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**BEFORE THE  
SUBCOMMITTEE ON TRANSPORTATION, HOUSING AND URBAN DEVELOPMENT  
AND RELATED AGENCIES,  
COMMITTEE ON APPROPRIATIONS,  
U.S. HOUSE OF REPRESENTATIVES**

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Chairman Diaz-Balart, Ranking Member Price, Members of the Subcommittee, thank you for the invitation to appear before you today to discuss the President's Fiscal Year (FY) 2016 Budget request for the Federal Highway Administration (FHWA) and the importance of our programs to safety and the economy.

President Obama's Budget for FY 2016 lays out his vision for a six-year surface transportation authorization to spur further economic growth and give States the certainty needed to make sound, long-term investments that will create jobs. The President's proposal reflects the Administration's commitment to achieving greater investment in our surface transportation system. The Generating Renewal, Opportunity, and Work with Accelerated Mobility, Efficiency, and Rebuilding of Infrastructure and Communities throughout America Act, or GROW AMERICA, provides a comprehensive plan to repair and modernize the currently outdated highway infrastructure on which our Nation depends to move people and freight safely and efficiently.

FHWA requests \$51.3 billion for FY 2016 to maintain and improve the safety, condition, and performance of our Nation's highway system, and enable FHWA to provide effective stewardship and oversight of highway programs and funding. This request is the vital investment in our Nation's infrastructure needed to keep pace with our growing population while expanding the economy and creating jobs.

The costs of inadequate infrastructure investment are evident to all of us. Americans spend an estimated 5.5 billion hours in traffic each year, costing families more than \$120 billion in extra fuel and lost time. American businesses pay an estimated \$27 billion a year in extra freight transportation costs, increasing shipping delays and raising prices on everyday products. Additionally, 65 percent of our Nation's roads and 25 percent of bridges require significant repair or cannot handle current traffic demands.

Underinvestment also impacts safety. There were over 32,000 highway traffic fatalities in 2013. Such fatalities occur disproportionately in rural America, in part because of inadequate road conditions. For a Nation that is expected to have 70 million more citizens by 2050 and a significant increase in the volume of freight traveling on our highways, railroads, and aviation systems, the current investments we put into our transportation system are inadequate to address these urgent needs.

Worse still, the inability to pass a long-term surface transportation bill creates uncertainty for State and local project sponsors and inhibits their ability to plan effectively. Increasingly, we are seeing State and local officials abandon planning for the more ambitious and expensive projects that will move our national and regional economies forward. Instead, these officials are targeting available dollars on smaller preventative maintenance and repaving projects that do not address the longer term needs for additional investment in transportation infrastructure capacity and quality. State and local officials are rightly concerned about whether Congress will allow spending authority from the Highway Trust Fund to expire just months from now—precisely when the construction season should be heading into full swing. Recently, the Commissioner of Tennessee’s DOT announced he was delaying \$400 million in highway projects because of funding uncertainty. Similarly, the Director of the Arkansas State Highway and Transportation Department delayed \$100 million in highway construction projects because of uncertainty over the Highway Trust Fund, and the Delaware State transportation commissioner delayed \$600 million in transportation construction projects until greater certainty can be provided. We may not see it directly, but failure to act on a long-term bill is actually making investments in critical infrastructure more expensive—and more difficult—for all of our State DOTs.

Achieving adequate and consistent funding is only part of the solution. We must modernize how we deliver projects and maximize investments through technology and process innovations. We have made tremendous strides in that direction over the past five-and-a-half years through FHWA's Every Day Counts (EDC) innovation initiative—a partnership with State DOTs and local transportation agencies. EDC is having a measureable effect on improving safety, shortening project delivery and encouraging the use of new technologies. The result is States and local agencies saving time and money that can be directed to additional projects. Several of the process innovations, like Programmatic Agreements, were written into the Moving Ahead for Progress in the 21<sup>st</sup> Century Act, or MAP-21. Technology innovations like Safety Edge and High Friction Surface Treatments are improving safety, and Accelerated Bridge Construction (ABC) is allowing bridges to be replaced in days, not months or years. Alternative project delivery methods such as design-build, Construction Manager/General Contractor (CM/GC), and the use of alternative technical concepts allow a project owner to evaluate new innovations, receive constructability advice, and consider approaches to reduce time, cost, and overall risk in the construction of projects.

The New York State DOT replaced two bridges on I-84 during a 20-hour time period over a weekend using an ABC method. Under conventional construction methods, the project would have taken two years to build and would have required the construction of a temporary roadway and bridge to channel traffic during construction. The innovative technology resulted in estimated savings of \$900,000 in construction costs and \$1.37 million in user delay costs. Together, the savings represent 22 percent of the \$10.2 million construction cost of the project.

Using the CM/GC method, Multnomah County, Oregon was able to take advantage of contractor innovations for the replacement of the 88-year-old Sellwood Bridge over the Willamette River that saved \$10 million and reduced the schedule by 12 months.

The Florida DOT used automated machine guidance with 3D models on State Route 417 on the Orlando–Orange County Expressway project, reducing the amount of asphalt used from an anticipated 8,200 tons to 2,500 tons and saving an estimated \$350,000.

These are just a few examples of how States are using EDC tools to save time and money. Across the Nation, we see a real desire to look beyond "business as usual." This does not necessarily mean inventing the "next big thing"; instead, it often means taking tools that already work and giving them a boost so more States learn about them and use them. Last fall, we held a series of regional summits to introduce our third round of EDC innovations. States are currently working with our Division Offices to decide which of those innovations best suit their needs.

## **FY 2016 BUDGET REQUEST FOR FHWA**

The President's Budget request of \$51.3 billion for FHWA in FY 2016, which is part of the proposed \$317 billion over the six-year period of GROW AMERICA, would provide a sizeable boost in highway investment to address the critical needs we have across the highway network. This investment would help close what Secretary Foxx has called an "infrastructure deficit" in this country—too many miles of road in need of repair, and too many bridges old enough for Medicare. It is the type of bold investment we need to make if we are going to meet the transportation challenges of the future.

The President's FY 2016 Budget includes continued funding for a number of FHWA programs and proposes several new initiatives we believe are essential to the Nation's transportation infrastructure network.

Of all of our priorities, there is none more important than safety, and the President's Budget requests \$2.6 billion for the **Highway Safety Improvement Program** to continue to significantly reduce traffic fatalities and serious injuries on all public roads. This program continues a data-driven, strategic approach that focuses on improving safety performance. Each State will continue to develop and regularly update its Strategic Highway Safety Plan that lays out strategies to address key safety problems, including bicycle and pedestrian safety. The Budget would focus \$100 million of this funding on data improvement to help ensure States have the most complete and reliable highway safety data to make decisions.

The **Critical Immediate Safety Investments Program** (CISIP), for which the President requests \$7.5 billion, is part of the Administration's "Fix-it-First" initiative to focus on the reconstruction, restoration, rehabilitation, preservation, and safety improvement of existing highway assets. The program will dedicate needed resources to high-priority initiatives such as bridge repair and rehabilitation, safety on non-State roads, and bridge and pavement improvements on the National Highway System (NHS).

The Budget proposes to continue using the **Transportation Infrastructure Finance and Innovation Act program** (TIFIA) to leverage Federal dollars in a time of scarce budgetary resources, facilitating private participation in transportation projects and encouraging innovative financing mechanisms that help advance projects sooner than otherwise possible. The President's Budget requests \$1.0 billion for TIFIA for loan subsidies and administrative costs to assist with financing nationally- or regionally-significant transportation projects.

For a new **Multimodal Freight Investment Program**, the President requests \$1.0 billion as a dedicated source of funding to improve goods movement and advance export and economic development opportunities across our Nation. Funding will advance critically needed multi-modal

or multi-jurisdictional projects to improve goods movement, economic competitiveness, and sustainability.

The FY 2016 Budget includes \$1.0 billion for a new competitive grant program, **Fixing and Accelerating Surface Transportation (FAST)**, which will be jointly administered with the Federal Transit Administration; \$500 million of this funding will come from the Highway Account of a renamed Transportation Trust Fund, and the other \$500 million will come from the Mass Transit Account. The program will provide incentives to States, MPOs, Tribal governments and Federal agencies to improve strategic transportation investment decision-making, further incorporate performance management into project selection, and encourage other reforms to improve strategic transportation outcomes.

The President's Budget will ensure we continue to invest in our Nation's most traveled highways with a request of \$22.3 billion for the **National Highway Performance Program**, which focuses significant Federal resources on improving the condition and performance of the NHS. This network is composed of 220,000 miles of rural and urban roads serving major population centers, international border crossings, intermodal transportation facilities, and major travel destinations. Through a performance-based approach, this program will continue to maintain or improve the condition and performance of the NHS, construct new facilities on the NHS, and ensure that investments of Federal-aid funds are directed to support progress toward the achievement of specified performance targets.

The **Surface Transportation Program (STP)** request of \$10.3 billion provides States and localities flexible funding for projects to preserve and improve the condition and performance on any Federal-aid highway, bridge and safety projects on any public road, bicycle and pedestrian facilities, transit capital projects, and public bus terminals and facilities, including intercity bus terminals. The flexible nature of this program allows States and localities to focus funding on priority areas and areas of greatest need.

The President's Budget also will help improve the environment and provide the public with safe transportation choices through the **Congestion Mitigation and Air Quality Improvement Program (CMAQ)** and **Transportation Alternatives Program (TAP)**. With \$2.3 billion for CMAQ in FY 2016, States and local governments can continue to fund transportation projects that reduce mobile source emissions and highway congestion. The President's Budget requests \$847 million for TAP to support the DOT Quality of Life strategic goal by providing policies and investments that increase transportation choices and access to transportation services.

The President's request of \$320 million for the **Metropolitan Transportation Planning Program** will provide resources to help metropolitan areas identify and address their transportation needs.

The President requests \$1.3 billion for the **Federal Lands and Tribal Transportation Programs**, including \$150 million in funding to support construction or reconstruction of large, nationally-significant transportation infrastructure assets within or providing access to Federal or tribal lands.

For the **Research, Technology, and Education Program (RT&E)**, the President requests \$496 million to provide for a flexible, nationally-coordinated research and technology program that will address fundamental, long-term highway research needs, significant research gaps, emerging issues with national implications, and research related to policy and planning. Research and technology

solutions will improve the durability of infrastructure, reduce construction costs, prevent deaths and injuries, and minimize the adverse environmental impacts of transportation projects.

The President's Budget also requests \$502 million for important programs related to **Emergency Relief; Territorial and Puerto Rico Highways; Ferry Boats and Ferry Terminal Facilities; On-the-Job Training; Disadvantaged Business Enterprises; Highway Use Tax Evasion; Performance Management Data Support; and Ladders of Opportunity.**

The total Administrative Expenses request of \$442 million includes funding for FHWA General Operating Expenses (GOE) and Appalachian Regional Commission (ARC) administrative expenses related to the Appalachian Development Highway System. These resources are essential for FHWA and ARC to effectively perform critical oversight functions and successfully implement the programs proposed in the Budget. Recent cuts to FHWA's GOE have reduced agency resources for providing oversight, implementing measures to shorten project delivery, and advancing innovation. To address the cuts, FHWA has instituted several rounds of significant and impactful cost saving measures. However, without sufficient GOE funding as requested, FHWA's ability to manage and oversee the Federal-aid highway program will be degraded even further, especially in the areas of technical assistance, technology deployment, and accelerated project delivery.

## **CONCLUSION**

Thank you again for the invitation to appear before you today to discuss the President's Budget request for FHWA. I look forward to working with you and other members of Congress in the weeks and months ahead to enact a robust budget that makes much-needed investments in our Nation's infrastructure.

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