

## **Congressman Visclosky Testimony**

### **Subcommittee on Transportation, Housing, and Urban Development**

#### **FY 2018 priorities**

Thank you Chairman Diaz-Balart, Ranking Member Price, and my Appropriations Committee colleagues on the Transportation, Housing and Urban Development, and Related Agencies Subcommittee. I appreciate this opportunity to advocate for programs under this Subcommittee's jurisdiction.

I am here today on behalf of my constituents in Northwest Indiana to express my strong support for the Federal Transit Administration's (FTA) Capital Investment Grant program, which includes New Starts and Core Capacity grants. The funding provided under this program supports transit projects across the country, including the expansion and recapitalization of the commuter train system in Northwest Indiana, known as the South Shore Rail Line.

Americans have shown a growing preference for using and living near public transit, with 10.6 billion trips taken in 2015 alone. Over the past 20 years, public transit ridership has risen 39 percent, far outpacing the 21 percent increase in population over the same period.

The perceived value of living in a walkable community that offers transportation choices is reflected in increased property values near transit stations. A study prepared in coordination with the National Association of Realtors concluded that home values performed 42 percent better on average if they were located near public transportation with high-frequency service.

And it is not just individuals that are demonstrating a preference for public transit. A report published by *Smart Growth America* examined more than 500 companies that moved between 2010 and 2015 to downtown locations, often due to the availability of public transit. Good transit is a legitimate draw for talent and is becoming a critical economic development tool in today's competitive climate.

The American Public Transportation Association estimates that every \$1 invested in public transportation generates approximately \$4 in economic returns. We can easily find examples of this return on investment in communities across the country. For instance, the regional transit agency in Dallas, Texas, Dallas Area Rapid Transit, has successfully utilized Capital Investment Grant funding to expand segments of their light rail system, which has contributed to an economic boom in North Texas. Specifically, the transit agency estimates that there has been more than \$7 billion in economic impact from new or planned construction within a quarter mile of the rail line's stations.

Recognizing the job growth and economic development opportunities afforded by investments in public transit, my district has been doggedly supporting the expansion and recapitalization of the South Shore Rail Line.

I believe that Northwest Indiana is one of the best places in the world to live, work, visit, and raise a family, and I regret that my district has seen a significant decline in population and median income over the past half a century. Between 1970 and 2015, the number of school age

children in Northwest Indiana dropped by over 74,000 children. Further, the population of Lake County, Indiana, has decreased by 10 percent, and the median income, adjusted for inflation, has decreased by 12.5 percent. Interestingly, the opposite is true in Lake County, Illinois, which has seen its population grow by 83.9 percent, and its median income increase by 17.7 percent.

Both counties are similarly located near the environs of Chicago and on Lake Michigan, the largest body of fresh water in the world. But Illinois' investment in the over 400 miles of commuter rail lines emanating from the Chicago Loop has allowed their residents to better access Chicago's economy, which is larger than the economy of Sweden. Northwest Indiana has only 38 miles of commuter rail to Michigan City, Indiana.

My district has come together in recognition that regional connection, through a meaningful mass transportation system, will allow us to better access the good paying jobs in Chicago and diversify our economy through transit oriented development. Within the last few years, 16 communities have come together to dedicate a portion of their local economic development tax revenue towards the expansion of the South Shore Rail Line in Northwest Indiana. Vice President Pence, in his role as Governor of Indiana, signed legislation into law providing for dedicated state funding to support this endeavor.

I would add that as we speak, the Indiana General Assembly is actively engaged in the statehouse, in a bipartisan fashion and with the assistance of our current Governor Holcomb, to approve legislation that would increase the availability of state and local resources for transportation infrastructure projects.

I strongly support the initiative in the Indiana General Assembly, but it will all be for naught if the Capital Investment Grant program is not adequately funded. For Fiscal Year 2016, the program received \$2.17 billion, which has been sustained due to the enactment of the Fiscal Year 2017 Continuing Resolution. The most recent surface transportation legislation, P.L. 114-94, the FAST Act, authorizes \$2.3 billion annually for Capital Investment Grants.

Reducing funding for this critical program would be counterproductive to our goal as federal representatives to support jobs and economic development. While I am here today to advocate on behalf of my constituents for a project in my district, there is no shortage of specific examples of communities nationwide seeking to take advantage of the promise of job creation and transit oriented development this program affords. The Federal Transit Administration noted in its Fiscal Year 2017 budget submission that the number of projects in the Capital Investment Grant “pipeline” has grown significantly over the years, from 37 in Fiscal Year 2012 to 63 in Fiscal Year 2016. And contrary to popular belief, these transit projects are not relegated to the coasts, with projects currently spanning the country in El Paso, Texas, Albuquerque, New Mexico, and Milwaukee, Wisconsin.

This Subcommittee has recognized the significant job creation and economic development opportunities created by Capital Investment Grants, allocating \$2.5 billion for the program under the House version of the Fiscal Year 2017 Transportation, Housing and Urban Development, and Related Agencies Appropriations Act approved by the House Appropriations Committee last May, which represents an increase of \$323 million above the previous fiscal year. I commend

you on this recognition, and urge your continued robust support for the program in Fiscal Year 2018.

Thank you for your time.