” and inserting instead “I of  
24 the Surface Transportation Efficiency Act of 1991 or obligat-  
25 ed under titles I and III of this Act and”.

1 (b) ADJUSTMENT FOR INFLATION.—Sec. 106(c)(2)(A) of  
 2 such 1987 Act is amended by striking “14,000,000” and in-  
 3 serting instead “15,370,000”.

4 SEC. 120. AVAILABILITY OF FUNDS.

5 (a) Section 118 of title 23, United States Code, is  
 6 amended to read as follows:

7 “(a) DATE AVAILABLE FOR OBLIGATION.—Except as  
 8 otherwise specifically provided, authorizations from the High-  
 9 way Account of the Highway Trust Fund to carry out this  
 10 title shall be available for obligation when apportioned or al-  
 11 located, or on October 1 of the fiscal year for which they are  
 12 authorized, whichever first occurs.

13 “(b) PERIOD OF AVAILABILITY.—

14 “(1) INTERSTATE CONSTRUCTION FUNDS.—

15 Funds apportioned or allocated for Interstate Construc-  
 16 tion in a state shall remain available for obligation in  
 17 that State until the close of the fiscal year in which  
 18 they are apportioned or allocated: *Provided*, That all  
 19 sums apportioned or allocated on or after October 1,  
 20 1994, shall remain available in the State until obligat-  
 21 ed: *And provided further*, That all sums apportioned or  
 22 allocated to Massachusetts on or October 1, 1989 shall  
 23 remain available until obligated.

24 “(2) OTHER FUNDS.—Except as otherwise specif-  
 25 ically provided, funds (other than Interstate Construc-

1 tion) apportioned or allocated pursuant to this title in a  
2 State shall remain available for obligation in that State  
3 for a period of three years after the close of the fiscal  
4 year for which the funds are authorized. Any amounts  
5 so apportioned or allocated that remain unobligated at  
6 the end of that period shall lapse.

7 “(c) ALASKA AND PUERTO RICO.—Funds made avail-  
8 able to the State of Alaska and the Commonwealth of Puerto  
9 Rico under this title may be expended for construction of  
10 access and development roads that will serve resource devel-  
11 opment, recreational, residential, commercial, industrial, and  
12 other like purposes.”.

13 **SEC. 121. PROGRAM EFFICIENCIES.**

14 (a) Section 102 of title 23, United States Code, is  
15 amended to read as follows:

16 **“SEC. 102. PROGRAM EFFICIENCIES.**

17 “(a) DESIGN, SAFETY AND CONSTRUCTION STAND-  
18 ARDS.—Except as provided in section 133(c), projects under-  
19 taken pursuant to the Surface Transportation Program must  
20 be designed, constructed, operated, and maintained in accord-  
21 ance with State laws, regulations, directives, safety stand-  
22 ards, design standards, and construction standards.

23 “(b) PAVEMENT REHABILITATION PROJECTS.—Not-  
24 withstanding any other provision of this title, a State high-  
25 way or transportation department may approve the design of

1 a pavement rehabilitation project or highway resurfacing  
2 project on any project constructed pursuant to this title.

3       “(c) HIGHWAY MAINTENANCE STANDARDS.—Notwith-  
4 standing any other provision of this title, a State highway or  
5 transportation department may establish maintenance stand-  
6 ards for projects constructed pursuant to this title, which  
7 shall be subject to annual approval by the Secretary. The  
8 Secretary may not withhold project approval pursuant to sec-  
9 tion 166 if a State is meeting maintenance standards ap-  
10 proved by the Secretary under this section.

11       “(d) HOV PASSENGER REQUIREMENTS.—A State  
12 highway or transportation department shall establish the oc-  
13 cupancy requirements of vehicles operating in high occupan-  
14 cy vehicle lanes: *Provided*, That no fewer than two occupants  
15 may be required.

16       “(e) ENGINEERING COST REIMBURSEMENT.—A State  
17 shall refund to the Highway Trust Fund all Federal funds for  
18 preliminary engineering for any project if the project has not  
19 yet advanced to construction or acquisition of right-of-way  
20 within ten years.”.

21       (b) HISTORIC AND SCENIC VALUES.—Section 109 of  
22 title 23, United States Code, is amended by adding at the end  
23 the following new subsection:

24       “(p) Where a proposed project under sections 103(e)(4),  
25 133, or 144 involves a historic facility or where such project

1 is located in an area of historic or scenic value, the Secretary  
2 may approve such project notwithstanding the requirements  
3 of subsections (a) and (b) and section 133(c) only if such  
4 project is designed to standards that allow for the preserva-  
5 tion of these values: *Provided*, That such project is designed  
6 with mitigation measures to allow preservation of these  
7 values and ensure safe operation of the project.”.

8 (c) DELEGATION OF RESPONSIBILITIES.—Section 302  
9 of title 23, United States Code, is amended by adding at the  
10 end the following new subsection:

11 “(c) At the request of the Governor of any State, the  
12 Secretary is authorized to interact with the highway or trans-  
13 portation department of a municipality of over one million  
14 population within the State in lieu of the State highway or  
15 transportation department for the purpose of project review  
16 for projects proposed to be undertaken within the municipal-  
17 ity.”.

18 (d) CONFORMING AMENDMENTS.—The analysis of  
19 chapter 1 of title 23, United States Code, is amended by  
20 striking

“Sec. 102. Authorizations.”

21 and inserting in lieu thereof

“Sec. 102. Program efficiencies.”

22 **Sec. 122. Use of Safety Belts and Motorcycle Helmets.**

23 (a) NEW REQUIREMENTS.—Section 153 of title 23,  
24 United States Code, is amended to read as follows:

1 "§ 153. Use of safety belts and motorcycle helmets

2 "(a) STATE LAWS.—

3 "(1) FISCAL YEAR 1995.—If, at any time in  
4 fiscal year 1994 a State does not have in effect—

5 "(A) a State law which makes it unlawful for  
6 an individual to operate a motorcycle if an indi-  
7 vidual on the motorcycle is not wearing a motor-  
8 cycle helmet; and

9 "(B) a State law which makes it unlawful for  
10 an individual to operate a passenger vehicle if an  
11 individual in a front seat of the vehicle (other than  
12 a child who is secured in a child restraint system)  
13 does not have a safety belt properly fastened  
14 about the individual's body;

15 the State shall expend for highway safety programs in  
16 accordance with subsection (b) 1.5 per centum of the  
17 amount appropriated to such State for fiscal year 1995  
18 under section 104((b)(1).

19 "(2) AFTER FISCAL YEAR 1995.—If, at any time  
20 in a fiscal year beginning after September 30, 1994, a  
21 State does not have in effect—

22 "(A) a State law which makes it unlawful for  
23 an individual to operate a motorcycle if an indi-  
24 vidual on the motorcycle is not wearing a motor-  
25 cycle helmet; and

1                   “(B) a State law which makes it unlawful for  
2                   an individual to operate a passenger vehicle if an  
3                   individual in a front seat of the vehicle (other than  
4                   a child who is secured in a child restraint system)  
5                   has a safety belt properly fastened about the indi-  
6                   vidual’s body;

7                   the State shall expend for highway safety programs in  
8                   accordance with subsection (b) 3 per centum of the  
9                   amount apportioned to such State for the succeeding  
10                  fiscal year under section 104(b)(1). A State which is  
11                  required to expend funds for highway safety programs  
12                  this subsection shall expend such funds for purposes el-  
13                  igible under section 402.

14                  “(3) FEDERAL SHARE.—The Federal share of the  
15                  cost of any project carried out under this subsection  
16                  shall be 100 per centum.

17                  “(4) AVAILABILITY.—Notwithstanding the re-  
18                  quirements of section 118, funds subject to the set  
19                  aside under this subsection shall be available only in  
20                  year for which they were apportioned, and shall there-  
21                  after lapse. For the purposes of making expenditures of  
22                  such funds, a State shall use an amount of the obliga-  
23                  tion authority distributed for the Surface Transporta-  
24                  tion Program for the fiscal year in which the set aside



1 apportionments were made equal to the amount re-  
2 quired to be expended under this subsection.

3 “(b) GRANTS TO STATES.—

4 “(1) STATE ELIGIBILITY.—The Secretary may  
5 make grants to a State in accordance with this section  
6 if such State has in effect—

7 “(A) a State law which makes it unlawful for  
8 an individual to operate a motorcycle if an indi-  
9 vidual on the motorcycle is not wearing a motor-  
10 cycle helmet; and

11 “(B) a State law which makes it unlawful for  
12 an individual to operate a passenger vehicle if an  
13 individual in a front seat of the vehicle (other than  
14 a child who is secured in a child restraint system)  
15 does not have a safety belt properly fastened  
16 about the individual’s body.

17 “(2) USE OF GRANTS.—A grant made to a State  
18 under this section shall be used to adopt and imple-  
19 ment a traffic safety program to carry out the following  
20 purposes:

21 “(A) To educate the public about motorcycle  
22 and passenger vehicle safety and motorcycle  
23 helmet, safety belt, and child restraint system use  
24 and to involve public health education agencies  
25 and other related agencies in these efforts.

1                   “(B) To train law enforcement officers in the  
2                   enforcement of State laws described in paragraph  
3                   (1).

4                   “(C) To monitor the rate of compliance with  
5                   State laws described in subsection (a).

6                   “(D) To enforce State laws described in  
7                   paragraph (1).

8                   “(3) MAINTENANCE OF EFFORT.—A grant may  
9                   not be made to a State under this section in any fiscal  
10                  year unless the State enters into such agreements with  
11                  the Secretary as the Secretary may require to ensure  
12                  that such State will maintain its aggregate expendi-  
13                  tures from all other sources for any traffic safety pro-  
14                  gram described in subsection (b) at or above the aver-  
15                  age level of such expenditures in the State’s two fiscal  
16                  years preceding the date of the enactment of this sec-  
17                  tion.

18                  “(4) FEDERAL SHARE.—A State may not receive  
19                  a grant under this section in more than three fiscal  
20                  years. The Federal share payable for a grant under  
21                  this section shall not exceed—

22                         “(A) in the first fiscal year such State re-  
23                         ceives a grant, 75 per centum of the cost of im-  
24                         plementing in such fiscal year a traffic safety pro-  
25                         gram described in subsection (b);

1           “(B) in the second fiscal year such State re-  
2           ceives a grant, 50 per centum of the cost of im-  
3           plementing in such traffic safety program; and

4           “(C) in the third fiscal year such State re-  
5           ceives a grant, 25 per centum of the cost of im-  
6           plementing in such fiscal year such traffic safety  
7           program.

8           “(5) MAXIMUM AGGREGATE AMOUNT OF  
9           GRANTS.—The aggregate amount of grants made to a  
10          State under this section shall not exceed 90 per  
11          centum of the amount apportioned to such State for  
12          fiscal year 1990 under section 402.

13          “(6) ELIGIBILITY FOR GRANTS.—

14          “(A) A State is eligible in a fiscal year for a  
15          grant under this section only if the State enters  
16          into such agreements with the Secretary as the  
17          Secretary may require to ensure that the State  
18          implements in such fiscal year a traffic safety pro-  
19          gram described in subsection (b).

20          “(B) A State is eligible for a grant under this  
21          section in a fiscal year succeeding the first fiscal  
22          year in which a State receives a grant under this  
23          section only if the State in the preceding fiscal  
24          year—

1                                   “(i) has in effect at all times a State  
2                                   law described in paragraph (1)(A) and  
3                                   achieves a rate of compliance with such law  
4                                   of not less than 75 per centum; and

5                                   “(ii) has in effect at all times a State  
6                                   law described in paragraph (1)(B) and  
7                                   achieves a rate of compliance with such law  
8                                   of not less than 50 per centum;

9                                   “(C) A State is eligible for a grant under this  
10                                  section in a fiscal year succeeding the second  
11                                  fiscal year in which a State receives a grant  
12                                  under this section only if the State in the preced-  
13                                  ing fiscal year—

14                                  “(i) has in effect at all times a State  
15                                  law described in paragraph (1)(A) and  
16                                  achieves a rate of compliance with such law  
17                                  of not less than 85 per centum; and

18                                  “(ii) has in effect at all times a State  
19                                  law described in paragraph (1)(B) and  
20                                  achieves a rate of compliance with such law  
21                                  of not less than 70 per centum.

22                   “(c) MEASUREMENTS OF RATES OF COMPLIANCE.—

23 For the purposes of subsections (b) (2) and (3), a State shall  
24 measure compliance with State laws described in subsection  
25 (b)(1) using methods which conform to guidelines to be issued

1 by the Secretary ensuring that such measurements are accu-  
2 rate and representative.

3 “(d) DEFINITIONS.—For the purposes of this section,  
4 the following definitions apply:

5 “(1) The term ‘child restraint system’ means a  
6 device which is designed for use in a passenger vehicle  
7 to restrain, seat, or position a child who weighs fifty  
8 pounds or less.

9 “(2) The term ‘motorcycle’ means a motor vehicle  
10 with motive power which is designed to travel on not  
11 more than three wheels in contact with the surface.

12 “(3) The term ‘passenger vehicle’ means a motor  
13 vehicle with motive power which is designed for trans-  
14 porting ten individuals or less, including the driver,  
15 except that such term shall not include a vehicle which  
16 is constructed on a truck chassis, a motorcycle, a trail-  
17 er, or any motor vehicle which is not required on the  
18 date of the enactment of this section under a Federal  
19 motor vehicle safety standard to be equipped with a  
20 belt system.

21 “(4) The term ‘safety belt’ means—

22 “(A) with respect to open-body vehicles and  
23 convertibles, and occupant restraint system con-  
24 sisting of a lap belt or a lap belt and a detachable  
25 shoulder belt; and

1                   “(B) with respect to other passenger vehi-  
2                   cles, an occupant restraint system consisting of in-  
3                   tegrated lap and shoulder belts.”.

4                   “(e) AUTHORITY.—All provisions of chapter 1 of this  
5 title that are applicable to Surface Transportation Program  
6 funds, other than provisions relating to the apportionment  
7 formula, shall apply to funds authorized to be appropriated to  
8 carry out this section, except as determined by the Secretary  
9 to be inconsistent with this section and except that sums  
10 authorized by this section shall remain available until  
11 expended.”.

12                   (b) STUDY.—The Secretary shall conduct a study to col-  
13 lect and analyze data from trauma centers regarding differ-  
14 ences in injuries, medical costs, payor mix, and unreimbursed  
15 costs of restrained and unrestrained, helmeted and nonhel-  
16 meted victims of motor vehicle and motorcycle crashes. Of  
17 the amounts authorized to be appropriated for fiscal year  
18 1992 to carry out the requirements of this section, not less  
19 than \$5,000,000 shall be available to carry out this subsec-  
20 tion. Public education and information activities in support of  
21 State and community motorcycle safety and safety belt pro-  
22 grams shall be eligible for funds authorized to be appropri-  
23 ated for this study. Approval by the Secretary of Transporta-  
24 tion of the payment of such sums shall establish a contractual  
25 obligation of the United States to pay such sums.

1 (c) REGULATIONS.—Not later than one hundred and  
 2 eighty days after the date of the enactment of this Act, the  
 3 Secretary shall issue regulations to carry out section 153 of  
 4 title 23, United States Code.

5 (d) CONFORMING AMENDMENT.—The analysis for  
 6 chapter 1 of title 23, United States Code, is amended by  
 7 striking

“Sec. 153. [Repealed.]

8 and inserting in lieu thereof

“Sec. 153. Use of Safety Belts and Motorcycle Helmets.”.

9 **SEC. 123. DEFINITIONS.**

10 (a) NEW DEFINITIONS.—Section 101(a) of title 23  
 11 United States Code is amended adding definitions for “car-  
 12 pool project”, “hazard elimination”, “magnetic levitation  
 13 system”, “metropolitan area”, “open to public travel”,  
 14 “operational improvement”, “public authority”, “public  
 15 lands highway”, “railway-highway crossing”, “reconstruc-  
 16 tion”, and “transportation enhancement activities” as fol-  
 17 lows:

18 “The term ‘carpool project’ means any project to  
 19 encourage the use of carpools and vanpools, including  
 20 but not limited to provision of carpooling opportunities  
 21 to the elderly and handicapped, systems for locating  
 22 potential riders and informing them of carpool opportu-  
 23 nities, acquiring vehicles for carpool use, designating  
 24 existing highway lanes as preferential carpool highway

1 lanes, providing related traffic control devices, and des-  
2 ignating existing facilities for use for preferential park-  
3 ing for carpools.

4 "The term 'hazard elimination' means the correc-  
5 tion or elimination of hazardous locations, sections or  
6 elements, including roadside obstacles and unmarked or  
7 poorly marked roads which may constitute a danger to  
8 motorists or pedestrians.

9 "The term 'magnetic levitation system' means  
10 any facility (including vehicles) using magnetic levita-  
11 tion for transportation of passengers or freight that is  
12 capable of operating at high speeds, and capable of op-  
13 erating along Interstate highway rights of way."

14 "The term 'metropolitan area' means an area so  
15 designated by a metropolitan planning organization  
16 pursuant to section 134."

17 "The term 'open to public travel' means that the  
18 road section is available, except during scheduled peri-  
19 ods, extreme weather or emergency conditions, passa-  
20 ble by four-wheel standard passenger cars, and open to  
21 the general public for use without restrictive gates,  
22 prohibitive signs, or regulations other than restrictions  
23 based on size, weight, or class of registration. Toll  
24 plazas of public toll roads are not considered restrictive  
25 gates."



1           “The term ‘operational improvement’ means a  
2           capital improvement other than (1) a reconstruction  
3           project; (2) additional lanes except high occupancy ve-  
4           hicle lanes; (3) interchange and grade separations; or  
5           (4) the construction of a new facility on a new location.  
6           The term includes the installation of traffic surveillance  
7           and control equipment; computerized signal systems;  
8           motorist information systems, integrated traffic control  
9           systems; incident management programs; transportation  
10          demand management facilities, strategies, and pro-  
11          grams; high occupancy vehicle preferential treatments  
12          including the construction of high occupancy vehicle  
13          lanes; and spot geometric and traffic control modifica-  
14          tions to alleviate specific bottlenecks and hazards.”

15           “The term ‘public authority’ means a Federal,  
16          State, county, town, or township, Indian tribe, municipi-  
17          pal or other local government or instrumentality with  
18          authority to finance, build, operate or maintain toll or  
19          toll-free facilities.

20           “The term ‘public lands highway’ means any  
21          highway through national forest lands, unappropriated  
22          or unreserved Federal lands, nontaxable Indian lands,  
23          or other Federal reservations, which is under the juris-  
24          diction of, and maintained by, a public authority and  
25          open to public travel.

1           “The term ‘railway-highway crossing project’  
2           means any project for the elimination of hazards of  
3           railway-highway crossings, including the protection or  
4           separation of grades at crossings, the reconstruction of  
5           existing railroad grade crossing structures, and the re-  
6           location of highways to eliminate grade crossings.

7           “The term ‘reconstruction’ means the addition of  
8           travel lanes and the construction and reconstruction of  
9           interchanges and overcrossings, including acquisition of  
10          right-of-way where necessary.

11          “The term ‘transportation enhancement activities’  
12          means, with respect to any project or the area to be  
13          served by the project, highway safety improvement  
14          projects, railway-highway crossing projects, provision  
15          of facilities for pedestrians and bicycles, acquisition of  
16          scenic easements and scenic or historic sites, scenic or  
17          historic highway programs, landscaping and other  
18          scenic beautification, historic preservation, rehabilita-  
19          tion and operation of historic transportation buildings,  
20          structures or facilities including historic railroad facili-  
21          ties and canals, preservation of abandoned railway cor-  
22          ridors including the conversion and use thereof for pe-  
23          destrian or bicycle trails, control and removal of out-  
24          door advertising, archaeological planning and research,

1 and mitigation of water pollution due to highway  
2 runoff.

3 (b) CONFORMING AMENDMENTS.—

4 (1) The definition for “highway” is amended by  
5 inserting “scenic easements” after “and also includes”.

6 (2) The definitions for “Federal-aid highways”,  
7 “Federal-aid system”, “Federal-aid primary system”,  
8 “Federal-aid secondary system”, “Federal-aid urban  
9 system”, “forest highway”, “project”, and “urban  
10 area” are repealed.

11 (3) The definition for “Indian reservation roads”  
12 is amended by striking “, including roads on the Feder-  
13 al-aid systems,”.

14 **SEC. 124. FUNCTIONAL RECLASSIFICATION.**

15 A functional reclassification, which shall be updated pe-  
16 riodically, should be undertaken by each State (as that term  
17 is defined in section 101 of title 23, United States Code), the  
18 United States Virgin Islands, American Samoa, Guam and  
19 the Commonwealth of the Northern Mariana Islands, by Sep-  
20 tember 30, 1992, and shall be completed by September 30,  
21 1993 in accordance with guidelines that will be issued by the  
22 Secretary. The functional reclassification shall classify all  
23 public roads (as that term is defined in section 101 of title 23,  
24 United States Code).

1 SEC. 125. REPEAL OF CERTAIN SECTIONS OF TITLE 23 UNITED  
2 STATES CODE.

3 (a) The following portions of title 23, United States  
4 Code, are hereby repealed:

5 (1) Section 105, relating to programs;

6 (2) Section 117, relating to certification accept-  
7 ance;

8 (3) Section 122, relating to bond retirement;

9 (4) Section 124, relating to advances to States;

10 (5) Section 126, relating to diversion of funds;

11 (6) Section 130, relating to railway-highway  
12 crossings;

13 (7) Section 137, relating to parking facilities;

14 (8) Section 146, relating to carpools;

15 (9) Section 147, relating to priority primary  
16 projects;

17 (10) Section 148, relating to a national recreation-  
18 al highway;

19 (11) Section 150, relating to urban system funds;

20 (12) Section 152, relating to hazard elimination;

21 (13) Section 155, relating to lake access high-  
22 ways;

23 (14) Section 201, relating to authorizations;

24 (15) Section 210, relating to defense access roads;

25 (16) Section 212, relating to the Inter-American  
26 Highway;

1           (17) Section 216, relating to the Darien Gap  
2 Highway;

3           (18) Section 218, relating to the Alaska Highway;

4           (19) Section 309, relating to foreign countries;

5           (20) Section 310, relating to civil defense;

6           (21) Section 311, relating to strategic highway  
7 improvements;

8           (22) Section 312, relating to military officers;

9           (23) Section 318, relating to highway relocation;

10 and

11           (24) Section 320, relating to bridges on Federal  
12 dams.

13 **SEC. 126. CONFORMING AND TECHNICAL AMENDMENTS.**

14       (a) **AMENDMENTS TO TITLE 23, United States Code.**—  
15 Title 23, United States Code, is amended as follows:

16           (1) Section 103 is amended as follows:

17               (A) Subsections (a), (b), (c), (d), and (g) are  
18 repealed.

19               (B) Paragraph (e)(1) is amended by striking  
20 “All highways or routes included in the Interstate  
21 System as finally approved, if not already coinci-  
22 dent with the primary system, shall be added to  
23 said system without regard to the mileage limita-  
24 tion set forth in subsection (b) of this section”.

1                   (C) Paragraph (e)(4)(B) is amended by strik-  
2                   ing the last two sentences and inserting instead  
3                   “Each highway project constructed under this  
4                   paragraph shall be subject to the provisions of this  
5                   title applicable to highway projects constructed  
6                   under the Surface Transportation Program.”

7                   (D) Paragraph (e)(4)(H)(i) is amended by  
8                   striking “and 1991” the three places it appears  
9                   and inserting instead “1991, 1992, 1993, 1994  
10                  and 1995”.

11                  (E) Subsection (f) is amended to read as fol-  
12                  lows:

13                  “(f) The Secretary shall have authority to approve in  
14                  whole or in part the Interstate System, or to require modifi-  
15                  cations or revisions thereof.”

16                  (2) Section 104 is amended as follows:

17                   (A) Subsection (a) is amended by striking  
18                   “the Federal-aid systems” and inserting in lieu  
19                   thereof “a program authorized by this chapter”.

20                   (B) Subsection (b)(6) is repealed.

21                   (C) Subsections (c) and (d) are repealed.

22                  (3) Section 105 is amended as follows:

23                   (A) Subsections (a) is amended by (i) striking  
24                   “for the Federal-aid systems” and (ii) by striking  
25                   “, but he shall not approve any project in a pro-

1 posed program which is not located upon an ap-  
2 proved Federal-aid system”.

3 (B) Subsections (b), (c) and (d) are repealed.

4 (C) Subsection (f) is amended by striking “on  
5 the Federal-aid systems”.

6 (4) Section 106 is amended as follows:

7 (A) Subsection (a) is amended by striking  
8 “117” and inserting instead “133”.

9 (B) Subsection (b) is repealed.

10 (C) Subsection (d) is amended by striking “on  
11 any Federal-aid System”.

12 (5) Section 108 is amended as follows:

13 (A) Subsection (a) is amended by striking  
14 “on any of the Federal-aid highway systems, in-  
15 cluding the Interstate System,” in two places.

16 (B) Paragraph (c)(2) is amended by striking  
17 “on any Federal-aid system”.

18 (C) Paragraph (c)(3) is amended by striking  
19 “on any Federal-aid system of which such project  
20 is to be a part”.

21 (6) Section 109 is amended as follows:

22 (A) Section (a) is amended by striking “on  
23 any Federal-aid system”.

24 (B) Subsection (c) is repealed.

1                   (C) Subsection (i) is amended by striking “on  
2                   a Federal-aid system” in two places; and by strik-  
3                   ing “the Federal-aid system on which such project  
4                   will be located”.

5                   (D) Paragraph (l)(1) is amended by striking  
6                   “on any Federal-aid system”.

7                   (7) Section 112 is amended by striking subsection  
8                   (f).

9                   (8) Section 113 is amended—

10                   (A) by striking “on the Federal-aid systems,  
11                   the primary and secondary, as well as their exten-  
12                   sions in urban areas, and the Interstate System,”;

13                   (B) by striking “upon the Federal-aid sys-  
14                   tems,”; and

15                   (C) by striking “on any of the Federal-aid  
16                   systems”.

17                   (9) Section 114 is amended as follows:

18                   (A) Subsection (a) is amended by (1) striking  
19                   “located on a Federal-aid system” and inserting  
20                   instead “constructed under this chapter” and (2)  
21                   striking “117” and inserting “133”.

22                   (B) Paragraph (b)(3) is amended by striking  
23                   “located on a Federal-aid system” and inserting  
24                   instead “under this chapter”.

25                   (10) Section 115 is amended as follows:



1 (A) The title of subsection (a) is amended by  
2 striking "Urban, Secondary," and inserting in-  
3 stead "Surface Transportation Program".

4 (B) Subparagraph (a)(1)(A)(i) is amended by  
5 striking "section 104(b)(2), section 104(b)(6)" and  
6 inserting instead "section 104(b)(1)".

7 (C) The title of subsection (b) is amended by  
8 striking "And Primary".

9 (D) Paragraph (b)(1) is amended (i) by strik-  
10 ing "the Federal-aid primary system or"; (ii) by  
11 striking "104(b)(1) or"; and (iii) by striking ", as  
12 the case may be,".

13 (11) Section 116 is amended as follows:

14 (A) Subsection (a) is amended by striking  
15 "The State's obligation to the United States to  
16 maintain any such project shall cease when it no  
17 longer constitutes a part of a Federal-aid system."

18 (B) Subsection (b) is amended by striking "on  
19 the Federal-aid secondary system, or within a mu-  
20 nicipality," and inserting instead "within a county  
21 or municipality".

22 (12) Section 120 is amended as follows:

23 (A) Subsection (c) is amended by striking the  
24 last sentence.

1 (B) Subsection (f) is amended by striking  
2 “project on a Federal-aid highway system, includ-  
3 ing the Interstate System, shall not exceed the  
4 Federal share payable on a project on such  
5 system as provided in subsections (a) and (c) of  
6 this section” and inserting instead “project on the  
7 Interstate System shall not exceed the Federal  
8 share payable on a project on that system as pro-  
9 vided in subsection (c) of this section and any  
10 project off the Interstate System shall not exceed  
11 the Federal share payable as provided in subsec-  
12 tion (a) of this section”.

13 (C) Subsection (k) is amended by striking  
14 “for any Federal-aid system” and inserting in-  
15 stead “under section 104”; by striking “, and 155  
16 of this title and for those priority primary routes  
17 under section 147”; and by striking “and for  
18 funds allocated under the provisions of section  
19 155”.

20 (D) Subsection (m) is repealed.

21 (13) Section 121(c) is amended by inserting “For  
22 projects obligated under section 106” in two places  
23 before the word “No”; and by striking “located on a  
24 Federal-aid system”.

1 (14) Section 123 is amended by striking “on any  
2 Federal-aid system”.

3 (15) Section 125 is amended as follows:

4 (A) Subsection (a) is amended (i) by striking  
5 “highways on the Federal-aid highway systems,  
6 including the Interstate System” and inserting in-  
7 stead “public roads except roads functionally clas-  
8 sified as local or rural minor collector” and (ii) by  
9 striking “authorized on the Federal-aid highway  
10 systems, including the Interstate System” and in-  
11 sserting instead “authorized on public roads except  
12 roads functionally classified as local or as rural  
13 minor collector”.

14 (B) Subsection (c) is amended by striking “,  
15 whether or not such highways, roads, or trails are  
16 on any of the Federal-aid highway systems”.

17 (16) Section 139 is amended as follows:

18 (A) Subsection (a) is amended (i) by striking  
19 “on the Federal-aid primary system”; (ii) by strik-  
20 ing “sections 104(b)(1) and” and inserting instead  
21 “section”; and (iii) by striking “rehabilitating and  
22 reconstructing” and inserting instead “and reha-  
23 bilitating”.

24 (B) Subsection (b) is amended (i) by striking  
25 “on the Federal-aid primary system”; (ii) by strik-

1 ing "sections 104(b)(1) and" and inserting instead  
2 "section"; (iii) by striking "rehabilitating and re-  
3 constructing" and inserting instead "and rehabili-  
4 tating"; and (iv) by striking "section" in the last  
5 sentence and inserting instead "subsection".

6 (C) Subsection (c) is amended (i) by striking  
7 "on the Federal-aid primary system; (ii) by strik-  
8 ing "sections 104(b)(1) and" and inserting instead  
9 "section"; and (iii) by striking "restoration, and  
10 reconstruction" and inserting instead "and resto-  
11 ration".

12 (17) Section 140 is amended as follows:

13 (A) Subsection (a) is amended by striking  
14 "on any of the Federal-aid systems,".

15 (B) Subsection (c) is amended by striking  
16 "104(a)" and inserting instead "104(b)".

17 (18) Section 141(b) is amended striking "on the  
18 Federal-aid primary system, the Federal-aid urban  
19 system, and the Federal-aid secondary system" and in-  
20 sserting instead "on public roads except roads function-  
21 ally classified as local or rural minor collector".

22 (19) Section 157 is amended as follows:

23 (A) Subsection (b) is amended (i) by striking  
24 "primary, secondary, Interstate, urban" and in-  
25 sserting instead "Interstate, Surface Transporta-

1           tion Program” and (ii) by striking the period at  
2           the end of the last sentence and inserting instead  
3           “and section 105(c) of the Federal-Aid Highway  
4           Act of 1991.”.

5           (B) Subsection (d) is amended by striking  
6           “154(f) or”.

7           (20) Paragraph (a)(2) of section 158 is amended  
8           by striking “104(b)(2), 104(b)(5), and 104(b)(6)” and  
9           inserting instead “and 104(b)(5)”.

10          (21) Section 215 is amended as follows:

11           (A) Clause (2) of subsection (c) is amended  
12           by inserting at the beginning “except as provided  
13           in section 129”.

14           (B) Subsection (e) is repealed.

15           (C) Subsection (f) is amended by (1) striking  
16           “Federal-aid primary highway” and inserting in-  
17           stead “Surface Transportation Program” and by  
18           (2) striking “and provisions limiting the expendi-  
19           ture of such funds to the Federal-aid systems”.

20          (22) Section 217 is amended as follows:

21           (A) Subsection (a) is amended by striking  
22           “, (2) and (6)”.

23           (B) Subsection (b) is amended by striking  
24           “, (2) and (6)”.

1           (23) Section 302(b) is amended by striking “, for  
2           the construction of projects on the Federal-aid second-  
3           ary system, financed with secondary funds, and for the  
4           maintenance thereof”.

5           (24) Section 304 is amended by striking “the Fed-  
6           eral-aid highway systems, including the Interstate  
7           System” and inserting instead “Federal-aid highways”.

8           (25) Section 315 is amended by striking “sections  
9           204(d), 205(a), 206(b), 207(b), and 208(c)” and insert-  
10          ing instead “section 205(a)”.

11          (26) Section 317(d) is amended by striking “on a  
12          Federal-aid system” and inserting instead “with Feder-  
13          al aid”.

14          (27) Subsection (d) of section 402 is amended (A)  
15          by striking “Federal-aid primary highway” and insert-  
16          ing instead “Surface Transportation Program” and (B)  
17          by striking “and provisions limiting the expenditure of  
18          such funds to the Federal-aid system”.

19          (28) Subsection (g) of section 408 is amended (A)  
20          by striking “Federal-aid primary highway” and insert-  
21          ing instead “Surface Transportation Program” and (B)  
22          by striking “and provisions limiting the expenditure of  
23          such funds to Federal-aid systems”.

24          (b) AMENDMENTS TO THE HIGHWAY SAFETY ACT OF  
25          1978.—Subsection (i) of section 209 of the Highway Safety

1 Act of 1978 is amended by (1) striking “Federal-aid primary  
2 highway” and inserting instead “Surface Transportation Pro-  
3 gram” and by (2) striking “and provisions limiting the ex-  
4 penditure of such funds to the Federal-aid systems”.

5 (c) AMENDMENTS TO THE SURFACE TRANSPORTATION  
6 ASSISTANCE ACT OF 1982.—(1) Section 411 of the Surface  
7 Transportation Assistance Act of 1982 is amended as fol-  
8 lows:

9 (A) Subsection (a) is amended by striking “Feder-  
10 al-aid Primary System highways” and inserting instead  
11 “highways which were designated as Federal-aid pri-  
12 mary system highways before the enactment of the  
13 Federal-aid Highway Act of 1991”.

14 (B) Subsection (c) is amended by striking “Feder-  
15 al-aid Primary System highways” and inserting instead  
16 “highways which were designated as Federal-aid Pri-  
17 mary System highways before the enactment of the  
18 Federal-aid Highway Act of 1991”.

19 (C) Subsection (e) is amended by striking “Feder-  
20 al-aid Primary System highways” and “Primary  
21 System highways” and inserting instead in two places  
22 “highways which were designated as Federal-aid Pri-  
23 mary System highways before the enactment of the  
24 Federal-aid Highway Act of 1991”.

1       (2) Section 412(a) of the Surface Transportation Assist-  
2       ance Act of 1982 is amended by striking “Federal-aid Pri-  
3       mary System highways” and inserting instead, “highways  
4       which were designated as Federal-aid Primary System high-  
5       ways before the enactment of the Federal-aid Highway Act  
6       of 1991”.

7       (3) Section 416 of the Surface Transportation Assist-  
8       ance Act of 1982 is amended as follows:

9           (A) Subsection (a) is amended by striking “Feder-  
10       al-aid highway” in two places and inserting instead  
11       “highway which was on a Federal-aid system on the  
12       date of the enactment of the Federal-aid Highway Act  
13       of 1991”; and by striking “Federal-aid Primary  
14       System highway” and inserting instead “highway  
15       which was on the Federal-aid Primary System on the  
16       date of enactment of the Federal-aid Highway Act of  
17       1991”.

18           (B) Subsection (d) is amended by striking “Feder-  
19       al-aid highway” and inserting instead “highway which  
20       was on a Federal-aid system on the date of the enact-  
21       ment of the Federal-aid Highway Act of 1991”.

22       (d) AMENDMENTS TO TITLE 42, United States Code.—  
23       Section 5122(8)(B) of title 42, United States Code, is amend-  
24       ed by striking “any non-Federal-aid street, road or highway”



1 and inserting instead “any street, road or highway not eligi-  
2 ble for emergency relief under title 23, United States Code.”

3 (e) OPERATION LIFESAVER.—Whenever apportion-  
4 ments are made under section 104(a) of title 23, United  
5 States Code, the Secretary shall deduct such sums as he  
6 deems necessary, not to be less than \$250,000 per fiscal  
7 year, for carrying out Operation Lifesaver.

8 **SEC. 127. RECODIFICATION.**

9 The Secretary shall, by October 1, 1993, prepare a re-  
10 codification of title 23, United States Code, related Acts and  
11 statutes and submit the recodification to the Congress for  
12 consideration.

13 **TITLE II—NATIONAL RECREATIONAL**

14 **TRAILS TRUST FUND ACT**

15 **SEC. 201. SHORT TITLE.**

16 This title may be cited as the National Recreational  
17 Trails Fund Act of 1991.

18 **SEC. 202. CREATION OF NATIONAL RECREATIONAL TRAILS**  
19 **TRUST FUND.**

20 (a) IN GENERAL.—Subchapter A of chapter 98 of the  
21 Internal Revenue Code of 1986 (relating to trust fund code)  
22 is amended by adding at the end thereof the following new  
23 section:

1 "SEC. 9511. NATIONAL RECREATIONAL TRAILS TRUST FUND.

2 "(a) CREATION OF TRUST FUND.—There is established  
3 in the Treasury of the United States a trust fund to be known  
4 as the 'National Recreational Trails Trust Fund', consisting  
5 of such amounts as may be appropriated, credited, or paid to  
6 it as provided in this section, section 9503(c)(6), or section  
7 9602(b).

8 "(b) EXPENDITURES FROM TRUST FUND.—Amounts  
9 in the National Recreational Trails Trust Fund shall be avail-  
10 able for making expenditures to carry out the purposes of the  
11 National Recreational Trails Fund Act of 1991."

12 (b) DEPOSIT OF UNREFUNDED HIGHWAY TRUST FUND  
13 MONEYS.—Section 9503(c) of the Internal Revenue Code of  
14 1986 (relating to Highway Trust Fund) is amended—

15 (1) by adding at the end thereof the following new  
16 paragraph:

17 "(6) TRANSFERS FROM THE TRUST FUND FOR  
18 NONHIGHWAY RECREATIONAL FUEL TAXES.—

19 "(A) TRANSFER TO NATIONAL RECRE-  
20 ATIONAL TRAILS TRUST FUND.—The Secretary  
21 shall annually pay from the Highway Trust Fund  
22 into the National Recreational Trails Trust Fund  
23 amounts (as determined by the Secretary) equiva-  
24 lent to 0.3 per centum of total Highway Trust  
25 Fund receipts, as adjusted by the Secretary pursu-  
26 ant to subparagraph (B).

1                   “(B) ADJUSTMENT OF PERCENTAGE.—

2                   “(i) FIRST YEAR.—Within one year  
3                   after the date of enactment of this Act, the  
4                   Secretary shall, based on studies of nonhigh-  
5                   way recreational fuel usage in the various  
6                   States, adjust the percentage of receipts paid  
7                   into the National Recreational Trails Trust  
8                   Fund to correspond to the revenue received  
9                   from nonhighway recreational fuel taxes.

10                  “(ii) SUBSEQUENT YEARS.—Not more  
11                  frequently than once every three years, the  
12                  Secretary may increase or decrease the per-  
13                  centage established under clause (i) to re-  
14                  flect, in the Secretary’s estimation, changes  
15                  in the amount of revenues received from  
16                  nonhighway recreational fuel taxes.

17                  “(iii) AMOUNT OF ADJUSTMENT.—The  
18                  amount of an adjustment in the percentage  
19                  stated in clause (ii) shall be not more than 10  
20                  per centum of that percentage in effect at  
21                  the time the adjustment is made.

22                  “(iv) USE OF DATA.—The Secretary  
23                  shall make use of data on off-highway recre-  
24                  ational vehicle registrations and use in  
25                  making adjustments under clauses (i) and (ii).

1                   “(C) DEFINITIONS.—For the purposes of  
2                   this paragraph—

3                   “(i) NONHIGHWAY RECREATIONAL  
4                   FUEL TAXES.—The term ‘nonhighway rec-  
5                   reational fuel taxes’ means the taxes under  
6                   sections 4041, 4081, and 4091 (to the extent  
7                   attributable to the Highway Trust Fund fi-  
8                   nancing rate) with respect to fuel used as  
9                   nonhighway recreational fuel.

10                   “(ii) NONHIGHWAY RECREATIONAL  
11                   FUEL.—The term ‘nonhighway recreational  
12                   fuel’ means—

13                   “(I) fuel used in vehicles and  
14                   equipment on recreational trails or back  
15                   country terrain, including use in vehi-  
16                   cles registered for highway use when  
17                   used on recreational trails or back coun-  
18                   try terrain; and

19                   “(II) fuel used in campstoves and  
20                   other outdoor recreational equipment.”;  
21                   and

22                   “(2) by striking paragraph (2)(C) and inserting the  
23                   following:

24                   “(C) EXCEPTION FOR USE IN AIRCRAFT  
25                   AND MOTORBOATS, AND AS NONHIGHWAY REC-

1 RECREATIONAL FUEL.—This paragraph shall not  
 2 apply to amounts estimated by the Secretary as  
 3 attributable to—

4 “(i) use of gasoline and special fuels in  
 5 motorboats or in aircraft, and

6 “(ii) use of gasoline as nonhighway rec-  
 7 reational fuel as defined in paragraph  
 8 (6)(C)(ii).”.

9 (c) CONFORMING AMENDMENT.—Section 6421(e)(2) of  
 10 the Internal Revenue Code of 1986 (defining off-highway  
 11 business use) is amended by adding at the end thereof the  
 12 following new subparagraph:

13 “(C) EXCEPTION FOR USE AS NONHIGHWAY  
 14 RECREATIONAL FUEL.—The term ‘off-highway  
 15 business use’ does not include any use as nonhigh-  
 16 way recreational fuel as defined in section  
 17 9503(e)(6)(C)(ii).”.

18 (d) CLERICAL AMENDMENT.—The table of sections for  
 19 subchapter A of chapter 98 of the Internal Revenue Code of  
 20 1986 is amended by adding at the end thereof the following  
 21 new item:

“Sec. 9511. National Recreational Trails Trust Fund.”.

22 SEC. 203. NATIONAL RECREATIONAL TRAILS PROGRAM.

23 (a) IN GENERAL.—The Secretary, using amounts avail-  
 24 able in the Fund, shall administer a program allocating

1 moneys to the States for the purposes of providing for and  
2 maintaining recreational trails.

3 (b) STATE ELIGIBILITY.—

4 (1) TRANSITIONAL PROVISION.—Until the date  
5 that is three years after the date of enactment of this  
6 Act, a State shall be eligible to receive moneys under  
7 this Act only if such State's application proposes to use  
8 the moneys as provided in subsection (d).

9 (2) PERMANENT PROVISION.—On and after the  
10 date that is three years after the date of enactment of  
11 this Act, a State shall be eligible to receive moneys  
12 under this Act only if—

13 (A) the State has established a State Recre-  
14 ational Trails Advisory Board on which both mo-  
15 torized and nonmotorized recreational trail users  
16 are represented;

17 (B) in the case of a State that imposes a tax  
18 on nonhighway recreational fuel, the State by law  
19 reserves a reasonable estimation of the revenues  
20 from that tax for use in providing for and main-  
21 taining recreational trails; and

22 (C) the Governor of the State has designated  
23 the State official who will be responsible for ad-  
24 ministering moneys received under this Act; and

1 (D) the State's application proposes to use  
2 moneys received under this Act as provided in  
3 subsection (d).

4 (c) ALLOCATION OF MONEYS IN THE FUND.—

5 (1) ADMINISTRATIVE COSTS.—No more than 3  
6 per centum of the expenditures made annually from the  
7 Fund may be used to pay the cost to the Secretary  
8 for—

9 (A) approving applications of States for  
10 moneys under this Act;

11 (B) paying expenses of the National Recre-  
12 ational Trails Advisory Committee; and

13 (C) conducting national surveys of nonhigh-  
14 way recreational fuel consumption by State, for  
15 use in making determinations and estimations pur-  
16 suant to this Act.

17 (2) ALLOCATION TO STATES.—

18 (A) AMOUNT.—Amounts in the Fund re-  
19 maining after payment of the administrative costs  
20 described in paragraph (1), shall be allocated and  
21 paid to the States annually in the following pro-  
22 portions:

23 (i) EQUAL AMOUNTS.—50 per centum  
24 of such amounts shall be allocated equally  
25 among eligible States.

1                   (ii) AMOUNTS PROPORTIONATE TO  
2                   NONHIGHWAY RECREATIONAL FUEL USE.—  
3                   50 per centum of such amounts shall be allo-  
4                   cated among eligible States in proportion to  
5                   the amount of nonhighway recreational fuel  
6                   use during the preceding year in each such  
7                   State, respectively.

8                   (B) USE OF DATA.—In determining amounts  
9                   of nonhighway recreational fuel use for the pur-  
10                  pose of subparagraph (A)(ii), the Secretary may  
11                  consider data on off-highway vehicle registration  
12                  in each State.

13               (d) USE OF ALLOCATED MONEYS.—

14               (1) PERMISSIBLE USES.—A State may use  
15               moneys received under this Act for—

16               (A) in an amount not exceeding 7 per  
17               centum of the amount of moneys received by the  
18               State, administrative costs of the State;

19               (B) in an amount not exceeding 5 per centum  
20               of the amount of moneys received by the State,  
21               operation of environmental protection and safety  
22               education programs relating to the use of recre-  
23               ational trails;

24               (C) development of urban trail linkages near  
25               homes and workplaces;



1 (D) maintenance of existing recreational  
2 trails, including the grooming and maintenance of  
3 trails across snow;

4 (E) restoration of areas damaged by usage of  
5 recreational trails and back country terrain;

6 (F) development of trail-side and trail-head  
7 facilities that meet goals identified by the National  
8 Recreational Trails Advisory Committee;

9 (G) acquisition of easements;

10 (H) acquisition of fee simple title to property  
11 from a willing seller, when the objective of the  
12 acquisition cannot be accomplished by acquisition  
13 of an easement or by other means;

14 (I) construction of new trails on State,  
15 county, municipal, or private lands, where a rec-  
16 reational need for such construction is shown; and

17 (J) construction of new trails on Federal  
18 lands, where such construction is approved by the  
19 administering agency of the State, a majority of  
20 the State's Recreational Trail Advisory Board,  
21 and the Federal agency or agencies charged with  
22 management of all impacted lands, such approval  
23 to be contingent upon compliance by the Federal  
24 agency with all other applicable laws, including  
25 the National Environmental Policy Act (42

1 U.S.C. 4321 et seq.), the Forest and Rangeland  
2 Renewable Resources Planning Act of 1974, as  
3 amended (16 U.S.C. 1600, et seq.), and the Fed-  
4 eral Land Policy and Management Act (43 U.S.C.  
5 1701, et seq.).

6 (2) USE NOT PERMITTED.—A State may not use  
7 moneys received under this Act for—

8 (A) condemnation of any kind of interest in  
9 property, or

10 (B) construction of any recreational trail for  
11 motorized use on or through lands which have  
12 been recommended by any agency of the Federal  
13 Government for inclusion in the National Wilder-  
14 ness Preservation System.

15 (3) GRANTS.—

16 (A) IN GENERAL.—A State may provide  
17 moneys received under this Act as grants to pri-  
18 vate individuals, organizations, city and county  
19 governments, and other government entities as  
20 approved by the State's Recreational Trail Advi-  
21 sory Board, for uses consistent with this section.

22 (B) COMPLIANCE.—A State that issues such  
23 grants under subparagraph (A) shall establish  
24 measures to verify that recipients comply with the  
25 specified conditions for the use of grant moneys.

1           (4) BALANCE OF MOTORIZED AND NONMOTOR-  
2           IZED BENEFITS.—Not less than 30 per centum of the  
3           moneys received annually by a State under this Act  
4           shall be expended for benefits directed to motorized  
5           recreation, and not less than 30 per centum of those  
6           moneys shall be expended for benefits directed to non-  
7           motorized recreation.

8           (5) DIVERSIFIED TRAIL USE.—

9           (A) REQUIREMENT.—To the extent practica-  
10          ble and consistent with other requirements of this  
11          section, a State shall expend not less than 40 per  
12          centum of moneys received under this Act in a  
13          manner that gives preference to project proposals  
14          which—

15                 (i) provide for the greatest number of  
16          recreational purposes including, but not limit-  
17          ed to, those described under the definition of  
18          “recreational trail” in subsection (f)(5); and

19                 (ii) provide for innovative recreational  
20          trail corridor sharing to accommodate motor-  
21          ized and nonmotorized recreational trail use.

22          (B) COMPLIANCE.—The determination as to  
23          whether a project or grant meets the requirements  
24          of subparagraph (A) shall be made by the State  
25          Recreational Trail Advisory Board.

1           (6) SMALL STATE EXCLUSION.—Any State with  
2 a total land area of less than three million five hundred  
3 thousand acres, and in which nonhighway recreational  
4 fuel use accounts for less than 1 per centum of all such  
5 fuel use in the United States, shall be exempted from  
6 the requirements of paragraphs (4) and (5)(A)(ii) of this  
7 subsection upon application to the Secretary by the  
8 State demonstrating that it meets the conditions of this  
9 paragraph.

10           (7) RETURN OF MONEYS NOT EXPENDED.—  
11 Moneys paid to a State that are not expended or dedi-  
12 cated to a specific project within two years after re-  
13 ceipt for the purposes stated in this subsection shall be  
14 returned to the Fund and shall thereafter be reallo-  
15 cated under the formula stated in subsection (c).

16 (e) COORDINATION OF ACTIVITIES.—

17           (1) COOPERATION BY FEDERAL AGENCIES.—  
18 Each agency of the United States Government that  
19 manages land on which a State proposes to construct  
20 or maintain a recreational trail pursuant to this Act is  
21 encouraged to cooperate with the State and the Secre-  
22 tary in planning and carrying out the activities de-  
23 scribed in subsection (d). Nothing in this Act diminishes  
24 or in any way alters the land management responsibil-

1 ities, plans and policies established by such agencies  
2 pursuant to other applicable laws.

3 (2) COOPERATION BY PRIVATE PERSONS.—

4 (A) WRITTEN ASSURANCES.—As a condition  
5 to making available moneys for work on recre-  
6 ational trails that would affect privately owned  
7 land, a State shall obtain written assurances that  
8 the owner of the property will cooperate with the  
9 State and participate as necessary in the activities  
10 to be conducted.

11 (B) PUBLIC ACCESS.—Any use of a State's  
12 allocated moneys on private lands must be accom-  
13 panied by an easement or other legally binding  
14 agreement that ensures public access to the recre-  
15 ational trail improvements funded by those  
16 moneys.

17 (f) DEFINITIONS.—For the purposes of this section—

18 (1) ELIGIBLE STATE.—The term “eligible State”  
19 means a State that meets the requirements stated in  
20 subsection (b).

21 (2) FUND.—The term “Fund” means the National  
22 Recreational Trails Fund established by section 9511  
23 of the Internal Revenue Code of 1986.

24 (3) NONHIGHWAY RECREATIONAL FUEL.—The  
25 term “nonhighway recreational fuel” has the meaning

1 stated in section 9503(c)(6)(C)(ii) of the Internal Reve-  
2 nue Code of 1986.

3 (4) SECRETARY.—The term “Secretary” means  
4 the Secretary of the Interior.

5 (5) RECREATIONAL TRAIL.—The term “recre-  
6 ational trail” means a thoroughfare or track across  
7 land or snow, used for recreational purposes such as  
8 bicycling, cross-country skiing, day hiking, equestrian  
9 activities, jogging or similar fitness activities, trail  
10 biking, overnight and long-distance backpacking, snow-  
11 mobiling, and vehicular travel by motorcycle, four-  
12 wheel drive or all-terrain off-road vehicles, without  
13 regard to whether it is a “National Recreation Trail”  
14 designated under section 4 of the National Trails  
15 System Act (16 U.S.C. 1243).

16 SEC. 204. NATIONAL RECREATIONAL TRAILS ADVISORY COM-  
17 MITTEE.

18 (a) ESTABLISHMENT.—There is established the Nation-  
19 al Recreational Trails Advisory Committee.

20 (b) MEMBERS.—There shall be ten members of the ad-  
21 visory committee, consisting of—

22 (1) eight members appointed by the Secretary  
23 from nominations submitted by recreational trail user  
24 organizations, one each representing the following rec-  
25 reational trail uses:

- 1 (A) Hiking,
- 2 (B) Cross country skiing,
- 3 (C) Off-highway motorcycling,
- 4 (D) Snowmobiling,
- 5 (E) Horseback riding,
- 6 (F) All terrain vehicle riding,
- 7 (G) Bicycling,
- 8 (H) Four-wheel driving;

9 (2) an appropriate government official, including  
10 any official of State or local government, designated by  
11 the Secretary; and

12 (3) one member appointed by the Secretary from  
13 nominations submitted by water trail user organiza-  
14 tions.

15 (c) CHAIR.—The Chair of the advisory committee shall  
16 be the government official referenced in subsection (b)(2),  
17 who shall serve as a nonvoting member.

18 (d) SUPPORT FOR COMMITTEE ACTION.—Any action,  
19 recommendation, or policy of the advisory committee must be  
20 supported by at least five of the members appointed under  
21 subsection (b)(1).

22 (d) TERMS.—Members of the advisory committee ap-  
23 pointed by the Secretary shall be appointed for terms of three  
24 years, except that the members filling five of the ten positions  
25 shall be initially appointed for terms of two years, with subse-

1 quent appointments to those positions extending for terms of  
2 three years.

3 (e) DUTIES.—The advisory committee shall meet at  
4 least twice annually to—

5 (1) review utilization of allocated moneys by  
6 States;

7 (2) establish and review criteria for trail-side and  
8 trail-head facilities that qualify for funding under this  
9 Act; and

10 (3) make recommendations to the Secretary for  
11 changes in Federal policy to advance the purposes of  
12 this Act.

13 (f) ANNUAL REPORT.—The advisory committee shall  
14 present to the Secretary an annual report on its activities.

15 (g) REIMBURSEMENT FOR EXPENSES.—Non-Govern-  
16 mental members of the advisory committee shall serve with-  
17 out pay, but, to the extent funds are available pursuant to  
18 section 203(c)(1)(B), shall be entitled to reimbursement for  
19 travel, subsistence, and other necessary expenses incurred in  
20 the performance of their duties.

21 (h) REPORT TO CONGRESS.—Not later than four years  
22 after the date of enactment of this Act, the Secretary shall  
23 prepare and submit to the Committee on Environment and  
24 Public Works of the Senate, and the Committee on Public  
25 Works and Transportation of the House of Representatives, a



1 study which summarizes the annual reports of the National  
2 Recreational Trails Advisory Committee, describes the allo-  
3 cation and utilization of moneys under this Act, and contains  
4 recommendations for changes in Federal policy to advance  
5 the purposes of this Act.

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## PENDING HIGHWAY LEGISLATION

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TUESDAY, MAY 14, 1991

U.S. SENATE,  
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS,  
*Washington, DC.*

The committee met, pursuant to recess, at 9:03 a.m. in room 406, Dirksen Senate Office Building, Hon. Quentin N. Burdick [chairman of the committee] presiding.

Present: Senators Burdick, Chafee, Symms, Metzenbaum, Graham, Lautenberg, Baucus, Moynihan, and Reid.

### OPENING STATEMENT OF HON. QUENTIN N. BURDICK, U.S. SENATOR FROM THE STATE OF NORTH DAKOTA

Senator BURDICK. This morning the Committee on Environment and Public Works meets to continue hearings on pending Surface Transportation legislation. Yesterday we heard from more than 20 witnesses on a variety of subjects. We received testimony on truck sizes and weights and on highway safety. We heard from Members of Congress and from State and local governments, as well as State transportation departments and trade associations.

Today our agenda is even lengthier. We will begin with Members of Congress and the head of the Federal Highway Administration followed by four panels of witnesses representing a broad spectrum of witnesses.

I suggest to my colleagues that in view of the length of the witness list we begin without further ado.

Does any member wish to make an opening statement?

### OPENING STATEMENT OF HON. JOHN H. CHAFEE, U.S. SENATOR FROM THE STATE OF RHODE ISLAND

Senator CHAFEE. Mr. Chairman, I will be very brief.

This is an extremely important hearing. You will notice that not many are here. That is because so many members of this panel are also on the Finance Committee where at 9:15 we're having the markup on the FAST track, which is an absolutely crucial vote. Every member will want to be there. Indeed, I am a member of that committee and will have to leave in about 5 or 6 minutes to go down to that. I don't think it will take too long, and then I'll be coming back.

I did want to explain to my colleagues that if I step out, it is no reflection on the magnificence of their statements. It is solely that I have to be at the Finance Committee FAST track mark-up.

Senator BURDICK. Senator Warner.

STATEMENT OF HON. JOHN WARNER, U.S. SENATOR FROM THE  
COMMONWEALTH OF VIRGINIA

Senator WARNER. Thank you, Mr. Chairman.

I am sitting here with two of my distinguished colleagues. I think we have a different approach to the pending legislation, or the bill that I refer to as the quadripartite bill. Fashioned by yourself, Mr. Chairman, the distinguished Senator from New York, the Senator from Rhode Island, and the Senator from Idaho, who are all very capable members of this committee.

But I take respectable differences with the quadripartite bill, and I will incorporate those differences into a bill and lay it before this committee hopefully within two days.

We all recognize that the legislation the committee approves this year will serve as the Nation's framework for transportation initiatives and infrastructure improvements into the 21st century.

I briefly spoke with Mr. Larson this morning, and he pointed out that this piece of legislation could have a profound positive effect on America's economy if done properly. If done improperly, we'll end up paying for it. But I'm confident that we will do a proper bill, and that will nourish and strengthen sustained growth of our economy.

The legislation will define a new vision for the coming generation of surface transportation, a vision that must meet the evolving mobility challenges of the next century.

Mr. Chairman, the group that I associate with concur in several of the principles incorporated in the leadership bill. First, your bill reduces the percentage of Federal share per project. Second, it expands research and development opportunities. Thirdly, it increases opportunities for private sector initiatives and investments. And fourth, it includes provisions that parallel and support the Clean Air Act. We laud these objectives and will work with the committee to incorporate them into legislation.

With respect to other goals in the bill, I and my colleagues—respectfully—have different approaches. First, I think we should try to devise an apportionment that achieves a more equitable distribution among all 50 States and the District of Columbia. Secondly, let us examine a different approach merging program categories. For these reasons I will be placing before the committee a new draft bill.

The basics of this proposal have been worked on for some time by many States and by many people. I pay them now a great respect for what they have done, and I have simply tried to incorporate their views in one proposal.

For example, our proposal would retain a greater degree of partnership between the Federal Government and the States using the concept of a national highway system. Secondly, it would increase the flexibility given to the States to direct their share of trust funds to their most urgent needs, be they rural, urban, bridge, or interstate improvements. Thirdly, it achieves a more equitable distribution between the several States of trust fund apportionment. We propose an apportionment that is more directly correlated, more directly proportional, to the total amount annually collected

from a State's users and the amount apportioned back to that State.

In a few words, we ask that fairness be the guiding principle that shapes the apportionment division of the bill. We're not asking for 100 percent return. We recognize that there will always be States contributing more into the fund than they get back. We accept this fact. But our objective is to work with the committee to draft a bill that brings a greater degree of fairness into the total apportionment system.

Fairer correlations between the amount in and the amount returned—how do we achieve this? Our option is to devise an apportionment based on lane miles, and vehicle miles traveled in urban and rural areas, diesel fuel consumption, and other factors.

Our bill also provides for a minimum allocation of 90 percent versus the current 85 percent to each State as a percentage of payments into the highway fund.

Mr. Chairman, this is a brief summary of our objectives, and a draft bill will be submitted to the committee within a very few days.

I thank the chairman.

Senator BURDICK. Thank you.

Senator Bond.

#### STATEMENT OF HON. CHRISTOPHER BOND, U.S. SENATOR FROM THE STATE OF MISSOURI

Senator BOND. Thank you very much, Mr. Chairman. I sincerely appreciate the opportunity to testify today on the reauthorization of the Federal Surface Transportation programs, a topic that is extremely important to all our States.

As we all know, a sound infrastructure is literally the foundation for all other functions of society. When that foundation suffers, everything else does, too.

As my distinguished colleague from Virginia has pointed out, we know that you, Mr. Chairman, the Senator from New York, and others have introduced legislation addressing the transportation problems of the decade ahead and anticipating the challenges of the next century. Not surprising for my colleague from New York, it is innovative and forward-looking. We commend you for that.

We commend you particularly for the flexibility you give the States in deciding how to spend the funds.

I have also introduced legislation on this very important point. My purpose in introducing the measure is to correct an imbalance in the program that has existed for too many years. My State is a founding member of a very special and elite club that we would now like to dissolve. Included in that membership are the States of Virginia, Florida, California, as well as other fast growing States of the Nation.

Missouri, along with 18 others, is known as a donor State because we contribute more to the Highway Trust Fund than we receive back. Over the past 20 years Missouri has contributed \$700 million more than it has received from the fund, due in large part to the fact that we finished our interstate system ahead of others. The donor State's money was used by other States to help build

their portion of the interstate, a national goal that we all shared and that now has been substantially achieved.

The new completion of the interstate gives us an opportunity to recraft our surface transportation programs to reflect new priorities and needs. My legislation attempts to do that with the following steps:

It establishes a new fair funding formula that distributes funds based on use and need. It is only equitable that the States with the greatest use of roads receive funding that reflects that use. My bill requires that 70 percent of the formula funds be apportioned on the basis of gasoline sold within the State.

Second, I would establish a higher obligation ceiling so that the Trust Fund dollars are spent on transportation and not on masking the budget deficit. Third, my bill would give States more flexibility to spend their funds on their needs. Fourth, it provides increased funding for bridge repair and maintenance.

The committee's legislation addresses the problem by maintaining the current 85 percent minimum allocation provision. I believe this band-aid approach only perpetuates the inequity in the current system. The Missouri Highway Department tells me that our return is closer to 77 percent because of the complex method used to calculate the return.

The only way to ensure a permanently fair distribution of the funds is through a formula change, which is why it is such an important part of my legislation. We have achieved the National goal of completing the interstate. The people that can now travel on the interstate suffer tremendous bottlenecks in my State and others where deteriorating bridges force traffic into a single lane, where over-crowded highways and deteriorating highways slow down traffic. The national needs for good surface transportation suffer because our States with the highest usage do not receive a proportional return of the gas tax they pay in.

In addition, while the provision is not in my bill, I want to affirm my support for the continuation of the set-aside for urban areas. I think it's vital that they be assured of minimum funding levels as well as the ability to exercise some control over how to spend their money.

I believe that my legislation goes a long way toward closing the gap for the donor States. For 20 years we have given for the greater good of building a national highway system. Now it is time to rebalance the equation and assure that States with the greatest need receive a fair return on what they contribute.

Thank you, Mr. Chairman.

Senator BURDICK. Thank you.

Senator CRANSTON.

#### STATEMENT OF HON. ALAN CRANSTON, U.S. SENATOR FROM THE STATE OF CALIFORNIA

Senator CRANSTON. Thank you, Mr. Chairman.

I am delighted to be with you in a very important moment in the history of transportation, and in dealing with many problems that beset our society.

Your committee has taken a very bold step to improve transportation across this country. Your Surface Transportation Efficiency Act sets out a far-sighted framework for national transportation policy. You deserve great credit, Mr. Chairman, along with your distinguished colleagues Pat Moynihan, John Chafee, and Steve Symms, for your fine work in crafting this bill. I think it's one of the most important measures, for many reasons, to come before the Congress in a good many years. I am pleased to join today as a co-sponsor of your bill.

The Senate Subcommittee on Housing and Urban Affairs, which I chair, is preparing legislation to reauthorize Federal aid to public transit. It will be included as a title in the transportation bill when it comes to the Senate floor. Our process is well along.

Several months ago, we invited policy recommendations from transportation leaders all across the country. We convened a national symposium on public transportation. We held hearings here in Washington and in other parts of the country. We are now turning these recommendations into legislation that I believe will complement and reinforce the work of your committee.

Our policy review has only strengthened my conviction that this year we are being called to produce an historic piece of transportation legislation. For the first time in 35 years, Congress is finally free to decide the future of Federal transportation policy without the cost burdens of completing the interstate highway system.

The Nation now has that vital asset, and it needs to be preserved. The interstate commitment was based on the Eisenhower era dream that we could achieve nationwide mobility by building bigger and better roads to accommodate more and faster motor vehicles.

My own State of California embraced the dream very early. No State threw itself into the task with more fervor. California's fast and sophisticated network of super highways is second to none in the Nation.

But now we also know that the dream of 35 years ago can carry us only so far and that it creates problems. In our economic and population centers more highways do not bring mobility. New highways tend to generate new congestion. The cost of highway construction is far greater than the \$129 billion in direct spending on the interstate system.

We pay that cost through intolerable traffic congestion. Some 6,000 miles of California's main roads are choked to capacity in peak hours, and California's work force spends 300,000 hours each day in traffic gridlock.

We pay that cost also through air pollution. Eight of every ten Californians now live in areas with polluted air, much of it transportation related. A shocking study just completed at the University of Southern California found that children raised in the south coast air basin already had 10 percent to 15 percent less lung function by the time they were in the second grade—the youngsters growing up in relatively smog-free Houston. That's a very shocking situation that is repeated in many communities throughout the country.

We pay that cost also through over-reliance on foreign oil, most of it from the Arab nations. Each additional car we attract onto the road requires an extra 200 gallons of gasoline per year.

These problems can only worsen if we continue current transportation policies. California's freeway congestion is expected to rise by more than 400 percent during the next 20 years. Some States may not have the highway related crisis that has hit California, but the trends are ominous through the country. In major metropolitan areas throughout the country, they are very severe now.

Continuing with a narrow-viewed highway policy will lead us up a blind alley. The Senate must find a better path.

The President's transportation bill, unfortunately, fails to do that. It would trap the country in an even deeper quagmire of highway spending for decades to come by stretching Federal aid over three times the mileage of the interstate system. The President's national highway system proposal is already huge and unfocused in purpose. Political pressures are sure to bloat the proposal even further as every district competes for a nice chunk of new mileage and the Federal spending that might come with it.

The President's bill offers far too little help for States and local areas to solve their most urgent transportation problems most efficiently. Going that route would be a tragedy of poor vision, failed leadership, and missed opportunity.

I am confident that the transportation bill can move the country toward a more balanced, integrated, and efficient transportation system. We can do a better job of linking highways, mass transit, ports, railroads, and airlines. We can move goods more efficiently within urban centers and among distant markets. We can help people move quickly to and from home, jobs, and other destinations.

Your committee, fortunately, is stepping up to that challenge. As always, we can expect strong resistance to policy reform from some quarters, but the goal is well worth the struggle.

Based on my subcommittee's discussions, I believe the new transportation bill must meet several key tests, and we will endeavor to devise legislation that meets those tests. First, the new bill should focus on moving people, goods, and information as efficiently as possible. We have to shift away from just trying to accommodate more vehicles. Your bill sets the right course.

There was a very fine tribute paid to your bill and your leadership by Jessica Matthews in the Washington Post a couple of days ago. She said, in the course of that very fine article, "We now know that new roads generate more traffic than they serve. We know that we cannot build roads fast enough to meet demand under a highways only policy."

The second thing I believe we must do with the bill that we are working on that will be a part of your bill is that it must provide appropriate levels of funding for highways and public transit. Over the past decade, Federal aid to public transit was cut from \$4.6 billion in fiscal year 1981 to \$3.2 billion today. After inflation, that is a cut of 50 percent.

Now the Administration's bill would expand highway spending by 39 percent, and proposes a nominal 1 percent increase in public



transit assistance. That will continue to cut transit funding. Our two committees should work to find a better balance.

Obviously, in our current budget situation, we are not likely to achieve a dramatic increase in overall spending for transportation. Even if we provide big increases in authorizations, they probably would not be followed ultimately by increases in appropriations.

We need to enable States and local communities to use their Federal transportation assistance for the projects that are most effective, without regard to rigid categorical limitations in Federal law. In this way, we can lead to additional funding where it's needed, and to a decline in spending where the new highways are not needed.

We also need to improve Federal contracting and procurement procedures so that local communities can get the biggest transportation improvement out of every Federal dollar of transportation assistance that they do receive.

Third, we need to open up use of the Highway Trust Fund so that local decision-makers can choose the most efficient methods for improving mobility whether it's highways, transit, or some multi-modal solution. Your bill does that in a well thought out balanced way. I believe we can provide comparable flexibility for transit funding, and that we will seek to do.

I will be frank with you, however. Key members of the Banking Committee are uneasy about funding flexibility because historically the highway interests have had such dominant power in many States. But I believe we can fashion a solution that provides funding flexibility where it is really needed in those metropolitan areas where they are struggling with severe problems with congestion and air pollution. We should do it with adequate protection so that funds will not be drained from basic needs.

Fourth, the new bill should give priority to maintenance of our existing infrastructure. Your bill properly provides protection of the interstate investment and maintenance of our bridges. The public transportation title should also provide for adequate maintenance of our public transportation services.

Fifth, the new bill should give metropolitan areas the responsibility to develop comprehensive strategies for meeting their long-term transportation needs. That is especially important in areas with severe air pollution and traffic congestion. In some areas, new roads may be the answer, but in other areas mobility would be improved much more efficiently through ramp metering, HOV lanes, car pool programs, or expanded public transit.

That will only work if metropolitan areas are allocated a fair share of Federal transportation aid and are given authority to select projects for new or expanded capacity. Projects should be approved through a comprehensive local decisionmaking process in which States and other interested parties participate.

This authority to improve capacity or expansion projects need not be given to every metropolitan area, but it must be given to those areas that are trying to carry out a comprehensive strategy for reducing severe congestion and air pollution.

Sixth, the new bill must remove any bias against the choice of the most efficient use of transportation resources. Federal policy now stacks the deck heavily against public transit. Metropolitan

areas need a level playing field among all transportation modes. Application procedures should be more standardized. State and local match requirements should be more uniform across alternative transportation solutions.

I believe the match requirements proposed in your bill are just about right and I will work to have them applied to public transit projects as well.

And finally, the new bill should reinforce the Clean Air Act, the Americans with Disabilities Act, and other important national objectives. If we're not careful when drafting this transportation bill, some provisions of the Clean Air Act could have the unintended affect of diverting Federal transportation assistance away from areas of the country that have the greatest congestion, and some requirement of the ADA could have the unintended effect of weakening financially strained transit systems. We can avoid that, and we must avoid that. Your bill already measures up very well to each of these tests.

I would like to leave with you in writing some specific proposals that we have been developing in the Banking Committee. They fit well with your legislation, and I believe will strengthen it.

Our two committees need to work very closely together, Mr. Chairman, because there is an unusual degree of overlap between highway and public transit issues this year. I am pleased to have staff working between the two committees. It has been very cooperative. Both of our committees are under very tight time pressures, and majority leaders made clear that the Senate has to complete action on the transportation bill before the July recess. I intend to meet that time table.

I look forward to working with you to produce legislation in which we can all be proud. Together we can produce a Surface Transportation Act that can give this country the advanced integrated transportation system we need, a system that will help conserve our fuel, cut out air pollution, and clear our roadway congestion for decades to come. I thank you for what you are doing to these ends.

Thank you, Mr. Chairman.  
 Senator BURDICK. Thank you.  
 Senator Mack.

#### STATEMENT OF HON. CONNIE MACK, U.S. SENATOR FROM THE STATE OF FLORIDA

Senator MACK. Thank you, Mr. Chairman. I have a prepared statement that I would ask to be included in the record.

Senator BURDICK. Without objection, it will be received.

Senator MACK. Mr. Chairman, and Senator Moynihan, I appreciate the opportunity to testify this morning. I want to thank both you and Senator Moynihan for giving us this opportunity.

I would just like to state a couple of facts about our State that maybe aren't known because I think it gives us the context in which to take a look at this legislation.

Most people are familiar with the fact that the State of Florida is growing rapidly. We are growing at the rate of about 1,000 people per day. But the other fact that I think is lost on people is the real-

ization that it is further from Key West to Pensacola than it is from Pensacola to Chicago. We have a huge State, and one that is growing very, very rapidly.

I would like to add at this point that clearly I believe Florida is doing its share to try to solve its transportation problem. Just last year, the Florida Legislature passed the largest ever comprehensive transportation package in the State's history, and Florida ranked second among all States in funding dedicated to transportation.

But even with this effort, we are coming up short. I would suggest that the reason for that is really the thing that we focus on the most, the formula that is used to allocate funds out of the Trust Fund. In the last 5 years, from 1987 to 1991, Florida received back roughly 75 cents for every dollar it sent to Washington. In the last 2 years—in 1990 it was 53 cents and in 1991 it is estimated to be 61 cents. This puts Florida in a very, very difficult situation.

I guess one of the third facts that I would throw out on the table is that the interstate that runs between the east and the west coast, roughly in the center part of the State through Orlando, Interstate 4—many people rely on the interstates as a means of evacuation. I must say to you that it would be a major catastrophe if we were to be hit by storms in the center part of the State from either direction because Interstate 4 would not be able to take care of any kind of evacuation. The traffic that is moving on Interstate 4 today is nearly bumper to bumper in every lane.

Later this morning, the Florida secretary of transportation, Ben Watts, will be testifying. He will be reviewing legislation that we believe will give a fair allocation of these resources. This is legislation that I intend to cosponsor.

As I said, there are several things in which we have concern. We would like to see the bill that is finally passed by the Congress to be one that provides flexibility, we would like to see a spend-down of the Trust Funds, and we would like to see a formula that more clearly allocates the resources from the Trust Fund.

From that perspective, let me say to the committee, I appreciate the work that you have done to date. The indication of greater flexibility is something that all of us welcome. In addition to that, the creation of a national magnetic design program is of interest to Florida and we commend you for that as well.

But I would ask again that you take a special look at the formula for the allocation of these limited dollars. It is of dire importance to the State of Florida that a formula be devised that provides Florida's fair share. Again, I would ask you to keep in mind the fact that not only are we growing at the rate of 1,000 people per day, but we are also a State that is very long. It is longer from Key West to Pensacola than it is from Pensacola to Chicago. That puts great demands on our State. I would appreciate you keeping that in mind as you move forward in your legislation.

Thank you.

[Senator Mack's statement follows:]

## STATEMENT OF HON. CONNIE MACK, U.S. SENATOR FROM THE STATE OF FLORIDA

Mr. Chairman, first I would like to thank the Chairman and the Committee for allowing me to testify today regarding the reauthorization of the Surface Transportation Act.

Floridians, as all Americans, consistently name the upkeep and maintenance of our transportation infrastructure as one of their primary concerns. Florida's transportation officials must face these concerns by providing a safe and efficient transportation network for a State which grows by nearly 1,000 people a day—growing by 33 percent in the last decade.

In this context, Florida has made strives to meet its transportation needs. Just last year, the Florida legislature passed the largest ever comprehensive transportation package in the State's history. Florida ranks second among all States in State funding dedicated for transportation. Yet with our strong commitment, Florida's road needs still outstrip available resources.

Florida transportation officials have identified three major areas of concern for the reauthorization of the Surface Transportation Act.

- Florida needs a simplified, consolidated, and comprehensive Federal transportation program which provides increased flexibility to meet the States' diverse needs.
- Florida needs the Federal Government to spend down the Highway Trust Fund to allow for increased transportation investment.
- Most importantly, Florida needs to receive its fair share from contributions made to the Highway Trust Fund. A recent Florida DOT study reported that in 1990, Florida received 53 cents for each dollar it contributed in Federal gas taxes. In other words, only 2.6% of the total spent from the Highway Trust Fund in 1990 went to Florida, while Florida's contributions equaled 4.9% of total contributions. In 1991, Florida will not fare much better. It is estimated that Florida's return will increase to 61 cents for each dollar contributed.

According to Florida DOT, Florida has historically received less than its fair share. Since the inception of the Highway Trust Fund in 1956, Florida has averaged only 80 cents back for each highway tax dollar contributed.

Congress now has the ability to change the discrepancies of the Highway Trust Fund through the reauthorization of the Surface Transportation Act. The Senate has taken the first step in this process by the introduction of four bills, including the Administration's bill.

The Environment and Public Works Committee's bill, S. 965, has a number of components which are steps in the right direction for Florida and the Nation. Increased flexibility for transportation needs through the ability to transfer funds between accounts and the elimination of certain Federal requirements are positive steps within the Committee's bill. In addition, the creation of a National Magnetic Design Program is of interest to Florida, and the State welcomes the creation of this program.

However, the Committee's bill by itself would not solve the single largest problem facing Florida. Quite the opposite, by proposing to guarantee States a share of Federal funds based on their average share from 1987 to 1991, the Committee's bill would lock into law the current return Florida and other donor States receive from the Highway Trust Fund. Under this bill, Florida would continue to grow by 1,000 people per day, have those new citizens pay into the Highway Trust Fund, yet receive trust funds based on its poor return from 1987 to 1991.

The issue of fair share for Florida and all high growth States must be addressed by the Committee before final action is taken on this bill. To underscore this importance, Florida Secretary of Transportation Ben Watts will testify before this Committee shortly to reiterate Florida's position on reauthorization and discuss an important alternative that's fair to all 50 States. This proposed legislation that I will cosponsor will address the question of Highway Trust Fund equity for all States while giving greater control over transportation projects within general Federal programs guidelines.

Congress cannot at this time legislate the status quo. We have the opportunity to correct the deficiencies of the current system. Any reauthorizing legislation passed by the Senate must not penalize growth States. In short, 53 cents in 1990, or 61 cents in 1991, will not cover today's or tomorrow's transportation growth.

Floridians do not want more than a dollar for a dollar return from the Highway Trust Fund. What Floridians want is a transportation bill which is fair. Increased flexibility on the State level, spending down of the trust fund balances, and Federal assurances that States receive assistance based on their contributions in Federal gas taxes are issues of national importance. For States such as Florida which continue to grow at a rapid pace, these concerns are of primary significance and must be ad-

dressed in any new transportation legislation. Thank you again, Mr. Chairman, for your time today.

Senator BURDICK. Senator Moynihan.

**OPENING STATEMENT OF HON. DANIEL PATRICK MOYNIHAN, U.S. SENATOR FROM THE STATE OF NEW YORK**

Senator MOYNIHAN. Mr. Chairman, I would just like to thank each of our colleagues for very able and surprisingly convergent messages to us that were different from those we got yesterday.

I'm going to take the liberty, if I can, without being invidious, to call attention first to our revered colleague, Senator Cranston, who will be crafting the other third of this bill. There are three committees involved.

When you use the term, as you spoke about congestion, you spoke with powerful numbers. You said "pay the cost." That's exactly the right term. We are trying to introduce into this public sector the idea of cost. Our own slogan is, "If there is no such thing as a free lunch, neither is there such a thing as a free way." California found that out.

Congestion, as a series of economists have pointed out to us, is a form of pricing. It's not a very effective form of pricing, but one economist compared it to those long lines out in front of those empty stores in Moscow. There is nothing in them when you get there because it's priced too low, but because it's priced low, you have people trying to get in. There is a cost associated with all these things.

You mentioned Houston and you mentioned Los Angeles. One thing our committee found is that when we went out to the cities we found the metropolitan areas full of energy, ideas, and competitive ideas. If we do it better than Houston, they'll find out about it in Dallas.

Houston has an HOV lane, for example, which is carrying five times the capacity of a single arterial interstate lane. We went to Los Angeles in one of the control rooms, and we ask the guy, "Where did you pick all this up?" He said, "Canaveral." The space program may in fact have some fallout on the ground in Los Angeles where they move traffic lights around by nanoseconds.

They have the Glenn M. Anderson Freeway that is going to do what you're talking about, sir. It is intermodal. You're going to have your interstate, your green line, and your HOV. That's how you think. Try to think your way out.

One of the things that we learned from one of your commissions in Florida is to move traffic from Miami to Orlando by the year 2020 will require 22 lanes of interstate each way. Russell Baker wrote a wonderful column on that tourist BBC announcement of World War II that said, "One of our States is missing."

That's the point I think you're finding out in Northern Virginia. Adding capacity ultimately becomes self-defeating. Like Joe Jackson in "Field of Dreams," if you build them, they will come.

[Laughter.]

Senator MOYNIHAN. You just don't get anywhere if you have to find allocation principles. Virginia's Governor Wilder has talked to us about that, you have talked to us about that—

Senator MACK. Senator Moynihan, may I make a comment?

Senator MOYNIHAN. Sure.

Senator MACK. They have already come to the State of Florida.

[Laughter.]

Senator MOYNIHAN. Right, and in St. Louis. The national road went from Baltimore to St. Louis in 1811, our first great highway system. You will always have that great gateway there, and you're going to have the problem of allocation. For those of you that built your interstate early will have found that your share of highway money in recent years has gone down. That disappears with this allocation. All that is behind because the interstate has been built.

Senator BOND. Senator Moynihan, under the funding formulas, as I understand it in your bill, you take the average of the last 5 years and—

Senator MOYNIHAN. Excluding interest payments.

Senator BOND. But you send the money back to the States that have been getting it. The States that have been getting it are the ones where the interstates have been completed. Our States are suffering mightily because we are donor States.

Everything you say is fine except that we have tremendous needs that are not being met under the formula in your bill.

Senator MOYNIHAN. We want to sit down with you.

I've spoken enough, but I want to thank you all.

Senator SYMMS. I want to thank all of you, too because I think you have really put your finger on the problem. I couldn't help but think when Senator Mack was talking about the apportionment formula that maybe the solution to this is to get Senator Mack and Senator Graham from Florida and Senator Burns and Senator Baucus from Montana, lock them in a room, and when they come out with an answer we'll have a guiding principle of how we can fairly—

Senator MOYNIHAN. Mr. Chairman, we have—

Senator SYMMS. And that's what the issue is about, is how to fairly allocate—

Senator MOYNIHAN. Yesterday was all the way. I think our colleague Senator Reid would want to be in that room, too.

Senator WARNER. I say to my colleagues on the committee, here is a list of the 18 States that claim to be donor States. I assure that there is a civil war brewing between these 18. They really go from the four corners of our country this time, not just north and south. Unless we resolve this apportionment, I do not foresee this bill moving along as expeditiously as you would hope in order to meet the target of the President. How we do it remains to be seen, but remember when this bill was voted before, and when the roll is called up yonder and we go into that well, we all look at those States and the managers say, "You get this, you get that. I want to see that list."

Senator MOYNIHAN. Sir, may I just say that you don't have to wait until that moment. You can get that list this morning or this afternoon. We thank you for coming forward to ask about these things. We have these numbers and we can walk you through them.

Senator MACK. I would like to respond to one comment that Senator Symms made.

I understand that in the past one of the concerns that we have attempted to deal with is that there are many States, particularly in the west, where there are large areas and relatively few people. The reasons that I made the two points that I did in my statement was not only the population growth that we're experiencing, but the size of the State. There is a tendency to forget the size of the State of Florida and the kind of road network that is needed.

That's why I think we have a very special situation within our State. We have a huge distance between the extremes in our State, and at the same time we're experiencing tremendous growth. Those individuals moving down at the rate of 1,000 per day are in essence contributing to the Highway Trust Fund, but we're concerned that the formula based on the 5-year average—I think 1987 to 1991—is one that really doesn't take into consideration that growth and puts us back into the same position that we've been dealing with for that 5-year period. If I remember correctly, it was about 75 cents on the dollar.

So we have real concerns, and I do appreciate the expression of concern on the part of the committee and look forward to trying to work with you all in coming up with a solution that everyone in the country feels has been properly drafted.

Senator SYMMS. I appreciate that, Senator. I am sympathetic with that point. I would just make two quick points. First, there is, in the law that we have operated under for the last 5 years, the 85 percent rule. So you shouldn't be at 75 cents on the dollar.

Senator MACK. You will have an opportunity later today to speak with the Florida Secretary of Transportation and he can verify those figures. I have the numbers and the percentages in front of me.

Senator SYMMS. We will sure look at those.

Senator MACK. What has been indicated to me is that those percentages go from 1987 at 84 percent, 75 percent, 101, 53 percent, and 61 percent in that 5-year period. Those are my calculations and the numbers I believe have been supplied by the Florida department of transportation.

Senator SYMMS. I want to say to the Senator from Florida that you are right, and Senator Warner, you are right. We have to resolve this problem of donor States. There has to be equity. If not, there will be a floor battle and we shouldn't put the highway bill into that situation. I hope we can work it out in the committee, and I know the chair is very anxious to do that. We expect to work with him to achieve that objective.

We will look at those numbers, but there must be some explanation for that because we did address this back in 1982 with Senator Bentsen as the ranking member of the committee and I was the chairman. We had changed the apportionment. I see Ray Barnhart is in the room, he was the Federal Highway Administrator at the time. We adjusted that to try to make the system work.

It is a national highway and defense highway system. So there is a good reason why some of the States, like Montana, that have long miles—and they are not fortunate that they have extremes of climate. Temperatures go from way below zero to 100 degrees. So they have some other problems that make maintaining those roads extremely expensive. The terrain oftentimes goes through some

mountain gorge or over a mountain pass and is much more expensive to actually construct the roads than it would be in the flat temperate climate of Florida, although I realize the real estate is expensive there and the rights-of-way are costly and so forth.

Senator WARNER. And also measure the use of those roads in Montana versus the use of Route 4 in Florida.

Senator BOND. Mr. Chairman, I would just add that the reasons that the Senator of Idaho set out are the reasons why we contributed to the interstate program. We have given at the office.

Our State and Senator Metzenbaum's State have been donors. We have been very substantial donors. We have those interstates completed so that there is great transportation. Now we are clogged in the middle of the Nation, on the eastern seaboard, and the southwest United States. That's why we need a change.

Senator WARNER. We made our impact. We detect from the peers above us that you are ready to sit down and listen and reconcile.

Senator MOYNIHAN. Would you listen to Senator Graham for just a moment?

Senator GRAHAM. Mr. Chairman, I appreciate this discussion. As my colleague, Senator Mack, has indicated, this is a very central issue for our State.

It seems to me that there are two levels of inquiry. One is at the macro level of what will this 5-year plan do in terms of meeting our Nation's transportation infrastructure needs? Will we be better or worse off 5 years from now than we are today if we adopt this program? Is that result an acceptable one?

Second, within the dollars that are going to be made available at the Federal level, are we distributing against a standard of equity that says that all American citizens should be treated equally in the sense that they will have, through Federal funds, an equal access to a transportation system?

I recognize that there are States that have peculiar circumstances, such as large scale and small population, that require more dollars in order to achieve the same equity as do other States. Conversely, there are States that happen to have the characteristic of very fast growth, a coastal environment requiring many bridges in order to fulfill a balanced transportation network, and a large land mass that also need to be given consideration.

But I think that standard of arriving at equitable treatment for all Americans wherever they live, in terms of the Federal distribution of transportation funds, should be the one against which every proposal for allocation is tested. I'm certain that that is what this committee is going to do.

Senator MOYNIHAN. Mr. Chairman, could I make just one statement before these Senators have to leave?

The one thing that we should know that will ease some of the problem that Senator Metzenbaum discusses, but which basically geography won't. Some of those people arriving in Florida are arriving from Montana.

In the 1987 to 1991 period, Florida received \$2.47 billion. In the bill that the chairman has drafted, you would receive \$3.49 billion in the next 5 years. In fact, that's a considerable increase because there is more money available. This is real money. This is not au-



thorization money. This is Trust Fund money, and you will get it. We have heard you.

Senator SYMMS. Senator Moynihan, if I could just add to that, this 85 percent minimum allocation is in this bill. It is in the bill Kit.

Senator BOND. It is just not acceptable.

Senator WARNER. We're ahead, so I think we'd better quit.

[Laughter.]

Senator SYMMS. Senator Warner, you were ahead until Senator Bond made that last statement.

[Laughter.]

Senator MOYNIHAN. We're setting apart this room, and we'll have two of you and three of them.

Senator BURDICK. Thank you, gentlemen.

We have a statement from Senator Levin which will be included in the record at this point.

[Senator Levin's statement follows:]

STATEMENT OF HON. CARL LEVIN, U.S. SENATOR FROM THE STATE OF MICHIGAN

I appreciate the opportunity to testify before the Committee in support of a more equitable distribution of Federal highway dollars.

Previous and existing formulas for the distribution of Federal surface transportation dollars have contributed to a low rate of return of Federal dollars to Michigan and to the deterioration of Michigan roads and bridges. These formulas have literally committed "highway robbery."

Michigan residents are angry and have every reason to be. They, like all Americans, are now paying a higher Federal gas tax for increased infrastructure spending. They deserve to see a fair share of their dollars returned to Michigan and spent on improving the roads and bridges they drive on.

In response to our Nation's changing infrastructure needs, the Surface Transportation Efficiency Act of 1991 would significantly revise the Federal Government's spending priorities. However, it basically leaves the formula for the allocation of those dollars untouched.

There is no reason to bake in this unfairness for another five years. The new formula should reflect the new challenges confronting the Nation. The Interstate Highway System is almost complete. The challenge is now to maintain our roads and respond to increased traffic congestion in our cities and surrounding communities. The new formula should reflect this shift.

Michigan residents, surrounded by deteriorating and congested roads, are not asking for special treatment. Just their fair share. I'm committed to seeing that they get it.

Senator BURDICK. The next witness will be Thomas D. Larson of the Federal Highway Administration accompanied by Eugene McCormick.

Would you be able to do justice to your cause in 5 minutes?

Mr. LARSON. Yes, sir, I will be able to do that.

Senator BURDICK. Please proceed.

STATEMENT OF HON. THOMAS D. LARSON, ADMINISTRATOR,  
FEDERAL HIGHWAY ADMINISTRATION, ACCOMPANIED BY  
EUGENE McCORMICK, DEPUTY ADMINISTRATOR

Mr. LARSON. Mr. Chairman, I have testimony to submit for the record, and I will be brief in my comments.

I thank you for this opportunity to testify on S. 965, the Surface Transportation Efficient Act of 199. Accompanying me this morning is Mr. Gene McCormick, the deputy administrator of the Federal Highway Administration.

I agree with the statement of the chairman of the Subcommittee on Water Resources, Transportation, and Infrastructure made on the floor of the Senate prior to introduction of S. 965 that a primary objective of this important surface transportation legislation must be to improve the efficiency of the systems we now have.

However, a number of economists, a number of whom testified before the subcommittee last February, point to the relationship between the public capital investment in infrastructure and economic growth. They say that sound public investment in transportation makes the private side more productive.

A key question, then, for this time in our history is how to make these transportation investments, how to improve the efficiency of the present transportation system so as to achieve sustainable economic growth.

I would like to make two observations in answer to this question that I have posed.

First, investments must be focused on a system. This concept traces, in the Federal Highway Administration—and the previous Bureau of Public Roads—to 1921 when the Federal Aid system was devised.

We believe the National highway system that we have proposed is a contemporary opportunity for investing in America's productivity and competitiveness. It involves improvements to just 4 percent of the Nation's highway stock, upgrading some 150,000 miles selected for attention by State, Federal, and local officials. This is not new construction because, as the chairman of the subcommittee has noted, the new construction of highways in this country is essentially complete.

As something of an aside, I would observe one good question—whether 50 strong State highway programs can make a strong national program. I came to Washington with a very strong State bias. I spend 8 years working in the State of Pennsylvania, and I really thought that we had our act together and were quite independent of the Federal oversight that my agency now provides.

But my answer, after thinking about this carefully, is that 50 strong State programs will not necessarily provide a strong national program, and the experience in the European community and the experience that we've had in working with the 50 States in response to the House Public Works charge that we develop an illustrative national system suggests that there is a need for Federal oversight of coordination.

The second and final point I will make with regard to that question of how we make these investments, it seems important that we—given our overall needs for infrastructure investment—that we have a cooperative or a joint investment effort. There must be more Federal funding. The Senate bill and the Administration bill both go in this direction of providing additional Federal money.

There must be additional State and local government money. There is a very strong record that the States do respond to more Federal funding by almost immediately increasing the available State funds. In this initiative we propose, as does the Senate, that there be room for private investors to make a contribution to the overall need.

All of these things must happen and must come together in a flexible environment. Again, the Administration bill and S. 965 take long steps toward providing this flexibility.

In closing, Mr. Chairman, I would like to observe that clearly we are in the post interstate construction era. But just as clearly, we are not in a post highway dependent economy here.

Thank you very much, Mr. Chairman.

Senator BURDICK. Senator Moynihan.

Senator MOYNIHAN. Mr. Chairman, can I thank Dr. Larson and agree with him on so much of what he says?

I would like to make a point. You have said it. This is the National highway system, but as you said, it is illustrative. It could be this way, or it could some other way.

What we propose to do, pending the agreement before the committee, is to suggest that we ask you in this bill to take 2 years and give us a real map telling us exactly what you want. Senator Symms was saying that this morning he was hearing a view from knowledgeable people that the 150,000 was not large enough, which may be the case.

But the case for a system approach is certainly a powerful one. It's been in place since 1921, or you can say since 1811. We're not rejecting it, but we're just saying that we can't enact what we don't have, which is a proposal.

Senator BURDICK. Senator Symms.

Senator SYMMS. Dr. Larson, in your testimony in support of the 150,000 mile national system, you noted,

It is a unique Federal responsibility to accommodate for and serve the new production of population centers and economic growth that have developed since the interstate system was laid out in the 1940's. The Administration cannot support legislation that does not include a designation of a national highway network.

That rings pretty strong and clear to me because I remember pretty well what happened the last time that we in Congress got cross waves with the Administration on some specifics in the highway bill. I would hope that we could avoid that this time.

Yesterday we heard from representatives from 10 western States, and I'm sure your people reported what they said. They made the following statement:

We also commend the sponsors of S. 965 and of the Reid-Baucus bill for not creating a new national highway system. The main national highway system proposal had been advanced would create major problems of program inflexibility placing too much emphasis on too few roads providing too little transferability between the new categories.

I would observe that since S. 965 does include a national highway system—and my view is that the 43,000 miles of interstate provides a separate categorical funding that can constitute 16 percent of the total program—obviously your bill has a bigger share. The question that I'm asking is, How extensive does the designated national highway system have to be? How much of the program must be devoted to it in order to avoid a veto? That's the first question.

What I heard this morning from many of our mutual friends down at ARTBA—and I think they are going to testify this afternoon—that this would be less controversial if it included more miles instead of less. Of course, my question is, It's a matter of money and it's a zero sum game.

You heard the Senators that testified, that this is really what the bottom line is. Who is going to get the money? How much money is there for the States? How much transferability, whether it's listed in the categories or total flexibility, S. 965 is—so question one, How much will it take to keep from having a veto? Number two, What is your view of that sentiment that it would be less controversial if it included more roads instead of less roads?

You see, I hear States coming in here saying that they want flexibility, flexibility, flexibility to spend this money. Now that the interstate is finished, they want to go out and complete the other roads that they have been waiting to complete.

Would you comment on that?

Mr. LARSON. Certainly. Both from my State experience and from my time here working on this legislation, I believe that flexibility is absolutely essential. We have no strong disagreement on the concept. Perhaps we may have some disagreement in exactly how it's to be accomplished, but I believe it is absolutely essential.

As to the size of the system, we have worked with all 50 States and we believe that the 150,000 miles is a reasonable target, and the Administration proposes a 10 percent addition based on additional work and further study.

We also proposed, Mr. Chairman, that the system not be closed for 2 years. The proposal is that it remain open for 2 years while additional work and study go forward.

As to the up and down of the size, I think, again, that our current feeling is that 150,000 miles is close to the right number.

Senator SYMMS. Clearly there has been a lot of work put in to get to this point.

Mr. LARSON. There has been a lot of work by all the 50 States to get to this point, yes. We have listened to each one of the States. This is not a Federal mandated process. It is clearly a cooperative project, as has been the Federal Aid system since its inception.

As to the money, we believe that the proposal that we have advanced is approximately in balance. It will allow that national system to be maintained and kept in the kind of condition necessary for the Nation's economy. The question of flexibility between that program and others—I think there is probably some room for discussion on that.

Senator SYMMS. Thank you very much for your testimony.

Thank you, Mr. Chairman.

Senator BURDICK. Senator Graham.

Senator GRAHAM. Thank you, Mr. Chairman.

When I was in the State Legislature, we used to take up a State budget at about 1,200 items. Item number one was always the salary of the Secretary of State. Someone would introduce an amendment to alter whatever the Governor had recommended and we would spend several hours debating whether the Secretary of State was worth \$2,000 or \$3,000 more or less than the Governor recommended. At the conclusion of that debate, everyone would be so exhausted that the rest of the 1,199 items would be adopted without debate.

I have a sense that we are at a Secretary of State salary issue here. I don't believe that the question of whether we do or do not have a national highway system is the core question. I think the

core question starts with, What is the Federal Government's responsibility to meeting our transportation infrastructure needs?

I agree with the emphasis that you have placed in your opening statement on the relationship between an adequate transportation infrastructure and the economic well-being of America.

So with that question in mind, what is the U.S. Department of Transportation Highway Administration's assessment of the current unmet needs of surface transportation in America. What is your estimate of the dollar value of our accumulated transportation needs, those needs that would be covered by the jurisdiction of the legislation before us today?

Mr. LARSON. The Congress requires that the Federal Highway Administration prepare a condition and performance report on a biennial basis. That report is in preparation and will be available in the near term. But we believe the proposal—the approximately \$90 billion that the Administration has advanced—with the matching shares suggested, which increases the share of States, and the participation of the private sector, which was provided for. That will allow us to make improvements to bridges—

Senator GRAHAM. I didn't ask that question. What is the total unmet need today? If you don't have this year's study, what did last year's study say?

Mr. LARSON. I can't give you a number, Senator, that would give you an unmet dollar number. I don't think it's possible to craft such a number.

Senator GRAHAM. You mean to tell me that you're coming here suggesting that you can provide us overall national leadership and you can't do what every State department of transportation secretary can do—certainly Florida's can do—tell you with some degree of specificity and professional judgment what the total unmet need is. What is the aggregation of the unmet needs of the 50 States as they are accumulating it under the standard accounting procedures of AASHTO and other professional associations?

Mr. LARSON. We believe, again, that the \$90 billion, with the match ratio that we provided, will provide for the needs of highway surface transportation. That will provide an expenditure of approximately \$128 billion over the period of the bill.

Senator GRAHAM. That's not the question I'm asking. I will just tell you what the future questions are.

What is the unmet need as of today? What is your estimation of the accumulation of unmet need over the next 5 years? What, therefore, is your assessment? If we adopt the plan that you suggested, will we be better or worse off in 1996 than we are today? What is the rationale of the mix of Federal, State, local, and private sector financing toward that end?

Those are the questions. It seems to me that if we can't deal with some basics like that, we don't have any basis to go beyond in terms of theory and philosophy.

Mr. LARSON. The national highway system that we proposed as a centerpiece, we estimate for \$15 billion per year we can maintain the condition of that system.

The bridge program we estimate the need to be approximately \$4 billion per year. That's the level of that program.

Senator GRAHAM. Are you telling me that you can't answer the question of what is the Department of Transportation's estimate of the current unmet transportation needs for those areas that are covered by the jurisdiction of this act?

Mr. LARSON. I can't give a number that I would feel comfortable with at this time.

Senator GRAHAM. Does the Department of Transportation have access to the 50 States' answer to that question?

Mr. LARSON. Yes, we do.

Senator GRAHAM. Have you ever added those 50 numbers together?

Mr. LARSON. The AASHTO has those numbers.

Senator GRAHAM. Has the Department of Transportation ever taken the time to add those 50 numbers together?

Mr. LARSON. Yes, we have.

Senator GRAHAM. And what is that result?

Mr. LARSON. I don't have that number with me, Senator.

Senator GRAHAM. Can you get that number?

Mr. LARSON. Yes, I can.

Senator GRAHAM. Can you also project what you think the addition to that portfolio of unmet need will be over the time period covered by this legislation?

Mr. LARSON. Yes, we can.

Senator GRAHAM. With those two numbers in place, and the figure that you have recommended, can you then tell us whether we are going to be better or worse off in 1996 than we are in 1991 if we adopt your plan?

Mr. LARSON. I can give you that answer, yes.

Senator GRAHAM. When do you think you could have those numbers?

Mr. LARSON. Later this afternoon.

Senator GRAHAM. Thank you.

Thank you, Mr. Chairman.

Senator BURDICK. Senator Reid.

Senator REID. Thank you, Mr. Chairman.

One of the concerns I have about S. 965 is that it would empower metropolitan planning organizations to actually decide where the money is spent. You are aware of that, is that right?

Mr. LARSON. Yes.

Senator REID. In present law, as I understand it, both Federal and State levels require close cooperation between the State and local authorities. Is it your view, Mr. Larson, that States pay close attention to these MPOs, or do they ignore them?

Mr. LARSON. I think it varies widely from State to State. In general, in the larger metropolitan areas, the MPOs that have a sound track record, I think the States work with them very closely.

Senator REID. I am not personally aware—and you certainly have more expertise than I—I am not aware of any State that ignores the MPOs. Could you give me an example of some that do?

Mr. LARSON. I can't give you an example of a State that ignores it. I think there is a difference in the level of cooperation, as I indicated.

Senator REID. There may be a difference in the level of cooperation, but don't you think it's fair that most States do pay attention to what the MPOs desire?

Mr. LARSON. Yes, sir.

Senator REID. That being the case, what do you think is solved by vesting this program authority in the MPOs?

Mr. LARSON. The intent of the Administration bill is to strengthen the local decisionmaking process so that transportation decisions, which are unique to a region, are made at the appropriate level. So the intent of the Senate bill I would think would be the same.

Senator REID. It is my understanding that most transportation expenditures in this country—in fact, about 80 percent of them—is by State and local governments. Is that accurate?

Mr. LARSON. The percentage varies between maintenance and capital, but certainly the majority of the spending is by State and local governments.

Senator REID. If my 80 percent is wrong, then it's not wrong by very much, is it?

Mr. LARSON. It's very close.

Senator REID. If we now turn Federal funds over to localities, do we have a national program or a national vision at all?

Mr. LARSON. We believe it is important to keep the State very closely involved in the process. The Federal/State partnership has been the basis for this system that we have developed.

Senator REID. But if 80 percent of the money is spent by local governments now, and the other 20 percent by the Federal Government, and we're going to turn the 20 percent over to local government, that doesn't leave much to the Federal Government. It doesn't, does it?

Mr. LARSON. That's right.

Senator REID. I have no further questions, Mr. Chairman.

Senator BURDICK. Are there any further questions?

Senator MOYNIHAN. Mr. Chairman, I would just like to thank Dr. Larson for coming and tell him that he does know—and I'm sure he knows because he's very careful in these matters—that the bill that the chairman and the committee have drafted contains so much of the Administration's proposal. It's a variation in places, but in essence, it is your bill. If we would like to hold off, say, specifically endorsing a national highway system until we have a certain road, well that's not that we rejected the idea, but rather to be specific.

Thank you. We're going to get along fine. We're not going to go through that veto business we did last time. It wasted a whole morning of the President's time.

[Laughter.]

Senator WARNER. May I say to my colleague, I respectfully differ with your determination. Let's just take the highway system. It seems to me that the Administration's bill had one objective, and the quadripartite bill, as I referred to it, had a different approach.

I would just like to have your views on that one point, the interstate. Do you feel that the Burdick bill does follow the goals that you laid down in your bill from the interstate system?

Mr. LARSON. My understanding of the Senate bill is quite comparable in terms of the interstate completion. There are some other points of difference, but the broad outline of completing the interstate system, and the priority on maintaining the interstate system are points that we broadly agree on.

Senator WARNER. Do you feel that the Burdick bill, in the area of apportionment, coincides with the objectives of the Administration bill.

Mr. LARSON. The apportionment process is different between the Administration bill and the Senate bill in substantial ways.

Senator WARNER. Thank you.

Senator SYMMS. Mr. Chairman, if I can just pursue this question, I ask—without pinning you down with respect to a veto—but I think it is a concern from my point of view that if it's important to the President, it's important to you, important to the secretary that we have a national highway system.

The objection that most of the western States have to a national highway system is that they think that they have completed the National highway system by completing the interstate. Now they want their flexibility.

Is there any way that there is a middle ground in here where they're not required, if they have a national highway system, to spend 70 percent of the money on it. That's what the issue is all about. If we had enough money, we could apportion enough to do the National highway system and then apportion it up for the flexibility part, and everybody would be happy. But it's a zero sum game and we don't have enough money.

Do you see any ground in the middle? Senator Moynihan has suggested maybe a study. I know you think you've put a lot of study into it already, and I appreciate that. But is there room for some kind of a target out here that we want a national highway system for economic productivity in the country, but still be able to maintain the flexibility? How do you see that?

Mr. LARSON. There are several observations. First, whatever the National highway system turns out to be—and we believe 150,000 miles is approximately right—there must be funding to support that system so that it is in fact well-maintained.

I have already indicated that I think that the flexibility between the National highway system and other systems—the urban-rural program in the Administration's bill—that question might be examined. That now provides for 15 percent transferability. That question perhaps deserves a more careful look. That would provide the flexibility that many of the western States are seeking.

Senator SYMMS. We'll hear from Idaho's department of transportation later today. But what they did, on the roads that you have marked that are in my State, Idaho has spent 55 percent of their money on those roads in the last 5 years. Your bill calls for 70 percent, so you would be getting close with a 15 percent transferability, at least for our State. I don't know how it would fit other States, so that would have to be looked at, but maybe that's something that could be talked about.

Mr. LARSON. We have looked at that, and the level of expenditure is not far from the numbers that we proposed. With the 15



percent or perhaps more transferability, the goals of almost all the States could in fact be met.

Senator BURDICK. Are there further questions?

Senator GRAHAM. I have two or three questions that go to the second level, the first level being what I discussed in the first round, which is the macro question of whether we're going to be better or worse off in 5 years.

Secondly, as to the distribution of whatever funds are available. As I understand it, the Administration has proposed as the basic formula for allocation of funds under the National highway system to use fuel consumption, land area, and road miles. Is that correct?

Mr. LARSON. That is correct, Senator.

Senator GRAHAM. What is the rationale for selecting those three factors.

Mr. LARSON. The fuel is a number that has been used and is well identified as a data system. It's a number that is quite verifiable. The land area and the road miles are variables that we believe allow us to come close to a rational distribution among the 50 States.

They are also relational in terms of youths.

Senator GRAHAM. If the goal is to provide that all Americans will be treated equally, in terms of the distribution of Federal Highway funds, it is your position that those three factors are the most appropriate proxies to achieve that equity?

Mr. LARSON. We believe that those three factors, plus the low density overlay variable that is provided for in the Administration's bill, are the best formula that we have been able to identify.

AASHTO has been working on this for some time and they have a package of recommendations, but none of them are perfect, as is ours not entirely perfect. It's the best that we've been able to do. We think that it is a rational defensible position up to this point. We remain open for better ideas.

Senator GRAHAM. For instance, what's the rationale of using road miles as opposed to lane miles in the factor? It would seem to cost more to maintain a multi-lane than a double lane highway.

Mr. McCORMICK. The real challenge, of course, is to balance the distribution and the size and scope of the system in addition with the demand of the system and the usage of the system. This 70 percent is a reflection of the demand placed upon the system that would reflect multi-lane facilities. The counterbalance in our mind was the other 30 percent being size and scope parameters. So it was an attempt at balancing those two parts of the equation.

Obviously, if you wanted to look at lane miles beyond just center line miles, that would provide further wading into the use and demand side of the equation. But was the administrator indicated, it was our best effort of trying to bring that into balance, but we remain open for future discussion.

Senator GRAHAM. My final question is on the National highway system. Accepting the premise of your statement that there is a close linkage between investment and highway infrastructure and economic policy and stimulation, wouldn't the designation of a national highway system in saying, "These are the highways upon which 70 percent of the Nation's resources must be spent,"—would that not be tantamount to a national industrial policy that these

are the areas of the country that we are selecting as being the appropriate areas for economic development?

Mr. LARSON. No, we do not believe it would be an industrial policy and fixed in time because this system would be one that would be quite flexible. First of all, this is not a new construction program, as was the interstate program. This is a designation process, and we believe that the Congress, working with the several States and with the Federal Government, should continually realign this system and this designation so that it does meet the growth and demographic changes of the country.

So the idea here is not to carve it into concrete or stone for all time, but rather to—from the system that now exists, the primary system of the Nation that has been identified since 1921—to really work within that system and framework for improvement.

So it would be quite flexible for the future.

Senator GRAHAM. We have flexibility in the current system, the flexibility being given to individual States that are not coerced by the mandate that a heightened portion of their available Federal funds be spent on one road as opposed to the other. Your suggesting that that flexibility be moved to Washington to decide whether U.S. 27, or U.S. 441, or U.S. 1—or any combination—will be the designated national highway system, giving to those communities served by that particular road a distinct economic advantage over those not so designated.

That sounds to me like a significant move towards a national industrial policy in terms of geographic location of economic activity.

Mr. LARSON. Senator, we believe that this system will not be identified and managed from Washington. That has not been the character of the Federal Aid highway system. We have already worked with each of the 50 States and received input. That would be an ongoing process as this system evolves.

As to the question as to whether you can have 50 good highway systems that will add up to a good national system, in my judgment that's not true. You must have some coordination. We provide coordination, not a heavy hand on this system.

Senator GRAHAM. Do you think that if we were to adopt the National highway system, as the Administration recommends, that the relative influence over transportation systems will be more, less, or about the same?

Mr. LARSON. I think that it will not be a heavier hand from Washington because of this designation because, again, the designation is cooperative with the metropolitan areas and with the States. I believe that it will necessarily be reviewed by the Congress on a period basis.

Senator GRAHAM. But Congress is a national entity. The question is, Would the Federal Government, vis a vis the States, have more, less, or about the same influence if the National highway system that the Administration proposes is adopted, as it does under the current status of decisionmaking relationships?

Mr. LARSON. Given the very heavy hand of the Federal Government in the interstate, I think it would really decrease the role because that has been such a very dominant Federal program.

I would say that on average across the board the Federal presence would really be somewhat diminished.

Senator GRAHAM. You're suggesting that concurrent with the adoption of the National highway system there will be a reduction of Federal control and influence over the interstate system?

Mr. LARSON. The system of national highways would not have the same level of control has been the case with the interstate system.

Senator GRAHAM. But will there be a reduction of Federal control over the interstate system concomitant with the designation of a national highway system?

Mr. LARSON. Yes. With the completion of the interstate system—and that's provided for in the bill—we would then be out of the 90/10 construction that has been mandated in Federal law.

Senator GRAHAM. In Florida we had a designated interstate corridor that was collapsed by a bridge, and we had to go through a tortuous process of getting Federal approval to rebuild that bridge. Are you suggesting that we would not have to be subjected to those controls. There is going to be ongoing activity on the interstate even after it is completed.

Mr. LARSON. For the National system, there is a proposal in both the Senate bill and the Administration bill for four management systems, but those are things that have been broadly agreed to across the full community of transportation people.

For the urban-rural program, which is the majority of the mileage—the 700,000 out of 850,000—the proposal is for a very much freed-up State management of all these miles. So we have these 700,000 miles that are more nearly a block grant approach to the State, Senator.

Senator GRAHAM. So you're saying that States will have less Federal control over the interstates within their boundaries, if we adopt the Administration's proposal.

Mr. LARSON. The States would work in a cooperative way with the Federal Government for these management systems, but I think on average the States will have greater control over the whole highway system under this proposal.

Senator BURDICK. Mr. Moynihan.

Senator MOYNIHAN. I want to just thank Senator Graham for bringing up an unusually important issue. Is there an industrial policy here in the National highway system as proposed?

To make a point to my colleagues, 5 years ago, under the then committee Chairman's rule, which was that he had subcommittee chairmen manage bills on the floor, and I said, "Everyone understand that this is the end of the interstate system. The next bill will be something new."

What I say to Senator Graham is that the interstate and defense highway system was industrial policy. Those are renew roads, and 31 years ago I wrote a long essay on it saying that this would reshape the United States, like the railroad, and it did.

The money was paid out of the northeast quadrant, where the automobiles then were, to build highways to move themselves west. Now, afterward, Nevada is the fastest growing State in the Union.

It was all right. I wouldn't object to it, but one recognizes that that happened. That can't be undone, and we're not trying to undue it. Our first priority is to maintain that system.

In the secondary system, these roads already exist. If they're keeping them up and so forth, that's good. We would like for you to give us a real map, and we'll say, "OK."

But on the second point of investment, we have gotten into that interstate era of 90/10 money. Investing in America's future meant building a highway. That was seen as investment. Well, that might be a good investment, and it might not be a good investment. It just depends on what return you get from the investment. Just building a factory doesn't mean you've done anything until you build something you can sell.

We've been interested in productivity. We have a letter from the chairman of the Council of Economic Advisors said that of all the sectors of the American economy, transportation—which is largely a public monopoly—has the lowest level of productivity growth over the last 15 years. In fact, none. If you call .2 percent growth—I don't know what.

Durable manufacturing in America grows at 6.0 percent a year. That's a roaring number. But what is holding us down is that we've never been able to get efficiency and more productivity out of this highway system.

Those are the numbers. We're trying to work with you. You think the same way, but it's more than just spending more money on highway, it is getting more profit out of them.

Senator WARNER. If that was the objective 5 years ago, how did we fail in the existing bill—

Senator MOYNIHAN. No, 5 years ago we said that we were going to finish the interstate.

Senator WARNER. So in other words, economics was not an objective in the last bill.

Senator MOYNIHAN. It was never an objective. We called the National interstate a defense highway. But we said that this time around is a new era.

Thank you, sir.

Senator BURDICK. Senator Lautenberg.

Senator LAUTENBERG. I have no questions at this time, Mr. Chairman.

Senator BURDICK. Any further questions?

[No response.]

Senator BURDICK. If not, I thank the witness very much. I wish you luck, too, because you're going to need it.

Senator REID. Mr. Chairman, I must leave for the Appropriations Committee.

Senator BURDICK. Certainly.

The next panel will be as follows: Honorable Hal Rives, president, American Association of State Highway and Transportation Officials; Honorable Ben Watts, secretary, Florida department of transportation; Honorable Thomas Downs, commissioner, New Jersey department of transportation; Honorable Kermit Kiebert, commissioner, Idaho department of transportation; Honorable Patrick Garahan, secretary, Vermont agency for transportation; and Mr. Carl Williams, assistant director, California department of transportation.

Gentlemen, your presentation will be limited to 4 minutes and the cross examination will be limited to 3 minutes. You may proceed in the order you wish.

Senator SYMMS. Mr. Chairman, if I could just interject for a few minutes, I would like to welcome to the committee the Honorable Kermit Kiebert, who was the Democratic leader of the Idaho State Senate for many years, and did an excellent job there, and is now the director of Idaho's department of transportation. I consider him a good friend. He is one of the leaders in the country with a forward look at what we can do to look at transportation efficiencies. I welcome you here just in case I'm out of the room when you begin to testify.

Senator BURDICK. I believe we'll start with Hal Rives.

**STATEMENT OF HAL RIVES, PRESIDENT, AMERICAN ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS, AND COMMISSIONER, GEORGIA DEPARTMENT OF TRANSPORTATION, ACCOMPANIED BY FRANCIS FRANCOIS, EXECUTIVE DIRECTOR, AMERICAN ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS**

Mr. RIVES. Thank you, Mr. Chairman. I am Hal Rives, president of AASHTO and commissioner of the Georgia DOT. I am accompanied by Mr. Francois, executive director of the association. You are being provided copies of my written statement that I would like to have included in the record.

Senator BURDICK. It will be received.

Mr. RIVES. My testimony today will concentrate on the Surface Transportation Efficiency Act of 1991, S. 965. S. 965 addresses many of the concerns held by AASHTO with respect to our Nation's highways. But the bill departs in many ways from the carefully developed recommendations AASHTO has made.

AASHTO's recommendations for the Federal Highway program and transit programs are contained in our 1989 report "New Transportation Concepts for a New Century". While well over two-thirds of our 52 member departments voted to adopt the report, some States do not agree with AASHTO's proposed restructuring of the highway program. This fact is reflected by S. 823 introduced by Senators Reid and Baucus.

We have summarized AASHTO's recommendations on one sheet of paper, which is attached to my written statement. AASHTO believes that the Federal Aid highway program should be a two component program designed for the America of the 1990's. The first component focused on meeting national transportation goals with a system of highways of maximum significance—the National highway system—that would include the interstate system and additional mileage from the primary arterials. This would be 150,000 to 180,000 miles for this total system.

The second component is a flexible urban/rural program focused on implementing national goals identified by the Congress. Funds could be used for either highways or public transportation as determined by these States and local governments. AASHTO would continue a discretionary bridge program.

AASHTO recommends highway funding levels of \$17.6 billion in fiscal year 1992 rising to \$25.9 billion in fiscal year 1995. We think these funds should be evenly divided between the two systems, with 20 percent transferability between them.

The Association also recommends an 85 percent Federal/15 percent State and local match in the program. We further recommend that the 85 percent minimum allocation continue, as well as the .5 percent minimum apportionment retained for the National highway system.

AASHTO does not recommend a distribution formula. It is too diverse a group. We say the basic formula for distributing national highway system funds should be driven by packages such as lane miles, travel, and other appropriate factors. These, we believe, are measures of need.

For the urban/rural program we recommend returning 100 percent of these funds to these State, based on user contribution. We also feel that safety is extremely important and it should be just a normal part of these particular systems.

We turn now to S. 965, and I see the time is going, so let me slip over to three items that we think are important.

First, is funding. We think the funding level should be high. We think that it ought to get up to the \$25.9 billion. AASHTO supports a stronger planning process in metropolitan areas. The emphasis is that there is a vital need to keep a major State presence in all programming and other decisions.

While improvements in the current planning process are possible, it should be recognized that current processes in many States have been successful. Current law in planning and program is not an obstacle to multi-modal planning and programming. The existing process, where the regional transportation plan is developed by the MPO, and the State's program projects out of the regional transportation plan, as required, can and is working very well.

Senator LAUTENBERG. [Assuming chair.] Thank you very much. We ask now for the Honorable Patrick Garahan, the Secretary of the Vermont Agency for Transportation. We welcome you.

**STATEMENT OF HON. PATRICK GARAHAN, SECRETARY,  
VERMONT AGENCY FOR TRANSPORTATION**

Mr. GARAHAN. Thank you, Mr. Chairman. It's a pleasure to be here to testify on S. 965.

First, let me say that we support in Vermont the general thrust of this bill. Governor Snelling and I believe there is a new era in surface transportation, the interstate is complete, and the close Federal Government direction and supervision of the States in the many categorical highway programs are no longer required.

In Vermont we operate a comprehensive transportation system and use the flexibility in the current law to the maximum. Just this year we have Federal Aid highway funds for a State-wide car pooling program, purchase of public transit equipment, and a bicycle path. What we need from the Federal Aid program is more flexibility and independence.

There are four issues in this bill that are of great concern to Vermont: matching requirements; flexibility, expenditures, and man-

agement of the program; designation of the National highway system; and a fair and equitable distribution of the total funds among the States.

First of all, we support the matching requirements in the bill and urge you to keep them in place. Higher match requirements would be self-defeating, given the economic circumstances.

We also support flexibility contained in the bill, but urge you to expand this concept to off-system bridges and planning. Vermont has over 1,300 off-system bridges that need repair, most of which are over 60 years old. Many of them were built at the same time, after a disastrous flood in 1927, creating a significant problem.

The estimates to replace or rehabilitate these bridges is over \$300 million, yet we receive only about \$2 million a year in Federal Aid highway funds to the off-system bridge program. We need to be able to use more Federal Aid highway funds for off-system bridges in Vermont.

We also need flexibility in funds for planning. We believe the current limits are too restrictive. We support the increased planning dollars for urbanized areas, but request authority for the States to increase dollars for planning outside the urban areas.

Turning to the National highway system, we support this concept. Americans are entitled to a safe, efficient, and consistent driving experience throughout the country. Quite clearly, the interstate and certain key primary routes serve this purpose. We recognize our obligation to maintain this system, and ask you to include in the bill the requirements to maintain that national highway system and not limit the expenditures only to that system.

In terms of apportionments, under this bill, as proposed, Vermont's share of the total surface transportation program would be reduced 27 percent. We propose a minimum of 1 percent apportionment of the major highway programs plus holding all States harmless at the 1991 level. This would reallocate less than 5 percent of the total program and 15 States would benefit.

It takes into account the unusual circumstances of States. For example, in Vermont we have over 200 freeze/thaw cycles a year, we have problems with ice and snow, and many bridges that need to be maintained that are older than other States.

I have provided the staff with written testimony. Once again, thank you for the opportunity to testify.

Senator BURDICK. [Resuming chair.] The next witness will be the Honorable Ben Watts, Secretary of the Florida Department of Transportation.

Senator GRAHAM. Mr. Chairman, if I could, I would like to introduce Secretary Watts. I know he has testified before this and other congressional committees. Secretary Watts has provided a career of distinguished public service to our State. He's a graduate of West Point. He is an excellent engineer and administrator. We are very fortunate to have him.

He has served in Administrations of both political parties. He is a professional in every sense of the word, and I am very pleased that we have the benefit of his analysis as part of our decision on this important legislation.

Senator BURDICK. A Graham appointee?

Senator GRAHAM. No, I had the privilege of serving with Secretary Watts in previous positions within the Department of Transportation, but it was Governor Martinez who elevated him to secretary of the department, and Governor Chiles who has continued him in that position.

**STATEMENT OF HON. BEN WATTS, SECRETARY, FLORIDA  
DEPARTMENT OF TRANSPORTATION**

Mr. WATTS. Thank you, Mr. Chairman.

Along with my testimony today I am submitting a brief paper entitled "The FAST Program"—the proposed Federal Aid Surface Transportation program discussed by Senator Warner and Senator Mack earlier. That proposal is consistent with our recommendations and is based upon the AASHTO study of the past 2 to 3 years.

The remainder of my testimony will address S. 965. There are many positive aspects that we find in S. 965. The increased flexibility to fund the most beneficial transportation improvements; we support the transferability between highways and transit; we support the move away from the single occupancy vehicle toward a greater efficiency of the system as we have it today; and if we try to increase our overall productivity of our commercial enterprises.

In particular, the National magnetic levitation design program is certainly supported in Florida. Currently we are in the process, through private sector initiatives, of producing a 13.5 mile prototype system that soon may become a reality in Florida. We support the access to rights-of-way featured in the bill and think that should be adopted.

Under Governor Graham at that time, now Senator Graham, we have a very aggressive rails to trails program and have purchased over 150 miles of abandoned railroad rights-of-way to use as other transportation purposes.

We support the congestion pricing pilot program. We think that it may prove helpful in addressing the growing concern in congestion problems in our urban areas. We support a number of the program efficiencies found in section 121 of the bill as it allows us to increase flexibility in the State to streamline Federal requirements as we expend Federal funds.

We also have several concerns with the bill. As stated previously, Florida's primary concern is with the funding provisions found in S. 965. Currently Florida ranks second in population growth, second in the Nation in State financial commitment, third in the Nation in vehicle miles traveled, third in the Nation in total motor vehicles, fourth in licensed drivers, and tenth in total highway miles. For every 10 licensed drivers in Florida, there are 12 registered vehicles.

The current rate of return ranks Florida 42nd among the States in the Nation. Under S. 965 our rate of return would rank 46th by 1992 and fall to 50 by 1996.

We are concerned about the National system of highways. We think it must be preserved. If we establish ourselves in international, interstate, and intrastate commerce, that depends on more than just the interstate system. That depends on a national highway system.



Rather than being viewed as an expansion of the 44,000 mile interstate system, we would prefer that it be looked at as a great reduction in the 800,000 miles currently identified on the Federal highway system. The network of between 150,000 and 200,000 miles is supported.

We think that highway maintenance should remain a State and local responsibility because you will supplant funds if you have Federal Highway funds become a major portion of the maintenance program.

We think the State role in transportation should not be diminished. In Florida it is not a question of whether or not we spend money on highways or transit. It is a question of needing to spend money on both. All modes of transportation in Florida are critical to us.

Since States now provide more funding for both highways and transit than does the Federal Government, a stronger transit role is required rather than a diminished highway role.

We also are very concerned about the proliferation of funding category set-asides and penalties.

Thank you, Mr. Chairman.

Senator BURDICK. Thank you.

Our next witness will be the Honorable Thomas Downs, Commissioner of the New Jersey Department of Transportation.

Senator LAUTENBERG. Mr. Chairman, with a moment of indulgence I am pleased to welcome Commissioner Downs here. He has had a long career in the transportation field, once having served as deputy mayor in this city during the development of WMATA. I think certainly we can look at that as being a very significant accomplishment. He also served on the Triborough Bridge and Tunnel Authority.

Tom Downs has had a long and distinguished record in transportation. We are pleased that he is now in New Jersey. We are happy to have him here with us today, and we look forward to hearing his testimony.

I thank you, Mr. Chairman.

#### STATEMENT OF HON. THOMAS DOWNS, COMMISSIONER, NEW JERSEY DEPARTMENT OF TRANSPORTATION

Mr. Downs. Thank you, Senator.

I have a longer prepared statement I will be glad to submit for the record and I will try to be as brief as possible.

I would like to point out an obvious fact, and that is that the National Government collects national taxes for transportation purposes. As a result, besides simply having the ability to pass them on as a block grant, they have a responsibility for determining what national objectives and goals those funds are supposed to provide.

I would quote a scholar of an earlier experiment in Federal collection of dollars. "If administrators and politicians are going to play God with other person's lives, and other person's money, they ought to at least get clear what the divine intention is to be." That's from a book called "Maximum Feasible Misunderstanding" by Daniel Patrick Moynihan.

[Laughter.]

Mr. DOWNS. I think divine intention is probably our business right now in trying to figure out what we are supposed to be doing with these national funds. I would like to suggest that the bill takes that charge and begins to outline it, but I would like to suggest that it go further. That it link Clean Air, congestion management, and system preservation as the cornerstones of the National mission. I would like to suggest that focusing on performance criteria rather than on a clearly defined number of miles in the National highway network is probably a better exercise.

I think we have several objectives as a Nation we would like to accomplish. First, we need to preserve and maintain and enhance what we already have. We spent three generations building it.

Secondly, while it was easy for the National Government to say to the rest of the States, "Just go build it," it is much harder now to say to us, "Just go manage it, make it work, make sure it's still standing in another generation." We cannot build our way out of congestion, but rather we have to manage our systems the way businesses manage their companies, for productivity and efficiency.

Third, we have to look at international competitiveness and what it means not having linkages between our road systems, our rail systems, our airports, and our ports. We must focus on critical junctures that we have missed in the past, as a focus for a national construction program.

I think we also have a national responsibility for enhancing the quality of life with these capital funds. That means reducing air quality loads, reducing congestion demand, and particularly focusing on the problems in urban areas where 80 percent of the population in the United States now lives and where most of those areas are in violation of the Clean Air Act.

It is easy, if you accept those as our national agenda, to focus on what a bill should and should not be. It should not be based on a particular mode, it cannot be focused on constructing new roads and new capacity without a management responsibility, and it cannot have an overwhelming focus on a single passenger in a single automobile. It has to be focused on moving people and goods in an expeditious and economical fashion.

It is the ultimate Catch 22 in this bill to, for instance, limit the use of Federal Highway Administration funds in non-attainment areas—and the State of New Jersey is a non-attainment State for Clean Air—and then expect us to make decisions about achieving attainment with those kinds of constrictions. I would ask that the flexibility be there in non-attainment States to allow for the kinds of expenditures that will help us all solve those problems.

On that note, I would suggest that a serious issue, while it is not this committee's jurisdiction, is the restrictions that come with transit projects—things like alternatives analysis and cost benefit analysis that are intended to slow down the transit investment pipeline—if they apply to highway funds that are expended for transit type projects, we will succeed in limiting our ability to spend those funds even further than they are already constrained. That issue has to be addressed as part of this bill.

Thank you, Mr. Chairman.

Senator BURDICK. Thank you.

Our next witness is the Honorable Kermit Kiebert, Commissioner, Idaho Department of Transportation.

Senator SYMMS. Welcome to the committee, Kermit.

**STATEMENT OF HON. KERMIT KIEBERT, COMMISSIONER, IDAHO  
DEPARTMENT OF TRANSPORTATION**

Mr. KIEBERT. Thank you, Senator.

Mr. Chairman and members of t, I am pleased to be here and have an opportunity to present this testimony to you today.

Idaho feels that timely passage of a Surface Transportation Act is of supreme importance to the transportation infrastructure of this Nation. Any delay in the adoption of a new act will interrupt the ongoing process of construction, maintenance, and operation of transportation facilities and could have a disastrous effect on our fragile economy.

Delay of passage of this new act could occur, I believe, because of controversy over two features of the Administration's proposal. These features are the size and funding level of the National highway system, and the complete repeal of the existing title 23 of the United States Code.

S. 965 avoids the controversy associated with defining the funding of the National highway system by giving the States the responsibility to maintain the condition and continuity of highways that comprise a national highway system. Also S. 965 amends title 23 by providing substantial new direction for surface transportation programs while at the same time retaining many of the proven provisions of the current law.

Even though S. 965 allows the use of State design standards, State decisions concerning the spending of funds within the State's surface transportation program, the States will—in Idaho's opinion—continue to rely heavily on AASHTO and FHWA standards. This will happen because the economies of the States are dependent on nationwide transportation systems to compete in national and international markets.

The completed interstate system is the existing base national system that is recognized for separate funding in S. 965. Individual States have common interests and economic concerns that will prompt them to maintain connections to the interstate system, airports, ports, and major recreational areas in coordination with their neighboring States.

The effect of S. 965 is to provide an orderly transition from the old to the new. Highway and transit funding is modernized and made more flexible. It is streamlined. The name of the bill is very apropos, the Surface Transportation Efficiency Act of 1991.

I would like to address some specific provisions of the bill. First, the program efficiencies, from Idaho's standpoint, called for under section 121 are of utmost important. Their purpose is to streamline the administration of the Federal Aid program and to help the States accomplish their transportation program responsibilities more economically and efficiently.

I might mention a few of the specific provisions. First, the States would be required to set design and construction standards for the surface transportation program. This will allow the States to utilize

the full latitude of the design guidelines offered within AASHTO's policy on geometric design of highways and thereby reduce their tort liability exposure.

The States would be allowed to approve the design of highway resurfacing and pavement rehabilitation projects. This will enable States to concentrate on maintaining and refurbishing the interstate pavement.

Other provisions that section 121 would allow include allowing the States to establish project maintenance standards; to set high occupancy vehicle passenger standards; and to refund preliminary engineering costs to the Highway Trust Fund when a proposed project is not advanced to construction within 10 years.

Idaho strongly supports provisions of the program efficiency section. National recreational trails—Idaho transportation department strongly recommends that all these funds be administered by the Secretary of Transportation, as provided in the S. 965.

The surface transportation program combines several of the current Federal Aid categories and makes these funds available for surface transportation projects and the increased flexibility will allow a State to spend their Federal funds as they feel is most needed.

Thank you, Mr. Chairman.

Senator BURDICK. Thank you.

Our next witness is Carl Williams, Assistant Director of the California Department of Transportation.

**STATEMENT OF CARL WILLIAMS, ASSISTANT DIRECTOR,  
CALIFORNIA DEPARTMENT OF TRANSPORTATION**

Mr. WILLIAMS. Thank you, Mr. Chairman.

I would like to pass to you the regrets of the secretary of business, housing, and transportation in California, who very much wanted to be here. He believes this is the most important bill that will be passed by this Congress this year, and I am inclined to agree with him.

In late March, Senator Moynihan brought his field hearings to Los Angeles and we testified before him at that time. He asked us to describe what we would like to see in a bill that came out of Congress on transportation. We told him that we would like to see a bold transportation reform that helps consolidate many of the divergent programs, the inflexible programs of the past, a program that would increase the delegation of authority and flexibility to the States, and a program that would allow us to use Federal funds as flexibly as possible across a variety of transportation modes.

We are very pleased with what we have seen come out of the subcommittee. While there are some changes that we would like to see made—and we have submitted for the record Secretary Covitz' testimony. We would like to give you high marks on innovation, on sensitivity to the clean air issue that we're all face with in California, the shift to integrated and multi-modal transportation planning—which we think is essential—and the strengthening of the Federal, State, and local relationships. We give the committee A plus on those.

There are a few things that give us concern. They are detailed in our testimony, but I would like to highlight those for just a moment.

First, we would like to see that the donor States—where the highest growth rates are occurring, and where the largest amount of the tax revenues are produced—we would like to see them treated slightly better in the formula that Senator Moynihan has put forth.

We would also like to have the governor of our State be in the position of certifying that the State meets the requirements of planning and programming, as outlined in the bill, as well as the distribution of funds. We have a very delicate political balance in our State with respect to how funds are distributed. We are very concerned that the Moynihan bill would disrupt that and cause a great deal of difficulty. So we have suggested a phase-in over the next 3 years to help us accommodate these changes.

Finally, we would like to look back on this bill as the one that made the right decision. We believe it is going to be of historic significance—the changes that will be wrought by this bill—and we are looking forward to helping the committee and the staff work toward completing this effort.

Thank you very much, Mr. Chairman.

Senator BURDICK. Now, according to our plans, each Senator is limited to 3 minutes. We'll start with Senator Chafee.

Senator CHAFEE. Thank you, Mr. Chairman. I will try to stay below the 3 minutes.

First, did I understand you correctly, Mr. Watts, you said that for every 10 licensed drivers you had 12 vehicles in Florida?

Mr. WATTS. That is correct, sir.

Senator CHAFEE. Twelve registered vehicles. That's extraordinary. How does that rate nationally?

Mr. WATTS. It is first in the country.

Senator CHAFEE. I would think so. I'm still pondering it.

Mr. Williams, in California you have had some extensive experience using rubberized asphalt on the roadways. In your written statement you recommend that the Federal Highway Administration no longer consider this experimental. In 60 seconds, could you tell us briefly about your experience? What we're trying to do here is to grind up tires and use them in asphalt. In the amendment I have, 7 percent of all milage must use this ground up process. How does it work?

Mr. WILLIAMS. We have found it to be very successful in California. It is at least as good as the conventional asphalt concrete. We have been using it since 1978 and have very good results. We have put it into all different kinds of weather conditions and under different kinds of loads, and we are quite satisfied with it.

We have asked the Federal Highway Administration to remove it from the experimental list so that we could use it more broadly.

Senator CHAFEE. How does it compare in cost?

Mr. WILLIAMS. It's more expensive at this point than conventional asphalt concrete. We have not calculated the offsetting savings that come from reduced landfill use and other environmental impacts that treatment and disposal of these tires cost.

Senator CHAFEE. Is it significant enough to reduce the number of stored tires you have, or hasn't it come into full flower?

Mr. WILLIAMS. No, it hasn't because we've only been using it on a limited basis thus far. We think we could get rid of an awful lot of tires if we could have the authority to use it more broadly.

Senator CHAFEE. Could I just poll the folks here? How many of you think that this idea has merit? I'm talking about grinding up tires and my bill says that 7 percent of asphalt miles laid use this. How many think it's good? [Five witnesses raise their hands.] How many think it's bad? [Two witnesses raise their hands.]

Senator LAUTENBERG. That doesn't affect your highway formula, I can tell you that.

[Laughter.]

Senator CHAFEE. No, it's not going to affect the donor States.

In 8 seconds, Mr. Rives, why do you think it's bad?

Mr. RIVES. We don't like the way it works. It doesn't work well. You can get another type of rubber and put it in and it works very well. But the ground up rubber we have had a poor experience with and we hate to have a high cost product with a poor experience.

I'm going to contact California and find out more about this.

Mr. WILLIAMS. Please do.

Mr. DOWNS. The emissions off of heater planing and other recycling methods put too much hydrocarbons in the air. It's a disadvantage.

Senator CHAFEE. Thank you.

Senator BURDICK. Senator Symms.

Senator SYMMS. Mr. Chairman, I have one question I want to ask of Frank Francois and Kermit Kiebert.

On page 4 of your testimony, Kermit, you talked about the metropolitan planning organizations, which to me is one of the most controversial parts of the bill and one that causes me a lot of problems. Neighboring State Washington, neighboring State Nevada are both very concerned about big population centers in Las Vegas and Seattle running over the rest of the State.

You suggested a 250,000 population as a Federal breakpoint instead of a 50,000 population. I guess I would like to hear your comments on it, and maybe any others who would say where an acceptable level would be for the size of a metropolitan planning organization in this bill that would be higher than 50,000.

Mr. KIEBERT. Senator Symms, as we looked at that and looked at 50,000 I think you're looking with a new sense of something like nearly 600 areas that would fit into that metropolitan planning organization.

We felt that that probably was more than really necessary and probably was not the original intent.

Senator SYMMS. How many would 250,000 have?

Mr. KIEBERT. I believe that's about 60. My colleague here says it is 61, but I know we're right in. So that was something in terms of audit and administration which would be much more palatable I would think.

Senator SYMMS. Frank, how about if it was 1 million?

Mr. FRANCOIS. I think 1 million gets awfully large. We have worked with the number 200,000 and 250,000 as a rational number

here. If you drop to 50,000 it is very difficult to get the kind of staff you need and the issues can best be resolved, we think, through an informal process.

From 200,000 on up you run into the need for a formal staff. The issue of 1 million I think attaches itself to whether or not there is direct passage of a control over funding. The degree of control I think needs to be greater at the much larger ones than the smaller ones. At the 200,000 level, certainly the State process, with a good MPO will work.

Senator SYMMS. Secretary Watts.

Mr. WATTS. Senator, I don't think 50,000 is a bad number. I think the problem rests more with what we started out with as 50,000 years ago should now be looked at as more of a regional approach and combining some of those that we have as separate individual MPOs and take a regional look at transportation rather than an individual look at 50,000 and higher.

Senator SYMMS. Does anybody else want to comment on that?

Mr. RIVES. I would comment. I agree with what Frank said. We have MPOs for areas of 50,000 in Georgia today. They are very informal, however. The processes that you can do with that small of a city than those of over 250,000 are quite different. A city of 250,000 would have a far more structured one.

Senator SYMMS. Thank you.

Senator BURDICK. Senator Graham.

Senator GRAHAM. Thank you, Mr. Chairman.

Mr. Rives, I asked of Mr. Larson some questions about where we are today in terms of unmet needs, needs that would be covered by the Surface Transportation Act. What is AASHTO's estimate of current 1991 unmet surface transportation needs?

Mr. RIVES. We don't have it for 1991, but we have it for 1988 because we produced the document 2 years ago. That was based on 1988.

The total expenditures—State, local, and Federal—for highways in 1988 was \$68 billion. We estimated a \$100 billion need, so there was a \$32 billion shortfall in expenditures in 1988. That includes those capital expenditures, maintenance, operation, and all those.

Senator GRAHAM. I want to be sure that I understand what you're saying. If in 1988 you had spent \$100 billion, what did you say the number should have been in 1988?

Mr. RIVES. We spent \$68 billion in State, local, and Federal. We estimated that we should have spent, to keep level, \$100 billion.

Senator GRAHAM. So the \$100 billion would have been what would have been required in order to have maintained the same quality of the system at the end of the fiscal year as at the beginning of the fiscal year.

Mr. RIVES. Yes.

Senator GRAHAM. Do you have a projection—and I ask this of you, Mr. Rives, both in your capacity as the president of AASHTO and also as the commissioner from Georgia, and I would ask the same question of the other State representatives—do you have a cumulative figure of what is the current unmet need within your State, or on a national basis?

Mr. RIVES. You mean if you cumulate that \$32 billion shortfall in 1988 at some point. No, I do not have that.

Senator GRAHAM. For instance, in the case of the State of Florida, looking today, how much would it cost in order to bring all your highways up to an acceptable standard of efficiency and capacity? How much would it cost to rehabilitate your bridges and other aspects of expenditure that would be covered by this Surface Transportation Act? What would that number be?

Mr. Watts.

Mr. WATTS. Senator, I estimate over a 10 year period it to be \$15 billion more than what we can supply, both with Federal and State funds. That is on the Federal highway system.

Mr. RIVES. I have that same number, Senator, but it just escapes my mind. We just produced a 10-year plan that has that number in it, but it escapes me.

Senator GRAHAM. What I was driving at—and my question to Mr. Larson seems to be fundamental to this discussion—is it the National policy to let this Nation's highway system deteriorate over the next 5 years by a conscious decision to under-invest what would be required to maintain their current quality? Is it the policy of the Nation to invest at a level that will keep the steady state of today, or is it the policy that want to invest at a level that will result in a superior highway system in 1996 than we have today?

It seems to me that's a quantifiably analytical set of questions that we ought to at least know what we're committing the country to have 5 years from now in terms of its transportation system.

Mr. RIVES. I would think, Senator Graham, that they would probably say that by withholding authorizations—the \$16 billion unspent balances in both the airport and the highway trust funds—would indicate that there was such a policy because we're collecting the money, but we're not spending it.

Senator GRAHAM. If your analysis is correct, even if we spent all the \$16 billion in 1 year, we would still be another \$16 billion short of what we would need in order to stay in a steady state.

Mr. RIVES. Exactly.

Senator BURDICK. Senator Lautenberg.

Senator LAUTENBERG. Thank you, Mr. Chairman.

I'm sorry that Senator Chafee is not here. In New Jersey I'm told that we have one car per registered driver and a lot less space to put them in. It therefore makes our job more complicated. But I have the support of all my colleagues in this, since I chair the Transportation Subcommittee of the Appropriations Committee.

Senator GRAHAM. But all those people are coming to Florida to spend a substantial period of time.

[Laughter.]

Senator LAUTENBERG. We couldn't return some of those revenues, Senator.

In any event, one thing about the transportation fraternity—my compliments to each one of you—this is a field that has a lot of professional ability. We noted in our conversations here that within the States very often the person in charge of transportation is the one in my view that seems to have the most experience and the best background. My compliments to you, again, for a very good testimony.

I want to go ahead and move along.



Commissioner Downs, you're familiar with S. 999. My legislation authorized the comprehensive IVHS program. You make a point in your testimony and you say that we cannot build our way out of congestion. I could not agree more. I'm sorry that Senator Moynihan isn't here. He would have been flattered by your quote, and I will tell him about it.

But he made the point about productivity. The system has not increased in its productivity. It hasn't managed to handle more. It manages what it does, and it doesn't do it very well.

One way I think we can do it, of course, is IVHS. Do you have a comment about the importance of IVHS in addressing the congestion problem?

Mr. DOWNS. Senator, my apologies. In my written statement I do say that the IVHS is one of the key components of a new national transportation set of priorities. Managing the system, what your bill proposes, I think is one of the cornerstones for not only getting at congestion management but air quality and the development of a viable business climate in a number of highly congested cities. I think it is one of the cutting edges of transportation investment for the next decade. I don't think there is a way—particularly in the northeast cities and congested urban States like New Jersey, Connecticut, and New York to be able to exist over the next decade without highway management as a top priority.

Senator LAUTENBERG. I think it's worthy to note also that it has been contemplated that very significant savings of energy can be realized, as much, I'm told, as 12 percent. That could convert very quickly to 15 billion gallons of gasoline a year. It has the capacity, if properly implemented, to reduce air quality assault by some 15 percent. It can improve the production of our highway system by as much as 50 percent. That's without laying down more concrete and without more congestion.

So we're pleased to have your support.

I thank you very much for being here.

Senator BURDICK. Senator BAUCUS.

Senator BAUCUS. Thank you, Mr. Chairman.

I would like to ask Mr. Williams and Mr. Watts whether, in their view, State taxpayers should contribute to the Federal highway system in their own States.

Mr. DOWNS. Yes, sir.

Senator BAUCUS. Do you think the Federal highway apportionment should recognize the degree to which the State's taxpayers contribute to its Federal Highway systems?

Mr. DOWNS. Yes, sir.

Senator BAUCUS. Can you tell me whether it's true that the States of California, Florida, and Missouri—for reasons which will be clear later—all contribute below average on a per capita basis to the Federal highway system?

Mr. WILLIAMS. I don't know that they do.

Senator BAUCUS. What is the per capita for California?

Mr. WILLIAMS. I don't know that.

Senator BAUCUS. I'll tell you. It's \$140. What is it for Florida?

Mr. WATTS. I have no idea, Senator.

Senator BAUCUS. The average is \$226, for Ohio it's \$197, Missouri is \$191.

Mr. WILLIAMS. That's probably partly because of more fuel efficient milage that we're getting out of our vehicles in California and producing less taxable gallons per person.

Senator BAUCUS. The point I'm making is this. Unfortunately I was not here, but some Senators very vehemently—the way I understand it—said that they were going to move to change the minimum allocation formula in their donor States, and that if this committee wants the highway bill passed under the present formula that we have another think coming because they're going to, in effect, delay the bill.

I would just say to those Senators, and to those States, that it would be very inadvisable to try to change the minimum allocation formula. That's a double-edged sword.

I might ask Mr. Watts whether he would favor a minimum allocation mass transit provision of 85 percent, which is the present minimum allocation for highway funds.

Mr. WATTS. Senator, we have done no research on that particular issue. I can tell you that as Florida moves into the 21st century, mass transit funding will be a priority, just as it is now.

Senator BAUCUS. Does California favor a minimum allocation for mass transit?

Mr. WILLIAMS. Senator, in our recommendations to Congress, we recommended that as much of the mass transit money as possible be distributed on a formula basis, our argument being that even though California gets more than it sends in of the 1 cent of the 9 cent Federal gas tax, there are a large number of rural States that have been contributing large sums of money and getting back minuscule amounts to deal with their rural transportation.

We have recommended that if more of the money goes into a formula type of distribution they will benefit more directly. Yes, it would hurt California to do that, but that is in keeping with our view on highway fund distribution.

Senator BAUCUS. Mr. Chairman, my time is up. I just want to tell you, Mr. Chairman, that I am preparing amendments to provide for a minimum allocation in mass transit, maybe defense contracts—I can think of all kinds of categories where a minimum allocation makes sense. So I just tell those Senators that think about changing the minimum allocation for highway funds that is a double-edged sword and a road they may not wish to travel down.

Senator BURDICK. Senator Moynihan.

Senator MOYNIHAN. Mr. Chairman, I cannot forbear. I would like to thank Commissioner Downs for citing a book written 23 years ago. I can't imagine how one so young could know such ancient—

[Laughter.]

Mr. DOWNS. Senator, my first government job was in model cities, and yours was the critique of that higher experience.

Senator MOYNIHAN. You've been working your way up through. It was called "Maximum Feasible Misunderstanding," and it could describe a lot of American national Government.

I would like to thank you, sir, for your particular references to the chairman's bill.

I would like to say to you all that we need any advice you have because this is the first bill after the interstate era. We can say that goes back to 1956, but really to 1944 when it was authorized.

Senator Graham asked whether there, and I offered the thought that the industrial policy was in the interstate that built new corridors and shifted population all over the country. It did, and that has happened. It's done now. Our job is to try to get more transportation off the existing system.

We have a mature road system. The Department of Transportation doesn't propose to add new roads in this system. We're looking at the idea of productivity.

Does anybody want to comment on this? We can't quite get hold of the reasons, but the chairman of the Council of Economic Advisers tells us that in the last 15 years productivity in transportation has been slack, 0.2 percent. Durable manufacturers have been growing at 6.0 percent.

Do you have some feeling for this? Do you think we have the right emphasis here? We're going to depend on you to compete. We can't make you innovate, but we think you will if you have the option.

Mr. GARAHAN. Senator, I agree completely. I just read a research paper on this very topic that indicated the increase in productivity after the interstate system. When you look at the investments, they've gone down of course in real dollars, and the productivity has gone down at the same time. In both the short and the long term, the expenditure of funds will obviously increase the economic activity, but in the long term it's the productivity increase by improving the capacity, not just in highways, but in rail and other aspects of transportation.

If you compare, for example, the investment in Europe in transportation and the productivity in Europe, there is a direct relationship in terms of magnitude. So it's quite clear, in my opinion, that the investment in transportation and the resulting improvement in productivity is linear.

Senator MOYNIHAN. Would you agree, though—Senator Lautenberg has been pressing the question of seeing this not just as increasing your plant, but increasing the production of your plant, increasing the capacity of the highway system. That's what we're looking at.

You all are thinking that way, aren't you?

Mr. FRANCOIS. Mr. Chairman, if I can jump in for a moment, AASHTO certainly is. We've been looking at, among other things, the intermodal problems that we've had for several years now. We've done some studies of what the needs are to link airports, harbors, and railheads with the highway system. That's one of the major problems that you face in this productivity issue.

The second issue is obviously urban congestion, the thousands and thousands of hours that are wasted by truckers waiting in traffic. That's a loss of national productivity. IVHS can help that and there are other things that can help that.

Yes, across the board nationwide States are looking at these issues. We're trying to find some answers, and we need some help.

Senator MOYNIHAN. Mr. Watts.

Mr. WATTS. Currently Florida is working on high speed rail, maglev, IVHS, transportation demand system—

Senator MOYNIHAN. Transportation demand system?

Mr. WATTS. Yes, sir.

Senator MOYNIHAN. That rings well to us. We like to hear people thinking that way. It's not the supply, but the demand.

Mr. WATTS. The only point I would want to make to you is that our point is that it takes money to do all of those. If we don't have access to a different share of what we have from the Federal Government, we can't take advantage of those kind of things because we need those and certain capacity improvements and public transportation to meet the needs in Florida.

Senator MOYNIHAN. Commissioner Rives?

Mr. RIVES. You put productivity in terms, and I think this would be a good measure of it, particularly in your urban areas and particularly with respect to the work trips in communities. You put productivity in terms of persons per vehicle, vehicle occupancy rates. We haven't done a whole at all in the past few years. The vehicle occupancy rates on the freeway system of Atlanta is about 1.1. If we could that up to 1.2 or 1.3 it would make a significant difference in the operation of that system.

It is an extremely difficult thing to do in terms of just getting people out of the freedom that they have enjoyed by driving that private vehicle.

Senator MOYNIHAN. But it's not much freedom if you're moving at 15 miles an hour.

Mr. RIVES. No, it's not. For instance, in Atlanta, there is no way that we can build any more freeways into downtown Atlanta. There is no way. We cannot do that. The ensuing years is going to take care of getting more people into vehicles and more people on the transit system as that system that we have now operates very well starts to degenerate in terms of ability to handle the traffic.

Senator MOYNIHAN. I would just like to say, Mr. Chairman, that I very much appreciate that point.

We have nothing against highways in this country, but there are some places where you can't put any more highways. I see you all nodding. You did do what you couldn't do, and now you can't do more.

I would just like to make one other point in the presence of Commissioner Downs and Senator Lautenberg. In 1787, it looked like the opposition between the big States and the little States would prevent us from ever going to get a Union, there was no way we were ever going to get a constitution. One place was a donor, one was a donee, and they were damned, and then we got the New Jersey plan and we are here 202 years later to prove the fact.

[Laughter.]

Senator LAUTENBERG. Mr. Chairman, I have to respond. Pat Moynihan has the unique position among the Senate in that he has written more books than many of us have read.

[Laughter.]

Senator SYMMS. But, Mr. Chairman, I have to add to my colleague from New York that the problem with the New Jersey plan is that in the State of Nevada they have one man, one vote, and they have screwed up the State Senate by doing that.

So now Northern Nevada can't protect itself from Las Vegas. That's what the issue is all about. That's the problem.

Senator MOYNIHAN. Remember they all have two Senators.

Senator SYMMS. Thanks to New Jersey we have two Senators, but I'm talking about inside the State they used to model it. That is a problem for what we're talking about here today. That's exactly what everybody is worried about out there.

Senator BURDICK. Any further questions?

[No response.]

Senator BURDICK. Thank you, panel.

Our next panel consists of Honorable Allan S. Boyd, Secretary of Transportation from 1966-1968 and chairman emeritus, National Trust for Historic Preservation; Honorable Sue Myrick, the mayor of Charlotte, North Carolina from the U.S. Conference of Mayors and National League of Cities; honorable Harriet Stockwell, councilwoman and deputy mayor of El Cajon, California from the National Association of Regional Councils; William Pound, executive director, National Conference of State Legislators; Jack R. Gilstrap, executive vice president, American Public Transit Association; Fred Krupp, executive director, Environmental Defense Fund.

Are all present?

Your presentation will be limited to 4 minutes, please, and we will hear first from Allan Boyd.

**STATEMENT OF HON. ALLAN S. BOYD, SECRETARY OF TRANSPORTATION, 1966-1968, AND CHAIRMAN EMERITUS, NATIONAL TRUST FOR HISTORIC PRESERVATION**

Mr. BOYD. Thank you, Mr. Chairman and members of the committee. It is a pleasure to appear before you to represent the views of the National Trust for Historic Preservation.

The Federal transportation programs under consideration today are especially important to our members and the American heritage they worked to save. We express our strong support for S. 965, the Surface Transportation Efficiency Act.

Mr. Chairman, 25 years ago when President Johnson asked me to serve as the Nation's first Secretary of Transportation, the link between our highway policies and programs and the preservation of the country's built and natural heritage was not well understood. Today, we know better.

Transportation policy is one of the principal forces that determine land development patterns and that shape the quality of life in the Nation's communities. From the perspective of the National Trust, where I have been privileged to have served 7 years as chairman, the future course of Federal transportation policy will determine quite directly the fate of thousands of urban historic districts, small town main streets, pristine rural landscapes, and national landmarks.

For that reason, we support the bill which represents a new approach to surface transportation policy and an integrated approach that puts the emphasis properly on meeting national interest needs and not just building more highways.

In many places in this Nation, Mr. Chairman, we simply cannot build or expand any more roads without paying an unacceptable price. For example, Highway Administrator Larson has before him today for approval the proposal to construct Route 710 through South Pasadena, California. This new federally funded freeway

would cut through seven historic districts, destroy 1,500 homes, and cut down 7,000 trees.

In that area and in many others, air quality problems will restrict new road construction because new roads will encourage more driving and more pollution. Connecticut proposes to expand the historic Merit Parkway, a jewel of highway building. This has raised well-deserved alarm from preservation advocates, neighbors, and many of the thousands who drive that route. In Washington, D.C. an outer beltway is proposed to cut through some of the most historic districts of Maryland and Virginia.

In city after city, roads divide neighborhoods and cut the city's link to parks and waterfronts. They have also severed residential areas from commercial centers making it difficult or unsafe to walk even short distances.

In other places, new or wider roads are needed and appropriate. That is the strength of S. 965. It provides the flexibility in funding for areas to find constructive conservation oriented solutions to transportation problems. It allows State and local officials to work together to put the money where it needs to go—new roads, more transit, ride sharing, pedestrian facilities, demand management strategies, commuter rail, bike lanes, or whatever best meets the needs of the community.

At the same time, the legislation places a premium on maintaining and fixing up the National investment in the interstate highway system. The Federal investment in this system should be protected and we endorse the proper emphasis.

We also support the whole concept of integrated planning. Preservationists have often been charged with coming in at the last minute to raise objections. That is certainly true because in so many cases in the past, Mr. Chairman, it has only been at the last minute that preservationists were given a chance to raise any objections.

Mr. Chairman, I understand my time is up, and I would like to say that the really important aspect of this breakthrough legislation is that it is, albeit a faltering step, it is beginning to look at the whole question of a transportation system, and we have to start thinking in system terms.

The question of productivity has been raised here. There is really no significant way to increase productivity unless, given all the constraints of committee venue, statutes, State, local, and Federal legislation, we can begin to look at a transportation system and how we function as a Nation with a system.

Thank you.

Senator BURDICK. Thank you, Mr. Boyd.

Our next witness is the Honorable Sue Myrick, mayor of Charlotte, North Carolina.

**STATEMENT OF HON. SUE MYRICK, MAYOR, CHARLOTTE, NC,  
REPRESENTING THE U.S. CONFERENCE OF MAYORS AND THE  
NATIONAL LEAGUE OF CITIES**

Mayor Myrick: Thank you, Mr. Chairman.

On behalf of the United States Conference of Mayors and the National League of Cities, I thank you for the opportunity to testify today concerning this bill, S. 965.

As you know, we represent in the Conference more than 800 cities of populations of 30,000 and over and the League represents more than 16,000 cities and towns across the Nation.

I speak on behalf of thousands of local officials when I tell you that the Conference and the League are gratified by this bipartisan leadership effort. Mayors and other local officials support this bill because it embodies the framework that we have been discussing, adopted as policy, and have been advocating for the post interstate era of Federal surface transportation programs.

As a member of AASHTO's 2020, APTA's Transit 2000, the Rebuild America Coalition, Transportation Alternatives Group, and Transit Now, we have been discussing and advocating their concerns about the present configuration of surface transportation and their vision for the future. Mr. Chairman, we believe your bill represents a vision that we share.

Let me speak briefly about some of the major points that we vigorously urge you to uphold as you proceed with this legislation.

Increase funding by spending down the Trust Fund is a responsible, economically feasible, and viable way to meet the overwhelming backlog of needs today. Targeting funding to metropolitan areas directs funds to where three-fourths of the Nation's people currently reside and move around. If we're to address the mobility needs of our population, then we must proportionately meet our Federal assistance to where people live.

That's the strength of the flexible program. It not only targets metropolitan areas, but it targets funding to meet the needs of non-metropolitan areas as well.

Comprehensive planning incorporates the determination of how Federal assistance will be used within local jurisdictions. Increased local decisionmaking is a vital and necessary component of the plan framework. Local elected officials seek maximum involvement with the State at the table, not only in planning the projects, but in deciding the amount of Federal funds to be used in their local jurisdictions.

The flexibility is something that local elected officials believe is necessary because with more flexibility comes appropriate tools that local governments need to solve mobility problems at the local level where they are diverse and they can be unique. The more uniform match of 80/20, Federal/local, for the majority of the highway programs is also welcome. The Conference and the League believe that the Federal share cannot be decreased at a time when all our budgets are constrained by fiscal realities.

The differentiation in matches between projects that would promote the single occupancy vehicle, 75/25, and those that would promote more people mobility, 80/20, and the interstate money, 90/10, is all reasonable.

The establishment of the congestion mitigation and air quality improvement program as a new program is essential. We also urge caution as you proceed with this bill and its relationship to forthcoming environmental legislation, such as Clean Water reauthorization, as we believe review and modifications to Clean Water

laws deserve full consideration, open discussion, and separate deliberations.

Both the Conference and the League have called for Federal assistance in research and development and demonstration of new technologies and strategies that can assist this Nation in reaching transportation efficiencies.

In our own city, our University of North Carolina at Charlotte is pursuing a unique public/private approach to motorist information as a part of the overall IVHS research.

Our Charlotte area is classified as a moderate non-attainment and we're in the high range of moderate, close to the borderline of serious. Our State implementation plan says that we have to do specific improvements, and then there is no money available, so we put up money to do it even though they are Federal Aid roads that these are taking place on.

We also note the absence of billboard reform within in S. 965, and we believe that it is a necessary part. We support S. 593, the Visual Pollution Control Act, and urge you to include it.

Historically we have had a good working relationship with our MPO, and sometimes we have problems when we're putting the TIP together, but our concern is that our State shows little regard for MPO product, and often opts in favor of projects that differ from our priorities. Recently, we had to spend \$12 million for a project that was high priority with us but a low priority with the State, even though the project had the majority of it outside out city limits and within other municipalities.

We thank you for this opportunity to testify, and we look forward to working with you as this bill progresses.

Senator BURDICK. Thank you.

Our next witness is the Honorable Harriet Stockwell, councilwoman and Deputy Mayor from El Cajon, CA.

#### STATEMENT OF HON. HARRIET STOCKWELL, DEPUTY MAYOR, EL CAJON, CA

Ms. STOCKWELL. I'm here representing the San Diego Association of governments today.

SANDAG is the metropolitan planning organization for the San Diego region, which is San Diego County. We perform transportation planning and program management for the region under both Federal and State highway and transit statutes.

The SANDAG board includes an elected official from each of the 18 cities within San Diego County and also a member of the County Board of Supervisors. Ex officio members of our board include a representative from the California department of transportation, a representative from the Department of Defense—because we have large military operations in San Diego County—and also the Mayor of the city of Tiajuana, our neighbor across the border.

I also represent here today the National Association of Regional Councils, which is the National organization that represents substate multi-jurisdictional MPOs, such as mine, across the country.

I would like to begin, Mr. Chairman, by congratulating and applauding you and the leaders in the community for your courage and wisdom in forging a truly bold and visionary direction for the



Federal surface transportation program. We offer our strong support for your highway reauthorization proposal, which we believe will enable the State and local governments to work together to respond more effectively to the pressing mobility problems of both metropolitan and rural America.

We believe the Federal program must include three items: it must focus on integrated multi-modal approaches to reducing traffic congestion; it must provide sufficient flexibility to allow investment in a broad range of highway transit and demand management strategies. In this regard, we do not support the establishment of 150,000 miles of national highway system that would claim the lion's share of Federal funding while limiting program flexibility. And third, it must enhance the decisionmaking role of local elected officials through a strengthened metropolitan planning process.

Let me clarify our position on the intergovernmental planning and programming process. A strengthened MPO process must provide for the participation of both State and local officials. We do not advocate a diminished role for the States, but rather greater involvement of local officials who know the needs and are closest to the consequences of the decisions they make.

Mr. Chairman, we fully support the Surface Transportation Efficiency Act of 1991 that accomplishes these objectives. In San Diego we have in place a regional transportation program and a decision-making process that mirrors that which is envisioned in your legislation. Let me tell you about it.

SANDAG, as with most MPOs, is not a single purpose agency. It is responsible for a wide variety of regional planning activities. We are, as I mentioned, the State designated regional transportation planning agency. We also are the airport land use commission. We do planning with respect to growth management solid waste management, population and growth forecasts, and a whole host of others.

Our program in doing this is a coordinated comprehensive continuing and cooperative process involving all the regions, local governments, the State, the public transit operators, and the private sector through a committee system that is consensus building.

We feel the process works so well in the San Diego region because it was the basis for two successful ballot measures. SANDAG is now the San Diego County Regional Transportation Commission and administers a 20-year, .5 percent local transportation sales tax program that will generate \$5 million that will then be divided equally among highway, public transit, and local street and road projects. It took us 3 years to build a consensus and put that program together. It is now operating.

I would like an opportunity to put the balance of my remarks in writing in the record, Mr. Chairman.

Thank you.

Senator BURDICK. Thank you. Your remarks will be put into the record.

Our next witness is William T. Pound, Executive Director of the National Conference of State Legislators.

STATEMENT OF WILLIAM T. POUND, EXECUTIVE DIRECTOR,  
NATIONAL CONFERENCE OF STATE LEGISLATORS

Mr. POUND. Mr. Chairman and members of the committee, I appreciate the opportunity to appear before you today on behalf of the National Conference of State Legislators that represents the 50 States and the territorial legislatures of this country.

As you aware, NCSL has already communicated with the sponsors of S. 965 our support for the approach taken in the Surface Transportation Efficiency Act of 1991. I think the most important principle embodied in this act is that of flexibility. The flexibility established in this proposal is consistent with that which NCSL has been supporting, and I suspect will support over this coming year.

Recently the executive committee of NCSL adopted a set of guiding principles for use with any block grant proposal. I recognize that the flexible portions of this bill have not been characterized as block grants, but I think the provisions in the philosophy that we have developed should be included in the record. The principles and criteria for block grants I think apply to a categorical situation such as this and should be incorporated into it.

I am not here to tell you that there is unanimity in the State houses or among the State legislatures on this proposal, but in spite of supporting the principles embodied in this proposal, in the end, individual support will rely on a very specific perception of how each State fares, how each region within a State fares, and how each community fares.

It is clear, though, that the legislation being examined today establishes a new transportation order. We feel that that is necessary. If the Nation's commercial and military vehicles are immobilized during rush hours in many parts of the country, then the goals set forth for the interstate system for providing for a national defense network and fostering interstate commerce are not being met.

If the existing Federal Aid highway program so definitively addressed a unified national agenda, would there really be the proliferation of funding categories and demonstration projects that now comprise our Federal program? It is abundantly clear that in the new transportation order there are a multitude of needs and demands.

While we may well be able to agree on a national goal of mobility, the approaches for achieving this goal are many, and they are not likely to be all uncovered by the Federal Government. This legislation recognizes that perhaps there are thoughtful approaches to meeting transportation needs at other levels of government. State legislatures look forward to the opportunity to work with county and local government and with the other levels of government in resolving these questions.

I would like to raise several specific concerns in relation to this bill, most of which I think are well met by the bill, but need to be addressed in it.

One is that the overall funding level of the reauthorization package should accommodate the expenditure of all revenues collected from transportation users. The Trust Fund balance should be spent

down and all new motor fuel taxes should be directed to transportation.

Secondly, the need for a State designated national support network of roads critical to interstate commerce should be considered as a part of the reauthorization package. The option of expanding capacity on the existing interstate system should not be precluded.

Thirdly, States must continue to exercise primary authority over State transportation plans. The metropolitan planning organization process must be subject to comprehensive State-wide planning and programming activity.

Fourthly, the recognition of the cost to States in complying with other Federal policy objectives, as is done in the congestion mitigation and air quality improvement program, is a very good one.

In an effort to reduce the windows for possible Federal reentry and intervention in State decisionmaking within the new surface transportation program, the creation of a reprogramming sanction, as is envisioned in the seat belt, helmet law, should be avoided. Overall State funding levels should be held fiscally neutral. However, we would urge that caution be exercised so that past funding inequities are not perpetuated.

Senator BURDICK. Thank you very much.

Our next witness is Mr. Jack Gilstrap the Executive Vice President of the American Public Transit Association.

#### STATEMENT OF JACK R. GILSTRAP, EXECUTIVE VICE PRESIDENT, AMERICAN PUBLIC TRANSIT ASSOCIATION

Mr. GILSTRAP. Thank you, Mr. Chairman and committee members. I represent the American Public Transit Association, the organization whose members provide some 95 percent to 966 percent of all the public transit service in North America. I ask that our written statement be entered into the hearing record.

Senator BURDICK. It will be received.

Mr. GILSTRAP. S. 965 is an outstanding first step in creating a sound national transportation policy. We see three key reasons why. First, it permits flexible use of the Federal transportation dollars for highways, transit, and other transportation purposes. This will help solve many problems—air pollution, dependence on imported oil, the mobility needs of all citizens, urban and rural, congestion, and declining productivity.

Second, S. 965 puts local transportation planning in local hands. Every urban area can make sure that its highways, roads, and transit work together.

I wish to add that the MPOs certainly can stand some strengthening, as the bill provides. In particular, we feel that the designated recipients of transit funds should have an opportunity to participate in the development of and concur in local plans.

Thirdly, S. 965 eliminates biases in Federal programs. That way, urban areas can choose the best programs from a transportation standpoint instead of worrying about the best Federal matching ratio.

On all three counts, S. 965 is clearly superior to the Administration's proposal. We can't build more highways in our cities. That has been said numerous times already. We have to use our high-

ways more efficiently. Many rural areas need alternatives to the private automobile as well. That's where transit comes in. With your help, transit can be that alternative to the continued reliance upon the single occupant vehicle travel. We simply cannot continue to promote the use of 10 vehicles to take 11 workers to their places of work. That's what is happening today.

Transit can relieve congestion, save energy, and use limited resources wisely. No other transportation expenditure can help to solve so many problems at once. We all want to see progress on clean air, energy conservation, enhanced mobility, and gridlock. Progress in solving these problems will require funding and fair balanced policies. S. 965 is a step in the right direction because it ties Federal transportation policies to these several critical national objectives.

To succeed fully, S. 965 must be accompanied, of course, by a transit reauthorization bill that meets the basic needs of local transit systems. We are working with the Senate Banking, Housing, and Urban Affairs committees to make sure that that is what happens.

I have to applaud your committee, Mr. Chairman, for its vision, its leadership, and its hard work.

Thank you for this opportunity to address this vital legislation. Senator BURDICK. Thank you.

Our next witness will be Mr. Fred Krupp, Executive Director of the Environmental Defense Fund.

#### STATEMENT OF FRED KRUPP, EXECUTIVE DIRECTOR, ENVIRONMENTAL DEFENSE FUND

Mr. KRUPP. Thank you, Mr. Chairman. I would ask that my full written comments be inserted, as well as the written comments of the National Wildlife Federation, which I have also submitted for the record.

Senator BURDICK. It will be received.

Mr. KRUPP. My name is Fred Krupp, and I am the executive director of the Environmental Defense Fund. On behalf of EDF, the National Wildlife Federation, and the Sierra Club, it is my pleasure to testify today in support of S. 965, the Surface Transportation Efficiency Act of 1991.

Although the environmental community has concerns with several specific provisions of the bill, the overall framework and direction of this bill is quite literally a breath of fresh air. If enacted, S. 965 will not only help meet the transportation needs of this Nation, but achieve significant gains in air quality and energy savings as well.

During the last Congress this committee crafted one of the most important environmental laws in the generation, the Clean Air Act amendments in 1990. The first priority in that new law is implementation of a comprehensive program to make the air safe to breathe in our smog-filled cities.

Meeting the National ambient air quality standards will be a formidable challenge for urban and suburban communities throughout this country. But the reauthorization of the Surface Transpor-

tation Assistance Act offers this committee a real opportunity to help meet these challenges.

In our view, S. 965 seizes the challenge and is a superior alternative to the approach proposed by the Administration. S. 965 would reshape the way we think about our transportation system by recognizing the profound impact our transportation infrastructure has on the environment.

To understand why S. 965 is so important for clean air, energy conservation, and the environment, we must briefly look at the provisions of the Clean Air Act. The Clean Air Act amendments control emissions from cars through ever tighter emissions standards, and recently the promotion of cleaner burning gasoline and alternative fuels. Yet, as vehicle miles traveled increase at a rate of three to four times the rate of population growth, it is only a matter of time before these improvements in automobile design are overwhelmed by more people driving longer distances and more often.

As a result, the Congress included important new changes in the Clean Air Act amendments to address automobile use as outlined in my written statement.

First, I want to mention that transportation planning must mesh with air planning. The Clean Air Act contains requirements for States to develop cleanup plans for urban areas that have failed to obtain Federal air qualities. Historically, however, transportation plans have never been considered. For example, if the State air plan calls for a 3 percent annual reduction in vehicle emissions, the transportation plan must either meet those targets or projects in the transportation plan cannot receive Federal funding.

Second, urban areas face tough sanctions if they fail to comply. Previously, sanctions were imposed at the discretion of the EPA. Under the new Clean Air Act, sanctions are imposed automatically against a non-attainment area.

For more perspective, the changes brought about by the Clean Air Act amendments in 1990 mean that urban areas will need a dedicated and substantial source of funding to meet their new Clean Air Act obligations; full funding flexibility so that they may finance creative and non-traditional methods to achieve their transportation goals; and a planning process that responds to energy, environmental, and preservation objectives in a way that gives local areas equal footing with the States.

This is important because States that can override local plans expose local governments to Clean Air Act sanctions that they cannot avoid.

Finally, it includes a revision of apportionment in match formulas to reward rather than penalize States and localities who successfully reduce BMT fuel consumption and air pollution.

Thank you.

Senator BURDICK. Thank you.

Senator Moynihan.

Senator MOYNIHAN. Mr. Chairman I just want to thank the panel for extraordinary and heartening legislation. To have Allan Boyd, who was present at the creation, say that this is breakthrough legislation is a great honor, sir. We want you to know how much is felt certainly in this committee.

We are trying to do that. We said that we would come up against this in the interstate, which has been building for 35 years—or since 1944 when it was really authorized—this was an heroic endeavor, but it is done.

Now what do you do? In the meantime we have come upon other concerns that you can't avoid. I happen to very much agree with Mr. Krupp that transportation policy and air policy have to be together. They come together on this committee.

I see Ms. Stockwell from SANDAG. You tried to do it. You cross borders as to transportation and air. You have Tiajuana.

We are just hoping for the levels of creativity that you can get locally that we haven't had to have as long as we're just carrying out the plan of 1956 or 1944. This really goes back to the World's Fair of 1939 with the General Motors Futurama exhibit.

Trusting in the initiative, Mr. Pound, that was very generous of you to speak of a new transportation order. I think I have some sense of that wonderful triangle that you have down there.

We're not against State government, but we know that mayors can be required to build projects that aren't even in their city. You can work it out.

I like what Secretary Boyd said. We are not innocents about planning. I wrote about this 31 years ago and quoted Paul Ilver-socker citing urban planning as a failed profession. As a profession, it probably has failed, but as a necessity—you plan whether it looks like a plan or not. If you say you can come in at the last minute—it would be a lot better if you didn't.

On transit, sir, we want to give transit it's opportunity to compete. We have no allusion that every city in the country needs a subway. There aren't going to be any more subways in this country. The places that have them should be able to run them more efficiently. You have bizarre arrangements. There can't be anybody here that hasn't arrived at the National airport and seen the subway a quarter of a mile away and 150 feet in the air. If we can put a man on the moon——

[Laughter.]

Senator MOYNIHAN. —we can put the metro system under the National airport, right? No, the answer is wrong. You can't.

We're going to believe that we have a lot of energy out there just waiting to be let loose.

With that, I thank you, Mr. Chairman, very much.

Senator BURDICK. Senator Symms.

Senator SYMMS. Thank you very much, Mr. Chairman.

I want to thank all the witnesses for their testimony this morning. We appreciate your presence and your remarks.

I have no questions, Mr. Chairman.

Senator BURDICK. I would like to thank all the witnesses also. You have added greatly to our hearing. Now let's get to the next panel.

J. C. Lanford, chairman, American Road and Transportation Builders Association; James A. Anderson, president, Anderson Brothers Construction Company, Associated Builders and Contractors; Robert Desjardins, senior vice president, Cianbro Corporation; John Archer, managing director, American Automobile Association; and Lester Lamm, president, Highway Users Federation.

Welcome to the committee, gentlemen. Mr. Lanford, you may begin your testimony.

**STATEMENT OF J. C. LANFORD, CHAIRMAN, AMERICAN ROAD AND TRANSPORTATION BUILDERS ASSOCIATION, ACCOMPANIED BY T. PETER RUANE, PRESIDENT, ARTBA; RICHARD HARRIS, EXECUTIVE VICE PRESIDENT, ARTBA; AND JOHN YAGO, LEGISLATIVE CONSULTANT**

Mr. LANFORD. Mr. Chairman and members of the committee, I am Jack Lanford, chairman of the American Road and Transportation Builders Association and a contractor from Roanoke, Virginia. With me today are Dr. T. Peter Ruane, president of ARTBA, and two individuals that are no strangers to this room or to this transportation legislation, Richard Harris, ARTBA's executive vice president and a former counsel to this committee, and John Yago, our legislative consultant who served as the committee staff director.

I will limit my oral remarks to S. 965 and S. 823 and submit for the record my full statement and a more detailed discussion of ARTBA's analysis of transportation needs and our legislative recommendation.

Senator BURDICK. It will be received.

Mr. LANFORD. S. 965 has attracted considerable attention for proposing sweeping changes in Federal transportation policy. ARTBA does not reject the total package out of hand. We are gratified that the Federal shares are increased above those proposed by the Administration and close to those recommended by ARTBA.

While we endorse an expanded planning and coordinating capability, we believe it would be unwise to delegate the planning organizations the operational authority to carry out transportation programs. Flexibility long has been an integral part of the highway program, and some expansion may be justified. We are concerned, however, that S. 965 enlarges the scope of the Federal Aid program to include items having little or no relationship to highway activities and also are not a prudent use of highway dollars given the existing shortage of funds.

Among other points, we continue to believe that operating assistance for mass transit should be funded from the general fund as at present. protection of the huge investment in the interstate system must be a feature of any reauthorization legislation and it is given recognition in the bill.

Turning to other matters, the key point in ARTBA's legislative program is an increase in the Federal motor fuels tax to meet defined needs in the highway system. Our advocacy of a 10 cent per gallon tax increase is based on the findings of the Department of Transportation that an annual program of \$40 billion in State and Federal funds is required to reverse the slack for transportation inadequacy.

ARTBA is also concerned that S. 965 does not provide specific allocated funds for the primary system, which with the interstate system constitutes the main highway network that is the predominant national interest in the highway program. We support the

concept, if not all the details, of the National highway system proposed in the Administration's bill.

Whatever approach the committee may choose, it is essential that a substantial portion of the primary system receive the same protection afforded the interstate system. We cannot ignore a part of the Federal Aid system that, while only 30 percent of the mileage carries, almost half of the vehicular traffic and 75 percent of the commercial traffic.

In short, we believe a national highway system approach will ensure a coherent investment strategy and avoid a patchwork pattern of highway improvements and development.

ARTBA strongly supports this concept of a national highway system. There must be a building block around which the Federal involvement in highways is built. For the last 35 years that has been the interstate system. Now it is nearing completion and we must look for the next building block.

The establishment of a national highway system is the best opportunity for the future. It meets the goals of having a comprehensive highway system that addresses national transportation needs. Combining interstate with key mileage and primary systems creates the necessary highway system for meeting Federal transportation goals. Such a network is the National highway system.

In a similar vein, rural and small town America already are hard-pressed to provide adequate transportation. The proposed urban/rural allocation could work to their further disadvantage in those States with large urban populations.

We would also ask that you reexamine the policy of virtually eliminating the ability to add highway capacity in urban areas that would be used by single occupant vehicles. Properly designed and constructed new capacity, however, can be of great value in clearing the traffic jams.

S. 965 recognizes the crucial need for bridge repair and replacement by retaining it in a separate category, although we believe the funding level should be greater. We urge that the committee retain separate authorizations for the two safety programs—hazard elimination and railroad grade crossings. For relatively little investment, these programs have saved many lives—24,000 over the past 16 years.

Mr. Chairman, we are happy to urge you and other committee members to adjust that figure upward after Congress approves the Federal fuel tax increase, which ARTBA has endorsed for the last 2 years.

Thank you, Mr. Chairman.

Senator BURDICK. Thank you.

Our next witness will be James Anderson, President of Anderson Brothers Construction Company, Associated Builders and Contractors.

**STATEMENT OF JAMES A. ANDERSON, PRESIDENT, ANDERSON BROTHERS CONSTRUCTION COMPANY, REPRESENTING THE ASSOCIATED BUILDERS AND CONTRACTORS**

Mr. ANDERSON. Good morning. My names is Jim Anderson and I am chairman of Anderson Brothers Construction Company, a high-



way contractor located in Brainerd, Minnesota, with operations in Minnesota and North Dakota.

On behalf of the Associated Builders and Contractors, and as chairman of its infrastructure committee, I appreciate this opportunity to comment on reauthorization of the Nation's surface transportation program.

We commend Chairman Burdick and the members of the committee for their continuing effort toward establishing a surface transportation program for the future. The introduction of S. 965 and the committee leadership, as well as S. 823 by Senators Reid and Baucus, and S. 883 by Senator Bond, the progress is well on its way toward what we hope will result in a timely reauthorization.

There are several important concepts ABC believes must be incorporated into any transportation plan. First and foremost, the Federal role in transportation should be based on providing a national cohesiveness to provide safe and reliable transportation for our basic national defense and interstate commerce needs. Secondly, the States, knowing better what they need than the Federal Government, should have the ability to establish the fund and fund their transportation priorities.

For these reasons, ABC supported the Administration's two-tiered approach focusing more Federal resources on roads of national significance while allowing States to focus on internal transportation issues such as congestion relief, rural access, and intermodal links. The capability of States to prioritize their transportation demands and allocate funding as needed is a basic necessity for transportation efficiency in the future.

We also believe an increased emphasis on innovation and technology is a basic necessity for a future transportation program. New technology is the investment of the future for urban areas where new construction is extremely difficult. New technology such as the intelligent vehicle highway system will allow for more efficient movement of people and goods on the existing transportation network. Whether it's more durable road surfaces, high speed and rail, or emergency vehicle control, technology innovations will save money, reduce congestion, and reduce pollution and increase safety.

Funding, of course, is one of the most important issues in any reauthorization. ABC remains concerned that funds raised by user fees and collected in transportation trust funds are being used to offset the Federal budget deficit. We encourage adoption of an aggressive plan that stands now in the balance in the Trust Fund.

Recognizing the budget agreement constraints, ABC supports a total overall funding level of \$23 billion each year for a minimum of 4 years. Additionally, the 2.5 cents diverted to the general fund last year during budget reconciliation must be returned to the Highway Trust Fund. We commend Senator Symms for taking the lead in this regard.

Until the Highway Trust Fund is made whole again, the program will continue to lack the wherewithal to meet the Nation's transportation needs.

The answer to our funding problems is not an increase in the motor fuel tax or the excise tax that some construction associations advocate. We must stand strong for the highway users who have

paid into the Trust Fund believing the money would be spent on transportation related purposes.

We want to thank the committee for their time and efforts today, and we stand by to answer any questions that may be posed before us.

Thank you.

Senator BURDICK. Thank you.

Our next witness is Mr. Robert Desjardins, Senior Vice President, Cianbro Company, Associated General Contractors.

**STATEMENT OF ROBERT DESJARDINS, SENIOR VICE PRESIDENT,  
CIANBRO COMPANY, REPRESENTING ASSOCIATED GENERAL  
CONTRACTORS**

Mr. DESJARDINS. Mr. Chairman and members of the committee, I am Robert Desjardins, a contractor from Pittsfield, Maine. I am also this year's highway division chairman of the Associated General Contractors of America.

AGC is a national trade association of more than 33,000 firms, including 8,000 of America's leading general contracting firms. AGC appreciates the opportunity to testify before the committee today on the future highway program.

AGC is very concerned that the committee's highway proposal, S. 965, ignores the dire need for increased highway investment, abandons the concept of a national highway system, and destroys the strong Federal leadership that has been responsible for creating the world's most complex and efficient highway system.

S. 965 would limit growth by discouraging States from building new roads and bridges. States that build new facilities or increased capacity on existing highways or bridges would be penalized by having to raise 5 percent more local matching funds. AGC is also very concerned that S. 965 significantly alters the balance of the Federal program by shifting Federal spending to urban areas at the expense of under-funded rural areas. S. 965 would also fragment the highway system by allowing urban planners to make decisions without consideration of national transportation system needs.

AGC opposes the transferability of highway funds to non-highway purposes, especially transit operating assistance. Under the committee's bill, potentially 55 percent of the highway trust funds could be diverted to non-highway purposes. AGC opposes diverting highway funds when highway improvement needs are mounting.

AGC further believes that the users of a transportation system should support that system. No longer can this Nation afford to lose its competitive edge in an increasingly global marketplace because of inadequate investment in highway transportation. AGC believes that highway user fees must be increased now and dedicated to the Highway Trust Fund to strengthen the mounting needs of the Federal Aid highway system, and at the same time strengthen the economy through increased productivity. An increase in highway user fees will also help bring this country out of the current recession, which in construction is deep and which shows no sign of abating.

The most in-depth analysis of highway needs was undertaken in 1988 by the American Association of State Highway and Transportation Officials. AASHTO identified annual highway capital investment needs by all levels of government of up to \$58.5 billion between now and the year 2020. This compares with highway capital spending in 1987 of only \$31 billion.

AGC believes there are a number of important concepts of the current program that are important to the success of surface transportation programs in the future. The critical element that has led to the success of the Federal Aid highway program is the user fee financed trust fund mechanism that is used to support it. Several key features of the trust fund are largely responsible for its success. Most importantly, it is user fee financed. The Nation's highway transportation system is paid for only by the user.

Briefly I will highlight just a few other recommendations. AGC strongly urges the Congress to reject any further proposal to increase the gasoline tax for deficit reduction or non-transportation spending. AGC further urges the Congress to place 2.5 cents now going to the general fund for deficit reduction in the Highway Trust Fund to be used for much needed highway and bridge improvements.

AGC continues to endorse all congressional initiatives to take the transportation trust funds out of the unified budget process. AGC continues to believe that revenues placed in the highway account of the trust fund must be expended solely for highway improvements. Current revenues are insufficient to meet documented highway needs. Allowing the transfer of funds to mass transit or other surface transportation projects further exacerbates an already critical funding problem.

In summary, AGC believes that S. 965, as introduced, would jeopardize the economic well-being and personal mobility of millions of highway users. The bill fails to adequately address the recognized funding needs of the Federal Aid highway system. AGC believes that a national highway system must be an integral part of this year's legislation and the Federal/State partnership must be retained to ensure the safety and efficiency of a national highway system that responds to interstate commerce and mobility.

Again, we appreciate the opportunity to present AGC's views on the future highway program, and I would be glad to answer any questions you might have.

Thank you.

Senator BURDICK. Thank you.

Our next witness is John Archer, Managing Director, AAA.

#### STATEMENT OF JOHN ARCHER, MANAGING DIRECTOR, AMERICAN AUTOMOBILE ASSOCIATION

Mr. ARCHER. Thank you, Mr. Chairman.

AAA, serving more than 32 million members, appreciates the opportunity to provide views on the reauthorization issue.

AAA believes visionary long-term legislation is vitally needed. People's taxes have already been extended and they deserve to get their money's worth. The Administration's proposal to establish

three major funding categories—the National highway system most prominent—is a good start and deserves serious consideration.

AAA takes strong exception that contend that new roads do not alleviate traffic congestion. Traffic congestion mushroomed in the 1970's and 1980's because road construction did not remotely keep pace with economic, social, and demographic changes that dramatically increase vehicle miles traveled, especially in suburban areas.

Growth in the number of jobs, especially growing numbers of women in the work force, increased disposable income and more cars per household. A low density suburban lifestyle, and most importantly, dramatic increases in two owner and single parent families all substantially contributed to increases in vehicle miles traveled.

These wage earners often have several stops to make before and after work, particularly to child care, school, and after school activities. They need the flexibility that the private motor vehicle provides.

Alleviating traffic congestion is complex and would require a number of approaches. There is no question about that. The highway capacity is certainly one of the ways to solve the problem. HOV lanes especially have the potential to carry large numbers of people. Where feasible, urban by-passes and outer beltways could also help.

Alleviation of congestion also would help improve highway safety, an absolutely critical goal. In fatal crashes involving passenger cars and tractor trailer trucks, car occupants are killed 38 times as often as truck occupants. Truck brakes are notoriously deficient. For instance, about 50 percent of large trucks removed from service for mechanical reasons were done so because of deficient brakes. No wonder motorists feel intimidated by increasing numbers of large trucks. Congress should demand improved highway safety and not allow it to be degraded by greater use of longer combination vehicles.

Therefore, AAA enthusiastically endorses the Lautenberg amendment that was presented yesterday that would freeze existing LCV operation to exactly where and how they operate today.

The understandably scarcity of road funds is driving the call for the greater use of tolls. The AAA remains opposed to toll financing because of its numerous problems including excessive costs, double taxation, inefficiency, inconvenience, and because wide-spread toll financing, we believe, would be a breach of trust to the Nation's motorists. We paid literally hundreds of billions of dollars for a free system, and we deserve one.

Finally, AAA endorses the key recommended options included in FHWA's excellent scenic roads study, in particular a national—not a Federal, but a national—scenic road system should be established. A Scenic Roads Office should be created within FHWA to serve as a central clearinghouse for information, provide technical advice, help create the National all-American scenic road system, and work with the U.S. Travel and Tourism Administration in marketing U.S. scenic roads overseas.

Thank you very much. We would appreciate it if our full testimony would be included in the record.

Thank you, Mr. Chairman.

Senator BURDICK. Our last witness on this panel will be Lester Lamm, President of the Highway Users Federation.

**STATEMENT OF LESTER P. LAMM, PRESIDENT, HIGHWAY USERS  
FEDERATION**

Mr. LAMM. Thank you, Mr. Chairman. I thank the committee for your willingness to have an additional round of hearings yesterday and today.

I will summarize the testimony this morning, mentioning that it is new testimony. I haven't come up to the committee with this before. I have appeared dozens of times before this committee, and I consider this appearance one of the most significant, since the legislation that you produce this year will guide highway policies and Federal surface transportation policies for decades.

The heart of my testimony is in tables one and two. Table one follows page two of the text. It compares 24 features that are in the Administration's bill, S. 610, with S. 965. It indicates that more than half of the features in the Administration's bill are also contained in S. 965, so there is a great deal of similarity. Of those, the third column compares the Highway User Federation position, and we in turn favor most of those positions that are in both bills. In fact, in addition to that, we preferred the Senate approach to the Administration approach in two additional features.

Turning to tab two, following page three, this is a new approach in which we rate 17 specific new proposed Federal surface transportation priorities against one specific criterion—the impact of each on the National economic productivity of the United States. Everyone now recognizes that there is a great and growing interconnectability of mutual importance between a strong surface transportation system and the health of the United States economy. This relationship will grow throughout the 1990's because of trends in national travel. To me, it becomes the most valid reason to continue some kind of Federal assistance to surface transportation.

The end result, therefore, is that if the United States economy is to grow, as everybody wants it to, we have to have additional or improved service on the highway system and the other transportation facilities.

The two tables in turn are compared and summarized on page 14 of the testimony, which leaves the committee with 8 suggestions for changes to S. 965. Those recommendations I will just repeat very briefly.

First, permit upgrading and service improvements to old interstate facilities. Without that, you have an old highway network that grows older year by year. I think it will eventually penalize central cities and places that are located along the old routes.

Second, expand the National highway system to include important non-interstate arterial roads. Your national highway system is the interstate. I think it should be closer to 200,000 miles. This is the most significant recommendation we make because this is really where economic productivity advances can come from. The other recommendations speak for themselves.

To summarize, Mr. Chairman, I think in your deliberations next week it would be wise to pull together the recommendations in S. 823 with those in S. 965. S. 823 contains our suggestions one through seven. If you compare those with the provisions in S. 965 that are acceptable to everybody in the room, I think you will have a stronger bill.

Our recommendation number eight deals with specific items for IVHS research. That is not contained in either of the main bills. It is contained in S. 999 that was introduced last week by Senator Lautenberg. We would highly recommend that as well.

Thank you again, Mr. Chairman. I recognize my full testimony will be in the record.

Senator BURDICK. Senator Moynihan.

Senator MOYNIHAN. Again, thank you all.

Mr. Lanford, that was very invigorating testimony. It would have been very easy for you all to come up and just say to build more roads and don't do anything else, but you didn't. We're not against building more roads, we just don't know where they ought to be built. I really appreciate that.

I want to say to Mr. Anderson that your point about timing is—a timely enactment is very real. We want to move with this. We don't want you to end up in October saying, "Don't worry. We're going to get to it as soon as we get back."

[Laughter.]

Senator MOYNIHAN. You can't run a contracting business very easily on that basis.

I was glad to see Mr. Archer speak about scenic roads. We want to get that right.

Mr. ARCHER. That's exactly right because 17 percent of personal travel is recreational travel, and it's our best export.

Senator MOYNIHAN. Give us some more numbers on that, will you?

We do have in the bill——

Senator SYMMS. They'll all be scenic in Idaho, Mr. Chairman.

[Laughter.]

Senator MOYNIHAN. We have in this bill—it hasn't been noticed much—but there is a Bureau of Transportation Statistics. I see Mr. Lamm nodding his head. He knows it is in there and he can just taste it. We just don't have enough information.

Mr. LAMM. We would agree with that, Senator Moynihan. In fact, I will provide your staff with a list of about a dozen policy studies that would provide data that you don't have as you mark up a bill right now. You should have next time around, and I think DOT should begin working on that.

Senator MOYNIHAN. Would you do that?

Mr. LAMM. Yes, sir, I would be glad to do that.

[The information referred to follows:]

#### POLICY REPORTS AND STUDIES

Congress frequently asks the Department of Transportation and other agencies to review and analyze certain policy issues prior to the consideration of amendatory language. This practice often clarifies an issue, leading to better legislation.

There are several policy issues which the Highway Users Federations believes should be reviewed for possible legislative changes. We recommend that authoriza-

tions for the following studies and reports be included in the highway reauthorization:

A. Evaluation of donor-donee status of States, to review the methods by which the departments of Treasury or Transportation calculate trust fund revenues from individual States.

B. Continue to call for biennial reports from the DOT on highway and bridge system condition and performance, more specifically tied to the impact on the U.S. economy.

C. Biennial estimates of State and local system needs, to update data developed for the Transportation 2020 project.

D. A thorough review of Federal procedural requirements, to see if some can be eliminated or deferred to comparable State requirements.

E. Review ways by which future user fees should be collected. The current package is a mixture of use and excise taxes, some of which may be less dependable due to technology changes or other external factors. The ideal would be to develop a collection method which is fair, equitable, enforceable and administratively easy.

G. Review ways in which Federal funds might participate in advance acquisition of rights-of-way needed for future facilities, to protect against unforeseen development.

H. Review trends in population aging, and determine ways for the highway program to better respond to the particular needs of older Americans.

I. Review potential future technological advances, and investigate ways to modify the highway program to take advantage on new capabilities.

J. Require full policy oriented review of highway program performance by DOT every five years, together with suggestions for legislative modification.

K. Review ways by which technological or other new developments may change the way in which directional information is transmitted to drivers, and recommend alternatives to today's outdoor advertising control regulations.

Senator MOYNIHAN. We are just very much aware that the database is very limited. It just hasn't developed. I don't know why. Nobody has every demanded it. I don't know of any sector where this has been the case.

I was once an assistant secretary of labor under President Kennedy. The Bureau of Labor Statistics goes back into the Civil War when Massachusetts began one. It takes a long time to learn a lot or to learn anything.

But we very much appreciate that.

I would like to thank you for giving us your two tables so that we can get some sense of where we are.

I say again to my chairman and my colleagues that we are going to try to get a national system proposal out of the Government. I just hope that you will all be clear right now. We just don't really feel we're up to legislating something that we can't say what it is. So we will ask them to come to us and tell us which road.

We're rolling, and we do very much appreciate your testimony, and we will pay close attention.

Senator BURDICK. Senator Symms.

Senator SYMMS. Thank you very much, Mr. Chairman. I want to thank all of you for your testimony.

Les, I wanted to direct a question to you. You mentioned seven points in S. 823 that you favored. Where are they?

Mr. LAMM. Page 14, Senator Symms, items 1 through 7.

Senator SYMMS. Those items you say are in S. 823 that you think we could put in and strengthen our bill.

Mr. LAMM. Yes, sir.

Senator SYMMS. I want to ask you further, With respect to the size of the metropolitan planning organizations, what would you think would be a correct size? We have 50,000 in S. 965.

Mr. LAMM. I think 50,000 is a good breakpoint. There should be a second breakpoint, though, because you don't need the same kind of intense planning process in the smaller cities that you do in the large ones. There is another breakpoint in today's law at 200,000 population. To me that makes sense. Below 200,000 you do a very limited type of technical planning process and above 200,000 you get into multi-modal, long-range, air quality issues, and so forth.

Senator SYMMS. I think there are some merits to that and I think that Senator Moynihan and I need to discuss that some more and talk about it from what we have heard here this morning.

John Archer from AAA, you made a comment that you believed that more roads do help decongest. I have to agree with you that certainly where you take bottlenecks out they do, but how do you attribute to the lessening of the traffic problems of driving in from Northern Virginia now compared with 15 years ago? Do you think it's the metro system, or the bus, HOV lanes, or better—the roads are about the same.

Mr. ARCHER. The HOV, for instance—the Shirley Highway HOV lanes—those two lanes carry more people every day than any transit line outside of New York City. That shows the potential of HOV lanes.

The other thing is that what happened in the 1980's, to a great extent, was that people on a percentage basis stopped commuting downtown. I know on an absolute basis that is not true, but on a percentage basis, the majority commute today is suburb to suburb. The largest growing commute is suburb to exurb. The new cities are going to be—for instance, in this area, there are going to be nine cities by the year 2010 larger than Richmond, and none of them are Washington, in terms of particularly office space.

Senator MOYNIHAN. Would you say that again? What was that, exurb?

Mr. ARCHER. That's exurb. That's beyond the suburbs. There are going to be a number of cities—and I believe it is nine—from the standpoint of office space, that are going to be—maybe I said that incorrectly—larger than Richmond, except for Washington. Columbia, Maryland is going to become a city. There are just a number of cities.

If that occurs, the commute in the future is going to be suburb to suburb. That will be the predominant commute. The point the AAA would make over and over again is transportation, by its nature, looks to the future. Where is the transportation needed in the future? Clearly it is in the suburbs, and not in the inner cities. Clearly the suburbs, with their low density dispersed housing, is not compatible for traditional transit options.

Senator SYMMS. Les Lamm was part of this when I first came on this committee. Ray Barnhart and Les used to beat my brains out about how valuable HOV lanes were. I can see that they are a great asset.

But what you're telling me is that a rubber tire solution oftentimes may be better than a rail solution.

Mr. ARCHER. We certainly do say that. We say that particularly because of the growing demographics of single parent families and two-owner families. Those people need cars because their first stop is not to work. Their first stop is to the church that runs the day



care to the cleaner and to other places. They are so very busy that they don't have time to have multidestinal stops unless you have a car. If you're in the suburb and you have to stop three or four places before you get to work, transit is not a realistic option.

Senator SYMMS. I think my time has expired, but I thank all of you again for your testimony. We will pursue some questions to all of you further to help us get this bill market up.

Thank you.

Senator MOYNIHAN. I would just like to say to my friend, Mr. Archer, that the whole point of our approach here is that one mode is viable in one setting, and another in another, and intermodal in the third. We're not telling the people to be uniform. We're telling people to be diverse and to adapt.

Mr. ARCHER. That's a good point, as usual, Senator. I would say, though, that if the bill is going to promote flexibility, it has to be truly flexible and it has to be truly fair. At the moment, it discourages against highway construction.

Senator MOYNIHAN. We can agree on that.

There is one defect in this bill that is going to be corrected. I want to thank Mr. Lamm for insisting that the Lautenberg IVHS measures be incorporated. He's been pounding—I don't blame you for pounding your fist. It was an important thing to do.

[Laughter.]

Senator MOYNIHAN. Thank you, Mr. Chairman.

Senator BURDICK. Senator Lautenberg, defend yourself.

[Laughter.]

Senator LAUTENBERG. I'll just revel in the glory, and I thank you very much, Mr. Chairman.

Senator BURDICK. Any other questions?

[No response.]

Senator BURDICK. We thank you.

Will panel 4 come forward, please. This panel consists of Honorable John Hassell, Federal Highway Administrator; Kenneth Mead, Director, Transportation Issues, General Accounting Office; Thomas Cole, President, Rubber Manufacturers Association; and Ton Hobeika, Director, Center for Transportation Research.

Mr. Hassell, you may proceed.

#### STATEMENT OF HON. JOHN HASSELL, FEDERAL HIGHWAY ADMINISTRATOR, 1979-1981

Mr. HASSELL. Thank you, Mr. Chairman, for the opportunity to appear today. I hope that what I may bring here in these brief comments will help you in your deliberations on future national transportation policy.

I will limit my comments to three major areas of concern that I have as we look forward into the 1990's and the next century and as we shape our transportation system.

The first area of major concern is in the structure and standards area. When I started in my career some 25 years ago in transportation, it was a part of a NHTSA highway safety investigation team. I spent some 6 years and looked at over 1,000 accidents as part of a comprehensive reconstruction of what occurred and how we can reduce accidents and decrease injuries and fatalities. I became

quite personally convinced that standards that are used in the construction, design, and maintenance of our highways is an integral part of the highway vehicle and driver triad necessary for highway safety.

As part of structure and safety, it also includes productivity. My time as a planner has led me to the conviction that the productivity of our economy and our transportation system are integrally related and that the movement of people and goods is absolutely essential if we are going to provide the kind of economic advantages and opportunities that the citizens of the country deserve.

In order to do this, the system must be coordinated and interconnected, a key ingredient in providing the structure necessary for transportation to meet the economic needs of the country. This leads directly into my second major area, which is planning.

Over the past 10 years, transportation planning has been underfunded and underemphasized. In an era of funding shortages, it has often seemed like it was ill-advised to fund planning, and that planning was a luxury that we could not afford. Both the highway and transit planning activities are not what they used to be, and the funds simply have not been available to carry out the planning that was needed in order to provide the kind of data and information useful by Congress, States, and local governments in developing their transportation policies.

The second comment I would like to make on the planning is that I will emphasize that many of our relationships between State and local governments are working quite well out there. This isn't to say that the relationships are perfect, but there is a tension that is good and helpful in producing the kind of planning that is necessary.

The third area I would like to emphasize is the interstate highway system. We need to complete that system. I have spent much of my time at the Federal Highway Administration trying to see that segments of this were brought forward to completion. It is now necessary that we start looking at the rehabilitation and upkeep of that system. Studies I have seen show that \$5 to \$6 billion a year is possibly needed for this, but again I believe we need more research to understand exactly what the concerns are and what we need to do.

Finally, I would suggest that any changes that are needed be done in an incremental manner, that they draw from past success, and that they be carefully thought through so that some parts don't fall through the cracks as well intentioned and needed changes are made as we go forward into the next decade.

Thank you, Mr. Chairman. I will be glad to respond to any questions.

Senator BURDICK. Thank you.  
Kenneth Mead.

STATEMENT OF KENNETH MEAD, DIRECTOR, TRANSPORTATION ISSUES, RESOURCES, COMMUNITY, AND ECONOMIC DEVELOPMENT DIVISION, U.S. GENERAL ACCOUNTING OFFICE

Mr. MEAD. Thank you, Mr. Chairman. We would like to confine our comments to S. 965, the committee leadership bill, and S. 999 by Senator Lautenberg.

We recently expressed concern over the matching shares in the Administration's bill. We believe S. 965 addresses that concern substantially. If the subcommittee, though, ultimately decides on a substantially decreased Federal share, we would suggest that it be phased in over time.

I would like to just take a moment to discuss interstate activities and other Federal Aid system issues.

We would urge the committee to include in their bill a provision authorizing broader use of Federal funds for preservation activities.

Senator MOYNIHAN. We want to be careful now. We heard from Allan Boyd, representing the Trust for Historic Preservation. You're not talking about historic preservation.

Mr. MEAD. No, sir. Maintenance of the interstate. Right now, under that 4-R program, only capital-intensive activities such as resurfacing and restoration are eligible for Federal funds. Our suggestion is that by expanding eligibility to include preventative maintenance we can save or defer substantial sums later.

Second, we believe that goals will have to be established related to the condition of the interstate. Presently, over 40 percent of the interstate is in poor or fair condition. We would like to see that 40 percent reduced over time.

Third, concerning the use of tolls, we believe careful thought ought to be given before permitting substantial Federal contribution to toll roads. S. 965 provides a Federal match of 35 percent for new toll roads. We think that's about right. We are concerned, however, about the substantially higher Federal share for existing toll roads, or for the conversion of existing free roads to toll roads.

Fourth, an intermodal investment strategy is contemplated by S. 965. We are very supportive of that concept. We are concerned, though, about the role of Metropolitan Planning Organizations (MPOs) from three standpoints. First, the capacity of the MPO to immediately assume that responsibility; secondly, what mechanism will be in place to ensure that MPO plans properly interconnect with National and State-wide goals; and third, what criteria will be used for weighing highway and transit projects. As you know, the goals of transit are to move people out of their car, and the goal for highways is often to accommodate more cars.

We have recently completed a review of fifty intelligent vehicles and highway systems, and we found that IVHS can reduce traffic congestion, as well as provide safety, fuel, and environmental benefits.

Mr. Chairman, we think an aggressive research and testing program is in order in this area.

Finally, we support S. 965's emphasis on the use and enforcement of motorcycle helmet and automobile safety belt laws. We have recently completed a review in this area as well, and it is incontrovertible that in the area of motorcycle helmets they save a

substantial number of lives. There was a 28 percent to 73 percent lower fatality rate. We press for universal helmet laws and seat belts laws.

Thank you.

Senator BURDICK. Thank you.

Mr. Cole.

#### STATEMENT OF THOMAS COLE, PRESIDENT, RUBBER MANUFACTURERS ASSOCIATION

Mr. COLE. Thank you, Mr. Chairman.

My remarks this afternoon will be limited to S. 1038, Senator Chafee's proposed amendments to the Solid Waste Act, which he proposes as an amendment to the highway bill.

I am Tom Cole, president of the Rubber Manufacturers Association. We include among our members virtually all of the tire manufacturers in the United States.

The tire industry has been long involved in the scrap tire issue and in efforts to find environmentally sound and economically acceptable methods for scrap tire recycling, recovery, and disposal. We have been working with individuals at all levels of government and in the private sector to develop and implement tire disposal and recycling options.

We want to commend Senator Chafee for his leadership in taking this issue and bringing it forward to the immediate attention of this committee, which we think that it deserves.

There are two parts to the scrap tire problem, and therefore any solution has to have two separate, but interrelated programs: first, a concerted effort to abate the existing scrap tire stockpiles, which have become an environmental hazard and the focus of public attention; and second, an effective program to reuse and recover the valuable resources included in the 250 million tires that are removed from the Nation's vehicles every year.

Both of these programs we believe can best be addressed through a program that parallels the existing Federal/State partnership created under the Resource Conservation and Recovery Act rather than a new complicated Federal bureaucracy and regulatory scheme. Many States have already addressed this problem of scrap tires and have developed programs of their own tailored to the unique resources and circumstances within that State. We believe that the best solutions will require a multiplicity of uses for scrap tires, and that the mix of those uses will vary from one State to another.

We recognize also that a prompt solution will require some sort of Federal financial assistance. I am happy to say that RMA would support a Federal excise tax of 50 cents per tire that is specifically earmarked for stockpile abatement and that provides diverse reuse and recovery applications. S. 1038 seeks to address each of these elements in a positive way and RMA believes the bill provides the basis for Congress' response to the scrap tire problem.

First, S. 1038 recognizes the need for individual State program operating within the Federal framework. Second, the bill sets a specific date for abatement of existing stockpiles. Third, the bill recognizes the varied reuse and recovery opportunities for scrap

tires that exist within each State's borders, although with a preference for rubberized asphalt. Fourth, the legislation provides the necessary Federal financial assistance to accomplish these goals.

However, our experience tells us that some changes should be made to effectuate an efficient and viable approach to the scrap tire problem. These changes will guarantee added flexibility to each State, and we believe that each State must not be denied the flexibility to develop a program that does address their individual needs.

As I said before, S. 1038 is biased toward rubberized asphalt. While this may be an appropriate solution in some States, it may turn out to be the most costly for others.

I can continue or not, as you choose, Mr. Chairman, but I might just simply thank the staff for the cooperative effort they have shown in developing this legislation. We look forward to working with them in the future to bring about the best possible solution to this problem.

Thank you, Mr. Chairman.

Senator BURDICK. Thank you.

Mr. Hobeika.

**STATEMENT OF TONY HOBEIKA, DIRECTOR, CENTER FOR TRANSPORTATION RESEARCH, VIRGINIA POLYTECHNIC INSTITUTE, ACCOMPANIED BY GORDON WILLIS**

Mr. HOBEIKA. I am Tony Hobeika, director of the Virginia Center for Transportation Research. Thank you for giving me the opportunity to address your committee on the subject of intelligent vehicle highway systems. In addition to my oral testimony, I have submitted a written statement. Accompanying me today is Mr. Gordon Willis. Mr. Willis is the nephew of the late Senator Lewis Robertson, who was chairman of the Senate Finance Committee. He currently chairs a university connection committee, a committee of businessmen, State and local legislators, and university officials interested in promoting safer and efficient intercity travel between Blacksburg and Roanoke in Southwest Virginia using IVHS technology.

As you know, Mr. Chairman and members of the committee, each year almost 46,000 people die and 2 million people are injured as a result of automobile accidents. Direct costs exceed \$10 billion. Indirect costs are estimated at \$70 billion.

IVHS will reduce traffic accidents. Studies indicate that half of all accidents could be prevented if drivers had an additional half second warning. IVHS technologies are expected to warn drivers if they are beginning to drive off the roadway, when other vehicles are in blind spots, check for stopped traffic or other obstacles ahead, and enhance vision at night or under adverse driving conditions.

These systems could provide the additional warning necessary to prevent some of these accidents. The money saved annually by improved safety could easily justify the deployment and maintenance costs of IVHS.

Once IVHS projects are primarily focused on alleviating congestion in urban areas. The problems of intercity and rural transpor-

tation are also important and intercity IVHS needs to be developed, particularly if these systems are to be deployed nationwide.

In the city roads are the primary routes employed by truck traffic and are the site of a disproportionate percentage of accidents. More than half of all fatal accidents occur in rural areas where collision speeds are likely to be high.

As an example of the safety problems encountered in this intercity travel, the highway corridor between Roanoke and Blacksburg in Southwest Virginia is known for its high volume of truck traffic and bad weather conditions. It traverses mountainous terrain with long steep grades and sharp curves. The accident rate is high because of adverse weather conditions and the drivers generally being unfamiliar with the road.

The above characteristics offer unique opportunities to research developing test IVHS technology that would enhance the safety of motorists nationwide. In that regard, my university, the Virginia department of transportation, and several private investors are currently pursuing the development of IVHS field operation as to be deployed in this corridor.

This would take place on interstate highway 81, U.S. route 460, and a 6-mile new road that together would provide direct connection between the communities surrounding the region's largest urban center.

Our requests for conducting these tests is \$7.5 million distributed over a 5-year period with the remaining funds coming from State and local governments as well as industry. To my knowledge, the six mile new road, once designed and built to incorporate the IVHS technologies, would be the first intelligent highway to be constructed from the ground up in the United States.

I think it's essential to move ahead now with the IVHS program. It is a program that will eventually benefit every driver in the United States. It is also a program that advances U.S. technology and its international competitors.

Thank you, Mr. Chairman.

Senator BURDICK. Thank you.

Senator MOYNIHAN.

Senator MOYNIHAN. Mr. Chairman, we seem to be at the end of a long morning and a very fruitful one. It has taken a lot to absorb everything this morning.

John Hassell and Kenneth Mead, we are under the impression that the Federal Highway Administration will tell us what is needed to maintain the interstate system. That is our first priority. We have plenty of money. There can be no shortage of money. That money comes first. But we have allocated \$14 billion over the next 5 years. If that is not enough, we have to know. We're not telling anybody, but rather we are taking advice. Does that sound to you—we respect your judgment—are we missing something here?

Mr. HASSELL. I am familiar with two national scale studies done concerning interstate and rehabilitation. They attempted to look at what was necessary to do pavement, bridges, and to basically keep the interstate serviceable, but not significant additions to it in terms of capacity. Neither study was completed, per se. Both of them seemed to indicate that \$5 billion or \$6 billion a year was the range of need for this first level of effort.

I have looked at three States a little closer and in detail of what their situation is. In those cases, it would appear that we are funding them at about one-third of what they needed to do their basic pavement and bridge maintenance on the interstate system. That doesn't mean that those are representative, but it suggests to me that we need to have the States and Federal Highway work together to provide this kind of information. I'm not familiar with its existence.

Senator MOYNIHAN. That's why we have a Bureau of Transportation Statistics.

Mr. HASSELL. I think very wisely.

Senator MOYNIHAN. We just depend on what people come and tell us. No State highway administration said anything like this.

Mr. MEAD. I think that's an excellent provision in the legislation. There is no national needs statement for maintenance now that we could look to as credible.

Senator MOYNIHAN. But this is normal engineering and should be done and normal economics that should be done.

Mr. HASSELL. Senator, I think there are a couple of reasons for that. First, our funding hasn't been there for the States to do it over the last 10 years as they should. Secondly, we don't really have the techniques to do it. Something as basic as car counting has not been expanded as a technology in the last 20 years.

Senator MOYNIHAN. That's what we're going to do.

Mr. HASSELL. IVHS is the beginning of that kind of basic research.

Senator MOYNIHAN. It's very complicated, about as complicated as a hand-held computer, and very expensive. It might cost 90 cents a car, but we will get to that.

Mr. Cole, thank you for a very refreshing testimony. I have been on the Finance Committee for 15 years, and I've been on this committee for 15 years. I have never yet heard a representative of any group come forward to say, "Something ought to be done, and we are prepared to see taxes raised on our industry to do it."

Does everybody know what you're doing?

[Laughter.]

Mr. COLE. Let me assure you, Senator Moynihan, that that was not a decision easily reached, but we are prepared—

Senator MOYNIHAN. It makes sense. You have 250 million tires a year?

Mr. COLE. That's an approximate figure.

Senator MOYNIHAN. You're sure you're not making tires too cheaply so that they have built-in—

[Laughter.]

Mr. COLE. I think I have some folks behind me that would argue to the contrary.

Senator MOYNIHAN. They are in the room just in case.

Mr. COLE. Yes.

Senator MOYNIHAN. Mr. Chairman, I think that I will let the questions on intelligent highways to the man that has thought them up.

Thank you very much.

Senator BURDICK. Senator Symms?

Senator SYMMS. Thank you very much, Mr. Chairman. I think this has been an excellent day of hearings. In fact, I think those of us on the committee feel almost overwhelmed with the quantity and the quality of the testimony that we've received this morning. There is a lot of it, of course, to continue to study through, but I think a lot of very good ideas have come out.

So we hope to be able to move ahead next week with the markup in this committee, but it will not be without a lot of controversy. I can see that after the last 2 days of hearings.

But thank you all very much for your contribution to our hearing.

Senator BURDICK. Senator Lautenberg?

Senator LAUTENBERG. Thank you very much, Mr. Chairman, and thank you to my colleague from across the river, Pat Moynihan, for his development of this quick piece of legislation, and for his ever cooperative posture in terms of recognizing our needs as well as the National requirements. We're very excited about the IVHS prospect.

I want to confirm with Mr. Mead—because Senator Moynihan made a broad-reaching statement before in one of the earliest panels about the lack of increases in productivity in transportation just hasn't happened.

So we see Mr. Mead and look at the confirmation of your report in December of 1989 when GAO issued a report for us on metropolitan congestion. In that report it was projected that congestion could worsen by 300 percent to 400 percent over the next 15 years unless we start doing things differently. That's a fairly grim prospect, I don't care where you live or in what State. Imagine that we now waste something like 2 billion hours a year sitting on our assets—

[Laughter.]

Senator LAUTENBERG. —in our automobiles and not getting anywhere and making America somewhat less competitive as a result of that. I think it has a direct influence on how our economy develops.

Now 2 weeks ago GAO issued another report that I requested on IVHS. It cited the results of the field and analytical test of IVHS. I just want to confirm for the record publicly—the possibilities include a reduction in travel times in congested areas by as much as 50 percent. That's the way to increase productivity of the system. Reduction of fuel consumption through the elimination of delays and stops by more than 12 percent—well, I think we use 120 billion gallons of fuel a year for our vehicle population. That means 15 billion gallons a year, at a cost of \$1.5, so for \$22 billion savings into the pockets of our drivers.

Then since we have a Clean Air Act fashioned in this committee and in law, we have to comply with the opportunity to reduce air pollution emissions by another 15 percent. These are significant chunks. Have I misstated anything, Mr. Mead?

Mr. MEAD. No, sir. In fact, I would like to underscore that there is much more involved here than simply pursuing the reduction of congestion. There are other important goals such as safety, energy savings, and environmental protection. That is why I believe your legislation has a provision for development of a strategic plan. That



is critical as well as the development of standards for these new technologies.

Senator LAUTENBERG. Absolutely, and the interesting sideline that is very costly to the American public is that there is a significant expectation of reductions in accidents at prime commuting hours. You're talking about megabucks in this consideration. So that is good for the American public.

I was pleased to hear Dr. Hobeika's comments. I'm sorry I missed the earlier laudatory comments of Mr. Lamm, but the fact is that this is a program that is understood to be essential by all levels of people in the community. I have received responses from people in New Jersey that read about our interest in the newspaper and from other parts in the country who say, "Go ahead, Senator, put this thing through because we're sick and tired of sitting in traffic, of going nowhere, spending money to do it. Help us find a way out."

So I'm hopeful that we will have the support for my legislation, S. 999, and that the funding levels that we're proposing, which permit \$100 million a year to be spent in research, another \$150 million a year to be spent in application and evaluation, and we're not talking about—listen, that is still a significant sum of money but compare to a bill that is in the \$100 billion area and compare it to the kinds of savings that can be directly realized. Then it doesn't seem like a lot of money.

I appreciate what we've heard here, Mr. Chairman. I would hope that the individuals that presented the testimony as well as the organizations that in some cases they represent, will join us in this quest for a more efficient and better air quality and energy independent highways.

Thank you, Mr. Chairman.

Senator BURDICK. Senator Graham, you are the cleanup hitter.

Senator GRAHAM. Thank you, Mr. Chairman.

I apologize for not having the chance to hear this panel. I would like to ask Mr. Mead basically the same question I asked of Mr. Larson and of the State representatives. Has GAO attempted to do an analysis of what the current level of unmet need is within the areas of transportation that would be covered by this act?

Mr. MEAD. No, and that would be very difficult to do. We have certainly looked at the different studies that are out there. But as Senator Moynihan pointed out earlier, there really is not a fixed national needs statement that you can look to. We have seen estimates as high as \$500 billion between now and 2005.

Senator GRAHAM. That may render this second question more one of speculative than quantified response, but do you believe that if we were to adopt the proposals that have been submitted by the Administration as the level of Federal contribution that in 1996 our transportation system, as covered by this act, would likely be enhanced, degraded, or about the same?

Mr. MEAD. About the same or degraded. The needs are dwarfed by the money that is available. Proposed funding is just not sufficient compared to existing needs.

Senator GRAHAM. So would it be your statement that there is a possibility that we will be disinvesting in our transportation over the next 5 years if we adopt this plan?

Mr. MEAD. I think that is possible.

Senator GRAHAM. I don't want to ask you to be redundant to your testimony, but you did testify as to the GAO's proposal for a distribution formula among the States, right?

Mr. MEAD. We don't have a fixed formula that we would advocate, certainly not in this area. But we can advise the Congress, as we have, what can be expected from the use of certain factors. For example, with the current formula, we think the use of postal road mileage is probably a bit obsolete. The use of population factors that are not current is also problematic.

Senator GRAHAM. What would be the rationale of using less than current population figures in distribution?

Mr. MEAD. We would have difficulty thinking of the rationale. One of the contributing facts is the use of 1980 population data.

Senator GRAHAM. What do you think should be the reasonable standard by which any allocation formula is evaluated? What is it that we're trying to accomplish?

Mr. MEAD. In the case of highways, the use of the system (as indicated by vehicle miles traveled), the size of the system (as indicated by total lane miles), and population would be relevant factors for allocating Federal funds.

Senator GRAHAM. Thank you, Mr. Chairman.

Senator BURDICK. Any further questions?

Senator GRAHAM. That is sufficient, Mr. Chairman. I appreciate the responses from Mr. Mead.

Senator BURDICK. I think that completes the hearing. Thank you all for your contribution.

The hearing is adjourned.

[Whereupon, at 1:05 p.m., the committee adjourned, to reconvene at the call of the Chair.]

[Statements submitted for the record follow:]

#### PREPARED STATEMENT OF DR. THOMAS D. LARSON

Mr. Chairman and Members of the Committee: I thank you for this opportunity to testify on S. 965, the Surface Transportation Efficiency Act of 1991, at a time when it is essential for us to improve the quality of our transportation infrastructure to support economic growth and enhance our Nation's international competitive position. Accompanying me this morning is Mr. Gene McCormick, the Deputy Administrator of the Federal Highway Administration.

I agree with the statement of the chairman of the Subcommittee on Water Resources, Transportation and Infrastructure on the floor of the Senate prior to introduction of S. 965 that a primary objective of this important surface transportation legislation must be to improve the efficiency of the systems we now have. The design in S. 965 for encouraging greater initiative by States and cities on transportation matters is also compelling. We should remove unnecessary Federal requirements and provide increased flexibility for State and local governments to tailor their programs to meet local needs and priorities.

Like S. 610, the Administration's surface transportation proposal, the Committee's Surface Transportation Efficiency Act of 1991 makes advances in this direction through increased flexibility and program consolidation, enhanced opportunities for private sector involvement, and emphases on planning and management systems to establish investment priorities. We are pleased by the similarity in concept of modal flexibility and intermodal provisions making highway right-of-way available at no charge for transit, high-speed rail, or maglev systems. S. 965 also includes important provisions addressing environmental concerns, including urban air quality.

However, "balanced" transportation refers to more than just balance among modes. Historically, local and State priorities have had careful attention in this country. But a national perspective must also be retained in these United States. Long distance travel and interregional and interstate movement of goods and people

are crucial to this nation's present and future productivity. Therefore I believe the importance of National scale transportation systems—rather than just collections of increasingly efficient component parts—cannot be overstated.

A number of prominent economists, including several that appeared before the Water Resources, Transportation, and Infrastructure Subcommittee of this Committee in February, have emphasized the relationship between public capital investment and economic growth. We believe this relationship depends on focused, direct, integrated investment on broad scale systems.

Unfortunately, the evidence suggests that the current state of the Nation's surface transportation system actually inhibits productivity. For example, studies have shown that highway congestion costs long distance shippers billions of dollars annually in lost productivity. Because so many industries increasingly utilize trucking at some point in the production/distribution chain, these costs ripple through the entire economy.

Because ours is a dynamic society—socially and economically, we believe it is a unique Federal responsibility to accommodate for and serve the new production and population centers and economic growth that have developed since the Interstate System was laid out in the forties. Improvements in interregional system continuity and intermodal connections to ports, airports and to increasingly important international border crossings are also required if the Nation is to remain strong and economically competitive. The need for such a system is not lost on our competitors on the European continent who are investing heavily in systems to serve EC 92.

To improve national productivity and make most efficient use of the limited resources available, and given that 98 percent of all surface passenger movement and 75 percent of all freight value today moves on highways, Federal surface transportation strategy and investment must focus on a select, but integrated, network of principal highways. The Administration cannot support legislation that does not include a designation of such a national highway network. Therefore, we urge you to include such a system in S. 965. While we are moving to the post-Interstate construction era, we are not yet ready for a post-highway transportation economy.

The Administration's surface transportation proposal provides for completion of the Interstate System, as does S. 965, but would also focus national investments on existing highways that would be part of a newly designated national highway network. We believe this approach represents a cost-effective strategy for investing in America's productivity. The newly designated highways, virtually all now existing as primary routes, would truly be highways of national significance. I believe preserving and upgrading them represents an extremely efficient form of transport investment. The system we propose, about 150,000 miles, or less than 4 percent of the total U.S. highway mileage, would carry more than 70 percent of truck-borne interstate commerce, and some 40 percent of all highway travel. This network is of comparatively higher Federal interest than State or local interest because of the volume of interregional and interstate traffic it carries. In light of that difference, we propose a higher Federal share for projects on this network than for projects in the flexible Urban/Rural Program which we have proposed to address other State and local priorities.

Investment focus is the key in other ways also. Senator Moynihan said it well in his Senate floor statement, "the time has come to get more transportation out of the roads we have already built." What is needed is improved management and operation of the transportation system, including measures to increase the efficiency of existing facilities by giving preference to maintenance and operational improvements over capital investments. We also support increased flexibility to use funds for transit capital improvements or high occupancy vehicle lanes, park-ride facilities and other measures that promote cost-effective transportation decision making. We believe that S. 610 and S. 965 make important advances in these areas.

Given the need to preserve our existing infrastructure and heeding the economists' productivity rationale, it is imperative that all levels of government as well as the private sector increase their levels of investment in America's infrastructure. The Administration's surface transportation proposal properly elevates the level of Federal funding for surface transportation improvements (a 39 percent increase for highways over the 5 year period of the legislation). It would also increase the State/local share of the costs of projects that primarily serve regional and local needs, moving the apportioned Federal share from 83 to 72 percent while enhancing flexibility and reducing Federal oversight.

There is clear evidence that States will increase the size of their programs to match Federal funds. Over the last decade, States have expanded their own programs as well as maintained the match for the Federal program. On average, total

State capital investment increased at a rate of 6.5 percent above inflation during the 1980's.

Another indicator of the States' willingness to increase revenues is the percentage of total capital outlays for highways supported by State revenues. The average State share of total capital outlays has increased from 42.5 percent in 1986 to 47 percent in 1989. For example: Illinois' share of capital outlays has grown from 46.7 percent in 1986 to 62.1 percent in 1990 while Delaware's has increased from 52.2 percent to 72.6 percent over the same period. Clearly, if we are to provide the degree of mobility and keep our economy competitive in a global economy that our citizens demand, all levels of government and the private sector must increase their investment in transportation infrastructure.

I recognize that S. 965 reduces the overall Federal share. However, much of that reduction would come from the Interstate 3R program rather than from projects that serve primarily local needs.

The Administration's proposal provides \$86.8 billion in new budget authority from the highway account of the Highway Trust Fund for the 5 year authorization period. This does not include funds for highway safety and motor carrier safety programs funded from the highway account. These proposed authorization levels are consistent with the limitations generally established in the 5 year budget agreement. S. 965 provides \$92 billion in new authorizations from this account for the same period, an increase of \$5.2 billion over the Administration's proposal. This increase in authorization would require adjustments in other categories of domestic discretionary spending to stay within budgetary limits, an objective not easily achieved. Further, we are concerned that those adjustments will adversely affect other important national programs including, perhaps, other transportation programs.

The Administration's National Transportation Policy fully supports the user fee concept, ensuring that Highway Trust Fund resources benefit the users who pay fees by increasing the efficiency of highway facilities and relieving congestion. Before the Senate considers making Highway Trust Fund resources available for broader purposes, quantifiable benefits to highway users should be demonstrated.

Concerning formulas, we recognize that there is no perfect way for distributing funds to meet surface transportation investment requirements that will satisfy every State and local area. However, it is important that the factors used are objective, justifiable, and that they will efficiently distribute resources to meet real transportation needs. We urge the Senate to adopt formulas that meet these tests without the need for a separate category of funding to ensure an equitable return to all States.

S. 965 would expand the Federal Government's role in subsidizing the operation of various transportation systems. Given the highway infrastructure investment requirements that the Nation faces and the negative consequences we have witnessed from past reliance on Federal funds for operating assistance, we believe proper stewardship demands that we reduce the Federal Government's role in this area, not increase it.

Another provision of S. 965 would require States to allocate 75 percent of their Surface Transportation Program funds based on population in metropolitan and non-metropolitan areas. This seems directly counter to the flexibility required to meet urban and rural needs which vary by State. We believe the provisions in the Administration's bill that would require each State to ensure a fair and equitable distribution of Urban and Rural Program funds not only between urban and rural areas, but also to areas of 200,000 population or more, is a better approach. It would accomplish the same objective, but would give individual States the flexibility to work with local governments in developing a fair and equitable distribution. Moreover, requiring the Department of Transportation/Federal Highway Administration to deal directly with metropolitan areas with populations in excess of one million assumes that the transportation issues in these areas could be addressed more effectively by bypassing the State Departments of Transportation. We do not agree with that assumption. This runs counter to the movement toward statewide planning that is so necessary in order to have effective transportation, air quality and land use planning. While we are concerned with transportation at all levels, we want to strengthen the State/local intergovernmental partnership as an effected mechanism to respond to intrastate transportation needs.

Finally, I share the Committee's philosophy that, in the long run, new technology offers the potential for significant improvements in the Nation's transportation system. We must do everything possible to ensure the use of the best available technologies and promote continued research and operational testing of high-speed ground transportation and Intelligent Vehicle/Highway Systems technologies that

have potential benefits for mobility, safety, air quality and reduced energy consumption. We share the Committee's belief that magnetic levitation is a promising technology and will support research and resultant increased implementation activities designed to demonstrate the potential of these technologies. As you know, I am a member of the Executive committee of the National Maglev Initiative and deeply interested in new transportation technologies. Having stated this, however, we believe that a carefully staged strategy for the development and implementation of all such technology is the most effective approach to determine the potential benefits, roles and financial viability of such systems for eventual private sector sponsorship.

I appreciate this opportunity to share the Administration's views. Again, we applaud the Committee's aggressive actions to address the Nation's transportation needs and look to you for leadership in passing a reauthorization bill in a timely fashion.

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#### PREPARED STATEMENT OF HAL RIVES

Mr. Chairman, I am Hal Rives, President of AASHTO and Commissioner of the Georgia Department of Transportation. I am accompanied today by Francis B. Francois, the Executive Director of the Association. We are pleased that the Committee has established these hearings, and that you have invited AASHTO to present its views on the reauthorization of the Federal-aid highway program.

I recognize that a published notice for these two days of hearings identifies two specific Senate bills, S. 823, the "Transportation Improvement Act" (TIA) of 1991, and the Committee leadership bill, S. 965, the "Surface Transportation Efficiency Act" (STEA) of 1991. Our testimony will concentrate on S. 965, but for the record in this statement I will also provide comments on two additional Senate bills, the Administration's "Surface Transportation Assistance Act" (STAA) of 1991, S. 610, and Sen. Bond's "Federal-Aid Highway Act of 1991" (FAHA), S. 883.

Further, Mr. Chairman, I would note for the record that AASHTO is also concerned about reauthorization of the Federal urban mass transit program, which lies within the jurisdiction of the Senate Subcommittee on Housing and Urban Affairs. Mr. Francois has provided AASHTO's views and observations to that Subcommittee on three different occasions. Since some of the provisions addressed in S. 965 are related to transit and other modes, we are providing your Committee with copies of Mr. Francois' statements as submitted to the Subcommittee.

Mr. Chairman, AASHTO is also concerned about highway safety, and like others is waiting to see what proposals the Senate Commerce Committee will make in this regard. Certainly, a strong highway safety program should be part of the reauthorization process.

At the outset, Mr. Chairman, on behalf of AASHTO we commend the Committee for moving forward aggressively on reauthorization legislation. As you are well aware, the 1987 STURAA expires on September 30, and we share your expressed hope that new legislation will be passed by the Congress and signed by President Bush before that date.

Mr. Chairman, AASHTO shares the Committee's belief as expressed in your public statements and S. 965 that this reauthorization legislation provides the opportunity to restructure our highway program. Restructuring is needed in part because the Interstate construction program that began with the 1956 Act is drawing to a close. It is also needed so that we can provide America the kind of highway and transit systems that will serve our needs into the 21st century.

Before turning to AASHTO's recommendations for the Nation's Federal-aid highway program, let me first briefly review the role and importance of highways to America. Perhaps no better summary of the role of highways in our nation has been made than the following excerpt from a speech made in 1956 by Bertram D. Tallamy, of New York. One of our nation's greatest highway engineers, he was President of AASHTO in 1952 and became the first Federal Highway Administrator. In this speech Mr. Tallamy was addressing himself to the development of improved highways, in particular the Interstate system, when he said:

"I think everyone who has seen these modern highways knows about the great industrial progress they bring about, the commercial impact, the advantages to agriculture; cheaper food products in our cities, reduction in accidents and loss of life; more freedom, more time to enjoy our leisure; ability to seek our own employment in more distant areas, the widening of business markets, and the improvements of our cities—all of these are dependent upon adequate highway systems and we don't have them now."

Mr. Tallamy helped get the Interstate construction program underway, and we have made great progress since 1956. But our nation has also changed since then, in part because of the Interstate system. With all our advance, Mr. Chairman, I would paraphrase Mr. Tallamy's summary: all of the things Mr. Tallamy listed are still "dependent upon adequate highway systems," and we still "don't have them now."

We should also remember that the full designation of the Interstate system is the "Defense and Interstate Highway System." America's highways, and especially the Interstate system, proved their defense worth during the recent Persian Gulf conflict. I can speak first-hand of the value of our highways for national defense. My State of Georgia is home to a considerable portion of America's military capability, and our Georgia highways received extensive use during the Persian Gulf mobilization activity.

Mr. Chairman, our basic message today is that there is still a continuing need for a Federal-aid program that focuses on America's highways, one that will maintain at least the current level of Federal support. In no sense has the Nation's need for a strong highway program declined. To the contrary, as I will discuss, the needs of our highway system are greater today than ever before, if our nation is to adequately served by highway transportation.

Like this Committee, AASHTO is also committed to improving America's public transportation system. We must do so, if we are to meet the people movement demands in our urban centers, and address Clean Air requirements. We are concerned about reducing global warming, and preserving energy. All of these are laudable goals. We believe they must be met, but met in a way that will also keep America's highway systems moving ahead to meet our growing economic and social needs.

#### TRANSPORTATION 2020

Mr. Chairman, recognizing that the 1987 STURAA would be the last Congressional legislation that would provide construction funding to the Interstate system, except for final completion work, AASHTO set a process into motion in early 1987 to build a new vision for America's surface transportation system. We called that process "Transportation 2020," and out of it flowed a set of recommendations in all transportation modes contained in our AASHTO report *New Transportation Concepts for a New Century*. That report was approved by more than the necessary two-thirds vote of our 52 member departments in October, 1989, and copies have been provided to Congress.

The *New Concepts* report was preceded by thousands of hours of work by people in our member departments, Federal agencies, and the private sector. For example, we sponsored 65 public forums nation-wide, from which a report titled *Beyond Gridlock* resulted. AASHTO produced a report titled *The Bottom Line* in the fall of 1988 that analyzed the needs of our highway and transit systems, and provided the first-ever analysis of the requirements to interconnect the air, water, rail, highway and transit modes. We also produced detailed analyses of the rail, aviation and water modes, and produced reports on each. Copies of all of these background reports have also been provided to Congress, and transportation professionals generally.

Beyond AASHTO itself, the Association also took the lead to bring together over a hundred organizations in various forums, and establishment of the Transportation Alternatives Group that produced another report that we supplied to the Congress.

Mr. Chairman, I list these activities only to emphasize that AASHTO's recommendations were not developed in a vacuum, or solely within our State departments of highways and transportation. Rather, we have deliberately and exhaustively reached out to all levels of government, transportation users, environmental organizations and citizens, seeking advice and counsel. The recommendations in our *New Concepts* report draw on all of this immense background effort, and we urge your careful consideration of them. If followed, we believe that we can produce a transportation system that will sustain the economic growth of our nation, preserve our environment, enhance our quality of life, improve transportation safety, and create the kind of intermodal transportation system that will move us successfully into the 21st century.

For conciseness, Mr. Chairman, we have reduced the key highway and transit recommendations of AASHTO's new concepts report to a single page, a copy of which is attached to my statement. I would emphasize that this one-page draws on all of the background documents I have listed, and we will be pleased to provide any or all of them again to the members of the Committee upon request.

The main subject of this hearing is the leadership bill, S. 965, which addresses reauthorization of the Federal-aid highway program. Let me now turn to our recommendations for that program, after which I will compare those recommendations

with S. 965 and discuss some of our concerns. Following that, I offer comments on three other pending Senate bills, S. 823, 5.883, and the Administration's bill, S. 610.

#### AASHTO'S RECOMMENDATIONS

In the *New Concepts* report, AASHTO has identified seven goals we believe surface transportation reauthorization legislation should address. They are:

- Preservation of the highway and public transportation systems we have already created, which alone will require substantial investments by all levels of government;
- Congestion relief for our choked urban and suburban areas, using a mix of high-ways and transit;
- Adequate funding based upon user and benefitter fees, with general funds as well as motor fuel tax funds continued for public transportation;
- A renewed national commitment to safety, through research and new programs and applications;
- Access to all the regions of this nation through a balanced, coordinated system;
- Planning and research to develop New transportation technologies and apply them promptly; and
- Economic growth and vitality through improved productivity, reduced costs, and improved international competitiveness.

For America's highways, we must provide for system preservation, bridge needs, Interstate reconstruction, urban congestion relief, and in some instances new highway facilities and capacity improvements. AASHTO is also committed to completion of the remaining Interstate highway and Interstate substitution projects.

AASHTO believes that the Federal-aid highway program should be restructured to eliminate the many current categories, and to establish a two-component program designed for the America of the 1990's.

The first component is a Categorical Program focused on meeting national transportation goals, a Highway System of National Significance (HSNS) that would include the Interstate system and additional mileage selected from our principal arterials. While the Association has not specified a specific mileage for this system, the *New Concepts* report provides a range of from 150,000 to 180,000 miles. I would recommend the higher level.

The second basic component is a Flexible State and Local Program, focused on specific national goals identified by Congress. The States would be charged with annually preparing a plan to meet those goals, and Federal oversight would be maintained by approval of the annual plan and through annual progress reports. This Program will provide the flexibility needed to address the unique needs found in communities across the Nation, while assuring that Federal funds are spent to solve national issues identified by the Congress. Funds could be used on either highways or for public transit, as determined by the States and their local governments.

I would emphasize that this recommended two-component program was approved by more than two-thirds of our 52 member departments, or at least 35 States; in fact, considerably more than 35 voted for it. At the same time, I want to acknowledge that some States do not agree with a two-component highway program such as AASHTO is recommending, and instead want to essentially continue the current program. Centered in the West, many of these States are supporting Sens. Reid and Baucus' bill, S. 823.

Moving to highway safety, in 1990 AASHTO adopted a report titled *Highway Safety Strategic Plan, 1991-2000*, a copy of which has also been sent to you. That Plan called for an increase in Federal funds for highway safety, and identified 19 specific safety strategies to be addressed in the areas of people, vehicles, highway environment, post accident, and safety management, arranged in ten major program areas. The Association believes that highway safety should be an eligible item for expenditure in both the Categorical Highway Program and the Flexible State and Local Highway Program.

With respect to funding, AASHTO recommends a Federal-aid highway program funding level of \$17.6 billion in fiscal year 1992, increasing in increments to \$25.9 billion in fiscal year 1995. The funds would be divided evenly between the two components, with the possibility for transferring up to 20 percent from one program to the other. Overall, the association recommends an 85 percent Federal, 15 percent State/local match in the Federal-aid highway program, as compared to the current weighted average match of 83 percent Federal and 17 percent State/local.

As to how this funding might be distributed to the States, the *New Concepts* report does not recommend a specific allocation formula for the National Highway Program component of AASHTO's program. It does, however, include a general guideline, which reads as follows:

“ . . . the basic formula for distributing categorical highway funds should be driven by factors, such as lane miles, travel (VMT), and other appropriate factors.”

Inherent in this statement is to separate the formula from direct reliance on the number of miles in the HSNS or NHS state. Instead, the desire is to make the formula response to measures of need, which AASHTO believes include lane miles and travel on the system.

AASHTO has spent considerable time and effort examining different possible formulas, but there is no real consensus among the States. Traditionally, the Association has not recommended specific formulas, leaving this to the political process in Congress. But we do believe that the best way to assure equity to the donor States is through continuation of a Minimum Allocation Program, as discussed above, at a recommended 85 percent level. For all States, AASHTO recommends a minimum apportionment of one-half percent, and a hold harmless provision such that no State would receive less than the current highway program as if all States had completed the Interstate system.

For AASHTO's Flexible Program funding, the Association recommends that the funds be allocated strictly on a pro rata share of Federal Highway Trust Fund collections attributable to each State as a proportion of Federal Highway Trust Fund revenues collected throughout the Nation.

#### THE SENATE LEADERSHIP BILL

The Senate leadership bill, S. 965, is clearly intended to address several of the seven goals of AASHTO, which I described earlier. For example, it focuses on:

- Preservation of the Interstate system;
- Congestion relief, using a mix of transportation modes; and
- Planning, and research to develop new transportation technologies.

It also provides flexibility in the use of funding, and shares AASHTO's concern about the need to resolve our nation's clean air problems in urban areas.

A comparison of the provisions of S. 965 with AASHTO's recommendations is difficult, because of the very different program concept of the bill. This is pointed up by utilizing the following short comparison table:

AASHTO Recommendation	S. 965 Provision
2-component program—Highway System of National Significance (HSNS); Flexible State and Local Program; Bridges on each program	2-component program—Interstate System only; no NHS; FAP, FAS and FAUS abolished; Surface Transportation Program; Separate Bridge Program
Discretionary fund for high cost bridges	No provision
HSNS of 150,000–180,000 miles	No NHS
Flexible Program with funds useable for roads or transit, at option of State and local governments	STP funds useable for any surface transportation need, with MPOs programming in metro areas and States in rural areas
Fund Interstate Completion and Interstate Substitution projects	Has provision
Apportionment formula not linked to miles on HSNS	Formula for STP is percentage based on 1987–91 current average
Distribute Flexible Program funding pro rata based on contributions to Federal Highway Trust Fund	No similar provision provision
Strengthen highway research, provide for Long Term Pavement Performance component of SHRP, establish public/private IVHS research and development	Has provisions
Simplify administration of Flexible Program, using certification concept	Provides for State withdrawal from FHWA role in construction and design standards
Strengthen highway safety program	No similar provisions
At least a 4-year bill	5-year bill



This brief comparison is not complete, and understates the differences between the approach taken in S. 965 and AASHTO's recommendations. Therefore, let me offer the following more specific observations on some key areas:

- AASHTO recommends a National Highway System (NHS) of from 150,000 to 180,000 miles, including the Interstate system, as the central focus of the Federal-aid Highway program to serve interstate commerce and national mobility needs.

- S. 965 includes a maintenance program for the Interstate system, but not a National Highway System. It also eliminates the Federal-aid Primary System (FAP), Federal-aid Secondary System (FAS) and Federal-aid Urban System (FAUS). It thereby removes any central Federal focus for a national Federal-aid highway program.

- AASHTO would confine the use of Federal-aid highway dollars to the current 850,000 mile total Federal-aid System.

- The funds under the STP of S. 965 can be used on all highways except local roads, an expansion to about one million miles.

- AASHTO recommends construction of additional capacity where necessary and approved by the planning process.

- S. 965 discourages new highway capacity, and does not permit the use of Interstate 3R funds for such projects.

- AASHTO believes that the administration of the NHS program should continue much as at present, to assure a nationally consistent system. With regard to the flexible program, AASHTO favors greater State discretion and more reliance on such concepts as certification acceptance.

- S. 965 allows a State to withdraw from FHWA approval of design and construction standards on all highways except the Interstate and other multi-lane limited access control highways, and without an NHS offers no assurance of national design and safety standards to highway users,

- AASHTO places programming responsibility with the States, working in cooperation with their local governments. Urban planning would be strengthened and MPOs would function from a stronger position, while requiring that projects programmed in urban areas be selected from projects in the regional transportation plan developed by the MPO within each State.

S. 965 would earmark funding to urban and rural areas, with programming decisions in urban areas made by MPOs without required State involvement.

- While allowing transfers between its NHS Program and Flexible (Urban/Rural) Program, AASHTO limits transit use of highway funding to the Flexible Program.

Except for an Interstate 3R and Bridge program, S. 965 has only the STP, and allows the funds to be used for essentially any surface transportation purpose, capital or operating.

- AASHTO recommends allocation of categorical highway funding by factors that measure need.

S. 965 allocates funding on the basis of an average of current allocations, and population.

As is evident, Mr. Chairman, the concepts of S. 965 vary considerably from AASHTO's recommendations. Let me now offer more specific observations on certain key issues raised by S. 965, as compared to the recommendations made in the *New Concepts* report.

#### FUNDING LEVEL

Mr. Chairman, we are concerned at the overall funding level proposed for the Federal-aid highway program under S. 965. Simply put, the proposed funding level means a further shifting of costs to State and local governments, and an overall decline in Federal support for the Nation's highways.

AASHTO is well aware of the fiscal constraints placed upon Congress by the five-year budget accord enacted last fall, especially for fiscal year 1992 and fiscal year 1993. But we believe that additional funds are needed for both highways and transit, above what is recommended by the Administration and proposed in S. 965. We also believe that at least some additional funding can be generated by use of the accumulated interest in the Highway Trust Fund and other creative actions.

The problem is exacerbated in S. 965 by opening up the STP to essentially any surface transportation program, and by including possible rail and maglev funding in the bill. This means more program needs will be competing for essentially the same funding level proposed by the Administration, which in AASHTO's judgement is already too small. AASHTO's funding recommendations for the Federal-aid highway program are based on the findings of *The Bottom Line* report. Included in our assumptions are the need for a total funding level of about \$100 billion per annum in the highway program by all levels of government, if we hope to preserve our

system, improve safety, at least partially relieve congestion, assure safe bridges, and increase efficiency of the system. This \$100 billion compares to a current expenditure level of about \$68 billion per annum, expended collectively by all levels of government.

We believe that the Federal share of highway funding should climb back toward the 25 percent level of several years ago, or at least that it should not fall below the current 22 percent level of participation. The Administration's proposal could well reduce Federal participation to 20 percent, or less, if fully implemented.

Mr. Chairman, AASHTO has proposed a Federal funding level of \$17.6 billion in fiscal year 1992, climbing in increments to \$25.9 billion in fiscal year 1996, a level that would then be maintained, adjusted for inflation. When matched by State and local governments, this would approach the needed \$100 billion annual funding level.

Mr. Chairman, we urge the Committee to do everything possible to move upward toward the levels proposed by AASHTO.

#### PLANNING AND THE STATE ROLE

AASHTO supports a stronger planning process in metropolitan areas, but emphasizes the vital need to keep a major State presence in all programming and other decisions. Currently this role is exercised through the State's role in the programming of projects that must come out of the regional transportation plan prepared by the MPO. Thus the transportation responsibilities and roles are balanced. From an AASHTO perspective this works well. In those States with more than one metropolitan area, the State presence is vital to resolve issues between and among the areas. In all States, it is the responsibility of the State to assure a balanced State transportation system. Looking at metropolitan areas, they cannot be isolated from the rest of the State, in that for reasons of both people and goods movement the urban transportation system must relate to the State system and properly connect with it.

In dealing with this issue, Congress should resist seeking a "Federal solution," by attempting to mandate one set of planning requirements that will fit all 50 States, over three thousand counties, our many more numerous cities, and all the Nation's transit agencies. There is simply no "one size fits all" Federal approach to comprehensive transportation planning; rather, the Federal role should be to have the States, in cooperation with their local governments and transit agencies, develop a transportation planning process that will meet the goals and objectives established by Congress.

While improvements in the current planning process are possible, it should be recognized that current processes in many States have been successful and are not bankrupt. Current Federal law on planning and programming is not an obstacle to multi-modal planning and intergovernmental cooperation in metropolitan transportation planning and programming. The process can work very well if the parties are willing. Conversely, it would be very difficult to write detailed Federal law to try to force the type of open cooperation desired, if the parties—including the State—are not willing. This is especially so when the Federal dollars available for transportation are already a small fraction of total expenditures, and apparently shrinking in comparison to State and local government funding.

The States need to play a strong role in metropolitan planning since major projects for operational improvements or construction often cross multiple municipalities; since States usually have jurisdiction (funding responsibility) over strategic regional arterial highways in a metropolitan region; and since States often provide much of the funding for urban transportation projects.

In the end, effective multi-modal decision making is best accomplished by mutual cooperation, planning and trust. It should be the goal of the Federal Government to foster and encourage these three things, not to try to mandate them.

Some States have expressed a number of concerns about the enhanced MPO role contained in a draft paper on transit circulated by the Senate Subcommittee on Housing and Urban affairs, and those comments are equally applicable to S. 965 since the provisions are quite similar. The following are typical of the comments provided to AASHTO:

Midwestern States:

First State: . . . there appears to be an inaccurate perception regarding the current state of State/local relations, and a very misguided view of State government in metropolitan transportation. Almost without exception, State governments today are full partners in addressing metropolitan mobility problems. The fragmentation of local governments, particularly in the absence of any regional authority, requires the involvement of the

State: This becomes even more critical when there are jurisdictional disputes between local governments. States are also a major partner in financing urban transportation improvements. This legislation tries to close the door on State involvement when in many areas the State role in highway and transit assistance is far more important than the Federal role."

Second State: "[Our State] supports the concept of greater collaboration among State and local government, the private sector and the public in highway and mass transit planning processes. We support a strong MPO role in future transportation planning efforts.

"However, we also believe that the impacts of highway and mass transit investment decisions extend beyond metropolitan boundaries. Therefore, these investment decisions require State coordination and leadership to ensure maximum return on transportation investments for our residents."

Third State: "... we have serious concerns about turning over the responsibility for project selection on the Interstate and NHS in these areas to the MPO. The State DOTs should retain the authority for project selection in these areas and coordinate with the MPO to have these projects included in the Strategic Plan."

#### Southeastern State:

"The metropolitan planning process (3C) today does system planning as it develops a long-range plan and a transportation improvement program with an annual element. The plan is multi-modal and is consistent with the State implementation plan for attaining air quality standards. It does relate to land use decisions and economic and community development and provides for elected officials and the public at large to participate. The urban planning process is working in our State. A balanced State role through programming authority must be continued."

#### Western States:

First State: "First and foremost, the proposal effectively mandates regional government as a substitute for regional planning. This is totally unacceptable. The proposal destroys the balance among national, statewide, regional and local concerns now in place and puts total emphasis on regional concerns.

Second State: "We fully support . . . increasing the coordination and integration of land use and transportation, increasing the emphasis on land use and transportation planning, and increasing the collaboration among State and local governments, the private sector and the public.

"While the bill advocates increased Federal/State/region collaboration, the Federal Government control over an urban area's use of Federal funds appears to be limited generally to environmental impact statements, which are corridor specific rather than a region-wide test of cost effectiveness. State concurrence on any portion of a region's metropolitan transportation strategy is not required. However, States would be required to 'incorporate the strategies prepared by metropolitan areas and provide a long-term transportation agenda for 'balance-of-State' (e.g., rural, ex-urban) areas' (page 5).

"The Senate bill, as currently drafted, will result in urban area expenditures of highway funds on transit capital projects and local street improvements. Expenditures for needed highway capacity expansion will be deferred to the State for urban area roads owned by the State, or for which the State has responsibility."

Nationally, it needs to be recognized that the MPOs have been established by different processes. In some State, such as New York, this has been done by State legislation, and the State DOT is an integral part of the process. In others, such as Texas, there currently is no State involvement in establishing MPOs, and the State is at best a minor partner in the MPO planning process; this is perhaps not too serious for planning purposes, but can cause severe problems if MPOs are to have programming responsibilities.

To the extent that it is proposed to grant programming and scheduling responsibilities to MPOs, it needs to be kept in mind that this may violate State and local laws in some States. Accordingly, in these instances, at the least, time would be necessary to enact legislation to accommodate the new MPO concept. If that legislation should not be enacted, then that State would forfeit Federal funds, destroying the long-standing Federal-State partnership in the highway program.

The Committee is urged to carefully consider our comments with regard to MPOs, Mr. Chairman. As one guide to the complexities associated with MPO organization and operation, the following is a listing of the types of MPOs that existed in 1983, as compiled by the Advisory Committee on Intergovernmental Relations (ACIR). We are advised that this is the most current information available at the ACIR. While the ACIR list is several years old, we believe that overall there has been only small relative changes in the situation since it was assembled.

Types of MPOs	Number in 1983	Percentage
Regional Councils (COGs) .....	179	54.6
City or County .....	83	25.3
Freestanding Transportation Study Organization .....	52	15.8
State .....	14	4.3
Total .....	328	100.0

#### NATIONAL HIGHWAY SYSTEM

AASHTO recommends that a National Highway System be established, and that one-half of the funds available in the Federal-aid highway program be designated for the NHS, with up to 20 percent transfer allowed between the NHS and our recommended Flexible Program. Our detailed recommendations in this regard have already been described. Let me now address why we believe a NHS is important for America.

When the first Federal-aid highway program was enacted in 1916, the States were allowed to expend Federal funds on any highway within the State. It quickly became apparent that no national system was evolving. Accordingly, in 1921 the program was amended, and the States were required to select up to seven percent of their highway mileage to form a national system. This system concept has been in place since 1921, and has produced one of the finest, most extensive highway systems in the world—one well suited to serving our large, diverse nation and its transportation needs. S. 965 would repeal the Federal-aid systems, except for the 43,000 mile Interstate system. This removes from the Federal-aid highway program the basic national purpose that has been its focus since 1921.

There are some who may believe that the 43,000 mile Interstate system is the Federal-aid highway system, given how much rhetoric we address to it. It is indeed very important to the Nation, carrying some 22 percent of all traffic. But that very number—22 percent—stresses the importance of the other 807,000 miles of the Federal-aid highway system, which carry some 59 percent of the Nation's traffic. The remaining 19 percent of travel is on our over 3 million miles of State and local roads that receive no Federal assistance.

The Interstate highway system was conceived around 1940, a 40,000 mile Interstate system was authorized by Congress in 1944, routes in each State for the system were approved in 1947, and construction was finally funded under the 1956 highway act. The population of the Nation in 1940 was 132 million, and in 1956 it was 169 million. Today, as the Interstate system comes to completion, we are a nation of over 250 million. Given a near doubling of our population, and a huge growth in the Nation's economy, it is difficult to envision what America would be like today if Congress and President Eisenhower had not had the vision in 1956 to proceed with funding of the Interstate highway system.

The Interstate system has guided the Nation's growth in the later half of the 20th century, and made it possible for strong cities and economies to be established in many States, including my State of Georgia. We are pleased it is nearly completed. But AASHTO believes this does not mean we should consider the Federal role in helping to assure a national highway system to be ended.

The Interstate program was a first step, an effort to focus Federal resources on a small subset of the primary system, to develop a basic national highway system to serve America's future as it was envisioned in the 1940's and SOs. AASHTO believes we now need to take another bite Nut of the primary system, and devote some Federal resources to development of a National Highway System of 150,000 to 180,000 miles that will serve all of America well into the next century. We do not intend that all of that mileage would ultimately be developed to Interstate stand-

ards. To the contrary, while some new four lane facilities might emerge, in many States two-lane roads would suffice. But the NHS would carry the assurance that it is a national system of highways developed under Federal guidance, with uniformity in design and safety standards.

The situation we find ourselves in today was accurately summarized by Francis C. Turner in a lecture he presented in 1989. Mr. Turner, who ended a long career in the Federal Government as Administrator of the Federal Highway Administration, said with regard to the Interstate system that he helped identify and construct:

"It was selected nearly 50 years ago as a minimal network which would serve the highest priority of connecting segments which linked together would serve our principal metropolitan and industrial centers. Since those selections were made in the 1940's, traffic volumes have approximately quadrupled, new population and industrial centers have emerged, the then existing ones have grown, and even new industries not then existing have come into being. All of these changes have brought about the need for more route mileage and much more capacity to accommodate the swollen traffic volumes on those chosen routes of nearly half a century ago. The collector and distributor routes to service the Interstate routes have similarly become inadequate to accommodate the added volumes and expansions into previously undeveloped and non-existent urban and rural suburbs. And so we need more miles and lanes of both the Interstate System and its feeder and distributor arterials, most of which are in or adjacent to urban areas."

"Any notion that highway programs are about "completed," and that we don't need highway engineers, or dollars, or programs any more is not only incorrect—it simply will be deadly dangerous for thousands and thousands of our citizens in the years ahead."

Mr. Chairman, S. 965 declares construction of the Interstate system conceived in the 1940's to be complete. That is an achievement—but by no means is it the end of the Nation's highway needs.

If America is to be properly served in the coming decades by highway transportation, we believe that Congress should commit itself to a National Highway System of the kind recommended by AASHTO and the Administration, as a Federal goal and central focus of any highway program reauthorization proposal.

#### THE REID-BAUCUS BILL (TIA)

Turning now to S. 823, as noted earlier several of our member departments are in support of its approach. Centered in the West, these States like the current multiple-category approach to the Federal-aid highway program, which is the essence of S. 823.

The bill, S. 823, would make few changes in the basic structure of the current Federal-aid highway program, except that it establishes four apportionment "bonuses" that would increase funding for rural areas. The bill also provides increased flexibility over the current program, by allowing States to transfer up to 30 percent of funding from one category to another, and another 20 percent with U.S. DOT approval.

The Reid-Baucus bill rejects the restructuring of the Federal-aid highway program, as is recommended by AASHTO in the *New Concepts* report.

#### THE BOND BILL (FAHA)

The bill introduced by Sen. Bond, S. 883, generally follows the recommendations of AASHTO's *New Concepts* report, more so than the Administration's bill, S. 610. Unlike the Administration's bill, the Bond bill does not re-write Title 23, and does not include a transit program.

The bill, S. 883, includes:

- A National Highway Program of 150,000 miles, with the possibility of another 10 percent, and an overall Federal-State match of 75-25, except for the Interstate portion which is 90-10.

- A NHP formula similar to that in the Administration's bill, but without the density factors.

- An Urban/Rural program similar to that proposed by AASHTO, with the funding being useable both for highways and transit capital.

- An apportioned and a discretionary bridge program, retaining the current inventory and cost apportionment criteria but allowing States to include level of service criteria.

As is evident, the Bond bill includes several of AASHTO's recommendations from the *New Concepts* report.

## THE ADMINISTRATION'S BILL

Let me now turn to S. 610, the Administration's proposed Surface Transportation Act. At the outset I want to make clear that AASHTO has commended both Secretary Skinner and President Bush for their initiative in developing and sending, this bill to the Congress. Like the leadership's bill S. 965, we believe it is an important contribution to the reauthorization effort.

In many respects, as with S. 883, the Administration's proposal mirrors AASHTO's recommendations. We find many good things in the Administration's bill. We believe that the overall structure of the bill, including the rewrite of Title 23, is good. There are many parallels between AASHTO's recommendations and what the Administration's bill proposes, as shown by the following side-by-side comparison:

AASHTO Recommendation	S. 610 Provision
2-component program—Highway System of National Significance (HSNS); Flexible State and Local Program; Bridges on each program	3-component program—National Highway System; Urban/Rural Program; Separate Bridge Program
Discretionary fund for high cost bridges	Has provision
HSNS of 150,000–180,000 miles	NHS of 150,000 miles, with 15,000 in reserve
Flexible Program with funds useable for roads or transit, at option of State and local governments	Has provision
Fund Interstate Completion and Interstate Substitution projects	Has provision
Apportionment formula not linked to miles on HSNS	Formula not linked to miles on NHS
Distribute Flexible Program funding pro rata based on contributions to Federal Highway Trust Fund	Has provision, but with .5 percent minimum to all States
Strengthen highway research, provide for Long Term Pavement Performance component of SHRP, establish public/private IVHS research and development	Has provisions
Simplify administration of Flexible Program, using certification concept	Has provisions
Strengthen highway safety program	Has provisions
At least a 4-year bill	5-year bill

Mr. Chairman, there are many other provisions of S. 610 that are significant, and in which AASHTO concurs.

Let me now turn to those areas of S. 610 where AASHTO's recommendations are in disagreement with provisions of the bill, or where serious concerns have been expressed.

## NATIONAL HIGHWAY SYSTEM

AASHTO is in agreement with the basic concept of the National Highway System, as contained in S. 610. However, as work has gone on over the past year between the Federal Highway Administration and the States, there is some dissatisfaction with the 150,000 mile cap placed on the basic NHS in the bill.

It should be stated that AASHTO did not identify a specific mileage cap in the *New Concepts* report. Instead, a commentary discussion was included in the report describing how the HSNS should be identified, and which suggested a cap of between 150,000 and 180,000 miles. Some States have found the 150,000 mile cap adequate. Others, including my State, believe that a higher cap is necessary, perhaps 200,000 miles. This 200,000 mile length for the HSNS or NHS has also been supported by the National Governors' Association, in public statements.

## NHS AND URBAN/RURAL FUNDING SPLIT

There is concern within AASHTO about the proposal in S. 610 to place some two-thirds of highway funding in the categorical National Highway System, and one-

third in the Urban/Rural Program, with the possibility of transferring up to 15 percent of the NHS funding to the other program.

AASHTO examined this issue thoroughly in developing its recommendation for a 50-50 split between these two programs, with the capability to transfer up to 20 percent from one to the other. We believe this is a much better division of the funding, in that it will help accommodate the specific highway situation in each State, in the West and all across the Nation.

#### MINIMUM ALLOCATION PROGRAM

AASHTO's position is in support of a continued Minimum Allocation Program (MAP). Specifically, AASHTO believes "that minimum allocations should be developed for any program addressing needs on the National highway system," and recommends that "an 85 percent minimum allocation provision should be established and the existing 1/2 percent minimum apportionment retained for the Categorical Highway Program."

For the AASHTO Flexible Highway Program, which corresponds to the Urban/Rural Program in the Administration's proposal, AASHTO recommends 100 percent return of funds to the State on the basis of "pro rata shares based on percentage of total highway user contributions attributable to each State."

The Administration's bill contains no minimum allocation provision for the programs addressing needs on the National highway system, but does include the 1/2 percent minimum apportionment. We believe that in the interests of equity the bill should also contain an 85 percent minimum allocation provision.

#### ALLOCATION FORMULA

The formula advanced in S. 610 relies mainly on fuel consumption, which of course is a surrogate for VMT. The formula also includes centerline miles, as opposed to lane miles. It also includes "other appropriate factors" as suggested by the New Concepts language cited above.

#### MATCHING RATIOS

It is the recommendation of AASHTO that overall the Federal-State match in the highway program should be about 85 percent Federal to 15 percent State and local, which is similar to the current average of about 83 percent Federal to 17 percent State and local. As we understand it, S. 610 would move in the other direction from the Association's recommendation, toward an overall match of about 72 percent Federal, 28 percent State.

With regard to the categorical HSNS or NHS program and bridges, AASHTO recommends that the match should be around 85 percent Federal, with up to 100 percent for extremely important projects like roadway preservation and bridge needs.

Under AASHTO's flexible program, which corresponds to the Urban/Rural Program of S. 610, we believe that it should be up to the State, working with its local governments, to determine the specific match.

S. 610 sets a 75 percent Federal match for the NHP, with up to 90 percent for Interstate 3R projects. The Urban/Rural program has a lower Federal match of 60 percent. This rigid arrangement will cause problems in the States as they work with local governments and transit agencies, and as funds are transferred from one program to the other. We believe the AASHTO approach of working from an overall match ratio, and we recommend 85-15, with the opportunity to adjust the Urban/Rural Program match to an appropriate level, is a better concept.

To illustrate the burden which the Administration's increased match levels would place upon the States, I have attached tables prepared by the Federal Highway Administration at AASHTO's request indicating the State matching funds that would be required under S. 610 for fiscal year 1991, 1992, 1994 and 1996.

#### SUMMARY

Mr. Chairman, we again commend you and the Committee for moving aggressively on a highway reauthorization bill. We urge your consideration of our comments and recommendations, and stand prepared to provide you with assistance upon your request.

Both I and Mr. Francois will now be pleased to respond to questions.

## SURFACE TRANSPORTATION REAUTHORIZATION

## RECOMMENDATIONS FROM THE AASHTO REPORT "NEW TRANSPORTATION CONCEPTS FOR A NEW CENTURY"

[Prepared January, 1991]

*Overall recommendations:*

- New two-tiered Federal programs for highways and transit; categorical and flexible.
- Increased Federal funding to meet established increased investment requirements:
- Highways: \$17.6 B (FY 1992)-\$25.9 B (FY 1995)
- Transit; \$3.5 B (FY 1992)-\$5.0 B (FY 1995) for transit capital; plus continuation of approximately \$800 million annually for transit operating assistance from the general fund.

*Highway-specific recommendations:*

- Highway System of National Significance (HSNS) to include the Interstate System and a portion of the Principal Arterial System as redefined.
- Hold harmless (categorical) highway program funding; States assured of 1991 levels and equitable share of any future increases in funding.
- Release of obligation authority equal to apportionment balances *in addition* to regular apportionments.
- 50/50 highway funding split; categorical and flexible.
- 20 percent transferability between categorical and flexible programs.
- Revised highway apportionment formulas; (lane miles, VMT, other appropriate factors).
- Pro rata allocation of trust fund contributions for flexible program
- Retain 85 percent MA and 1/2 percent minimum apportionment. (categorical program).
- Fund completion of remaining Interstate and Interstate substitution commitments.
- Continue discretionary bridge program: (up to 2 percent of total highway program).
- Permanent Highway Trust Fund, removed from unified budget.
- Matching ratios (New highway programs): Categorical—85 percent Federal; Flexible—set by States

*Public transportation—specific recommendations:*

- Discretionary categorical transit grants.
- Current UMTA formula for flexible transit funding.
- Matching ratios (New transit programs)
- Categorical—75 percent Federal
- Flexible—80 percent Federal
- Mass transit account funding in excess of current funding levels (approximately \$1.1 billion per year) would be distributed by Section 9 formula and 50 percent by total population.



TESTIMONY BEFORE THE UNITED STATES SENATE  
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

REGARDING  
FEDERAL SURFACE TRANSPORTATION REAUTHORIZATION

SECRETARY PATRICK J. GARAHAN  
VERMONT AGENCY OF TRANSPORTATION

ROOM 406, DIRKSEN SENATE OFFICE BUILDING  
TUESDAY, MAY 14, 1991

## INTRODUCTION

Mr. Chairman and members of the Committee, I am pleased and honored to be here testifying before you on the Surface Transportation Program reauthorization and specifically on the Surface Transportation Efficiency Act, which I understand is before your Committee for consideration. We in Vermont recognize the critical need for reauthorization this year, as we recognize the critical part played by surface transportation in America's economic vitality and national security. Following below are sections providing you with an overview of our views, a more detailed description of some key issues and some suggested amendments to the bill.

## OVERVIEW

At the outset let me say that we support this bill in general. Governor Snelling and I recognize that U.S. surface transportation has indeed entered a new era. In the 1990s Vermont and the other States are confronted with a new set of transportation needs and opportunities, far different from the situation which existed when Congress formed the Bureau of Public Roads in the early part of this century, different from the conditions prevailing when you created the National Interstate and Defense Highway Program in the 1950s and different too from the 1960s, 1970s and early 1980s, when our Interstate system was virtually completed.

Where before we required the guidance of the Federal Highway Administration and its close oversight of categorical highway programs to meet our day-to-day challenges, now, in 1991, we operate mature surface transportation planning and programming systems which help all Vermonters to rationally consider the transportation investment choices before us, at the local, regional and Statewide levels. Our investment analysis now includes not only the sufficiency rating of our highways, it also includes the social and environmental impacts of our decisions, land use implications, economic development, modal choices and other factors.

Parallel with the State's effort, our Metropolitan Planning Organization has also matured, and today we work jointly with the Burlington urbanized area to provide a continuing, cooperative and comprehensive transportation planning program in that area.

We have long had expertise in the area of construction and maintenance, and today, supplementing our existing programs with new maintenance management initiatives, we are engaged in hands-on management of Vermont's overall surface transportation system.

While we recognize that some would argue for a continuation of past categorical programs and FHWA's micro-management of our projects, we urge you to stay the philosophical course contained in this bill. Reality has passed these old methods by, and we are in a new age of State management responsibility and ability.

In short we in Vermont have matured as transportation managers over the past seventy years or more, and we applaud the recognition of this fact in the bill before you.

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### ISSUES

In the next phase of my remarks I would like to focus in more detail on some important issues as they relate to this bill. In doing so I would like to offer what suggestions we have as to a few rather minor adjustments you might consider making in the bill to assure its absolute effectiveness.

Again I must state that it is clear to us that a range of surface transportation issues have the attention of the States and other transportation interests around the country. And it is also clear that the Surface Transportation Efficiency Act takes a major step in addressing these issues and in bringing Federal programs more in line with United States reality.

For Vermont the principal issues confronting us are: 1) matching requirements; 2) flexibility of management and expenditure; 3) redesignation of a Federal-aid or "National Highway" system, and 4) a fair and equitable distribution of funds among the States. Each of these issues is described in more detail below, following which our proposed amendments are offered.

**1. Matching Requirements:** We strongly support the general matching requirements in the bill, and we urge you keep them in place.

**2. Flexibility:** We also support the flexibility contained in the bill. Generally the increased flexibility prescribed requires that we continue and expand our efforts at local, regional and State wide planning and priority programming, and we welcome this opportunity. We do urge you however to expand this flexibility in the areas of off-system bridges, expenditures for planning and off-system roads.

Off-System Bridges: In Vermont we have over 1,350 off-system bridges which require immediate attention. These bridges were primarily constructed fifty years ago or more and are rapidly becoming unsafe for use. The estimate for rehabilitating or replacing these bridges is about \$300 million, yet, under the current law we receive only about \$2 million annually for this purpose. So, despite the infusion of State funds for this task, we are falling further and further behind.

This situation impacts our entire system. For example I can look out my window in Montpelier and see an off-system bridge which has been closed for two years, owing to safety requirements. Yet less than two miles from that closed bridge is the entrance to Interstate 89, and just at that entrance a major Interstate bridge repair project is now coming to completion. But because the off-system bridge is closed, people are required to detour ten miles in order to access our excellent Interstate system.

This kind of situation exists throughout Vermont, and we understand that the other States, urban and rural, face a similar problem. As transportation managers we need immediate and effective relief from this off-system bridge problem as an absolute minimum amendment to the flexibility provisions in the existing bill.

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Transportation Planning: We also require more flexibility in the level of investment we make in planning. The current limit of 1.5%, with a .5% supplement contained in Title 23, is too restrictive, particularly in light of the growing need for comprehensive local, regional and Statewide transportation planning processes in both rural and urban areas of Vermont. In addition the increased flexibility contained in the bill requires enhanced efforts in the area of priority programming. We support the increased planning funds provided to urbanized areas in the bill, but we feel it is necessary for the States to determine their levels of planning investment outside of urbanized areas, and we ask you to consider adopting this flexibility.

Public Transportation: We support the public transportation transfer flexibility contained in the bill. In Vermont, even though we are a primarily rural State, we are now spending Federal-aid highway funds on Statewide public transportation projects, including carpooling and vanpooling and purchase of rolling stock for local operators. This year our expenditures in this area amount to about \$3 million, or about 6% of our total program. So we support the continuation of this provision in the new legislation and also its relaxation to allow for programming of funds for transit operating costs, particularly in the larger cities, where decreasing tax bases might require such programming decisions.

Off-System Roads: We also urge you to consider allowing the States to make investment decisions throughout the system and off-system, as well as between modes. Some may argue that including local or rural minor collector route segments in the eligible system would so diffuse investment of Federal-aid funds as to question the integrity of national commerce. We strongly disagree with this position, owing to the fact that we are now engaged in local, regional and Statewide transportation planning and priority programming.

In Vermont local, regional or Statewide projects put forth as candidates for funding in the Statewide program must be reviewed under like criteria. This criteria not only includes simple sufficiency ratings, it also includes environmental and social impacts, land use considerations, economic development considerations and other important factors.

We have over 8,000 miles of "local roads" in our system, and we require the flexibility to invest in these facilities as we review our Statewide program.

**3. Redesignation of a Federal-aid or "National Highway" System:** We support the concept and reality of a truly National Highway System, for it is the right of Americans to travel throughout the country and to expect and obtain a safe, efficient and consistent driving experience. Clearly the Interstate system serves this purpose. We understand our obligation to maintain the Interstate system to uniform national standards, just as we understand the duty of the Federal Highway Administration to assure that our transportation management programs are adequate to support our maintenance responsibilities.

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We ask you to direct that our responsibility is certification of the integrity of the Interstate system to uniform national standards and that the Secretary of Transportation's responsibility is to certify that our management systems are adequate to our responsibilities.

**4. Apportionments:** We also support a fair and equitable apportionment of gas tax proceeds among the States, recognizing that factors such as population, area, highway mileage, air quality and gas tax receipts should enter into the apportionment formula. Beyond this we support an apportionment formula which is simple but which takes into account such factors as each State's percent of the Interstate system, vehicle miles travelled, climate, topography and free trade, each of which we feel plays a key part in defining "fair and equitable."

Under this bill small State apportionments would lag substantially behind those of the larger States. Vermont for example would witness a decrease in its relative share of the total program of about 27%, from .6% of the national program currently to about .44% of the national program under the present bill. Furthermore, under the present Budget Agreement, we question the ability of appropriating larger sums to make up for reduced apportionment shares, particularly over the next few years.

Therefore we propose that Congress adopt an amendment to provide each State with a minimum of 1% of major highway program apportionments (i.e. surface transportation, air quality, bridge program, interstate maintenance and interstate construction) and save all States harmless at their current year apportionment levels. This amendment would re-allocate a minor, 5% share of the total Federal-aid program among small States, to assure that they have ample resources to make needed improvements. If a State could not expend its apportionment in a timely manner, then the same lapse and re-apportionment provisions which exist in the bill should be retained.

This amendment would guarantee an additional fifteen States a fair and equitable apportionment of funds under the present bill and would help to obtain the national consensus which the Surface Transportation Efficiency Act deserves.

#### RECOMMENDED AMENDMENTS

**Flexibility:** We recommend three amendments in this area, directed towards off-system bridges (our most vital concern), transportation planning and off-system roads.

**Off-System Bridges:** Section 133 (a) (1) is amended to read as follows: "construction, reconstruction, resurfacing, restoration, rehabilitation and operational improvements for highways (including Interstate highways) and bridges (including off-system bridges), including any such construction or reconstruction necessary to accommodate other transportation modes, and including routine painting of facilities;"

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Transportation Planning: Sections 307(c)(1), (2) and (3) are amended to delete the maximum set-aside amounts and include the following language: "Each State shall annually select the amount of funds from its total apportionment which it will use to carry out the activities required for Statewide Planning, Research and Data Collection and Data Collection and analysis, as contained in this Act."

Off-System Roads: Repeal Section 133(a)(9) in the bill.

National Highway System and Responsibilities: Add a new Section 102(f) to existing law Section 102, as amended in this bill. This new Section would read as follows: "It is specifically directed that each State shall have the ability to plan and program projects for any activity permitted in this Section, at any level of funding the State selects, provided that the State certifies to the Secretary that the Interstate system is being maintained to uniform national standards which promote a consistent national driving experience for the travelling public, and provided that the Secretary certifies the adequacy of the State's management programs required in this Act."

Apportionment: Add a new Section 104(b)(1)(C) to read as follows: "Under no circumstances shall any State receive less than one percentum of all funds apportioned among the several States to carry out the purposes delineated in Sections 106, 107, 108, 109 and 110 of this Act. For fiscal years 1992, 1993, 1994, 1995 and 1996, no State shall receive a total apportionment for Sections 106, 107, 108, 109 and 110 of this Act which is less than the total amount of Federal-aid highway funds apportioned to that State in fiscal year 1991."

## PREPARED STATEMENT OF BEN G. WATTS, P.E.

Mr. Chairman, thank you for the opportunity to appear before this Committee to present the views of the Florida Department of Transportation (FDOT) concerning reauthorization of the Federal surface transportation programs.

This year Congress has a once-in-a-generation opportunity to chart a new course which addresses the transportation concerns of the present while providing a firm foundation for the 21st Century. We in Florida believe that the new Surface Transportation Act must provide sufficient funding and program flexibility to accommodate the rapidly expanding needs in growth States like ours.

As the third fastest growing State by percentage and second in absolute numbers, Florida faces the challenge of moving its own people and goods more efficiently, as well as the 40 million annual visitors with which we share our State's natural beauty. Our automobile fleet is growing by over 250,000 cars per year, and consequently, we lead the Nation in the highest ratio of vehicles to people.

Last year, the Florida legislature took a major step in addressing the State's transportation needs with the passage of comprehensive State transportation legislation. This act provided the largest transportation revenue increase in Florida history.

Florida now ranks second among all the States in State funding dedicated for transportation. Unfortunately, our needs, like that of other States, still outstrip available resources. A strengthened partnership with the Federal Government is an essential component of Florida's transportation future.

Over the past year or so, I and Mr. Frank Carlile, the Department's Assistant Secretary for Transportation Policy, have had the opportunity to testify at field hearings conducted by this committee in Florida. On those occasions, we presented Florida's recommendations for the next Surface Transportation Act. Rather than repeat those today, I am submitting a brief paper which we have developed jointly with a number of other States titled, "FAST: Proposed Federal Aid Surface Transportation Program".

The FAST proposal, which is consistent with our recommendations and may well be introduced as legislation in the near future, is based upon the studies made by the American Association of State Highway and Transportation Officials (AASHTO). While Florida wholeheartedly endorses the AASHTO recommendations, the FAST proposal is more specific with respect to funding formulas. The FAST proposal also provides a "hold harmless" funding guarantee for all States and removes any modal funding bias while ensuring program accountability.

The remainder of my testimony will address S. 965, the bill introduced by the leadership of this Committee and Appropriations Subcommittee Chairman Lautenberg. This bill introduces many new ideas which have certainly livened the debate within the transportation community. Clearly, S. 965 represents change, something we within Florida live with on a daily basis. We applaud the Committee for establishing a starting point for what will hopefully result in landmark legislation.

Mr. Chairman, while we have identified several positive and negative aspects of S. 965 on which I will comment, Florida's primary concern is with the funding provisions of the bill. Quite simply, Florida has received an inordinately low share of Federal transportation funding over the past 35 years. If Florida had received the same percentage of highway funds as it had contributed to the Highway Trust Fund since 1956, we would have received \$10.3 billion of the \$248 billion which has been apportioned or allocated to the States. Instead, we have received \$8.3 billion, a \$2 billion difference or an 806 return on the dollar. This rate of return ranks 42nd among all the States. Under S. 965, our rate of return would rank 46th in 1992 and fall to 50th by 1996. The transportation needs we have as the second highest growth State require that we receive a larger share of Federal transportation funding.

Several specific aspects of S. 965 would contribute to Florida's poor rate of return. First, if future funding is to be based on the past five years, how can Florida be expected to improve its funding situation? Secondly, a continued Interstate Construction and Interstate Substitution program penalizes those States, such as Florida, that have worked aggressively to complete their system. Ironically, S. 965 declares the System complete, but continues a separate funding category. Thirdly, a large formula bridge program would also penalize Florida.

As previously stated, the FAST proposal is both equitable and fair to all States due to its "hold harmless" provision which protects States from a reduction in funding, and the sound policy basis provided for the recommended funding formula.

Other provisions of S. 965 on which comments are offered are as follows:

**A National System of Highways Must Be Preserved**—There should be a continued national interest in an identified national network of highways. The Florida

DOT endorses the U.S. DOT and AASHTO recommendations calling for a focused highway network of 150,000 to 200,000 miles nationwide. Rather than being viewed as an expansion of the 44,000 mile Interstate System, the Federal-aid highway network would be significantly reduced from its present 800,000 miles.

**Highway Maintenance Should Continue to be a State and Local Responsibility**—Unless Federal funding is dramatically increased, State and local governments should continue to have the primary responsibility for highway maintenance. As highways continue to wear out, there will be ongoing needs for reconstruction and rehabilitation work that will likely exceed the available Federal resources.

**The State Role In Transportation Must Not Be Diminished**—S. 965 would reduce the programming authority of State DOT's while significantly expanding the role of metropolitan planning organizations. If intergovernmental organizational changes are warranted they should be resolved within each State rather than being prescribed at the National level. The Federal-state partnership which has proven so successful in the Federal-aid highway program should be strengthened and not abandoned. Since States now provide more funding for both highways and transit than does the Federal Government, a stronger transit role is required rather than a diminished highway role. Flexibility is needed to define the appropriate structure within each State according to federally prescribed criteria.

**The Increased Flexibility to Fund the Most Beneficial Transportation Improvement is a Feature of S. 965 Which Florida Supports**—In particular, the introduction of a National Magnetic Levitation Design Program is both timely and forward looking. Florida is keenly interested in advancing this transportation technology. Through private sector initiatives, a 13.5 mile prototype system may soon become a reality in Florida.

**The Access to Rights of Way Feature of the Bill Should be Adopted**—Florida is one of the leading States in the purchase of abandoned railroad rights-of-way for other transportation purposes. In recent years, Florida has purchased 130 miles of such rights-of-way at a cost of approximately \$60 million. Much of this right-of-way is being preserved for future public transportation development. Increasing the flexibility for States to use highway rights-of-way for other transportation purposes is an excellent idea.

**The Congestion Pricing Pilot Program Offers an Opportunity to Address Congestion Problems**—This is another innovative feature of S. 965 which may prove helpful in addressing growing congestion problems in many urban areas, perhaps in Florida. A pilot program is an appropriate approach to take.

**The Program Efficiencies Contained in Section 121 Should Be Adopted**—Increased flexibility to the States through streamlining of Federal requirements is desirable.

**Funding Categories, Set Asides and Penalty Provisions Should Be Minimized**—Among the several bills which have been introduced thus far, there are numerous special funding categories, set asides and sanctions or penalties. At the time the Interstate Highway program began in 1956, there were 8 programs, 6 of which were minor, General Fund programs. As we begin the post-Interstate programs, a "back-to-the-basics" approach will allow the flexibility needed for increasingly diverse and complex approaches to enable more efficient movement of our nation's people and goods.

Mr. Chairman, Florida appreciates this opportunity to present our views. We look forward to the further debate that will take place and, more importantly, the successful and timely enactment of new surface transportation legislation.

## PROPOSED FEDERAL AID SURFACE TRANSPORTATION PROGRAM

### MAJOR REAUTHORIZATION OBJECTIVES OF FAST

1. Restructure and consolidate Federal-aid highway programs into two new principal programs—a National Highway and Bridge System (NHBS) and an Urban and Rural Highway and Bridge Program (URHB). This two-tiered system will serve interstate commerce and national mobility needs through the NHBS, and will address more localized needs—like urban mobility, suburban commuting, and rural access—through the URHB program.

2. Extend Federal transit assistance to more communities and citizens by broadening the traditional definitions of transit and relying more on formula distribution of Federal transit assistance, using general funds, full Mass Transit Account income and the rapidly growing MTA balances.

3. Increase the Federal financial commitment to transportation. Although Congress faces a difficult task in addressing critical national needs in the face of deficit-



reduction concerns, the growing urban and rural transportation infrastructure needs of the Nation cannot be ignored indefinitely.

4. Revise formulas by which Federal funds are apportioned to States to more accurately reflect today's transportation needs and to provide greater equity for all States in funding distribution.

5. Help State and local governments meet their distinctive needs more efficiently and effectively by giving them greater control over project selection and project administration within general Federal program guidelines.

#### NATIONAL HIGHWAY AND BRIDGE SYSTEM

After three decades as the Nation's highest transportation priority, the 43,500-mile National System of Interstate and Defense Highways is nearly complete. Since this original goal was established, the Nation has grown and evolved, and must now respond to a new set of global effectively as we work in this new environment, it is necessary that the most important parts of our current national highway systems be consolidated into a single national highway and bridge system, managed and funded with today's challenges in mind.

A new National Highway and Bridge System should be established to be comprised of the existing rural and urban Interstate highways and an appropriate portion of the urban and rural principal arterial highways. On a national basis, the new NHBS would range from 150,000 to 180,000 urban and rural miles, with opportunity for future modification by the States as circumstances change.

The method to allocate NHBS funds to the States should reflect the National purposes of the National system. Both the extensiveness of the National system (proportionate total statewide lane miles) and the intensity of its use (proportionate total statewide travel) should be recognized in the allocation system. In recognition of its role in interstate commerce, commercial truck travel (now most effectively measured by diesel fuel use) should be included in the allocation formulas. Finally, a NHBS allocations should recognize that the total national urban costs are approximately twice as much as rural NHBS highway improvement costs.

#### *FAST Proposal:*

- In cooperation with guidelines to be established by the U.S. DOT, each State will designate those segments of its principal arterial routes to be included in its statewide portion of the NHBS. The NHBS should reflect one or more of the following criteria: nationally significant truck routes; national defense highways; access to national and international markets; access to national parks and recreation areas; access to border crossings, ports and airports; and logical connections between major population centers and NHBS itself.

- The NHBS allocation system should distribute Federal funds to States: 1/9 based on total statewide rural lane miles; 1/9 based on total statewide rural vehicle miles of travel; 2/9 based on total statewide urban lane miles; 2/9 based on total statewide urban vehicle miles of travel; 3/9 based on statewide diesel fuel consumption.

#### URBAN AND RURAL HIGHWAY AND BRIDGE PROGRAM (URHB)

The Federal highway responsibility is not limited to the NHBS routes. Americans living in small cities and rural communities are also entitled to safe and efficient access to the NHBS. Congestion on urban and suburban streets must be relieved. Those traveling to and from the NHBS deserve reasonably consistent safety and quality standards throughout the Nation. State and local resources to meet these needs are severely constrained.

Each State requires a distinctive mix of solutions to meet present and future transportation problems involving metropolitan congestion, rural access, and air quality constraints. New opportunities are needed to formulate regional system approaches that will transcend modal lines, cross jurisdictional boundaries, and overcome the traditional private and public separation.

#### *FAST Proposal:*

- An Urban and Rural Highway and Bridge Program should be established to provide a funding to help State and local governments meet their unique transportation challenges in cost-effective ways. Federal funding could be used on any arterial or collector highway, except those on the designated NHBS, and for public transportation solutions to congestion and air quality issues as well.

- URHB funds should be allocated to the States in proportion to their percentage of Federal Highway Trust Fund contributions. To assure local governments a fair share of URHB funding, each State shall allocate to non-State transportation facili-

ties at least as much as was allocated to non-State facilities in 1991 from the Federal aid-urban, secondary and bridge programs.

#### BRIDGES

Routine bridge replacements should be funded simply as one element of the regular NHBS and URHB programs. Although bridges were singled out as a special national priority in previous Federal highway programs, the rationale for this unique treatment has decreased as States have used categorical funds to replace or rehabilitate the most seriously deficient bridges. It is time to move away from a needs-based categorical approach in the new program for two reasons: 1) a needs-based formula is tended to reward States that have been slow to address their bridge needs and has penalized States that moved quickly and used State funds to meet State bridge needs; and 2) the categorical funding has in some cases distorted investment decisions related to bridge repair or replacement.

At the same time, some bridges could be so costly that rehabilitation or replacement using routine highway program apportionments could consume much of the funds needed for the ongoing highway and bridge preservation effort. To avoid this, a special program to provide discretionary funding for high cost bridges is appropriate.

#### *FAST Proposal:*

- A limited Federal bridge discretionary program should be established to assist in the replacement of bridges that cost in excess of \$20 million or would comprise more than 10 percent of a State's total Federal apportionments.

#### PUBLIC TRANSPORTATION

The emerging prominence of the service and information economies has refocused much of the Nation's economic activity to metropolitan areas, which often are not well-served by existing transportation facilities and traditional public transportation services. To provide mobility in these increasingly congested areas, the Nation needs new and creative responses. It is already clear that broadening the definition of public transportation will be necessary to permit State and local governments to respond quickly and creatively to these challenges.

In addition, other metropolitan mobility concerns exist. Strategies for provided services to the disabled are now being developed, and new service and equipment will be required. Congestion problems, with recognition for air quality goals. Improvement of many key local roads may be necessary to provide congestion relief on the NHBS. These must all be viewed together in the context of urban transportation problems and challenges.

#### *FAST Proposal:*

- The current level of Mass Transit Account (MTA) funding for discretionary support of rail modernization, new starts and extensions should be continued, and the current level of Federal general funds for transit operations and capital should be continued, but with a broader definition of eligible public transit purposes, including fixed guideways, transitway or busway facilities, bus replacement, and exclusive high occupancy vehicle lanes.

- A major new MTA funded formula transit program—financed from the MTA annual revenues, interest credits and balances—should be established to substantially broaden the extent of Federal transit support, and to more effectively support public transportation in all communities. New MTA transit-formula funded would be distributed half by section 9 formula and half based on total statewide population percentage, directly to transit systems in areas over 200,000 population, and to the States for fair and equitable distribution to the other urban transit systems and to rural areas.

#### FINANCING PROVISIONS FOR FAST

Based on a number of recent comprehensive needs analyses by Federal, State and private sector analysts, a substantially increased constant dollar investment level by all levels of government is necessary to maintain and expand the Nation's highway and transit systems adequately over the next several decades. As State, local and private expenditure levels continue to increase, as they have for the past several decades, the Federal Government also must be prepared to increase its level of commitment in order to play a meaningful and reliable role in responding to this critical national objective.

Managing the totality of Federal finances in the immediate years presents an enormous challenge to the Congress. Current highway user taxes and fees, if they were all made available for transportation investments, would provide a solid foundation for the sharply increased Federal role in improving our nation's highways and transit systems over the next reauthorization period. Congress must balance a number of important but competing public needs against the currently limited Federal resources. Despite near term constraints, Congress should set a national goal of providing appropriate user-funded resources for transportation as soon as possible.

*FAST Proposal:*

- Whatever the level of program authorization established by Congress, the funds should be distributed 50 percent to the National Highway and Bridge System Program and 50 percent to the Urban and Rural Highway and Bridge program. To provide necessary flexibility for the States to accommodate their distinctive requirements, States should be permitted to transfer 20 percent of total program funding from NHBS to URHB and vice-versa.

- To wrap up the Interstate Construction program, Congress should approve one final multi-year authorization for remaining Interstate and Interstate Substitute projects, based upon a State-by-State obligation plan coordinated by the Federal Highway Administration.

- As the Federal highway program moves to a more equitable national distribution pattern, it is inevitable that some States that might face the possibility of a reduction in Federal aid. To avoid such impacts, the new program should provide assurances that all States will get at least as much in apportionments as they received in 1991, not including discretionary or special project funding, Interstate substitute funding or Interstate construction funds above the 1/2 percent minimum.

- Congress should continue the Minimum Allocation as a form of safety net; but in recognition of the soon-to-be-completed Interstate highway system and the reduced need for redistribution among the States, the MA guarantee should be increased to at least a 90 percent return and the MA should not be reduced as the result of prior year allocations.

- States should be allowed to use NHBS funds for rehabilitation, resurfacing, and restoration projects, for capacity expansion projects, and where required, for new facilities on new locations.

- Although tolls are not appropriate or desirable financing policy in many States, there is interest in expanded use of toll financing in some States. To permit these States to develop this additional source of capital, the future Federal program should permit States to explore creative financing options, including mixing tolls with Federal aid, for high-cost capital projects.

#### MATCHING RATIOS

To avoid administrative confusion, the Federal share of both the NHBS and the URHB programs would be the same. This will eliminate problems regarding NHS designation and concerns of local government about having to bear a larger burden than the States under the new program.

Although the current Federal share across all programs averages about 83 percent, the non-Federal share of highway improvement costs has been growing steadily. State and local governments are already become the predominant partners in highway finance. There is no policy rationale for proposing increased non-Federal matching shares to force increased investment, when this has been occurring under the current program.

*FAST Proposal:*

- The Federal share of both programs should be 85 percent. The match requirement of the URHB program should be on a total program basis, not on a project-by-project basis.

#### OTHER SIGNIFICANT PROGRAM CONCERNS

The new Federal program should have provisions to assure Congress and the public that Federal funds are being used cost-effectively, and in ways that respond within each State to national priorities. Traditionally, Congress has structured accountability into the Federal highway program by targeting funds through narrow funding categories and insisting on detailed FHWA involvement at all stages of project development. In the future, accountability could be provided in less limited and less intrusive ways.

Congress should also establish a leadership role for the Federal Government in research, technology development and public-private partnerships.

*FAST Proposal:*

- In the interest of program efficiency, the new program should provide greater discretionary authority to States for specific areas of decision-making while preserving the essential Federal audit authority to see that transportation funds are spent for transportation purposes.
- Under the new program, accountability should be provided by requiring that States develop transportation management systems for key program elements, or demonstrate that existing State management systems achieve the appropriate goals. Four key management systems should be addressed in this legislation: a pavement management system; a bridge management system; a safety management system; and a congestion management system.
- The new Federal transportation program should establish cooperative Federal-state private funding of an innovative research and development program aimed at advancing new technologies to respond to a broad number of the transportation challenges of the future.

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 PREPARED STATEMENT OF THOMAS M. DOWNS

Thank you, Mr. chairman, I appreciate this opportunity to testify on S. 965, as commissioner off Transportation for New Jersey, and as Chairman of the New Jersey Transit Board of Directors, I would like to first, commend you and your colleagues (Senators Lautenberg, Moynihan, Symms, and Chafee), for your foresight. This piece of legislation is important for two reasons.

First, it is not a "highway" bill.

Second, it begins to convey a national vision and purpose for the post interstate era.

I would like to begin today by pointing out something quite obvious. It is not by accident that our country has one of the best and most extensive transportation systems in the world. This nation's transportation infrastructure was built, not by accident, but based on a vision of the future.

Traditionally that vision has focused on a particular mode of travel. It started With the building of canal systems throughout the northeast to bring goods from port to market. Later in the 1800's we focused on the intercontinental railroads. This country built a national railroad network that eventually opened up the western markets. During this century the vision was to build an interstate highway system that would connect this nation from its eastern borders to its western shores. And, finally we focused on building a national aviation system.

Right or wrong, good or bad, this country has always had a purpose and a vision of where it was headed. And, looking back, we can commend ourselves for achieving what we set out to accomplish.

Today, we are at a major crossroads in national transportation policy. Our national perspective on transportation is changing.

In 1991, I hope we will pass a new Surface Transportation Assistance Act. Never before was it more appropriate for an Administration to seize the opportunity, to articulate a new mission—a new vision—a vision as compelling as Eisenhower's blueprint for a highway system that would link the U.S. with a super highway defense network in the United States. what transportation will require in the 1990's and the 21st century must be a clearly articulated Federal policy with funded programs to support it.

Instead, what we got from this Administration was a highway bill!

I would like to point out to you today, another obvious fact. This nation has a gas tax! A user based fee, intended for the purpose of implementing national transportation policy.

If governments are going to continue to collect billions of dollars in transportation-related taxes each year, then they need to establish unambiguous priorities and objectives for the expenditure of the funds, accompanied by federally mandated performance standards to ensure the achievement of clearly defined goals. The clean Air legislation enacted last year is an example of the Federal Government acting to ensure compliance and consistency on an issue of national significance. Indeed, I believe that the CLean Air Act, along with congestion management, and system preservation will form the cornerstones for transportation's new mission.

As a scholar said, "If administrators and politicians are going to play God with other persons' lives (and still other persons' money), they ought at least to get clear what the divine intention is to be." (*Maximum Feasible Misunderstanding*, page 168).

I think this is our challenge today, and for the next six months, as we work toward passage of our nation's Surface Transportation Assistance Act.

With clean air linkage, congestion management, and systems preservation as the cornerstones of our mission, I would like to propose a national focus of four transportation themes.

- First, we must preserve, maintain and enhance what we have. We have a tremendous investment in our national infrastructure, and we must protect that investment.

- Second, we must better manage what we have. We cannot build our way out of congestion. We must instead, aggressively manage our systems for productivity, just as a businessman would drive his company. Transportation is now a business and must be conducted as such. We need to focus on efficient and collective management of our resources, and ensure that our product meets the needs of our customers. We must build connections and linkages that enable us to make better use of what we have.

- Third, we must expand our vision to the international marketplace. We must link our farms and factories to the market places of the world. We must compete successfully in the global marketplace if we are to sustain America's quality of life. We must invest strategically in key facilities that will enhance our global connections. We must holistically view our ports, our airports, our highways, and our rail lines.

- Fourth, we must improve the quality of life in America. You may ask what that has to do with transportation, but I contend it is a critical component of the transportation vision of the future. We must clean up the air we breathe, and we must get rid of our traffic congestion.

The quality of life issue is particularly important in the metropolitan areas of our country. With 80 percent of this nation's population living in metropolitan areas, the Federal Government must have a clearly articulated purpose and interest in its metropolitan areas.

Given this vision, it is easier to focus on what our transportation program should be, and what it should not be. It must not be based on a particular mode. It can not be focused simply on construction or more new capacity. It can not have an overwhelming focus on the solo driver of an automobile. Instead, it must be focused on national priorities.

Moving more people and goods, not more vehicles, should be a guiding philosophy; slowing the growth of vehicle miles traveled can only help in the battle for cleaner air. State and local officials need total flexibility to use transportation dollars on projects that will help us to achieve our air quality standards. It is the ultimate catch-22 to restrict the use of Federal highway funds to highway purposes only, and then to add that in non-attainment areas, those highway funds cannot be used for highway projects, under the provisions of the Clean Air Act. I propose that in non-attainment areas, officials should be permitted to expend Federal highway funds, including NHS funds, for any transportation project that will help to achieve attainment.

The bill before you today, S. 965, begins to address those needs.

First the bill provides for preservation or our interstate highway system. Maintaining and enhancing our existing transportation infrastructure should be one of our nation's top priorities. We applaud the Committee's program setting aside funds for the maintenance of our Interstate Highway System.

Second, the bill provides for greater funding flexibility. We must have a well-rounded transportation network that is not only highway dependent, but also includes a strong transit system, a strategic freight network, an aviation systems plan and intermodal linkages with our ports.

Third, we are a State in noncompliance with Federal clean air standards. To achieve these standards, we must be able to use our transportation funding to support our clean air objectives. Senator Moynihan's bill, here before us today, begins to allow us to do exactly this. Fourth, we applaud the continuation of a separate bridge program. New Jersey has over 6,000 bridges throughout the state, almost one-third of which are currently classified as deficient. Maintenance activities that extend the life of a facility should be a capital expense.

While we support your viewpoint of strengthening the MPO's, we are glad to see that the State maintains jurisdiction over the bridge, pavement, and safety management systems.

We like your emphasis on IVHS research, and pilot programs designed to test congestion pricing. I would like to commend Senator Lautenberg for his new legislation on IVHS; we look forward to its favorable passage.

However, we also have some concerns with the Committee's Surface Transportation bill. As with any new bill, there are some provisions that need further discussion.

It is of great importance for this Congress to clearly define roles and responsibilities for all levels of government in transportation during this legislative process. Obviously, there is a role for the Federal Government to play in carrying out this country's national transportation priorities. There is also a role for the State, and for the MPOs across this nation,

While many believe that the decision-making should be based at the local level, and while we believe that the MPO role should be strengthened, we do not believe that the MPO's are ready or equipped to take over all of the functions envisioned in this bill, particularly when their purpose is not clearly laid out for them.

MPOs are no longer an urban focused entity; today they have a strong suburban constituency who want the greatest emphasis on "personal mobility". That is, they want to be able to get in their cars, and drive where they want, when they want, by themselves if they so choose.

The MPOs can be small agencies, often not incorporated or with no legal stature, who have limited staff resources and expertise. It would take considerable time to build up these agencies to effectively carry out the STAA responsibilities and mandates called for in S. 965. If this is Congress' intent, it should be planned for on a long-range basis, rather than the short time-frame envisioned in the bill.

We need to better define the intended structure of an MPO in terms of its roles, its membership, and its legal authority. MPOs in New Jersey and many others across this country have no matching funds of their own, nor do they have the ability to raise funds. Thus, they need state capital funds for match. It is my understanding that S. 965 would have the MPO's of greater than 230,000 population receiving Federal funds directly, and that they would also program their own projects.

I believe that the role of the MPO should be strengthened in its planning functions, and through the TIP/SIP conformity process. Each MPO has a significant contribution to make to each State's Implementation Plan (SIP) required under the Clean Air Act. Planning must begin at the local level. Each MPO must ensure that its annual Transportation Improvement Program (TIP) is consistent with the state's overall objectives and strategies designed to reduce air pollution from mobile sources.

While I applaud the flexibility provided in S. 965, I am concerned about the lack of integration provided for at the state level. I see the state's role as the integrator of plans and policies, a place where minimum Federal and state standards are implemented and overseen, particularly in the areas of maintenance and safety. The State is also the appropriate level of government for overall systems planning where strategic intermodal investments are envisioned and implemented. It is at the state level where also the overall transportation program should be reviewed and state expertise brought to bear to ensure that it meets the objectives required under the state's SIP; and the program as a whole must be viewed to determine conformance, rather than each specific project.

The MPO obviously has a strong role to play, and it will, of course, look out for its own interests. It is appropriate for planning to be initiated at the local level through the MPOs . . . however, the planning process should be held to clearly articulated standards of what the Federal interest is. These standards have not been spelled out.

It is also appropriate for the MPO to be the decision-maker for which transportation improvements get implemented within its jurisdiction, but it should be making these decisions within the context of Federal and state guidelines intended to carry out the National agenda; and, it should be making these decisions with the state transportation agency, and the state or regional transit agency at the table fully participating in the process. And, finally, we must ensure that our country's infrastructure is properly maintained as part of this process.

A framework for national uniformity must be provided. For example, it is appropriate to have some Federal design standards, nationally recognized signage specifications, and yes, even a nationally identifiable and connected transportation system. We need a national goods movement policy; we need a national transit policy; and we need a national vision of our highway system.

New Jersey also believes that the DOs should be contiguous to non-attainment areas if the MPO is in one, and as much as possible contiguous with their respective transit authorities. MPOs are often not contiguous to Clean Air non-attainment regions or to mass transit service districts. Quite frequently, more than one MPO may make up a non-attainment region. These regions cross state borders in 24 metropolitan areas throughout this country. We must establish a framework for the working

relationship between the MPOs, the State, and USDOT, in addition to a framework for developing both regional and state SIPs in conformance with USEPA Clean Air Act mandates.

New Jersey has other concerns about the bill.

- We are disappointed in the funding levels.
- We are philosophically opposed to the allocation formula. It is based on historical precedent, and does not encourage or reinforce travel behavior that is energy efficient or non-polluting.
- It does not contain provisions for a state to use toll revenue funded capital expenditures as match against federally funded highway end transit projects.
- We cannot support the Bridge Level Of Service (LOS) concept promoted by the bill. We feel that those criteria need to be spelled out in the legislation, end that the condition of the bridge must be a factor in determining the LOS. Under the Administration's bridge LOS concept, 62 bridges already under design in New Jersey would be ineligible for bridge funding.

While this bill does not focus on transit, because transit is under the Jurisdiction of the Senate Banking committee, I still want to make a few points regarding transit that are very important to us.

- It is unclear what administrative, regulatory, and environmental burdens will be placed on those projects that come from a different funding source. For example, if highway funds are spent on transit projects, do the VMTA requirements have to be met, or can the more reasonable FHWA requirements be used in their place?
- If we are to truly level the playing field between highway and transit choices, we must have equivalent match for all modes, and we must have similar environmental and regulatory requirements for each. We cannot have highway funded transit projects subjected to Alternatives Analysis, New Start Classification or Cost-Effectiveness criteria. We recommend instead, that all transportation projects be made subject to the same environmental and regulatory requirements, and that these requirements be similar to FDA's procedures.
- Furthermore, we must have transferability both ways, that is, highway dollars should be allowed for transit purposes, and transit dollars should be permitted for highway purposes.

In closing, I would like you to know that despite the concerns I have shared with you today regarding S. 965, I think that this bill is more than a significant step in the right direction, it is visionary and attempts to fund transportation for the 21st Century.

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#### PREPARED STATEMENT OF KERMIT KIEBERT

Mr. Chairman, Senator Symms and distinguished members of the Committee: My name is Kermit Kiebert and I am the Director of the Idaho Transportation Department. I am pleased to be able to present this testimony to you concerning Senate Bill 965.

Timely passage of a Surface Transportation Act is of supreme importance to the transportation infrastructure of the United States. Any delay in the adoption of a new act will interrupt the ongoing process of construction, maintenance and operation of transportation facilities and will have a disastrous effect on our fragile economy.

Delay of the passage of a new act could occur, I believe, because of controversy over two features of the Administration's proposal, Senate Bill 610. These two features are: (1) the size and funding level of a National Highway System and (2) the complete repeal of the existing Title 23, United States Code.

Senate Bill 965 avoids the controversy associated with defining and funding a National Highway System by giving the States the responsibility to maintain the condition and continuity of highways that comprise a national highway system. Also, Senate Bill 965 amends Title 23 by providing a substantial new direction for surface transportation programs while, at the same time, retaining many of the proven provisions of the current law.

Even though Senate Bill 965 allows use of State design standards and State decisions concerning the spending of funds within the Surface Transportation Program, the States will, in Idaho's opinion, continue to rely heavily on AASHTO and FHWA standards. This will happen because the economies of the States are dependent upon nationwide transportation systems to compete in national and international markets.

Seventy-five percent of everything we buy or sell is transported by truck, and one-hundred percent of all tourism utilizes some form of surface transportation. We

don't believe that States will disregard the National highway system. The States' transportation interests have changed so dramatically over the last 30 years and that the States interests and the National interest are now a common interest. The completed Interstate System is the existing base national system which is recognized by separate funding in Senate Bill 965. Individual States have common interests and economic concerns which will prompt them to maintain connections to the Interstate System, airports, ports and major recreational areas in coordination with their neighboring States.

The effect of Senate Bill 965 is to provide an orderly transition from the old to the new. Highway and transit funding is modernized and made more flexible. Administration of the various transportation programs is streamlined. Senate Bill 965 is well named as the "Surface Transportation Efficiency Act of 1991."

I would now like to address some of the specific provisions of Senate Bill 965.

#### PROGRAM EFFICIENCIES

From Idaho's standpoint, the "program efficiencies" called for under section 121 are of the utmost importance. Their purpose is to streamline the administration of the Federal-aid program and to help the States accomplish their transportation program responsibilities more economically and efficiently.

A few of the provisions of Section 121 should be mentioned specifically:

(a) The States would be required to set design and construction standards for the Surface Transportation Program. This will allow the States to utilize the full latitude of the design guidelines offered within AASHTO's Policy on Geometric Design of Highways and thereby reduce their tort liability exposure.

(b) The States would be allowed to approve the design of highway resurfacing and pavement rehabilitation projects. This will enable the States to concentrate on maintaining and refurbishing the Interstate pavements.

Other provisions of Section 121 would allow the States to establish project maintenance standards, to set high occupancy vehicle passenger standards, and to refund preliminary engineering costs to the Highway Trust Fund when a proposed project has not advanced to construction within 10 years.

Idaho strongly supports all of the provisions of the "program efficiencies" section.

#### NATIONAL RECREATIONAL TRAILS TRUST FUND ACT

The Idaho Transportation Department strongly recommends that all of these funds be administered by the Secretary of Transportation as provided in Senate Bill 965.

#### FLEXIBILITY

The Surface Transportation Program combines several of the current Federal-aid categories and makes these funds available for surface transportation projects at the State's discretion. This increased flexibility will allow States to spend Federal funds in those areas where they are needed most. Also, States may continue to transfer 20 percent of Interstate maintenance funds for use on Surface Transportation program projects.

#### FEDERAL-AID MATCHING REQUIREMENTS

Senate Bill 965 provides across-the-board Federal/State matching ratios of 75/25 percent for added capacity highway projects and 80/20 percent for other projects under the Surface Transportation Program. This is a very favorable alternative as compared to the Senate Bill 610 proposal of 75/25 percent for the "National Highway System" and 60/40 percent match for the "Urban and Rural" program. Senate Bill 965 also retains the full effect of the "sliding scale" provisions for adjusting matching ratios in States with large amounts on non-taxable Federal lands. Senate Bill 965 is very affordable for Idaho.

#### LEVEL OF FUNDING

The increased level of Federal funding will provide Idaho with approximately \$621 million over the five-year period (FY/1992-FY/1996). This is approximately \$75 million more than the record high amount apportioned to Idaho under the current five-year highway act.

#### FEDERAL LANDS PROGRAM

Senate Bill 965 will double the funding for the Federal Lands Program. Idaho's current share of these funds (both Forest Highway and Public Lands funds, which



are combined under S. 965) is \$4.8 million. Under Senate Bill 965, Idaho's annual apportionment of these funds would increase to approximately \$11.6 million. Idaho would also be eligible to receive a portion of the discretionary Federal Lands funds provided for under this bill.

Idaho recommends the following revisions to Senate Bill 965:

#### SECTIONS 113 AND 114, METROPOLITAN AND STATEWIDE PLANNING

Transportation planning is a basic requirement of Senate Bill 965 and minimum or maximum funding limitations for planning are not necessary or desirable to carry out this responsibility. Depending on a State's or metropolitan area's level of planning activities, it may not be able to carry out planning within the prescribed percent of funding limitations.

To give States and metropolitan areas the needed funding to undertake an acceptable level of planning the following amendments to Senate Bill 965 are recommended:

(1) Section 113 Metropolitan Planning (D) should be revised to delete any per centum limitations for funding metropolitan planning activities. Also section 104(f)(1) of Title 23 United States Code should be amended such that per centum limitations for planning funds is removed.

(2) Section 114 Statewide Planning (e) should be revised to delete the existing one and one-half per centum limitation in Section 307(c)(1) and Section 307(c)(2) of Title 23 United States Code for statewide planning funding.

#### SECTION 106 SURFACE TRANSPORTATION PROGRAM, (B)—GENERAL REQUIREMENTS

We agree with the concept of apportioning Surface Transportation Program funds between metropolitan and non-metropolitan areas based on population. However, Idaho is concerned about what actually constitutes the size of a metropolitan area with high population, traffic congestion, and mass transportation systems.

Idaho recommends 250,000 population as the Federal breakpoint for distributing Surface Transportation Program funds to metropolitan and non-metropolitan areas. Idaho can take the responsibility for allocating funds for projects in areas under 250,000 population.

Urbanized areas with populations greater than 250,000 typify high density metropolitan areas normally characterized by meaningful mass transit systems and 12-hour traffic congestion. Metropolitan planning organizations for over 250,000 population have the appropriate staffing resources for efficient planning and programming. If the metropolitan planning organization funding breakpoint is raised to 250,000 population, between 60 and 70 metropolitan entities would be treated similar to States and the current FHWA audit responsibility would approximately double.

Idaho's specific recommendations for Senate Bill 965 concerning distribution of apportioned funds for metropolitan and nonmetropolitan areas of the State are:

In section 106(b) GENERAL REQUIREMENTS, paragraph (1) after "134" add "(e)", and, add the following sentence at the end of paragraph (1): "The State shall make fair and equitable distribution of apportioned Federal funds for local jurisdiction transportation projects eligible under this section for areas under 250,000 population."

#### SECTION 122, USE OF SAFETY BELTS ID MOTORCYCLE HELMETS

Inasmuch as the safety problems concerning seatbelts and motorcycle helmets vary widely from State to State and the State governors and legislatures are responsible to the citizens of their respective States, Idaho urges that an additional provision be made to provide as follows:

Revise Section 122(a) of Senate Bill 965 as it amends Section 153 of Title 23, United States Code, by adding the new paragraph Section 153(a)(5) as follows:

"Conformance with this section is not required provided that the State governor, by letter, or the State legislature, by resolution, notifies the Secretary that the State does not wish to divert funds from section 104(b)(1) to section 402."

This completes the Idaho Transportation Department's testimony. Thank you Mr. Chairman for inviting Idaho to testify.

PREPARED STATEMENT OF CARL D. COVITZ, SECRETARY, TRANSPORTATION AGENCY,  
STATE OF CALIFORNIA

Mr. Chairman and Members of the Committee, I am pleased and honored to have been invited to testify on S. 965 and want to thank you for allowing me to participate in this most important hearing. Unfortunately I am unable to attend and will have to submit my remarks in writing.

Back in March, I spoke before Senator Moynihan's Subcommittee on Water Resources, Transportation and Infrastructure. At that time, I asked the Subcommittee to consider drafting a bold new national transportation program that would help us address transportation and environmental problems not envisioned in 1956 when the Interstate highway program got underway. We urged the Committee to create a fresh approach that would:

- Consolidate and simplify the many highway and transit programs in order to eliminate the largely inflexible categorical programs that have created divisiveness, lack of coordination and the inability to use funds for the most productive transportation solutions

- Increase the delegation of authority and flexibility in administration of programs and to hold States accountable for achieving national program objectives rather than binding us to a detailed process, procedure, and related red tape; Create uniform matching ratios for all program components and authorize States to transfer funds among programs as needs and priorities dictate.

I am pleased to say that the Surface Transportation Efficiency Act of 1991 is an extremely innovative program that captures most of what California has been seeking in the structure of a national transportation program. It is a transportation program that fully accommodates the Clean Air Act. With roughly 80 percent of California's population residing in non-attainment areas, it is particularly important to us that we have the ability to adopt innovative transportation solutions and technologies that move people and goods without fouling the air and without increasing energy use. We applaud these steps to reconcile clean air and transportation policies.

We are pleased also to see the shift in emphasis away from the designation of a large federally-aided national highway program and toward a more integrated and multi-modal transportation system. We remain concerned that a very large National Highway System would continue to promote highway only solutions and would draw down most of our limited funds needed for other transportation solutions. Your committees' proposal in this regard represent a welcomed and long needed re-focusing of our national goals.

The bill also helps California to achieve another very Important goal. That goal is the development of a strong partnership between the State, the Federal Government, and the regional and local agencies. As you know in California, our "Transportation Blueprint" requires a strong partnership between these various agencies in planning and integrating our transportation, land use, and environmental concerns. We commend the drafters of the Surface Transportation Efficiency Act In that they have reinforced the newly formed partnership begun by California.

I would like to suggest a number of areas in which we believe the act could be strengthened While I have attached to my testimony a list of several modest recommendations for your consideration, I would like to highlight three of the more significant issues at this time:

First, the Committee's leadership has called for the end of the era of major Interstate Highway construction and has focused on its maintenance and efficiency as one of our nations new areas of emphasis. Existing funding formulas have placed 19 States in an acute donor role. While California recognizes and accepts its responsibilities to assist less fortunate States to maintain our national system, we are concerned that sufficient funds are not being returned to those States where population and demand are growing the fastest.

In 1982, a Minimum Allocation Program was enacted to provide States such as ours with a minimum return on highway dollars. Should more reasonable funding formulas prove to be politically unworkable, a more generous minimum allocation program should be enacted. A new emphasis calls for a new funding scheme and we would urge the committee to take a second look at its proposed distribution formula.

Secondly, the Surface Transportation Efficiency Act places a heavy emphasis on providing flexibility to States and local and regional agencies flexibility that will allow us to select the transportation solutions that best address our specific transportation needs. However, this flexibility, which is essential to addressing diverse and sometimes unique needs, was not incorporated in the requirements for the allocation of funds within the States.

As you may be aware, California has a legislatively mandated process for programming and a formula for allocating transportation funding within the State. It is commonly referred to as "county minimums and north/south split". This system for distributing funding is unique to California (and should remain so). I recommend that rather than trying to create a formula which will fit all States or regions across the Nation, that the governor of each State be required to certify to the Secretary that a fair and equitable system for the distribution of funds has been developed in conjunction with regional and local agencies. If a State is unable to develop such a system, then the formula as described in your Surface Transportation Program would be prescribed by the Secretary for that State.

My last suggestion is that the Act should require the Governor to certify that the planning, programming and budgeting processes of the Metropolitan Planning Organizations (MPOs) meet the requirements as specified in the Act and in the impending UMTA Act. It should also specify that unless this certification is received, no Federal funds will flow.

In closing, I would like to reiterate how pleased we are with the innovative program laid out in the Surface Transportation Efficiency Act. There is no doubt that the 1991 Act will be a milestone in American transportation policy. We look forward to working with you in the coming weeks to address this issue of such great importance. Thank you.

#### RECOMMENDED AMENDMENTS TO S. 965

Amend S. 965 as follows:

Add Sec 103 (c). A new subsection (d) is added to section 118 of title 23 United States Code, as follows:

(d) **TRANSITION PROJECT FUNDING.**

(1) **ADVANCED CONSTRUCTION PROJECTS.**—Upon application of a State, projects approved by the Secretary prior to 9/30/91 under the advanced construction program authorized by Section 115, as that Section existed prior to the date of enactment of this sentence, shall be eligible for funding as projects under the programs established by this act.

(2) **INTERSTATE REHABILITATION PROJECTS.**—Upon application of a State, projects approved by the Secretary prior to 9/30/91 for resurfacing, restoring, rehabilitation and reconstruction on the Interstate System under Section 119, as that Section existed prior to the date of enactment of this sentence, shall be funded out of the funds made available for the Interstate Maintenance Program established by this act.

(3) **PROJECT COST OVERRUNS.**—Applications for funding of cost overruns on those projects that were approved by the Secretary prior to 9/30/91 shall be processed by the Secretary by using the laws and procedures applicable prior to the date of enactment of this sentence and using funds made available for the transportation programs established by this act.

(4) **TERMINATION AND MATCHING REQUIREMENTS.**—All applications made pursuant to subparagraph (1) of this paragraph shall be made prior to 9/30/92 and shall be subject to the matching ratio requirements applicable either before or after the effective date of this act, at the election of the State.

#### *Sec 106. Surface Transportation Program.*

Insert between the word "painting" and the word "of" in amended section 133 (A) (1) the words " and seismic retrofit"

Insert at the end of amended section 133 (a) (1) the following: The provisions of this subpart shall apply to all routes that are functionally classified as other than local and rural minor collectors.

Delete that portion of subsection (a) which adds Sec 133 (b) (1) **GENERAL REQUIREMENTS**—and insert the following:

(1) For at least 25 percent of the funds apportioned in fiscal year 1992 and for at least 50 percent of the funds apportioned in fiscal year 93 to a State for the Surface Transportation Program, the State shall assure that such funds are programmed based on a division between the metropolitan and non-metropolitan areas of the State as determined pursuant to section 134, in direct proportion to their relative share of the State's population. All remaining funds may be programmed for any area of the State. By September 30, 1994, the governor of each State shall certify to the Secretary that a fair and equitable system for the distribution of apportioned funds has been developed and implemented in conjunction with regional and local agencies. Governors who have not provided the Secretary with such certification by September 30, 1994 shall, for at least 75 percent of funds apportioned to a State for the Surface Transportation Program in any year, assure that such funds are pro-

grammed based on a division between the metropolitan and non-metropolitan areas of the State, as determined pursuant to section 134, in direct proportion to their relative share of the State's population. The remaining 25 percent of funds may be programmed for any area of the State.

Delete section 106 (b) (1) (B) and substitute the following:

(B) the sum that results from multiplying the total apportionments times the ratio that each State's share of total rural public lane miles and rural vehicle miles traveled (VMT), total public urban lane miles and urban VMT, and statewide diesel fuel consumption bears to total national rural lane miles and VMT, total national urban lane miles and VMT and total diesel fuel consumption. Provided that each State's total shall be determined by applying a factor of 2/9ths to the State's rural lane miles and VMT, 4/9ths to the State's urban lane miles and VMT and 3/9ths to the States diesel fuel consumption. Each State shall receive no less than one-half of one percent of all funds apportioned under this section. Notwithstanding the amount that results from calculating a State's share of any apportionment in accordance with subpart (B), no State shall receive less than 90 percent of its respective share of attributable contributions to the total apportionment.

*Sec. 107 Congestion Mitigation and Air Quality Improvement Program.*

Insert in amended Sec 149 (a) (1) after the word "the" and before the word "project", the following: program of projects is likely to contribute to the attainment of any national ambient air quality standards; and delete "project is likely to contribute to the attainment of any national ambient air quality standards."

Delete from amended subsection 149 (a) (2) everything after the word "amended" and add a ";"

Delete from subsection (c) the words "for expenditure" and insert the words "for expenditure" after the word "area" and before the word "in".

*Sec. 108. Bridge Program*

Insert after (c) BRIDGE PAINTING the words AND SEISMIC RETROFIT—Section 144 (e) of title 23 United States Code is amended by adding at the end "Funds apportioned pursuant to this subsection shall be available for the painting and seismic retrofit" of any bridge eligible for assistance under this section.

Insert after (e) the following:

(e) APPORTIONMENT FORMULA—Funds authorized to carry out this section shall be apportioned among the several States on October 1 of the fiscal year for which authorized in accordance with this subsection. Each deficient bridge shall be placed into one of the following categories: "(1) Bridges categorized for rehabilitation and (2) bridges categorized for replacement"; and (2) by striking "on the Federal-aid primary system" and inserting instead "under the Surface Transportation Program."

The square footage of deficient bridges in each category shall be multiplied by the respective unit price on a State-by-State basis, as determined by the Secretary; and the total cost in each State divided by the total cost of the deficient bridges in all States shall determine the apportionment factors. For purposes of the preceding sentence, the total cost of deficient bridges in a State and in all States shall be reduced by the total cost of any highway bridges constructed under subsection (m) in such State, relating to replacement of destroyed bridges and ferryboat services. These provisions notwithstanding the apportionment factor to each State before normalization to the total apportionment for all States in any one fiscal year, shall neither be less than 85 percent nor greater than 115 percent of the factor that would equal that State's total bridge deck area divided by the total bridge deck area in all States. The Secretary shall make these determinations based upon the latest available data, which shall be updated (Strike: biannually) annually. Funds apportioned under this section shall be available for expenditure as provided in amended section 118 (a) (2) of title 23. (strike: or the same period as funds apportioned for projects on the Federal-aid primary system under this title.) Any funds not obligated at the expiration of such period shall be reapportioned by the Secretary to the other States in accordance with this subsection.

*Sec. 109 Interstate Maintenance Program.*

Insert a new subpart (f) (3) (D) (iii) as follows: (iii) rehabilitating to include seismic retrofit.

*Sec. 112 Toll Facilities.*

Insert in amended Section 129 (a) of Title 23 after the word "PROHIBITION—" the following: Except as provided in subsection tolls may not be imposed on any existing free Interstate Highway.

Add at the end of amended subsection 129 (e) of Title 23: Notwithstanding subsection (a), such clans may include the use of tolls on Interstate Highways in urban nonattainment areas.

Insert after the word "not" and before the word "feasible" in amended subsection (d) (1) the words "financially or environmentally".

*Sec. 113. Metropolitan Planning*

Insert in amended section 134 (d) (3) after the word "Federal and before the word "participation" the word "finding"

Delete the period and insert at the end of amended section 134 (f) (1) the following: " or is in conformity with transportation improvement plan that has been developed and approved in accordance with the Clean Air Act."

*Sec. 114. Statewide Planning*

Delete the words "Each State shall have" in amended section 135 (a) and insert: "The governor of each State shall certify that the State has in place"

Delete from amended section 135 (d) of Title 23 the word "an annual" and insert "no less than a biannual"

Add to amended section 135 (d) of Title 23 after the word "plan." the following : Notwithstanding the provisions of this section, the Secretary shall determine which States have a State transportation plan that meets or exceeds the requirements of this section. Such States shall be deemed to be in compliance with this section.

*Sec 117. Access to Rights of Way.*

Add a new subsection (h) as follows:

(h) COMMERCIAL DEVELOPMENT OF SAFETY ROADSIDE REST AREAS PILOT PROGRAM—Notwithstanding an other revision of law each State may enter into agreements with competitively selected private entities to construct up to three safety roadside rest areas or convert up to three existing safety roadside rest areas in which all free public services are to be provided by-commercial, for profit, lessees provide that:

(1) free public facilities including, but not limited to restrooms, parking, picnic areas, and animal exercise areas are provided;

(2) facilities for food, fuel and lodging are provided alone with adequate parking, lighting, and security and maintenance services;

(3) no vehicle repairs other than emergency repairs are provided;

(4) all services provided are available every day of the year and during twenty-four hours each day;

(5) the pilot safety roadside rest is outside the city limits of any incorporated city and is at least ten highway miles distance from any interchange having commercial facilities providing food, fuel or loading.

Nothing in this section shall be construed as applying to any safety roadside rest projects authorized by law in effect prior to October 1, 1991.

The Secretary shall report to Congress every two years on the results of the pilot projects undertaken. Such reporting shall continue during the period October 1, 1991 and ending September 30, 1997.

*Sec. 121 Program Efficiencies.*

In amended section 102 (a) of Title 23 STANDARDS., delete the word "Program" and insert after the word "Transportation" and before the word "must", the words "and Bridge Programs".

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PREPARED STATEMENT OF HON. ALAN S. BOYD

Mr. Chairman and members of the Committee, it is a pleasure to appear before you to present the views of the National Trust for Historic Preservation. The Federal transportation programs under consideration today are especially important to our members and the American heritage they work to save. We appear today to express our strong support for S. 965, the Surface Transportation Efficiency Act of 1991.

The National Trust was chartered by the Congress in 1949 to lead the private sector historic preservation movement. Today, with more than 235,000 members and more than 3,000 member organizations in every State, the National Trust works to revitalize urban neighborhoods and small town main streets, protect more than 100 historic properties, and to advocate historic preservation as a fundamental value in community planning and development.

Twenty five years ago, when President Lyndon Johnson asked me to serve as the Nation's first Secretary of Transportation, the link between our highway policies and programs and the preservation of the country's built and natural heritage was not well understood. Today we know better. Transportation policy is one of the principal forces that determine land development patterns and that shape the quality of life in the Nation's communities.

From the perspective of the National Trust, where I had the privilege of serving seven years as chair of the Board of Trustees, the future course of Federal transportation policy will determine, quite directly, the fate of thousands of urban historic districts, small town main streets, pristine rural landscapes and national landmarks.

For that reason, we support for S. 965. This bill represents a bold new approach to surface transportation policy an integrated approach that puts the emphasis properly on meeting national interest needs and not just on building more highways.

#### FUNDING FLEXIBILITY

In many places in this nation, Mr. Chairman, we simply can't build or expand any more roads without paying an unacceptable price. For example, Federal Highway Administrator Thomas Larson has before him today for approval the proposal to construct Route 710 through South Pasadena, California. This new, federally funded freeway would cut through seven historic districts, destroy 1,500 homes and cut down 7,000 trees. In that area and in many others, air quality problems will restrict new road construction because new roads will encourage more driving and more pollution.

In Connecticut, proposals to expand the historic, Merritt Parkway—a jewel of highway building and landscape architecture—have raised well deserved alarm from preservation advocates, neighbors and many of the thousands who drive that route and enjoy its beauty. In the Washington D.C. area, an outer beltway is proposed to cut a swath through some of the most beautiful and historic areas of Virginia and Maryland. In city after city, roads divide neighborhoods and cut the city's link to parks and waterfronts. They also have severed residential areas from commercial centers making it difficult or unsafe to walk even short distances.

In other places, new or wider roads are needed and appropriate. And that is the strength of S. 965. It provides the flexibility and funding for areas to find constructive, conservation oriented solutions to transportation problems. It allows State and local officials to work together to put the money where it needs to go—new roads, more transit, ridesharing programs, pedestrian facilities, demand management strategies, commuter rail, bikeways or whatever best meets local needs and stretches scarce funding.

At the same time, the legislation places a premium on maintaining and fixing up the National investment in the Interstate Highway System. The Federal investment in this system should be protected and we endorse the proper emphasis given this task by S. 965.

#### INTEGRATED PLANNING

Transportation decision making must be based on sound planning. Preservationists, the National Trust included, are often accused of coming in at the last minute to say no to a project. Well, there is some truth to that because often it is only at the last minute that we get a chance to say anything.

S. 965 fosters a collaborative planning process at all levels of government. It requires the consideration of important national values, such as historic preservation, early in the decision making process. It places more responsibility in metropolitan planning organizations composed of local elected officials and encourages States to support local project priorities.

If we do not make the connection between transportation investments and land use policies, we will continue to build new roads that are immediately clogged and we will continue the subsidization of suburban sprawl. The planning provisions of S. 965 encourage State and local officials to make that critical link.

We support strongly the legislation's planning provisions and urge the Committee to go even further to open this planning up to—first—meaningful, early citizen participation and—second—substantive review by the Secretary of Transportation to ensure that important national values have been considered adequately.

#### FUNDING FOR TRANSPORTATION ENHANCEMENTS

Getting the most public value from public works investments is a concept with which we should all agree. Access to quality, beauty, and history should be the right

of all Americans. S. 965 recognizes the important contribution surface transportation investments can make to providing this access by directing States and local governments to devote some transportation funds to transportation enhancement activities, defined by the bill to include highway beautification, the acquisition of scenic easements, the restoration of historic transportation facilities such as covered bridges and railroad stations.

The National Trust supports strongly these provisions contained within the proposed new Surface Transportation Program and urges the Committee to extend them to the Interstate and Bridge portions of the legislation.

#### SCENIC AND HISTORIC HIGHWAYS

The themes of quality, beauty, and history in connection with the Nation's surface transportation policies would be further enhanced should the Committee decide to use the opportunity of this legislation to create a national system of scenic and historic highways. We take well deserved pride in the majesty of our road systems and the access they provide to places of incomparable beauty and unique history. Let's recognize, enhance, and protect these places through a new, State directed program.

The National Trust has provided the Committee with our suggestions for creating a national system of scenic and historic highways. We envision a State sponsored designation with a small amount of Federal funds oriented toward planning and protection. We believe that such a system has great potential for stimulating conservation, economic development and community pride.

#### BILLBOARD CONTROL

Lady Bird Johnson recognized the beauty of this nation and how we were ruining that beauty by littering the Nation's roadsides with junkyards and billboards. The Highway Beautification Act of 1965 that was a tangible response to her concerns desperately needs updating. For that reason we support the strong steps advocated by Senator John Chafee in his legislation, S. 593 and urge the Committee to incorporate those provisions into this legislation.

#### CONCLUSION

The National Trust is proud this year to serve as the host organization for the Surface Transportation Policy Project. That project has brought together a broad and diverse coalition of more than 100 environmental, planning, historic preservation, architecture, safety and urban groups interested in charting a new course in Federal transportation policy. S. 965 is fully in line with the concepts that our project has developed and we are glad to join with those groups—some represented here today—in urging this Committee to move swiftly to approve S. 965 and get the National going on a new and better surface transportation policy.

#### PREPARED STATEMENT OF HON. SUE MYRICK

Mr. Chairman, on behalf of The United States Conference of Mayors and the National League of Cities, I thank you for the opportunity to testify today concerning S. 965, the "Surface Transportation Efficiency Act of 1991. As you may know, The Conference represents the more than 800 cities with populations exceeding 30,000 residents, and the League represents more than 16,000 cities and towns across the Nation. And, for your information, the total number of cities exceeding 30,000 will grow after the final 1990 census is factored. I am a Trustee of The Conference, and Vice-Chair of the League's Transportation and Communications Committee. I speak on behalf of thousands of local officials, when I tell you that The Conference and The League support S. 965, the Surface Transportation Efficiency Act of 1992. We are sincerely gratified by the bipartisan leadership effort to turn the vision of providing for this country's transportation needs into reality by designing a program that promotes increased mobility of people and commerce, productivity and effective global competitiveness.

Mayors and other local elected officials support the bill because it embodies the framework that The Conference and The League have discussed, adopted as policy and been advocating for the post interstate era of Federal surface transportation programs. Both The Conference's and The League's policies on the subject are attached for the record.

S. 965 designs Federal surface transportation programs to meet the Nation's transportation needs as we approach the 21st century. As members of AASHTO's

2020, ARTA's Transit 2000, the Rebuild America Coalition, the Transportation Alternatives Group, and Transit NOW, The Conference and The League have been discussing and advocating their concerns about the present configuration of surface transportation and their vision for the future. Both organizations have advocated what I express to you here today within these coalitions, as well as before the Administration and during the development of the Secretary's Transportation Strategy.

Chairman Burdick, we believe your bill, S. 965, represents a vision that we share, not only with you and your fellow cosponsors of the legislation, Subcommittee Chairman Moynihan, Ranking Members Chafee and Symms, and Senator Lautenberg, but with the rest of the Senate and the groups represented here today. I believe we all agree that that vision must preserve the Interstate and existing transit facilities, provide flexibility to meet the mobility needs of our people and efficiently move our commerce, enhance our environmental quality, public health and safety, and ultimately improve and promote greater productivity and global competitiveness.

Let me speak briefly about some of the major points of the bill which The Conference and The League vigorously urge you to uphold as you proceed with this legislation:

- Increased funding by spending down of the Trust Fund is a responsible, economically feasible and viable way to meet the overwhelming backlog of need existing today.

- Targeting funding to metropolitan areas directs funds to where three-fourths of the Nation's people currently reside and move around. If we are to address the mobility needs of our population, then we must proportionately meter Federal assistance to where people live. That is the strength of the flexible program, because it not only targets metropolitan areas, but it also targets funding to meet the needs of non-metropolitan areas as well.

- Comprehensive planning that incorporates the determination of how Federal assistance will be used within local jurisdictions. Increased local decisionmaking is a vital and necessary component of the planning framework of S. 965. Local elected officials seek maximum involvement with the State at the table not only in planning the projects but in deciding the amount of Federal funds to be used in their local jurisdictions. With recertification of metropolitan planning organizations, Federal, State and local jurisdictions will now have the incredible opportunity to strengthen the intergovernmental relationship that should afford our mutual taxpayers the best and most comprehensive transportation efficient projects affordable and necessary to meet our mutual constituents' needs.

- The flexibility of the Surface Transportation Program, as devised by S. 965, is something that local elected officials believe is a necessary and integral part of the post interstate era. With more flexibility comes appropriate tools that local governments need to solve local mobility problems, where they are diverse and can be unique. Providing flexibility with 50 percent of the total program funds is a reasonable place to start. We welcome your flexibility approach—that is, that these program monies can be spent on “all kinds of projects,” including transit operating and bridge painting.

- The more uniform match of 80/20 (Federal/local) for the majority of the highways programs that are consolidated within S. 965 is also welcome. The Conference and the League believe that the Federal share cannot be decreased at a time when all our budgets are constrained by fiscal realities. The differentiation in matches between projects that would promote the single occupant vehicle (75/25) and those that would promote more people mobility (80/20) and the Interstate monies (90/10) is reasonable.

- The establishment of the Congestion Mitigation and Air Quality Improvement Program as a new program is essential to transportation efficiency and meeting the Nation's clean air goals. The Conference and The League thank you for providing the linkage not only in concept, but in implementation and funding resources that will assist cities in conforming with the Clean Air Act Amendments. We also urge caution as you proceed with this bill and its relationship to forthcoming environmental legislation, such as Clean Water reauthorization, as we believe review and modifications to Clean Water laws deserve full consideration, open discussion, and separate deliberations.

- The separate bridge program is also a vital component of the future Federal surface transportation program, and The Conference and The League applaud your efforts to maintain its separate need.

- Both The Conference and The League have called for Federal assistance in research and development and demonstration of new technologies and strategies that



can assist this nation in reaching transportation efficiency and, therefore, believe the concepts of the Toll Facilities, Research and Data Collection and the National Magnetic Levitation Design Programs within S. 965 are all good steps in the right direction to increasing our knowledge base for the future.

Under the 1990 Clean Air Act Amendments, the Charlotte area is classified as a "Moderate" non-attainment area. Charlotte's data puts it in the high range of Moderate, close to the borderline of "Serious." Mobile sources account for two-thirds of the air pollution in Charlotte; 69 percent of the carbon monoxide and 62 percent of volatile organic compounds are from mobile sources. Charlotte, like many newer cities, is designed and planned to be auto dependent. To meet air quality requirements, Charlotte transportation plans must emphasize: reducing traffic congestion, increasing passengers per vehicle, light rail, etc.

Let me also add, that for Charlotte's urbanized area, S. 965 could potentially provide approximately \$11 million in flexible monies. Under current law, approximately \$11 million of Federal highway aid is spent in the Charlotte metro area. Historically, Charlotte has a good working relationship with its MPO. As could be expected, there is sometimes sharp debate connected with putting the TIP together, but the final product is always one that Charlotte can live with. However, the State typically shows little regard for our MPO's product and opts in favor of projects that differ from locally determined priorities.

There are two major differences between potential funding under S. 965 and current funding levels. First of all, the State does not generally include all the projects currently planned at the local level in its final funding decisions, and under S. 965, they would be required to accept the MPO's strategy.

And, secondly, Charlotte could potentially receive in excess of this \$11 million, because of the other programs within S. 965, such as the Bridge and Congestion Mitigation and Air Quality Improvement Programs.

The Conference and League note the absence of billboard reform within S. 965, because we believe it is a necessary part of surface transportation reauthorization. We support S. 593, the Visual Pollution Control Act, and urge you to include it within S. 965 during mark-up.

Mr. Chairman, I have briefly sketched our support of your bill's major provisions. The Conference and the League look forward to working with you and your staff for adoption of this legislation as it moves through the legislative process here in the Senate. We respectfully request the opportunity to share our views further with you during this process, as the bill evolves and undergoes fine tuning.

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#### PREPARED STATEMENT OF HON. HARRIET STOCKWELL

Good Morning, Mr. Chairman, and other distinguished members of the Committee. My name is Harriet Stockwell. I am Deputy Mayor of the City of El Cajon, CA, and a member of the San Diego Association of Governments' Board of Directors. SANDAG is the Metropolitan Planning Organization for the San Diego region, officially designated under Federal highway and transit statutes to perform transportation planning and program management for the region. It is also the designated recipient of transit capital funds under the Urban Mass Transportation Act. The Board of Directors of SANDAG includes an elected official from all of the region's 18 cities and the County of San Diego, as well as representatives of the State of California, the U.S. Department of Defense, and the City of Tijuana, Mexico.

I appreciate the opportunity to appear before you today on behalf of the National Association of Regional Councils, the National organization that represents sub-state, multi-jurisdictional MPOs, such as mine, across the country. Appearing with me today are John Bosley of the National Association of Regional Councils, and Lee Hultgren who is SANDAG's Director of Transportation.

I would like to begin, Mr. Chairman, by applauding you and the leaders of this Committee for your courage and wisdom in forging a truly bold and visionary direction for the Federal Surface Transportation Program. We offer our strong support for your highway reauthorization proposal, which we believe will enable the States and local governments to work together to more effectively respond to the pressing mobility problems confronting both metropolitan and rural America. The program you have proposed will enable us to assure the continued economic vitality of our economic regions and our national global competitiveness through enhanced productivity; promote greater energy efficiency; assist in the achievement of national environmental goals; and foster an enhanced quality of life for metropolitan and rural communities alike.

We believe the new Federal program must be designed in the following manner:

First, it must focus investments on integrated, multimodal approaches to reducing traffic congestion.

Second, it must provide sufficient flexibility to allow investment in a broad range of highway, transit, and demand management strategies that will meet mobility needs while responding to environmental concerns such as air quality. In this regard, we do not support the establishment of a 150,000-mile national highway system, which would claim the lion's share of Federal transportation resources while limiting program flexibility.

Last, we believe the future surface transportation program must enhance the role of local elected officials in project selection and programming decisions through a strengthened metropolitan planning and programming process. The process we envision would require the collaboration and concurrence of the States, local governments, and transit operators in making transportation investment decisions that respond to Federal objectives and to State and regional mobility needs.

Let me clarify some misconceptions regarding our position on the intergovernmental planning and programming process. A strengthened MPO process must provide for the participation of both State and local officials. We do not advocate a diminished role for the States, but rather greater involvement of local officials who are closest to the consequences of the decisions they make. In addition to collaboration, the strengthened process should provide for concurrent agreement by the both the State and local shareholders on major investment decisions.

I would also like to respond to misconceptions regarding the make-up of metropolitan planning organizations. First, MPOs are mandated by Federal statute as a condition for receiving and using Federal highway and transit funds in metropolitan areas. Second, local elected officials comprise the substantial majority of the governing boards of MPOs. Today we need to retain and strengthen the process more than ever, rather than further exclude local officials from the transportation decisions that will determine the quality of life of their citizens for years to come.

Mr. Chairman, we fully support the Surface Transportation Efficiency of 1991 which accomplishes these objectives. I believe we have a record that demonstrates that the kind of program you have proposed would be effective. In San Diego, we have in place a regional transportation program and decisionmaking process that mirrors what you envision in legislation. I would like to take a few minutes to share with you a real life example of how such a program and process works.

The population of the San Diego region is now more than 2.5 million people. During the last 10 years the San Diego region's population increased by 660,000 people, or over 35 percent. During this same 10 years, the amount of traffic on our regional transportation systems increased by over 65 percent. Our regional growth forecasts estimate that population and travel demand will continue to increase over the next two decades with nearly one million more people and a 50 percent increase in forecast traffic. Ridership on our region's transit systems is projected to more than triple during this period. These historical and forecast increases in population and travel mean that we must have the flexibility to develop the most effective transportation solutions to meeting our travel needs consistent with other regional goals.

SANDAG, as with other MPOs, is not a single purpose agency and is responsible for a wide variety of regional planning activities. SANDAG serves as the State designated regional transportation planning agency—or RTPA—for the San Diego region, and we are the Airport Land Use Commission. As the RTPA, we have been preparing both the Long-Range Regional Transportation Plan and the seven-year regional Transportation Improvement Program since the 1970's. We are also responsible for development of the Regional Comprehensive Plan, the regional population and growth forecasts, the air quality Transportation Control Measures, and numerous other short- and long-range planning activities for the San Diego region. The transportation plan and program is prepared through a coordinated, comprehensive, and cooperative process involving all the region's local governments, the State, public transit operators, and the private sector. The process and organizational structure is such that the SANDAG Board Members have the background, responsibility, and accountability needed to ensure that the transportation decisions they make are consistent with and fully supportive of the other regional planning and development activities.

One major reason we feel the MPO process works so well in the San Diego region is that it is the basis for two successful ballot measures in the region. SANDAG now serves as the San Diego County Regional Transportation Commission for purposes of administering a twenty-year, one-half percent local transportation sales tax approved by our region's voters in November, 1987. This sales tax program will generate an estimated five billion dollars that will be divided equally for highway, public

transit, and local street and road improvements. As the Transportation Commission, SANDAG is responsible for administering the overall sales tax program, for programming the sales tax funds in the Regional Transportation Improvement Program, and for approving all major transportation projects. We have also issued \$425 million in sales tax revenue bonds to help expedite early construction of the needed projects. At the same time, the State will have a major role in implementing the State highway component of the measure, and our two existing transit development boards will share a lead role in implementing the transit projects. Currently, 18 of California's counties representing over 82 percent of the State's population have passed local transportation sales tax programs.

In November, 1988, the San Diego region voters approved a ballot measure that led to the designation of SANDAG as the Regional Planning and Growth Management Review Board. The measure gave SANDAG the responsibility to prepare a regional growth management strategy that will preserve or improve the quality of life within the region. One of the major elements of the strategy is to establish standards, objectives, and recommended actions for traffic, transportation, and air quality improvement. It is essential that SANDAG have the tools and local discretion to direct transportation investments from all sources to best meet the travel needs and preserve the quality of life of our region.

In conclusion, we feel that the Metropolitan Planning Organizations are the best forum to effectively address the mobility needs of the Nation's metropolitan areas. I thank you for providing us the opportunity to present our views and support the Surface Transportation Efficiency Act of 1991.

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#### PREPARED STATEMENT OF WILLIAM T. POUND

Mr. Chairman, Members of the Committee, I appreciate this opportunity to appear before you today on behalf of the National Conference of State legislatures. As you know, NCSL has already communicated with the sponsors of S. 965, our support for the approach taken in the Surface Transportation Efficiency Act of 1991.

The flexibility established in this proposal is consistent with that which NCSL has been supporting. Recently the NCSL executive committee adopted a set of guiding principles for use with any block grant proposal. While I recognize that the flexible portions of this bill have not been characterized as block grants, I would like to include for the record those principles and criteria developed by NCSL for block grants. These should be incorporated into any categorical consolidation.

I am not here to tell you that there is unanimity in all of the State houses or even among the State legislators represented by NCSL. In spite of supporting the principles embodied in this proposal, in the end, individual support will rely on a very specific perception of how each State fares, how each region within a State fares, and how each community fares.

The legislation being examined today clearly establishes a "new transportation order." As long as politics is defined as who get what, when, where and how, the new transportation order will necessarily be a redefined hierarchy of transportation planners. In practical terms, this translates into integrating other people and concerns into the process, and in so doing, irrevocably altering the balance of power. The proposed surface transportation efficiency act clearly presents many with the "be careful of what you ask for" dilemma. The increased programming flexibility and reduced Federal involvement have inherent appeal to State policymakers who have felt disenfranchised for too long. But the prospect of this much autonomy at the State level seems to trouble some who view this as the beginning of the end of a Federal commitment. I beg to differ.

To those who challenge this proposal as a departure from a federally-devised national system, I would respond that perhaps our national goals have changed and it is time.

If the Nation's commercial and military vehicles are immobilized during rush hour in many parts of the country, then the goals held forth for the interstate system for providing for a national defense network and fostering interstate commerce are not being met.

If the existing Federal-aid highway program so definitively addressed a unified national agenda, would there really be the proliferation of funding categories and demonstration projects which now comprise our Federal program. It is abundantly clear that in a new transportation order, there are a multitude of needs and demands.

If the magnitude of repairing and maintaining the transportation network we already have is beyond our combined fiscal abilities, then new construction to the ex-

clusion of making better use of what we already have is unsound. Politically, of course, it is advantageous to build new and shiny and highly visible public works projects. Philosophically, however, it is to our advantage to maintain what we have and to make better use of it. I commend the bill sponsors for choosing a philosophically sound approach over a pure political response.

While we may well be able to agree on a national goal of mobility, the approaches for achieving this goal are many, and they are not likely to all be uncovered by the Federal Government. This legislation recognizes that perhaps there are thoughtful approaches to meeting transportation needs at other levels of government.

I would like to share with you now the positions taken by the National conference of State legislatures on the specific provisions in the legislation. The most controversial component of the proposal appears to be the Surface Transportation Program and the concomitant return of some \$45 billion dollars to State and local control. I mention local control because the inclusion of metropolitan planning organizations in the planning and programming of large sums of transportation money, seems to be the source of much of the consternation expressed thus far.

NCSL is by no means endorsing the wrenching of power from State governments, but instead recognizes the necessity of incorporating other people and other concerns in State transportation planning. The alternative is in plain view in the form of "demonstration" projects which decorate the Federal-aid highway program. Make no mistake, local needs will be addressed, one way or another, either within the system or outside of it.

Currently, the Federal Government contributes less than 25 percent of all highway spending. The majority of funds are provided by States, with the remainder generated at the local level. Obviously, there is consensus supporting some type of Federal program which collects revenue from all States and redistributes on the basis of identified national needs.

While NCSL supports the rights of States to receive a fair return on their contribution to the Federal-aid highway and mass transit programs, clearly if the intent were to have each State get back exactly what that State contributed, then there would be no need for a Federal program. There will always be transportation needs which exceed the fiscal capacity of individual States. There is indeed a need for a continuing program of Federal assistance to supplement State efforts.

A federally-funded national program is by its very nature a means of redistributing resources on the basis of some exhibited need. I am confident that the dilemma facing members of this committee is the recognition that there is no one single, clearly identifiable, common transportation need in this country. The needs, and the resources to support these needs, vary greatly across this land. I applaud your ability to see that perhaps there is no longer a common denominator in State transportation needs that can be solved with the Federal magic wand.

There are areas which can and should be addressed by the Federal Government through this legislation and I would like to briefly cite those areas of concern:

1. The overall funding level of the reauthorization package should accommodate the expenditure of all revenues collected from transportation users. (Trust fund balances should be spent down, and all new motor fuel taxes should be directed to transportation.)

2. The need for a State-designated national support network of roads critical to interstate commerce should be considered as a part of the reauthorization package. The option of expanding capacity on the existing interstate system should not be precluded.

3. States must continue to exercise primary authority over State transportation plans. The metropolitan planning organization process must be subject to comprehensive statewide planning and programming activities.

4. Recognize the costs to States in complying with other Federal policy objectives, as is done in the Congestion Mitigation and Air Quality Improvement Program.

5. In an effort to reduce the windows for possible Federal reentry and intervention in State decision making within the new Surface Transportation Program, the creation of a "reprogramming" sanction should be avoided.

6. Overall State funding levels should be held fiscally neutral. However, caution should be exercised so that past funding inequities are not perpetuated.

I would like to conclude my statement with a comment made in the letter of support signed by the Honorable John Martin, Speaker of the Maine House of Representatives and NCSL's President:

"The restoration of the States as laboratories can only serve to move the Nation's transportation network forward. The goals of the interstate era will soon be accomplished, and a new State-Federal partnership should be

founded on progressive goals that recognize the importance of mobility and system efficiency. The national network is only as good as its weakest link, and under this proposal, States will be challenged to make infrastructure improvements which foster an interconnected system. To those critics who decry this proposal as a dismantling of a cohesive Federal system, I would respond that a true Federal system is the sum of its parts: The States."

Members of the Committee, I thank you for your time in hearing the views of the National conference of State legislatures. I wish you well in further developing this legislative proposal and establishing the new transportation order. This order must be defined as more than just building roads. Even Webster's definition is greater than we have allowed ours to be.

According to Webster, transportation is defined as the act of moving; the means of moving; and the business of moving. I encourage this committee to maintain a similarly comprehensive view as you further define the new Federal-aid transportation program.

NCSL will be submitting for the record a further detailed analysis of the the specific provisions of S. 965 and its impact on States.



## National Conference of State Legislatures

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### OFFICIAL POLICY

*Policy statement adopted by the Executive Committee  
Saturday March 9, 1991*

#### BLOCK GRANTS AND INTERGOVERNMENTAL FISCAL RELATIONS

##### I. Basic policy statement

###### A) Preamble

*State and federal governments have long been partners in providing services to our shared citizenry. This partnership has been effective in combining the inherent strengths of both levels of government and realizing administrative efficiencies, while keeping government closest to those being served, in areas as diverse as unemployment services, aid to families with dependent children, the highway and mass transit program, sewage treatment and other efforts at environmental protection, and the war on drugs. The federal role in this partnership has largely been to provide a share of the funding for these programs, through a system of what have come to be known as "grants-in-aid."*

*In recent years, the burden on states for providing these services has been growing. This is true both because of the declining federal funding commitment, and because of the increasing reliance by the federal government upon intergovernmental mandates (regulatory, as well as legislative) aimed at the states. This latter trend has manifested itself in the grant-in-aid system through multifold regulations which have become increasingly burdensome to states, and earmarks and other restrictions on the use of funds, which reduce the ability of states to make adjustments to meet particular needs.*

*One approach that has been employed in the past to simplify the system and enhance fiscal discretion at the state level is by consolidating a number of categorical grant programs into "block grants" through the creation of one or more new block grants to replace existing grant-in-aid programs.*

*The Bush Administration has proposed turning over more responsibility for domestic programs to the states, vesting states with greater authority over the use of funds while consolidating and streamlining current programs. This would be accomplished through the creation of one or more new block grants to replace existing grant-in-aid programs.*

###### B) General position

1. The National Conference of State Legislatures believes that further consolidation of federal grants-in-aid through block granting may be worthwhile, and should be pursued by the Administration and Congress, in close consultation with representatives of the states.

2. Specifically, Congress should seek to create several new block grants to the states, to be developed by the consolidation of programs within a broadly defined area, encompassing some commonality of purpose, type of service provided, or clientele served.

3. The legislation must reduce and streamline existing regulations (either statutory or administrative) associated with the grant programs to be replaced. The block grant must not become encumbered with new regulations and restrictions, and it must be free from earmarks.

4. Any such legislation developed to establish new block grants should seek to sort out federal and state responsibilities, identifying those program areas for which greater assumption of responsibility by the federal government would be appropriate, as well as those that are suitable candidates for devolution to the states.

5. Such legislation should address associated issues of intergovernmental fiscal relations; specifically, it should provide for a reduction of regulations imposed upon the states, as well as instituting practices and procedures which seek to limit the future imposition of unfunded mandates upon the states, and restrain the preemption of state law and procedure.

## II. Goals and Objectives

*The goal of such consolidation should be to increase both the responsibility and authority of states. Specifically, block grant legislation should have the following aims:*

### A) Enhance the discretion of state policy makers

1. It is of the utmost importance that the block grant avoid categorical "set-asides," which would defeat its purpose.

2. States should be provided with greater freedom in the use of funds, including the authority to transfer funds, within defined limits, among programs within broadly defined functional areas.

### B) Reduce the regulation of states

*Existing regulatory controls over states should be scaled back. Among the modifications which should be made are:*

1. Reducing "front-end" paperwork and post-audit requirements.

2. Providing for simple certification by appropriate state officials of compliance with crosscutting requirements.

3. Establish minimal reporting requirements emphasizing outcomes, rather than process.

4. To the extent possible, rely upon state laws and procedures for the regulatory process.

### III. Structure

*The following are essential elements that should be incorporated in block grant/turnback legislation.*

#### A) Ensure stable funding

*Legislation creating block grants should provide for stable and determinate funding, to the extent possible.*

1. Legislation creating block grants should establish funding at a level equivalent to that for the sum of the individual programs encompassed by the consolidation; thereafter, funding should be maintained at a level equal to the first year level plus an increment for inflation, as determined by the implicit price deflator for state and local governments.
2. Any block grants so created should be removed from the discretionary spending cap.

#### B) Ensure distributive neutrality ("Hold states harmless")

1. With respect to distribution among the states, legislation should provide that each state will receive a share determined by formula such that each state receives an amount equal to that which it would receive under the individual programs encompassed by the block grant, in the absence of consolidation.

#### C) Mandate and preemption reform

*In addressing mandate and preemption issues, Congress should consider the following suggested reforms:*

1. Amend the State and Local Government Cost Estimate Act (P.L. 97-108) to require: 1) submitting cost estimates for federal legislation that imposes any federal mandates on states prior to subcommittee consideration; 2) updated cost estimates as legislation moves through the legislative, with special emphasis on adopted amendments to the bill; 3) the Congressional Budget Office provide a state-by-state breakdown of the projected impact of mandate legislation; 4) broadening cost estimates to cover appropriations and revenue bills that have intergovernmental impacts; and 5) the Office of Management and Budget to prepare an annual report detailing the intergovernmental impact of legislation enacted during the year.
2. Provide that no federal statute shall be construed to imply an intent to preempt state law or regulation in the absence of a statement of intent to preempt.
3. Require Congress to provide reasonable notice to states of any intent to preempt state authority and provide states with an opportunity to comment on such intent prior to enactment. Preemption notice should also be provided by the Executive Branch prior to regulatory actions of federal agencies that affect the powers of state governments.
4. Provide for state preemption impact statements to be made available to Members of Congress to ensure that they are aware of state laws that will be affected by their vote.



5. Adopt comprehensive intergovernmental regulatory reforms that would: 1) require Congress and the Executive Branch to consider economic and non-economic effects on state and local governments prior to passage of legislation and approval of regulations; 2) require the Executive Branch to review on a continuing basis the economic and non-economic effects current intergovernmental regulations; 3) change the Administrative Procedure Act to require federal agencies to consider and comment specifically on the intergovernmental effects of proposals in both grant and regulatory programs; 4) revise the Federal Advisory Committee Act to facilitate state and federal officials' communications regarding cooperative programs; 5) inform the courts on the substantive and procedural treatment of state and local government complaints --- this action would help ensure that agencies are held to the plain reading of the statute and clarify that new rules cannot be given effect under grants existing at the time that a new rule is published; and 6) create a joint Congressional committee to review federal agency rulemaking filings.

6. Require federal payment or reimbursement to state and local governments for costs imposed by new federal mandates. New federal programs or expansions should be optional for state government. New mandatory programs of national significance should be fully funded by the federal government.

7. Enact federal legislation that would prohibit conditions on grants made to states beyond such conditions that are necessary to specify the purpose of the expenditure, except where the conditions fulfill powers expressly delegated to Congress by the Constitution.

8. Require OMB to construct a comprehensive catalogue of federal mandates currently imposed on state and local governments.

#### IV. Selection criteria

*The construction of block grants should be based upon rational principles which are grounded in federalism, calculated to enhance intergovernmental fiscal relations, and designed to reinforce the proper and legitimate roles of both the federal and state governments.*

*The following guidelines may be helpful in selecting appropriate programs for consolidation.*

A) A block grant proposal should be developed so as to:

1. Incorporate those programs which have become especially encumbered by regulation.
2. Incorporate those programs which have become subject to excessive categorical fragmentation.
3. Simplify current block grants and expand them through the addition of related programs.
4. Maintain the integrity of trust fund programs funded by dedicated revenue sources.

B) Care should be taken to *exclude* from such consolidation:

1. Shared revenues or federal compensation for specific impositions, rather than true grant programs.

2. Grants that are regional in character, rather than national in focus.
3. Programs that involve a clearly federal responsibility.
4. Programs that compensate states for the cost of compliance with mandates imposed under other programs, unless the associated mandates are removed.
5. Programs selected for block grants should be primarily state-federal programs, or those for which states are the primary beneficiaries.

STATEMENT OF JACK R. GILSTRAP, EXECUTIVE VICE PRESIDENT, AMERICAN PUBLIC  
TRANSIT ASSOCIATION

*APTA represents over 1000 members, including motor bus and rapid transit systems and organizations responsible for planning, designing, constructing, financing and operating transit systems. APTA members include business organizations which supply products and services to the transit industry, academic institutions, and public interest groups.*

OVERVIEW OF S.965

The American Public Transit Association (APTA) appreciates this opportunity to testify on S. 965, the Surface Transportation Efficiency Act of 1991. APTA considers S. 965 to be an outstanding first step in creating a sound national transportation policy. Along with a transit reauthorization bill that protects transit's basic needs, S. 965 would create a framework for implementing clean air requirements and other national goals in a way that makes our Nation proud. This bill has many strong points, but these stand out:

1) It would make Federal highway funds available for a broad range of uses including congestion and air pollution reduction projects, capital and operating costs for mass transit, carpool projects, and other projects to encourage high-occupancy vehicle (HOV) use. This would allow more effective responses to national problems such as air pollution, dependence on imported oil, mobility needs of all citizens, congestion, and declining productivity.

2) It would enhance local control of transportation planning in urbanized areas (UZAs) so that highways, streets, transit services, and other transportation facilities form a cohesive, intermodal network. In addition to assuring that Federal project funding would respond to local decisions, the bill would increase planning funds for metropolitan areas, providing data to comply with the Clean Air Act Amendments of 1990 and resources to ensure that transportation plans are coordinated with other requirements and needs.

3) It would eliminate biases in the Federal program so that local areas could make objective decisions about the best way to meet transportation, pollution reduction, and other needs. Crucial provisions would provide equal Federal shares for most transit and highway programs and would recognize that the goal of moving people, not just vehicles, merits a higher Federal share than do projects that increase single occupant vehicle capacity.

S. 965 would provide a far more effective response to the Nation's transportation needs than the highway provisions of the Administration's proposed reauthorization bill. Its provisions to expand the use of Federal highway funds, to assure local control of comprehensive transportation planning, and to eliminate Federal program biases are all superior to comparable provisions of the Administration's legislation.

SURFACE TRANSPORTATION NEEDS AND PRIORITIES

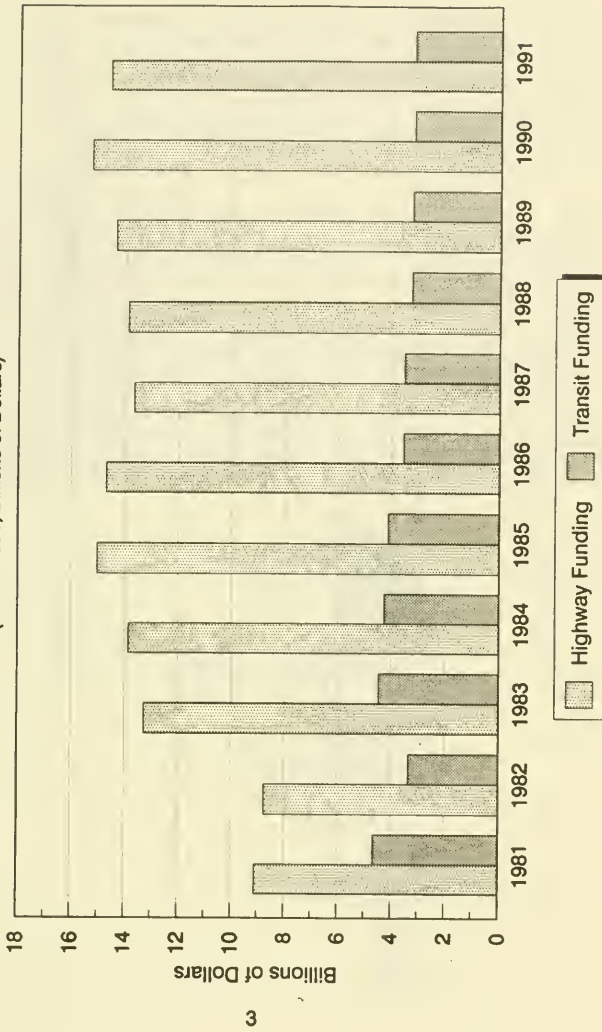
We have entered the post-interstate era. Congress must craft a reauthorization proposal that will create a transportation system that moves people and goods more efficiently and responds to concerns about air pollution, mobility for all citizens, dependence on imported oil, congestion, and a decline in the growth of productivity. This new national policy must be designed to ensure that all modes of transportation form a unified whole. It should provide an enhanced role for public transportation, which can offer the means of assuring progress in solving a wide range of problems.

This year's reauthorization must also address the state of the Nation's transportation infrastructure. Transit needs additional infusions of capital to maintain existing facilities and expand services: The Nation's transit systems require \$15.1 billion per year in 1992 through 1997 for capital investments, a total of \$90.8 billion in that period. More detailed information on these needs is contained in the *APTA Survey of Transit Capital Needs, 1992-1997, Advice Summary of Findings*. The *Survey* is the most definitive available source of information on the capital investment requirements of U.S. transit operators.

S. 965 would authorize five-year highway program funding that is 25 percent greater than the total for the previous five years. At a minimum, transit funding should increase by a similar amount, although transit program growth of this size would not make up for past reductions in Federal funding. In 1981, the ratio of Federal highway to Federal transit spending was 2-to-1. The ratio is now 5-to-1. [See Charts 1 and 2.] States have made up some of these losses but are no longer in a position to do so. The 50 percent decline in Federal transit funding since 1981 has led to fare increases and service reductions that have hurt low-income transit riders

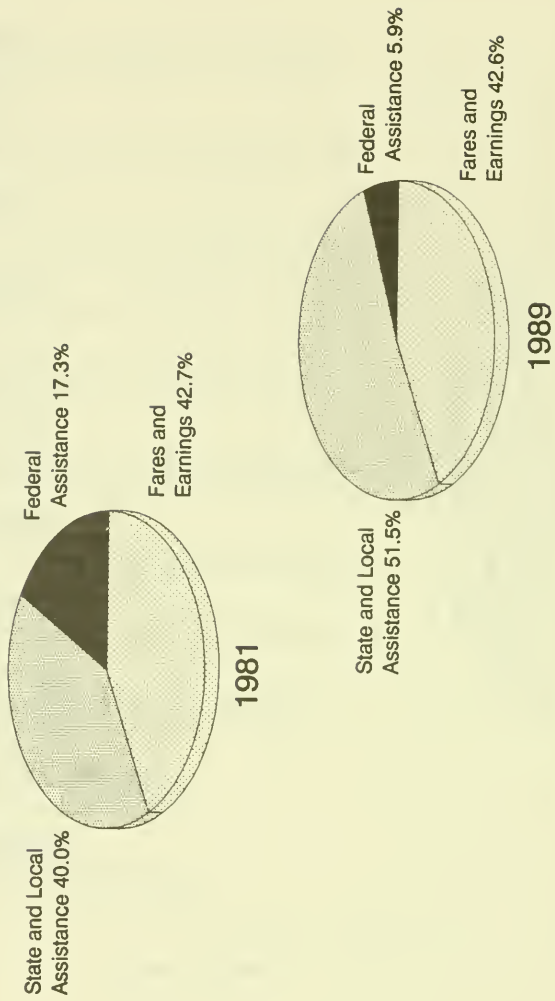
and made it more difficult to attract new customers. The consequences include greater pollution, energy consumption, and congestion.

**Chart 1**  
**The Divergence of Federal Transit**  
**and Highway Budget Authority**  
 (1981 - 1991, Billions of Dollars)



Source: Budget of the U.S. Government.

Chart 2  
Source of Transit Operating Revenue  
1981 Compared to 1989



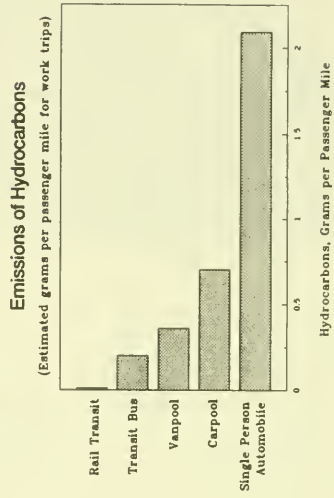
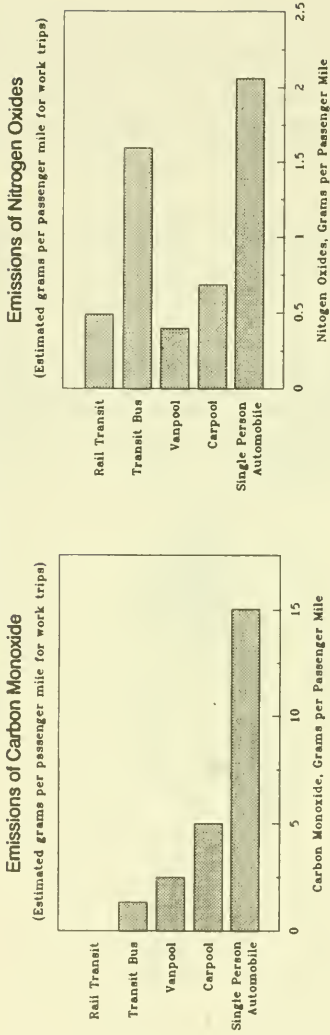
## CLEAN AIR

Members of the Environment and Public Works Committee led the fight for clean air legislation during the last Congress, and did much to educate the public about the costs of pollution and the need for emissions reduction through alternatives to single-occupant vehicle travel. Senate Report 101-228, the Committee's December 1989 report on its initial clean air bill, cited estimates that exposure to air pollution leads to \$40 billion per year in additional health care costs, that the elderly, children, and people with respiratory problems and heart disease are susceptible to ozone and carbon monoxide pollution, and that ozone pollution causes annual crop losses of \$2 to \$3 billion per year.

The health care cost estimates may be understated in light of a recent study of residents of Long Beach, Lancaster, and Glendora, California. The study, conducted by medical faculty at the University of California, Los Angeles, suggests that long-term exposure to air pollution causes permanent damage to the lungs and respiratory system. These problems occur not just in southern California but in other areas with similar air pollution problems.

APTA is gratified that the Clean Air Act Amendments of 1990 recognize the valuable role of transit in reducing emissions. [See Chart 3.] This recognition is reflected in the Act's inclusion, at the top of its list of potential transportation control measures, of "Programs for improved public transit." Without more Federal support for transit, vehicle miles travelled (VMT) and vehicle emissions will continue to soar while transit ridership declines. As Senate Report 101-228, this Committee's December 1989 report on the initial clean air bill, noted:

### Chart 3 Emission Reductions From Transit Use





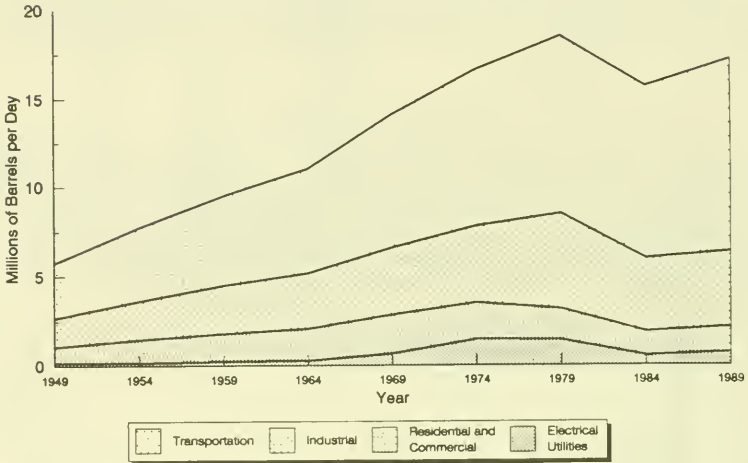
"In many nonattainment areas it will be necessary to implement transportation control measures which can bring about reductions in future VMT growth, but at the same time provide enhanced mobility to serve increasing travel demands. The intention of the requirements in the bill related to transportation planning is to direct air quality and transportation planning toward optimum use of all potential alternatives to the single occupancy vehicle, ranging from highway facilities dedicated to moving high occupancy vehicles, to providing carpool, vanpool services and improved public transit."

#### ENERGY CONSERVATION

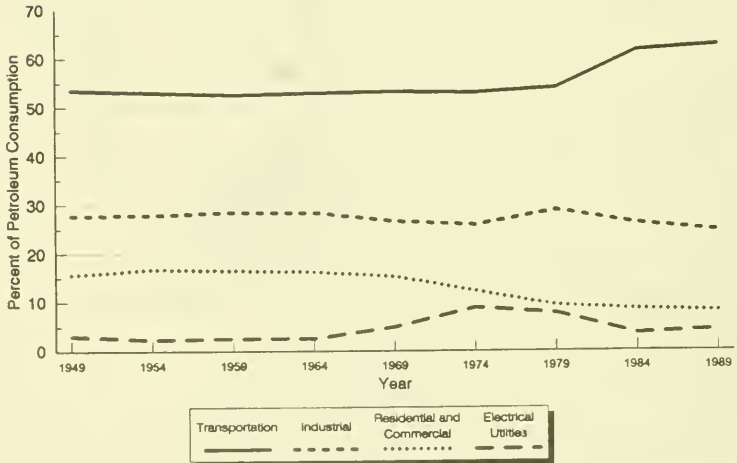
A viable national strategy for energy independence must deal with transportation-related energy use, which accounts for more than 60 percent of our petroleum consumption. [See Chart 4.] Unfortunately, the Administration's energy proposal does not include specific, effective proposals to encourage transit use, even though the National Energy Strategy recognizes that "mass transportation, carpools, vanpools, and HOV lanes are the quickest, cheapest ways to improve transportation energy use and reduce commuter congestion."

Chart 4

### United States Consumption of Petroleum by Sector (1949-1989, Millions of Barrels per Day)



### United States Consumption of Petroleum by Sector (1949-1989, Percent of Total Consumption)



Transit's greatest contribution to energy conservation is to provide an energy-saving alternative to single-occupant vehicles. Transit can best provide this alternative when it can expand services and keep fares affordable. Otherwise, the same factors that would discourage people from using transit to reduce vehicle emissions would discourage them from using transit to save energy. Fare increases and service reductions would cut down on ridership, force people back to their cars, and increase fuel consumption.

#### MOBILITY

Public transit provides essential mobility to citizens who are unable or who choose not to operate private vehicles. In addition to ADA's requirement that transit systems be accessible to persons with disabilities, senior citizens depend on transit services for access to essential health care and other social services. For many people with limited incomes, transit is the only transportation option.

Without increased Federal funding, transit systems will be unable to meet the mobility needs of all citizens, especially in light of the additional effort that will be needed to comply with the Americans with Disabilities Act (ADA) of 1990. APTA estimates that the costs to transit systems of rail station accessibility, bus lift requirements, and complementary paratransit service to ADA-eligible persons could be nearly \$1.5 billion per year.

#### CONGESTION

Transit can substantially reduce congestion, which threatens America's economic productivity and quality of life. Absent transit alternatives, the cost of congestion on urban freeways, according to a Transportation Research Board report, will increase by \$41 billion per year by 2005. Every bus full of passengers at rush hour removes at least 40 cars from traffic and every full rail car removes 75-125 cars from traffic. The investment costs of transit compare very favorably with those of highway construction. Major urban highways can cost \$100-120 million per mile, while busways can be built for \$4-12 million per mile, light rail for \$10-20 million per mile, and heavy rail for costs comparable to or lower than major highways.

#### COMPETITIVENESS AND PRODUCTIVITY

Transit is a key to economic development and competitiveness. There is increasing evidence that inadequate spending on public infrastructure is directly reflected in lower productivity growth rates. Professor David Aschauer, formerly Senior Economist at the Federal Reserve Bank of Chicago, concludes that as much as 60 percent of our productivity slump in the past 20 years may be due to declining investment in transit and other public infrastructure.

In addition to providing access and reducing congestion, transit is itself an excellent source of economic development. Major transit commitments around the country have spurred millions of dollars of private development. For every \$10 million invested in transit capital, 770 jobs are created and \$33 million in business revenues are generated. Every \$10 million invested in transit operations will support 960 jobs and create \$30 million in business revenue.

#### BENEFITS OF FEDERAL INVESTMENTS IN TRANSIT

Investments in transit reap many benefits, including reduced emissions, energy savings, enhanced mobility, and lower congestion. In contrast, other transportation investments provide a smaller range of benefits. To take an obvious example, alternative fuel automobiles may at some future point reduce emissions and oil consumption, but not reduce congestion or enhance mobility options for senior citizens, people with disabilities, and those with limited incomes.

Federal transit investments are also justified as a means of alleviating the extraordinary costs that society pays for relying on automobiles for so many transportation needs. The health care costs associated with vehicle emissions have already been cited.

Federal parking subsidies create an incentive for people to drive automobiles. This Committee's leadership resulted in Clean Air Act Amendments language to require employers of more than 100 persons in certain nonattainment areas to increase the average vehicle occupancy of their workers' commuting trips. As noted in Senate Report 101-228, the Committee's December 1989 Clean Air report, the Federal tax subsidy for single occupancy automobile use "exacerbates urban area congestion," and this provision was designed to "offset some of the adverse environmental effect of this Federal tax subsidy."

S. 965 would aid these employers' efforts to comply with this law. Another valuable step would be the enactment of "transit pass" legislation such as S. 26, which would allow employers to provide additional transit benefits to employees and thereby offset some of the adverse effects of the parking subsidy.

Because drivers do not pay directly for many of these costs, automobile use is effectively subsidized. It is very difficult for transit operators to compete on such uneven ground. We recognize that it may be impractical to address the automobile subsidy issue directly, but Congress can take a number of steps to mitigate some of its adverse consequences. It is very important to adopt provisions of S. 965 that reduce the bias toward highway construction to accommodate single occupant vehicle travel. Other important steps would include the provisions of greater Federal transit assistance from General Fund as well as Trust Fund sources, the enactment of transit pass legislation, and an increase in the Federal gas tax.

#### S. 965 AND APTA'S REAUTHORIZATION PROPOSAL

For more than two years, APTA's members have worked to develop a reauthorization proposal designed to accommodate the Nation's surface transportation needs in the postinterstate era. The result, an unprecedented industrywide consensus based on painstaking research, has many points in common with S. 965. APTA's proposal calls for two major sources of support for transit:

- A basic transit reinvestment program that provides funds to current Designated Recipients of Federal mass transit funds. This program of capital and operating assistance would be authorized in the transit part of the reauthorization bill, which is under the jurisdiction of the Senate Banking, Housing and Urban Affairs Committee. The identified funding need for this program is \$5.5 billion in fiscal year 1992, \$6.0 billion in fiscal year 1993, \$6.5 billion in fiscal year 1994 and later years, to be provided from the Mass Transit Account and General Fund revenues. APTA will continue to work with the Banking Committee on this element of the program and can provide specific details to the Environment and Public Works Committee as well.

- A capacity expansion program, under which States would pass funds to metropolitan areas with more than 50,000 people for programming by regional Metropolitan Planning Organizations (MPOs). Funds for this program could be used for transit or highway purposes. APTA's proposal calls for the capacity expansion program to be financed using both highway funding and, once funding needed to protect basic transit services has been met, transit funding.

APTA's proposal also includes recommendations designed to ensure adequate funding for rural transit programs and small operators, and calls for revisions of the Federal tax code to eliminate the taxation of employer-provided transit pass benefits and to promote private and non-Federal investment in transit.

APTA's proposal is designed to meet society's needs by allowing the Nation's transit systems to offer an efficient, affordable alternative to single occupant vehicle travel. Increased Federal support for transit is essential to this objective. Without increased Federal support, transit systems will face an uncertain future and will be unable to achieve the goals established by Congress in the Clean Air Act Amendments of 1990 and the Americans with Disabilities Act of 1990. Investments in transit are equally vital to relieve congestion, conserve energy, and make efficient use of limited resources, because no other transportation expenditure can contribute to so many important problems at once.

S. 965, like APTA's proposal, would strengthen regional decision-making authority over the use of Federal transportation funds; establish a multimodal approach to planning, funding, and decision-making; eliminate Federal requirements that are biased against transit; provide reliable and predictable Federal funding; and ensure that urbanized areas would integrate transportation policy with other requirements including land use decisions and Clean Air Act requirements.

As part of its Surface Transportation Program, S. 965 includes a fair and workable program to implement the concept of flexibility, which is similar to APTA's capacity expansion program. The Administration reauthorization proposal, however, defines flexibility in a radically different way. Under the Administration proposal, some 90 percent of transit funds could theoretically be used for highway construction, while less than 35 percent of highway funds could be used for certain transit purposes. Lower Federal shares for transit projects and other provisions of the Administration proposal would make it difficult for transit to obtain any of these funds. S. 965 avoids these problems by establishing a balanced, unbiased Federal program.

## COMMENTS ON SPECIFIC PROVISIONS OF S. 965

APTA's detailed comments on specific provisions of the Surface Transportation Efficiency Act of 1991 are set out below.

## METROPOLITAN PLANNING

The metropolitan planning requirements of S. 965 (Section 113) provide a powerful, constructive force for intermodal transportation planning in the Nation's urbanized areas. These provisions are broadly consistent with APTA's recommendations. Indeed, no reauthorization proposal can succeed in achieving broad national goals unless it directs transportation assistance to urbanized areas through a comprehensive planning mechanism similar to that outlined in S. 965.

S. 965 would build on the existing Metropolitan Planning Organization mechanisms for urbanized area transportation planning and require that all urbanized areas have MPOs. In developing transportation plans, MPOs would be required to consider such goals as more efficient use of existing facilities, consistency with energy conservation programs, congestion relief, conformity with Clean Air requirements, and consideration of land use issues. Urbanized areas with more than 250,000 people would be required to include a congestion management system coordinated, in nonattainment areas, with the State Implementation Plan's transportation elements. In all nonattainment areas, no Federal funds could be used for a project that would significantly increase single occupant vehicle capacity unless the project is part of an approved congestion management plan.

APTA supports these requirements and notes that Federal support for transit is one of the most effective means of using existing facilities efficiently, relieving congestion, and reducing vehicle emissions. Efforts to conserve energy will be set back by any policy that drives up the cost of transit and makes it a less affordable alternative to other modes of travel. The provisions that apply to nonattainment areas are essential to effective implementation of the Clean Air Act Amendments of 1990.

To meet each urbanized area's needs, the metropolitan planning process must combine regional control of the decision-making process and Surface Transportation Program funding with firm enforceable requirements for Clean Air attainment and other goals. This may require more effective collaboration among the MPOs and recipients of Federal surface transportation funds including the States and Designated Recipients. It is important that Designated Recipients be consulted and have the opportunity to participate actively in the development of and concur in plans.

Finally, S. 965 would provide important additional funding for metropolitan planning purposes by setting aside one percent (double the current one-half of one percent) of funds for planning purposes. These funds will be very important, as will increased resources for the Federal transit program's research and planning programs. MPOs will be responsible for establishing how Clean Air Act requirements will be meshed with transportation plans. Without substantial increases in support for air quality monitoring and modeling activity, it is unlikely that the technical data will be available to support politically difficult decisions about the proper mix of transit and highway investments in urban areas. MPOs are the only institutions that can manage the critical relationships of land use, economic development, and transportation. Considerably more support is needed for long-range community planning and development activity if transportation decisions are to serve local development goals and needs. We hope that transit planners receive increases as well so that they can adequately demonstrate the effectiveness of increased transit use.

S. 965 is superior to the Administration proposal because its Metropolitan Planning provisions are more responsive to needs and conditions in the Nation's urbanized areas. It would establish a better balance between highway and transit projects through its provision of equal Federal shares for most projects and through its definition of eligible projects; and because it would provide an appropriate degree of flexibility for metropolitan areas by eliminating restrictions on the use of Federal funds and by establishing comprehensive planning requirements.

## CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM

APTA welcomes the proposal for a Congestion Mitigation and Air Quality Improvement Program (Section 107), which would provide invaluable assistance to areas with air pollution and congestion problems. This provision is carefully designed to ensure that projects would not increase single-occupant vehicle capacity but instead would contribute to the attainment of air quality standards through reduction in vehicle miles travelled, fuel consumption, or other factors. These safeguards must be retained for this Program to succeed.

## CONGESTION PRICING

We support the authorization for congestion pricing projects (Section 112b), which would include information about the effect on transit ridership. The success of these projects would depend on adequate Federal support for transit so that the transit operator in a project area could provide affordable service as an alternative. Passage of transit pass legislation would provide further encouragement to use transit.

## MAGNETIC LEVITATION PROGRAM

APTA supports research on high-speed intercity rail service, although we have focused on transit issues. With reference to the bill's provision for maglev demonstration projects (Section 116), we would urge the Committee to require that any maglev grant proposal incorporate plans for transit services to be provided at stations. The full promise of high-speed intercity rail travel can be met only if transit systems can provide passengers with convenient access to high-speed rail services.

## NON-URBAN HIGHWAY NEEDS

In each fiscal year, S. 965 would authorize a total level of funding for the Surface Transportation Program, the Congestion and Air Quality Mitigation Program, and the Interstate Maintenance Program that is close to the proposed total funding for the Administration's National Highway Program and the Urban/Rural Program. In evaluating the merits of the two proposals, therefore, it is important to compare the program requirements and provisions of the two alternatives.

APTA's reauthorization recommendations focus on intermodal transportation needs in urbanized areas and in rural communities. APTA has not devoted as much attention to highway requirements outside the Nation's urbanized areas, though we recognize that these needs must be met. As this Committee considers how best to meet these needs, we would urge consideration of these points:

- The only way to meet urban areas' transportation, air quality, congestion, land use, and other needs is through a coordinated intermodal transportation planning system. The Surface Transportation Efficiency Act recognizes that this approach is essential to ensure that the transportation needs are met in a cost-effective way that moves people rather than vehicles. Making a broad range of highway and transit projects eligible for Federal support and ensuring that Federal share requirements encourage higher occupancy travel are not minor details, but crucial points that may make the difference between success and failure. A reauthorization bill that does not adopt this approach to urban transportation decisions will not meet the Nation's needs in the coming decades and could well undermine progress on clean air, energy conservation, enhanced mobility, and other national priorities.

- Federal funding for metropolitan transportation needs is just as important to this process. S. 965 would require that at least 75 percent of a State's Surface Transportation Program funds be apportioned between urban and non-urban areas on the basis of population. A State could allot the remaining 25 percent of funds as it chooses. Efforts to respond to non-urban highway needs should not reduce the amount of funds available to urbanized areas under this formula. Urbanized areas should not be penalized by a loss of funding if it turns out that overall Federal highway funding is inadequate to meet all needs.

## SMALL OPERATORS AND RURAL TRANSIT PROVIDERS

APTA's transit reauthorization proposal recommends that funding be increased for Federal transit programs that provide services to non-urban areas. The recommendation also proposes to protect the interests of transit operators in small urban areas and small operators in larger urbanized areas. Although the reauthorization language for these transit programs will be written by the Banking, Housing and Urban Affairs Committee, we wanted this Committee to be aware of our concern about these issues and to mention three points that may affect this Committee's deliberations.

Public transit is a valuable asset for rural areas, small urbanized areas, and small operators in the larger areas. Of APTA's nearly 500 transit system members, over half are classified as small operators. These systems operate fewer than 100 buses during peak service hours. Many of these transit systems are the vital link that holds a community together and provides access to services, jobs, and social opportunities for senior citizens and people with limited incomes.

It is important to small operators and non-urban transit systems that the reauthorization proposal: 1) define "flexibility" in a way that protects core transit needs; 2) retain the provision of current law that allows transit systems in urbanized areas

of less than 200,000 people to continue to be eligible for Designated Recipient status; 3) consider the needs of small operators within large urbanized areas; 4) increase funding for the Section 18 non-urban program; 5) protect operating assistance for small operators; and 6) protect the independence of the Section 16(b)(2) program, the Section 18 program, and that share of Section 9 funding that goes to UZAs with fewer than 200,000 people. The first three of these concerns are discussed in detail since they may affect this Committee's bill.

#### *Flexibility*

The concept of flexibility, as construed by the Administration, is potentially a disaster for small operators and rural systems because, without protection for the core needs of transit, it may thrust these small agencies into a battle over the use of resources with much more powerful state-wide departments and agencies, many of which have historically greater interest in road-building. As a consequence, many APTA members take the position that flexibility of transit funds should only be applied in large urbanized areas.

#### *Designated Recipient Status*

APTA's reauthorization proposal specifies that Congress should retain the current provision that allows transit operators in urbanized areas with fewer than 200,000 people to be eligible to serve as Designated Recipients. In contrast, the Administration proposal would eliminate the ability of these operators to serve as Designated Recipients. This change would not be a problem in some States, but in others it could be highly damaging to transit services in small UZAs. It is our view that current law allows for a useful and appropriate degree of flexibility for these urbanized areas and should therefore be retained. Procedurally, the procedures discussed above in the Metropolitan Planning section for participation in urbanized area planning would apply to these Designated Recipients.

#### *Small Operators in Large Urbanized Areas*

Many small transit operators provide services in large urbanized areas. They must comply with any Federal requirements that apply to these large UZAs, however burdensome. Congress should take account of the undue burden that Federal requirements may place on these systems. For example, the Culver City Municipal Bus Lines, with 28 buses, and the Montebello Bus Lines, with 51 buses, both operate in the greater Los Angeles area. Federal policy should ensure that these and other small operations can continue to meet the needs of their local communities and are not overwhelmed by requirements that may be more suited to major regional operators.

#### CONCLUSION

Efficient, affordable public transit service is a fundamental part of the solution to many problems affecting the Nation's quality of life and economic health. Among these are air pollution, energy use, gridlock, and declining productivity growth. With adequate Federal funding and Federal policies that make transportation part of the solution, the transit industry can respond to these challenges.

S. 965 is a welcome first step in the reauthorization process because it is designed to tie Federal transportation policy to these crucial national objectives. APTA applauds this Committee for its vision and leadership, and we look forward to working with the Committee as the reauthorization process moves forward.

## PREPARED STATEMENT OF FRED KRUPP

## INTRODUCTION

Good morning. My name is Fred Krupp and I am the Executive Director of the Environmental Defense Fund. On behalf of the Environmental Defense Fund, the National Wildlife Federation, and the Sierra Club, it is my pleasure to testify today in support of S. 965, the Surface Transportation Efficiency Act of 1991. Although the environmental community has concerns with several specific provisions of the bill, the overall framework and direction of the bill is, quite literally, a breath of fresh air. If enacted, S. 965 will not only help meet this nation's transportation needs, but achieve significant gains in air quality and energy savings as well.

During the last Congress, this Committee crafted one of the most important pieces of environmental legislation in a generation—the Clean Air Act Amendments of 1990. First on the list of priorities in that new law is implementation of a comprehensive program to make the air safe to breathe in our smog-filled cities. Meeting the National Ambient Air Quality Standards will be a formidable challenge for urban and suburban communities throughout this country. But, the reauthorization of the Surface Transportation Assistance Act offers this Committee a real opportunity to help meet these challenges.

In our view, S. 965 seizes this challenge and offers a significantly superior alternative to the business-as-usual approach proposed by the Administration. S. 965 would reshape the way we think about our transportation system by recognizing the profound impact our transportation infrastructure has on the environment. To understand why S. 965 is so important for clean air, energy conservation and the environment, we must take a brief look back at several key provisions in last year's Clean Air Act Amendments.

## THE CLEAN AIR ACT HAS RESHAPED TRANSPORTATION NEEDS

While factories and other stationary sources contribute to air pollution, the principal source of pollution for many communities is the automobile. Transportation sources currently account for about 50 percent of urban ozone and 90 percent of urban carbon monoxide in the Nation's non-attainment areas.

Over the years, Congress has amended the Clean Air Act to control emissions from cars through ever tighter emissions standards and, most recently, through the promotion of cleaner burning gasoline and alternative fuels. Although these are critical restrictions, as vehicle miles travelled increase at a rate 3 to 4 times the rate of population growth, it is only a matter of time before these improvements in automobile design are overwhelmed by more people driving longer distances more often. This Committee, in its report on the Clean Air Act Amendments of 1990, understood the important connection between vehicle use and air pollution:

"Although there have been significant reductions of emissions of VOCs and CO from mobile sources since 1970, without further controls the emissions reduction benefits will be negated by the increase in both the number and use of motor vehicles. Total motor vehicle registrations (cars, trucks, and buses) in the U.S. have increased 69 percent between 1970 and 1988. The number of vehicle miles traveled nationally is increasing by about 25 billion miles per year. According to the Highway Users Federation, the growth rate in many urban areas is currently about 6 percent per year and overall mileage could double between now and the year 2000. . . . The increase in number and usage of motor vehicles will overtake emissions reductions that result from the phase-in of new cleaner vehicles that meet the automotive standards adopted to date. . . . [To reduce or even avoid increases in vehicle pollution, it is not enough to control the pollution each car emits; the use of the car must be examined as well because growth in VMT threatens to overwhelm what can be achieved through tailpipe standards." S. Rpt. 101-228, Clean Air Act Amendments of 1989, 101st Congress, 1st Session, p. 85.

As a result, the Congress and President included important new changes in the 1990 Clean Air Act Amendments to address automobile use. These changes are outlined below, but they underscore two major new themes on the impact of vehicle use on air quality.

First, transportation planning must mesh with air planning. The Clean Air Act contains requirements for the States to develop cleanup plans for urban areas who have failed to attain Federal air quality standards. Historically, however, transportation plans have never been considered a component of air plans. As this Commit-



tee recognized in its report on the Clean Air Act Amendments of 1990, "Federal transportation dollars have continued to finance programs and projects that have not been sufficiently reviewed for their potential adverse effects on air quality."

The new Clean Air Act bridges the gap between air plans and transportation plans by requiring transportation plans to meet the air quality objectives of State air plans. For example, if a State air plan calls for a 3 percent annual reduction in vehicle emissions, the transportation plan must either meet those targets or projects in a transportation plan cannot receive Federal funding.

Second, urban areas face tough sanctions if they fail to comply. Prior to the Clean Air Act Amendments of 1990, sanctions were imposed at the discretion of the EPA. Under the new Clean Air Act, sanctions are imposed automatically against a non-attainment area if the State or non-attainment area fails to comply with any requirement under the Act. There are two sanctions which can be imposed: (1) withholding highway funding from the non-attainment area and (2) requiring new stationary sources in the non-attainment area to obtain 2 for 1 offsets (i.e., find reductions of 2 tons of emissions for every 1 ton emitted). If a non-attainment area persists in noncompliance for 24 months or more, both sanctions apply.

To help underscore the close connection between the Federal surface transportation program and the Clean Air Act Amendments of 1990, we have identified the major provisions in the Clean Air law that will directly effect transportation investments:

*1. Conformity.* Although provisions have been in the Clean Air Act since 1977 requiring State transportation plans to "conform" to State air plans, the practical implication of this requirement has been to ensure only that transportation control measures (TCMs) listed in the air plan are also in the transportation plan. The U.S. Department of Transportation did not agree with EPA's interpretation that the provision requires the entire transportation plan to conform to the air plan.

The new Clean Air Act Amendments substantially expand this narrow interpretation by prohibiting the expenditure of any funds pursuant to a transportation plan or program unless the plan or program conforms to the air plan's purpose of eliminating and reducing the severity and number of air quality violations.

Transportation plans are evaluated on a region-wide basis, under the new Act. Thus, projects that are part of a conforming plan may be funded. Projects which are not part of a conforming plan may be funded only if, when considered in the context of all other projects in the plan, they will not impede the ability of the plan to achieve its air quality goals.

Many urban officials, transportation planners and State air planners consider this to be the most important and far reaching transportation-related provision in the new law.

*2. Sanctions.* Areas found in noncompliance with the Act or whose air plans have been disapproved have 18 months to correct the deficiency. If they fail to meet the 18 month deadline, either the 2 for 1 offset or the withholding of highway sanctions will apply. If, after 24 months, the area is still in noncompliance, both sanctions will apply. Sanctions must apply in the nonattainment area, but EPA also has the discretion to apply them on a statewide basis after the 24 month period has expired. Making sanctions mandatory and extending their potential application to the State as a whole are both changes from current law. In addition, the range of activities for which sanctions can be imposed has also expanded substantially.

Once highway sanctions have been imposed, no Federal funds may be expended unless the funds are spent on projects that will improve air quality, including capital expenditures for public transit, construction of bus or HOV lanes, planning to reduce work-related trips, traffic flow improvements which achieve a net emission reduction, fringe parking facilities, programs to limit vehicle use in downtown or other areas through tolls, parking surcharges or other pricing mechanisms, and programs for accident management designed to reduce congestion and emissions.

*3. Pang Procedures.* Complimenting the conformity review process, the new Act also requires State air plans to be written by a State agency which includes air officials, MPOs, State transportation officials, and local elected officials. This provision represents an effort to further integrate transportation and air quality planning.

*4. "Reasonable Further Progress."* For moderate ozone nonattainment areas, State air plans must be submitted which demonstrate a 15 percent reduction in volatile organic emissions in the first 6 years after enactment. Estimates for reductions of vehicle emissions are expected to be included in these plans. Serious, severe, and extreme areas, must submit State air plans that also demonstrate emission reductions that average 3 percent per year for each consecutive 3 year period after the initial 6-year period. This requirement for steady improvement is what will really compel local areas to develop new transportation strategies. Continued growth in

VMT could jeopardize the locality's ability to meet these milestones, triggering sanctions and the withholding of highway funds.

5. *Capping VMT and Trip Reduction Ordinances.* For severe and extreme non-attainment areas, States must submit within 2 years after enactment an air plan that offsets any growth in emissions caused by growth in VMT. Also, all employers of 100 or more employees in such areas must reduce by as much as 25 percent their work-related trips. The "no growth" vMT requirement may be Clean Air Act Amendments' most challenging transportation requirement.

6. *Similar Requirements for Carbon Monoxide (CO) Areas.* The Act imposes similar obligations on areas who violate national carbon monoxide standards. In particular, State plans must project VMT in CO non-attainment areas and ensure that the non-attainment meets those projections and complies with the requirements of the Act in time. Serious CO areas must submit plans that will offset any growth in VMT.

The Clean Air Act Amendments of 1990 have finally broken down the wall between transportation planning and air quality planning. And, not surprisingly, Congress and the President considered it more important to make the air safe to breathe rather than build a new road.

#### S. 965 WILL HELP ACHIEVE CLEAN AIR

From our perspective, the changes brought about by the Clean Air Act Amendments of 1990 mean that urban areas will need (1) a dedicated and substantial source of funding to meet their Clean Air Act obligations, (2) full funding flexibility so that they may finance creative and nontraditional methods to achieve their transportation goals, (3) a planning process that responds to energy, environmental, and preservation objectives in a way that gives local areas equal footing with the States (this is an important point because States who can override local plans expose local governments to Clean Air Act sanctions which they cannot avoid by sensible transportation planning), and (4) a revision of apportionment and match formulas to reward, rather than penalize, States and localities who successfully reduce VMT, fuel consumption, and air pollution.

To many environmentalists, State environment officials, and transportation planners, the mandate of the Clean Air Act has made it clear that to achieve meaningful changes in automobile use the current structure of the Federal highway program must change. Currently, the program is overwhelmingly tilted toward highway construction and expansion, with minimal flexibility and little local control over funding decisions.

S. 965 addresses each of these weaknesses by providing the necessary funding flexibility and enhanced local planning authority to clean our air.

#### 1. FUNDING FLEXIBILITY

While providing ample funding to ensure the preservation of the existing Interstate system and our network of bridges, S. 965 allows for the expenditure of nearly \$45 billion over the next five years for a wide variety of tools to help the States and urban areas address their transportation needs. If a major urban area believes that the best way to reduce vehicle emissions is through major new investments in transit, S. 965 would allow those investments to be made. If another community wanted to employ of host of so-called travel demand management programs, such as subsidized car-pooling, it could do so. And, if another community felt it necessary to construct new high occupancy vehicle lanes to better manage growth, it could do so.

The fundamental flaw in the Administration's bill is that nearly two-thirds of the funds are earmarked for highway use, whether or not that is the most efficient, energy conserving or cost-effective use for those funds. Thus places a straitjacket on States and metropolitan areas who want and need substantial flexibility to reduce congestion and improve air quality. Although road construction may make sense in Idaho or Wyoming, it could well be wasteful, costly and counterproductive in New Jersey or Atlanta. S. 965 simply acknowledges these differences.

#### 2. DEPENDABLE FUNDING TO METROPOLITAN

In addition to expanded funding flexibility, S. 965 would require that a portion of funds under a newly-established Surface Transportation Program be allocated within a State between metropolitan and non-metropolitan areas. This is a critical and necessary improvement over current law.

Currently, States can address the transportation needs of metropolitan areas or ignore those needs and shift resources to other parts of the State. These State decisions, which are not currently tied to any federally-required State transportation plan, may be generous to metropolitan areas one year and be miserly the next. Cer-

tainly, States should have the ability to determine funding priorities within their boundaries, but that unfettered discretion must be curtailed if it conflicts with an important Federal interest.

In our view, the Clean Air Act Amendments of 1990 have articulated a Federal interest which must place some limits on State discretion. As noted earlier, many of the Clean Air Act's new obligations fall on metropolitan areas and it will be in those areas that many difficult and challenging transportation control programs must be implemented. It is also the non-attainment area, not the State, which is sanctioned for failing to meet the Clean Air Act's milestones.

Without some assurance of funding, non-attainment areas could craft the best possible transportation plans, only to have those plans thwarted or shortchanged by an uncooperative State transportation agency. For Congress to place enormous Clean Air Act burdens on metropolitan areas and then fail to provide a dependable source of funding to meet those burdens would almost ensure the failure of the new Clean Air Act Amendments.

S. 965 largely corrects this flaw by giving metropolitan areas a dependable source of funds on which to base their planning decisions. Although some States will also assist these areas with monies retained and controlled at the State level, S. 965 gives local officials a base amount of funds to begin to address their transportation needs. Local transportation decisions can be made whether or not the State transportation agency elects to help the metropolitan community meet its Clean Air Act obligations. As a result, S. 965 dramatically improves the chances that the Clean Air Act Amendments will achieve their objective.

Indeed, we would urge the Committee to clarify this provision further to require that monies set aside for metropolitan areas by allocated among each State's metropolitan communities based on each community's relative share of the State metropolitan population. This change would give each major urban area within the State an even clearer idea of its funding base.

### 3. TRANSPORTATION PLANNING

S. 965 also makes substantial improvements in transportation planning. Although States receive billions of dollars each year under the Surface Transportation Assistance Act, the Federal Government does not require States to develop comprehensive transportation plans. There are no priorities, no goals, no objectives and no accountability. S. 965 requires States which contain non-attainment areas to develop plans and to give greater weight to plans developed in large metropolitan areas to ensure that local priorities compete fairly with State initiatives.

Although some States have asserted that giving added weight to locally developed plans usurps State authority, S. 965 provides only a modest change in current law by giving local officials a seat at the table when transportation decisions are being made affecting the metropolitan area. This is hardly a new concept. Some States have been operating under this procedure for years, and the Federal Interstate Substitution Program shows how State and local officials can work together to develop rational transportation plans in metropolitan areas.

Although we support the planning provisions of S. 965, we believe that additional changes must be made to the planning provisions of S. 965 to ensure that its requirements are enforceable, comprehensive and offer adequate opportunities for public participation and comment. We have been working with the National League of Cities, the U.S. Conference of Mayors, the National Association of Regional Councils and other organizations to develop a workable and meaningful planning design that we hope the Committee will consider as it moves to markup the planning provisions of S. 965.

### 4. INCENTIVES/DISINCENTIVES FOR FUEL CONSUMPTION

Finally, S. 965 takes a meaningful step toward removing the incentives in current law to increase vehicle use. By allocating funds based largely on historical allocations, S. 965 ensures that no State earns more funding by consuming more fuel or allowing greater increases in vehicle miles traveled.

By contrast, the Administration proposal, which allocates funds based on gasoline consumption, penalizes States which reduce vehicle use, increase per vehicle ridership, and lower fuel consumption by providing less Federal funding. However one defines the National goals of our national transportation system, it cannot tolerate this perverse alignment of priorities. In our view, S. 965 more closely adheres to the goals of the Administration's National Transportation Policy to focus on the movement of "people and goods," rather than vehicles.

In its current form, however, S. 965's largest program—the Surface Transportation Program, locks State apportionments into place and offers no positive incentive for States and metropolitan areas to use the enhanced flexibility in this program to reduce traffic congestion, lower fuel consumption and improve air quality.

We urge the Committee to consider an amendment to S. 965 that would provide an affirmative incentive for States to achieve meaningful reductions in the growth of vehicle miles of travel. A draft of this amendment, providing an Energy Security and Clean Air Bonus, is attached to this statement.

Although it appears complicated at first glance, the amendment is quite simple. The cornerstone of the proposed amendment is the VMT Index. Just as the State apportionment in S. 965's Congestion Mitigation and Air Quality Improvement Program is adjusted by a factor to reflect the severity of air pollution problems in the State, the VMT Index partially adjusts the Surface Transportation Program apportionment to reward States who reduce energy consumption and improve air quality by controlling growth in "VMT per capita.

There are several important features of the VMT Index. First, by comparing changes in "VMT per capita, rather than absolute changes in VMT, the VMT Index does not penalize States facing rapid population growth. However, it does address the serious problem of runaway VMT growth. In many urban areas and in the Nation as a whole, VMT is growing at a rate much greater than the rate of population growth. The VMT Index will help arrest this growth. By relying on VMT per capita, rather than absolute changes in VMT, the VMT Index rewards growing States who do a better job of managing their growth.

Second, the VMT Index is designed to compare a State with itself before comparing it with national trends. By measuring changes in VMT per capita with the State's VMT per capita in a base year (1990), the VMT Index provides a continuing incentive for States who have made significant improvements to keep up the good work and not simply rely on past successes. It also gives States who have fallen behind the pack an incentive to make improvements now.

Third, the VMT Index, as used in this proposal, recognizes the severe constraints on States who would have to achieve reductions in VMT per capita in rural and non-metropolitan areas. The formula applies the VMT Index only to that fraction of a State's Surface Transportation Program apportionment attributable to metropolitan areas. If a State has a proportionately small metropolitan population, the amendment will have little effect one way or the other. On the other hand, a State with a large proportion of metropolitan residents could gain a large bonus for achieving reductions in VMT per capita or receive fewer funds if it falls behind national trends. The responsibility and obligation for VMT per capita reductions falls where it should—on the metropolitan areas within States.

Finally, the VMT Index compliments at least three critical national objectives of S. 965. First, by encouraging reductions in VMT growth, this amendment will help improve the efficiency of our existing transportation infrastructure and give added meaning to a bill entitled the 'Surface Transportation Efficiency Act of 1991.' Second, the amendment will encourage and reward States and urban areas that meet their new obligations under the Clean Air Act Amendments of 1990. Finally, as the House and Senate consider national energy legislation, rewarding reductions in VMT growth could make a meaningful dent in our domestic consumption of gasoline and help to achieve greater energy independence.

#### TITLE II, THE NATIONAL RECREATIONAL TRAILS TRUST FUND

Although we strongly support the framework of Title I of S. 965, we join the National Wildlife Federation and the Wilderness Society in registering our strong objection to several provisions in Title II, the National Recreational Trails Trust Fund Act. In particular, we oppose earmarking 70 percent of the monies in this new trust fund for trails serving motorized users when nearly 90 percent of all trail use is by non-motorized users. In addition, we oppose delegating to the States authority to build and maintain off-road vehicle trails across public lands administered by the Federal land management agencies, including roadless lands which may be candidates for wilderness areas. With a vast majority of the 380,000 miles in the Forest Service's road system already available for motorized users, no compelling rationale exists for dramatically expanding this network of roads and trails or increasing State authority over those roads. Although we do not support Title II as currently drafted, we believe the program can be amended to achieve the needs of trail users by amendments that would preserve Federal control over trails on Federal lands and provide greater flexibility for State recreational needs on non-Federal lands.

## BILLBOARD CONTROL

Finally, we are troubled by the absence of provisions to control the visual pollution caused by billboards. We wish to register our strong support for legislation introduced by Senator Chafee that would establish a workable program of billboard control. We urge the Committee to include Senator Chafee's legislation as an amendment to S. 965. We look forward to working with the committee to make these needed changes.

## CONCLUSION

The task of managing vehicle use is substantial, but the potential rewards are also significant. Because our highway system is used so inefficiently, even small improvements can yield substantial benefits. If we could achieve a small increase the average number of persons in a car during rush hour from 1 person per car to only one and half persons, we could reduce emissions by 15 percent or more, reduce traffic congestion, lower energy consumption, reduce wear and tear on our infrastructure and allow for greater mobility in the movement of goods as well as people—all without adding a single lane of highway.

We believe that to protect public health, we must change the way we invest in our transportation infrastructure. We must make investments that help improve the environment, not worsen it. The underlying strength of S. 965 is that it will strengthen our economy, reduce our reliance on imported oil, slow the deterioration of our infrastructure, and, at the same time, help to improve the environment.

## PROPOSED REVISIONS 5/6/91

Insert after paragraph 104(b)(1), which establishes the apportionment of the Surface Transportation Program, the following—

“(1A) ENERGY SECURITY AND CLEAN AIR BONUS.—For each State the Secretary shall adjust the Surface Transportation Program apportionment under paragraph (1) for fiscal year 1993 and each fiscal year thereafter as follows—

“(A) For each State the Secretary shall calculate—

- (i) the amount of funds apportioned to such State pursuant to paragraph (1),
- (ii) the per centum of such State's metropolitan area population as a relative share of such State's total population, and
- (iii) the per centum of such State's non-metropolitan area population as a relative share of such State's total population, and
- (iv) the VMT Index for such State.

“(B) For each State the Secretary shall add the amount determined by multiplying clauses (i), (ii) and (iv) of subparagraph (A) to the amount determined by multiplying clauses (i) and (iii) of subparagraph (A).

“(C) The Secretary shall sum the amounts determined in subparagraph (B) for all States and shall calculate for each state the per centum share of such sum.

“(D) For each State the apportionment of funds for the Surface Transportation Program shall equal the per centum share determined in subparagraph (C) multiplied by the amount authorized to be appropriated for the Surface Transportation Program in such fiscal year.

“(E) For purposes of this paragraph, the term “VMT Index” means the amount determined by calculating for each State (i) the ratio of vehicle miles of travel per capita for all States compared to vehicle miles of travel per capita for all States in calendar year 1990, and dividing that amount by (ii) the ratio of vehicle miles of travel per capita for such State compared to the vehicle miles of travel per capita for such State in calendar year 1990.

“(F) Not later than 6 months after the date of enactment of this paragraph, the Secretary shall promulgate regulations implementing this paragraph which shall, at a minimum, assure the collection and application of data consistent with the requirements of section 303.

## STATEMENT OF AMERICAN ROAD AND TRANSPORTATION BUILDERS ASSOCIATION

The American Road and Transportation Builders Association (ARTBA), with 3,500 members nationwide, appreciates this opportunity to present its views on the reauthorization of surface transportation programs to the committee.

For the past two years, we have actively advocated an increase in Federal highway user fees to finance a \$40 billion annual Federal/State highway program. At this point, a 10 cents-per-gallon increase in the Federal motor fuel excise tax appears necessary to reach that goal. Again, we commend and encourage members of

this Committee who have taken the important first step in the direction of substantially increased highway funding.

ARTBA has a long history of support for aggressive efforts to develop and maintain the National highway system, our country's most important transportation network and the backbone of its commerce.

Our organization was formed in 1902 as the American Road Makers, an offshoot of the League of American Wheel men. In separating from a group devoted to the bicycle, ARTBA established itself as a forward-looking body. ARTBA was present at the birth of the automobile age and saw that vastly better roads would be needed if the internal combustion engine was to power the economic growth and personal mobility that has characterized the United States in the 20th Century.

As we approach the 21st Century, our nation is again—literally—at a transportation crossroads. For several years, many of us have anticipated arrival at this point. The Interstate Highway System, often called the largest public works project in history, has been the principal focus of highway development for the past 35 years.

Today, new construction on the original Interstate System plan is virtually complete. Now, we must assess what we have accomplished. We must examine the role of an efficient national highway system in contemporary society and the U.S. economy. We must make our best evaluation of the mobility needs of America in the years ahead. Then we must join together to fashion a surface transportation program that will meet the multiple demands of our country for the foreseeable future.

Thus, the Surface Transportation Assistance Act of 1991 assumes an importance beyond that of transportation legislation of the recent past.

While completion of initial construction of the Interstate System is indeed a milestone, it does not signal that we can end, or even cut back, the Federal highway program. The Interstate System was the major preoccupation for the past generation, but there was a highway program for many years before 1956. The present program, in fact, is carried out under the basic law, though much modified, that was enacted in 1916.

The focus today may be different, reflecting changing conditions and needs, but a vigorous Federal highway program is still essential.

The Bush Administration has submitted legislation to implement its vision of the future. It is a comprehensive blueprint containing many worthwhile suggestions. It also contains some proposals we cannot endorse.

Members of Congress and many organizations, including ARTBA, have their own plans. All will contribute to the evolution of a new surface transportation act.

Nearly two years ago, ARTBA first adopted its legislative recommendations for the Federal highway program reauthorization in 1991. Following Congressional enactment of the comprehensive deficit reduction package last fall, we reviewed our program and concluded that our fundamental objectives remain sound.

The ARTBA plan addresses the full range of highway issues, but there are a few basic features that any reauthorization bill must contain if it is to properly and adequately address our nation's transportation needs:

Enactment prior to September 30, 1991. We cannot afford to break the continuity of the highway program. This would result in project delays, uncertainty within State transportation departments and economic hardship on the thousands of small businesses that comprise the transportation construction industry.

A reauthorization period of five years. Some consideration has been given to a two-year bill so that a longer authorization could be developed after the initial impact of the budget agreement is better known. ARTBA believes a far better approach is to lock-in the parameters of the program now for the next five years.

Dedication to the Highway Trust Fund of the 2.5 cents-per-gallon Federal fuel tax that now goes into the general treasury. Such action would restore the concept that the gasoline and diesel excises are user charges applied only to transportation programs. Equally important, this action would increase the funds available for highway improvements.

Make the entire five cents-per-gallon motor fuels tax increase approved in 1990 permanent and proceeds available for immediate obligation.

Authorize spending of the current balances in the Highway Trust Fund and concurrently raise the Federal highway user fees effective in fiscal year 1992 to the level necessary—equivalent to about 10 cents-per-gallon—to meet the highway capital needs on the Federal-aid system that has been identified by the U.S. Department of Transportation.

It is no accident our proposals deal almost exclusively with funding. Structural and operational refinements can be made to the highway program, but unless there is a substantial commitment of additional funds, our highways and bridges will continue to deteriorate at the expense of improved mobility, economic expansion, job creation, safety and pollution reduction.

The highway transportation system can no longer be viewed as performing a single function—moving people and goods from one place to another. This basic transportation network must be developed and managed with broader objectives in mind: economic strength, environmental enhancement, improved public health and energy efficiency being the most important. ARTBA's legislative recommendations would move the program toward these goals. They are based on the 1989 findings of the Department of Transportation that an annual Federal-aid Highway program of \$40 billion is needed to meet the full constrained needs" of the National highway network.

Lest there be confusion, the term "full constrained needs" does not imply a "gold-plated" highway system with no problems. It simply means meeting most of the existing and anticipated deficiencies through the year 2005. It means bringing the entire system up to "minimum condition engineering standards," according to the DOT report.

The national highway system is so crucial to the future social and economic well-being of the Nation that ARTBA strongly urges the Congress to move the Federal-aid program toward the \$40 billion annual level. At the same time, Federal highway user fees—primarily the gasoline and diesel tax—should be increased by 10 cents-per-gallon to support the expanded program.

If \$40 billion a year sounds frightening, then consider that DOT also concluded that a Federal highway program of \$26 billion yearly is required just to maintain 1985 standards. That is about \$10 billion more than this year's investment. In 1988, almost a third of the bridges on the Federal-aid system were classified as "structurally deficient" or "functionally obsolete." More than 40 percent of the pavement on the system was in imminent need of repair.

ARTBA finds itself in the unique position of being one of the few organizations—perhaps the only one—advocating a tax increase in this year of fiscal austerity. But we are convinced that a modern highway system is absolutely essential to the future social and economic well-being of the United States and that Americans will support a gas tax increase so long as they know it will be dedicated solely to transportation improvements.

In March of this year ARTBA commissioned a national opinion poll to test public sentiment in the aftermath of the Federal fuels tax increase imposed last December. The survey was conducted by Penn & Schoen Associates. The results confirm that most Americans—81 percent—remain adamantly opposed to using Federal motor fuel taxes for non-transportation purposes. The survey also demonstrates that Americans perceive a strong link between the condition of our highways and bridges and the Nation's economic health. Fifty-three percent feel the future economic well-being of the Nation is threatened by traffic congestion and poorly maintained roads, highways and bridges.

Despite the recent Federal fuel tax hike, about half of those surveyed said they would support another increase this year if it were dedicated to transportation improvements. Sixty-nine percent of those who would support a gas tax increase endorse a five cents-per-gallon boost in the Federal tax, while 60 percent looked with favor on a 10-cent increase.

The Penn & Schoen survey also reflected the concern of Americans over highway safety. When asked "What could be done to our nation's highways to make you feel safer as a motorist?", 23 percent said "fix the roads and bridges." Another nine percent indicated specific construction-related improvements like "better road signs" (five percent), "better lighting" (two percent) and "improved lanes and shoulders" (two percent).

Recent evaluations of the importance of transportation to the economy have focused on the return that could be possible from additional investment in the National highway network. One of the first of these was a study commissioned by ARTBA, conducted last year by Dr. Richard Nudge, former chief of the Congressional Budget Office's Public Investment Unit, and Dr. David A. Aschauer, then a senior economist for the Federal Reserve Bank of Chicago.

Mudge and Aschauer predict that an additional—and sustained—\$25 billion annual investment in the Federal highway program would lead to a \$250 annual increase in productivity for each American worker within the program's first five years. Within 20 years, it would cause a \$3,200 increase in annual output per worker.

By 2012, Aschauer and Mudge believe, these productivity gains for American business would generate an additional \$29 billion per year in corporate profit and \$35 billion per year in private investment.

Closely related is the job-creation impact of a larger commitment to transportation infrastructure. Traditionally, correlations between public works spending and jobs concentrated on direct, on-the-job employment.

Last winter ARTBA decided to examine the broader implications of an increased highway improvement program. We asked Apogee Research Inc., of Bethesda, Maryland, to project the job-creation results of a long-term commitment to greater transportation investments. The results were startling.

The Apogee study shows that an additional \$25 billion per year in Federal highway and bridge capital spending would generate 943,000 new American jobs during the program's peak year. Within 24 months, the expanded program would produce nearly 450,000 jobs throughout the economy.

More than 25,000 new jobs, the study says, would be created in 12 States: California, Texas, Florida, New York, Ohio, Pennsylvania, Illinois, Michigan, Georgia, New Jersey, North Carolina and Virginia.

These are not short-term, "make-work" jobs. The backlog of highway and bridge needs is such that it will take many years to rebuild and improve the National transportation system.

Nor are these exclusively jobs in the construction industry. The demonstrated ripple effect of improved transportation would be felt everywhere, with increased employment in such fields as real estate, food manufacturing and sales, clothing, hotels and banking.

Substantially increased highway investment would also help the Nation meet energy and air quality goals.

Revision of the Federal Clean Air Act last year brought new attention to the environmental situation in major cities. Most of them have air pollution levels far above those acceptable for good health. Serious efforts are required to lower them.

Traffic congestion contributes to poor air quality in many urban areas. Congestion also is a drag on the economy costing huge sums annually. It is estimated that 1.4 billion hours and 1.5 billion gallons of gasoline are wasted every year because of congestion on urban limited-access highways.

A substantial fuel tax increase dedicated to highway and bridge improvements would greatly contribute to reducing this problem. The resulting higher cost of fuel could depress consumption. The net effect is greater income to the Highway Trust Fund to finance needed roadway improvements and capacity expansion to ease congestion.

Continued low-cost fuel and a stagnant highway program are not the answer to urban congestion and air pollution problems. To the extent that public transportation is part of the solution, it must be remembered that the great majority of transit systems in the United States operate over roads and streets. Buses forced to compete with other vehicles in traffic jams will not lure many people from their cars.

#### BACKGROUND OF LEGISLATION

To develop or comment on any legislative proposal, we first must look at the existing situation.

Cumulative Federal spending on transportation seems impressive. The Interstate System alone will have cost about \$130 billion when it is completed. But gross figures can be misleading.

For some years, spending on public infrastructure has not kept pace with growing needs. That's true of water and sewer systems and airports, just as it is of highways and mass transit.

In the 1960's, public investments in transportation began a relative decline. At that time total public spending for roads and bridges was 1.4 percent of the Gross National Product. Today it is .5 percent.

Inflation has also been a hidden factor. In 1959, the Federal gas excise—the primary source of Federal highway funding—was four cents-per-gallon. If, to maintain its construction purchasing power, that excise had been indexed to keep pace with inflation as measured by the Consumer Price Index, the excise would be 20.3 cents-per-gallon in 1991. However, only 10.25 cents-per-gallon of the Federal fuel tax is now available for highway and bridge improvements. (An additional 1.25 cents-per-gallon is used for Federal mass transit funding; 2.5 cents-per-gallon has been diverted to deficit reduction.)

Assuming a moderate future inflation rate of just four percent-per-year, the Federal motor fuels user fee would have to increase to 29 cents-per-gallon by 2000 just to maintain its 1959 purchasing power.



In addition to inflation, government actions to achieve a variety of national goals have affected funding for the highway program. The partial tax exemption for gasoline (5.4 cents-per-gallon), for instance, currently reduces Highway Trust Fund revenues by an estimated \$500 million or more per year.

Fuel efficiency standards, first required in 1978, have resulted in some revenue losses to the Trust Fund. Tightening of the requirements, as now under consideration, would result in further reduction of Trust Fund revenues through greater economy in general and a potential move to alternate fuels which are not now taxed. ARTBA has examined the potential effect on Trust Fund revenues of more stringent fuel economy standards. Our preliminary findings suggest that the lower levels of fuel consumption they would produce would significantly reduce Trust Fund income.

Requirements of the Clean Air Act as amended last year are likely to generate extensive use of non-traditional fuels. Other environmental and energy conservation initiatives, many with laudable objectives, could in the near future result in motor vehicles powered by such fuels as electricity and natural gas. An unintended consequence almost surely would be reduced income for the Highway Trust Fund at a time when additional funding is needed.

This is an issue which the Congress must examine. Maintenance of a healthy Federal transportation program depends on a stable source of funding. The Trust Fund has provided an assured revenue source in the past. The tax structure that supports it, however, should be carefully reviewed for possible revisions that will maintain the viability of the Trust Fund in the future.

ARTBA strongly recommends that the Congress, through the reauthorization legislation, direct that a study be made of the effect on the Highway Trust Fund of expected changes in both the quantity and types of motor fuels that will be used in the future. The study also should recommend ways of taxing these fuels so as to provide adequate sources for transportation programs.

Changing demographics also have contributed to the continuing need for a vigorous Federal highway program.

As the Nation's population grew, so did the number of motor vehicles. And the population shifted increasingly to the suburbs and to the Sun Belt, creating new demand for roads and streets.

Motor vehicle use shot up dramatically. The number of licensed drivers increased from 80 million to 163 million between 1960 and 1988. The number of vehicles grew from 75 million to 183 million during the same period. And annual vehicle miles traveled nearly tripled.

While demands on roads increased, investment by the Federal Government actually declined. The congressional Office of Technology Assessment reported last year that, in terms of constant dollars, Federal highway expenditures remained virtually static between 1980 and 1988.

In its 1989 report, the Department of Transportation said that 40 percent of the pavement on the Interstate System was below minimum standards and that nearly a third of the Interstate bridges are "structurally deficient" or "functionally obsolete." On all Federal highways, 238,000 highway bridges—40 percent of the National total—are similarly classified.

Clearly, highway needs are great. This year's surface transportation bill is the place to get the job started.

Secretary of Transportation Samuel Skinner and the Federal Highway Administrator, Dr. Thomas Larson, have devoted considerable thought, time and energy to developing the Administration's legislative proposal for highway and mass transit programs. The bill they have submitted is a serious effort to reshape highway and transit programs to respond to the challenges of the late 20th Century and beyond.

Unlike other years, the Administration bill was not declared "dead on arrival" on Capitol Hill. Indeed, the bill appears likely to be the starting point for Congressional actions.

ARTBA prepared an extensive analysis of the Administration proposals. It has been distributed to all members of Congress as well as to governors and others involved in transportation activities.

There are several features of the Administration bill with which ARTBA agrees. As previously observed, we strongly endorse the multi-year approach to reauthorization. The concept of a newly-defined National Highway System has considerable merit, although we have some thoughts on how it can be improved. We support the idea of encouraging public/private ventures in transportation development.

We also agree that the new revenues made available to the Highway Trust Fund last year should be spent, although we believe the spending should start immediately, not several years from now.

## THE ADMINISTRATION BILL

The following is our view of the main features of the Administration bill.

*Funding levels*—As stated earlier, ARTBA believes a substantially larger highway program is needed. We take issue with the characterization of the Administration proposal as providing a 39 percent funding increase over five years. Our analysis, confirmed by the Congressional Budget Office, reveals that when adjusted for inflation, spending levels recommended by the Administration essentially show *no increase*.

More important than the rate of increase, however, is the amount actually invested in the highway system. The Administration proposes reaching an annual program level of \$20.3 billion, but not until 1996. That figure is even inadequate for 1992 if we are serious about realistically addressing highway needs.

Furthermore, under the Administration plan, the balance in the Highway Account of the Highway Trust Fund will continue to grow. By the end of Fiscal Year 1996, it will be nearly \$15 billion.

ARTBA recognizes the constraints on spending imposed by last year's reconciliation act, especially during fiscal years 1991-93. We believe, though, that even under these restrictions, a larger program than that proposed by the Administration can be supported.

The gap between needs and program level can be closed even further with the enactment of additional revenue for the trust fund. Higher user fees should be approved this year and be effective in fiscal year 1992. This would be compatible with the 1990 Reconciliation Act's pay-as-you-go provisions.

Meanwhile, the full five cents-per-gallon tax increase adopted in 1990 should be deposited in the trust fund and made immediately available for obligation for transportation purposes.

*National Highway System*—ARTBA agrees that this is the right time to restructure highway networks. A realignment is necessary to accommodate demographic and other changes that have taken place since construction of the Interstate System was initiated in 1956.

We are concerned, though, that the proposed 150,000-mile system is too small. If the National Highway System (NHS) is to be the system of prime national interest, it should be more comprehensive.

As proposed, the NHS would consist of 150,000 miles, of which 44,000 would be the Interstate System and the remainder taken from the present Primary System. Only about 40 percent of the Primary System (now 259,000 miles) would be incorporated into what is seen as the main national and inter-regional roadway network.

And there are some practical problems. States with small populations and large areas could find themselves with an excess of funds for their relatively small segments of the NHS and a shortage for other roads.

*Urban/Rural Program*—The proposed Urban/Rural Program would combine the existing Secondary and Urban Systems with that portion of the Primary System not included in the NHS.

Our major concern with this approach is the proposed flexibility that is intended to allow States to meet their most pressing needs, regardless of where they are located and whether they are highway or transit related. There is a strong likelihood that the challenge of relieving urban congestion would draw most of this program's funds. Rural areas and small communities would be relegated to the category of second-class citizens without Federal assistance to meet their needs.

ARTBA strongly recommends retention of separate Urban and Secondary Systems.

*Bridge Program*—The Department of Transportation estimates it would cost more than \$50 billion to bring deficient bridges on the Federal highway system up to standard.

The modest funding level proposed in the Administration bill is wholly inadequate to meet this crucial problem. The 1991 authorization for the bridge program is \$1.63 billion. The bill recommends \$1.82 billion for next year, an almost insignificant increase in terms of the cost of bridge replacement and repair.

In the last two years of the Administration's bill, bridge funding is increased somewhat, but still too little and too late.

*Matching Ratios*—The drastic reduction proposed in the Federal share for most activities would all but guarantee unintended results.

Of great concern is the financial burden imposed on States, many of which already are facing substantial budget shortfalls. Although a reduced Federal share is intended to produce a larger overall program, the opposite could result if States were unable to match Federal funds.

Some States, in fact, already are questioning whether more Federal dollars are worth what it will cost them as matching ratios are changed. A Senator from one hard-pressed State calculated that while his State will get \$2 million more in Federal funds next year under the Administration plan, it must come up with \$12 million additional matching of its own to qualify. Another State—one with a small tax base—estimates that it will have to more than double its own outlay if the matching ratios are changed.

The different Federal shares proposed could induce States to locate projects where the cost to them is least rather than where the need is greatest. For instance, Interstate 3-R activities, at 90 percent Federal money, could be favored over other work on the NHS where the Federal share is only 70 percent, even though the need may be greater.

In addition, projects on the other systems where the Federal share is even lower also could find themselves well down on the priority list.

ARTBA believes these potential problems would be alleviated if the Federal share for National Highway System and the bridge program is set at 90 percent; and the retained secondary and urban programs at 75 percent.

*Public/private ventures*—The Administration is on the right track in advocating a greater private participation in transportation development. We have, in fact, provided significant national leadership by establishing a new division in our organization to encourage and facilitate public/private ventures in transportation. We have also sponsored several successful national conferences and educational forums to further develop this emerging field.

*Highway Safety*—The Administration's proposal to require 10 percent of apportioned highway dollars for the NHS and the Urban/Rural Program to be generally committed to safety is an excellent concept. However, the two existing safety construction categories—Hazard Elimination and Rail-Grade Crossings—should be specifically retained.

*Mass Transit*—Just as we advocate spending the balances in the highway account of the Highway Trust Fund, ARTBA believes the balances in the Mass Transit account must be utilized. We also believe an increased level of Federal funding for mass transit capital improvements is needed. We oppose a reduction in the Federal share for transit. We support the continued use of both Trust Fund and General Fund resources for mass transit activities, with Trust Fund resources used only for capital improvements.

#### THE ARTBA HIGHWAY PROGRAM

ARTBA's own legislative agenda consists of recommendations in all of the major areas relating to the Federal-aid Highway Program.

*Funding*—As stated earlier, we believe adequate financing is the key to meeting the capital needs on the Federal-aid system. A \$40 billion per year Federal-state program should be initiated to address needs identified by the Department of Transportation in its 1989 report to the Congress.

To establish and maintain a program of that magnitude, the Congress should (1) Authorize the obligation of balances in the Highway Trust Fund; (2) Approve additional revenues for the Trust Fund through a 10 cents-per-gallon increase in the Federal fuels tax; (3) Remove the Trust Fund from the unified budget to preclude future impoundments; (4) Prohibit the imposition of artificial spending ceilings on the highway program; (5) Assign that portion of the Federal fuels tax now credited to the general fund to the Highway Trust Fund; (6) End the 5.4 cents-per-gallon exemption from the fuels tax for gasohol; and (7) Make the Highway Trust Fund permanent.

These actions would generate the resources required to establish and maintain the highway program needed for America to occupy a position of strength in the new global economy.

ARTBA recommends the allocation of its proposed \$40 billion annual program as follows:

#### ARTBA Recommendations—Federal Highway Program Annual Funding

(Per fiscal year)

Interstate Construction.....	\$ 1.0Billion
Highway System of National Significance.....	13.0 Billion
Bridge Rehabilitation & Replacement.....	5.0 Billion

## ARTBA Recommendations—Federal Highway Program Annual Funding—Continued

(Per fiscal year)

Metropolitan Area Assistance Program .....	4.5 Billion
New Transportation Corridors.....	3.5 Billion
Secondary/Rural System.....	5.0 Billion
Highway Safety.....	2.0 Billion
Federal Highway Research Programs.....	2.0 Billion
Minimum Allocation Program.....	2.0 Billion
Federal Lands Program.....	1.5 Billion
Emergency Relief.....	0.5 Billion
TOTAL.....	\$40.0 Billion

*Program Categories*—As discussed earlier, ARTBA endorses a realignment of highway categories and the assigning of most of those roads of paramount national and regional importance to the National Highway System. This nationwide network can be expected to carry a proportion of traffic far beyond its size. It must be supported, therefore, by sufficient funds. A Federal share of 90 percent is necessary for the NHS to assure that the system is properly developed and maintained.

The same matching share should be available for protecting and enhancing the massive investments of the past through repair, resurfacing, renovation and reconstruction.

The existing Urban and Secondary categories should be retained and supplemented with that part of the Primary System not assigned to the NHS. Separate categories will assure attention to the needs of both urban and rural areas. A Federal share of 75 percent for these categories will provide the necessary level of support. A degree of flexibility also should be incorporated in the urban and secondary programs so that State and local officials can allocate resources to meet urgent demands.

ARTBA would rename the Urban Program the "Metropolitan Transportation Assistance Program" in recognition of the need to look at a more comprehensive approach to meeting urban transportation problems. We recommend a funding level of \$4.5 billion per year to help achieve the goal of reducing urban congestion.

In addition to maintaining our investment in the current highway system, attention should be given to problems faced by rapidly growing areas. Those communities which are not currently served by Interstate-quality highways but have experienced rapid economic development demand better highway access. ARTBA proposes to use the program increases recommended to fund a program of highway upgrading to better serve these communities.

Since the Federal bridge program was established 20 years ago, it has never received adequate financial support to carry out the massive task of upgrading and replacing the National inventory of deficient bridges. ARTBA strongly believes new emphasis must be given to the bridge program by a large infusion of money provided at a 90 percent Federal share. An annual allotment of \$5 billion would not be excessive for this crucial activity.

*Highway Safety*—Over half of all accidental deaths in this country are transportation related. More than 45,000 fatalities occur annually on our nation's highways. Almost five million injuries occur each year as a result of motor vehicle accidents and nearly two million of these require extended periods of hospitalization.

Highway safety is a matter of paramount concern to both this committee and to ARTBA. The number of fatalities per vehicle mile driven has been steadily declining since 1980. We believe much of this reduction can be attributed to programs initiated by this committee. For example, the 1990 "Report of the Secretary (DOT) to the U.S. Congress" on highway safety states that the Hazard Elimination Program has prevented over 18,000 deaths and a half-million injuries in the past 16 years.

This report goes on to state that, "the Rail-Highway Crossings program continues to show the greatest percentage of accident rate reductions" with the prevention of over 6,000 fatalities and 25,000 injuries over the past 16 years.

ARTBA supports the continuation of categorical funding for all safety construction programs such as the Hazard Elimination and Rail-Highway Grade Crossing programs. The trend is toward fewer fatalities per vehicle mile driven. These programs have proven their value and should not be terminated.

Now is not the time to retreat from an aggressive effort to improve highway safety. A safe highway accommodates all drivers and common sense tells us that a safe highway is more forgiving to the older driver. Our nation's population is aging and we must plan now for the highway safety needs of the older driver.

Further, ARTBA supports an increase in overall Federal highway safety funding to \$2 billion a year.

We recommend and encourage each State to develop and implement a program that will lead to the systematic upgrading and maintenance of all traffic safety devices, including pavement marking, signing, impact attenuators and guide rails.

We support increased funding for the training, education and certification of all personnel responsible for traffic control and safety in highway construction and maintenance work zones.

ARTBA recommends that products and services that enhance safety and improve traffic operations be included in criteria for all Federal programs with particular emphasis on the "3-R" and "4-R" programs.

We support the continuation and increased funding of the FHWA and NHTSA 402 safety programs.

Finally, we strongly recommend that the Congress prohibit the further transfer of safety funding to non-safety programs.

*Public/Private Ventures*—ARTBA recognizes the need for private sector involvement in the development and management of the Nation's transportation infrastructure. This need is especially critical when transportation projects are unable to go forward because Federal and/or State funding is not available.

While we believe that Federal and State funding is the preferred method of financing transportation construction projects, the public interest can be served through public/private ventures when adequate public funds are not available.

ARTBA recommends that:

1. When public/private venture projects involve new and/or existing toll roads, tunnels, ferries and bridges on the Federal-aid System, States should be authorized to contract with private firms to finance, design, construct and/or operate them.

2. When and to the extent that public funding is involved, public/private projects should be constructed in cooperation with Federal and State transportation agencies and in accordance with all relevant laws, including the open competitive bidding process for construction contracting to ensure the maximum level of participation by local transportation-related firms.

3. Federal funds of up to 35 percent of the cost may be provided for building and/or renovating highways, tunnels, ferries and bridges through a public/private venture.

4. When feasible, private transportation facilities should be allowed to share federally-financed rights-of-way and air space at no cost.

5. Private entities involved in transportation-related public/private ventures should be provided access to the tax-exempt bond market and accelerated depreciation.

*Disadvantaged Business Enterprise Program*—ARTBA supports a Federal initiative for a program of assistance, but believes the current Disadvantaged Business Enterprise (DBE) Program should be revised to ensure that it is aiding firms that are truly in need of assistance. A meaningful DBE program should adequately address management training, technical assistance, bonding and graduation requirements, among others.

In addition to properly certifying disadvantaged firms, ARTBA believes the program should determine if participating firms have the capability to carry out the work they certify they can perform. By determining the capability of eligible firms, an effective DBE participation level can be established. ARTBA supports the language in the Administration bill that would continue a single-goal program.

*Standard Contract Clauses*—Standard contract clauses pertaining to site conditions, suspensions of work and material changes for Federal-aid highway projects were mandated for such projects in the 1987 highway act.

Inadvertently, the standard clauses were not mandated for Federal-aid "certification acceptance" projects. This oversight has created a hardship for transportation contractors in several States.

ARTBA believes the law should be amended to permit the use of the standard clauses on certification acceptance projects, and we strongly oppose the Administration's proposal to repeal the standard contract clauses.

*Prejudgement Interest*—During the course of many construction contracts, claims are often submitted which in effect would amend a contract. From the time a claim is submitted, to the time it is resolved in favor of the contractor, the contractor now must incur the expense of financing any money due on the claim.

ARTBA believes legislation should be enacted to ensure that contractors on federally-funded transportation contracts receive compensation for carrying the cost associated with financing a claim. The compensation may be calculated in a manner akin to interest, at the prime rate or any higher rate. It should further be statutorily recognized that the contractor incurs the expense of financing beginning on the date the contractor should have been paid under the payment provisions of the contract.

*Truck Weights*—ARTBA's focus on truck weights deals with specialty hauling vehicles (SHVs). SHVs are single or combination dump trucks and ready-mix concrete trucks which have short wheel bases and approach maximum allowable Federal weights when empty. This is attributable to the structural design necessary to move the heavy materials carried and to the specialized equipment necessary for safe operation of these vehicles. Because of these functionally-necessary characteristics, SHVs often cannot meet Federal truck weight standards, particularly the current bridge formula, without sacrificing safety and/or productivity.

In recognition of this problem, Section 158 of STURAA of 1987 directed the Transportation Research Board to conduct a study and recommend appropriate treatment for SHVs. The TRB Truck Weight Study Committee found the current Federal bridge formula "to be unnecessarily restrictive when applied to shorter vehicles on Interstate highways. Accordingly, some relief, either in the form of liberalization of the formula or a special permit program that would allow SHVs to exceed the formula, would be appropriate for vehicles that have difficulty operating under the current formula."

The TRB committee recommended that the current bridge formula be replaced with the TTI-HS20 bridge formula. ARTBA has long supported this formula and urges that it be adopted. ARTBA also supports a special permit program for SHVs which would permit them to exceed Federal axle weight limitations and be exempt from bridge formula requirements when operating on the Interstate System, as long as they do not exceed 80,000 pounds.

Finally, with regard to truck weights, ARTBA fully supports the continuation of grandfather rights for States under the current law. Removing grandfather rights would create severe economic impacts on the transportation construction industry due to reduced productivity and safety.

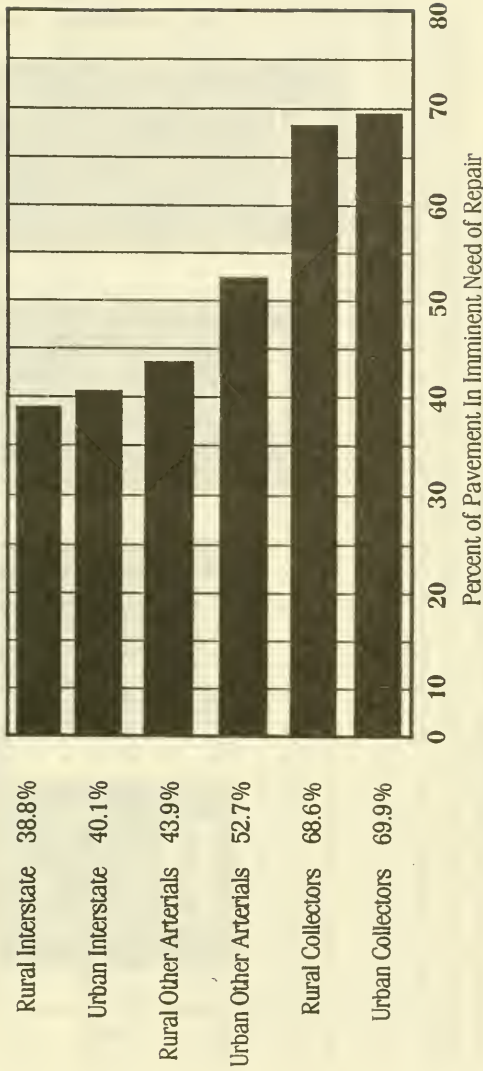
ARTBA again thanks the Committee for the opportunity to present its views on surface transportation reauthorization legislation. We stand ready to be of any assistance as the legislative process moves forward.

Attached to this statement are a series of graphs depicting points made in this statement concerning highway needs and the ARTBA legislative recommendations.

We also submit copies of our analysis of the Bush Administration proposal, as well as two studies, "Enhancing U.S. Competitiveness Through Highway Investment: A Strategy for Economic Growth" and "The Jobs Impact of an Expanded Federal Highway Program" and ask that they be included in the hearing record.

# Federal-aid Highway System

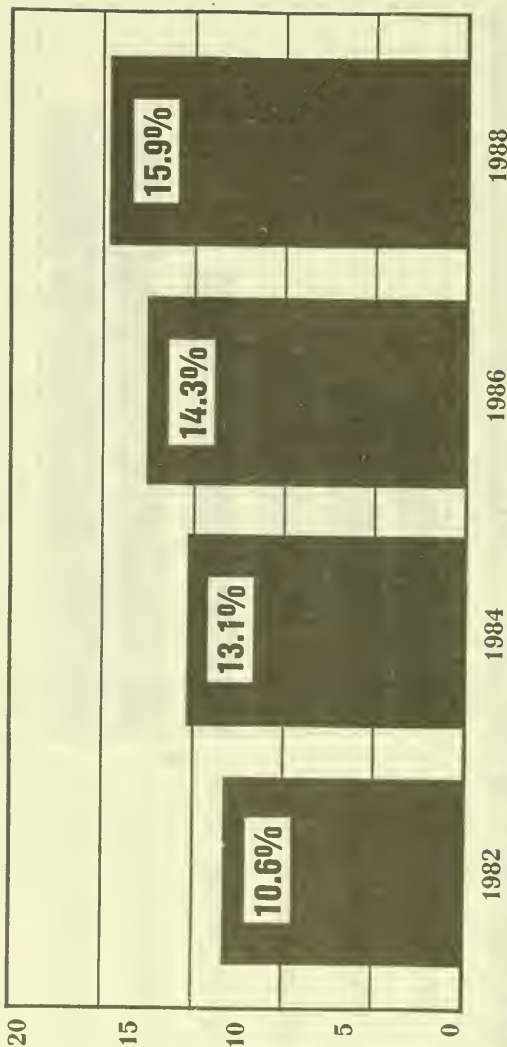
## Percent of Pavement Mileage In Need of Repair



Source: *The Status of the Nation's Highways and Bridges: Conditions and Performance and Highway Bridge Replacement and Rehabilitation Program 1989. Report of the Secretary of Transportation to the U.S. Congress. June 1989.*

**ARBA**

# Interstate Highway Bridges Percent Classified As Deficient



Source: *The Status of the Nation's Highways and Bridges: Conditions and Performance and Highway Bridge Replacement and Rehabilitation Program 1989*. Report of the Secretary of Transportation to the U.S. Congress, June 1989.

**ABI/BA**



# Capital Investment Requirements For Federal-aid Highways and Bridges

1987-2005 (Billions of 1987 Dollars)

	At 3% Annual VMT Growth
<b>TOTAL HIGHWAY</b> .....	\$655.6
(Average Annual Investment Needed) .....	\$34.5
<b>TOTAL BRIDGE</b> .....	\$92.9
(Average Annual Investment Needed) .....	\$4.9
<b>TOTAL HIGHWAY AND BRIDGE</b> .....	\$748.5
(Average Annual Investment Needed) .....	\$39.4

“This investment strategy assumes that capacity improvements will be made only where right-of-way are currently available. This would result in system performance improvements on the lower functional system, but performance deterioration on the higher system, especially in highly congested urbanized areas where right-of-way are at a premium.”

Source: *The Status of the Nation's Highways and Bridges: Conditions and Performance and Highway Bridge Replacement and Rehabilitation Program 1989. Report of the Secretary of Transportation to the U.S. Congress, June 1989, Table I-1.*



# Capital Investment Requirements For Federal-aid Highways and Bridges

1987-2005 (Billions of 1987 Dollars)

RURAL	At 3% Annual VMT Growth	URBAN	At 3% Annual VMT Growth
Interstate . . . . .	42.5	Interstate . . . . .	73.8
Other Principal Arterials . . . . .	51.5	Other Freeways & Expressways . . . . .	33.8
Minor Arterials . . . . .	53.9	Other Principal Arterials . . . . .	103.6
Major Collectors . . . . .	90.1	Minor Arterials . . . . .	97.2
Minor Collectors . . . . .	54.5	Collectors . . . . .	54.7
<b>RURAL SUBTOTAL . . . . .</b>	<b>\$292.5</b>	<b>URBAN SUBTOTAL . . . . .</b>	<b>\$363.1</b>

Source: The Status of the Nation's Highways and Bridges: Conditions and Performance and Highway Bridge Replacement and Rehabilitation Program 1989. Report of the Secretary of Transportation to the U.S. Congress. June 1989, Table F-1.



# Financing A \$40 Billion Per Year Federal Highway Program

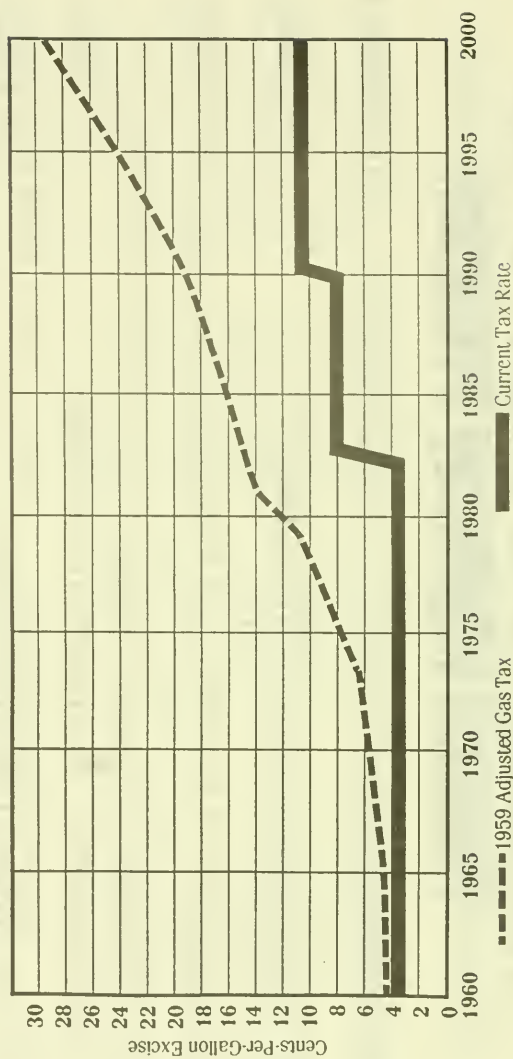
1. Current Program . . . . .	\$16.5 Billion
2. Annual Spend Down of HTF Balance . . . . .	\$3 Billion
3. Dedication of Diverted 2.5¢ User Fee . . . . .	\$2.5 Billion
4. Elimination of Gasohol Subsidy & Taxation of Alternative Motor Fuels . . . . .	\$1 Billion
5. 10¢ Federal User Fee Increase . . . . .	\$10 Billion
6. State Matching Funds (20% Average) . . . . .	\$7 Billion
<b>Total . . . . .</b>	<b>\$40 Billion</b>

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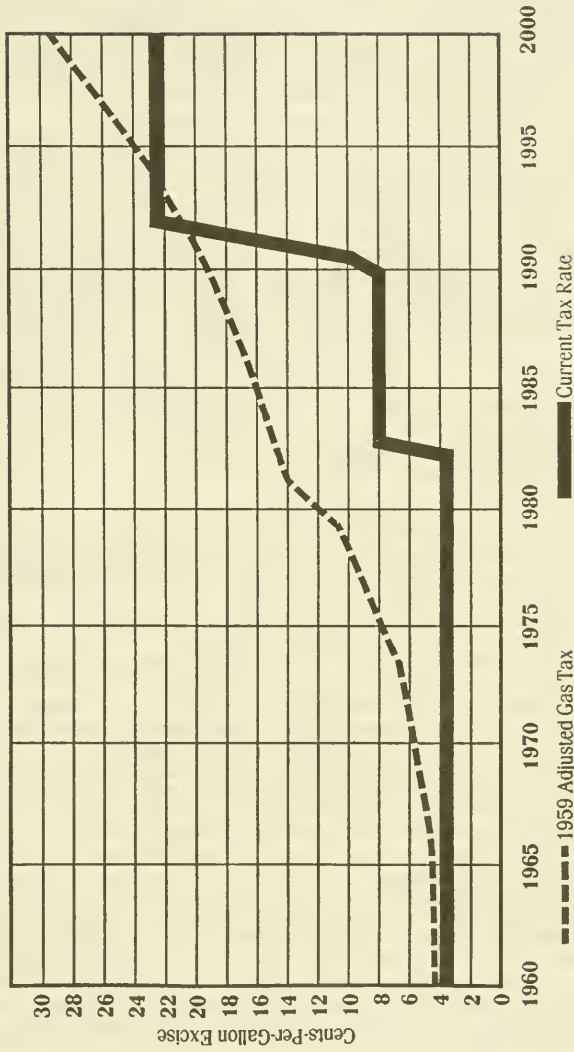

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# Current Federal Gas Tax Rate Earmarked for Highways VS Inflation-Adjusted 1959 Tax Rate



**ABI/BA**

# ARTBA-Proposed Gas Tax Rate vs Inflation-Adjusted 1959 Rate



**ARTBA**

## PREPARED STATEMENT OF JAMES A. ANDERSON

Good morning. My name is Jim Anderson and I am President of Anderson Brothers construction Company, a heavy highway contractor located in Brainerd, Minnesota, with operations in Minnesota and South Dakota. On behalf of the Associated Builders and Contractors (ABC), and as Chairman of the ABC Infrastructure Committee, I appreciate this opportunity to comment on reauthorization of the Nation's surface transportation programs.

ABC represents over 17,500 contractors, subcontractors, material suppliers and related firms from across the country and from all specialties in the construction industry. Our diverse membership is bound by a shared commitment to the merit shop—the most efficient construction technique in America. The merit shop philosophy of awarding construction contracts to the lowest responsible bidder, regardless of labor affiliation, through open and competitive bidding, assures taxpayers and consumers the most value for their construction dollar. With 75 percent of construction done today by open shop contractors, ABC is proud to be their voice.

I would like to commend Chairman Burdick and the members of the Committee for their continuing efforts toward establishing a national surface transportation program for the future. With the introduction of S. 965 by the Committee leadership, as well as S. 823 by Senators Reid and Baucus and S. 883 by Senator Bond, the process is well on its way toward what we all hope will result in a timely reauthorization. Over the past several years as Congress, the Administration and other interested parties investigated the state of the Nation's surface transportation system, several themes have become evident.

1. Efficient and reliable public infrastructure is a vital prerequisite for the continued growth and prosperity of our nation.

2. The current lack of investment in infrastructure continues to impose rising costs on our nation's economic productivity, inhibiting our ability to compete in an increasingly global economy and threatening our basic quality of life.

3. Transportation decisions cannot be considered alone, but must be structured to meet our growing environmental concerns.

4. A national intermodal system is necessary to facilitate the most economical and energy-efficient process to move people and goods.

Considering these factors, there are several important concepts ABC believes must be incorporated into any transportation plan.

First and foremost, the Federal role in transportation should be based on providing a national cohesiveness—to provide safe and reliable transportation for our basic national defense and interstate commerce needs.

Second, the States, knowing better what they need than the Federal Government, should have the ability to establish and fund their transportation priorities. For these reasons, ABC supported the Administration's two-tiered approach, focusing more Federal resources on roads of national significance while allowing States to focus on internal transportation issues such as congestion relief, rural access and intermodal links. The capability of States to prioritize their transportation demands and allocate funding as needed is a basic necessity for transportation efficiency in the future. We also believe an increased emphasis on innovation and technology is a basic necessity for any future transportation program. New technology is the investment of the future. For urban areas, where new road construction is extremely difficult, new technology such as the Intelligent Vehicle Highway System will allow for a more efficient movement of people and goods on the existing transportation network. Whether its more durable road surfaces, high speed rail or emergency vehicle control, technological innovations will save money, reduce congestion, reduce pollution and increase safety.

Funding, of course, is one of the most important issues in any reauthorization. ABC remains concerned that funds raised by user fees and collected in transportation trust funds are being used to offset the Federal budget deficit. We encourage adoption of an aggressive plan which spends down the balance in the trust fund. Recognizing budget agreement constraints, ABC supports a total overall funding level of \$23 billion each year for a minimum of four years.

Additionally, the 2.5 cents diverted to the general fund last year during budget reconciliation must be returned to the Highway Trust Fund. We commend Senator Symms for taking the lead in this regard. Until the Highway Trust Fund is made whole again, the program will continue to lack the wherewithal to meet the Nation's transportation needs. The answer to our funding problems is not an increase in the motor fuels excise tax as some transportation builder associations advocate. We must stand strong for the highway users who have paid into the trust fund believing the money would be spent on transportation-related purposes. We must

stand strong for the principle of the pay-as-you-go system. We cannot just write off the \$16 billion currently sitting idle in the trust fund. We cannot forget the 2.5 cents diverted for deficit reduction purposes, nor can we forget the 2.5 cents which went to the trust fund and is not being spent. We cannot forget Chairman Rostenkowski's promise that any motor fuels tax increase will be doubled so an equal percentage can be spent for other purposes. We simply cannot raise the gas tax and ignore the problems which undermine our surface transportation program.

As we move toward a gradual spend down, there are other ways to get better use of our current resources. Reform of the Davis-Bacon Act would create a more cost-effective Federal highway construction program. ABC supports a minimum Davis-Bacon threshold of one million dollars on Federal construction projects. As you are aware, the Davis-Bacon Act mandates "prevailing wage" rates be paid on all Federal or federally-assisted projects of \$2000 or more. The original intent of the Act was to protect local workers from itinerant laborers who worked for lower wages. This noble intent has been replaced by an outdated measure hampering competition, disrupting local economies and restricting job opportunities for small businesses.

With the immediate needs for highway and bridge construction and repair far outstripping the supply of available funds, reform of the Davis-Bacon statute can provide additional dollars to fund our infrastructure needs.

ABC believes utilization of innovative financing techniques and funding mechanisms, will provide significant benefits in infrastructure investment. Privatization and public-private partnerships are being used more frequently to augment Federal, State and local activities—and they work. These efforts bring the experience, business savvy and financial strength of the private sector to government entities for the benefit of all.

The commingling of private capital and Federal-aid funds to develop toll roads and bridges as well as the introduction of congestion pricing is just the type of innovative approach we need to see. ABC believes innovate financing techniques should be considered at every stage during the transportation planning process.

Lastly, we believe the Disadvantaged Business Enterprise Program (DBE) unnecessarily increases infrastructure construction costs due to a lack of competitive bidding. To create a more equitable and effective alternative, we need proper training of minority construction employees to ensure they can compete and perform well in the marketplace and for the Federal Government.

ABC has long recognized that if the United States is to foster expanded opportunities for all its citizens and maintain its competitiveness, hundreds of thousands of additional highly skilled workers will be needed between now and the year 2000. Training is the best solution. ABC continues to focus a large portion of its financial membership and staff resources on the issue of craft and supervisory training. Most recently, ABC has announced a major effort funded by nine of the Nation's largest open shop contractors to develop standardized craft training to more effectively train and upgrade the construction workforce.

Rather than pursuing set-asides, ABC believes training and mentor programs will enable disadvantaged businesses to compete and win contracts on merit. To ensure the program does not perpetuate a firm's DBE status, we encourage the inclusion of safeguards such as a sunset provision, size restrictions for eligibility and limits on the number of contracts a DBE can obtain.

Much of our position is embodied in S. 965 as well as the other pending surface transportation proposals. We look forward to working with the Committee throughout the reauthorization process in order to achieve the unified transportation plan necessary to carry the Nation into the 21st century.

On behalf of the Associated Builders and Contractors, I again want to thank Chairman Burdick and the Committee on Environment and Public Works for the opportunity to be here today. I will be happy to answer any questions you may have.

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#### PREPARED STATEMENT OF ROBERT DESJARDINS

*The Associated General Contractors of America (AGC) is a national trade association of more than 33,000 firms, including 8,000 of America's leading general contracting firms. They are engaged in the construction of the Nation's commercial buildings, shopping centers, factories, warehouses, highways, bridges, tunnels, airports, water works facilities, waste treatment facilities, dams, water conservation projects, defense facilities, multi-family housing projects and site preparation/utilities installation for housing development.*

Mr. Chairman and members of the Committee, I am Robert Desjardins, a contractor from Pittsfield, Maine. I am also this year's Highway Division Chairman of the Associated General Contractors of America (AGC). AGC is a national trade association of more than 33,000 firms, including 8,000 of America's leading general contracting firms.

AGC appreciates the opportunity to testify before the Committee on the future highway program.

AGC is very concerned that the Committee's highway proposal, S. 965, ignores the dire need for increased highway investment, abandons the concept of a National Highway System and destroys the strong Federal leadership which has been responsible for creating the world's most complex and efficient highway system.

Federal highways carry 79 percent of the total vehicle miles traveled and are used to move over 90 percent of the Nation's highway freight. S. 965 would limit growth by discouraging States from building new roads and bridges. States that build new facilities or increase capacity on existing highways or bridges would be penalized by having to raise five percent more local matching funds.

AGC is also very concerned that S. 965 significantly alters the balance of the Federal program by shifting Federal spending to urban areas, at the expense of underfunded rural areas. Thirty States, including the District of Columbia, would receive a smaller share of formula funds than they would under the Administration's proposal. S. 965 would also fragment the highway system by allowing urban planners to make decisions without consideration of national transportation system needs.

AGC opposes the transferability of highway funds to non-highway purposes, especially transit operating assistance. Under the Committee's bill, potentially 55 percent of the highway trust funds could be diverted to non-highway purposes. AGC opposes diverting highway funds when highway improvement needs are mounting. AGC further believes the users of a transportation system should support that system.

No longer can this nation afford to lose its competitive edge in an increasingly global marketplace because of inadequate investment in highway transportation. AGC believes highway user fees must be increased now and dedicated to the Highway Trust Fund to strengthen the mounting needs of the Federal-aid highway system and at the same time, strengthen the economy through increased productivity.

#### SURFACE TRANSPORTATION NEEDS

The most in-depth analysis of highway needs was undertaken in 1988 by the American Association of State Highway and Transportation Officials (AASHTO). In their report entitled "The Bottom Line—A Summary of the Surface Transportation Investment Requirements 1988-2020", AASHTO identified annual highway capital investment needs, by all levels of government, of up to \$58.5 billion between now and the year 2020. This compares with highway capital spending in 1987 of only \$31 billion.

On May 2, 1991, I testified before the House Subcommittee on Surface Transportation in support of the Public Works and Transportation Committee's budget recommendation of \$21 billion for the Federal-aid highway program in Fiscal Year 1992. AGC believes an increase in the highway user fees is needed now to establish the foundation for multiyear authorizations at the level of needs identified by AASHTO.

AGC applauds the work of AASHTO as part of the Transportation 2020 program and encourages the Subcommittee to consider AASHTO's needs assessment in addressing future surface transportation funding.

#### AGC'S FUTURE HIGHWAY PROGRAM RECOMMENDATIONS

In preparation for the reauthorization of the Federal surface transportation programs in 1991, AGC undertook a policy development initiative in 1988 which is ongoing. Recognizing that construction of the interstate highway system will be essentially complete in the early 1990's, America is at a crossroads with regard to its future transportation policy. AGC's policy development effort has focused on those surface transportation issues which will continue to be important to the Nation into the 21st century.

Following is a discussion of some of the major policy recommendations which AGC has adopted to guide our efforts in working with the Administration and the Congress to develop new surface transportation legislation. The challenges facing this country in transportation are immense, but not insurmountable. The Federal programs supporting the Nation's surface transportation are basically sound, providing a solid framework to address the challenges of the future. As the Subcommit-



tee considers the future surface transportation legislation, AGC believes there are a number of important concepts of the current program which are critical to the success of surface transportation programs in the future. They include:

*The Economic Benefits of Investment in Highway Infrastructure*—AGC believes the economic benefits of infrastructure investment are particularly worth noting. Unlike many government expenditures, infrastructure spending is an investment which has short and long term benefits.

The short term benefits of infrastructure investment are increased construction employment and its direct effect of induced economic activity in other industries that follows. The U.S. Department of Commerce estimates that:

- each additional \$1 billion spent on new construction creates 46,800 jobs in construction, supply and service industries. A \$21 billion highway program sustains nearly one million jobs.

- each \$1 spent on new construction in the United States generates \$3.62 in economic activity across all industries and services. A \$21 billion highway program generates \$76 billion in economic activity throughout the country.

The long term benefits of infrastructure investment are increased productivity and enhanced competitiveness in a global marketplace. Recent economic studies have confirmed the direct relationship between public investment in physical infrastructure and private sector productivity.

According to a recent study by economist David Aschauer (*Public Investment and Private Sector Growth—The Economic Benefits of Reducing America's "Third Deficit"*), over the last two decades, non-military public investment, as a fraction of GNP, was only 65 percent of its average level during the preceding two decades, falling from 3.7 percent to 2.4 percent. The rate of non-military public investment in the 1980's was only half that of the 1970's and just one-fourth that of the 1950's and 1960's. Aschauer calculates that if public investment had stayed at its historic levels in the 1980's, private-sector productivity growth would have been 50 percent higher.

#### *AGC Recommendation*

AGC is convinced that highway user fees must be increased now to support increased investment in the Federal-aid highway system. An increase in highway user fees will help rebuild our nation's neglected transportation infrastructure. It will also help bring this country out of the current recession, which in construction is deep and which shows no signs of abating.

- *User Fee—Trust Fund Concepts*—The critical element which has led to the success of the Federal-aid highway program is the user-fee financed trust fund mechanism which is used to support them. The trust fund concept has long been recognized as a reliable and stable financing mechanism for infrastructure investment. As early as the 1930's, several States had developed dedicated, user-fee mechanisms to support highway improvement programs in their States.

By 1956, the year the Interstate Highway Program was initiated, some 25 States had instituted trust funds or similar dedicated funding sources for their highway programs. Using these successes as a model, the Interstate Highway Program was developed around the user-fee trust fund concept. That financing mechanism has served this country well for nearly 35 years, supporting the Nation's highway program and the development of the world's greatest public works project—the Interstate Highway System.

Several key features of the trust fund are largely responsible for its success. First it is user-fee financed—the Nation's highway transportation system is paid for only by the user. The more you use the system the more you pay. The public support for the highway program has remained strong primarily because the traveling public receives a direct benefit from the money it pays in user fees.

Another key aspect of the trust fund is that it provides a stable and reliable financing mechanism on which a successful, major capital investment program must depend. A typical highway project may take 7 to 10 years from the planning stage to completion. Proper planning for the transportation needs of the future requires that a dependable source of revenue will be available to finance the needed improvements when they are ready for construction. The multi-year authorization process and contract authority are critical ingredients to permit for this long term planning and assure the highway program's success. From the budgetary standpoint, perhaps the most critical feature of the trust fund is the Byrd Amendment which assures its solvency. The amendment provides that on an annual basis, there is a determination of the outstanding obligations and current balance and expected receipts of the trust fund. This information is used to guarantee that future commitments against the trust fund can be honored.

### *AGC Recommendation*

AGC recommends the Congress continue the concept of a user fee financed trust fund to support the Nation's Federal-aid highway program.

- *The Open Competitive Bidding System*—The open competitive bidding system has long been the cornerstone of the effective administration of public funds in construction contracts. The nation's highway system, as exemplified by the Interstate system, is an outstanding example of the success of this bidding system. Across this nation, the traveling public utilizes a highway system that was built to quality standards and the public has been assured, through open competition with award to lowest responsive and responsible bidder, that they were obtaining this quality product at the lowest cost to the taxpayer.

AGC believes that the open competitive bidding system remains the single most effective means of contracting for highway construction. In instances where concerns about contractor performance arise, there currently exists a number of steps which can be used by State transportation officials to assure a quality project. These steps include: Prequalification; Improved Plans and Specifications; Prebid Conferences; Adequate Inspection; and Preconstruction Conferences. AGC believes these steps, in conjunction with open competitive bidding, assures the taxpaying public of the highest quality project at the lowest possible price and the construction contractor of fairness and integrity in the selection process.

### *AGC Recommendation*

AGC strongly urges continuation of the time-tested, open competitive bidding system—with contracts publicly advertised, bids publicly received and read aloud, and contracts awarded to the lowest responsive and responsible bidder—as the means of contracting for federally-assisted highway construction.

- *Equitable Distribution of Funding*—AGC recognizes that one of the most difficult challenges of developing future highway legislation will be devising equitable formulas for the distribution of funding. While the current formulas may not be viewed by all States as equitable, AGC believes that two concepts contained in the current program assure all States a certain level of equity. They are the one-half percent minimum apportionment and the 85 percent minimum allocation provisions.

AGC acknowledges that these provisions may have to take a different form in the future program since certain categories of funding are likely to be revised. However, AGC endorses the overall concept of guaranteeing small and rural States a minimum level of total Federal funding to support their highway programs. AGC equally endorses the concept of guaranteeing a minimum level of return of trust fund contributions to States which through the formula process receive significantly less in apportionments than they contribute in user fees.

### *AGC Recommendation*

AGC recommends a continuation, in future legislation, of the concepts of a guaranteed level of Federal funding to small and rural States, as well as a guaranteed minimum return of trust fund revenues to donor States which contribute significantly more in user fees than they receive in apportionments.

While the current program has generally worked well, there are a number of policies which are having an adverse effect on the overall program effectiveness. The most damaging policies are occurring as part of the budget process which prevents the timely expenditure of highway user revenues for their intended purpose. No less troublesome, however, are several other aspects of the program which compromise the cost effectiveness of the program. The problem areas include:

- *Budgetary Treatment of the Transportation Trust Funds*—While the trust fund mechanism has worked well in funding transportation programs, the current budget process inhibits the expenditure of the trust fund receipts for their intended purpose. AGC views the trust fund and the highway program in the context of an ongoing capital investment program which should be subject to different rules than the current budget allows. AGC believes the manner in which the transportation trust funds are treated in the budget process needs to be modified.

As mentioned previously, the highway program is founded on the basis of multi-year authorizations for highway investment. The process recognizes that when a highway project is approved and let for contract, it may be 3 or more years before the final reimbursement for the project will be made to a State and the construction contractor paid in full for the work. For this reason, the user fees paid into the Highway Trust Fund are kept in force for 2 years beyond the final authorization in any highway legislation. This provides the necessary financing for the project at the time the bills need to be paid. Without other artificial spending restraints, such as

obligation ceilings, the trust fund can support the highway program with a relatively low cash balance of approximately \$2 to \$3 billion.

The budget problems which have faced this country since the late 1960's, however, have had a detrimental effect on the ability of the Federal Government to let the trust fund work in the manner in which it was intended. Since 1969, artificial spending restraints have caused the Highway Trust Fund balance to grow dramatically to a current balance of over \$15 billion, including the mass transit account.

A first step in addressing this issue would be to expend the trust fund balances for their intended purposes. Since the trust fund receipts can be used for no other purpose than transportation, bankrolling these trust funds is not only a breach of faith with the transportation users of this country, but is merely postponing work that should be done now to prevent more costly repairs later. A longer term solution to this issue is to take the trust funds out of the unified budget. These programs have not contributed to the deficit. The large cash balances are the very proof of that. The user-fee financed transportation programs of this country should be funded at the level their trust funds can support. The receipts should not be loaned to other programs while vital transportation needs of this country are neglected.

#### *AGC Recommendation*

AGC strongly urges the Congress to reject any further proposal to increase the gasoline tax for deficit reduction or non-transportation spending. AGC further urges the Congress to place the 2.5 cents now going to the general fund for deficit reduction in the Highway Trust Fund to be used for much needed highway and bridge improvements.

AGC continues to endorse all congressional initiatives to take the transportation trust funds out of the unified budget process.

- *Special Preference Programs*—In conjunction with AGC concerns about preservation of the open competitive bidding system, AGC has an ongoing concern with the continuation of special preference programs within DOTs federally assisted construction programs. Beginning with the Department of Transportation's 1980 Minority Business Enterprise regulations and continuing with the statutory requirements for Disadvantaged Business Enterprise (DBE) participation in the highway, transit, and airport improvement programs which were enacted in 1982 and 1987, AGC is very concerned that the Department's DBE programs are compromising the competitive bidding system.

Although the notion exists that the apparent lack of minority-owned construction firms proves there has been discrimination in the award of public construction contracts, AGC believes that the open competitive bidding system, by its nature, is race and gender blind. If construction contracts are publicly advertised, bids accepted from all qualified bidders and read aloud publicly, there is no chance that a public agency can discriminate in the award of their contracts.

AGC therefore questions why general contractors should be subjected to requirements that force them to engage in another kind of discrimination which denies individuals subcontracts because they are not a member of a preferred disadvantaged group.

#### *AGC Recommendation*

AGC urges the Congress to sunset the current DBE program which results in the denial of subcontracts to many individuals because of their race, gender, or national origin. Instead, the Congress should explore means of promoting the participation of disadvantaged business enterprises in the Federal-aid highway program that will not be subject to constitutional challenge.

- *Highway program funding sanctions*—Over the past several decades, the highway program has been used as leverage to force compliance with other Federal mandates. From highway beautification to clean air, there are currently at least 11 different highway program sanctions ranging from withholding project approval to withholding of highway apportionments which may be imposed. Given the pressing need to adequately fund our nation's highway program, it is counterproductive, at best, to impose highway sanctions on States and jeopardize their ability to meet growing highway needs.

#### *AGC Recommendation*

AGC recommends that the Congress remove the current sanctions and penalties affecting the highway program and explore alternate means to achieve appropriate State compliance.

- *Funding Flexibility between Surface Transportation Programs*—AGC is concerned by the provisions in the Administration's and Senate proposals which would

provide State and local governments the flexibility to transfer funding between surface transportation programs.

AGC continues to believe that revenues placed in the Highway Account of the trust fund must be expended solely for highway improvements. Current revenues are insufficient to meet documented highway needs; allowing the transfer of funds to mass transit or other surface transportation projects further exacerbates an already critical funding problem.

#### *AGC Recommendation*

AGC recommends that user fees continue to be dedicated for the purposes which they are collected and not available for transfer to other modes.

#### SUMMARY

AGC believes that S. 965, as introduced, would jeopardize the economic wellbeing and personal mobility of millions of highway users. The bill fails to adequately address the recognized funding needs of the Federal-aid highway system.

AGC believes that a National Highway System must be an integral part of this year's legislation and the Federal/State partnership must be retained to ensure the safety and efficiency of a National Highway System that responds to interstate commerce and mobility.

AGC is convinced that highway user fees must be increased now to support increased investment in the Federal-aid highway system. An increase in highway user fees will help rebuild our nation's neglected transportation infrastructure. It will increase productivity and enhance our nation's competitiveness. It will also help bring this country out of the current recession, which in construction is deep and which shows no signs of abating.

AGC looks forward to working with this Committee and the Congress.

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#### STATEMENT OF JOHN ARCHER MANAGING DIRECTOR, GOVERNMENT AFFAIRS AMERICAN AUTOMOBILE ASSOCIATION

The American Automobile Association, serving more than 32 million members, appreciates this opportunity to comment on the reauthorization of the Federal highway program and the current reexamination of U.S. surface transportation.

The public including AAA members expect Congress and the Administration to act responsibly by reauthorizing the Federal-Aid Highway Program before it expires on September 30, 1991.

When contemplating possible changes in transportation it is essential to focus on one simple but critical fact: Americans depend on cars to get to work and to lead their everyday lives. Indeed, the entire economy depends on the motor vehicle.

This perspective strongly influences AAA's views on the ten issues AAA will address today:

- timely reauthorization or extension of the Federal-Aid Highway Program
- opposition to a gas tax increase for deficit reduction
- highway funding
- highway system expansion
- scenic roads
- traffic congestion
- Intelligent Vehicle/Highway Systems
- highway safety
- maintenance of truck size and weight limits; and
- toll financing

#### ACT RESPONSIBLY—REAUTHORIZE EXPEDIENTLY OR EXTEND THE FEDERAL-AID HIGHWAY PROGRAM

The worst case for the motoring public would be for Congress and the President to fail to agree on reauthorization legislation.

The practical realities of a working Federal, State and local partnership require a steady and reliable flow of revenues. The problem is not the availability of funds—the highway user has already paid. Highway users, your constituents, deserve a bill signed into law prior to expiration of current law on September 30, 1991.

AAA joins practically every State and surface transportation group in seeking a multi-year reauthorization of the Federal-Aid Highway Program. AAA, at the National, State and local level, supported extensive multiyear funding in the so-called "2020 process"—that of looking at highway planning to the year 2020 and through

the Transportation Alternatives Group, a dozen public and private organizations with transportation interests.

AAA continues to believe that a long-term visionary surface transportation legislation is needed to help guide the U.S. into the 21st century. But if attempts to enact a multi-year bill bog down or lead to a sustained veto, a simple two-year extension must be enacted prior to this year's Congressional adjournment. Allowing the Federal program to lapse with highway user taxes already extended for S years would be inexcusable.

#### OPPOSE ANY GAS TAX INCREASE FOR DEFICIT REDUCTION

President Bush should return to his campaign pledge to AAA and oppose any increase in the gasoline tax for deficit reduction. In a 1988 letter to AAA he stated the following:

"A gas tax increase to balance the budget would particularly hurt lower wage earners, families with both spouses working, and farmers and residents of Western States who have to drive long distances . . . Let me say it one more time: As President, I will oppose any attempt to raise taxes to balance the budget. That means gas taxes, too."

Diverting user fees to the general operating expenses of the Federal Government is wrong and will ultimately destroy the dedicated funding process that has brought the U.S. a highway network that is the envy of the world.

#### HIGHWAY PROGRAM

The Administration's proposal (H.R.1351) to establish three major funding categories—the National Highway System (NHS), Bridge and Urban/Rural—is a good start and deserves serious consideration. But if separation of the rural or urban category into two categories will help alleviate urban/rural conflicts, the two should be separated to avoid unnecessary political squabbles.

AAA also agrees with the Administration's proposal to provide a higher percentage of Federal funds (a higher match) on routes of national significance—the system the Administration calls the National Highway System.

AAA has long cared about the Interstate Highway Program and where feasible would like to see it expanded. AAA particularly would like to see more bypasses around congested urban areas, and outer beltways.

Whether those roads would be designated as part of an expanded Interstate system or labeled part of a "National Highway System" or a "system of national significance" is not really important. But they should be built to the safe design standards of today's limited access highways. Of course that is going to take more money.

#### HIGHWAY FUNDING

The Federal Highway Trust Fund now annually produces approximately \$17 billion in tax revenues and interest income earmarked for road and bridge construction and repair. Let's restore trust in the trust fund concept by spending that money on roads—not on making the deficit look smaller.

AAA supports spending all available Federal trust fund revenues, including the interest, and recapturing the 2.5 cent portion of the Federal gas tax now earmarked for deficit reduction. Spending the revenue road users have already paid will help restore the efficacy of the basic user fee concept.

Last year forty-seven of the Nations' Governors urged the Appropriations Committee ". . . not to deprive taxpayers of some \$3 billion worth of transportation improvements they are paying for at the gas pump this year." AAA strongly agreed with those 47 Governors that ". . . at a time when highway and bridge needs are critical and expenditures inadequate, gas tax revenues continue to accumulate in the Highway Trust Fund."

Unfortunately, under the Administration's proposal, Trust Fund balances would continue to increase. In the first year alone the cash balance in the Trust Fund earmarked for roads and bridge construction and repair is forecasted to grow from \$11.1 billion in fiscal year 1991 to \$12.6 billion in fiscal year 1992.

The authorizing committees should continue to exercise leadership by forcefully pressing the Administration and other Congressional Committees at every opportunity to spend all the revenue paid by the motoring public on needed transportation improvements. Obligation ceilings should be set no lower than total annual Federal revenues derived from highway user taxes, including revenues from the 5-cent gasoline tax enacted in 1990 and all of the interest.

## TRAFFIC CONGESTION

Highway funding concerns relate directly to another key issue: traffic congestion. The rallying cry for roads used to be "Get the farmer out of the mud!" Today it's "Get the commuter out of gridlock!"

That's obviously of great interest to AAA. Our members comprise about 20 percent of the U.S. adult driving population. They want a better planned, more efficient transportation system.

But better planning means more realistic planning that emphasizes incentives, not penalties. For example, if the Federal Government wants to encourage public transportation it could make the cost of commuting to work by public transportation tax deductible. It should not tax free parking, as some suggest.

Successful intermodal planning emphasizes linkages to the automobile because the auto is the dominant mode of travel. If you want to improve transit ridership, increase parking at subway stops, especially end-of-the-line stations.

AAA supports all reasonable efforts to reduce congestion that preserve personal mobility and don't discriminate against the motorist. Examples include some of the old reliables, such as:

- synchronized traffic signals;
- fringe parking for transit;
- car and van pools;
- separately constructed car and van pool lanes;
- staggered work hours; and
- realistic land use planning.

We also support some approaches that are more controversial, including:

- restrictions on large trucks and other delivery vehicles to refrain from using crowded urban beltways and streets during rush hours;
- and for the future, intelligent cars and highways.

As noted earlier, bypasses around congested urban areas and outer beltways—where feasible—also would help relieve traffic congestion, particularly in suburban areas with disbursed housing patterns.

Commuting to work increasingly is suburb-to-suburb and suburb to exurb; in these areas the solution to traffic congestion is more roads—not more fixed rail transit. Fixed transit simply does not and cannot follow shifting population patterns. And even more importantly, transit typically is not compatible with today's commuting patterns, which often include essential child care and school stops prior to and after work.

AAA takes strong exception to those who contend new roads do not help alleviate traffic congestion. While new development obviously brings new traffic to an area, social and economic changes have had a more far-reaching effect on travel growth.

Growth in the number of jobs, especially growing numbers of women in the workforce; increased disposable income and more cars per household; a low density suburban lifestyle; and most importantly, dramatic increases in two-earner and single parent families, all substantially contributed to dramatic increases in vehicle miles travelled. These wage earners often have several stops to make before and after work, particular to child care, school and after-school activities. They need the flexibility private motor vehicles provide.

In the U.S. these trends came together during the 1970's as the baby boom generation entered the prime working years. Between 1969 and 1983, total highway travel increased 56 percent—more than three times the growth in U.S. population, and twice the increase in the number of persons of driving age. Census data show that even in areas of the United States where population declined, vehicle miles traveled increased substantially.

The bottom line is traffic congestion mushroomed because road construction did not remotely keep pace with economic, social and demographic changes which dramatically increased vehicles miles travelled—especially in burgeoning suburban/ex-urban areas.

Alleviating that congestion will require expanded highway capacity. High occupancy vehicles (HOV) lanes particularly have the potential to carry large members of people and therefore help alleviate congestion.

Realistically, transit—except possibly for rubber tired transit—cannot appreciably help; it is largely incompatible with suburban-exurban disbursed housing patterns.

## INTELLIGENT CARS/HIGHWAYS

Advanced technologies offer potential for reducing urban congestion in the future through more efficient use of the freeway and roadway system. Artificial intelligence is currently being tested in various areas associated with driver safety, travel

information and routing systems, all designed to make the task of getting from point A to point B a less aggravating experience.

Advanced technology researchers are experimenting with computers, digital maps, and telecommunications, searching for high-tech systems that will manage traffic and keep it flowing. The goal is to integrate roads with vehicles into a smoothly running, efficient transportation system. AAA supports this futuristic technology and has backed that support with active and extensive participation in the Orlando "TravTek" project.

#### HIGHWAY SAFETY

Intelligent cars/highways relate to another paramount concern: Highway Safety. Traffic safety was one of AAA's founding fathers' prime concerns. It remains a paramount AAA concern.

AAA believes it is essential to focus on highway safety when considering national transportation policy. As Secretary Skinner has repeatedly stated, safety should be transportation's number one concern.

More than 44,000 people are killed and 3 million injured in traffic accidents each year. Because vehicle miles traveled are expected to double by the year 2020, fatalities would increase to close to 90,000 in 2020 if the fatality rate is not reduced.

In addition to continued growth in motor vehicle travel, other charges in the travel environment threaten to intensify highway safety concerns. More older drivers and pedestrians, more large-truck travel, possibly greater disparity in vehicle size and weight, and a more congested and aging highway infrastructure—all threaten to increase the number of deaths and injuries on the highways in the coming decades.

In light of these harsh realities, it is essential to implement all reasonable highway safety measures. Although there is no single "magic bullet" countermeasure to eliminate highway deaths and injuries, substantial safety improvements are possible.

The vehicle can be designed to protect occupants better in a crash; more can be done to pinpoint, and then relieve, the instances in which the driver makes an error, and the highway itself can be designed to be less hazardous. Specific examples include:

- Development of a more "forgiving" highway environment;
- Automatic passenger restraints in all passenger vehicles;
- Universal adoption of effective safety belt laws and motorcycle helmets;
- Improved bicycle safety, especially bikeways and bike paths to separate bikes from motor vehicles;
- Increased emphasis on pedestrian safety, especially universal traffic safety education for younger children.
- Application of all Federal motor vehicle safety standards to vans, minivans and pick-up trucks;
- strengthened laws against drunk and drugged driving;
- Anti-lock brakes in all vehicles, especially large trucks;
- Disc brakes in all vehicles, especially large trucks;
- Automatic slack adjustors in large combination trucks;
- On-board recorders in large "over-the-road" combination trucks;
- A variety of other truck safety measures, particularly continuing and effective implementation of improved licensing and testing standards, and the single license requirement; and
- Increased highway safety funding.

The highly successful results of drunk driving and safety belt legislation and public use campaigns attest to the public interest in improving highway safety. The public demands and expects significant improvements in highway safety.

Today's population of more than 160 million motorists and 180 million motor vehicles are sure to increase. The number of annual traffic fatalities must be decreased! More than 120 people killed each day on the Nation's highways, roads and streets is a national disgrace.

Congress should intensify its interest in demanding improved highway safety.

#### AAA OPPOSES GREATER USE OF LONGER COMBINATION TRUCKS

Large, heavy combination vehicles are a fact of life on America's roads. They are a necessary fact. The trucking industry employs 7.2 million Americans and serves every community in the United States. Two-thirds of all American communities are served by no other mode of freight transportation.

More than 191 million motor vehicles are registered for use on America's highways. Truck combinations alone represent more than 1.5 million vehicles.

Serious problems result from this vehicle mix. Trucks are over-represented in fatal accidents. Over the past several years, combination trucks have experienced a fatal accident rate twice that of passenger cars.

In 1989, according to National Safety Council (NSC) data, passenger cars constituted 75 percent of the registered vehicles and were involved in a much smaller percentage of the fatal accidents, (53.5 percent). Trucks had the opposite experience. Trucks constituted 22.6 percent of the vehicles registered and were involved in 38 percent of the fatal accidents.

Additional data from the NSC indicates that combination trucks represented 0.8 percent of vehicle registrations but experienced 5.6 percent of all accidents.

In fatal crashes involving passenger cars and tractortrailers, car occupants are killed 38 times as often as truck occupants.

A passenger car can stop in 140 to 150 feet from 60-miles-per-hour on a dry road. However, a loaded, tractor-trailer combination truck under similar conditions, takes 250 to 300 feet to stop. An empty combination can take up to 400 feet!

Those stopping distances are for vehicles with properly adjusted brakes. Your car and mine have self-adjusting brakes. But brakes on most large trucks are not self-adjusting, a technological deficiency reflected in alarming truck inspection results: approximately 50 percent of large trucks removed from service for mechanical reasons had deficient brakes.

No wonder motorists feel intimidated by the increasing numbers of large trucks in the traffic stream.

And now, the trucking industry wants to run even bigger trucks on our highways! Longer combination vehicles, or LCVs. As you are aware, LCV's consist of a truck-tractor pulling:

- three 28 foot trailers (known as triples), that can be almost 110 feet in overall length, and weigh in excess of 110,000 pounds; or,
- a 48 foot trailer and a 28 foot trailer (known as a rocky mountain double), which can be over 90 feet in length and weigh in excess of 100,000 pounds; or,
- two 48 foot trailers (known as a turnpike double), which can be almost 120 feet long and weigh in excess of 120,000 pounds.

Although these trucks have been used for years, primarily in Western States, they are operated by the industry's best drivers under very tightly-controlled conditions on some of the safest roads in the world. In more normal traffic environments, LCVs pose grave potential safety hazards.

For instance, it takes longer to pass them, and their heavier weights cause more trouble maintaining constant speeds on grades.

The additional distance necessary to pass a 110 foot truck as opposed to the traditional 65 foot truck would vary depending on the speed differential between the truck and the passing motorist. At a speed differential of 5 mph, it would take a motorist an additional 494 feet to pass these larger vehicles. A speed differential of 15 mph would reduce that distance but still require 165 additional feet to safely pass the truck.

A 1984 study undertaken by the California Department of Transportation (CALTRANS) tested LCV use over a 1,200 mile route. The study disclosed several disturbing findings. Triples had a continual sideways sway of four to six inches while traveling over open road segments. This swaying at times increased to well over one foot and "had a noticeable effect on adjacent traffic."

Triples also had a noticeable impact on urban arterials, roadside rest areas and at truck weighing scales because of their longer lengths.

Turnpike doubles were the least maneuverable of the combinations tested. They had problems with interchanges, intersections and off-tracking tests. They even had problems maneuvering through the latest design interchanges in rural areas. A survey of State highway departments by American Association of State Highway and Transportation Officials (AASHTO) found that only about 25 percent of the interchanges on the Interstate System could safely accommodate turnpike double combinations.

Information contained in the Model Driver's Manual for Commercial Vehicle Driver LicensinG. developed for use by the Essex Corporation, further underscores the potential safety problems associated with increased use of LCVs.

The manual states, "Trucks with trailers have a dangerous 'crack-the-whip' effect. When you make a quick lane change, the crack-the-whip effect can turn the trailer over. There are many accidents where only the trailer has overturned."

The "crack-the-whip" effect is caused by rearward amplification. This is the condition that was apparent in the CALTRANS study mentioned earlier.



The manual also details the degree of risk for trailer rollover because of rearward amplification. Triples have a rearward amplification factor of 3.5, the highest of the eight vehicle combinations rated, which means the last trailer of a triples combination can be rolled over 3.5 times as easily as a five-axle tractor semitrailer with a 45 ft. trailer.

#### THE HUMAN FACTOR

The driving population is getting older. According to a Transportation Research Board report on Transportation in an Aaina Society, a growing percentage of the U.S. population is over 65 years of age. Improvements in medicine and health care are prolonging usable years. With an increasing number of older people living in the suburbs, fewer will want to give up access to their automobiles. As it is, more than 80 percent of trips made by those 65 and over are made in an automobile, and that reliance is growing.

Information from the Federal Highway Administration discloses that licensed drivers 55-59 increased in number by 22.3 percent between 1970 and 1989. Licensed drivers 60 and over increased by 105.1 percent over the same period, and for the group 70 and over, the growth was a whopping 180.7 percent!

In 1989, licensed drivers 55 and over accounted for 24.3 percent of the driving population. According to University of Florida research, by the year 2000, one-third of American drivers will be over 55 years of age.

In 1989, a Conference on "Research and Development Needed to Improve Safety and Mobility of Older Drivers" was held at the National Library of Medicine in Bethesda, Maryland. In a keynote address, Dr. Patricia Waller, Director of the Transportation Research Institute at the University of Michigan, explored the tradeoffs between mobility and safety for older drivers:

As a group, older drivers are more likely to be seriously injured or killed in a motor vehicle crash. Older drivers who survive a crash are more likely than younger drivers to succumb later.

Older drivers have slower reaction times. They may be on medications that adversely affect their driving. They tend to drive slower. They may have diminished eyesight and physical strength.

#### AAA MEMBER CONCERNS

Our highway transportation system was not designed with the older driver in mind, but increasing older drivers are the ones who use it. A 1988 legislative survey of AAA members in five States prepared by AAA's Department of Market Analysis and Research found that 89 percent of the respondents were strongly opposed to increasing truck lengths. Members 55 and older were significantly more opposed: 92 percent of this group said "NO!" AAA is particularly sensitive to older driver concerns: 50 percent of AAA master members (the primary member in a family membership) are more than 55 years of age and 33 percent are more than 65 years old.

AAA legislative surveys are consistent with a study released early in 1990 by the AAA Foundation for Traffic Safety entitled "Older Drivers' perceptions of Problems in Freeway Use." That study found that older drivers have particular problems interacting with large trucks.

"Trucks received the overall highest rating of importance regarding dislike of freeways among the factors in the questionnaire, and focus group discussions confirmed the prominence of this concern. Large trucks came up as a major discussion point in virtually every group, and the intensity of feeling expressed left little doubt about the significance of this concern to the older driver. . . . Sharing the freeway with large trucks, . . . made many of the people in the focus groups uncomfortable and very nervous. Several indicated that this was the reason for avoiding freeways, and some timed trips to avoid periods of heavier truck traffic. A number of specific problems or complaints about trucks were mentioned repeatedly. These included: being tailgated by large trucks; trucks blocking the view of traffic and signs, both forward and to the sides; blinding truck headlights (either approaching or in rear view mirror); speeding, rudeness, and recklessness of some truck drivers; spray and wind from trucks. . . . whatever the specific reasons, it is clear that interacting with truck traffic is quite anxiety provoking for many older drivers, and a major concern on freeways."

AAA club poll after club poll consistently find heavy trucks on our members' list of things they hate to face on our roads today. And they don't want them getting

bigger. Our members do not want to face combination vehicles that could run 110 to 120 feet long—especially when the average automobile is only about 2,700-3,000 pounds.

#### INDUSTRY CONTENTIONS

The trucking industry contends increased use of LCVs would lower the number of trucks on the roads, thereby reducing energy use, air pollution, and highway congestion.

This same argument was used by the industry back in the 1970's during the energy crisis when trucks were allowed to carry cargo in excess of existing weight limits. The same line was also used during the debate on the 1982 Highway Act, which mandated the 80,000 pound weight limit; the use of twin trailers; and, the use of 48 foot semi-trailers.

But larger trucks did not lead to reduced combination truck registrations according to FHWA's Highway Statistics. Nor was there any reduction in vehicle miles traveled (VMT).

For every year since 1981 (except for a small downturn in 1986) there has been an annual growth in the number of combination vehicles registered and in the number of vehicle miles traveled. Between 1981 and 1989, combination truck registrations have increased 26 percent and VMT 38.2 percent. The exact figures are these:

#### Combination Trucks

	Registrations	VMT (millions of vehicle miles)
1981.....	1,261,202	69,134
1982.....	1,265,321	66,668
1983.....	1,304,041	69,754
1984.....	1,340,144	77,367
1985.....	1,403,266	79,600
1986.....	1,398,937	81,833
1987.....	1,418,514	86,064
1988.....	1,476,241	90,158
1989.....	1,589,285	95,567

Most of the trucking industry is not now asking Congress to require States to allow use of LCVs. Not yet!

Now a segment of the industry is asking the States be given the discretion to allow the use of LCVs having gross weights in excess of 80,000 pounds. But this change would be much greater than it initially seems: many States have mandated State acceptance of the Federal weight limits. Thus, removal of Federal limits would immediately require use of LCVs in more States.

Such a change also would be the first step in obtaining an extensive network for the operation of LCVs. It would not be long before the industry would conduct an all-out campaign in the States to convince legislatures that their laws should be in compliance with the more permissive States.

Not long thereafter, the industry would be back at Congress's door asking for a national network for LCVs in the interest of nationwide "uniformity" and greater productivity.

Past history confirms this industry strategy. The Federal Aid Highway Act of 1974 gave the trucking industry permissive "productivity" increases in truck weights to 80,000 pounds from the legal maximum gross vehicle weight of 73,280 pounds. By 1982 the industry was back at Congress' door successfully asking that the 80,000 pound limit be mandated since not all States had adopted the permissive 80,000 weight standard.

In summary AAA members consistently express outrage that they might be forced to share the road with even bigger and heavier trucks.

AAA will oppose any efforts to liberalize the use of LCVs. There are just too many safety issues to resolve before expanding their use, particularly because such a change would be an irrevocable decision. Practically speaking, once mandated, LCVs would never be banned regardless of their safety problems.

If the shipping and trucking industries want huge trucks so desperately why doesn't industry support separate truck roads? Separate highways designed specifically to carry huge trucks would eliminate inherent safety conflicts and reduce the deterioration of auto roads (truck-related pavement damage is approximately 10,000 times worse than car-related damage). The estimated \$4 billion in "productivity increases" which LCV proponents often contend would result from nationwide use of LCV's could be used to build separate roads for those immense vehicles. Our current highway system isn't designed for LCVs. Other users of that system shouldn't be abused by LCV's or indirectly forced to pay for them.

Therefore, AAA enthusiastically endorses the Lautenberg amendment which would freeze existing LCV operations to exactly where and how they operate today. This legislation does not seek to turn back the clock and eliminate the use of LCVs where they are now legally operating.

But it correctly would block any further increases in existing Federal maximum size and weight limits. It should be enacted.

#### SCENIC ROADS

AAA endorses the three key recommended options included in FHWA's recent excellent scenic roads study:

- Launching an "All-American Roads" program to designate roads with unique scenic, cultural, or historic value and to identify them with special signs.
- Dedicating an office in the Department of Transportation to help Federal, State, and local agencies with their scenic roads program and to serve as a clearinghouse for news about the design, operation, maintenance, and marketing of scenic roads.
- Making Federal highway funds available to States to start or expand their scenic roads.

Increasingly, AAA has members who want more pleasant alternatives to Interstate travel. They want to travel on roads that take them through the most scenic, historic, or culturally interesting areas.

To satisfy that desire, AAA has designated approximately 30,000-miles of U.S. scenic roads. To be included, a road must meet at least one of five criteria:

- quintessential scenery (the best of the characteristic features or scenery of a State or region)
- natural beauty (strikingly scenic, natural features)
- cultural beauty (architectural, historic, or economic activities)
- uniqueness (usually a limited area unique to a region), and
- scenic roads on public land (byways designated by the Federal Government)

Scenic roads also have significant economic potential because of the synergistic relationship between scenic roads, tourism and the economy:

- Approximately 17 percent of all personal driving by
- Americans is for vacations or other forms of recreation;
- Tourism is one of the top three employers in more than 37 States;
- Approximately 70 percent of foreign visitors use a car at least part of the time when visiting the U.S.;
- More than 80 percent of U.S. vacation travel is done by car, truck or recreational vehicle; and
- Foreign tourism has become the Nation's number one "export", accounting for \$34 billion, which helps to alleviate the U.S. balance-of-payments deficit.

A scenic roads program has the potential to benefit vacationers and at the same time produce substantial revenue for States and private interests alike. For the highway program it has added potential: expanded political support for transportation at a time when it needs it. Organizations that care about tourism may actively support the highway program if scenic roads are a part of the bill.

A national (not Federal) scenic roads system should be designated and eligible for Federal funding. States also should be allowed to use Federal funds to plan and improve their own scenic roads system.

An office of scenic roads in the U.S. Department of Transportation could substantially aid implementation of a scenic roads program. It could serve as a central clearinghouse for information about State and local programs, help guide State and local governments in designating and marking their scenic roads, issue maps and publications about the National "All American" scenic roads system, and work with the United States Travel & Tourism Administration in marketing U.S. scenic roads overseas.

## TOLL ROADS

Understandably scarcity of road funds is driving the call for greater use of tolls. But AAA remains opposed to toll financing for a number of reasons.

*Excessive Cost:* Toll roads will probably cost 3 to 4 times as much as toll-free roads, primarily because of bond interest charges and toll collection costs.

*Double Taxation:* If gas taxes are used to construct new toll roads, motorists will be paying twice—once at the pump, once at the toll booth.

*Breach of Trust:* Highway users have paid literally hundreds of billions of dollars to construct the Nation's highway system; they should not now be charged a toll to use it.

*Inefficiency:* Currently, fifteen percent of toll revenues are needed for the collection process while only one percent of motor fuel taxes are devoted to tax collection.

*Inconvenience:* Toll roads often provide few exists in order to minimize the number and therefore the costs of toll personnel. Users can't get off the road at convenient places and people living in some small communities cannot use toll roads built right next to them.

In taking an anti-toll stance, AAA doesn't minimize today's serious funding problem. But there are better ways than toll financing to solve it, such as spending down the Highway Trust Fund balance, impact fees, and traditional taxing methods.

## CONCLUSION

AAA strongly urges prompt enactment of long-term highway legislation funded by all currently available highway user revenues. Obligation ceilings should be set no lower than total annual Federal revenues derived from highway user taxes, including revenues from the new 5-cent gasoline tax and all Federal Highway Trust Fund interest.

Particular emphasis should be placed on highway safety and alleviation of traffic congestion. Congress should resist calls for longer and heavier trucks (LCVs) and excessive reliance on toll financing. Research and scenic roads also should be supported.

Thank you for the opportunity to express AAA's views on these important issues.

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STATEMENT OF LESTER P. LAMM, PRESIDENT, HIGHWAY USERS FEDERATION FOR SAFETY AND MOBILITY

Mr. Chairman, we greatly appreciate your willingness to schedule these hearings despite your very tight schedule for consideration of the highway program reauthorization.

As you are aware, it was our concern that several of the far-reaching provisions of S. 965, the Senate leadership bill, had not been sufficiently debated. We welcome this opportunity to discuss these issues. In the interest of conserving time, we will not repeat the testimony we have given previously before the Committee. I have appeared before your Committee dozens of times over the years, but I consider today's testimony to be of far greater, long-term significance than most of my earlier appearances.

As you know, the Federation's members comprise the largest group of users and suppliers of highway transportation services and products in America. Because of their highway usage, this group also represents the primary source of income for the Highway Trust Fund. In other words, our members are the principal payers of State and Federal highway user fees and have a great interest in whether their fees are being used wisely and effectively. It is our belief that the Congress should pay particular heed to the voice of the taxpayers, for the sake of equity.

Our testimony today will focus on both S. 965, the Surface Transportation Efficiency Act of 1991, and the DOT proposal, S. 610. There are many features we agree with in both bills, but we also offer suggestions for further improvement in both measures. Our point of view stems from the increasingly evident, strong relationship between a vigorous U.S. economy and an efficient highway system. We would like a 1991 act which embarks on a series of surface transportation policies designed to enhance our future national productivity and international competitiveness, even while we continue to make significant progress toward environmental and energy conservation goals. A well-conceived set of national priorities can achieve these goals in a cooperative, not competitive manner.

## FEDERATION EVALUATION OF S. 610, S. 965

The February release of the Administration's reauthorization proposal culminated a very successful effort by the Department of Transportation (DOT) to survey the Nation's transportation concerns and develop a long-term proposal which would address them within the confines of the Federal budget and administration policies. The DOT proposal is a good package and the Federation supports the vast majority of the provisions and proposals it contains. We applaud the leadership provided by Secretary Skinner and the creative efforts of the DOT staff to draft such an agreeable package.

We also salute your Committee, Mr. Chairman, for your achievements in putting forth your own leadership bill at this stage in the legislative year. There are many elements of S. 965 which tie in well with the Administration proposal, and this is very helpful. The highway user community enthusiastically supports most of these elements. In addition, there are several areas where we prefer the Senate approach to the Administration's proposal. Chief among these is your call for lower State and local matching requirements. Our own national contacts would indicate that this is a poor time to impose a sizable financial burden on State and local governments.

As we have said, there are elements of both S. 610, the Administration proposal and S. 965, the Senate leadership bill, which we would hope to enhance or improve. At the risk of appearing overly negative, our testimony will highlight these areas. We feel we can be of more help to the Committee by discussing proposals for change than by "cheerleading" in areas where we agree fully. Our approach will be to briefly review the Federation's own highway proposal and suggest certain areas where we feel additional attention is needed. Table 1, following, compares HUF's reauthorization recommendations, which have been developed with economic efficiency and taxpayer equity in mind, with the Administration proposal and S. 965.

Table 1.—Comparison of DOT Highway Reauthorization Proposal, S. 965 and HUF Position

Administration (H.R. 1351-S. 610)	S. 965	Federation Position
3-component program—National Highway System (NHS); Urban/Rural Program; Separate Bridge Program	3-component program—Interstate System; Surface Transportation Program (STP); Separate Bridge Program	4-component program—Prefer National Highway System; Separate Bridge Program; Separate, flexible Urban and Rural programs
5-year highway bill	5-year highway bill	HUF supports
Higher State, local matching ratios	Standardize a ratio of 80/20 Federal/State share for all programs	HUF prefers Senate approach
Overall highway program of \$86.8 billion over 5 years	Overall highway program of \$86.5 billion over 5 years	HUF prefers higher program levels, begin drawing down the Highway Trust Fund balance
No new user taxes	No new user taxes	HUF supports
Completes authorized Interstate segments and substitute projects	Completes authorized Interstate segments and substitute projects	HUF supports
Interstate apportionments transferable to NHS projects	Up to 20 percent of Interstate Maintenance funding transferable to STP	Interstate apportionments transferable only to States with remaining Interstate mileage to complete
Maintain identity of Interstate system but fund through the NHS	Maintains identity of Interstate system, provides specific funding for Interstate completion and maintenance	Maintain specific identity and funding for Interstate system, or establish specific performance goals for Interstate service
Discretionary funding for high cost bridges, support for bridge management systems	No discretionary funding, support for bridge management systems	HUF supports DOT proposal
Continues Emergency Relief Program	Continues Emergency Relief Program	HUF supports
National Highway System of 150,000 miles with an additional 15,000 miles at Secretary's discretion	Interstate System Only (43,000 miles)	National Highway System at about 4 percent of all public road mileage, approximately 200,000 miles

Table 1.—Comparison of DOT Highway Reauthorization Proposal, S. 965 and HUF Position—Continued

Administration (H.R. 1351-S. 610)	S. 965	Federation Position
Flexible program allowing use of a portion of funds for roads or transit at option of State and local government	Very flexible program allowing use of non-Interstate funds for road, rail, maglev or transit at State and local government option	HUF supports flexible concept as in the DOT bill
Combined Urban/Rural program, applies to areas with population levels of 200,000	75 percent of State Surface Transportation Funds split between urban and rural use based on population	Prefer separate Urban program for areas with 50,000+ population, specific rural program for urban and rural areas of less than 50,000 population
Establishes National Truck Network on the NHS system	No provision	HUF supports DOT proposal
Advance right-of-way access provisions	No provision	HUF supports DOT proposal
Strengthen highway safety programs	Provides non-specific funding for safety, imposes mandatory seatbelt and helmet use requirements	HUF supports DOT proposal
Focus on Highway R&D and IVHS, continue long-term pavement performance program	Focus on Highway R&D and IVHS	HUF supports, with a separate authorization for IVHS
Strong requirements and funding for coordinated planning by State and local governments	Strong requirements and funding for coordinated planning by State and local governments	HUF supports, though without change to existing State and local project management role
Highway Tax Evasion demonstration project	Highway Tax Evasion funding	HUF supports
Scenic Byways eligible for NHS and Urban/Rural funds, special 2 year set-aside for scenic byways development	Scenic highways eligible for STP funds under transportation enhancement activities	HUF supports, but encourages a larger program for public lands and scenic highways
Required bridge, pavement, safety and congestion management programs	Required bridge, pavement, safety and congestion management programs	HUF supports
Privitization of rest areas	No provision	HUF opposes
Ability to transfer revenues from federally-aided facilities to other uses	Ability to transfer revenues from federally-aided facilities to other uses	HUF opposes
Congestion Pricing Demonstration	Congestion Pricing Pilot Program	HUF opposes

## LONG-TERM CONSEQUENCES OF 1991 FEDERAL PRIORITIES

It has been clear for some years that the provisions of the 1991 STAA will have much more long-term significance than the Acts of 1987, 1982 and earlier. Because we can truly see the end of the initial construction stage of the Interstate Highway System, Federal surface transportation priorities established this year will provide the framework for DOT programs well into the 21st century.

This is why the Federation, working together with AASHTO, began an effort in 1986 to look far into the future to evaluate the Nation's surface transportation needs, and to propose the right mix of Federal priorities to achieve our desired goals. This activity, Transportation 2020, eventually involved over 100 national associations. We have frequently reported progress and findings from Transportation 2020 to the Committee.

DOT Secretary Sam Skinner and his staff also saw the long-term impacts of the 1991 Act, and began their own strategic planning in early 1989. Their findings have been consistent with what we saw in Transportation 2020 and, therefore, there is tremendous similarity among the legislative proposals advanced by DOT, AASHTO and the Highway Users Federation.

## SPECIFIC APPRAISAL OF ECONOMIC IMPACT OF 1991 FEDERAL PRIORITIES

During the 1980's an increasing number of economic researchers have established and refined a series of findings on the close interrelationship between the service level and quality of a nation's infrastructure and the health and vitality of its economy. Pat Choate, David Aschauer, Alicia Munnell and Robert Reich, among others, have demonstrated that this tie is especially evident with the transportation sector. Inasmuch as transportation costs amount to between 10 and 30 percent of the final cost of most goods and products, productivity or efficiency gains in transportation can have immediate bottom-line impact on private sector balance sheets.

Even within transportation, recent trends toward the "just-in-time" delivery system, fewer long-haul shipments of bulk commodities, and more widely dispersed origins and destinations of goods have added to the relative economic importance of highway system performance. The U.S. economy of the future may continue to be more dependent on the quality and safety of the highway system than of any other transportation sector. This would tell us that future national priorities, even while stimulating growth or advances in various nonhighway transportation service, should be cautious of possible negative consequences to the economy of adverse impacts to highway travel, particularly to the commercial highway user.

With these economic relationships in mind, we believe legislators and policy-makers should evacuate proposed future transportation policies against the specific yardstick of their impact on our national economy. Table 2, following, looks at the major features of S. 610, the Administration bill, against this criterion. Comparisons are made with S. 965, the Senate leadership bill, and will follow for the House bill, when it becomes available. Conclusions of the table are discussed further in the following sections.

Table 2.—Proposed Post-Interstate Federal Surface Transportation Priorities

A. Priorities in S. 610 (DOT Bill)	B. Other priorities suggested by private sector organizations	C. Support from private sector	D. Potential impact on U.S. economic productivity	E. In Senate leadership draft (S. 965)	F. In House leadership draft
1. Complete Interstate system		Full	High to medium	Yes	(Not known as of 5/13/91)
2. Renovate old Interstate		Full	Very high	Maintain (3R) only	
3. Improve service on National Highway System		Full	Very high	Interstate only	
4. Reduce urban suburban congestion		Full	High to medium	Top priority	
5. Improve rural access		Full	High	Yes	
6. Upgrade bridges		Full	High to medium	Yes	
7. Better planning, program management		Full	Medium	Yes	
8. Upgrade highway safety		Full	High to medium	Yes	
9. Greater use of technology (R&D, IVHS)		Full	High	Yes	
10. Increase use of tolls		Mixed—Over half	Low	Yes	
11. Limit demonstration projects		Full	None	Yes	
12. More flexibility of funds among governments		Mixed—Over half	Low to negative	Yes	
13. Higher State, local match		Not much	Low	No	

Table 2.—Proposed Post-Interstate Federal Surface Transportation Priorities—Continued

A. Priorities in S. 610 (DOT Bill)	B. Other priorities suggested by private sector organizations	C. Support from private sector	D. Potential impact on U.S. economic productivity	E. In Senate leadership draft (S. 965)	F. In House leadership draft
14. Program size limited to current revenues		Mixed—Over half	Low to negative	Yes	
	15. Increase Highway and/or Transit Program size	Mixed—Over half	Medium to low	No	
	16. Increase taxes now	Mixed—Less than half	Low to negative	No	
	17. Increase use of highway funds for non-highway purposes	Mixed—Much less than half	Low to negative	Yes	

Column A, "Priorities in S. 610, the DOT Bill," lists 14 policy directions, some new, others restatements of current program features, contained in the highway elements of the Administration's proposed STAA.

Column B, "Other Priorities Suggested by Private Sector Organizations," lists three additional major policies suggested by private sector groups. Though these proposals are not contained in the DOT bill, there has been some Congressional support for each, and they are also evaluated.

Column C, "Support from Private Sector," is drawn mainly from surveys we have conducted among HUF members (all private sector) and Transportation 2020 participants (half private, half public).

Column D, "Potential Impact on U.S. Economic Productivity," represents a "quick and dirty" appraisal by HUF staff. Ratings for the 17 individual proposed Federal policies are further discussed below.

Column E, "In Senate Leadership Draft" (S. 965) is self-explanatory.

Column F, will remain blank until the expected House draft becomes available.

Returning to Column D, our assessment of the potential macroeconomic impact of each proposed priority is described below. It is evident that the U.S. has experienced a period of unprecedented national economic growth and personal prosperity since the mid-1950's. This parallels the time frame when we had as our top surface transportation priority the construction of the National System of Interstate and Defense Highways. Most observers feel that this is not coincidental. As we begin to better understand the ties between a healthy national economy and an effective transportation policy, we believe this type of comparable evaluation will be increasingly important, but until now infrequently accomplished.

1. *Complete Interstate System*—The numbers are familiar—Interstate roads amount to little more than one percent of U.S. road and street mileage, but carry more than 20 percent of annual travel. The system is over 99 percent open to traffic.

Because so much of the approved system is carrying traffic, we have rated completion of the final 263 miles in the "high to medium" economic impact category. This is our estimate of the total impact of full completion on the overall U.S. economy. Despite this, closing some individual gaps may yield the very highest economic benefits to local or regional economies. For instance, the Central Artery—Third Harbor Crossing projects in Boston, when complete, will greatly enhance intermodal access to a railroad station and Logan airport. Also, the Century Freeway in Los Angeles will provide vastly improved intermodal connections to Los Angeles International Airport.

Both bills, S. 610 and S. 965, would provide Federal funds to complete Interstate and Interstate substitute projects.

2. *Renovate Old Interstates*—Many people around the country testified during Transportation 2020 hearings that protection of the quality of Interstate service should be the top national surface transportation policy. We have rated the economic impact of this activity as "very high".

S. 610 would provide continued funding for Interstate preservation and upgrading, while S. 965 would appear to restrict Federal funding to maintenance activities only.

The Federation urges the Senate Committee to revisit this issue. The original Interstate System was conceived in 1937, authorized in 1944 (and placed on maps



shortly thereafter) and financed with a Federal program which began in 1956. Thus, many corridors were identified 45 years ago, and the oldest facilities have carried traffic for 35 years. Since this was also a period of U.S. economic expansion, many early Interstates now require additional traffic lanes or interchanges to continue providing adequate service into the future. If the National economy resumes its long-term growth trend, as we all hope, further deficiencies are likely to develop.

3. *Improve Service on National Highway System*—As important as the Interstate system is to overall U.S. transportation service, limited access freeways alone cannot fully serve the increasing demands of 190 million highway users. At the same time, severely limited Federal highway dollars should not be expected to cover the cost of every proposed road, street and bridge construction and maintenance activity. There must be a cataloging, a rationalization and ranking of competing fund uses against the array of estimated national benefits.

Since 1921, the Federal-aid highway program has accomplished the economic rationing of resources by concentrating Federal attention, funding and oversight on a small portion of the National road network. This key system element, now known as the Federal-aid.

Primary System, includes less than 8 percent of the U.S. roads and streets, though it carries just about half of all vehicular traffic, and nearly 3/4's of all commercial traffic. It is clear that productivity improvements which benefit commercial highway users present the most direct, and most evident, prospects for improving U.S. economic health.

In earlier Federation testimony to your committee we have pointed out our concern that the Administration proposes to reduce the mileage of this system (to be renamed the National Highway System) to about four percent of total road mileage, half of today's total. In our opinion, there is not sufficient evidence that this drastic reduction is required. We favor a National Highway System closer to 200,000 miles in length, or a 5 percent system. Even at this level, it means that nearly 100,000 miles of regionally significant routes would be removed from the system. We feel that many proposals to delete specific roads will be resisted by local elected officials, who will doubtless come to Congress for relief.

Frankly, we were surprised to note that in S. 965, your Committee purposes an even more drastic pruning of the National Highway System to Interstate routes only, or barely more than one percent of road mileage. All other roads would compete for a flexible pool of Federal funds, and compete with an expanded group of eligible non-highway transportation uses.

To us, this is an extreme change to one of the basic cornerstones of Federal-aid highway activity, a feature which has worked well for 70 years. We do not see the compelling reasons for this basic a change. In fact, with today's continued severe restriction of Federal funding, it seems that there is an even greater rationale for channeling funds to a priority system.

As we pointed out above, we feel there is a direct tie between improved service on the National Highway System and the health of the National economy. For this reason, Table 2 shows a "very high" economic impact. In fact, adequate provision for the National Highway System is our strongest recommendation to the Committee.

4. *Reduce Urban, Suburban Congestion*—This is a goal which highway users vigorously support, joining the Administration and the Senate and nearly every American traveler. Our only apparent differences are in the approach we would use to bring about the desired change. In the HUF program, we would greatly increase the pool of flexible funds devoted to congestion relief, moving from today's \$800 million Federal-aid Urban program to a \$4 billion level, with an additional \$3 billion from general funds for transit.

In Table 2 we have rated this area as "high to medium" in its potential impact on U.S. economic productivity. If we can reduce today's congestion penalty below 2 billion hours, or even if we can prevent further escalation in the figure, national productivity will benefit. This area is weighted lower than Interstate and National Highway System improvements only because of the relatively low impact on commercial trips. Business travelers and most truckers tend to avoid the most heavily congested times because they can't make money in a 10 mile per hour traffic stream.

We agree with the Senate concept that congestion relief funds should be flexible, with project decisions resting primarily with State and local officials. Our reading of Section 106 together with Section 113, however, leads to the concern that some hands-on funding and project supervision responsibilities are proposed to be transferred from State Departments of Transportation (DOTs) to Metropolitan Planning Organizations (MPO's). This would concern us, since today's cooperative arrange-

ments appear to be working quite well in most areas and organizational or intergovernmental changes often prove very stubborn to carry out. It would be ironic, if not actually counterproductive, if your proposed changes cause a delay of several years in implementing desired congestion relief improvements.

We have also supported flexibility in the potential uses of congestion relief funds. We are comfortable with the full range of eligible projects under the Federal-aid Urban program, namely capital investments for highways, for transit, for High Occupancy Vehicle (HOV) lanes, bus systems, carpool-vanpool programs and the like. However, highway users register great concern over expanding the pool of eligible projects to include highway maintenance and transit operating expenses, which we feel should not be Federal responsibilities.

Further, we are opposed to expanding the eligible pool to include passenger rail, high-speed rail and magnetic levitation systems. These transportation activities seem to more closely represent options or alternatives to intercity air travel. It is not clear whether there would be any impact on urban-suburban congestion relief, which is the economic problem we are trying to solve with this program. On the other hand, we would support the Congestion Mitigation—Air Quality Program authorized in Section 107.

5. *Improve Rural Access*—We fully support this activity as a legitimate Federal priority for the future program. We have rated it as having a “high” economic activity because of the importance of farm, forest and mine products to domestic consumers and manufacturers and to our balance of trade.

Our only concern here is that both the Administration and Senate bills call for a single flexible program for both urban and rural uses. We believe having two separate programs would eliminate unproductive urban-rural competition for funding.

6. *Upgrade Bridges*—We share the desire to increase the level of attention given to the condition and serviceability of U.S. bridges. We have shown this area with “high to medium” economic impact because bridges, by their nature, channel traffic into priority corridors to get across barriers. We have seen how local and regional hardships result from an unexpected closing of a vital bridge.

However, we would prefer to restrict Federal bridge funds, as in the highway and transit areas, to capital investments, and leave painting and other routine maintenance responsibilities to State and local bridge owners. We also feel that the discretionary bridge program has worked well and should be continued.

7. *Better Planning, Program Management*—We fully support these goals. Better planning and management will reduce overhead costs and make more funds available for transportation improvements. This is why we rate this area with “medium” economic impact.

8. *Upgrade Highway Safety*—This is a goal shared by all—to reduce the current traffic fatality toll of more than 45,000 Americans annually should be high on the Federal Government’s list of transportation priorities. As shown by Table 2, a reduction in fatalities and injuries also has positive economic impact — “high to medium”.

The only real debate is over how best to accomplish the desired results. While we realize that much of the safety program will be dealt with by the Senate Commerce Committee, it is most proper that your Committee address the highway improvement features of a coordinated Federal safety effort.

The approach proposed in S. 965 is to require that eight percent of the Surface Transportation Program funds be spent on “transportation enhancement”, with other eligible items including scenic and historic preservation, billboard control and environmental mitigation. The available funds would escalate from \$564 million in 1992 to \$984 million in 1996.

Our only concern with your proposal is the level of competition set up for the funding. Previous experience has shown that attention given to safety often suffers within a highly competitive atmosphere. This led, nearly 20 years ago, to the establishment of a specific safety construction program, which, by and large, has worked well. We would recommend that a separate safety construction program be continued, with funding starting at \$500 million per year.

9. *More Use of Technology*—Most observers forecast a slackening of the recent growth in transportation service, and in fact, overall U.S. economic growth, as our population begins to level off. Under these conditions, application of new and upgraded technology becomes one of the few remaining ways to achieve real advances in productivity.

We believe that in the surface transportation area, vast opportunities exist to better utilize present and future technology. For this reason we have graded this area as having “high” economic productivity impact.

Within the past year we have established a new public-private coordinating mechanism to oversee applications of intelligent vehicle-highway system technology called IVHS AMERICA. I serve as President of this organization.

It is our belief that our ability to advance IVHS issues would be greatly enhanced if the DOT research program has a line item devoted to IVHS. Without this, practitioners have no guarantee of long-term Federal investment continuing, regardless of changes in Administration or Congressional leadership.

This uncertainty has happened before. In the 1960's, the U.S. was the world leader in IVHS technology until a proposed FHWA research item was struck from a DOT appropriations bill. This led to a nearly 20 year hiatus, which has only recently been reversed. We are now playing "catch-up".

We would recommend that the IVHS line item for research and development reach \$100 million as soon as budget constraints permit.

10. *Increase Use of Tolls*—The Administration and the Senate would propose more extensive use of toll facilities in their draft bills. The reaction in the private sector is mixed, with those who would pay tolls opposed, while most others would support the concept. Though the regional economic impact of particular projects could be great, the macroeconomic consequences are rated as "low", since FHWA reports that total toll collections represent less than 5 percent of all national funding for highways.

We are concerned about the potential divisiveness of the congestion pricing concept. We can see it as an issue splitting the central city from the suburbs, to the detriment of the overall regional planning process we're proposing. We could also visualize employers reacting to congestion tolls by moving their activities to an urban location, which would not be the best solution to urban congestion.

11. *Limit Demonstration Projects*—The Administration and Senate bills would both avoid the recent expansion of demonstration treatments of specific highway, bridge and transit projects. The highway user community fully agrees with your approach. We believe that specific Federal funding of projects should be limited to those offering true advances in technology. The macroeconomic impact is shown as "none".

12. *More Flexibility of Funds Among Governments*—In principle, many highway users would agree with this concept, though others have testified against it. We have rated the economic productivity impact as "low to negative", in that local level decisions could be expected to lean toward solving local problems, without much worry about the macroeconomic impact of a given project.

We would restate our earlier worry that flexibility not undo the historic working relationship among Federal, State and local transportation managers which has worked so well.

13. *Higher State, Local Match*—The Administration has proposed to increase State and local matching dollars required to fund a Federal-aid project, highway or transit. The Senate bill generally retains most present Federal-State shares, with a minor punitive-type reduction for new highway construction.

The highway user community is sympathetic to the Administration's approach. It does make sense to increase the required contribution if an accompanying decrease in Federal control and oversight is included. Pragmatically though, we question whether today's economic climate would permit a sizable State and local increase.

This issue, while vital to State and local governments, would have only marginal effects on the National economy.

14. *Program Size Limited to Current Revenues*—Both S. 610 and S. 965 propose to hold the overall program funding to the level allowed for fiscal year 1992 in last year's Budget Agreement. You will hear different reactions on this point, with some organizations favoring immediate, large-scale increases and others concerned about the Federal budget deficit.

HUF would urge the Senate to look closely at figures submitted to you by the Congressional Budget Office (CBO) and General Accounting Office (GAO), which indicate that there may be another \$5 billion available from Trust Fund revenues, even within the budget constraints. We believe that State and local governments could productively use another billion dollars per year. Further, we feel that the highway program should reach an annual Federal funding level of \$20 billion per year as early as budget issues permit. This would represent a return to the historic Federal share of total highway funding which was close to 25 percent until our recent budget problems.

We show this as a "low to negative" economic impact. Negative impacts would happen if constraints became so severe that desirable projects are held up.

15. *Increase Highway, Transit Program Size*—Though neither the Administration nor the Senate have proposed large scale program increases, this proposal has been

advanced by representatives of both the highway and transit industries. Depending on the actual level of such increases, and the qualities of additional projects generated thereby, macroeconomic impact could be "medium to low". Benefits come from direct job-creating impacts and from user savings or specific projects.

16. *Increase Taxes Now*—This is a proposal advanced by some, but not in either S. 610 or S. 965. We show the likely macroeconomic impact as "low to negative". The impact would be low if additional productivity gains came from projects which could not otherwise be financed, but the gains would be partially, or even fully offset if Federal taxes preempted State tax increases needed to match a higher Federal program.

The private sector, including the members of the Highway Users Federation, seem to be split on this proposal, though more than half would propose to wait until today's taxes are being used in a more timely fashion. This group is particularly concerned with the precedent of the 1990 nickel, which is being collected, but not used, either for highways Or transit.

Support for additional taxes would grow if funds were used now, and restricted for either highway or total surface transportation uses. There is a group of private industry representatives favoring user tax increases for non-transportation reasons, including energy conservation.

17. *Increase Use of Highway Funds for Non-Highway Uses*—Several organizations have suggested greater use of highway user revenues than is now permitted in Title 23 or appears in the Administration proposal. Some proposals are directed at improvements in other transportation modes, while others seem to be based on a desire to achieve nontransportation goals, or to punish or change the behavior of the highway user. The Senate leadership draft does suggest several new uses, as discussed previously.

Our appraisal is that a large and vocal majority of the highway industry would prefer to stick with today's allowable projects. The estimated macroeconomic impact would range from "low to negative", depending on the relative economic consequences of highway or transit projects deferred and other projects newly eligible.

Our final reaction is that equity and a "level playing field" should dictate similar crossmode eligibility for projects in both Trust Fund accounts. If urban States can shift funds to non-highway uses, rural States should receive transit funds with the same options.

#### THE NEED FOR EARLY, EFFECTIVE ACTION ON THE HIGHWAY BILL

The nation is poised to move forward in protecting and enhancing our surface transportation system. We are very pleased to see the reauthorization process well underway. But we also are concerned that other issues pending or already before Congress may delay or defer consideration and approval of the highway reauthorization. With fewer than 65 Congressional Washington workdays left before October 1, both Houses have little time to spare.

We offer you the full cooperation and resources of the Highway Users Federation in the coming months. We are actively working to heighten the Nation's awareness of highway needs at many levels, from individual drivers to the officers of corporate America.

The Federation has undertaken a public information campaign on the importance of the highway system to our membership. Our intent is for our members to use this information to inform their members and employees on the worth of good transportation systems and on our frequently overlooked reliance on safe and convenient highway travel.

We know that all Americans are dependent on safe and reliable transportation for their health and welfare and a growing economy and we are trying to spread that message as far as possible.

Our chief concern at this time would be to have a final Senate bill and a final House bill with such widely differing approaches and priorities that the 1991 legislative year would run out before the Conference Committee resolved the differences. It would also be tragic if the final version of the 1991 bill were to generate a presidential veto. Many in this room were involved in 1986-87 when both situations came to pass. Our private sector members want to continue to work closely with Congress and the Administration to avoid similar problems in 1991.

#### SUMMARY

Mr. Chairman, in this testimony we have tried to bring you a new approach to considering the impact of proposed highway legislation, namely the anticipated impact of individual provisions on our nation's economic health and productivity.

While we sincerely appreciate the Committee leadership in bringing out a draft highway bill so promptly, we believe the bill's impact on the future performance of the highway system will be enhanced with a few significant changes.

Specifically, we would urge that the Committee;

1. Permit upgrading and service improvements to old Interstate facilities.
2. Expand the National Highway System to include important non-Interstate arterial roads.
3. Allow the Surface Transportation Program to be used only for projects now eligible for Federal-aid Urban funding.
4. Split the Surface Transportation Program into urban and rural components.
5. Keep bridge funds for capital investments only, retain discretionary fund.
6. Retain the present program planning and project management responsibilities of State and local governments.
7. Retain a highway safety construction program.
8. Establish a separate line item for DOT research on intelligent vehicles and highways.

Mr. Chairman, we appreciate this opportunity to present our reaction to the Senate's and the Administration's highway program proposals with you and we would be pleased to answer any questions you might have.

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#### PREPARED STATEMENT OF KENNETH M. MEAD

Mr. Chairman and Members of the Subcommittee: We appreciate this opportunity to discuss highway and highway safety reauthorization issues and the results of our past and on-going work at the Federal Highway Administration (FHWA) and the National Highway Traffic Safety Administration (NHTSA).<sup>1</sup> We have previously presented testimony before this Subcommittee, as well as in the House, on reauthorization issues and the Administration's proposed bill—the Surface Transportation Assistance Act of 1991. While we have not completed our analysis of S. 965, the Surface Transportation Efficiency Act of 1991, we have several key points for you to consider as you continue the reauthorization process.

Our testimony focuses on reauthorization issues relating to future Federal spending, bridge deficiency determinations, intermodal funding for highways and mass transit, intelligent vehicle and highway systems, motorcycle helmet and automobile safety belt laws, and other highway safety matters.

In summary:

- The proposed funding in S. 965 would increase overall purchasing power for surface transportation over that of the past 5 years. However, backloading the bulk of the proposed increased authorizations in the later years raises questions about whether the funding will actually be realized given anticipated competition between transportation and all other Federal discretionary spending.

- S. 965's proposed Federal/State matching ratios ease our concern that a number of States may not be able to readily absorb a significant reduction in the Federal share for most highway projects. If, however, this Subcommittee were to decide on a lower Federal share, we believe that it should be phased in over time.

- S. 965 draws attention to Interstate preservation by setting a higher Federal share for preservation versus capacity enhancement activities, and requiring development of Interstate preservation standards. We believe goals should also be established for improving the condition of the Interstate, as well as all other highways. Additionally, we urge the Subcommittee to consider allowing the use of Federal funds for certain cost-effective, preventive maintenance activities that can save or defer more costly Federal expenditures on highway preservation activities, such as rehabilitation and resurfacing.

- The use of tolls on Federal-aid highways can help States increase the total amount of State funds available for highway construction and maintenance. However, we believe the Federal share for toll projects should be set significantly lower than that set for non-toll Federal-aid projects. A high Federal share could lead to an excessive use of tolls on Federal-aid highways and rejection of tolls by the traveling public. We also believe States should be encouraged to use advanced vehicle identification equipment, which can significantly reduce the congestion and resulting pollution at toll plazas.

- S. 965 proposes that the Department of Transportation (DOT) adopt a level-of-service methodology (LOS) for identifying deficient bridges eligible for Federal-aid. However, DOT's proposed LOS methodology will not be used to gauge the magni-

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<sup>1</sup> Listing of our recent reports and testimonies are in Attachment I.

tude of each bridge's deficiency. Consequently, all bridges determined eligible for replacement and rehabilitation will be considered equally deficient. We suggest that DOT also use the LOS to develop information that the Congress can use to ensure that Federal bridge funds are directed to highway systems with the most critically deficient bridges.

- We support an intermodal investment strategy to address the Nation's congestion relief and clean air goals. However, we urge the Subcommittee to move with caution in immediately shifting significant responsibility for programming nearly one-half of Federal highway funds to Metropolitan Planning Organizations (MPO). MPOs experience in programming highway funds varies significantly, as does their organizational structures and levels of public support.

- S. 965 and S. 999 authorize support for Intelligent Vehicle and Highway Systems (IVHS). We have found that IVHS could reduce traffic congestion and provide safety, fuel, and environmental benefits. However, an aggressive research and testing program is needed to address significant uncertainties about IVHS's overall contribution. First, IVHS should achieve a range of policy goals such as congestion reduction and environmental quality improvement. Second, DOT must develop a strategic approach to IVHS field testing and take an active role in selecting and evaluating high-priority field tests. Third, there should be legislative guidance for analyzing IVHS funding options.

- We support S. 965's emphasis on the use and enforcement of motorcycle helmet and automobile safety belt laws, given the safety and economic benefits of universal helmet usage. Studies have shown that helmeted riders experienced fatality rates that were 28 to 73 percent lower than for nonhelmeted riders. Universal helmet laws increase helmet use to 92 percent or better compared to about 50 percent where limited or no helmet law exists. Also, belted occupants of automobiles survive crashes 50 to 75 percent more frequently than unbelted occupants.

- Existing NHTSA State highway safety programs and FHWA's Motor Carrier Safety Assistance Program should continue as the cornerstones for the Nation's highway safety efforts. However, more aggressive FHWA enforcement of motor carrier safety is needed to ensure safe operation of commercial vehicles.

#### FUTURE FEDERAL SPENDING

Both S. 965 and the Administration's bill would authorize about \$125 billion—about \$89 billion for highway and highway safety programs and about \$16 billion for mass transit programs. Both bills would result in increased highway purchasing power, when inflation is considered, over the next 5 years when compared with the funding provided by the Congress for the last 5 years. We have previously testified that pressures for budget deficit reductions are likely to dim the prospects of obtaining large increases in highway program funding levels. Most of the increases in both S. 965 and the Administration's bill will come in the later years. In 1994 and 1995, the highway program will have to compete with all other Federal discretionary programs, including defense, for the limited funds available. Backloading the bulk of the proposed increases into the later years raises questions about whether the increased spending levels will actually be realized.

We previously expressed concern that the Administration's proposal would significantly reduce the Federal matching share for most highway projects and may result in some States not being able to raise the necessary matching funds. S. 965 addresses this concern by providing an 80-percent Federal matching ratio for most highway programs for preserving and maintaining existing facilities. If, in deliberating the appropriate Federal/State matching ratios, the Subcommittee decides to adopt large reductions in the Federal share, we believe the reductions should be phased in over time.

In 1989, DOT reported that over 40 percent of all Interstate pavement is rated in fair to poor condition. DOT's projections show that the condition of the Interstate is not expected to improve, even with a substantial increase in Federal funding for preservation activities. Both S. 965 and the Administration's bill recognize the importance of Interstate preservation by establishing a higher Federal share for this activity and a lower Federal share for capacity enhancement.

DOT has not established goals for what constitutes minimum acceptable pavement conditions or a strategy for achieving them. S. 965 proposes establishing a Bureau of Transportation Statistics, to collect, analyze, and disseminate data on transportation systems, including the condition of the Nation's highways. We believe this data base would be an important step to establishing pavement condition goals, not only for the Interstate, but for all other highways.

Unlike S. 965, the Administration's bill would allow States to use Federal funding for preventive maintenance activities—traditionally a State-financed responsibility.

Our ongoing work supports Federal funding for certain preventive maintenance activities, such as pavement crack and joint sealing. We have found that such maintenance can save or defer more costly Federal expenditures on highway preservation activities, such as rehabilitation, resurfacing and restoration. We would, therefore, urge this Subcommittee to consider allowing the use of Federal funds for certain preventive maintenance activities. This would provide States with the flexibility to select from among a range of preservation options and choose the most cost-effective treatments for their highways.

S. 965 also requires DOT to develop criteria for determining what constitutes adequate preservation of the Interstate. We believe that standards are also needed for assessing adequate preventive maintenance of the Interstate. We believe DOT should work cooperatively with the States to develop them.

#### FEDERAL FUNDING FOR TOLLS

Both S. 965 and the Administration's bill would permit the use of tolls on the Federal-aid highway system. In our December 1990 report on the Toll Facilities Pilot Program we concluded that tolls can provide States additional funds for highway construction and maintenance. The Administration's bill would provide a 35-percent Federal funding share on toll projects. S. 965, on the other hand, provides a 35-percent Federal share on new toll roads and an 80 percent Federal share to convert existing, non-toll highways to toll roads. Our work shows that keeping the Federal financial share on toll projects significantly lower than that set for non-toll, Federal-aid highway construction is important. A high Federal funding share for toll projects could lead to an overuse of tolls and cause the public to reject tolls on Federal-aid highways. Therefore, as this Subcommittee deliberates on the appropriateness of tolls on Federal-aid highways and considers the impact of the Federal share on States' decisions to use tolls, we urge you to consider establishing a Federal share substantially lower than that set for non-toll Federal-aid highway projects.

#### BRIDGE DEFICIENCY DETERMINATION

S. 965 and the Administration's bill both require FHWA to adopt a level-of-service (LOS) methodology to identify deficient bridges that are eligible for Federal funding. Our ongoing work for the Senate Committee on Environment and Public Works suggests that LOS is significantly more effective in identifying deficient bridges than FHWA's current methodology—the sufficiency rating. LOS not only establishes adequacy standards for bridges on different classes of highways, but also gives more adequate consideration to traffic volume and detour length. However, FHWA's proposal to implement LAS does not take full advantage of the benefits that LOS can provide.

Under its proposed LOS methodology, FHWA does not plan to gauge the magnitude of problems with each bridge by assigning a numerical score based on its deficiencies. Consequently, all deficient bridges that FHWA identifies as being eligible for rehabilitation or replacement will be considered equally deficient regardless of the extent of their deficiencies. By assigning each bridge a deficiency rating and ranking the bridges from most to least deficient, FHWA could use the ranked list as a basis for ensuring that Federal bridge dollars are spent on the most critically deficient bridges.

S. 965 and the Administration's bill differ on how to target Federal bridge dollars to the most critically deficient bridges. The Administration's bill would require the States to spend 10 to 25 percent of bridge funds on local (generally off-system) bridges. S. 965 would eliminate existing requirements that States must spend at least 15 percent of their bridge allocation on off-system 9 bridges and at least 65 percent on on-system bridges. Our LAS analysis indicates that the Interstate, primary, and urban systems have the highest percentage of critically deficient bridges. Our work also indicates that over 90 percent of the Administration's proposed \$9 billion funding level for bridges would be needed to improve or replace these bridges. In contrast, bridges located on secondary and off-system roads contained relatively few critically deficient bridges and would need less than 10 percent of the proposed funding. Accordingly, this Subcommittee may wish to consider targeting the largest share of bridge dollars to the Interstate, and bridges that are now located on the current primary and urban systems.

#### HIGHWAY AND MASS TRANSIT INTERMODAL FUNDING

S. 965 and the Administration's bill both support more flexibility in the use of highway funds across traditional program lines. Our work has shown that consolidating highway program categories into a more flexible system would allow States

to customize their spending of Federal funds. Our June 1990 report on the Combined Road Plan (CRP) demonstration program authorized in 1987 showed that allowing five participating States to pool money from the urban, secondary, and bridge programs provided them with the flexibility to target Federal funds where the need was greatest.<sup>2</sup>

S. 965 and the Administration's bill also support the concept of intermodal investments—that is, the use of funds between transportation modes—to address the Nation's surface transportation infrastructure needs and congestion. We support this concept and believe it will become even more important as States and localities address requirements to improve air quality under the Clean Air Act Amendments of 1990. It should be noted that S. 965 recognizes the important relationship between transportation and air quality by requiring DOT to establish and fund a Congestion Mitigation and Air Quality Improvement Program. Eligible projects will be programmed by MPOs.

S. 965 addresses the use of funds between transportation modes by allow States and local jurisdictions to use a portion of their Federal-aid allocations for either highways or mass transit. While the Administration's bill generally restricts use of highway funds for mass transit to the Urban/Rural Program, S. 965's Surface Transportation Program significantly increases funding flexibility options by allowing Surface Transportation Program funds to be used for mass transit operating and capital needs.<sup>3</sup> Under S. 965, MPOs will also assume a critical role in making intermodal funding decisions. MPOs will not only be required to develop transportation improvement plans, but they will also be responsible for programming highway and mass transit funds within urban areas.

States and MPOs must work together to make the difficult choices between highway and mass transit project selection. Therefore, we urge that this Subcommittee move with caution in any implementation of a broad scale shift in responsibility to MPOs as required by S. 965. Our concerns include (1) the ability of some MPOs to immediately assume the added responsibility of programming intermodal funds, (2) uncertainty over what mechanisms will be used to ensure that MPO plans are consistent with national and interjurisdictional goals, and (3) the need for DOT guidance to States and MPOs for conducting analyses for making highway and mass transit project selections.

We believe some MPOs may not be able to readily implement S. 965's proposed intermodal funding provisions. While MPOs have historically played an important role in urban transportation planning, our work to date indicates that most MPOs traditionally have not been responsible for programming Federal highway funds, with the exception of Federal-aid urban highway funds. In addition, differences in organizational structure and levels of local support may create problems for some MPOs in assuming greater responsibilities for programming decisions as called for by S. 965.

We also believe MPO-developed transportation improvement plans must be consistent with (1) the National goals of congestion relief and air quality, and (2) interjurisdictional transportation goals. We are uncertain about what mechanisms S. 965 will use to ensure this consistency when planning and programming decisions are focused at the MPO level.

Finally, preliminary results of our ongoing review for the Senate Environment and Public Works Committee suggests that the criteria used to assess highway and transit projects may not easily facilitate choices between the two modes. Transit projects' primary objective is to move people out of their cars, while highway projects' primary goal is to build roads to accommodate more cars. It is generally easier to demonstrate the benefits of increased highway capacity over increased transit capacity because constructing new highways or additional lanes are more visible and tangible than acquiring additional buses. In our final report to the Committee we plan to assess the need for DOT guidance to States and MPOs for making analyses between highway and mass transit projects.

#### INTELLIGENT VEHICLE AND HIGHWAY SYSTEMS

Both the Administration's bill and S. 965 authorize Federal support for an Intelligent Vehicle and Highway Systems (IVHS) research program. A third bill, S. 999, also authorizes a Federal IVHS program and has been referred to the Senate Com-

<sup>2</sup> *Transportation Infrastructure: States Benefit From Block Grant Flexibility* (GAO/RCED-90-126, June 8, 1990).

<sup>3</sup> Under the Administration's bill 15 percent of National Highway Program funds may also be transferred to the Urban/Rural Program and subsequently for mass transit use.



mittee on Environment and Public Works. We recently reported on IVHS's potential to reduce traffic congestion.<sup>4</sup> We studied three clusters of IVHS technologies: advanced traffic management systems (ATMS), which involve computerized programs to coordinate traffic lights and ramp meters; advanced traveler information systems (ATIS), which rely on display screens in vehicles to provide congestion and other travel information to commuters; and advanced vehicle control systems (AVCS), which include various devices to assist in controlling the vehicle (e.g., collision warning detectors), and could potentially result in automated freeway systems. To assess these IVHS technologies we synthesized major research studies, observed federally sponsored field demonstrations, and solicited and analyzed expert opinions on potential barriers that could impact IVHS effectiveness.

In summary, we found that IVHS could reduce traffic congestion and provide positive benefits in safety, fuel savings, and environmental quality. However, we noted that significant uncertainties exist that need to be addressed through an aggressive research and testing program. Therefore, we believe three issues deserve priority attention in authorizing a Federal IVHS program.

First, we recommended that authorizing legislation recognize the need for IVHS to achieve a range of policy goals, and that DOT be required to examine the extent to which IVHS could contribute to congestion-reduction while simultaneously contributing to the achievement of other goals, such as energy conservation and environmental quality. While the evidence we reviewed suggests that IVHS can have positive effects in several areas, a firmer understanding is needed to ensure that IVHS does reduce congestion while also contributing to the achievement of cleaner air and a safer driving environment.

Second, we noted that field tests play a key role in obtaining needed empirical information on IVHS effects. Consequently, we think authorizing legislation should require DOT to develop a strategic approach to IVHS field testing and evaluation. We recommended that this legislation require evaluations be conducted for any federally sponsored IVHS field test undertaken, and that DOT take an active role in selecting and evaluating high-priority field tests.

Third, our review noted that significant concerns exist regarding the overall costs of IVHS, and the ability of the various parties (Federal, State, and local) and private participants to support the program. Consequently, we recommended that authorizing legislation require an analysis of optimal funding options for achieving desired IVHS benefits. Such analysis should include consideration of alternative Federal, local, and private arrangements.

These recommendations are not meant to comprise an exhaustive list of issues that need to be addressed in an IVHS research and testing program but, rather, to highlight priority issues that arose from our review. Both S. 965 and the Administration's bill authorize Federal support for IVHS, but S. 999, provides the most comprehensive legislative guidance for IVHS, and includes several provisions related to our concerns, such as requiring (1) a strategic testing plan for IVHS, (2) written evaluations of field tests conducted pursuant to the strategic plan, and (3) an analysis of nontechnical constraints to a domestic IVHS program.

#### MOTORCYCLE HELMETS AND AUTOMOBILE SAFETY BELTS

We support the emphasis S. 965 places on the use and enforcement of motorcycle helmet and automobile safety belt laws. As you know, on May 10, 1991, we issued to this Subcommittee an interim report on the effectiveness of motorcycle helmets and safety belts.<sup>5</sup> In the report we analyzed numerous studies relative to motorcycle helmet and safety belt laws. The motorcycle studies consistently demonstrated safety and economic benefits from universal helmet usage laws (laws applying to all riders). We reported that (1) helmeted riders experienced fatality rates that were 28 to 73 percent lower than for nonhelmeted riders, (2) helmeted riders' incidence of "severe" or worse head injuries was 46 to 85 percent lower than for nonhelmeted riders, (3) universal helmet laws increase helmet use to 92 percent or better compared with about 50 percent where limited or no helmet law exists, and (4) helmet nonuse increases the cost to society of caring for injured riders. We also reported that safety belt studies showed that belted occupants tended to survive crashes 50 to 75 percent more frequently than unbelted occupants. Seat belt use also reduces serious injury and the resulting hospital admissions. We are currently analyzing studies

<sup>4</sup> *Smart Highways: An Assessment of Their Potential to Improve Travel*, (GAO/PEMD-91-18, May 1, 1991).

<sup>5</sup> *Highway Safety: Interim Report on Safety Belt and Motorcycle Helmet Effectiveness*, (GAO/RCED-91-158, May 10, 1991)

dealing with the effectiveness of mandatory belt use laws and the societal costs associated with the nonuse of belts. Our final reports on helmet laws and automobile safety belt laws will provide greater detail on these issues.

KEY HIGHWAY AND VEHICLE SAFETY PROGRAMS SHOULD CONTINUE

Existing NHTSA State highway safety programs and FHWA's Motor Carrier Safety Assistance Program should continue to be the cornerstones for the Nation's highway safety efforts. The Administration's bill continues these programs while S. 965 makes no mention of the programs. We assume that the Senate will introduce separate legislation to reauthorize these programs. Our work has shown that more aggressive FHWA enforcement of motor carrier safety is needed to ensure safe operation of commercial vehicles. For example, we have found that FHWA's strategy for bringing carriers into compliance with Federal safety regulations focuses on educating States and carriers rather than on follow-up and enforcement measures after safety deficiencies are found. In January 1991, we reported that about 70 percent of the motor carriers FHWA had rated were assigned a safety fitness rating of less than satisfactory. However, FHWA had not adequately implemented its follow-up enforcement procedures to ensure that carriers corrected deficiencies in safety management controls.<sup>6</sup>

This concludes my prepared statement. I will be pleased to answer any questions you or other Members of the Subcommittee may have.

ATTACHMENT I

RECENTLY ISSUED GAO REPORTS AND TESTIMONIES ON<sup>7</sup> HIGHWAYS, MASS TRANSIT, AND HIGHWAY SAFETY

*Highway Safety: Interim Report on Safety Belt and Motorcycle Helmet Effectiveness* (GAO/RCED-91-158, May 10, 1991).

*Smart Highways: An Assessment of Their Potential to Improve Travel* (GAO/PEMD-91-18, May 1, 1991).

*Truck Safety: Improvements Needed in FHWA's Motor Carrier Safety Program* (GAO/RCED-91-30, Jan. 9, 1991).

*Highway Financing: Participating States Benefit Under Toll Facilities Pilot Program* (GAO/RCED-91-46, Dec. 17, 1990).

*Motor Vehicle Safety: Information on Accidental Fires in Manufacturing Air Bag Propellant* (GAO/RCED-90-230, Sept. 28, 1990).

*Truck Safety: Need to Better Ensure Correction of Serious Inspection Violations* (GAO/RCED-90-202, Sept. 28, 1990).

*Scenic Byways: A National Program, If Created-should Be Small Scale* (GAO/RCED-90-241, Sept. 28, 1990).

*Motor Vehicle Safety: Information on Recent Controversy Between NHTSA and Consumer Group* (GAO/RCED-90-221, Sept. 27, 1990).

*Motor Vehicle Safety: NHTSA Should Resume Its Support of State Periodic Inspection Programs* (GAO/RCED-90-175, July 5, 1990).

*Truck Transport: Little Is Known About Hauling Garbage and Food in the Same Vehicles* (GAO/RCED-90-161, June 28, 1990).

*Transportation Infrastructure: A Comparison of Federal and State Highway Laws* (GAO/RCED-90-157, June 27, 1990).

*Loma Prieta Earthquake: Collapse of the Bay Bridge and the Cypress Viaduct* (GAO/RCED-90-177, June 19, 1990).

*Transportation Infrastructure: States Benefit From Block Grant Flexibility* (GAO/RCED-90-126, June 8, 1990).

*Truck Safety: States' Progress in Testing and Licensing Commercial Drivers* (GAO/RCED-90-78, Mar. 12, 1990). *Transportation Infrastructure: Reshaping the Federal Role Poses Significant Challenge for Policy Makers* (GAO/RCED-90-81A, Dec. 28, 1989).

*Transportation Infrastructure: Panelists' Remarks at New Directions in Surface Transportation Seminar* (GAO/RCED-90-81B, Dec. 28, 1989).

*Mass Transit Grants: UMTA Needs to Increase Safety Focus at Local Transit Authority* (GAO/RCED-90-41, Dec. 1, 1989).

*Motor Vehicle Safety: Passive Restraints Needed to Make Light Trucks Safer* (GAO/RCED-90-56, Dec. 30, 1989).

<sup>6</sup> *Truck Safety: Improvements Needed in FHWA's Motorcarrier Safety Program*, (GAO/RCED-91-30, Jan. 9, 1991).

*Highway Trust Fund: Condition and Outlook for the Highway Account* (GAO/RCED-89-136, May 9, 1989).  
*Mass Transit Grants: UMTA Needs to Improve Procurement Monitoring at Local Transit Authority* (GAO/RCED-89-94, Mar. 31, 1989).  
*Truck Safety: Implementation for the Single Driver's License and Notification Requirements* (GAO/RCED-89-30, Feb. 13, 1989).  
*Highway Contracts: Federal-Aid Highway Contracts Awarded to Minority- and Women-Owned Businesses* (GAO/RCED-89-78, Feb. 13, 1989).  
*Truck Safety: Information on Driver Training* (GAO/RCED-89-163, Aug. 3, 1989).  
*Motor Vehicle Safety: Selected Rulemakings by the National Highway Traffic Safety Administration* (GAO/RCED-89-11FS, Jan. 6, 1989).  
*Transition Series: Transportation Issues* (GAO/OCG-89-25TR, Nov. 1988).

## TESTIMONIES

*Transportation Trust Funds* (GAO/RCED-T-89-36, May 11, 1989).  
*UMTA Project Oversight and Mass Transit Issues* (GAO/RCED-T-90-103, Aug. 7, 1990).  
*UMTA Project Oversight and Mass Transit Issues* (GAO/RCED-T-102, Aug. 8, 1990).  
*Issues to Be Considered During Deliberations to Reauthorize the Federal-Aid Highway Program* (GAO/RCED-T-90-50, Mar. 19, 1990).  
*Preserving the Interstate System* (GAO/RCED-T-90-68, Apr. 25, 1990).  
*Operations of and Outlook for the Highway Trust Fund* (GAO/RCED-T90-78, May 8, 1990).  
*Operations of and Outlook for the Highway Trust Fund* (GAO/RCED-T90-79, May 9, 1990).

## PREPARED STATEMENT OF DR. ANTOINE G. HOBEIKA

Mr. Chairman and Members of the Committee: My name is Antoine Hobeika. I am the Director of the Virginia Tech Center for Transportation Research. I am pleased to have the opportunity to address your committee on the subject of Intelligent Vehicle/Highway Systems, now commonly called IVHS. This subject is of increasing importance to our nation's transportation infrastructure, economy and quality of life.

I have been involved with IVHS since 1980. My present research and teaching position at Virginia Polytechnic Institute and State University, also referred to as Virginia Tech, is primarily devoted to this field.

I am accompanied today by Mr. Gordon Willis. Mr. Willis is the Chairman of the University Connection Committee, a Committee of businessmen, State and local legislators, and university officials interested in promoting safer and efficient intercity travel between Blacksburg and Roanoke in southwest Virginia using IVHS technologies.

As we all know, automobile transportation in the United States poses several operational problems. Each year, almost 46,000 people die and 2 million people are injured as a result of automobile accidents. Direct costs incurred as a result of these accidents exceed \$10 billion. Indirect costs in terms of lost wages and productivity are estimated at \$70 billion. Delays caused by congestion cost the Nation even more: \$100 billion per year. Moreover, these statistics will rise dramatically. Federal and State officials are concerned about the increase in these costs as the number of vehicle miles traveled will increase from 1.9 trillion miles per year to 3.8 trillion by the year 2020.

These problems can be mitigated with appropriate IVHS technologies, that employ a combination of "Smart Cars" and "Smart Highways". These technologies include improvements in traffic management, driver information, and vehicle control techniques made possible by recent advances in computers, electronics and telecommunications. The application of IVHS technologies will reduce congestion by improving traffic flow, and consequently will reduce fuel consumption and air pollution. Early estimates indicate that these technologies may reduce travel time by 15 percent, fuel consumption by 7 percent and emissions by 14 percent.

A major benefit of IVHS will be reductions in traffic accidents. Studies indicate that half of all accidents could be prevented if drivers had an additional 1/2 second warning. IVHS technologies are expected to warn drivers if they are beginning to drive off the roadway, when other vehicles are in blind spots, check for stopped traffic or other obstacles ahead, improve braking effectiveness, and enhance vision at night or under adverse driving conditions. These systems could provide the additional warning necessary to prevent a substantial fraction of the accidents that are ac-

cepted as routine today. The money saved annually by improved safety could easily justify the deployment and maintenance cost of IVHS systems.

Like other major technological challenges confronting the U.S. today, IVHS requires cooperation between government agencies, research institutions, and private industry in order to effect change. Indeed, the U.S. is already lagging behind Japan and several European countries in the pursuit to implement IVHS. They have already dedicated \$2 billion to researching and developing IVHS technology. These nations have recognized the importance of IVHS to their transportation system, their electronic and auto industries, and their overall economic efficiency.

Efforts within the United States, by comparison, are modest. In California, Florida, New York, and Minnesota, for example, plans have been developed to adapt portions of existing highways into smart corridors. Changeable message signs, regulation of traffic entering the corridor, and information about alternate routes for motorists will be provided. General Motors is participating in the California and Florida projects by dedicating several cars with built-in navigation systems.

Most IVHS projects are primarily focused on alleviating congestion in urban areas. The problems of inter-city and rural transportation are also important and inter-city IVHS need to be developed, particularly if these systems are to be deployed nationwide. Inter-city roads are the primary routes employed by truck traffic, and are the site of a disproportionate percentage of accidents: more than half of all fatal accidents occur in rural areas where collision speeds are likely to be high.

As an example of the safety problems encountered in inter-city travel, the highway corridor between Roanoke and Blacksburg in southwest Virginia is known for its high volume of truck traffic and bad weather conditions. It traverses mountainous terrain with long steep grades and sharp curves. The accident rate is high because of adverse weather conditions, roadway geometries and drivers being unfamiliar with the road. During the last three years 844 accidents took place on this road involving 1,352 vehicles. Fifteen people were killed and 505 were injured.

The above characteristics offer unique opportunities to research, develop, and test IVHS technologies that would enhance the safety of motorists nationwide. In that regard, the University, the Virginia Department of Transportation, and several industries are currently pursuing the development of IVHS field operational tests to be deployed in this corridor. These tests include the following:

- Roadside displays using variable message signs that warn motorists of traffic congestion and accidents, slippery pavement, and poor visibility.
- Roadside displays of reduced regulatory speed limits based on roadway and traffic conditions.
- On-board information to operators of selected classes of commercial vehicles, alerting them to roadway conditions that require them to reduce their speed.
- Use of optical fiber sensors to obtain information on roadway and traffic conditions.
- Analysis of communication systems between the vehicles and the roadside equipment.
- Human factors investigation of in-vehicle display of warning systems.
- Accommodations that allow law enforcement and other State officials to utilize roadside and in-vehicle displays in response to traffic conditions.
- Implementation of an all-weather/night vision system that can detect objects and/or obstacles at long distances and then display necessary information to the driver.

The proposed tests would involve interstate Highway I-81, U.S. Route 460, and a six-mile new road that, together, will provide direct connection between the communities surrounding the Commonwealth's largest university and the region's largest urban center. The IVHS technologies will enhance the safety of 12 million vehicles that travel annually on this road, including the 23,000 commuting students and their families. In addition to its contribution to the National vehicular safety program, it will stimulate commerce in the region, shorten the commuting times, and expand higher educational opportunities for southwest Virginians.

Our request for conducting these tests is \$7.5 million distributed over a 5-year period, with the remaining funds coming from State and local governments and industry. To my knowledge the six-mile new road, once designed and built to incorporate the IVHS technologies, would be the first "Intelligent highway" to be constructed from the ground up in the United States.

Virginia Tech is particularly suited to conduct these tests. The university is ranked 25th in the Nation in industry-supported research. Virginia Tech is the home of the Commonwealth's leading College of Engineering, representing excellence in education, research, and outreach. The College ranks in the top ten in the country for the quality of its undergraduate engineering program, and 20th for the

quality of its graduate program, according to the most recent surveys conducted by U.S. News and World Report. The College also ranks in the top 10 for the number of engineers produced to meet the country's needs for technological advancement and productivity, and in the top 10 percent of engineering research institutions for the level of activity conducted.

Field operational tests are essential to evaluate IVHS technology performance and cost-effectiveness. They will also assess user acceptance and market penetration. Conducting these tests is important to show the public that the IVHS program works. Government, industry, and university should cooperate in performing the field tests. I think the time is right to move ahead now with the IVHS program. It is a program that will eventually benefit every driver in this country. It is also a program that advances U.S. technology and its international competitiveness.

Mr. Chairman, thank you again for the opportunity to appear before you today. I will be happy to answer any questions from the Committee.

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PREPARED STATEMENT OF HON. GEORGE V. VOINOVICH, GOVERNOR, STATE OF OHIO

I am grateful for the opportunity to submit this statement on behalf of the people of Ohio regarding one of the most important issues before the 102nd Congress—Reauthorization of Federal-Aid Surface Transportation Programs.

Mr. Chairman and other distinguished Members of the Committee, you face a great challenge this year. This committee bears considerable responsibility for crafting legislation which will ensure the wisest and fairest use of Federal, State and local governments investments in transportation infrastructure and safety programs for the life of the authorization. That investment totals in the many billions of dollars each year, and continues to grow. There resides in your formidable challenge a corresponding opportunity to shape transportation policies which we as a nation could never have pursued in the past—probably could not even have discussed in the past—while we worked to complete our Interstate Highway System.

The interstate system is now virtually complete, and serves as the world's best example of an infrastructure project which has yielded economic and social benefits a thousand times greater than the resources which went into it. The system's contributions to America have far exceeded even the most optimistic predictions of its architects.

I commend both this Committee and the Bush Administration for recognizing that this first post-interstate surface transportation reauthorization requires us to revise policies which in the past were geared toward interstate completion. That tremendous job constitutes an enduring victory, but where does the Nation go from here? Exhibiting its leadership, this Committee has provided an indication with the many innovative suggestions contained in the Committee bill, S. 965. The Administration also has produced its own transportation blueprint for America, S. 610. Each bill has considerable merit, and each will have great influence on the final reauthorization product.

With S. 965, the Committee deserves special credit for its willingness to abandon the conventions of the outdated Federal-aid programs of the past in favor of creative, new approaches to highway and transit planning. These challenging times—a growing nation increasingly dependent on mobility for commerce and recreation while embroiled in the fierce competition of a global marketplace—demand nothing less. The Committee recognizes that a nation on the verge of the 21st Century would be poorly served by a "status quo" reauthorization. S. 965 deserves praise for its call for increased flexibility while recognizing that the Federal commitment to transportation must remain strong. The bill's emphasis on simplifying Federal-aid programs is also refreshing.

There is, nonetheless, one glaring omission from the bill with which the Committee wants to shed the unnecessarily restrictive, programmatic burdens of past Federal programs. My concerns about reauthorization and S. 965 center on the issue of antiquated funding distribution formulas which have unfairly punished the State of Ohio in the past and which would be even more inappropriate if continued in the future. I must do all I can to ensure that the people of Ohio will enjoy fully the transportation and infrastructure improvement policies which this Committee and this Congress conscientiously seek to promote with this crucial legislation.

Regrettably, Ohio, and a score of other States, presently are not in a position to benefit fairly from existing Federal surface transportation funding distribution policies, regardless of overall funding levels. Like the highway funding allocation laws of the past 30 years, the present authorization program continues to place an unduly heavy burden on the Federal donor States. This is a situation which must be

remedied in the next authorization if donor States, particularly traditionally heavy donor States such as Ohio, are to remain economically viable links in the Nation's transportation network.

The donor State issue can be readily examined from a purely statistical standpoint. In Ohio's case, for every dollar it pays in Federal highway user taxes, only 80 cents comes back to the State in Federal transportation spending. Over the past 34 years, an estimated \$2.2 billion in Federal highway user taxes collected in Ohio have been spent improving highways in other States.

Ohio has a long and proud history of active participation in ambitious undertakings such as the Interstate Highway System which have contributed to the greatness of our nation. But that spirit of cooperation and generosity is increasingly tempered by the need to ensure that Ohio's own citizens and industries might begin to receive a fairer proportion of the highway taxes collected within our borders. That will require revisions to existing funding formulas to more accurately reflect our transportation needs and the demands placed on Ohio's heavily-traveled roads and bridges and much-in-demand mass transit services. Apportionment mechanisms which fail to note critical factors such as total lane miles (both rural and urban), vehicle miles traveled and diesel fuel use do not adequately note the requirements of, or demands on, our surface transportation infrastructure. In the interest of fairness, I feel it is imperative that the Committee make revision of existing Federal apportionment formulas a cornerstone of transportation reauthorization.

Attached to this statement<sup>1</sup> is a concept paper outlining major reauthorization objectives which, if implemented, would best enable individual States—and the Nation as a whole—to rise to meet the considerable transportation challenges of the future. This document, the "Proposed Federal Aid Surface Transportation Program" (FAST), defines the key issues comprising the reauthorization debate. It offers specific recommendations which would restore much-needed fairness to the process by which Federal funds are allocated.

The Committee leadership already has enunciated a number of priorities—flexibility, stability, a continued strong level of Federal support, to name a few—which the FAST document fully endorses. Every portion of the FAST proposal is open to scrutiny from those who share our determination to shape the transportation and infrastructure programs which will best serve the Nation. Each provision of the FAST document should be debated and judged on its potential impact on America's traveling, commuting and working public. What cannot be reasonably debated, however, is the fact that old, unfair funding distribution techniques have outlived their usefulness. If it is not (yet) the perfect prescription for the Federal transportation programs of the future, FAST at least identifies justifiable concerns regarding funding equity while suggesting fair, workable solutions.

All States are wrestling with budgetary woes. It is time to put all States, including Ohio, on an equal footing for Federal transportation funding, including both highway and transit funding, so that all States might address their growing transportation needs. It is time to allow donor States to cast off the added burden of an inequitable return on their Federal infrastructure investment.

Again Mr. Chairman, I have great confidence in the Committee's ability to achieve swift passage of a fair, long-term authorization. Please do not hesitate to contact me if I may be of assistance on this important matter.

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STATEMENT OF GOVERNOR WALLACE G. WILKINSON, CHAIRMAN, COMMITTEE ON TRANSPORTATION, COMMERCE, AND COMMUNICATIONS, NATIONAL GOVERNORS' ASSOCIATION

Mr. Chairman and members of the committee, I am pleased to provide testimony on a subject of strong and vital interest to the Nation's Governors—the surface transportation authorization bill. Timely enactment of a multiyear bill will help promote sustained economic growth in our States and contribute to America's competitiveness in the global economy. The importance of investing in our surface transportation system is especially critical this year, as you chart a new vision for the so-called "post-Interstate" era. There are three key points I would like to emphasize:

1. The Governors want to be active partners with you and the administration in developing a long-term transport policy that will serve this nation responsibly through the decade and into the twenty-first century. Governors are in the forefront of developing and implementing much of our nation's domestic policy agenda and

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<sup>1</sup> Retained in Committee's files.

we are positioning our States for economic expansion and trade in global markets. We ask you to build upon the highway program to develop a new Federal-State partnership which recognizes that States—not localities—are in the best position to integrate national policy objectives with local needs. State management of an efficient process that produces cost-effective capital investments in long-run growth and national productivity is essential to our ability to compete internationally.

2. Your leadership is essential to ensure timely legislative action to provide Federal financing for new surface transportation programs. Your bill should renew and expand the Federal commitment to a national highway system that will enhance national productivity and should give States the support and program flexibility to make surface transportation investments that enhance safe and efficient travel, improve the quality of life, and promote sustained economic growth and development. We can and must be responsive to local conditions, but it is essential that consultation take place within coordinated statewide planning and programming—without a local veto.

3. States and localities cannot absorb more cost shifting. Please do not lower the Federal matching rates. Do what you can to allow us to spend transportation trust fund revenues for needed transportation improvements. While States and localities provide the lion's share of financing for surface transportation—four out of five dollars—the Federal role is far from insignificant. Increased spending from all revenues already collected is essential to improving our infrastructure and revitalizing the economy.

At the NGA winter meeting, Governors were unified in calling for a new Federal-State partnership “to address the Nation's urgent problems of declining economic growth and rising unemployment, spiraling health care costs, and pressing environmental and infrastructure needs.” The adopted policy says that using the dedicated trust funds for their intended purposes has the dual benefit of stimulating economic activity while making much-needed infrastructure improvements for less since construction expenses are typically lower during an economic downturn.

NGA also supports targeting Federal resources in what we call “productivity investments.” These are investments that make clear and direct contributions to national productivity. Along with research and development and human resources, investing in physical infrastructure is key to increasing both our international competitiveness and long-run economic growth.

We recognize that Congress will have difficult choices in allocating funds within the budget agreement's discretionary funding cap. But we implore you to recognize the importance of investing in our people and our economic infrastructure.

#### TRANSPORTATION IMPORTANCE IN A GLOBAL ECONOMY

Transportation has been dominant in our nation's history and is a key to our economic future. Our nation's economic performance is directly tied to the quality of our transportation services and facilities, in part because the cost of doing business is influenced by the efficiency with which we move things—from coal to computers, from raw materials to finished products. For every dollar of export goods, about 25 cents is spent on the transportation of raw materials, semi finished goods, and components between domestic manufacturers.

Never before has our transportation system been expected to accommodate so many demands and adapt to change so rapidly. With the advent of “just in time” delivery, transportation systems have displaced the need for holding large industrial inventories, directly affecting the ability of U.S. businesses to become more competitive. This is especially important for small businesses—upon which much of the potential for growth depends—because they are so reliant upon efficient, affordable transportation services.

The private sector requires flexibility but government programs do little to promote intermodality in a way that will respond to today's dynamic economic conditions. Most transportation programs are narrowly focused on a limited set of problems relating to a single transportation mode. The resulting lack of coordination leads to inefficiencies that affect both productivity and costs of transportation. As the global economy requires more interconnections, the ability of people and products to transfer from one mode of transportation to another will become even more essential.

State governments are taking on greater responsibilities to meet these challenges. States are doing a better job of investing existing resources and finding ways to increase investment. States are integrating transportation investment plans with State and local environmental and economic development objectives. States are trying to take a more comprehensive view of transportation, including all the modes and how they interact. And States are working together and with the Federal Gov-

ernment to develop a strategic plan for improving America's transportation infrastructure.

#### SURFACE TRANSPORTATION LEGISLATION

The enactment at the earliest possible date of a strong and effective surface transportation bill—one that is responsive to the needs of all the States—is one of NGA's top priorities. Early enactment of an authorization bill is vital to our ability to make the road and transit improvements people need and expect.

With early action on a completed bill, you will send an important signal to contractors and suppliers—who are right now making payroll and purchasing decisions that affect the economy. With early action, you will let them and the States know that a substantial Federal role will continue with no lapse in funding. With early action, you can play a key role in limiting the damage to our local economies from the current national recession.

In calling on you to act quickly on a multiyear bill that sets a vision for the future, Governors know that we cannot succeed as a nation if all of our attention is focused on competing among ourselves. The finest transportation system in the world grew out of a remarkable consensus on both the need for a strong national program of highway improvement and the means to finance it.

When President Eisenhower and the 84th Congress created the Federal Highway Trust Fund in 1956, the Nation's Governors were full partners in the plan. The Governors agreed to give up a traditional source of State revenue—a portion of the gasoline tax—to be dedicated in trust for a valid national purpose—building and upgrading a national highway system that is owned and operated by the States.

In return, the Federal Government agreed to collect our money and return it for projects as needed for road improvements. But we've had problems enforcing that bargain. The money goes in, but it doesn't all come back. If States are to continue this partnership, the Federal Government has to put trust back in the trust fund.

We need a renewed commitment from the Federal Government. Initial construction of the Interstate system is nearing completion. As we enter this new era, we must refocus our priorities and redesign the programs to fulfill them. America's continued growth and competitive stature will depend upon transport at ion improvement programs that extend beyond construction of the Interstate system and Governors look forward to working with you to develop a national highway system that will serve the Nation into the twenty-first century.

As I am sure you know, the American Association of State Highway and Transportation Officials (AASHTO) has been a real leader within the transportation community. Together with NGA and other public and private interest groups, including public transit representatives, AASHTO started the Transportation 2020 process.

Transportation 2020 included a consensus-building forum called the "Transportation Alternatives Group," whose policy recommendations on a broad crosssection of issues could be very helpful to your legislative efforts. The effort also included State-by-State forums—co-sponsored with the Highway Users Federation—which brought critical attention to the need for greater investment in your State and throughout the Nation. We commend this national consensus-building effort to your attention in the development of the surface transportation legislation.

#### GOVERNORS' RECOMMENDATIONS

Through the National Governors' Association, we have adopted a set of policy principles for surface transportation that focus on the major policy issues and specific program concerns. A copy of our recently revised policy and new position statement on surface transportation are attached to this testimony. In the recent NGA vote, Governors restated our concern over shifting costs to States and localities and our continued opposition to the frustrating practice of passing along Federal requirements in the form of mandates and sanctions.

#### MATCHING RATES

Transportation Secretary Sam Skinner talks about the high Federal contribution to individual projects—usually citing the 90 percent figure for the Interstate system. But this is only part of the picture. As you know, State and local governments now provide almost 80 percent—four out of every five dollars spent nationwide on surface transportation improvements. States and localities contribute \$66 billion of the \$86 billion total. We're paying more than our fair share already and increasing the required matching rates would create real problems.

First, increasing the State matching share would divert money from local transportation projects, including maintenance and State projects on the remainder of



the Nation's 4 million miles of roadway. These are many of the streets, bridges, and transit facilities that provide vital service to your constituents and mine, vital service that could decline with deferred maintenance.

Second, a number of States currently have exhausted their ability to raise fuel taxes. In the past decade, all but three States have raised their highway taxes, many more than once. The gasoline tax rates in 11 States have now reached Or exceeded 34 cents per gallon, including the 14-cent Federal tax.

Third, increasing the State matching share would create a hardship on some States where there simply are not enough people buying gasoline to pay for the miles and miles of roads that must be sustained.

Fourth, expanding Federal review and Federal requirements to more highway projects would raise the cost for the States and create additional workload for the Federal Highway Administration staff. Reducing—not expanding—the cost and breadth of Federal review should be a goal for reform of the program.

#### FLEXIBILITY

We believe it is time for a new surface transportation program that will address Federal investment priorities while providing the flexibility needed by the States. This includes developing a funding allocation system for States that is rational, equitable, and predictable. It should serve identified national policy priorities, but it should include a reassessment of the appropriate Federal role in decisionmaking and programmatic review.

States, through consultation with their local governments, can establish the transportation facilities and service priorities of their citizens. States alone have the totality of legal, financial, and administrative capacities to make this coordination work in the National interest. And with the support of a Federal funding structure that recognizes the value of a national transportation system, States should be given greater flexibility within broad program categories in the new programs to administer Federal funds to address these critical priorities. We can make maximum use of limited resources, through simplified administrative procedures and more flexible State funding options. Finally, Governors have worked hard to promote voluntary State efforts to achieve regulatory and procedural uniformity. We will strongly oppose the imposition of uniform procedures in truck registration and taxation programs in States. We will just as strongly oppose preemption of State authority over sources of State revenues, State tax bases, or taxation methods. In short, Governors believe that incentives to encourage achievement of national goals are more effective and productive than preemption and prescription.

#### DISCUSSION OF THE ADMINISTRATION PROPOSAL

While I encourage you to give the Administration proposal your serious consideration, we believe important changes must be made. I hope you will also take into account the refinements that we feel are essential in several significant areas:

- *Matching rates.* We cannot absorb more cost-shifting so we want no change in matching rates—in highways or in mass transit. States and localities would have to raise an additional \$17.5 billion over five years (increases ranging from \$2.9 to \$4.6 billion per year) in matching funds if rates were changed as proposed by the Administration.

- *National highway system.* NGA supports focusing the Federal role on the National highway system, but asks that you and the Department of Transportation work closely with the States to develop a fair plan that balances national and State interests. We believe the National highway system should be closer to 200,000 miles rather than the 150,000 miles proposed by DOT. We also believe that only about half the highway funds should be allotted for the National highway system.

- *Flexibility.* We applaud the move to provide greater flexibility to respond to transportation needs in the most cost-effective manner, without project-by-project requirements and Federal review. Providing the flexibility needed by the States will encourage creativity, innovation, and the more efficient application of scarce resources.

- *Mandated Federal requirements.* The imposition of specific requirements and procedures for truck taxation and regulation are inconsistent with a cooperative partnership and will be strongly opposed by the States. The progress being made currently in the International Fuel Tax Agreement (IFTA) is the result of voluntary and collective action by the States in cooperation with the industry. It would be premature and counterproductive to force States into the interstate compact. All but three of the 48 contiguous States are (International Registration Plan) IRP mem-

bers, along with Alberta, Canada, while 16 States are in IFTA—13 since 1986. We encourage incentives to State voluntary action, rather than preempt ion.

- *Investment levels.* We welcome the greater investment proposed, but suggest it be accelerated rather than held to the final years. We would like to see the trust fund balance—and all annual revenues, plus interest—spent for their intended purpose. Starting now, not in five years. The Congressional Budget Office and General Accounting Office both say spending could be substantially higher—at least \$5 billion throughout five years.

- *Transit funding.* NGA supports general fund financing for mass transit and cannot support shifting all mass transit funding to the mass transit account of the trust fund. We do support the effort to secure a broader based distribution of any increased spending from the mass transit account in order to serve an expanded range of eligible projects in more States. Increased support is needed to implement requirements of the Clean Air Act and Americans with Disabilities Act. State mass transit support (\$4.8 billion in 1990) was 60 percent more than Federal funding (\$3 billion). Transit is not just a local issue.

- *Research and development.* We support the administration's commitment to expanding research and development. Although the transportation field is so obviously receptive to new technologies, it has fallen behind other areas such as defense, health, and space exploration in the development and application of new technologies. Enhanced research and development will be critical to the efficient application of technology to meet transportation needs.

#### SUMMARY AND CONCLUSION

State and local governments provide the vast majority of support for transportation and have expanded their financial commitment substantially over the last decade. While that State commitment will continue, the Federal Government must also increase its contributions in order to meet enormous unmet needs. This does not necessarily require a tax increase or any new money. The first step must be full utilization of the balances in the Highway Trust Fund.

We are all aware of the challenges confronting the Nation's surface transportation system. We have deteriorating bridges, congested metropolitan areas with overburdened highways, inadequate public transportation facilities and services, and inefficient intermodal connections. Whole areas of our States lack essential access to the benefits of a high quality surface transportation system.

Transportation has been a prerequisite to economic progress since this country first began and that principle is no less true today. Our economic performance is tied to the quality of our transportation services and facilities. To address the challenge before us, we will have to harness all the resources of the Federal, State, local, and private sector to revitalize our transportation infrastructure. We are ready to roll up our sleeves and work with you to fairly distribute the burden we will all face in addressing the challenges confronting the Nation's transportation system.

#### NATIONAL GOVERNOR'S ASSOCIATION

#### RESOLUTION\*

[Adopted 2/5/91]

#### PRIORITIES FOR 1991 SURFACE TRANSPORTATION LEGISLATION

NGA calls upon the Administration and Congress to work in partnership with the States to develop a strong and effective surface transportation authorization bill that is responsive to the needs of the States in meeting the transportation challenges of the 1990's and that prepares the Nation's transportation system for the twenty-first century.

The following priorities, derived from nga policy, will guide NGA's strategy for adoption of the legislation.

- *Consolidate and refocus programs.* It is now time to initiate a transition into new surface transportation programs that will address Federal investment priorities while providing the flexibility needed by the States. The allocation of funds to States should be rational, equitable, and predictable, and specifically designed to meet national policy priorities. The Federal role should focus on a national highway system that will include preservation and improvement of the interstate system and additional routes or systems required to serve critical interregional rural and urban mobility needs. This national highway system ideally should encourage interstate commerce and travel, national defense, economic vitality, and international com-

petitiveness. States should be given maximum flexibility and administrative control over all funds and programs.

*Timely reauthorization of a multiyear bill.* Multiyear authorizations and advance notice of available funding are essential to effective planning and programming by States and local governments. The U.S. Department of Transportation is required by law to notify States of their prospective Federal apportionments on July 1, which is the start of the fiscal year in most States. The program authorization expires September 30, 1991, and funding for new highway projects will be suspended unless new legislation is enacted before that date. It is essential that a multiyear bill be enacted now.

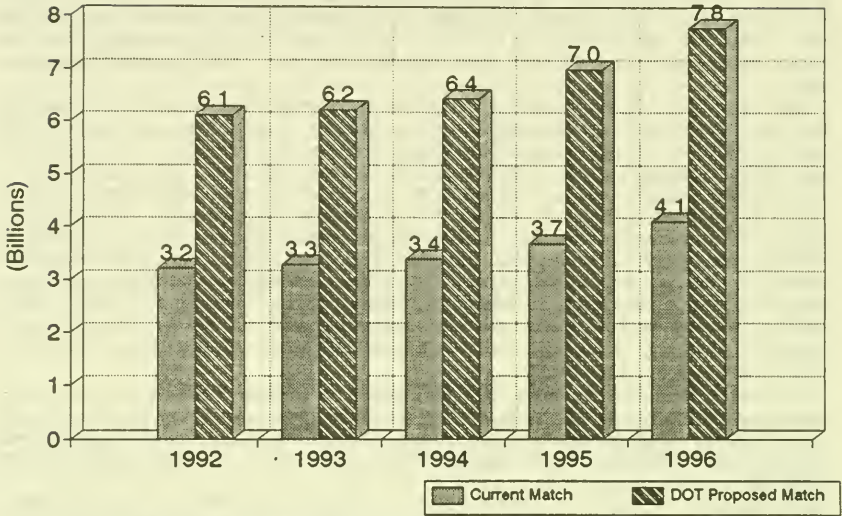
*Restore trust to the trust fund.* All revenues from motor fuel taxes and other highway user taxes should be dedicated exclusively for transportation purposes. The diversion of fuel tax revenues to reduce the general fund deficit should be eliminated. General fund support should continue for public transportation. The cash balance in the highway trust fund, accumulated from user taxes previously paid but not spent, should be made available for needed transportation improvements as part of the next surface transportation bill. Annual obligation ceilings for highways and mass transit must be set no lower than all annual receipts, including interest and revenues from the new fuel tax. Congress is to be commended for its bipartisan initiative in increasing the highway obligation ceiling to \$14.5 billion for fiscal 1991 to increase investment in the Nation's transportation system. This must be continued, especially given the anti-recessionary effect of increased infrastructure investment in the current economic climate.

No change in matching rates. The stagnation of Federal funding for transportation has already forced States and localities to assume most of the burden of meeting increasing transportation infrastructure needs. States and local governments cannot accept further shift of costs, including reduced Federal matching shares for projects.

No sanctions or mandates. NGA opposes preemption of State policies, practices, and taxation procedures and opposes the use of sanctions on highway funds to secure State compliance with Federal policies. Governors will accept no more mandates and call for a reassessment of the thirteen current penalties on highway funds.

\* Based upon Policy F-1.

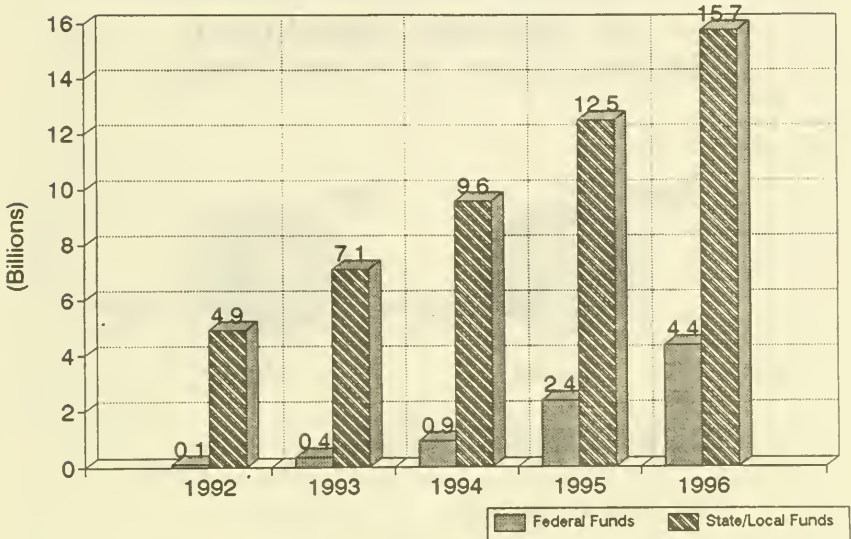
### State Match Required: Current (83/17) & DOT Proposed (72/28) Average Ratios



Note: Overall average match required under DOT proposed obligation levels.

Source: NGA and FFIS from data compiled by the Federal Highway Administration.

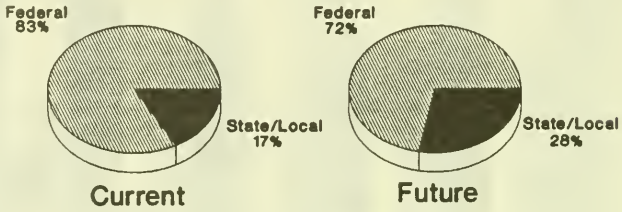
## Increased Highway Investment under DOT Proposal: Federal vs. State/Local Costs



Note: Increase over 1991 program, assumes DOT proposed match and 6.7 percent state only annual increase.

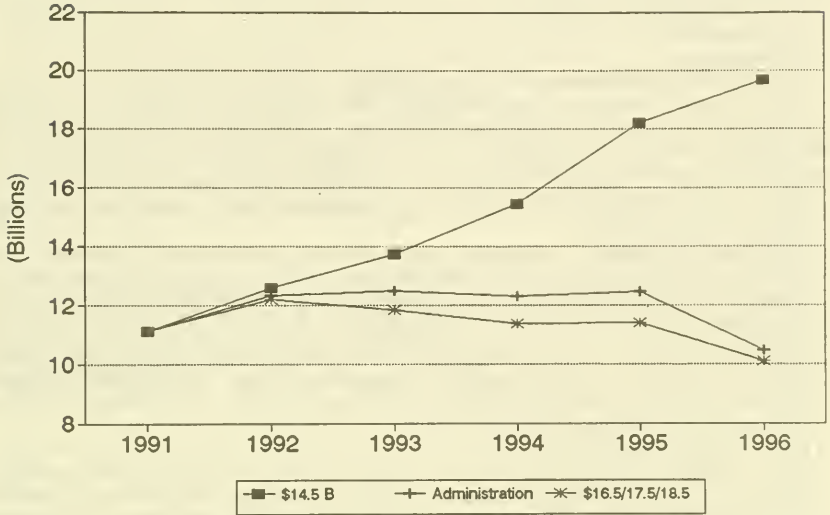
Source: NGA and FFIS from Federal Highway Administration, NASBO, and other data.

## Redistributing the Burden of Highway Investment Matching Shares on Federal Projects\*



Source: NGA analysis based on AASHTO data.  
\* Average of federal program matching rates assumed.

## HIGHWAY TRUST FUND BALANCE UNDER ALTERNATIVE HIGHWAY OBLIGATION CEILINGS



Source: NGA and FFIS from Federal Highway Administration and other data.

## NATIONAL GOVERNORS' ASSOCIATION

## F-1. TRANSPORTATION POLICY OVERVIEW

- 1.1 Preface
- 1.2 Transportation Planning
- 1.3 Transportation Finance
- 1.4 Operation
- 1.5 Regulation
- 1.6 Surface Transportation Policy Principles

The nation's Governors support comprehensive efforts to develop a new national transportation policy to meet America's needs into the twenty-first century. Safe, efficient, convenient, cost-effective, and environmentally sensitive transportation is essential for maintaining and improving mobility for people and for transporting goods in commerce. Adequate investment in transportation infrastructure is critical to the economic vitality, international competitiveness, and national defense interests of the United States.

The Governors pledge a partnership with Congress and the administration to develop and implement new national transportation policy to meet current and emerging challenges facing the Nation. The comprehensive, multimodal national transportation strategy developed by the U.S. Department of Transportation will help focus the Nation's attention on critical investment priorities. Having reviewed policy recommendations developed by the American Association of State Highway and Transportation Officials, the Transportation Alternatives Group, and others, the Governors have developed policy principles to provide guidance in formulating new Federal transportation authorization legislation.

#### 1.6.1 Overriding Principles

**1.6.1.1 Continue a Significant Federal Role.** A safe and efficient transportation system is a key element for national economic prosperity. The Governors call for the continuation of a significant Federal role in assisting the States in financing highway and transit projects to meet national transportation goals.

**1.6.1.2 Increase Investment in Transportation.** Greater investment in transportation infrastructure is critical to preserving the United States' productivity and competitive position in a global economy. Flexibility to respond to both reinvestment and capacity expansion should be a primary feature of a new transportation program. States and local governments provide the vast majority of support for transportation and have expanded their financial commitment over the last decade. While the State commitment will continue—along with securing greater private financing for transportation improvements—the Federal Government must also increase its contributions in order to meet the enormous needs. An appropriate first step would be full utilization of the balances in the highway and transit accounts of the Highway Trust Fund. This would leverage even more State, local, and private dollars for an overall higher investment level. The Governors oppose shifting additional costs to States and local governments through increases in project matching share requirements.

**1.6.1.3 Restore Trust in the Transportation Trust Funds.** The long-standing policy of dedicating motor fuel taxes exclusively for transportation purposes should be reinstated and the diversion of fuel tax revenues to the general fund should be eliminated. All dedicated user fees, as well as trust fund interest, should be promptly distributed for their intended purposes. These collected funds are urgently needed to maintain and improve the condition and safety of the Nation's highways, bridges, and transit systems. The Governors call on Congress and the administration to restore "trust" in the transportation trust funds by promptly spending down the cash balances. Annual obligation ceilings should be set no lower than annual trust fund receipts, including interest and revenues from the new fuel tax. This is especially critical given the anti-recessionary effect of increased infrastructure investment in the current economic climate.

**1.6.1.4 Protect Trust Fund Revenue Sources.** All existing and future diversions, deductions, and exemptions should be carefully considered for their impact on transportation user fee revenues. Clean Air Act requirements serve broad social goals and should be supported by broad-based financing mechanisms. The Governors also urge renewed efforts directed toward collecting the millions of dollars in user fees that are lost each year through tax evasion.

**1.6.1.5 Increase Flexibility in New Transportation Programs.** The Governors urge that the States be given greater flexibility within broad program categories in the



new highway and public transportation improvement programs to administer Federal funds to address their critical priorities and obtain the best value for each investment. States need greater flexibility to make maximum use of limited resources, through simplified administrative procedures and more flexible State funding options. Governors oppose the direct earmarking of funds for demonstration projects and the proliferation of federally mandated requirements as a precondition of receipt of highway aid. In addition, Governors urge voluntary State efforts to achieve regulatory and procedural uniformity and would oppose preemption of State authority over sources of State revenues, State tax bases, or taxation methods. The Governors also recommend that Federal restrictions limiting tax-exempt bond financing be removed to facilitate additional capital financing.

**1.6.1.6 Improve Safety.** Safety must be a major consideration in any transportation investment. The Governors are especially concerned about safety on the Nation's highways, where the highest number of deaths and injuries occur, and support strengthened safety programs, such as those to curtail drunken and drugged driving, promote seat belt use, enforce speed limits, and improve accident data collection and analysis.

**1.6.1.7 Strengthen Commitment to Research and Technology Development.** Ongoing research, development, and technology transfer is a basic prerequisite to maintaining a high-quality transportation system. The Federal Government must exercise leadership by expanding financing for research and development and must take the lead in disseminating results, in close cooperation with the States and private industry. Coordinated efforts also are required to ensure an adequately trained workforce for planning, designing, constructing, and operating transportation systems.

**1.6.1.8 Improve Intermodal Linkage.** The Governors recognize the importance of improved intermodal connections to making the Nation's total transportation network more efficient and competitive. States are well situated to take on the complex challenge of multimodal coordination because of the States' broad involvement in statewide transportation planning and programming. The Federal Government should reduce or remove Federal impediments and restrictions to multimodal coordination and should actively encourage innovation in this area.

**1.6.1.9 Increase Private Sector Involvement.** The Governors will continue to seek opportunities for private involvement and financing of transportation services and infrastructure investments to augment public funding and facilitate individual projects. The Federal Government can promote joint private-public transportation ventures by removing hindrances in such areas as tax law and program restrictions. The Governors oppose Federal prescriptive mandates on privatization, such as quotas for private sector involvement.

**1.6.1.10 Use Incentives, Not Sanctions.** The Governors believe strongly that incentives to encourage achievement of national goals are more effective and productive than sanctions. The Governors oppose the use of sanctions and urge the use of Federal incentives to stimulate States to adopt Federal standards.

**1.6.2 Highway Transportation.** The Governors believe that it is time to initiate a transition into a new Federal aid highway program that will address Federal investment priorities while providing the flexibility needed by the States. This would include development of a system of funding allocation to States that is rational, equitable, and predictable to serve identified national policy priorities. Renegotiation of the State-Federal partnership should include a reassessment of the appropriate Federal role in decision-making and programmatic review.

As part of the transition, some provision should be made to enable timely completion of essential Interstate projects. However, with completion of the Interstate program, the main focus of the Federal program should address current and future national highway needs. All available highway dollars should be spent immediately to improve the Nation's highways and bridges. At a minimum, the highway obligation ceiling should be set no lower than annual trust fund receipts, including interest and revenues from the new fuel tax. The new Federal highway program should grant flexibility to allow each State to establish its own priorities and address the following needs.

**1.6.2.1 Preserve and Improve Interstate System and other Highways of National Significance.** The highest priority for the new Federal program must be preserving and improving the Nation's aging interstates and other highways of national significance. Keeping this network in top condition is critical for the Nation's economic vitality. It is essential that Federal spending for interstate and other highways of

national significance be increased as the commitment to complete the Interstate system is fulfilled.

**1.6.2.2 Rehabilitate and Replace Bridges.** The safety of the Nation's bridges is of paramount importance requiring special attention. The Federal program must ensure that adequate resources are available for this critical infrastructure need.

**1.6.2.3 Reduce Urban and Suburban Congestion.** Mobility in urban and suburban areas has emerged as one of the most critical concerns in the Nation. The Governors are keenly aware of the economic costs of congestion in terms of lost productive time and higher shipping costs. Efficiency improvements and additional capacity are urgently needed in the Nation's urban and suburban areas. The States must play a strong role in programming these funds, since they are in the best position to take a systemwide, strategic approach to congestion relief and to coordinate transportation priorities among various jurisdictions through broad planning and programming mechanisms.

**1.6.2.4 Reconnect Rural America.** Improved highway access is key to expanding economic opportunity in rural areas. Strategically placed new rural highway arteries and capacity and access improvements to the existing network are needed to connect existing and potential rural production centers with national and international markets and to accommodate increased heavy truck traffic. Given the regional and national economic interests served by improving rural access, a Federal commitment is needed.

**1.6.2.5 Enhance safety.** Safety considerations should be an integral part of every aspect of the new Federal highway program, including efforts to promote safety improvements in vehicles and roadway operations. Driver safety can be enhanced through education and enforcement of laws such as the minimum drinking age, driving under the influence of alcohol and drugs, seat belt use, and commercial drivers licensing. Greater program support is needed to reduce the number of accidents involving hazardous materials.

**1.6.3 Public Transportation.** Public transportation is an integral part of the Nation's surface transportation network. In major urban areas, mass transit is indispensable to the daily movement of large numbers of people. In smaller urban and rural areas, public transportation provides critical mobility for access to employment and essential human services. Public transportation serves multiple and overlapping social, energy, and environmental needs in addition to the direct transportation needs. States have steadily increased funding over recent years, so that State support now exceeds Federal support. The Governors also recognize the essential role of the private sector, especially in providing specialized transit service and intercity bus service. The Governors believe, however, that financial support for public transportation remains primarily a public responsibility and recommend that a strong Federal role continue in partnership with the States, cities, rural areas, and private sector. Priorities for new public transportation legislation should be as follows.

**1.6.3.1 Restore and Strengthen the Federal Funding Commitment.** The current level of Federal, State, and local spending for public transportation is inadequate even for maintaining existing facilities and service. The funding gap widens with the cost to upgrade the condition of the Nation's bus and rail car fleets, to increase those fleets in order to maintain transit's current market share, and to fund new rail transit systems and high occupancy vehicle or busway projects. The Governors urge that the Federal funding commitment be restored and strengthened commensurate with the existing and growing needs. Private sector participation in meeting our public transportation needs should be secured to enhance the limited public resources. It cannot, however, replace public sector funding.

**1.6.3.2 Provide Federal Revenues from Fuel Tax and General Fund.** Given the multiple goals served by public transportation, it is appropriate that Federal funding support be continued from the general fund as well as the Mass Transit Account of the Highway Trust Fund. While the current base level of funding for major capital projects should be retained, the Governors also support using a portion of increased spending from the Mass Transit Account under a more broad-based distribution mechanism for a broadened definition of eligible projects to serve a variety of public transportation needs among the States.

**1.6.3.3 Increase Flexibility.** The Governors urge that Federal public transportation programs be flexible enough to allow States and local areas to target funds to where they are needed most and provide the greatest benefits. In urban areas, the States are often in the best position to provide leadership in forging effective partnerships among highway and transit interests for comprehensive and strategic solutions to

congestion problems. The Federal operating role in the largest urbanized areas should be maintained at current levels. The capital investment needs of large urbanized areas are significant and should be funded to allow for increased mobility. In the medium and small urbanized areas as well as rural areas, where capital needs are smaller and local revenue sources to cover operating costs are very limited, States and local transit systems should have broad flexibility to use Federal funding assistance for operating costs.

[Adopted August 1980; revised August 1983, August 1988, August 1989, February 1990, and February 1991.]

METRO  
PORTLAND, OREGON  
May 17, 1991

Hon. Daniel Patrick Moynihan, *Chairman*  
*United States Senate*

*Subcommittee on Water Resources, Transportation, and Infrastructure of the Committee on Environment and Public Works, Washington, DC.*

DEAR SENATOR MOYNIHAN.

On behalf of the Portland metropolitan area, we the undersigned hereby submit testimony on the proposed "Surface Transportation Efficiency Act of 1991" (Senate Bill 965). We endorse the concepts defined in the Act and find them effective at targeting Federal transportation funding to meet clear Federal objectives without unnecessarily distorting local decision-making. We are pleased with the provisions addressing the Clean Air Act and the emphasis on multi-modal transportation planning, programming of funds and linkage to land use and energy considerations.

We particularly endorse the following principles in the proposed Surface Transportation Program:

- sufficient flexibility to target the funds to the location and mode most appropriate;
- lack of bias in match ratio for modernization improvements regardless of mode (75/25);
- establishment of a minimum suballocation to each urbanized area and the balance of the State with 75 percent of the funds apportioned to a State;
- programming of funds allocated to the urbanized areas through the metropolitan planning organization based upon a long-range plan and with the mandatory involvement of local governments, the State and transit operators;
- Federal certification of the metropolitan planning process as a prerequisite for programming of funds at the metropolitan level;
- ability to target 25 percent of the funds annually anywhere in the State to meet the greatest need;

We also endorse the proposed Interstate Maintenance Program, the Congestion Mitigation and Air Quality Improvement Program, the Federal Lands Highway Program and the Bridge Program. These represent legitimate areas of Federal interest for which separate funding programs are appropriate.

We do, however, offer the following comments to improve some aspects of the bill:

1. The bill attempts to use current practice as the basis for apportioning the Surface Transportation Program (STP) funds to the States. In so doing, certain apportionment categories from 1987 to 1991 are omitted, presumably because they represent unusual apportionments. We would concur with this approach involving exclusion of such categories as Interstate Completion, Interstate Substitution, Demonstration and Emergency Relief. We strongly recommend, however, that the STP apportionment should include 1987 to 1991 apportionment for the Federal Lands Highways and Public Lands Highways omitted in the proposed Act. These are aspects of the current Surface Transportation Act intended to be routinely apportioned to a State having a significant responsibility for serving Federal lands. Inclusion of these factors in calculating the apportionment basis for the Surface Transportation Program provides a more logical and equitable approach.

2. The general requirements for metropolitan planning include the requirement to: "consider the effect of transportation policy decisions on land use and development, and the provisions of all applicable short and long-term land use and development plans;"

We are pleased to see that the Senate Committee recognizes the important connection between Federal transportation investments and land use. We recommend, however, strengthening the requirements to ensure that the maximum benefit is realized from each Federal dollar with the following additions:

• the federally required transportation plan should be consistent with and supportive of a locally adopted land use plan;

• locally adopted land use plans should, at a minimum, designate the area within which urban expansion will be allowed and provide for limitations outside the urban expansion area to protect the operation of intercity highways;

3. The proposed Act appears to limit the role of the States within each metropolitan area even though they are generally responsible for the operation and improvement of the major highways in that area. While we are supportive of the proposed focus of decisionmaking by the metropolitan planning organization, we recommend continuation of an aspect of the current role of the State provided by the current Surface Transportation Act. That is, once Federal highway funds are programmed by the MPO, it is the States' responsibility to incorporate these funds in their Section 105 Program (the equivalent of a statewide TIP) for submission to the Federal Highway Administration. Under the proposed Act, this provision should be continued with the additional provision that the State can reject the programming of funds by the MPO if inconsistent with the State plan required by Section 135 of the Act and/or by State statute. In this manner, both the urbanized area and the State must be satisfied with the programming of Surface Transportation Program funds. In addition, rejection of an MPO action can only be justified if the State has an adopted plan which provides a basis for rejection.

Similarly, the proposed Act provides that urbanized area plans must be adopted by the State without change as part of the statewide plan. We would support inclusion of provisions allowing the State to establish as part of the statewide Transportation Plan or Air Quality "State Implementation Plan" minimum expectations for an urbanized area plan to provide a basis for inclusion of urbanized area plans in the statewide plan. In addition, it would be appropriate to add a provision to the urbanized area planning requirements to "provide for the continuity and functional integrity of major interstate and intrastate highways, in cooperation with the State."

4. The Interstate Maintenance funding level in the proposed Act appears to be inadequate to meet the preservation needs on the Interstate System. Since this is proposed as an independent program category, it is important that adequate funds be provided to ensure the Interstate System is not allowed to deteriorate. To correct this problem, it is recommended that the authorization level for the Interstate Maintenance Program be increased in 1996 when the authorization for Interstate Completion and Interstate Substitution are complete.

5. The method for suballocating the Surface Transportation Program within the States produces small allocations to the smaller urbanized areas. As such, it will be difficult, if not impossible, to fund large projects through these areas intended primarily for through traffic. The 25 percent Discretionary component of the Surface Transportation Program is one approach for correcting this problem but there will be significant competition for this source statewide. It is recommended that the provision of the bill allowing up to 20 percent of the Interstate Maintenance Program to be transferred to other program categories be clarified to provide that, if transferred to the Surface Transportation Program, these funds would be administered at the discretion of the States.

6. We are supportive of the general approach for the Congestion Mitigation and Air Quality Program, including targeting of funds to the areas with the worst air quality problem as defined by the Clean Air Act of 1990. This does, however, financially penalize those areas that have tackled this difficult problem and financially reward those that have not. For this reason we have two recommendations:

• first, the apportionment is based upon nonattainment area population weighted by a factor of 1.0 to 1.4 according to air quality severity. If the objective is to really clean up the air, then there should be a corresponding reduction in Federal match ratio. In this manner, more funding is focused on actually solving the problem, both through the Federal multiplier and through the leveraging of a higher level of local funds. This would be implemented as follows:

Table 1.

Non-attainment status	Multiplier	Federal share
marginal.....	1.0	80/20
moderate.....	1.1	75/25
serious.....	1.2	70/30
severe.....	1.3	65/35

Table 1.—Continued

Non-attainment status	Multiplier	Federal share
extreme.....	1.4	60/40

• second, if the non-attainment area fails to meet the requirements of the Clean Air Act and is moved to a classification of higher severity, it should not be rewarded with a higher apportionment factor at the expense of other areas.

7. The proposed Act identifies a Bridge Program of \$13.3 billion over the five years of the bill. We support this increase in funding but note that for lightly populated States, the elimination of the Discretionary component of the Bridge Program is appropriate only if this level of funding can be achieved.

8. We understand that this proposal is a "Highway Bill" and that the Senate Committee on Banking and Urban Affairs will be proposing a "Transit Bill." The details of the program structure for the "Transit Bill" are also of importance and must be finalized in concert with this "Highway Bill." In particular, the flexibility provisions of the Surface Transportation Program are only feasible if supplemented by a bus and rail capital program in the "Transit Bill."

We very much appreciate your interest in designing a transportation bill which will work in diverse metropolitan areas such as the Portland metropolitan area. The task of balancing mobility needs with economic and environmental concerns is challenging under the best of circumstances due to the complexity of the urban setting. We are encouraged by your proposed bill which would put the Federal Government in the role of helping urban areas meet this challenge rather than biasing transportation decision-making. We make these suggestions from the experience of 15+ years of success in working together to address the region's problems. All of the signatories below are directly involved with regional transportation decision-making through Metro's Joint Policy Advisory Committee on Transportation. In addition, these comments have been coordinated with other transportation interests throughout the State of Oregon.

Sincerely,

DAVID KNOWLES

CHAIR

*Joint Policy Advisory Committee  
on Transportation Metro Councilor*

EARL BLUMENAUER

COMMISSIONER

*City of Portland*

PAULINE ANDERSON

COMMISSIONER

*Multnomah County*

ED LINDQUIST

COMMISSIONER

*Clackamas County*

ROY ROGERS

COMMISSIONER

*Washington County*

JAMES COWEN

GENERAL MANAGER

*Tri-Met.*

STATEMENT OF MAYOR JAMES F. RIEHLE, CITY OF LAFAYETTE, INDIANA

*Summary:*

*The City requests re-authorization and Federal funding of \$59.3 million over five years to complete the Lafayette (Indiana) Railroad Relocation Project. The project was authorized in Section 163 of the Federal Aid Highway Act of 1973 as amended and was also authorized in Section 149 (84) of the Surface Transportation Act of 1987. Environmental approval was received in 1979 and design approval in 1981. Of*

*the five independently useable segments, #1 is complete; #2 and #3 are under construction; and all Federal funds previously allocated to the project will be obligated in fiscal year 1991 for construction of Segment #4. (The same funding ratios as in Section 149, 1987 Act are assumed.) A total of 42 at-grade crossings are eliminated by the completed project.*

I am James Riehle, Mayor of Lafayette, Indiana, and I thank you for the opportunity to submit testimony. First, I would like to express my thanks to the Members of the Subcommittee for past funding which has facilitated completion of four of the five segments comprising the Lafayette Railroad Relocation Project. Eighteen grade crossings have been or soon will be eliminated by the work currently in progress. Senators Dick Lugar and Dan Coats and Congressman John Myers have worked closely with the City in reaching this milestone.

My purpose in submitting testimony is to present the crucial need to complete the fifth and final segment which will eliminate 24 at-grade crossings. The project brochure "Construction Plans and Proposed Phasing" is the last item bound with this testimony (see Exhibit C). Please look through the clear back cover at the accident that is typical of the 12 to 16 such occurrences annually (also see news accounts in Exhibit A.) Notice the train going along 14 blocks of a central city thoroughfare. Glance down Main Street clogged by one train in the foreground and a second six blocks in the background—at the same time!

I ask that you unfold the brochure and note the 42 street crossings where ambulances, fire and police vehicles, 9 of 14 bus routes and approximately 13,000 vehicles are stopped daily by trains. The present track location depresses the economic potential of large portions of the central city and also considerably impedes the flow of interstate rail commerce. With Purdue University's 33,000 students to the west and significant industrial expansion occurring east and south of Lafayette, this cross town traffic tie-up continues to accelerate. The City is proposing to consolidate the Norfolk and Western Railway (a subsidiary of Norfolk Southern) and CSX Transportation lines into a single corridor, shown in red on the map in Exhibit C, which will eliminate all 42 grade crossings. Current efforts began in 1969 and the project has been the top priority of my administration in the eighteen years I have been Mayor. Since 1976, Railroad Relocation has been a separate department of City government run frugally but effectively by just three full-time employees. In 1979 the project office was established in the Big Four Depot shown on the brochure which will be restored to Amtrak passenger use as part of the project.

Public participation has been the guiding force for the City's endeavors. The quality of our design and our design process received national acclaim in 1981 when the Design for Transportation National Awards Program, cosponsored by the Department of Transportation and the National Endowment for the Arts, selected the Lafayette Railroad Relocation Project to receive one of only 17 awards of design excellence out of 250 entries.

We are proud of this design which successfully threads a new rail corridor through an existing urban area in a way that has evoked broad approval. The project has had the continuing support of Indiana governors; the mayors of West Lafayette; the county commissioners; the railroads; as well as neighborhood, environmental, business and labor groups—in short a near unanimous consensus on a complicated public policy question that touches everyone in our community (see Exhibit B). The railroads have further evidenced their support by donating over twenty acres of central city land.

In fiscal year 1991 the City will complete the obligation of Federal funds made available to the project which will accomplish most of Segment #4 and will relocate CSX trains into the new rail corridor. The City will provide over 40 percent of the estimated cost of the primary construction contract for Segment #4. By the end of fiscal year 1991, the City will have committed over \$16 million or 17 percent of the total cost of the project to date; with a Federal share of 78 percent; and a State share of 5 percent from two different administrations with different political affiliations.

The City has done everything within its power to take this project to completion. We were part of the successful effort to get the Indiana General Assembly to pass a County Option Income Tax and then an Economic Development Income Tax. I have taken the lead in our local community to secure adoption of these two measures. Both taxes are in place and generating revenue. Our required capital expenditures plan has only one item: the Lafayette Railroad Relocation Project. The City of Lafayette has no bonded indebtedness. We are reserving this capacity to meet the non-Federal share for Segment #5—Norfolk & Western Relocation, the final phase of the project.

The City is requesting re-authorization and \$59.3 million over five years to complete the project. This would include: reconstruction of Fifth Street and construction of two additional spans at the Wabash Avenue Overpass, bridges over U.S. 52 and State Road 25, a rail passenger plaza, and relocation of 4.2 miles of main line track.

Over two-thirds of the rail traffic through the central city is carried on the tracks to be relocated in this final segment, so most of the economic benefits are not realized until the project is completed. To halt the Lafayette Railroad Relocation Project at this point would waste the large investment already made and would deal a severe blow to public confidence in government generally.

Because of critical safety, transportation, and economic revitalization needs; because of overwhelming public support and two decades of bi-partisan political effort at the local, State, and Federal level; and because of a proven record of accomplishment through four segments of project construction; I respectfully request that you re-authorize and provide funding to finish the Lafayette Railroad Relocation Project in the 1992 Surface Transportation Act.

Thank you for this opportunity to submit testimony.

*NOTE:* Attachments to this statement have been retained in Committee files.

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STATEMENT OF ERIK STROMBERG, PRESIDENT, AMERICAN ASSOCIATION OF PORT  
AUTHORITIES

Thank you for the opportunity to submit this testimony for the record on the re-authorization of the Surface Transportation Act. The American Association of Port Authorities (AAPA) was founded in 1912 and represents virtually every U.S. public port agency, as well as the major port agencies in Canada, Central and South America and the Caribbean. Our Association members are public entities mandated by law to serve public purposes—primarily the facilitation of waterborne commerce and the consequent generation of local and regional economic growth. My testimony, however, reflects only the views of the United States delegation of AAPA.

Fundamentally, it is our view that the Federal Government has an important leadership role to play in achieving better access to and from U.S. ports. For over two decades, Federal policy has recognized, but given only nominal attention to, the importance of landside access to our ports. The Federal-Aid Highway Act of 1970 specifically directed states, in preparing plans for the utilization of Federal highway funds, to "give consideration to projects providing direct and convenient access to public airports [and] public ports for water transportation" and for the Secretary of Transportation to "give consideration to such projects" in approving state programs.

In 1980, the U.S. Department of Transportation (DOT) published an extensive study assessing transportation connectivity problems at U.S. ports. In 1990, DOT and the broadbased public and private interests supporting the Transportation 2020 effort recognized the need for greater intermodal connectivity and the necessity of strengthening the Nation's intermodal system was reflected in DOT's National Transportation Policy. Currently, DOT is sponsoring (with AAPA as a cosponsor) a Transportation Research Board Port Landside Access study, which examines the various impediments to landside access to ports, such as physical and regulatory impediments, and will recommend solutions. An AAPA survey done in connection with the study clearly shows that landside access is a problem of national scope, and ports face a variety of problems ranging from congestion to rail crossings blocking highway access.

In spite of the efforts by the Congress and the Department of Transportation, no clear incentives for the states to identify and fund solutions to port access problems have ever been provided. We are pleased that S. 965 recognizes the need for states to consider port access needs in their planning efforts (Section 114). We would also suggest that since metropolitan planning organizations (MPOs) are authorized to approve projects within their boundaries under the bill, MPOs should be directed to consider intermodal and cargo transfer connections of national significance, including marine (as well as inland) terminals, airports, and rail hubs, in their planning, prioritizing and approval processes. Any effort to improve our current transportation system and increase productivity must take intermodal connections into account.

We also believe that some sort of "national" highway system, broader than the current Interstate system, is an essential element of any surface transportation act. National planning is necessary in order to ensure that our defense and international competitiveness needs will be met. The inclusion of an enhanced highway system would provide an incentive for funding of projects meeting national goals, specifically intermodal connections such as seaport access. A recent American Association of

State Highway and Transportation Officials (AASHTO) survey indicates that the majority of needed port access projects are on the Interstate system.

Public ports serve as a vital conduit linking the United States to the world marketplace, a critical intersection in the intermodal link. They serve broad hinterlands, connecting farmers, manufacturers and suppliers often thousands of miles from dockside to markets thousands of miles from our shores. Port activities create an economic benefit for the Nation, as well as the local port community. In 1989, commercial port activities generated 1.2 million jobs, contributed \$50.3 billion to the gross national product, provided personal income of \$28.4 billion, generated Federal taxes of \$10.1 billion, state and local taxes of \$3.6 billion and \$13 billion in Customs receipts. In addition, the many port-related activities required to service the increasing trade volume generate an average of \$268 million per day in economic impacts. The importance of ports to local, state and regional economies cannot be overstated. Efficiencies at ports benefit manufacturers in the Midwest, farmers shipping their goods overseas, and consumers in every state.

In addition to the economic and international trade competitiveness benefits provided by the ports, their critical role in our nation's defense has never been more apparent than during the recent loadouts of military cargo and personnel during Operation Desert Shield. The huge buildup of U.S. forces in and around the Persian Gulf would have been impossible without the modern facilities and strong support provided by America's ports. According to the U.S. Military Traffic Management Command (MTMC), between August of 1990 and March of 1991, MTMC loaded 312 vessels and more than 4.2 million measurement tons of cargo in 18 U.S. ports for delivery to the Persian Gulf in support of Desert Shield/Desert Storm.

The achievement of these significant national benefits has required a substantial investment by this nation's ports in modern marine terminal facilities and related infrastructure. The public port industry has spent more than \$10 billion dollars in the last 40 years to develop transportation facilities and the industry and the Federal Government have spent nearly \$4 billion in addition to improve and develop navigation channels—our water highways. However, no matter how productive those facilities nor how accessible the port by ship, our port system cannot operate to maximum efficiency if the port is not readily accessible from the landside. Since the amount of international cargo moving through U.S. ports is expected to triple by the year 2020, the need for efficient landside access will only increase and must be planned for today.

Under the current system, political pressures and other considerations at the state level have resulted in freight considerations being given a back seat as a meaningful factor in state funding decisions. The reauthorization of the Surface Transportation Act bill, and its potential restructuring of our nation's transportation programs, provides a unique opportunity for Congress to address international competitiveness and defense needs.

One state, for example; specifies that socioeconomic factors (per capita employment, farm acres per square mile, per capita income, population density, tourist volume and interstate and primary road miles per square mile of area) and transportation factors (traffic volumes, roadway, shoulder and surface width, grades and curves, truck traffic and economic benefit) be used to rank and guide highway project selection. The use of socioeconomic factors, in particular, do not take port access, intermodal needs, international trade benefits or national defense considerations into account.

Improved landside access to the Nation's public ports not only would result in economic growth (through job creation) but increased environmental protection as well. Simply stated, poor landside access to public ports means increased congestion. Increased congestion also means increased pollution, both air and noise. Consistent with the "Clean Air Act of 1990," a reduction of truck congestion into and out of the Nation's public ports would be a positive step towards obtaining air quality standards set forth in the law. Dedicated freight corridors or removal of bottlenecks between ports and major Interstate and rail facilities can result in significant reductions in air emissions, through reduced congestion, and improved safety by consolidating freight traffic.

Port access needs are widespread throughout the U.S., in ports of all sizes, geographic locations and characteristics. As mentioned above, the Transportation Research Board is in the process of conducting a study to review and recommend solutions to port access problems. Last year, a Department of Transportation study team, composed of staff from Maritime Administration, the Federal Highway Administration, the Federal Railroad Administration, and the Research and Special Programs Administration, visited ten ports, soliciting information on landside access conditions. In addition, AAPA sent a questionnaire to each U.S. member port seek-



ing information on each individual port's landside access, including constraints caused by such impediments as regulation, competing land uses, lack of coordination and transportation infrastructure problems. More than 50 percent responded. We would be happy to provide this information to the committee. The AAPA survey clearly indicates that landside access is a national problem affecting ports of all sizes with all types of cargo. A total of 51.3 percent of ports responding identified congestion on linking roads between passenger cars and trucks as "always" a problem while an additional 30.8 percent answered that it is "sometimes" a problem. A total of 43.2 percent of the respondents identified numerous at grade rail crossing which create conflicts between rail tracks and streets. At one major East Coast port, rail lines intersect major roads at one location and the 24 daily trains are estimated to block intersections for 28 hours per week. One Midwest port suffers from a situation where access to the port's main entrance crosses a busy rail line, which is in turn often blocked by another busy rail line. The productivity losses that result are staggering.

In sum, highway infrastructure improvements in and around public port facilities can no longer be overlooked—we simply must assure that our surface transportation system will support the intermodal transportation needs of today and tomorrow. International trade is projected to increase steadily in the next decades. As a nation, we must be able to ensure that in this fast paced, and increasingly intermodal, world of international trade, we will be able to move goods into and out of our nation's ports with the speed and efficiency required to remain competitive. The need to resolve the problems associated with intermodal landside access to public ports will only grow as our economy becomes increasingly globalized. During the reauthorization of the Surface Transportation Act, it is up to Congress and the Administration to look at the Nation's transportation system as a whole, and focus needs and priorities to address our international trade and national defense needs.

Thank you.

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#### STATEMENT OF THE AMERICAN TRAFFIC SAFETY SERVICES ASSOCIATION

American Traffic Safety Services Association, ATSSA, is a national trade association in its 21st year representing over 850 companies and individuals in the traffic control industry. Most of the traffic safety equipment and services used on our highways are provided by ATSSA members. Our membership also includes public officials at all levels of government who are concerned with traffic control and the safety of the motoring public.

We commend the Senate Committee on Environment and Public Works for coming forth with a bill in a timely manner. With the present highway program expiring in less than five months, it is important that we have a starting point at which to begin our discussions on the highway reauthorization.

In the Declaration of Policy, S. 965 addresses the purpose of Federal Highway assistance: to improve the efficiency of the existing system; to facilitate innovation and competition; and to increase productivity in the transportation sector. Safety is not mentioned as part of the National policy, which seems to us a glaring omission. In fact, other than Section 153 on safety belts and motorcycle helmets, there is no provision for safety within the bill. ATSSA feels that some of the responsibility for providing for the safest possible mobility of the motoring public must fall on the Federal Government. To disburse funding without addressing safety is abdicating that responsibility. There is mention of a Safety Management System in Section 114 under Statewide Planning, but there are no guidelines for implementing that system.

ATSSA supports a Safety Management System; however, we have specific suggestions for how this might work. We also have specific recommendations in a number of other areas, including: Improved Safety for Aging Drivers, Improved Work Zone Safety, Uniformity of Standards for Traffic Control Devices, Comprehensive Safety Management, Reducing Fatalities on Rural Interstates, Traffic Safety on Private Property, The DBE/WBE Program, Funding and the Federal Role.

#### IMPROVED SAFETY FOR AGING DRIVERS

We would like to commend the committee for mandating an older driver study as part of the 1987 Surface Transportation Act. ATSSA recognizes the existing and growing problem of the aging driver. Currently, 12 percent of the U.S. population is 65 or over, and in the next 30 years, this number will more than double. It is clear that the traffic control features (primarily signs and pavement markings) on the present highway system were designed for an average driver who is far removed in

age and ability from today's driver. With this in mind, ATSSA supports the findings of the National Academy of Sciences, reported through the Transportation Research Board in the Special Report #218.

We commend States such as Florida, New York, and North Carolina for taking the lead and developing programs that will aid the older driver including larger and better maintained signs and upgraded pavement markings which often mean wider, more visible edgelines. These highway safety improvements not only enhance the safety and mobility of older drivers, but of all drivers.

Specifically, we recommend:

- Upgraded signing and marking standards and better maintained pavement markings and signs. Pavement marking and signs need to be maintained to provide both day and night and year round visibility.
- Improved positive guidance through the work zones. Particular emphasis needs to be placed on nighttime appearance and visibility.

#### *Upgraded Signing and Marking Standards and Better Maintained Pavement Markings and Signs*

In order to upgrade marking and signing standards to levels sufficient for older drivers:

(1) All roadways should be marked with center and edge lines which should be maintained at performance levels sufficient to meet the needs of the older driver. We know from our driving experience that although most roads have centerlines, many do not have edgelines, and a number of roads in the U.S. have no markings at all. Pavement markings on too many highways and roads are worn out and barely visible to the driver. At night or in rainy weather they are not visible at all. To ensure that pavement markings are maintained to a high level of visibility, the Secretary should be encouraged to develop standards for minimum maintained levels of retroreflectivity for pavement markings on all streets and highways.

(2) Sign legibility should be improved by requiring larger and better maintained signs. (Current design standards are 50 ft. per one inch of letter height; the recommended standard from the National Research Council is 40 ft. per one inch of letter height.)

(3) Sign luminance and contrast standards should be increased where needed.

(4) Minimum required visibility distances should be increased through improved sign placement, multiple signing, and symbol messages where needed.

• To ensure that signs and marking standards are improved to accommodate the older driver, congress should direct the Secretary to propose rulemaking that would establish revised visibility and legibility standards on all streets and highways for signs and markings that will accommodate all drivers including the elderly and those with diminished visual capabilities. These standards should include provisions to require minimum maintained levels of retroreflectivity to ensure nighttime visibility and legibility.

#### *Improved Positive Guidance Through the Work Zone*

For the aging driver the added distractions of a work zone can impair the decision-making ability affecting perception and reaction time. Because aging drivers have more difficulty seeing, responding to, and interpreting changes in roadside conditions, all traffic control devices should be uniform in appearance, brightness, and placement and have consistent meaning from one worksite to another. Our specific recommendations regarding improving work zone safety are discussed below:

#### IMPROVED WORK ZONE SAFETY

Each year when we address this committee, we report an increase in work zone fatalities. This year, unfortunately, is no exception. During 1989, 782 traffic accident fatalities and an estimated 28,000 disabling injuries occurred in work zones in one single year. It looks as if fatalities may be down somewhat for 1990, although the figures are not yet complete. Certainly the disturbing fatality and accident rate in work zones shows how badly we need a work zone safety program in the 1991 Highway Act.

The Sept 27, 1990, Work Zone Summary Report from FHWA indicates deficiencies continue to exist in the areas of development, implementation, and management of the work zone traffic control plans. The report states that the quality and maintenance of traffic control devices, particularly through deterioration on long-term projects, remains a problem area. The report also indicates that the limited number of trained personnel is a problem. With this in mind, ATSSA continues to endorse the recommendations from the Advocates for Highway and Auto Safety which calls for a Highway Work Zone Safety Program. This program would provide for im-

proved work zone safety by enhancing the quality and effectiveness of traffic control devices, safety appurtenances, traffic control plans, and bidding practices for traffic control devices and services.

In order to address this critical issue of safety in work zones, ATSSA recommends that the new Highway Act include provisions addressing the following:

Education and training of persons responsible for work zone traffic control are of utmost importance for the members of our association. In 1978, ATSSA initiated a certified Worksite Traffic Supervisor (WTS) Program. Developed as a joint effort with the Institute of Transportation Engineers (ITE) and the Federal Highway Administration (FHWA), the WTS program sets industry standards that have resulted in an upgrading of the quality of work zone traffic control. The 1990 FHWA Annual Work Zone Report states that the higher rate of turnover of personnel both in government agencies and the private sector results in a constant need to provide training. A number of States now require some degree of certification of worksite traffic supervisors, but all States should require this. Legislation should require that:

- Each State highway department designate, and require the contractor to designate, for each project, a person trained and certified who will have the responsibility and authority for assuring that the provisions of the Traffic Control Plan (TCP) and other safety aspects of the work zone are effectively administered.

Legislative history should assert that these standards should be formulated and adopted with due regard to the current training and certification program of ATSSA and should be equivalent or superior to this program.

It has been shown that the use of individual bid items for traffic control devices provides a fairer method of paying for the devices, encourages the contractor to provide better maintenance of devices, and provides a better means of enforcing the provisions of the TCP. The FHWA has recommended the use of individual bid items for a number of years, and yet many States still use lump-sum bidding or a combination of unit price and lump sum for traffic control in work zones. This practice often underfunds adequate traffic control and the contractor has an incentive to reduce to a minimum his cost for temporary traffic control. Legislation should require that:

- Each State highway department use individual bid items for providing, installing, moving, replacing, and maintaining traffic control devices and safety systems.

Many States do not collect work zone accident data, or if they do, it is collected inconsistently. Because of the lack of uniformity, the FHWA has discontinued collecting work zone accident data from the States. They rely only on the Fatal Accident Reporting System (FARS) data, and little is known beyond how many fatalities occur in work zones.

- Each State highway department should be required to collect uniform data on all work zone accidents. Such data should include the type, design, and operational characteristics of work zones in which accidents have occurred; the type of roadway; traffic volume; the nature of the accident; and the extent of the damage, injuries, or fatalities sustained. Each State highway department should also analyze and use this information to correct deficiencies and improve future traffic control plans.

FHWA should perform effective oversight of work zone safety practices in the States and report on the progress of the States to Congress.

- The Secretary should be directed to conduct annual reviews of work zone safety practices and policies, both State-by-State and on a national level in order to determine the effectiveness of each State's work zone safety practices. The results of such inspections, reviews, and assessments shall be reported annually to the Congress.

The Administration's proposal eliminates Section 120(d) which allows for 100 percent Federal funding for certain safety improvements, those having a significant cost/benefit ratio in terms of lives saved for money spent. Section 120(d) should be retained and applied to all roads included in the National Highway System. At the April 10th Congressional hearing on reauthorization, Congresswoman Marcy Kaptur, asked for Federal dollars for replacement of signing. She said funding is inadequate, and yet the administration proposes to cut an existing program that allows for 100 percent Federal funding for signing, pavement marking, and other safety improvements. Unfortunately, even at a 100 percent Federal funding, these projects are often overlooked. Left with a 25 percent or 40 percent match requirement, these vital cost-effective safety improvements may be disregarded altogether. In order to encourage States to use superior traffic control devices and procedures and reduce serious losses now occurring in work zones, 100 percent Federal funds should also be made available for work zone traffic control.

• The present 23 U.S.C. Section 120(d) should be retained and amended by adding between “. . . traffic signs” and “highway lights . . .” the phrase “or for temporary traffic control devices, markings, and safety appurtenances for guiding, warning, and, protecting traffic, workers, and pedestrians in highway work zones.”

#### UNIFORMITY OF STANDARDS FOR TRAFFIC CONTROL DEVICES

Consistent, uniform standards for traffic control devices should apply to all classifications of roadways regardless of jurisdiction or user agency. Unfortunately this is not the case. The Manual on Uniform Traffic Control Devices (MUTCD) for streets and highways presents a national standard governing the design and use of all traffic control devices. However, it is not uniformly enforced, particularly off the Federal-aid highway system. Indeed, since the Secretary of Transportation is not legislatively required to promulgate the standards, there is a question as to whether the Department of Transportation even has the authority to enforce the provisions of the MUTCD.

To clarify this situation and provide for uniformity and strict enforcement of the provisions of the MUTCD, ATSSA recommends:

- The Secretary of Transportation be specifically required to promulgate standards and practices for the design and use of traffic control devices.
- The location and design of all traffic control devices shall conform to uniform nationally standards and practices as promulgated by the Secretary and revised periodically to accommodate the state-of-the-art.

#### COMPREHENSIVE SAFETY MANAGEMENT

Unfortunately, State and local jurisdictions do not have adequate funding to upgrade signs or pavement markings, even though the Federal Highway Administration's Report on Highway Safety shows that in these areas alone we receive the maximum benefits in terms of lives saved and injuries prevented for every dollar spent. The latest annual Report on Highway Safety Improvement Programs, from the Office of Highway Safety, FHWA, states that one of the top two improvements which have most effectively reduced fatal and injury accidents at the lowest costs are traffic signs at a benefit-cost ratio of 4.6 to one.

Safety work should be done as part of 3R work. Because safety has been categorized into narrow and lowfunded programs, it is often the last thing to be considered. If safety is truly a top priority item, then it must be funded accordingly. ATSSA recommends that the Federal Government provide leadership in the way of increased funding and specific legislative guidelines on how that money must be spent.

• The next Highway Act should mandate that the States engage in safety construction work as part of their project requirements in performing 3R work.

Each State should be required to have a highway safety management program, approved by the Secretary, which would include the following requirements:

- Standardization of forms and adequate record keeping for investigation of accidents, injuries, and deaths on all Federal-aid highways.
- Design and traffic control standards that ensure the highest feasible levels of operating safety.
- Provisions for work zone safety.
- A system for evaluating the safety cost-effectiveness of projects completed with funding under this section, including work zone accidents.
- Other principles and requirements for areas of management, design, and operation as the Secretary shall deem necessary.

#### REDUCING FATALITIES ON RURAL INTERSTATES AND OTHER EXPRESSWAYS WHERE SPEED LIMITS HAVE BEEN RAISED TO 65 MPH

Enforcement of speed is a major concern in highway work zones. These work areas are inherently dangerous, even under the best of conditions. Increased speeds on our highways have increased the risk not only for the motorist but also for the highway worker. The fatality rate on interstate highways for work zone personnel accounts for 30 percent of all work zone deaths. By comparison, other interstate fatalities accounted for less than 10 percent of all highway deaths.

It is imperative that we have diligent law enforcement and assistance in work zones. If speeds remain unchanged, then reasonable countermeasures need to be implemented on highways that have raised their speed limits to 65 mph.

• ATSSA supports the recommendations of the Advocates for Highway and Auto Safety and recommends that each State raising their speed limits to 65 mph undertake to elevate the highway to the highest state-of-the-art levels for design and traf-

fic control including larger and more frequent signing, improved and more durable pavement markings, and the use of other state-of-the-art traffic control devices.

#### TRAFFIC SAFETY ON PRIVATE PROPERTY

Report language in the 1987 Federal-Aid Highway Act acknowledged the growing concern about traffic safety on private property where the public is invited to travel. The conferees noted that accidents and fatalities on private property have risen in conjunction with the increase in the volume of business-related traffic on such property, and these accidents and fatalities are attributable, in part, to the lack of uniform traffic control devices.

Washington's own Dr. Gridlock refers to malls as the "new downtowns." These new downtowns, as well as industrial parks, resorts, hospitals, colleges, private residential streets, and condominiums, are not governed by established public standards of traffic control. As a result, signing and pavement markings are often confusing or non-existent, and worse than that, these areas are dangerous. The National Safety Council reports that there are between 1,000 and 1,100 fatalities each year on non-public roadways. ATSSA's own investigation into the State of Virginia revealed dramatically that private property traffic accidents accounted for from one-sixth to one-half of all reported accidents.

The American Association of State Highway and Transportation Officials conducted a survey and determined that there is little uniformity nationwide and that a problem exists with the non-use or improper use of traffic control devices on private property. They recommend that States adopt legislation making it mandatory that signs, signals, and pavement markings be in compliance with the Manual on Uniform Traffic Control Devices (MUTCD). Presently, only five States have statutes regulating traffic control devices on private property stipulating that those devices be in conformance with the MUTCD.

Because of the lack of uniformity and lack of regulation at the State level, this committee held hearings and mandated regulations governing the use of handicapped parking spaces on private property. The lack of uniformity governing the use of traffic control devices on private property is an equally serious and sometimes lifethreatening problem. ATSSA would recommend:

- Title 23, Section 109(d) and Section 402(a) be modified to require the standards for traffic control devices that are approved by the Secretary for Federal-aid highways and other public roads also be applicable for all roadways on private property open to public travel.

#### DBE/WBE PROGRAM

The 1982 Surface Transportation Assistance Act provided that not less than 10 percent of the amounts authorized under Title I and Title II of the Act be expended with disadvantaged business enterprises. The 1987 Act expanded the program to include woman-owned businesses. ATSSA supports the inclusion of women in the program. We also support the intent of the bill which aims to provide equal opportunity to all Americans to compete in the Federal-Aid Highway Program. So that implementation of the program does not disproportionately affect any one segment of the industry and so that the program can truly help minority and woman-owned businesses that need assistance, ATSSA recommends the following:

- Specific limits be placed on specialty subcontracting work.

Prior to the 1987 Act, we testified that this is critical to specialty subcontractors who have been unfairly and adversely affected by the program. Until limits can be put on the amount of work in each subcontracting area, then specialty items will continue to be used to meet the 10 percent goal. Small industries, such as ours, are often used to fill a disproportionate percentage of the requirements, sometimes up to 100 percent. This committee responded to these concerns by including report language in the 1987 STURAA which stated that: "The conferees believe that the participation of minorities and women should be equitably distributed throughout the highway construction industry and the implementation of the DBE program should not fall disproportionately on any one segment of the industry."

- The Secretary should be directed to collect data from the States on DBE/WBE participation.

To our knowledge, no data has been collected addressing this issue. In spite of the recognition of the problem and in spite of the conferees request to address the problem, the FHWA is still not tracking industry participation within the program, and there is nothing in the Administration's recommendations addressing this issue.

Our own industry requested information from a number of States on participation of traffic control companies in the DBE/WBE program. Only three States were able

to provide us with this information, although we had been told by FNWA that this data was available at the State level. In 1987, in Tennessee, 20 percent of the traffic control dollars went to DBE firms. In the same year, in Florida, 77 percent of the pavement striping dollars went to DBE firms. In Colorado, from October 1987 through March 1989, 96 percent of traffic control dollars went to DBE and WBE firms; 102 percent of the flagging dollars went to DBE or WBE firms. Non DBE/WBE firms were virtually excluded from open competition in these particular areas. A FHWA study assessing the impact of the program noted that "particular non-DBE specialty subcontractors have seen their Federal-aid highway construction markets shrink or even virtually disappear" (USDOTFHWA Report, p. xi, March 1986). We ask that Congress correct this oversight by including language in the 1991 Act which would, at a minimum:

- Require the Secretary to obtain the dollar amounts in each subcontracting area that are being awarded to DBE/WBE firms and compare that amount with the overall dollar amounts being awarded to non-DBE/WBE firms in those same subcontracting areas. We further suggest that the following categories, which correspond closely with the ones now being used by States to report to FHWA, be examined: Excavation, Base and subbase, Roadway surface, Structures, Landscaping, Traffic control, and Incidental construction

- The U.S. Department of Transportation should work closely with private industry organizations to develop and fund training programs for minority and women-owned business firms to help them compete within the free enterprise system on an equal basis.

- ATSSA recommends separate funding categories for training.

We believe that one of the great deficiencies of this program is the complete lack of funding for training and education of minorities who may be making their first entry into the highway construction business. There have been few privately-funded training programs for DBE/WBE's. In our industry, ATSSA sponsors a very good technical training program and most new companies, minority, women, and non-minority, have received a great deal of assistance by having their key personnel participate. The ATSSA program is self-funded, and the most widely-used and highly-respected in the country; however, some new minority firms simply cannot afford even the nominal cost for technical training in the traffic control field. There needs to be some Federal funding for similar training programs, and in the areas of general business management, accounting, and bidding procedures.

- The Administration's definition of "Small Business Concern" should be lowered to a more realistic number.

"Small Business Concern" should be redefined and lowered from the Administration's proposed "average annual gross receipts over the preceding three fiscal years in excess of \$15,370,000." ATSSA members are primarily traffic control specialty subcontractors: 90 percent of our members have annual gross receipts of less than \$3 million and 75 percent have less than \$1 million. To avoid flagrant abuses and to protect those for whom the program was intended—bona fide, developing and emerging minority and woman-owned businesses certified as needing assistance—this number should be reduced significantly. A high threshold of over \$15 million helps large companies that are already very well established. If the intent is to assist small, emerging companies, then \$15.3 million dollars is far too high a figure.

#### FUNDING AND THE FEDERAL ROLE

More than 45,000 people are killed and 3 million injured in traffic accidents each year. If vehicle miles traveled doubles by the year 2020 as expected, fatalities could double as well. This is unacceptable. Safety considerations must be an integral part of every aspect of the new Federal highway program.

If safety is truly the number one consideration of the Administration and Congress, then we feel that there must be an increase in the authorization levels of all highway safety programs.

Specifically, we would request:

1. A significant increase in the FHWA-administered portion of 402 funds. This investment would result in the reduction of lost lives, property damage, and liability costs each year.

2. Separate Federal funding categories for the training of personnel in work zone traffic control.

3. That requirements that products and services that enhance safety and improve traffic operations be included criteria for all Federal "3-R" and "4-R" programs.

4. The Federal Highway Trust Fund be made permanent, removed from the unified budget, and released from obligation limitations. All interest earned (more than \$1 billion annually) should be released to the States and local governments, and the

balance of the Trust Fund should be drawn down to a reasonable level of \$2 to \$3 billion.

STATEMENT OF WILLIAM H. DEMPSEY, PRESIDENT, ASSOCIATION OF AMERICAN RAILROADS

INTRODUCTION

My name is William H Dempsey. I am the President of the Association of American Railroads. The AAR is the National trade association of the freight railroad industry. It represents Class I railroads that accounted for 91 percent of rail freight revenues in 1989.

I appreciate this opportunity to discuss truck size and weight issues. While the main purpose of my statement is to endorse the bill (S. 1072) introduced by Senators Lautenberg and Chafee freezing the existing operation of longer combination vehicles (LCVs), I'd like to first say a few words about the proposed Senate highway bill (S. 965).

The railroad industry strongly supports the principles embodied in this bill. For too long, highway policy has been made in a vacuum, ignoring the fact that this country has not many separate transportation modes but in truth one transportation system. That is why we have long said that "highway policy is railroad policy—and vice versa". We wish to commend the committee for its wisdom and foresight in recognizing the need for a multi-modal transportation policy.

Of course, the railroad industry has no position on the specific details of the highway program's structure or funding process. We have traditionally recognized those questions as purely highway issues and intend to remain, as we have in the past, strictly neutral on those particular issues. But we will, too, be vigorously involved where there are issues that effect the entire transportation system.

The question of LCVs is one of those issues and I believe that S. 1072 is a fair and reasonable solution to the problems raised by expanded operations of LCVs.

As most of you know, the LCV issue is of deep concern to the railroad industry. Indeed, I have often remarked that bigger trucks are literally a matter of life and death for us. In testimony filed before this committee for the record in March, I explained that opposition to any increase in the Federal 80,000 pound weight limit was the railroad industry's overwhelming priority in the 1 highway legislation. Such an increase would lead inexorably to the Nationwide operation of longer combination vehicles (LCVs), including twin 48s and triple 28s.

These monster combinations would devastate the railroads, causing the loss of 40 percent of our current net operating revenue (profits) and 19 percent of current ton-miles. In addition to the direct impact on the railroads, I emphasized the following points in opposing LCVs:

- The diverted rail traffic would mean a huge increase in truck traffic on our already crowded, deteriorating highway system: perhaps a gain of as much as 30 percent in ton-miles by combination trucks on the interstate system;
- Public opinion research shows that 90 percent of the public shares the railroad industry's opposition to bigger trucks;
- LCVs are harmful to sound highway finance, safety, the environment, energy use, and other public policy concerns.

I concluded my testimony by urging an increased reliance on safe, environmentally benign, energy efficient, and under-utilized rail as the appropriate response to the transportation challenges to the 1990's.

I would like to take the opportunity today not to rehearse my previous remarks, but to speak instead of the continuing LCV threat even in the absence of positive legislation on the Federal weight limit. It is this continuing threat of expanded LCV operations, under existing law, that has caused the railroad industry to endorse the Lautenberg/Chafee bill.

The threat arises because the 80,000 pound weight limit, the only Federal barrier to economic operation of LCVs, is being increasingly eroded in the States.

Alleging grandfathered weight limits, and exploiting FHWA's inability to challenge State interpretations of the so-called "Symms Amendment" to the 1982 Surface Transportation Assistance Act, States have been steadily expanding the scope of LCV operations. They have done so despite the 80,000 pound weight limit. And unless these practices are checked by additional Federal legislation, they will continue to do so.

The Symms Amendment, as you know, makes the States the ultimate arbiters of their "grandfather" rights to higher weights. When the Federal Interstate weight

limit was first enacted in the 1956 Act, the handful of States with higher existing weights were allowed to retain those limits.

With time, disputes developed between the FHWA and several States on the extent of those grandfather rights. Senator Symms amended the 1982 Surface Transportation Assistance Act (STAA) to let States determine the extent of their grandfather rights.

I don't think either Congress or the Senator intended this, but the result of the amendment has been to take away from FHWA the tools it needs to enforce the weight limit. The result is a loophole that States can—and increasingly do—use to allow bigger trucks.

The situation is not yet completely out of hand. But every year more States assert newly “discovered” grandfather rights. At first, those assertions are usually limited: increased use of overweight permits for a few industries, or at selected times of the year.

But the long-term implications are deeply troubling.

The problem is what AASHTO—accurately—has called the “ratchetting upward” of State weight limits. Once one State allows heavier trucks, it puts pressure on surrounding States to do the same. Even though States may recognize that heavier trucks cost them more in highway damage and road congestion than they provide in economic benefits, this pressure from other States ultimately swamps these concerns.

The trucking industry well understands this dynamic. Look at how cleverly they have exploited the “State option” gambit.

In 1974, the last time Congress explicitly raised the Federal weight limit, the trucking industry first asked only that States be permitted to increase weights up to the new Federal maximum. Indeed, the trucking industry argued loudly that weights were appropriately a matter of State—not national—concern. But when intense trucking industry lobbying and the operation of the “ratchetting upward” effect had induced enough States to increase their weight limit, the trucking industry came back to Congress to demand national uniformity. In 1982 Congress made the 80,000 pound limit mandatory nationwide.

Ultimately, of course, the continued erosion of the 80,000 pound weight limit by the operation of the Symms Amendment can force a change in Federal law in just this way. If enough States eventually claim grandfather rights under Symms, the truckers can present the Congress with a fait accompli. They can claim that too many States have exemptions and that uniformity and simplicity demand a new higher mandatory Federal weight limit. In effect, the unchecked operation of the Symms Amendment becomes, over time, just like an explicit change in the Federal 80,000 pound statutory limit.

The Amendment has already led to some egregious violations of the Federal weight limit:

- Some type of LCV is now allowed in 20 States. Yet only three States (Hawaii, Michigan and New Mexico—none of which allow LCVs) have FHWA-recognized grandfather rights to operate trucks above the 80,000 pound weight limit. States rely on much weaker claims to grandfathered “divisible load” permit rights. FHWA lacks the power under Symms to review those claims.

- And since the Symms Amendment was adopted in 1982, five States have legalized the operation of new types of LCVs (Arizona, Montana, North Dakota, Oklahoma, and South Dakota). LCV operations in other States have expanded.

- Despite the fact that Federal law supposedly allows overweight trucks by permit only if a load cannot easily be divided, 27 States (plus the District of Columbia and Puerto Rico) in 1989 issued multiple trip *divisible* load permits. This is up from 22 States in 1988. Nine more States *claim* grandfather permit rights, but have not yet exercised them. In all, the States issued over 136,000 such permits, an increase of 200 percent since 1983, when 45,374 permits were issued. Such permit programs are often vehicles for allowing LCVs.

This continued erosion in the Federal law governing truck weight has happened at the same time that public opposition to bigger trucks has become ever clearer and stronger.

In a national poll conducted for the AAR by Frederick/Schneiders, Incorporated last January, only 6 percent of those surveyed wanted longer trucks. 90 percent wanted trucks to remain the same size or even be shorter. On specific proposals, 92 percent opposed triples and 82 percent opposed twin 48s. The chief concern of those opposed is safety: 86 percent of the respondents believe longer trucks would be less safe.

A recent poll in Oregon, where some types of LCVs now operate, found similar numbers. 80 percent of Oregonians opposed changing Federal law to allow triple 28s



or twin 48s, and 67 percent favored the repeal of Oregon's current law allowing triples. 81 percent believed that longer trucks would be less safe than current rigs.

And in Wyoming, there appears to be strong public support for an initiative to prevent the operation of triples in that State. The State of Connecticut has enacted a bill banning triple trailers and similar legislation is pending in the New Jersey Senate, having already passed the House.

S. 1072, the Lautenberg/Chafee LCV freeze bill, responds to that overwhelming public opposition to bigger trucks. By allowing States to keep LCVs on the specific routes where they are already permitted to operate, it would leave untouched any economic interests now dependent on LCVs.

But it would prevent the spread of LCVs from State to State, and, even more important, it would confine LCV operations to low volumes of traffic. Today, LCVs amount nationally to less than 1 percent of total combination truck traffic. If, however, no freeze is enacted and the result is a nationwide LCV system, we estimate, based primarily on data produced by the American Trucking Associations, that LCVs would come to represent 22 percent of combination truck vehicle miles travelled.

Everyone gains—and no one loses—from an LCV freeze. Enacting S. 1072 will save lives, reduce highway congestion, conserve energy, and preserve highway service life. In doing so, it would free highway funding for higher priority highway and transportation needs. And it would preserve the Nation's freight railroad system as a transportation resource for the next century.

I would like to conclude my remarks today by addressing an additional issue of significant importance to the railroad industry—highway-rail crossing safety.

The historic Highway Safety Act of 1973 created and funded a national highway safety program specifically dedicated to enhanced safety at highway-railroad crossings by providing for needed crossing engineering and warning device improvements. Beginning in 1988, approximately \$250,000 was also annually set-aside from Federal crossing improvement funds as a contribution to Operation Lifesaver, a nationwide public information, driver education, and traffic law enforcement program focused on reducing crossing accidents. The Federal Highway Administration estimates that the crossing engineering improvement program, combined with Operation Lifesaver efforts, have prevented over 6,000 fatalities and 25,000 injuries since 1974, and has an overall benefit-cost ratio of 1.3. Today, after making available over \$2.5 billion in Federal highway user fee revenues and succeeding in reducing the annual rate of crossing accidents and fatalities by over fifty percent (see attached charts and tables), I am concerned that the future of the Federal Highway-Rail Crossing Improvement Program (Section 130 Program) is in serious jeopardy.

The Federal Highway Administration has advocated a position which heavily promotes increased flexibility in State and local government decision-making with regard to the use of Federal highway funds (S. 610). FHWA's position takes shape in the form of consolidated highway program categories or a "block grant." In this case called the "Urban and Rural Program." S. 965, recently introduced by the leadership of the Senate Committee on Environment and Public Works, would establish a similar program structure with respect to highway/rail crossing safety improvement projects. In this case it is called the "Surface Transportation Program".

If Federal funding for crossing improvements were to be consolidated into a flexible block grant highway program as proposed in S. 965 and S. 610, rather than remain dedicated or earmarked for crossing improvements, it is probable that crossing needs would rarely successfully compete with more traditional, and often more popular, highway needs such as highway capacity improvements and highway maintenance. Historically, highway safety generally, and crossing safety particularly, fairs very poorly against highway mobility needs for scarce financial resources. In fact, this problem was the core reason the separate crossing improvement program category was established in 1973. During the forty years between 1934 and 1973 less than \$95 million in Federal funds was spent installing signs and warning systems at public crossings, and crossing accidents and casualties continued to increase. Since 1974, nearly \$1.3 billion in Federal Section 130 Program funds has been spent on crossing warning systems and, as I mentioned earlier, crossing accidents and casualties have dropped dramatically.

Some have argued that the railroad industry contribution to crossing safety enhancement has been less than appropriate. I strongly disagree with any such assertion, and I believe the Federal Highway Administration's 1989 national "Rail-Highway Crossings Study" clearly supports me in this regard. I quote from that study:

" . . . Railroads are often called upon to contribute to the required match for federally-funded projects. Since the law limits the railroad's required share of project costs, the railroads are reluctant to exceed that share. How-

ever, in many cases, State law may prohibit the State from providing the match, and to ensure that needed crossing projects are completed, railroads agree to provide these funds . . .

"While Federal funds are available for improvements to crossing surfaces, some State highway agencies have policies which do not allow funding of crossing surface improvements. Thus, in many cases, railroads are left with the responsibility to design, construct, and finance improvements to crossing surfaces . . .

"Maintaining the crossing proper, the railroad approaches, the train detection equipment (track circuitry and logic processors), and the traffic control devices located at the crossing is typically the responsibility of the railroad . . .

"Railroads are actively involved in crossing improvements to private crossings. Most State and local highway agencies are prohibited from spending funds at privately-owned crossings; therefore, it is up to the railroad and the private owner to provide a safe crossing environment . . .

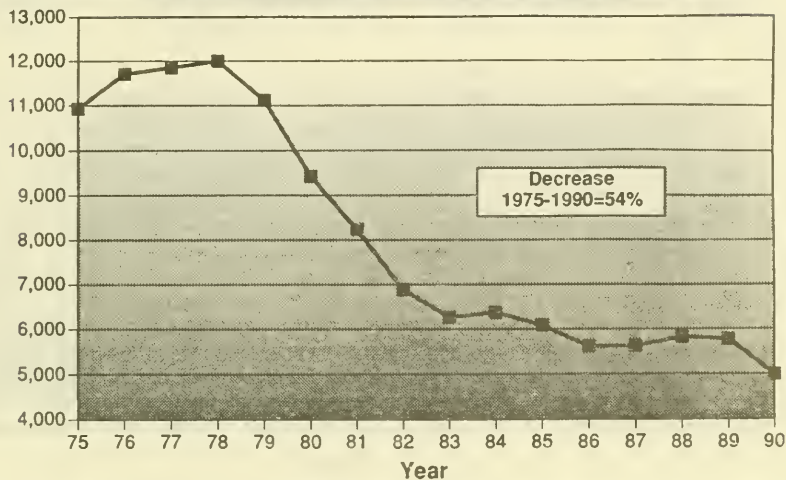
"Research is often funded by railroads, sometimes directly and other times through the AAR. Many railroads contribute funds and personnel time to State Operation Lifesaver Programs."

The Crossing Needs Study documents an average annual railroad contribution to crossing safety improvements and maintenance of nearly \$190 million. Such an ongoing private railroad industry commitment to improved crossing safety is truly remarkable and obvious evidence of the continuing importance and concern we share regarding this critical safety issue.

In closing, the Federal Crossing Improvement Program has proven to be a highway safety program that works, and it continues to be successful. Proposals to consolidate the Section 130 Program with other highway program categories would very simply constitute a return to the same situation which so troubled the Congress, the highway safety community, and the railroad industry prior to 1973. I urge you to continue the separate Crossing Improvement Program and the earmarked support for the National Operation Lifesaver Program.

## Highway-Railroad Motor Vehicle Accidents At Public Crossings

### Accidents



Note: 1974 Not shown due to change in FRA reporting criteria.

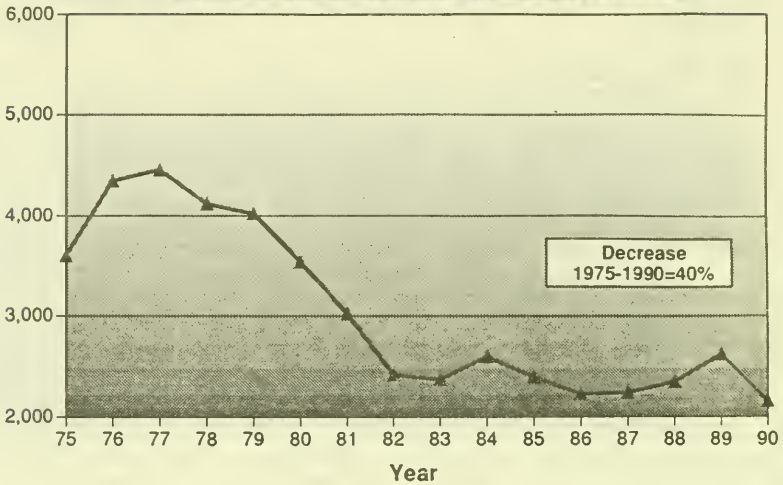
TABLE 1 HIGHWAY-RAILROAD MOTOR VEHICLE  
ACCIDENTS  
AT PUBLIC CROSSINGS

<u>YEAR</u>	<u>ACCIDENTS</u>
1975	10,925
1976	11,700
1977	11,849
1978	11,999
1979	11,108
1980	9,422
1981	8,232
1982	6,882
1983	6,272
1984	6,370
1985	6,093
1986	5,620
1987	5,626
1988	5,820
1989	5,772
1990	4,991 (preliminary)

SOURCE: FRA Rail-Highway Crossing Accident/  
Incident and Inventory Bulletin.

### Highway-Railroad Motor Vehicle Injuries At Public Crossings

Injuries



Note: 1974 Not shown due to change in FRA reporting Criteria.

TABLE 2

#### HIGHWAY-RAILROAD MOTOR VEHICLE INJURIES AT PUBLIC CROSSINGS

<u>YEAR</u>	<u>INJURIES</u>
1975	3,600
1976	4,343
1977	4,455
1978	4,120
1979	4,019
1980	3,534
1981	3,020
1982	2,417
1983	2,372
1984	2,597
1985	2,395
1986	2,227
1987	2,239
1988	2,344
1989	2,615
1990	2,154 (preliminary)

SOURCE: FRA Rail-Highway Crossing Accident/  
Incident and Inventory Bulletin.

### Highway-Railroad Motor Vehicle Fatalities At Public Crossings

Fatalities

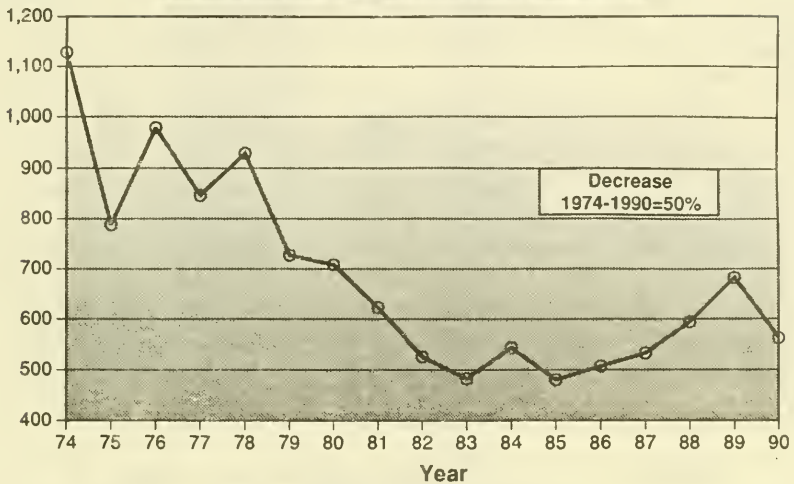


TABLE 3

#### HIGHWAY-RAILROAD MOTOR VEHICLE FATALITIES AT PUBLIC CROSSINGS

<u>YEAR</u>	<u>FATALITIES</u>
1974	1,128
1975	788
1976	978
1977	846
1978	929
1979	727
1980	708
1981	623
1982	526
1983	483
1984	543
1985	480
1986	507
1987	533
1988	594
1989	682
1990	562 (preliminary)

SOURCE: FRA Rail-Highway Crossing Accident/  
Incident and Inventory Bulletin.

TABLE 4FREIGHT AND PASSENGER  
TRAIN MILES

<u>YEAR</u>		<u>TRAIN MILES</u>
1974		582,836,000
1975		534,858,000
1976		557,400,000
1977		531,498,000
1978		537,466,000
1979		555,580,000
1980	13%	535,322,000
1981	Decrease	511,462,000
1982		439,945,000
1983		435,957,000
1984		466,134,000
1985		453,852,000
1986		458,840,000
1987		479,359,000
1988		518,995,000
1989		516,252,000
1990		509,804,000 (preliminary)

SOURCE: FRA Accident/Incident Bulletin for  
Motor and Locomotive Train Miles.

TABLE 5ALL RURAL AND URBAN ROADS/SYSTEMS  
VEHICLE MILES

<u>YEAR</u>		<u>VEHICLE MILES</u> <u>(MILLIONS)</u>
1974		1,282,790
1975		1,330,074
1976		1,409,163
1977		1,466,000
1978		1,548,231
1979		1,529,133
1980	68%	1,520,857
1981	Increase	1,553,969
1982		1,592,000
1983		1,650,000
1984		1,726,686
1985		1,765,180
1986		1,838,240
1987		1,924,327
1988		2,025,586
1989		2,107,040 Rev.
1990		2,149,457

SOURCE: FHWA "Highway Statistics", Highway  
Statistics Division, Office of Highway  
Planning. 1988 - 1990 Data From FHWA  
"Traffic Volume Trends".

### Potential Exposure At Highway-Railroad Crossings

Exposure Index

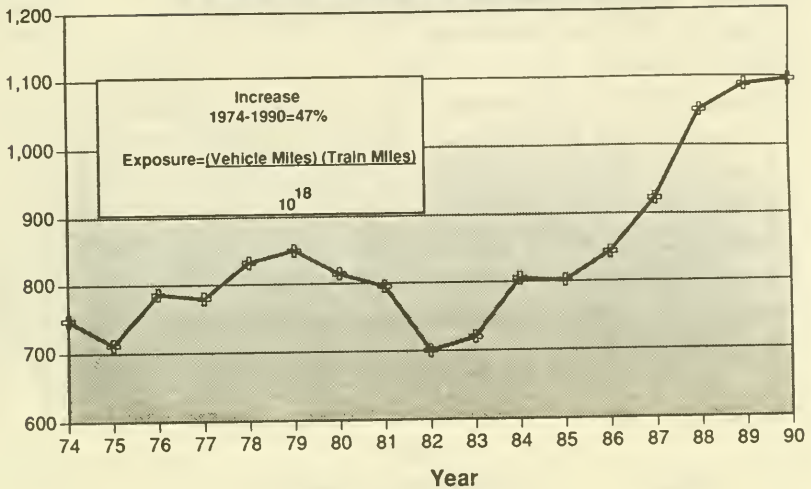


TABLE 6

#### POTENTIAL EXPOSURE AT HIGHWAY-RAILROAD CROSSINGS

<u>YEAR</u>	<u>EXPOSURE INDEX</u>
1974	747.66
1975	711.40
1976	785.47
1977	779.18
1978	832.12
1979	849.56
1980	814.15
1981	794.80
1982	700.39
1983	719.33
1984	804.87
1985	801.13
1986	843.46
1987	922.44
1988	1,051.27
1989	1,087.76 Rev.
1990	1,095.80
EXPOSURE INDEX = (VEHICLE MILES) (TRAIN MILES)	
	18
	10

## All Highway Motor Vehicle Fatalities

Fatalities

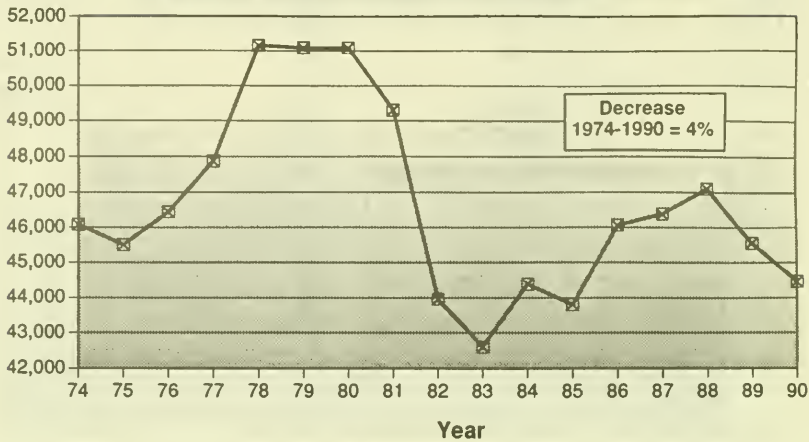


TABLE 7

### ALL HIGHWAY MOTOR VEHICLE FATALITIES

<u>YEAR</u>	<u>FATALITIES</u>
1974	46,078
1975	45,500
1976	46,434
1977	47,868
1978	51,153
1979	51,083
1980	51,091
1981	49,301
1982	43,947
1983	42,596
1984	44,372
1985	43,795
1986	46,056
1987	46,386
1988	47,093
1989	45,555
1990	44,450 (preliminary)

SOURCE: FHWA "Fatal and Injury Accident Rates",  
Accident Analysis Division, Office of  
Highway Safety. 1988 - 1990 from NHTSA's  
"Monthly Traffic Fatality Report".



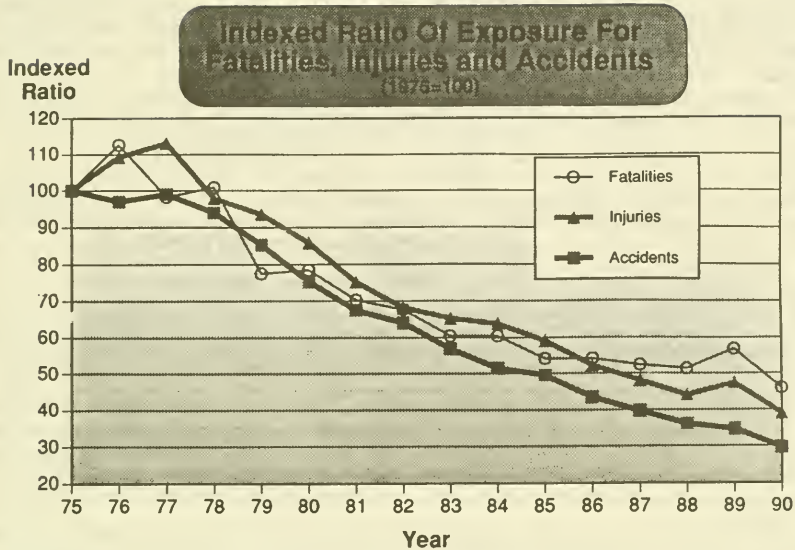


TABLE 8

RATIO AND INDEX OF EXPOSURE FOR  
FATALITIES, INJURIES AND ACCIDENTS  
INVOLVING MOTOR VEHICLES AT  
PUBLIC HIGHWAY-RAIL GRADE CROSSINGS

YEAR	FATALITIES/EXPOSURE		INJURIES/EXPOSURE		ACCIDENTS/EXPOSURE	
	RATIO	INDEX	RATIO	INDEX	RATIO	INDEX
# 1975	1.11	100.0	5.06	100.0	15.36	100.0
1976	1.25	112.6	5.53	109.3	14.90	97.0
1977	1.09	98.2	5.72	113.0	15.21	99.0
1978	1.12	100.9	4.95	97.8	14.42	93.9
1979	0.86	77.5	4.73	93.5	13.08	85.2
1980	0.87	78.4	4.34	85.8	11.57	75.3
1981	0.78	70.3	3.80	75.1	10.36	67.4
1982	0.75	67.6	3.45	68.2	9.83	64.0
1983	0.67	60.4	3.30	65.2	8.72	56.8
1984	0.67	60.4	3.23	63.8	7.91	51.5
1985	0.60	54.1	2.99	59.1	7.61	49.5
1986	0.60	54.1	2.64	52.2	6.66	43.4
1987	0.58	52.3	2.43	48.0	6.10	39.7
1988	0.57	51.4	2.23	44.1	5.54	36.1
1989	0.63	56.8	2.40	47.4	5.31	34.6
1990	0.51	45.9	1.97	38.9	4.55	29.6

Annual Ratio =  $\frac{\text{Annual Fatalities, Injuries or Accidents}}{\text{Annual Exposure Index (Table 6)}}$

Annual Index =  $100 \times \frac{\text{Annual Ratio}}{\text{Base Year Ratio}}$

# Base Year

## STATEMENT OF PETER N. BROWN, PRESIDENT, FOUR SEASONS GROUP, INC.

Mr. Chairman, my name is Peter Brown. I am President of Four Seasons Group, Inc. which is the developer and manager of Four Seasons Lakesites and Chase Resorts. Our company is headquartered in Lake Ozark, Missouri, and we serve the family vacation industry in our beautiful Lake Ozark region.

In behalf of Four Seasons Group, Inc., our thousands of vacation guests, and the many small businesses located in and near our resorts, I am pleased to present our views on reauthorization of the Federal Surface Transportation Program.

We are specifically concerned with four aspects of your hearings.

First, we strongly support the legislation introduced and referred to the Committee which includes authority for construction of toll facilities with a 35 percent Federal matching share. For many communities and States such as ours, toll facilities appear to be a cost-effective means of solving transportation needs.

Around Lake Ozark, families which work in the region and those which come for vacations have encountered serious traffic headaches which need to be alleviated. Neither the local nor State governments alone have the funds to solve the problem. Nor are private dollars available to meet the cost. However, a combination of local, State, Federal and private funding, in concert with user fees—tolls—would make it possible for us to begin addressing the road and bridge needs of the Lake Ozark area.

Second, we strongly support the provisions of pending legislation which give greater flexibility to States and communities to shift allocated funds to and between categories of projects. Under conditions outlined in S. 883, introduced by our Senator Bond and in S.965, introduced by Senator Moynihan, there appears to be the appropriate flexibility for such projects to be undertaken within the discretion of the States.

We need a bridge over Lake Ozark, Mr. Chairman. It is a long-standing need and within the near future, we must address that need or the economic development of the region is going to be seriously limited. Our interest in urging greater flexibility to shift funds based on State and local decisions is based on the strong belief that this will facilitate the planning and construction of a bridge.

Third, as we are located in a growth State which has already constructed our part of the interstate system and now must maintain it and also try to catch up on our non-interstate highway transportation needs, we endorse the position of our State's Highway and Transportation Department regarding the formula under which transportation funds are allocated.

This is a delicate subject, of course, because we are dealing with a fixed amount of funds, the allocation of which affects every State in the Nation. I do not pretend to know precisely where the "best" formula lies, but want to urge the Committee to seriously look at whether our State ought to receive a higher percentage of the funds we send to Washington.

On March 1, this year, Wayne Muri, our Chief Engineer, testified before the House Public Works and Transportation Committee's Subcommittee on Surface Transportation concerning the impact on Missouri of a different formula.

He pointed out that we in Missouri have unmet transportation needs over the next decade totaling more than \$550 million. A new formula which returned to States a fair share of what they sent to Washington would generate \$100 million in additional funding for Missouri annually. We cannot afford the cost of our unmet transportation needs, Mr. Muri testified, but an increase in funding which represents a recognition of the share of funds coming out of Missouri would surely help.

Senator Moynihan has offered an insightful comment on the direction which should be taken in reauthorizing the Nation's transportation program. "Productivity in the transportation sector has been flat," Senator Moynihan stated, adding that the new direction of the program (now that the interstate system is virtually complete) "must generate transportation productivity" just as productivity is generated by the manufacturing and other sectors of the economy.

Mr. Chairman, I agree with Senator Moynihan. Economic studies in our State indicate that for each additional dollar of transportation spending, we can generate four dollars in economic return. That is productivity that Missouri needs badly. Any movement away from the present situation, in which we lose 15 cents out of every dollar in taxes, is a move in the right direction, and we urge the Committee to reconsider the present formula.

Finally, we would look to the Committee to write a bill which authorizes greater spending overall from the Highway Trust Fund. As we know, much of the Fund is presently used to offset the Federal budget deficit, a worthy purpose but not the reason the taxes were collected in the first place.

If we had highways and bridges to spare, few would argue with reserving some portion of the Fund to help with the deficit, but as you know better than we, there are billions of dollars in unmet transportation construction needs in America, and on top of that our existing roads, highways and bridges are in serious need of repair.

In short, Mr. Chairman, the Americans who paid the taxes into the Highway Trust Fund need those dollars back in their communities, and across the Nation, to build a safe, productive transportation system. (We also need a balanced budget, but we stand a better chance of getting one if we stop masking the deficit with Highway Trust Fund, Social Security, and other fund surpluses.)

I want to close by quoting Mr. Muri: "Our future is in your hands because transportation is the key to our economic survival." That is a true statement, Mr. Chairman, and I want to thank you for the work which the Committee has done so far, and to urge your consideration of this testimony as you continue the process of re-authorizing the Federal Surface Transportation Program.

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#### STATEMENT OF THE INTERNATIONAL SNOWMOBILE INDUSTRY ASSOCIATION

The International Snowmobile Industry Association (ISIA) is the trade association for the snowmobile industry. ISIA's members are manufacturers of snowmobiles, suppliers to the industry, snowmobile distributors and trail groomer manufacturers. On behalf of ISIA's members, I am submitting this statement in support of Title II, the National Recreational Trails Fund Act, in S. 965, the Surface Transportation Efficiency Act of 1991.

In recent years, the growth of trail-based recreation has been phenomenal. However, providing adequate trails to accommodate this growth has become increasingly difficult. Let me use an example from snowmobiling. Trails form the backbone of the sport of snowmobiling. In North America, there are now over 100,000 miles of signed and maintained snowmobile trails. In the United States, the greatest number of miles of trails is found in Wisconsin (13,600 miles), Minnesota (12,500 miles) and Maine (9,400 miles). However, virtually every State in the snowbelt has some snowmobile trails and the mileage is growing.

Currently, funding for snowmobile trails comes from two sources: State snowmobile registration fees and State gasoline taxes. In those States with extensive trail systems, trail funding runs into the millions of dollars. As an example, last year Wisconsin's program was funded at \$3,500,000, Michigan's was funded at \$2,500,000 and Minnesota's was funded at \$2,300,000. However, we are finding throughout the snowbelt that these funds are not sufficient to meet the increasing expenses associated with snowmobile trail development and maintenance.

S. 400, the National Recreational Trails Fund Act of 1991, was introduced by Senator Steve Symms to provide an additional source of funds for trail programs: a portion of Federal gasoline tax monies. In view of the fact that Federal gasoline taxes are intended to be user fees, this legislation would allocate Federal gasoline tax revenues derived from trail-related activities to the construction and maintenance of trails rather than highways. As you know, S. 400 was incorporated into S. 965 as Title II of the bill. Under provisions of this legislation, a National Recreational Trails Fund would be established and monies would be transferred to this fund from the Highway Trust Fund. The amount deposited would be that attributed to the use of gasoline for off-road recreation and back country camping. The amount is set at .3 percent of total annual Highway Trust Fund receipts, which would provide an estimated \$48,000,000 annually. The program would be administered by the Department of the Interior.

Grants from the fund would be allocated to the States. Those monies could be used for: construction and maintenance of trails; acquisition of easements; acquisition of property from a willing seller when the objective of the acquisition could not be accomplished by other means; development of trailside facilities; operation of State environmental protection and safety education programs related to the use of recreational trails; and expenses incurred by the State to administer the program.

In discussions about this legislation, the question that is raised invariably is "Will the fund aid all trail interests—motorized and nonmotorized?" The answer is an emphatic "yes."

Motorized and nonmotorized recreation must each receive the benefit of at least 30 percent of a State's allocated monies. In addition, 40 percent of a State's allocation must be spent in a manner which gives preference to project proposals providing for the greatest number of recreational purposes and for innovative trail corridor sharing to accommodate both motorized and nonmotorized uses. It is also important to note that not all trails funded under this program must be open to some or

all motorized recreational activities. We seek to create more and better trails for all uses while recognizing that mixing some trails uses can be unsafe and reduce the quality of the experience.

We think that Title II, the National Recreational Trails Fund Act, offers an important opportunity to improve trail-based recreation for all Americans. Therefore, we urge that it be maintained as a part of S. 965.

THE NATIONAL INDUSTRIAL TRANSPORTATION LEAGUE  
ARLINGTON, VIRGINIA  
May 15, 1991

Hon. Quentin N. Burdick, *Chairman*  
*United States Senate*  
*Environment and Public Works Committee, Washington, DC.*

DEAR CHAIRMAN BURDICK:

The National Industrial Transportation League, the Nation's oldest and largest shippers' transportation association, respectfully asks to supplement its earlier comments on reauthorization of the Federal highway program, and submits the following for your committee's hearing record.

The League is a voluntary organization of shippers, receivers, and other purchasers of freight transportation services. It is the only national organization representing shippers of all sizes and commodities using all modes of transportation to move goods in intrastate, interstate, and international commerce. Its members, directly or indirectly, are responsible for the routing of about 80 percent of the Nation's commercial freight.

As previously noted, the League shares your objective of enacting a multi-year reauthorization plan which stresses the need for better coordination among the Nation's transportation modes and recognizes the impact our highways have on our competitiveness in domestic and global markets. However, we have reviewed S. 965, the reauthorization plan sponsored by you and other members of your committee, and regret that, in our view, it fails to meet the Nation's commercial highway needs. We also have reviewed S. 823 and find that it fails to adequately enhance the Nation's competitiveness. We believe that S. 610, the Administration's reauthorization proposal, provides the needed ingredients to accomplish our policy and competitiveness objectives.

While we share the goal of ending urban congestion, we do not believe that mass transit funding should be the sole focus of this effort. To best serve the public interest, adequate funding for commercial considerations needs to be taken into account.

For two thirds of the Nation, the only way foodstuffs and consumer goods reach them is by truck. For two thirds of the Nation, the only way raw materials enter and finished goods exit their work sites is by truck. If we are to improve the Nation's economic health, we must look to its roads and find ways which allow us to move efficiently the bulk of the Nation's economic output.

Off-peak service offers some promise of relief. However, it cannot serve as a comprehensive solution until this country requires its businesses to operate on a 24-hour basis. Congestion pricing falls victim to the same problem; trucks cannot provide service to businesses that are not open. Toll financing should be limited to those instances where Federal funding has not already been used to finance the project.

In reauthorizing the Federal highway program, revenues from the Highway Trust Fund need to be targeted to those projects which facilitate domestic and international commerce. Designating a network of Highways of National Significance would help identify those roads and bridges that have the greatest impact on our competitiveness. Any reauthorization measure should dedicate adequate resources for their upkeep.

Revenues from the Highway Trust Fund need to be focused on highway problems if the intent of the user fee method of funding is to be preserved. At present, transit funding results from a dedicated portion of the fuel tax. These monies should be spent for their intended purpose. However, spending more than these sums on non-highway projects defeats the purpose of a user fee. If the creation of a more comprehensive surface transportation fund becomes a policy priority, the League would urge that careful study be given to potential sources of revenues so that any fund which may be adopted is fair, equitable, and reflects the extent and character of the use made.

The League supports your committee's and the Administration's efforts to increase flexibility for State and local governments by streamlining current funding programs into broader categories. It believes, however, that the bulk of the reauthorization expenditures should be concentrated on highway-related programs and

projects. It also is concerned about not requiring a centralized planning approach to transportation issues. Bypassing the States in favor of the cities threatens to create a bifurcated system that hampers, not promotes, increased safety and efficiency on our nation's highways.

In closing, the League also strongly believes that the productivity/uniformity provisions on regulation, registration, and taxation contained in S. 610 should be incorporated into any final highway reauthorization legislation. It looks forward to working with you and your staff in making this goal a reality.

Sincerely,

JAMES E. BARTLEY  
PRESIDENT

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PREPARED STATEMENT OF EARL B. EISENHART, VICE PRESIDENT FOR GOVERNMENT  
AFFAIRS, NATIONAL PRIVATE TRUCK COUNCIL (NPTC)

Chairman and Members of the Committee: I am Earl Eisenhart, Vice President for Government Affairs of the National Private Truck Council. NPTC appreciates this opportunity to appear before the Committee to present our views on the reauthorization of the Federal highway program and specifically on S. 965, the Surface Transportation Efficiency Act of 1991.

NPTC commends you, Mr. Chairman, and the Committee, for your interest and attention to America's transportation needs.

Private fleets represent a significant, and perhaps the largest segment of the total universe of truck operators. Collectively, they have been estimated to operate as much as two-thirds of the 1.2 million trucks in this country over 26,000 lb. gross vehicle weight.

NPTC fully represents this extremely important group of motor fleet operators. We represent large fleets operated by Fortune 500 companies and the small fleets of local businesses. Our members operate virtually every type of equipment, from tractor-trailer combinations using tank trailers or 48 or 53 foot long trailers, to straight trucks used in local delivery operations by bakeries and dairies.

The physical integrity of our highway system is of critical importance to NPTC member-companies. Our national economy depends on well constructed and well maintained roads and bridges that foster and encourage the efficient movement of goods in commerce. The ability of NPTC member-fleets to support their companies' transportation needs directly depends on it also. Retailers, distributors, warehousemen, manufacturers and service companies alike must have good roads to move raw materials and finished products.

NPTC SUPPORTS POLICY GOALS OF S. 965

NPTC supports the stated policy goals of S. 965 to "improve the efficiency of the existing surface transportation system" and to "increase productivity in the transportation sector of the economy through systematic attention to costs and benefits. . . ." We are pleased, as well, that S. 965 envisions a 5-year program and does not appear to contemplate the need for additional Federal fuel taxes.

NPTC SUPPORTS 5-YEAR FEDERAL HIGHWAY PROGRAM

NPTC believes a 5-year program offers the prospect of much needed stability and predictability to transportation financing.

NPTC SUPPORTS VIEW THAT THERE SHOULD BE NO NEW FEDERAL FUEL TAXES

NPTC members and other highway users have just absorbed a 5 cent per gallon Federal fuel tax increase effective last December in *addition* to major increases in many State fuel taxes. Despite congressional commitments, none of the revenue from last year's increase is being used to finance highway construction, repair and maintenance. Half is going directly to deficit reduction. The other half is accumulating (not being spent) in the highway Trust Fund where it is being used to mask the true size of the Federal deficit. Additional user fees are not required to make significant new investment in transportation infrastructure. We urge the Committee to oppose any additional Federal fuel tax increase.

NPTC SUPPORTS PROHIBITION ON TOLLS ON EXISTING FREE INTERSTATES

NPTC is also pleased that S. 965 would continue the prohibition of tolls on existing free Interstate Highways. NPTC members generally view tolls on publicly-financed highways as a form of "double taxation" requiring massive administrative

effort and cost to implement. However, we are prepared to concede that there may be extremely limited circumstances, where the needs are very great and other financing options are unavailable, where it may be appropriate to utilize technologically-efficient toll financing. In no circumstance, however, should tolls be used on existing highways constructed with public funds; should toll fees be used for non-highway purposes; or, should tolls be used to limit or discourage the use of publicly-funded highways.

#### S. 965, TAKEN AS A WHOLE, WILL NOT MEET POLICY GOALS

While NPTC applauds what we view as the positive elements of the bill, we are concerned that S. 965, as a whole, will not serve to meet the above-stated policy goals. Specifically, we fear the bill's lack of attention to a "national highway system", the proposed consolidation of programs, the omission of provisions to bring about much-needed reform of State trucking regulations, and the provisions for congestion pricing would result in a significant *negative effect* on both the efficiency of the existing surface transportation system and productivity within the transportation system as a whole.

#### AMERICA NEEDS IMPROVED NATIONAL HIGHWAYS

The need to maintain and *significantly improve* our system of national highways is critical to the ability of American business to be efficient, competitive and profitable. Poor roads and closed bridges mean missed delivery schedules, higher costs of operation, and more expensive consumer products. NPTC member companies, representing a cross-section of American industry, are absolutely dependent on the ability to move goods and services quickly and efficiently to stores, warehouses, factories and distribution centers. The most viable and cost-effective, (and in many cases, the only) transportation link connecting these geographically dispersed commercial entities are "national" highways. The U.S. economy relies on *national* distribution systems and we must have improved *national* highways to support them.

#### A NATIONAL TRANSPORTATION SYSTEM REQUIRES STRONG FEDERAL LEADERSHIP

Furthermore, we believe that a truly national system requires national perspective, and this implies a strong Federal presence and strong Federal leadership. Certainly an appropriate balance must be struck in the State-Federal transportation partnership and allowing greater flexibility to States than has previously been the case is probably a good thing. However, placing too much control over transportation dollars in State and local hands, will not, in our view, result in a system that will meet our nation's future transportation needs.

A "real life" example may serve to illustrate the points expressed above. In June of 1989, the St. George's Bridge on U.S. Route 13 over the Chesapeake and Delaware Canal in upper Delaware was closed to truck traffic because it had deteriorated to the point where it was deemed to be unsafe. (This situation is far from unique. According to some estimates, 40 percent of bridges nationwide are in need of repair or replacement. This problem is particularly acute in rural areas where fully one half of bridges are believed to be below standard.) Route 13 is the primary north-south highway route in Delaware. It is a major commercial corridor. It provides the critical transportation link between Eastern Shore agricultural producers and the principal markets of the Northeast. It is, if you will, a highway of "national significance." Prior to June of 1989 when the bridge was closed to truck traffic, one NPTC member-company, Perdue Farms, Inc., of Salisbury, Maryland had seventy trucks crossing this bridge in each direction each day. This represented \$10 million worth of product moving to New York City and other points north every week. When this important commercial link was severed, it cost Perdue Farms, alone, an amount equivalent to almost one-half million dollars a year in additional operational costs. As Frank Perdue has said, while it may "take a tough man to make a tender chicken, it also takes good roads and good bridges with adequate capacity to get the chicken from the farm, to the processing plant, to the supermarket, to the kitchen table."

There is another point to be made using the St. George's bridge example. Even before the bridge was closed, Route 13 and other north-south routes in the area had become woefully inadequate to support growing economic activity. Greater capacity on existing routes was, and is, desperately needed to keep the Eastern Shore-Northeast economic link healthy. This situation is by no means unique to this particular corridor. Similar examples abound throughout the country. Just as dirt roads were inadequate to the needs of the 20th Century, so is the condition of the existing highway system inadequate to the needs of the 21st.

As noted, the physical location of the St. George's bridge happens to be in Delaware, yet it is important to the consumer economy of New York City as well as to the rural agricultural economy of the Maryland Eastern Shore. While local transportation officials can be expected to work to protect the interests of local businesses and consumers, they are not in the best position to make decisions critically affecting areas outside their borders. For the reasons stated above, we need to maintain a focus on highways of national significance, work to increase the capacity of these highways and, continue the principal leadership role of the Federal Government in determining transportation priorities.

#### NPTC OPPOSES CONSOLIDATION OF URBAN/RURAL PROGRAMS

NPTC opposes proposals calling for consolidated urban and rural highway programs. The need for repair and maintenance of rural road systems is as great or greater than that of urban transportation facilities. Fully 80 per cent of America's roads pass through rural areas. According to the Highway Users Federation one-half of rural bridges are below standard. Traffic congestion is now growing faster in outlying and rural areas than in metropolitan communities. Maintaining the physical integrity of rural roads is critical to local and national economies and is necessary to the efficient movement of products to and from farms, forests and mines.

NPTC fears that the highway transportation needs of rural areas will lose out in competition with politically powerful urban interests seeking transit and urban highway dollars from the same pot of money. To assure equity and protect the needs of users of non-urban roads and highways, NPTC urges that distinct metropolitan and rural programs be maintained and separately funded.

#### NPTC SUPPORTS REFORM OF STATE REGULATION OF TRUCKING

NPTC is disappointed that S. 965 does not pursue the initiatives of Senator Inouye, Representative Hastert, Secretary Skinner and others to significantly reform State regulation of trucking. NPTC vigorously supports these efforts to improve highway productivity (at no cost to the Federal treasury) by reforming the current hodgepodge of inefficient, confusing and often conflicting State regulations governing trucks and truck operations.

As a result of highly restrictive regulation of routes, rates and services in some States, as well as tax systems which lack procedural uniformity, interstate fleet operators are confronted with a blizzard of unnecessary paperwork and other administrative burdens. NPTC members can not make the most efficient use of the highway system unless there is greater uniformity and simplicity in State trucking regulation and free access to the highway transportation system.

For this reason, NPTC supports proposals to:

1) *Eliminate anticompetitive economic regulation of trucking.* This regulation offers no safety, environmental or consumer benefit, and its removal will allow our member-companies to make far more productive use of the highway system.

While efficiency in trucking operations was greatly enhanced by the Motor Carrier Act of 1980, much more needs to be done to eliminate artificial economic restrictions. These restrictions result from outmoded State regulation of rates, routes and services. Such regulation is inherently anticompetitive. Private carriers in particular have been prevented from undertaking many efficient operations because of the failure of a number of States to allow, within their own jurisdictions, the opportunities provided under Federal law since 1980. For example, approximately 35 States currently prohibit private carriers from engaging in compensated intercorporate hauling in intrastate commerce, and approximately 30 States prevent single source leasing in intrastate commerce. Many States also continue to impose stringent artificial restrictions on the issuance of operating authority.

As an example of the high costs imposed by intrastate regulations of truck operations, it currently costs one NPTC member company \$296 to ship 36,000 lbs. of cherries from Grandview, Washington to Portland, Oregon. However, an intrastate shipment of the same load, over the same distance, from Grandview to Spokane, costs \$597.

This is just one example, among many, of the ways in which the continued State regulation of truck rates, routes and services causes nightmares for corporate logistics managers and prevents American industry from making the most productive and efficient use of truck fleets.

2) *Require the States to implement uniform procedures for collection of registration fees and fuel taxes.* Lack of uniformity in this area is a major stumbling block to efficient highway use.

3) Grant the Secretary authority to require the States to establish "one-stop shopping" whereby an individual or fleet operator could go to a single point of contact within a State for registering a commercial motor vehicle, paying fuel use taxes, and filing for and paying other fees or taxes associated with the purpose, use and operation of commercial vehicles in interstate commerce.

4) Eliminate State "bingo card" requirements. There is no legitimate purpose for these State programs which require duplicative filing of operating authority, and require cab cards and decals in every tractor.

NPTC is aware that there is significant opposition from some States to Federal action to bring about the reforms outlined above. The National Governors Association (NGA), while professing to support uniformity in registration and fuel tax procedures and implementation of one stop shopping, has opposed the congressional "intervention" necessary to bring them about in a timely fashion. It has taken literally decades for most States to voluntarily become parties to the International Registration Plan. With our international competitiveness, and ability to efficiently use our highways at stake, America can not afford to wait any longer for productivity reforms in the areas of economic regulation, fuel taxes and one stop shopping and "bingo cards."

#### NPTC OPPOSES CONGESTION PRICING

NPTC believes the provisions in S. 965 relating to congestion pricing would open the door to local restrictions on highway mobility. While NPTC members are acutely aware of the problems caused by increasing traffic congestion, and air pollution, we also know that the ability to use the highway system to the fullest extent possible is an important element in economic prosperity, and that full access is necessary to support American industry's transportation logistics needs. Therefore, NPTC opposes the proposals relating to congestion pricing.

#### NPTC SUPPORTS INCREASED FUNDING FOR MCSAP

While we recognize that this issue may be more appropriately under the purview of the Commerce Committee, NPTC would like to take this opportunity to express support for the Administration's proposal to increase the level of funding for the Motor Carrier Safety Assistance Program (MCSAP) and to comment on the current definition of commercial motor vehicle. This proposal, if adopted, will represent a significant contribution to improvements in motor carrier safety.

Safety is the priority concern of our membership. Safety is good business. A safe operation is a productive operation. Goods will be delivered, and services offered, only if these are done in a safe and healthy way. For these reasons, NPTC supports the Administration's proposed increase in funding for the Motor Carrier Safety Assistance Program (MCSAP).

The Motor Carrier Safety Assistance Program has become the centerpiece for Federal-State cooperation in truck safety enforcement. MCSAP has caused States to re-evaluate, and in many cases, significantly improve, their policies and practices affecting motor carrier safety. MCSAP has dramatically increased inspections by State safety officials, increased compliance with safety requirements, promoted uniformity of Federal and State legislation, and enhanced industry's awareness of the importance of safety.

For this reason, NPTC strongly supports increased funding for the MCSAP program. We believe the levels in the Administration's proposed Surface Transportation Assistance Act will move the program along aggressively.

#### NPTC SUPPORTS FUNDING FOR A COMMERCIAL VEHICLE INFORMATION SYSTEM

The Administration's proposal includes provisions relating to information systems utilized by one or more States pertaining to collection of fees and taxes for vehicle registration, motor fuel use and related purposes. Funds authorized for the Motor Carrier Safety Assistance Program would be available to assist States to upgrade their existing information systems supporting information exchange and transfer of funds.

As indicated above, NPTC strongly supports the uniformity provisions of the Administration's proposal relating to the International Registration Plan, and the International Fuel Tax Agreement. Further, we have no objection to the use of MCSAP funds for the development and initiation of the information systems needed to support these plans.

We see this funding approach as strengthening MSCAP and not as diluting MCSAP objectives. We believe there is a direct link between effective administration of the MCSAP program and a reliable, and frequently updated, database of



motor fleet operators. Although many States have adequate records of carriers who operate *within* their States, there is no one reliable source of information on *inter-state* operators, and on *all intrastate operators*. The Safety Audit and Roadside Inspection Programs of MCSAP could logically be related to base State registration information. This will insure a reliable source of information for planning inspections, and for inclusion of critical information in the "Safety Net" system, which currently inventories those fleets with documented safety problems.

While we may question the scope and degree of direct Federal and State grant funding anticipated for system reviews and implementation, the basic approach in the Administration's proposed Commercial Vehicle Information System is sound, and the system will clearly facilitate the entire MCSAP effort.

#### NPTC SUPPORTS STUDY OF COMMERCIAL MOTOR VEHICLE DEFINITION

Under the current definition of commercial motor vehicle, a commercial motor vehicle includes all vehicles with a gross vehicle weight rating of 10,001 lbs. or more.

In late 1989, the Federal Highway Administration (FHWA) issued an advance notice of proposed rulemaking, asking whether the 10,001 lb. gross vehicle weight rating used to define commercial motor vehicles should be changed for MCSAP purposes. Many believe it should, including some members of NPTC. FHWA received a number of comments urging the 10,001 lb. threshold be raised to 26,001 lbs.

Although we did not recommend a change in the threshold definition, NPTC did support the right of individual States to exercise discretion over their enforcement of MCSAP safety laws on vehicles weighing less than 26,000 lbs., without jeopardizing their eligibility to receive MCSAP monies. A number of NPTC members operate medium and light duty vehicles. These companies, principally those involved in the delivery and service industries have excellent safety records, and believe they are impeded by a number of unnecessary requirements relating to these smaller vehicles. For that reason, NPTC urged FHWA to initiate a study of medium vehicle operations to determine whether, and, or to what extent, the gross vehicle weight rating threshold could be raised to exempt medium vehicles from Motor Carrier Safety Assistant Act requirements, without undermining safety. We continue in our belief for the need for such a study, and believe in the long run, ways can be found to increase the productivity of medium weight vehicles, without undermining the purposes and impact of the Motor Carrier Safety Assistance Program.

#### CONCLUSION

NPTC supports the stated policy goals of S. 965. We agree with the concept of a 5-year program, are opposed to additional Federal motor fuel taxes, and support a prohibition on tolls on existing free Interstate Highways. We are concerned however that S. 965 will fail to meet the stated policy goals due to lack of attention to a truly national highway program, the proposed consolidation of programs, the omission of provisions to reform State trucking regulations and the provisions introducing congestion pricing.

NPTC looks forward to working with the Committee and Congress to insure timely enactment of comprehensive highway legislation.

#### STATEMENT OF JOSEPH P. KIRK, MON VALLEY PROGRESS COUNCIL

Mr. Chairman and Members of the Senate Public Works Works Committee, my name is Joseph Kirk. I am Executive Director of a corporate sponsored, community and economic development not for profit corporation called the Mon Valley Progress Council and Chairman of the Mon/Fayette Expressway Association. As one who works on the local level in the area of economic development, I sincerely appreciate the opportunity to provide testimony to this committee on the issue of highway development.

The progress Council serves a region located 25 miles south of the City of Pittsburgh in the Monongahela River Valley. The Mon/Fayette Expressway Association is a coalition of local leaders in Southwestern Pennsylvania and Northern West Virginia committed to the timely development of the Expressway project. Attached is a map that provides the service area of the progress Council and the location of the Mon Valley/Fayette Expressway.

As members of a committee who deals with important issues of transportation, you are acutely aware of the direct relationship between economic viability of a region and the availability of a modern highway system to such areas. In economic development efforts, the presence of highways that provide access to the Interstate

System and thus to markets is widely recognized as a prerequisite for the location of new manufacturing operations and technology based industry.

For the Mon Valley region, the development a new highway link is essential for the economic revitalization of our region. The devastating industrial decline of the Mon Valley in the 1980's is widely known. Over 100,000 people lost their jobs due to virtual loss of the industrial base. Although progress has been made in providing employment for those who lost jobs, unemployment in the Monongahela river valley still is in the double digit range. Based on a January 1991 study unemployment for the Mid Mon Valley was 10.33 percent or twice the State average. However, when considerations of underemployment and discouraged persons are included the rate for the Mid Mon Valley rises to 21.1 percent.

Despite the deep commitment to our own highway project, my purpose in appearing before this committee is to speak to a much broader highway development issue. The 1987 Surface Transportation Act Toll Road provision included provisions to encourage the development of toll roads. This set into motion a policy that can have a profound impact on the development of necessary highways such as the Mon Valley/Fayette Expressway. The recently issued National Transportation policy Report speaks of this on page 118 by stating that the Administration will develop legislation consistent with the principle to "allow greater use of toll financing on Federal Aid.d Highways". The proposed Administration 1991 Surface Transportation Reauthorization Bill reaffirms the interest in expanding the toll road concept.

In our effort to encourage the next step in the promotion of toll roads we have consulted with a variety of highway user groups, elected officials and construction associations. These groups included the International Bridge, Tunnel and Turnpike Association, the American Road and Transportation Builders Association, Associated Builders and Contractors, Contractors Association of Western Pennsylvania and American Trucking Association, Inc. I am not suggesting that we are representing a policy position of these groups. However, it is fair to report that our proposal has earned the interest of the aforementioned.

Our proposal to promote new toll road highways is based on the principle that the 1991 reauthorization of the Surface Transportation Act should include specific direct financial support for the implementation of a toll road policy.

Gentlemen, what we are proposing is a targeted Federal initiative to promote the development of important new highway links in a manner consistent with the National policy report objective of "increasing the local share of Federal aid for transportation" (page 44). The Highway Innovation Program (HIP) we propose would be targeted to the construction of new limited access interstate grade highways. Attached to my testimony is a copy of our proposal.

If implemented the proposal would provide direct Federal support for 75 percent of the 335 percent Federal aid approved under the toll road provision of the 1987 act. This would represent 26 percent direct Federal assistance for eligible projects. The balance of funding for projects would be supported through a combination of tolls, existing Federal highway funds allocated to States and locally supported innovative funding sources.

Funding for this initiative could be supported by an increase in the authorization level of the Federal highway trust fund. the amount of the increase would be based on the financial needs of such projects and certainly should be reflective of Federal fiscal realities. Under the HIP proposal each State would be permitted to seek designation for one toll road. Funds would then be allocated on a competitive basis.

In conclusion, the Highway Assistance Program would provide a means to ensure the timely completion of the Mon Valley/Fayette Expressway so desperately needed in our region. On a national level the HIP proposal would place the Federal Government in a leading role for the implementation of innovative techniques that promote a wide range of financing strategies necessary for the development of new highways.

Again, I thank you again for the opportunity to address this crucial issue.

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#### PREPARED STATEMENT OF KENNETH D. MULZER, NATIONAL STONE ASSOCIATION

Mr. Chairman, the National Stone Association represents approximately 500 producers of crushed stone and the related industries that provide services and supplies to our producer members. Our Association represents companies that account for over 80 percent of the crushed stone produced in the United States and provide over 64,000 jobs. Stone is quarried in 70 percent of the counties in the country and 49 out of the 50 States. It is a \$5.5 billion a year industry and is the largest non-fuel mineral extractive industry in the country.

We are both a major supplier to the transportation construction process and a user of the Nation's transportation infrastructure. Approximately a percent of crushed stone is trucked directly to its end use from our quarries. In addition, much of the stone that is shipped initially by rail or barge will reach its final destination by truck. We share your and other members of the committee's concern with the need to develop efficient and effective intermodal links. Because of the location of our facilities, the vast majority of our employees must commute to their jobs by automobile so congestion is impacting employees on a daily basis as they go to and from their jobs.

We are vitally concerned as business people and citizens with the decline in performance of our nation's transportation infrastructure. Our statement has a two fold purpose. *First*, I wish to voice NSA's vigorous support for the timely passage of a new highway reauthorization bill at adequate funding levels to meet our nation's transportation needs. As noted in Mr. Paul Mellon's letter to Congressmen Mineta, Roe, Hammerschmidt and Shuster, our Association supports the funding levels they have proposed. Increasing Federal transportation funding to \$158 billion during the next five years more accurately reflects the Federal responsibility for meeting the Nation's mobility needs and returns trust to the Highway Trust Fund by employing user fee revenues for the purposes for which they were collected.

The time to rebuild America's transportation infrastructure is now. The American people are willing to pay the user fees to develop a safe and efficient transportation system. If the Nation is to prosper in a global economy, we must stop amassing surpluses in transportation trust funds and use the money to restore our infrastructure and create a transportation system that improves our productivity and enhances our competitive edge.

This leads me to my *second* purpose in being here today which is to tell the committee about the new Aggregates Research Center that NSA is establishing in cooperation with the National Aggregates Association as a major private sector initiative. It will enhance the productive use of aggregates and ultimately the value they provide to travelers and taxpayers through their applications in the building, restoring and maintenance of our nation's roads, bridges and highways. Our industry has currently raised some \$3.4 million for an Aggregates Foundation that will fund the Center. The Center will be located at a major university and provide an independent focal point for the development and distribution of basic and applied research on crushed stone, gravel, natural sand and other aggregates for all construction and highway end uses.

The Center will work closely with public agencies (Departments of Transportation, Public Works organizations, U.S. Corps of Engineers, etc.), other academic and industrial research and educational institutions, architects, engineers and leading corporations to ensure that the proper usage of aggregates, innovative end-use applications, durable construction and cost-effective paving procedures will be utilized.

In addressing the Nation's infrastructure crisis, we face the issues of repairing the existing decay in our system, developing better methods for preserving our existing multi-trillion dollar investment in our roads and bridges and formulating new ways to build more road capacity with scarce dollars.

The Aggregates Research Center will provide a bold new approach to developing credible new information on the use of aggregates in all types of construction and highway applications. The Center will work to develop sound technical and scientific information about aggregate products, promote understanding of the factors influencing the properties of aggregates and of mixtures in which aggregates are used, *provide information to Federal and State user agencies for the desian of improved structure utilizing aggregates* assist users in making knowledgeable choices in the marketplace, and to conduct educational programs for the transfer of research information to practicing and future engineers.

The bottom line for highway users will be better, more durable and hopefully safer roads and bridges constructed in the most cost-effective manner. We believe this investment by our industry represents the essence of what de Tocqueville called "self-interest properly understood."

#### HIGHWAYS AND COMPETITIVENESS

Mr. Chairman, the Chairman of the House Committee on Public Works and Transportation, The Honorable Robert Roe summed up our situation very succinctly when he said, "While the world has been changing around us and while our major economic rivals have been growing even stronger, we have not been preparing for the future."

The Surface Transportation Assistance Act proposed by the Administration provides Congress with the opportunity to turn this situation around. The dynamic

interaction between infrastructure investment, productivity, growth and the generation of new wealth will allow us to build the infrastructure the country needs based on user fee revenues.

In his book *The Work of Nations* Robert B. Reich points out that investment in wealth generating assets such as transportation infrastructure produces an expanding circle of economic growth that can impact the future of America's standard of living and ability to compete in a global market.

As you may have seen in the Monday, April 15, 1991, edition of Roll Call, NSA has joined with over 85 other companies and associations in an open letter which recommends that Congress:

1. Reauthorize the Federal surface transportation program for four or more years prior to the September 30, 1991 expiration date;
2. Provide the necessary funding to meet the identified highway and transit needs, and provide for the spend-down of the rapidly accumulating balance in the Highway Trust Fund;
3. Restore to the Highway Trust Fund the 2.5 cent increase in the Federal motor fuels user fees enacted in last year's budget reconciliation act; and
4. Provide for the permanent independent reauthorization of the Highway Trust Fund.

As an individual Association, we have endorsed the basic structure the Administration has proposed for providing Federal-aid to the States through the National Highway System, the Urban-Rural Program, the Bridge Program, the use of toll roads and public-private partnerships to expand investment in infrastructure. In addition, we support the Administration's call for additional spending in the research and development area.

U.S. Department of Transportation Secretary Samuel K. Skinner should be congratulated on the outstanding job he has done in developing a National Transportation Strategy and formulating his proposed legislation. Clearly, they have done an excellent job in framing the policy debate.

However, the financial component of the Administration's proposal does not meet the Nation's infrastructure needs or keep faith with the user fee concept. There can be no further build-up in the Highway Trust Fund. Existing surpluses should be used to finance needed projects. Further, the overall funding levels proposed by the Administration are inadequate. As mentioned above, we support the levels proposed by yourself and the other leaders of the Public Works Committee which would provide \$21 billion for highways next year and \$24.5 per year for the remainder of the authorization period. While we do not have a specific recommendation on matching ratios for each program area, long-term needs studies continue to show that even higher spending levels would be required to keep America's lead in mobility. Groups such as the American Association of State Highway and Transportation Officials have developed comprehensive programs multi-modal programs, that should be considered in establishing different infrastructure investment rates.

We do believe that the overall Federal share for meeting our highway needs is more than 22 percent currently provided. The long term policy goal should be to restore the Federal share to the previous level of approximately 30 percent. This expanded Federal commitment needs to be matched by expanded efforts by State and local governments as well. DOT Secretary Skinner has raised valid points concerning the role increased State and local financial contributions make in improving project selection and construction management.

The Surface Transportation Efficiency Act of 1991 (STEA), S. 965, is also playing an important role helping focus attention on key policy concerns facing Congress in developing new surface transportation legislation. The proposed Surface Transportation Program highlights the need to co-ordinate intermodal links if we are to reduce the congestion that is clogging our national transportation arteries. Allowing States and localities flexibility in shaping their local transportation system should be an important characteristic of the new Federal legislation in this field. However, we believe that maintaining a national mobility system and insuring the integrity of the user fee financing concept are also important. The failure to recognize the DOT proposed national highway system and the complete blending of transit and highway funds are serious shortcomings in the STEA '91 which need to be corrected before this bill is reported from this committee. Increased highway capacity beyond HOV lanes is needed and should be recognized in this legislation. Further, specific capital oriented transit programs should also continue as part of the mix of resources available to localities to provide mobility and reduce congestion.

NSA continues to strongly believe in and support a Federal leadership role in developing a national transportation mobility system. We recommend that the legislation your committee reports have at its heart a commitment to a national surface

transportation network that recognizes the human and economic realities Americans are facing in meeting their mobility needs.

Pat Choate began a good deal of the debate on America's infrastructure crisis with his book *America in Ruins*. Today, he notes that the criteria for competition in a global economy are price, quality, service, marketing and innovation. Transportation infrastructure impacts all of these factors. On behalf of the National Stone Association, urge you and the members of the committee to report out a bill that can move America into the 21st century and restore our competitive edge.

#### BACKGROUND

##### *Why America Is In Ruins*

By almost every measure, the U.S. has been reducing its investment in infrastructure. As a share of gross national product (GNP), spending on public capital has dropped from 2.3 percent of GNP in 1960 to less than 1.1 percent in 1985. The U.S. ranks 55th in the world in capital investment in infrastructure. It spends a smaller share of its resources on highway investments than Japan, which relies more heavily on rail transportation than does the U.S.

As noted by David A. Aschauer, former senior economist at the Federal Reserve Bank, the net result is a decline in U.S. competitiveness. "A root cause of the decline in the competitive position of the United States in the international economy may be found in the low rate at which our country has chosen to add to its stock of highways, port facilities, airports and other facilities which aid in the production and distribution of goods and services."

As the U.S. investment in infrastructure has fallen, so has its productivity. Other measures show a decline in infrastructure investment as well. Absolute dollar amounts invested in infrastructure when measured in 1972 constant dollars fell by 17 percent between 1964 and 1985. When measured on a per capita basis, spending has dropped by 40 percent since 1964. Perhaps the clearest way to demonstrate the decline in surface transportation infrastructure investment is to compare some numbers from the 1960's and 1980's. In the 1960's, 12 cents of every dollar spent on automotive transportation went toward roads. In the 1980's, only six cents of every dollar has gone toward the U.S.'s road network—a 50 percent reduction at a time of escalating road use.

Between 1968 and 1988, the private sector invested in new plants and equipment at a much higher rate than the public sector invested in infrastructure. Private-sector spending on capital rose from just over \$4 trillion in 1982 to \$7.3 trillion in 1988 while non-military public capital stock increased from \$1.2 trillion to \$1.7 trillion. The ratio of public to private fixed capital stocks sunk from over 30 percent in 1968 to approximately 23 percent by the end of 1988.

As Dr. Aschauer noted in a March 14, 1990, *Wall Street Journal* editorial, "Public Spending and Private Profit":

Countries that sustain a high level of public investment relative to output experience higher productivity growth than other countries. For example, during the past two decades Japan has invested about 5.1 percent of output in public works and achieved productivity growth of 3.1 percent per annum while the U.S. has maintained a low public investment ratio of 0.3 percent and seen inferior productivity growth of 0.6 percent per year. A part of the explanation of the decline in the competitive position of the U.S. may be found in the low rate at which it has added to its stock of ports, highways, airports and other facilities that aid in the production and distribution of goods and services.

Yet physical capital investment slid from 24.3 percent of total Federal outlays in 1960 to 11 percent in 1990 and is scheduled to fall to 10.7 percent in 1991. Similarly, total Federal investment has slumped from 34.1 percent of outlays in 1960 to 19.4 percent in 1990 and, if the president's proposed budget were adopted, would decrease to 19.2 percent in 1991.

Twenty years of underinvestment has led to the wearing out of the basic systems necessary to support economic growth.

##### *America's Changing Transportation Needs*

The 1980's have been the decade of the suburbs in terms of economic growth. Since 1950, a percent of the U.S.'s population growth has taken place in the suburban areas surrounding central cities. While Americans were deciding they liked the density of suburban living, they were also choosing to live in large metropolitan areas. By the mid-1980's, approximately half of the U.S. population lived in 35 areas with 1 million or more people, and one of three Americans lived in areas with 2.5

million or more people. (Seventy-five percent of all Americans live in metropolitan areas.)

In 1950, only 17 American metropolitan areas had populations of one million or more. These areas contained less than 30 percent of the Nation's population. Jobs moved with population. Between 1960 and 1980, over 60 percent of all job growth took place in the suburban areas. In 1960, American suburbs had about 14 million jobs or 35 percent of the U.S.'s employment base. By 1980, the number of jobs had more than doubled to 33 million. Today, as we enter the 1990's, businesses in the suburbs employ 60 percent of all workers and are responsible for 67 percent of all job growth.

The impact of these trends can be seen in communities around the country.

- In Gwinnett County, 18 miles outside of Atlanta, the population has grown from 72,000 in 1970 to 250,000 in 1987.

- Oakland County, near Detroit, has been responsible for 40 percent of all job growth in Michigan since 1982.

- Tysons Corner, a sprawling Washington, D.C. suburb in Fairfax County, Virginia, has more office space than either Baltimore or downtown Miami.

- This growth in the number of people and jobs in new suburban locations has doubled commuting time and has led to rush hours in the New York metropolitan area that will last for 15 hours a day by the year 2000.

In addition to shifts in population and job locations, there continues to be a major social change in the composition of the work force, as the Eno Transportation Foundation Report, *Commuting in America*, points out.

- Between 1960 and 1980, the working-age population increased by 40 million, an increase of 38 percent, compared to an overall population growth of 26 percent.

- More than twice as many people entered the working-age group between 1970 and 1980 as did in the 1950 to 1960 period. Total population is projected to grow by another 40 million by 2010.

- In 1950, about one-third of working age women were in the labor force. By 1985, that figure had jumped to almost two-thirds. Of the 50 million new entries into the labor force since 1950, 30 million were women. Women represented only 28 percent of the labor force in 1950; today they exceed 44 percent. Furthermore, studies reveal that the trip patterns of women differ from those of men in that women tend to make more "chained" trips, involving travel, for example, to child care centers or shopping areas before and after work. The frequency of trips is also increased by the growth of part-time employment, particularly for women. Although these latter changes in the labor force may lessen recurring traffic congestion, they tend to increase traffic flows throughout the metropolitan area.

- In those metropolitan areas experiencing high rates of population growth in the 1970's, the growth in the number of workers was far in excess of population growth.

- Phoenix, the fastest-growing large metropolitan area in the nation, increased in population by 55 percent between 1970 and 1980. The worker increase was 80 percent, 25 percentage points higher.

This explosion of workers has led to an explosion in commuters, and the U.S. is more dependent than ever on the automobile. The U.S. is faced with a national gridlock problem that is threatening its quality of life and economic vitality.

### *Updating for the 1990's*

While final data from the 1990 census are continuing to be formalized, it is clear that certain important trends impacting our transportation network are continuing. Perhaps the most important for this legislation is the continuing suburbanization of families and jobs and the shift in freight movements to new patterns of value movement versus bulk movement. Speed, flexibility and reliability are essential for a transportation system dealing with the new pattern of dispersed housing and work location that will be the key attributes to travel demand in the 1990's.

One of the clearest ways to understand the impact of this locational shift to suburbs is to recognize that only slightly more than 30 percent of all metropolitan travel is commuting to and from work. In fact, even at peak commuting hours, the amount of travel connected to commuting is 55 percent in the morning peak period and 37 percent in the night period travel. The continuing impact of part-time workers, two-job holders, a service economy and two income households is altering how we use and view our surface transportation network. For the foreseeable future, the main means for meeting our surface transportation needs will be developing safe, efficient and environmentally sound methods of accommodating and managing automobile and truck traffic. Transit can play a role in dealing with certain aspects of journey to work trips. However, even if current transit ridership was to double from

some 6 million to 12 million riders a day it would only equal 10 percent of all commuter trips and less than 1 year's increase in the growth of all trips.

### *Consequences*

The infrastructure crisis can be measured in terms of physical decay of transportation facilities and in the social and economic impact of congestion.

Let me share with the committee some examples in both areas.

- More than 60 percent of the miles of paved highways in the U.S. need some form of surface rehabilitation. In 1988, the U.S. Department of Transportation classified 43 percent of the interstate system pavement as either fair or poor. Operating costs are closely correlated with pavement conditions. Truck costs shoot up to 6.3 cents per mile when road conditions drop from "good" to "fair." Continuing current levels of highway funding will result in further deterioration of the highway system, resulting in an estimated \$1,000 increase in vehicle operating costs per household. The relationship fortunately works the other way as well. Every \$1 invested in highways reduces direct operating costs by \$3 to \$4. Today, 35 percent of the interstate system has outlived its design life.

- Highway congestion already is serious in many areas, and the total number of miles traveled annually by vehicles will increase by one-third over the next decade to 3 trillion.

- By 2005, traffic delays caused by inadequate roads will cost the U.S. \$50 billion a year in lost wages and wasted gasoline. Continued neglect of infrastructure is also costing jobs and increasing costs. The Port Authority of New York and New Jersey estimated that the region has lost 600,000 jobs as a result of infrastructure deterioration. In Pittsburgh, U.S. Steel estimated that it pays at least \$1 million a year in additional costs to detour its trucks 18 miles around a major bridge closed by the State for lack of repair.

According to various Federal Highway Administration (FHWA) studies, congestion problems are growing throughout the transportation system. FHWA found that the percentage of urban interstate miles considered to be congested grew from 31.5 to 46.7 percent in the mid-1980's in a 1983-85 survey of 37 metropolitan areas with a population of more than 1 million, traffic delays increased more than 90 percent in rural sections, about 50 percent in suburban areas, and 20 percent in central sections.

Traffic congestion imposes direct costs upon the individual by increasing personal travel time and vehicle operating costs in terms of fuel and motor oil consumption. For example, the California Chamber of Commerce estimated that traffic delays and rough roads cost motorists \$135 a year in lost time and another \$97 in fuel and maintenance costs. The Texas Transportation Institute estimated the 19 per capita cost of congestion (user cost and additional fuel cost) at \$330 without the added cost of higher insurance premiums associated with more congestion-related accidents, and \$400 per capita including the insurance adjustments. Indirect costs, stemming from higher accident rates associated with driving in congested traffic, added vehicle wear and tear, degradation in the quality of travel, and higher insurance premiums, are more difficult to quantify.

Various organizations in Southern California have estimated that traffic delays amount to 300,000 to 485,000 hours per day for motorists in the greater Los Angeles area. According to a transportation official for Los Angeles County, the cost of these hours of delay is valued at over \$507 million per year. The Southern California Association of Governments estimated the daily cost of recurring congestion in the Los Angeles region at over \$7 million, using 1984 data and 1987 prices.

The trucking industry is also affected by congestion. According to FHWA officials, the total annual cost for trucks being delayed on freeways is between \$4.2 and \$7.6 billion, based on estimated vehicle operating costs combined with driver time charges of between \$30 and \$55 per hour. Losses on urban streets, docking areas and transfer stations may go as high as \$23 billion. This does not include the opportunity costs from lost sales due to products not being available.

### *How much will it cost to fix?*

Various estimates have been developed to determine the cost of providing a safe and sound highway system. One frequently stated number is the 1988 FHWA estimate of \$100 billion spent annually by all levels of government. AASHTO in its 1988 report *Keeping America Moving: The Bottom Line* provides a range of estimates for annual surface transportation requirements from 1988 to 2020. AASHTO estimates that between \$96.1 and \$117.3 billion annually will be needed to meet our comprehensive surface transportation needs. To maintain service at a low standard of performance—services characteristics and physical conditions at today's level or slightly lower—will require at least \$80 billion per year for all aspects of the high-

ways, local roads and bridges. If we are to restore our decayed road network and bridges, meet our growing need to move people and goods, and make transportation an asset in our ability to compete internationally, AASHTO estimates our annual bill for highways, roads and bridges will be over \$100 billion per year for the next 30 years.

#### *Impact on Business Operations and Productivity*

There is a saying in business that nothing starts to happen until someone makes a sale. The corollary to that statement is that no job is finished until the product is delivered.

The declining quality of our highway infrastructure is impacting all aspects of business operations and by increasing costs and imposing delays that are hindering our ability to compete in a global economy.

Table 1.—Percent of Volume Shipped Just-in-Time by Industry

Industry	1987	1990	1995
Food.....	25.5	31.3	34.4
Chemical.....	10.9	20.0	29.9
Pharmaceutical.....	7.2	15.0	22.2
Automotive.....	16.9	35.8	41.9
Paper.....	15.8	20.0	27.5
Electronic.....	23.2	27.2	31.3
Clothing/Textile.....	29.5	41.8	49.0
Other Manufacturing.....	23.5	28.7	34.8
Merchandise.....	6.3	10.4	12.1
Total Response.....	19.2	26.8	32.1

Source: "Customer Service: A Management Perspective," Oak Brook: Council of Logistics Management, 1988.

As shown in Table 1, all aspects of American business are using just-in-time inventory procedures to reduce inventory costs and limit the amount of capital tied up in unproductive areas. This requires a transportation system that can respond in a reliable and predictable manner. To utilize plant and equipment and use labor more efficiently, firms are also using lower production run numbers. However, this process requires more deliveries of raw materials and subcomponents as well as additional shipments to customers. Increasingly, businesses of all sizes and in all sectors of the economy are investing in new information systems that provide them with fast and reliable data on the status of their operations. These new management resources cannot be translated into economic efficiencies unless we can move goods effectively.

Transportation is a significant component of the cost of all goods. On average, 20 percent of the final cost of goods is the result of transportation expenses. An inefficient transportation system increases costs throughout the economy because it has an impact on manufactured goods at all stages of the production process.

To be effective and efficient, the transportation sector needs the current infrastructure decay reversed. As pointed out earlier, the U.S. is annually suffering billions of dollars in losses from the current poor state of our infrastructure. We need to build new roads and expand our existing network to reduce current congestion problems and restore levels of mobility in our economy consistent with the standards that existed in the late 1960's and early 1970's. DOT has forecasted a 436 percent increase in freeway delays by 2005 if we do not act to expand capacity. Even using a more cautious forecasting approach, GAO (the Government Accounting Office) has estimated a 300 percent increase in delays. If these forecasts are allowed to come true, increased transportation costs could erode any other gains we make in improving manufacturing productivity and reducing costs in other aspects of manufacturing.

As the leading management expert Peter F. Drucker has pointed out, as an organization better controls direct production costs, indirect costs such as freight charges play an expanding role in your ability to compete.

Business is increasingly recognizing that the essence of automated production is a system organized around information. To fully utilize the benefits of an information-driven manufacturing process we need a support system that is reliable, efficient and cost effective.



The U.S. is not better able to compete if we eliminate manufacturing productivity gains through escalating transportation costs. It does management no good to have better information with which to plan and control its production funds and inventory levels if it cannot rely on the transportation network to deliver raw materials and or subcomponents to the plant and finished products to the customers in a timely fashion.

A sound transportation system is a precondition for a globally competitive economy. We need to build a transportation network with sufficient capacity to support our current requirements to move people and goods, provide room for future growth and create an environment that encourages innovation. To determine the proper level of infrastructure investment, we need to balance our engineering skills and construction capacities, our social and economic needs, a healthy concern for the environment and our ability to pay.

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#### NRDC URGES SUPPORT FOR THE "WASTE TIRE RECYCLING, ABATEMENT AND DISPOSAL ACT OF 1991"

Discarded tires are among the most under-appreciated municipal solid waste problems facing this nation. Billions of highly combustible tires now sit as dangerous public health threats in virtually every State. Each year 234 million more tires get added to our waste stream and only two percent of these find their way to viable recycling markets. Sitting in piles in communities throughout our nation these tires serve as breeding grounds for disease spreading rodents and insects. And uncontrolled tire fires that result from such mishandling emit extraordinary levels of acid gases, heavy metals and carcinogenic toxic organics.

Currently, no Federal regulations address this important public health threat. Moreover, few Federal initiatives exist to encourage the proper handling and storage of waste tires. Nor do crucial incentives exist to promote the safe recycling of these materials. Because of this millions of tons of valuable resources are go unused and, in fact, unnecessarily threaten the public health.

For at least these reasons passage of Senator Chafee's "Waste Tire Recycling, Abatement and Disposal Act of 1991" is of the utmost importance to environmentalists. According to Dr. Allen Hershkowitz, an NRDC Senior Scientist, "This valuable and well considered initiative will reduce the proliferation of threatening tire piles, require better management of those piles that do exist and, most importantly, stimulate the recycling market for these valuable resources. Once again, Senator Chafee has taken the lead in trying to guide our nation through its morass of solid waste problems. And once again, the Natural Resources Defense Council applauds his well considered efforts."

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#### STATEMENT OF THOMAS V. GRASSO, NATIONAL WILDLIFE FEDERATION

Chairman Burdick and Members of the Committee: the National Wildlife Federation, a national non-profit environmental education organization with over 5.5 million members and 51 affiliate organizations committed to a globally sustainable future, welcomes the opportunity to present our views on S. 965, The Surface Transportation Efficiency Act of 1991. The bipartisan effort represented by S. 965 marks an historic opportunity to change the way we move people and goods—to provide the Nation with an environmentally and economically sustainable transportation policy well into the 21st century. With the interstate system nearly complete, the Nation can no longer look solely to highway systems as a solution to promoting both interstate commerce and global competitiveness of American products. No longer, too, can transportation policy be considered in a vacuum outside the realm of other important factors affecting national health, including protection of our natural resources and energy efficiency. The National Wildlife Federation strongly supports S. 965 as a significant step to meeting the important national goals of Economic Efficiency, Energy Conservation, Environmental Quality and Enhancement of Our Urban and Rural Communities. These four national goals must be the primary guiding principles for the future of transportation policy and we commend the Chairman and Members of the Committee for the foresight in addressing these worthy national interests in S. 965.

*S. 965 Promotes Economic Efficiency.* Clearly, the primary purpose of the interstate and corresponding State and local roadways was to enable the efficient movement of people and goods. Today, the purpose remains the same for developing a multi-modal transportation policy that recognizes the unique needs of local communities. Traffic congestion in our metropolitan areas where 3 out of every 4 Ameri-

cans live is a waste of valuable hours of productivity and resources. The Union of Concerned Scientists estimates that "Americans spend one billion hours a year stuck in traffic, wasting two billion gallons of gasoline and costing the economy anywhere from \$10 billion to \$30 billion." S. 965 provides important funding and planning incentives to metropolitan areas to relieve traffic congestion and develop plans for efficient transportation. The bill's "Surface Transportation Program" allows funding for a variety of transportation solutions and de-emphasizes building more roads or increasing capacity when a more efficient and long-term solution is available. S. 965 effectively links transportation planning and performance to regional economic development and refocuses transportation policy on performance and efficiency and not simply construction of highway systems.

*S. 965 Encourages Energy Conservation.* The performance of our national transportation policy is a function of energy efficiency. A national policy that encourages conservation of our natural resources provides a solid foundation for building a stronger economy, reduces our dependence on unstable sources of foreign oil and eliminates the need for oil exploration in environmentally sensitive areas. S. 965 establishes the importance of considering energy conservation programs in the development of transportation plans. In the long run, energy efficient transportation will cut the costs of American products—which in turn makes our goods more competitive in the global marketplace. Decreasing our overall energy output through efficient transportation preserves our natural resources both renewable and non-renewable and lessens our reliance on foreign oil. In addition, S. 965 provides incentives to State and local communities to consider more efficient modes of transportation rather than increasing highway capacity for single occupancy vehicles. However, States and communities will have the option between increasing capacity or considering other multi-modal solutions to unique transportation planning issues. S. 965 recognizes that rural and urban communities encounter different transportation related problems and the need for communities to address energy conservation goals in a variety of ways. The bill's National Magnetic Levitation Design Program and funding for construction of HOV facilities are two examples.

*S. 965 Fosters Development of Liveable Communities.* Transportation planning must be integrated with the social and economic development of communities, and consider the impact on the natural resources base of those communities. This bill sets the foundation for the development of transportation policy in conjunction with such factors including: preservation of historic sites and scenic vistas and the consideration of land use development and planning, transportation enhancement activities, and the overall social, economic, and environmental effects of transportation decisions. In particular, the MPO and State planning process must consider these factors in developing transportation plans. Until this bill, transportation policy built roads first and left other important community decisions until last. S. 965 allows communities to consider transportation decisions in conjunction with their other important concerns.

*S. 965 Priorities Environmental quality In Transportation Planning.* Transportation affects the natural environment by polluting the air we breath, destroying the water resources we depend on and influencing land use decisions. S. 965 unites planning for attainment of national air quality standards (pursuant to last year's reauthorization of the Clean Air Act) with transportation planning. The bill also begins the process of incorporating the overall impacts of transportation on environmental quality. Transportation planning must be fully integrated with protection of our natural resources of air, water and land. We recommend the continued integration of environmental protection measures to ensure that the appropriate decisions are made initially to avoid complications later in the process. In particular, NWF recommends that transportation plans should consider attainment of national water quality standards and protection and maintenance of aquatic resources.

*S. 965 Takes a Giant Step Forward.* With an increasingly mobile society, the limited opportunities presented by highway systems, alone, cannot sustain a growing economy that remains sensitive to environmental and social concerns of communities. The National Wildlife Federation strongly supports the overall programming and planning structure of S. 965 as a solid foundation for the future of this nation's transportation policy and encourages adherence to the guiding principles of economic efficiency, energy conservation, enhancement of communities and environmental quality. Community involvement is the cornerstone of sound transportation planning. Therefore, we would also recommend that citizens be permitted to participate in the development of this very important national program. For instance, citizens should be provided with an opportunity to speak at public hearings, comment on proposed plans, programs and regulations and require their public officials to consider community concerns as part of the programmatic planning process.

Nevertheless, we remain concerned with respect to two important issues. First, The National Wildlife Federation is vehemently opposed to Title II of the bill, which promotes construction of off-road vehicle trails into roadless areas of national forests and public lands. Second, the Federation is disappointed that the billboard control provisions of S. 593 failed to be incorporated into S. 965.

*Title II of S. 965 Seriously Threatens Our National Forests and Public Lands.* The overwhelming majority of Americans use trails in national forests and public lands for hiking and other non motorized uses. Restoration and maintenance of these trails remains backlogged in the annual appropriations process for the Forest Service, National Park Service and the Bureau of Land Management. Title II would establish a National Recreational Trails Trust Fund [fund] from 0.3 percent of the Highway Trust Fund that amounts to between \$50 to \$60 billion per year. Money would be distributed to States which establish "State Recreational Advisory Boards" with 50 percent of funding equitably distributed among States and 50 percent distributed based on non highway recreational fuel use that includes highway vehicles that could be used off-road. States would use the funds as follows: 30 percent for non motorized recreation, 30 percent for motorized recreation and 40 percent for "Recreational Trails." "Recreational Trails" is defined to include trails used by off-road vehicles and hikers, joggers and bicyclists, etc. As a consequence of this definition and the 30 percent allocation to motorized recreation, 70 percent of the money must be used for off-road vehicle (ORV) trails. The allocation of funds in this manner directly contradicts actual recreational use of trails where 89 percent of use is by non-motorized users (see attached data). Of particular concern to NWF is Title II's grant of authority to States to administer the use of Federal money to build and maintain off-road vehicle trails across public lands normally administered by Federal land management agencies (Forest Service, National Park Service, and Bureau of Land Management) including ORV trails through roadless areas which are candidates for wilderness designation.

Under current law, Federal agencies have exclusive jurisdiction to build and maintain recreational trails on public lands from money derived in annual Congressional appropriations. In recent years NWF, The Wilderness Society and other conservation organizations have supported increasing funds for recreational trails within the National Forest System by advocating a decrease in annual appropriations for the Forest Service road construction program (which costs the Federal Government nearly \$300 million each year) and a transfer of a portion of the money saved to the agency's trails construction and maintenance program.

As an alternative to Title II, the Wilderness Society and we have proposed that the 0.3 percent of highway trust fund monies be apportioned equally between the States and the Federal land management agencies. In our proposal, States would have broader discretion to use the funds for a variety of outdoor recreation programs (not limited to trails), while the Federal agencies would use their share of funds to supplement yearly appropriations to relieve the backlog of trail maintenance and construction projects. The Federal agencies would be free to determine their funding priorities. The States, however, would be prohibited from using the money to build trails across Federal lands. Also, we would propose to sunset the provision at the end of seven years. We urge your adoption of this alternative to the present language in Title II of S. 965.

*S. 965 Lacks Necessary Billboard Reform Provisions.* In 1965, Congress passed Lady Bird Johnson's Highway Beautification Act with the goal of reducing the number of billboards along our nation's roadways and eliminating them from inappropriate areas. In the intervening years, loopholes have been carved into the law so that today it is used by the billboard industry to put up more billboards in inappropriate areas and to prevent communities from taking down unwanted signs. Reports by the General Accounting Office and the Congressional Research Service testify to the large increase of new billboards compared to the small number of billboards removed.

The National Wildlife Federation believes that America's visual environment must be protected. The proliferation of billboards—the Congressional Research Service counted 47,500 along interstates and Federal-aid-primary roads built in 1986 through 1988 alone—must be halted. Failure to do so will continue the decay of our visual environment along the Nation's roadways and hinder our investment in the Federal highway system.

The National Wildlife Federation believes that the Highway Beautification Act does not truly control billboards along America's roadways so long as it continues to protect billboards from coming down. The requirement for cash compensation that was added to the law in 1978 has been the single most important roadblock in moving billboards out of inappropriate areas. States and communities need to be

given back the compensation option of using amortization to move billboards out of inappropriate areas. Amortization has been upheld in Federal courts as an appropriate land use technique that has held to be constitutional. The compensation options available to States and communities for taking down non-conforming billboards should be both the amortization waiting period option and the immediate removal with cash payment option.

One of the most reprehensible acts that is sanctioned by many State departments of transportation is the practice of cutting and poisoning public trees along the highway right-of-way solely to make privately-owned billboards more visible. Many of these billboards are non-conforming and are slated to be removed. It runs counter to the public's heightened awareness of global warming, shrinking forests and dwindling habitat to allow our trees to be destroyed by chainsaws or poisonous chemicals simply for billboard visibility.

The National Wildlife Federation supports incorporation of S. 593 by amendment to S. 965 to reform the Highway Beautification Act by addressing these problems. The amendment would:

- Place a moratorium on the construction of all new billboards along federally funded highways; and
- Allow local communities, once again, to be able to use local zoning and land use authority to remove unwanted billboards. The provision would allow local governments to provide compensation in the form of payments or through amortizing the cost of the sign for a period of years after which the sign would be removed;
- Stop the practice of cutting and poisoning public trees on Federal rights of way purely for improvement of billboard visibility.

The National Wildlife Federation thanks the Chairman and members of the committee for the opportunity to present this statement for the record.

### Trail Users/Percents from Public Area Recreation Visitor Study (PARVS)

Total Numbers of Participants Adjusted by May 1990 U.S. Census Figures = 258,378,000 Million

Land-based activities	Percent of population 12 years or older	Number of participants
<b>Non-motorized</b>		
Walking for pleasure.....	60	155,026,800
Bicycling.....	36	93,016,080
Day hiking.....	16	41,340,480
Wildlife observation.....	14	36,172,920
Nature study/photography.....	12	31,005,360
Primitive camping.....	11	28,421,580
Horseback riding.....	10	25,837,800
Small game hunting.....	6	15,502,680
Backpacking.....	5	12,918,900
Downhill skiing.....	7	18,086,460
Cross-country skiing.....	4	10,335,120
No. of people participating non-motorized trail use—467,664,180 *—0.89 percent		
<b>Motorized</b>		
Off road vehicles and motorcycles.....	12	31,005,360
Big game hunting.....	6	15,502,680
Snowmobiling.....	4	10,335,120
No. of people participating motorized trail use—56,843,160 *—0.11 percent		
Total combined trail users—524,507,340 *		

\* People who participate in more than one activity are counted in each.

### STATEMENT OF PETERSON ZAH, PRESIDENT OF THE NAVAJO NATION

My name is Peterson Zah and I am the President of the Navajo Nation. Thank you for this opportunity to submit written comments on the Surface Transportation Assistance Act of 1991 (STAA) and on the highway and transportation needs of the Navajo Nation and of Indian Country. My testimony will supplement the hearing record of May 13-14, 1991 which covered this Committee's review of various legislative proposals which have been introduced to address these issues.

The Navajo Nation is the largest Indian tribe in the United States with a population of approximately 200,000 and a reservation which is 25,000 square miles in size. With that many people, and that large a land base, transportation and road needs are among the most critical issues facing my people. The Navajo Nation, which is the size of the State of West Virginia, has only about 2,000 miles of paved road. By comparison, West Virginia has 18,000 miles!

Improving the current Indian Reservation road system is critical to the health, safety and quality of life of American Indians and, in particular, the Navajo Nation. For instance, after heavy snows or rains, access to hospitals and schools can become virtually impossible on the many dirt roads which criss-cross the Navajo Nation. In parts of the Navajo Nation during weather emergencies, the National Guard is called upon to airlift people out because dirt roads are virtually impassable. It is common for Navajo children, who often must travel more than 30 miles one-way to the nearest school, to miss as many as 30 school days each year simply because the road conditions do not permit safe travel. For Navajos living in remote areas, traveling great distances for basic necessities such as food, clothes, coal and water is a fact of life. A paved road means a substantial dollar savings in terms of vehicle repair and depreciation. According to past studies, the average Navajo family spends nearly 40-45 percent of its income on transportation-related expenses, largely due to vehicle repair and replacement costs caused by poor road conditions.

Throughout the United States there has been a growing awareness of the serious economic impact of the deterioration of highways and other parts of the transportation infrastructure. This is even more true for the Navajo Nation where the deteriorating condition of our limited road system hinders economic development by discouraging companies from locating on or near our reservation. Our ability to generate new jobs, increase economic development, and improve the quality of life on our reservation is in great measure dependent upon building new roads and improving our present road system.

Current funding for the STAA's Indian Reservation Roads Program is woefully inadequate to address the critical transportation needs of American Indians. For the last five years this Program has received \$80 million each year without any adjustments for inflation. According to a Bureau of Indian Affairs (BIA) needs study undertaken in 1990, \$227 million a year is needed for 25 years to bring Indian reservation roads up to an acceptable level.

Given the transportation needs of the Navajo People, I have made transportation and road development, maintenance and improvement, a cornerstone of my administration's policy to improve the living conditions of Navajos and to attract on-reservation businesses. Before President Bush's fiscal year 1992 budget proposal was announced I met with senior Department of Transportation officials and corresponded with key officials of the Office of Management and Budget (OMB), seeking additional funding for the Indian Reservation Roads Program in the President's budget and in the Administration's proposed reauthorization of the STAA. Subsequently, in meetings with key Senators and Representatives, I have continued to emphasize the critical importance of providing the necessary funding to construct an acceptable road system in Indian Country.

In my early conversations with Administration officials I was encouraged by the response I received regarding the possible levels at which the Indian Reservation Roads Program might be funded. But unfortunately the Administration only proposed \$90 million for fiscal year 1992 with gradual increases to a level of \$121 million in fiscal year 1996 in its version of the STAA. At a time when the United States is planning a substantial new transportation initiative, the Administration's proposal for Indian roads ignores Indian Country's compelling needs.

Fortunately, the House and the Senate have introduced bills which would significantly increase the funding level for the Indian Reservation Roads Program. Pending before this Committee are two bills that continue the Indian road program and substantially increase the authorization levels above the Administration's bill. One version, introduced by Senators Pete V. Domenici and Daniel K. Inouye, S. 515, provides for \$225 million per year for the next five years to carry out the Indian Reservation Roads Program. A second version, S. 965, increases funding for the Indian Reservation Roads Program from the current \$80 million per year to a level of \$150 million per year. The Navajo Nation believes the higher funding levels of S. 515 are necessary to fully address the needs in Indian Country. On the House side, the Navajo Nation has gone on record in favor of Rep. Miller's bill, H.R. 2145, which funds the Indian program at \$227 million per year. The Navajo Nation strongly supports funding levels of this size as essential if we are ever to meet our critical transportation needs, and if the Federal Government is to meet its fiduciary obligation to Indian tribes. In all, the Navajo Nation appreciates the interest and support mem-

bers of this Committee have shown to continuing and increasing the funding of the Indian Reservation Roads Program.

In addition to the need for increased funding, there are a number of other vital issues which are not addressed in any of the existing bills but which are critical to Indian Country. The Navajo Nation recommends that the STAA include provisions:

- To allow bridges listed on the Indian Reservation Roads System to be eligible for Federal Bridge Program funds;
- To bring non-BIA Indian roads onto the Federal-aid System by making tribal roads eligible for funds under the Federal Rural Highway Program;
- To make maintenance of Indian roads an eligible expense to be paid out of Department of Transportation highway trust funds. Currently, all maintenance expenses are paid by Interior Department BIA funds which are inadequate to support the existing BIA road system. Moreover, as we build more roads, maintenance costs will increase significantly;
- To require that State and local governments include Indian tribes in the decision-making process for the designation of Federal-aid primary, secondary and urban highway systems;
- To mandate Indian preference in hiring for contractors awarded a highway project on or near an Indian reservation or within Indian country.

The Navajo Nation stands ready to assist the Committee in drafting legislative language that meets the needs as outlined above.

In closing, I cannot emphasize enough how important a decent transportation infrastructure is to the future of the Navajo Nation and of all Indian Country. In an increasingly global and competitive world, American Indian tribes are struggling to gain an economic foothold after years of neglect. As the members of this committee are well aware, an adequate transportation infrastructure is an essential prerequisite for ensuring long-term economic success. I respectfully request that you give serious consideration to these comments and would be happy to respond to any questions or provide you with any further material you may require. Again, on behalf of the Navajo Nation, I appreciate the opportunity to provide you with our views on this most critical legislation.

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#### STATEMENT OF BRUCE M. FRIED, EXECUTIVE DIRECTOR, AMERICA'S COALITION FOR TRANSIT NOW

America's Coalition for Transit NOW is comprised of more than 150 businesses, associations and organizations (a list of those members is attached) which support a major increase in Federal funding for public transportation. On behalf of Transit NOW's members, I am pleased to submit this testimony.

The Surface Transportation Efficiency Act of 1991, (STEA) S. 965, is a welcomed contribution to the formation of a new surface transportation policy for our nation. Its principles and concepts are future oriented, breaking the mold of "more of the same" legislation that some interests would prefer. S. 965 attends to a host of national interests that have not been addressed in other surface transportation proposals that have been offered to date.

There are a number of issues in S. 965 on which Transit NOW has no position. Therefore, the coalition may not endorse the legislation. Still, on balance, S. 965 is highly consistent with the attached principles which Transit NOW believes must be included in legislation reauthorizing the Surface Transportation Assistance Act. Thus, we do support the concepts and principles of Surface Transportation Efficiency Act of 1991.

#### STEA ADDRESSES MAJOR NATIONAL GOALS

Transit NOW supports S. 965's stronger linkage between Federal transportation investment and major national goals, including enhanced mobility, reduced congestion, improved air quality, and increased economic development, productivity and competitiveness.

The bill, at its heart, provides a clear national direction to make our surface transportation system more efficient. With its emphasis on relieving congestion by supporting transportation strategies which will restrain growth in vehicle miles traveled (VMT), and its explicit focus on strategies to improve air quality, S. 965 attends to several national interests:

- National and local economies will benefit through increased productivity, greater competitiveness and new economic development opportunities,
- Air quality and other environmental considerations will be benefited,

- Energy efficiency in the transportation sector will improve as the growth in VMT declines, and

- Quality of life and mobility will improve for all Americans.

In the pursuit of these national goals, it is important to do more with Federal highway funds than has been possible in the past. The Surface Transportation Program provisions of S. 965 is a giant step forward in this regard and will permit the kind of flexible use of Federal funds that is critical if we are to attend to the various interests affected by the surface transportation.

#### STEAL INCREASES UCAL DECISION MAKING

Local decision makers are in the best position to decide how transportation funds should be allocated to meet local needs consistent with national interests articulated by S. 965. By freeing substantial amounts of transportation funds from being used for traditionally narrow purposes and allowing those funds to be spent as determined by State and local officials, transportation decisions will be more responsive to the needs of localities.

#### STEAL ASSURES BALANCE AND EQUITY IN THE ALLOCATION OF TRANSPORTATION FUNDS.

By requiring matching ratios which are comparable for highway and transit projects, S. 965 assures better balance in the availability and use of transportation funds, and equal consideration of transit and other transportation improvements to achieve the National interests which are the bills objectives. Other proposals have included local match requirements which result in fiscal incentives for highway construction and disincentives for transit projects and strategies. STEAL's approach provides the kind of flexibility and "level playing field" which is so popular rhetorically and so absent in reality in other surface transportation proposals.

#### STEAL ASSURES CONTINUED SUPPORT FOR TRANSIT FROM GENERAL REVENUES

While funds that reside in the Mass Transit Account of the Highway Trust Fund must be used for the purpose that they were originally intended, amounts in the Trust Fund, alone, cannot meet the transit needs of the Nation. Indeed, exclusive reliance on Trust Fund revenues to meet current transit appropriations would totally deplete the Trust Fund within the next few years, absent a major increase in revenues allocated to the Trust Fund.

Under S. 965, both Trust Fund and general revenues would be available to support public transportation. Transit NOW supports a major increase in Federal funding for transit. By increasing spending from the Highway Trust Fund and continuing to provide general revenue support, the Congress can begin to meet the country's transit funding needs.

#### CONCLUSION

Mr. Chairman, under your leadership, as well as that of Senators Burdick, Chafee, Symms, and Lautenberg, the Senate will have the chance to consider a new and far-sighted approach to meeting our nation's surface transportation needs. The transportation policy adopted by the Congress will impact our economy, our environment and our quality of life. The concepts and principles of the Surface Transportation Efficiency Act of 1991 offer the promise of more wisely meeting current and future transportation needs while responding to other national interests. On behalf of America's Coalition for Transit NOW, I thank you and support your efforts.

I would be pleased to answer any questions that you or other members of the Committee may have.

#### THE REAUTHORIZATION OF THE SURFACE TRANSPORTATION AND UNIFORM RELOCATION ASSISTANCE ACT

The objective of America's Coalition for Transit NOW is enactment of major increases in Federal funding for all aspects of public transit as a key step toward increasing transit investment from all sources.

With this purpose in mind, Transit NOW offers the following recommendations for enactment of new Federal surface transportation legislation:

1. Enactment of a 5-year bill;
2. Provisions which assure a stronger linkage between Federal transportation investment and major national goals, including enhanced mobility and greater accessibility for people with disabilities, reduced congestion, increased economic development,

productivity and competitiveness, increased energy conservation, improved air quality; and expanded services for transit-dependent people;

3. Major increases in Federal investment in transit and other forms of high-occupancy, shared-ride transportation services, including increased capital, operating and research and development funding for urban, small urban and rural services;

4. Continued commitment of both general funds and user fees to support increased Federal transit investment;

5. Increased local decision-making in the use of available funds;

6. Provisions which assure better balance in the availability and use of transportation funds, and equal consideration of transit and other transportation improvements to achieve major national goals:

- make all matching ratios equal;
- broaden project eligibility;
- assure support for maintenance and reinvestment in existing systems and services; and
- equal tax treatment of employer-provided transit and parking subsidies;

7. Enhanced equity, reliability and stability in the flow of funds through greater reliance on formula distribution mechanisms.

#### TRANSIT NOW MEMBERS AND CO-CHAIRS

[As of May 17, 1991]

##### TRANSIT NOWS CO-CHAIRS

William Agee, Chairman and CEO, Morrison Knudsen Corporation

William Coleman, Former Secretary of Transportation

Jim Florio, Governor of New Jersey

Neil Goldshmidt, Former Secretary of Transportation, Former Governor of Oregon

Maynard Jackson, Mayor of Atlanta

Jim Thompson, Former Governor of Illinois

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Pete Wilson, Governor of California

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ACUSON

Aetna Insurance Company

Alliance of American Insurers

Alliance for a Paving Moratorium

Alliance to Save Energy

Amalgamated Transit Union, AFL-CIO

American Chamber of Commerce Executives

American Consulting Engineers Council

American Institute of Architects

American Insurance Association

American Lung Association

American Pedestrian Association

American Planning Association

American Public Health Association

American Public Transit Association

Amphion Environmental, Inc.

Angeles Corporation

Association for Commuter Transportation

Association for Public Transportation, Inc.

ACORN-Association of Community Organizations for Reform Now

Atlantic Track and Turnout Co.

AVX Corporation

Barton-Aschman Associates, Inc.

Bay Area Council

Bear Stearns & Co.

Building Owners and Management Association International

Cartwright & Goodwin, Inc.

Catholic Golden Age

Central Hudson Gas & Electric Corporation

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Child Welfare League of America, Inc.  
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 Hughes Aircraft Company  
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 Lomarado Group  
 LS Transit Systems, Inc.  
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 Marin Rainbow Coalition  
 Marine Midland Banks, Inc.  
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 Metropolitan Planning Council of Chicago  
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 M.R. Beal & Company  
 National Aociation of Area Agencies on Aging  
 National Association of Counties  
 National Association of Families Caring for Elders  
 National Association of Independent Insurers  
 National Association of Industrial and Office Parks

National Association of Transit Consumer Organizations  
 National Association of Meal Programs  
 National Association of Nutrition and Aging Service Programs  
 National Association of Railroad Passengers  
 National Association of Regional Councils  
 National Consumers League  
 National Council of Senior Citizens  
 National Council on the Aging  
 National Easter Seal Society  
 National Growth Management Leadership Project  
 National Industries for the Severly Handicapped  
 National Interstate Insurance Agency, Inc.  
 National Joos with Peace Campaign  
 National League of Cities  
 National Multiple Sclerosis Society  
 National Rural Electric Cooperative Association  
 National Urban Coalition  
 National Urban League  
 National Womens Political Caucus  
 The Nettleship Group  
 New Flyer Industries, Ltd.  
 New York Building Congress  
 New York Chamber of Commerce and Industry  
 New York City Partnership  
 Older Womens League  
 Paine Webber Incorporated  
 Parsons Brinckerhoff Quade & Douglas, Inc.  
 Penn-Soil Services, Inc.  
 Philadelphia Electric Company  
 Portland General Corporation  
 Portland Metropolitan Chamber of Commerce  
 The Promus Companies  
 Public Financial Management, Inc.  
 Pryor, McClendon, Counts, & Co., Inc.  
 Read Communications  
 Renew America  
 Ricon Corporation  
 Rides for Bay Area Commuters  
 Rocky Mountain Institute  
 Russell's Printing and Publishing  
 Shearson Lehman Brothers  
 Sierra Club  
 Simon & Company, Inc  
 Stone & Webster Engineering Corporation  
 The Stride Rite Corporation  
 Summit Communications  
 Transportation Communications Union  
 Transport Workers Union, -CIO  
 Transportation Manufacturing Corporation  
 Transportation Trades Department, -CIO  
 United Auto Workers, -CIO  
 United Transportation Union, -CIO  
 United States Conference of Mayors  
 Universal Coach Parts, Inc.  
 Urban Engineers  
 Vapor Corporation  
 Weslin Consulting Services, Inc.  
 Western Insurance Information Services  
 Wisconsin Power and Light Company  
 WR Laaard Laidlaw & Mead, Inc.

TRAVEL AND TOURISM GOVERNMENT AFFAIRS COUNCIL  
WASHINGTON, DC.

May 20, 1991

Hon. Quentin N. Burdick, *Chairman*  
*Committee on Environment and Public Works, Washington, DC.*

DEAR MR. CHAIRMAN:

On behalf of the United States travel and tourism industry, these comments are respectfully submitted concerning S. 965, The Surface Transportation Efficiency Act of 1991. We request that they be made part of the official record. We commend the Committee and its Subcommittee on Water Resources, Transportation and Infrastructure for moving so expeditiously in their consideration of a multi-year reauthorization of the Federal highway program. Few issues are more crucial from the standpoint of our nation's long term economic productivity, efficiency, and competitiveness.

Our industry will clearly be vitally affected by decisions made by Congress with regard to the future of the Federal highway program. Travel and tourism in the United States is a \$350 billion industry and the 5.8 million jobs it provides makes it, the country's second largest employer. In 37 of the 50 States, travel and tourism one of the top three employers. In 1990, travel and tourism was the Nation's greatest export revenue generator, as international visitors spent more than \$51.1 billion. Approximately 80 percent of all transportation for purposes, of travel and tourism is by road.

The Travel and Tourism Government Affairs Council consists of 33 national organizations, representing every segment of this dynamic industry, including all transportation modes, accommodations, food service operations, recreation facilities, travel agents, tour operators, and attractions, as well as State and local tourism officials.

We reemphasize how gratifying it is to see your determination, Mr. Chairman, and the determination of Senator Moynihan and others, to give such priority attention to highway program reauthorization. We believe, however, that S. 965 can be significantly improved to enhance its positive impact on the Nation's economic vitality, and the growing potential of the travel and tourism industry to make a significant contribution to our national economic well-being.

We are pleased to note first that the Committee has resisted several proposals that we believe would be detrimental to the Nation and to our industry: (1) It does not call for increased gas taxes to fund the program; (2) It would not permit commercialization of interstate rights-of-way to allow food or gas services; and (3) It would not change the current Federal law with regard to the control of outdoor advertising. We urge the Committee to continue to resist and oppose these proposals.

In view of the current substantial surplus in the Highway and Transit Trust Fund and the five cents per gallon increase in the Federal gas tax enacted late last year, with two and a half cents supposedly for highway funding, we see absolutely no need for any further increase in the gas tax, which would be all the more objectionable if any part of the revenue from such a gas tax increase were to go to fund the general operating expenses of the government. With regard to the "commercialization" issue, we believe that no evidence has been introduced that the needs of the motoring public are not being met by the current system of noncommercial rest areas, supplemented by the extensive range of services provided by established commercial enterprises off the interstate right-of-way. To allow such belated commercialization and permit State-sanctioned monopolies on the interstates would do great harm to thousands of existing businesses and communities that depend on traffic coming off the interstates. With regard to the control of outdoor advertising, we believe that current law appropriately balances scenic and aesthetic interests with the informational needs of the motoring public and the need of economically productive businesses, to advertise their services. To restrict further the access of such businesses to outdoor advertising would be disadvantageous to both businesses and travelers. The combination of commercialization and curtailments in outdoor advertising would be devastating to businesses and communities throughout the Nation.

Our principal concern with S. 965 as introduced is one we clearly share with many other industries: its severe reduction in the National highway system by ensuring Federal funding only for the current interstate system, which would then apparently be eligible for funding only for maintenance activities, after completion of the interstates now planned. All other roads would compete for Federal funding, along with an expanded group of non-highway transportation programs. This would be a most disturbing retreat by the Federal Government from the notion of a truly national network of roads interconnected, planned and constructed by national standards to meet national needs. From the standpoint of travel and tourism, prob-

ably nothing has so stimulated its enormous development over the last three decades as the capability of the average family to travel by car hundreds, even thousands of miles, confident of their access to safe and convenient roads with familiar design features. The dynamic growth of both the motorcoach touring industry and the recreation vehicle industry is singularly attributable to such a national highway system. A very major appeal of the United States to international visitors is the appeal of the great American open road. We do not believe this is the time to forsake a Federal commitment to the principle of a national highway system and to a program of national highways that economic analyses repeatedly show is a prime contributor to higher national economic growth and productivity.

The travel and tourism industry strongly supports the inclusion of a national scenic byways program in the Federal highway system. Recreational driving is cited by most Americans as their favorite outdoor leisure activity. The nation already has thousands of miles of roads of high scenic, cultural and historic value, which, with minimum expenditures for safety and accessibility improvements, would qualify as worthwhile, even enriching attractions for both domestic and international travelers. There would be an economic payoff for hundreds of nearby businesses and communities. While we are pleased that scenic byways would apparently be eligible for some Federal funds under S. 965, we recommend an expanded program with a specific allocation for scenic byways and the creation of an office in the Federal Highways Administration to administer a national scenic byways program.

The travel and tourism industry urges that the surplus in the Federal Highway and Transit Trust Fund be spent as intended. It is deplorable that our surface transportation infrastructure is allowed to deteriorate while the funds to rectify it are languishing in the trust fund to disguise the size of the Federal budget deficit. This is compounded by the failure now to use the two and a half cents of last year's five cent per gallon increase in the gas tax for transportation. S. 965 should mandate that all revenue from the Federal gas tax be devoted and spent entirely for transportation. Obligation ceilings should be no lower than the annual Federal gas tax revenue, with interest, plus an appropriate draw-down of the trust fund to eliminate its surplus within the five years of this authorization.

We believe it is critical that the next reauthorization of the Federal highway program give high priority to a substantial investment in research and development to ensure that our surface transportation system is the most technologically advanced in the world. No technology holds more promise than the development of an intelligent vehicle-highway system (IVHS). We recommend that, to ensure rapid progress for this new technology, the DOT research program should have a line item for IVHS.

The travel and tourism industry is, of course, dependent on all modes of transportation. In a single trip, travelers typically rely sequentially on roads, highways and streets, rail and air transportation, and perhaps even our waterways. Automobiles, buses, trains, mass transit, airplanes and boats are all familiar to the traveler. Unfortunately, the traveler is also too often familiar with poorly coordinated, inefficient and inconvenient linkages and connections between the different modes of transportation. We believe it is imperative that there be an explicit Federal commitment to a national intermodal transportation system. As advantageous as flexibility in transportation policy may be between Federal, State and local governments, without national standards and direct Federal support and encouragement the cycle of uncoordinated and inefficient intermodal linkages is likely to continue.

We hope these comments are helpful to the Committee as it considers S. 965. Please let us know if we can provide any further information or recommendations.

Respectfully,

AUBREY C. KING  
EXECUTIVE DIRECTOR

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PREPARED STATEMENT OF MARY NIELSEN, TRANSPORTATION CHAIRMAN FOR W.I.F.E.

S. 823—THE TRANSPORTATION IMPROVEMENT ACT OF 1991

My name is Mary Nielsen, of Plentywood, MT, and for the past 13 years I have served as Transportation Chairman for Women Involved in Farm Economics (WIFE).

WIFE has long supported a balanced transportation system, and we support the concept of S. 823 in order that there is a more equitable distribution of increased funding which will benefit all States.

A major problem for States which are heavily reliant on an agriculture-based economy is the deterioration of that economy, with a productive industry receiving

less and less of the consumers food dollar, resulting in lower revenues available to governments at all levels—local, State and Federal.

We firmly believe that the production of ethanol in rural areas—meaning increased need for grains, cleaner air, less reliance on imported oil, and additional income for producers, should be encouraged.

As smaller rural towns are disappearing, the highways are of increasing importance to producers as they travel farther and farther for all of their needs, both personal, and for their production. The introduction of unit trains has meant additional stress on the highways that were never designed for the heavy traffic necessary to take the production to the larger terminals where the crops are loaded on to trains.

WIFE believes that the most fuel-efficient means should be utilized for the movement of bulk commodities to market. Barges are No. 1 in that category but are not accessible for many areas. Railroads are No. 2, using a 3000 horsepower engine to move about 1867 ton payloads, using about 3.1 gallons per mile. Last, a 400 horsepower truck uses  $\frac{3}{4}$  gallons of fuel to move a 25-ton payload over that same distance.

But trucks are becoming increasingly necessary to rural areas where rail branch lines are being abandoned.

Therefore, rural areas need good highways—all should have reasonable access to a good two-lane highway with wide shoulders. That is why the provisions of S. 823, making it possible for States to have flexibility in the use of the Trust Fund monies, are so important.

WIFE is organized in 22 States, but nearly all States have productive agricultural areas which are very important to the States' and the Nations' economy.

Our organization urges that the committee support the provisions of S. 823, which means a fair and equitable distribution of the taxes which are levied so that we who drive many miles, as well as those who have a great need for more mass transit, can benefit equally, as the States see fit, with no increase in the matching funds formula.



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