

STATEMENT OF LEON N. LARSON  
REGIONAL FEDERAL HIGHWAY ADMINISTRATOR  
REGION 4  
FEDERAL HIGHWAY ADMINISTRATION

BEFORE THE  
WATER RESOURCES, TRANSPORTATION,  
AND INFRASTRUCTURE SUBCOMMITTEE  
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS  
UNITED STATES SENATE

CONCERNING THE  
FUTURE OF THE FEDERAL-AID HIGHWAY PROGRAM  
AND RELATED SURFACE TRANSPORTATION ISSUES

FIELD HEARING IN FT. LAUDERDALE, FLORIDA

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Mr. Chairman and Members of the Subcommittee:

I am Leon N. Larson, Regional Federal Highway Administrator for Region 4 in Atlanta, Georgia. I am very pleased to be here today to discuss the future of the Federal-aid highway program and other related issues mentioned in your letter of invitation. I would like to start by addressing the recently released National Transportation Policy. This is the first National Transportation Policy since 1978.

Secretary Skinner initiated the National Transportation Policy development process a year ago, realizing that it was time to take a new look at transportation policies. The Department went out to the American people in more than 100 public meetings. In essence, what we heard was a call for an improved transportation system -- a system with greater capacity and a sound financial base; a system that supports our national goals in

the areas of safety, national security, environmental protection, and accessibility for all.

The people we heard echoed the words of President Bush that "we are ready to make an investment in America's future." An investment in transportation is an investment in our future economy, in jobs.

The National Transportation Policy provides a strategic framework for that national investment of time, of money, and of commitment. It shapes the movement of passengers and goods in the 1990's and beyond.

Simply speaking, the National Transportation Policy is about using our common sense -- doing the right things with our limited resources -- focusing on systems of national significance and promoting national priorities -- improving mobility, the efficient movement of goods, providing jobs and improving the quality of life for all Americans.

We deliberately structured the policy to be inter-modal in nature-- driven by the freedom of the marketplace and focused on moving America toward a transportation system that promotes U.S. competitiveness both at home and abroad. Its long-range strategy guidelines emphasize increased private sector transportation investment and job-producing economic growth.

The policy has six major themes: one, maintaining and expanding the existing transportation system; two, providing a sound financial base for transportation programs; three, maintaining a strong and competitive transportation industry; four, ensuring public safety and national security; five, enhancing the environment and the quality of life for our citizens; and six, advancing transportation technology into the 21st century.

This document is not the conclusion of a project, but the beginning of a new era and an ongoing process in which you, of course, will have a major role. The Policy has given us a long-term vision for the future and a short-term decision-making framework for major initiatives.

The policy is the basis for preparing our reauthorization proposal for the highway, transit and highway safety programs and other near-term legislative initiatives.

I would like to turn now specifically to the Federal-aid highway program. The national highway network and the Federal-aid highway program have contributed enormously to the economic growth and social development of this Nation. This outstanding system of roadways is the major provider of surface transportation service for the United States. Americans enjoy a level of mobility unmatched virtually anywhere in the world.

The U.S. highway system so greatly influences the American way of life that its performance is a critical and continuing concern. Any significant deterioration in essential portions of the system could impair its ability to provide the Nation with adequate highway transportation.

For more than 30 years, the Interstate System has been the centerpiece of the Federally-assisted, State-administered, Federal-aid highway program. Now, with that system nearing completion, important decisions must be made about the structure of future highway programs and the future role of the Federal-aid highway program. As the nation moves into the 1990's, a number of challenges must be faced for our entire transportation system. The future of highway transportation will be shaped by the response to these challenges.

In developing the National Transportation Policy we conducted numerous analyses in an attempt to determine how to reshape and redirect the Federal-aid program to conform and enhance a changing future. These efforts included an examination of the future role of Federal government with respect to highways. As you might expect, many questions have arisen, such as: What is the proper role of the Federal government in meeting national highway program objectives? What is the appropriate level of Federal assistance? How much can and will the States, local governments, and the private sector do on their own? Certainly, in answering these

questions, we have developed a perspective about how the future national highway program might look.

It is clear that we must preserve existing transportation infrastructure of national significance to make better use of what we have, and prove better connections between modes of transportation. The Department believes that the majority of our resources should be directed toward preservation of our highest order systems, those that serve interstate commerce and provide for the national defense, and to research and technology investments that will help ensure efficient and safe transportation.

At the same time, we must also ensure that there is a sound financial base to support our transportation system. The Federal government, in partnership with State and local governments, and the private sector, must see that the financial means are available to invest in America's future.

We seek to encourage a greater role on the part of the States, localities, and the private sector in the preservation and development of transportation infrastructure whose primary importance is statewide or regional.

The Florida High Speed Rail Project has the potential for becoming an excellent early example of this policy in action. The Department, through the Federal Railroad Administration, funded

the initial studies that demonstrated the potential feasibility of a High Speed Rail system connecting Tampa, Orlando and Miami. The State, with the leadership of then-Governor Graham, established the Florida High Speed Rail Transportation Commission to solicit and evaluate proposals and to award a franchise for the construction and operation by a private corporation of this High Speed Rail system.

As you are no doubt aware, the review process established by the State has narrowed down to the point that one applicant remains and, if the State's schedule holds, the franchise should be awarded in the fall of 1991 with the start-up of operations expected in 1995. FRA is working closely with the State to ensure that the Federal and State environmental review processes are coordinated and to ensure that there is no wasteful duplication of effort or unneeded delays. FHWA is also involved in assisting the State's effort. On March 6, the representatives of the Florida Division of FHWA met with representatives of the State and of the likely franchisee, the Florida High Speed Rail Corporation, to review preliminary project plans. As these plans become more refined, FHWA will identify those parts of the Interstate Highway rights-of-way in the vicinity of the proposed route that may be suitable for use by the High Speed Rail line and assist in developing the rail design in such areas to ensure its compatibility with highway operations.

The Department applauds Florida's initiative for developing a State-private mechanism for addressing Florida's transportation infrastructure needs. The Department will continue to provide technical assistance, serve as a facilitator trying to minimize Federal regulatory requirements and expedite whatever required Federal clearances remain.

Turning now to the highway program, estimates of highway and bridge needs from all funding sources range from \$25.1 billion per year (as reported in FHWA needs report, based on 1987 dollars) -- to maintain our highway system at today's overall conditions -- to \$39.4 billion per year -- to maintain condition and add new capacity where feasible. Needs will always exceed available revenues. The goal is to make the best use of available revenues by targeting funding to the most critical deficiencies. In general, from the Federal perspective this means an emphasis on highways and bridges that serve primarily interstate functions or support critical defense requirements.

To help meet the needs we face, the National Transportation Policy urges greater flexibility for state and local governments to raise revenues -- for example, allowing greater use of toll financing for Federal-aid highways; and encouraging greater private investment in transportation.

The transportation system depends on the services of providers that are efficient, competitive, and capable of

adjusting to changing national transportation needs. We must keep the transportation industry strong and competitive by removing barriers that impede productivity, or restrictions that favor one mode over another. The administrative burdens affecting trucks and buses in such areas as non-uniform State vehicle registration and non-uniform State tax reporting requirements must be reduced.

Transportation safety will continue to be a key Federal responsibility. We must make every effort to ensure that the transportation system is as safe and secure as is humanly possible. Stronger measures must be taken to protect the environment from accidental spills of hazardous materials, and to rid our highways of unsafe commercial drivers and vehicles.

To address these problems the National Transportation Policy recommends improving highway and motor carrier safety by targeting federal financial support and technical assistance to promote enactment and more effective enforcement of laws governing speed limits, driving under the influence of alcohol or drugs, truck driver qualifications and vehicle maintenance, and use of safety belts, child safety seats, and motorcycle helmets; and increase public awareness in those areas.

We must enact policies that provide the transportation disadvantaged, including disabled Americans, with the benefits of our transportation system, and provide the residents of rural areas with critical transportation links to services they require.

Innovation and new technological advances are at the center of public and private efforts to prepare for meeting tomorrow's transportation requirements. Although technology alone cannot solve our transportation problems, it can make a significant contribution in combination with sound management of capital and human resources. There is considerable potential for new forms of transportation or advances in today's technology to solve many of our transportation problems. We must be committed to launching new transportation research and development initiatives.

We will devote additional resources to research and development, including programs to improve highway safety through human factors research, and seed money for private sector or State and local research on new transportation technologies, such as intelligent vehicle/highway systems. We should point out that Orlando, Florida is a location being considered for intelligent vehicle/highway system tests. Also, Florida's Epcot Center will be the site of a conference May 3-5, co-sponsored by the Department, to help coordinate the efforts of public agencies and private industry to apply the latest intelligent vehicle/highway system technology. Your interest and participation would be appreciated.

On March 9, Deputy Secretary Elaine L. Chao had the opportunity to address this Subcommittee regarding the Department's involvement in a promising transportation technology,

magnetic levitation transportation system (maglev). As you know, the Florida High Speed Rail Transportation Commission is in the second phase in its process for awarding a franchise to build and operate a maglev line between Orlando Airport and the International Drive area, approximately 13 miles away. This line, which could begin construction next year, and could become the world's first commercial maglev system.

As the Federal Department responsible for the safety of maglev systems, the Department of Transportation has initiated a major research and testing effort to ensure the safety of maglev systems in our nation. Research on the Transrapid System proposed for the Florida project is underway and is being accelerated to ensure that the resolution of concerns with safety do not slow implementation. This work will evaluate the adequacy of the existing German standards covering this system, the compliance of the system with these standards, and the need for additional standards for operation in the United States.

The Department is assisting the Florida officials and developers in exploring the environmental issues related to the proposed Florida transit project, and will serve as the lead agency for preparation of any Federally required environmental documentation. The Department is also exploring the use of existing right-of-way, such as the Interstate Highway System and freight rail lines for transit systems. Preliminary assessments have indicated that the location of transit systems in Interstate

Highway median strips may be technically feasible in certain corridors where not otherwise constrained by horizontal curvature limitations. We are continuing to explore this issue and will work with interested parties to develop mechanisms to expedite the requisite approvals where highway segments can be used in a project.

The Department has asked for a budget increase of 17 percent in fiscal year 1991 for research and development in areas such as maglev as an alternative transportation mode.

It is clear that the demand for mobility by the American people will continue to grow, and our highway and roadway systems will continue to play a significant role in providing for that mobility. Our Department will work closely with Congress in preparing legislation that will reshape the Federal-aid highway program so it can respond more quickly and fully to increasing and changing demands. There is much to do before we complete all the details necessary for a comprehensive bill. We are interested, as you are, in developing apportionment formulas that will treat all the States fairly and equitably.

In another area, we are concerned about the effect highway-user tax exemptions have on revenues coming into the Highway Trust Fund. The largest of these is the 6-cents per gallon exemption for gasohol, which will result in an estimated \$480 million loss to the Highway Account in fiscal year 1990.

Among the 169 guidelines and 65 legislative, regulatory and program objectives in the National Transportation Policy are long-term goals that will help to preserve transportation facilities currently in place; expand essential capacity; close the gaps in the transportation network; promote effective connections between rural and urban areas, between ports and inland points, and between modes; maintain the integrity of the trust funds, and ensure that all transportation user fees are spent for their intended purpose -- to improve transportation; and promote sounder management of our transportation systems.

There is little doubt that improved transportation will improve our productivity as a nation -- that an investment in infrastructure is an investment in jobs.

In your letter of invitation you expressed interest in requirements that govern right-of-way acquisitions for Federal-aid highways. The requirements that govern right-of-way acquisition on these highway projects are derived from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970, as amended, and the implementing government-wide regulations. Florida, like all States, must have enabling legislation and procedures that meet the Federal requirements.

One focus of attention for meeting future transportation needs is preservation of the land or corridors required for anticipated new capacity additions. If the land is not acquired and set aside in advance for facilities such as airports and highways, the property often will not be available to accommodate necessary projects in the future, without serious dislocation. While preserving corridors is often costly in the short term, in the longer term it can save the community and general public the much higher expense of buying out and relocating high density development.

That concludes my prepared statement, I will be pleased to answer your questions at this time.