

STATEMENT OF LIONEL H. WOOD

**ACTING REGIONAL ADMINISTRATOR
REGION 5
FEDERAL HIGHWAY ADMINISTRATION**

**HEARING BEFORE
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
UNITED STATES SENATE**

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

FIELD HEARING IN MINNEAPOLIS, MINNESOTA

July 10, 1990

Mr. Chairman and Members of the Subcommittee:

I am Lionel H. Wood, Acting Regional Administrator for Region 5 of the Federal Highway Administration in Homewood, Illinois. 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 National Transportation Policy, the first 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 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. The Policy uses a common sense approach of focusing our limited resources on systems of national significance and promoting national priorities, such as improving mobility and the efficient movement of goods, providing jobs, and improving the quality of life for all Americans. The Policy is 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.

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.

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.

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. 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 Government in 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 highway program to conform and enhance a changing future. These efforts included an examination of the future role of Federal government with respect to highways. If the Nation is to have the transportation system we need for the future, we must recognize new and different roles played by Federal, State, and local governments and incorporate that realignment within government transportation programs. The Federal Government must concentrate more of its resources on facilities and projects that advance the performance of the national transportation system. The majority of these 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.

Where the Federal Government is funding, operating, and regulating areas that are not necessary or appropriate, that involvement should be reassigned or eliminated. We know that

State and local governments have already assumed greater responsibility in transportation. This can and should continue.

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 bridge program should continue to be a major Federal emphasis area. The purpose would be to provide special Federal-aid funds to assist the States in rehabilitating or replacing bridges. Estimates of highway and bridge needs from all funding sources range from \$23.2 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.

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. We also want to stimulate private investment and to encourage joint public-private financing of facilities where appropriate. Accommodating increasing traffic demands and maintaining a reasonable performance level of the transportation system will require continuing and substantial infusions of private capital. In this context, we are considering expanding the ability to use private donations, including cash and right-of-way, for the State's share of a project; and allowing private toll roads to be eligible for Federal-aid funds, provided that such facilities could be incorporated into the Federal-State grant- in-aid process.

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 are considering devoting 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 (IVHS). The IVHS technology represents the marriage of the vehicle, the driver, and the highway into a much more effective and efficient integrated system. We are working with Mobility 2000, which has become the national focus group for developing consensus on a program description of IVHS. The recent conference held in Orlando, Florida, was successful in setting up a preliminary institutional framework and plan for a joint public-private sector effort to accelerate the implementation of IVHS.

The research and technology program under consideration will focus on long term pavement performance. We need to preserve the Nation's highway system into the 21st century through research and development in pavements and structural technology and through the continuation of the 20 year long-term pavement performance program initiated under the Strategic Highway Research Program (SHRP) in 1987.

We intend to continue basic highway research in the areas of safety, motor carrier safety, pavements and structures, right-of-way, environmental protection, and policy and planning. In addition, we will focus on technology transfer to put research results into practice quickly and widely. Substantial technology transfer can be accomplished through training. The University Transportation Centers Program would be continued in a effort to

attract the Nation's best talent to transportation research, to prepare future professionals for transportation as a discipline, and to develop new strategies and concepts to effectively address existing and future transportation issues.

The Department of Transportation is also involved in a promising transportation technology, magnetic levitation transportation system (maglev). The Department is the Federal Department responsible for the safety of maglev systems, and has initiated a major research and testing effort to ensure the safety of maglev systems in our nation. For example, the State of Florida is in the process of building a maglev system between Orlando Airport and the International Drive area, approximately 13 miles away. This line could begin construction next year and may become the world's first commercial maglev system. 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 also assisting the Florida officials and developers in exploring the environmental issues related to the proposed Florida maglev project, and will serve as the lead agency for preparation of any Federally required environmental documentation.

The Department is exploring the use of existing right-of-way, such as the Interstate Highway System and freight rail lines, for maglev systems. Preliminary assessments have indicated that the location of maglev systems in Interstate highway right-of-way 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, including 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 your letter of invitation you expressed interest in the transportation needs of States with large geographic areas and agriculture-based economies. As we all know, farm-to-market

transportation is critical to the national economy. An efficient and well maintained rural road system is essential for the movement of goods and services to the farm, and products such as grain, produce, milk, and timber to the marketplace. If any part of the transportation link with rural America is too slow or too expensive, American agricultural products and non-agricultural products manufactured in rural areas will lose market share to foreign products. Thus, deterioration in rural transportation systems will have an adverse effect on the nation's trade deficit.

Transportation needs in urban and rural areas are different, indicative of the unique problems and opportunities available in each. In rural areas, for example, there are major concerns for access to keep the more isolated rural communities in social and economic contact with the rest of the country. There is concern with the replacement of aging bridges, mostly off-system low volume bridges, and maintaining pavement conditions on rural roads. Rural bridges are generally older. According to the FHWA's National Bridge Inventory, as of December 31, 1988, the average age of rural bridges was 36.6 years. There is also concern for the special needs of highways on Federal lands.

In many ways, the issues and specific problems of rural and urban America seem to be separate, but in another respect, they are the same -- the need for safe, efficient, and reliable transportation options to provide access and ensure future mobility for a growing American population and changing economy.

One of the National Transportation Policy's goals is to encourage State, local and private efforts to preserve and enhance efficient transportation service in rural areas lacking effective connections. We feel that the National Transportation Policy will assist in coordinating all available resources towards the achievement of this goal.

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