

TESTIMONY OF

GOVERNOR MARY FALLIN

OF OKLAHOMA

REGARDING

**"THE IMPORTANCE OF TRANSPORTATION INFRASTRUCTURE
TO THE STATE OF OKLAHOMA"**

BEFORE THE

**COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
U.S. HOUSE OF REPRESENTATIVES**

FEBRUARY 24, 2011

Good afternoon,

I'd like to begin by thanking Chairman Mica and Subcommittee Chairman Duncan for making the journey to Oklahoma. Chairman, we hope you enjoy your time here and we appreciate the effort you have made to come to our state to review important transportation projects like the Inner Dispersal Loop in Tulsa and to hear from our transportation professionals and elected officials.

Congressman Lankford, thank you as well for your dedication to Oklahoma's transportation infrastructure needs. Oklahoma is well-represented and well-served to have you on the House Transportation Committee.

And to my Secretary of Transportation and our Director of the Oklahoma Department of Transportation, Gary Ridley, thank you for your continued professionalism, expertise and service to the state. Under your leadership and that of your staff, the Oklahoma Department of Transportation's 8 year Construction Work Plan has paved the way for Oklahoma to be one of the top shovel ready states in the nation. We could not ask for a more qualified, capable commissioner than you.

And finally, thanks to our other transportation professionals here today and all of those who helped to make this hearing possible.

We are here to discuss the urgent necessity of building our nation's transportation infrastructure, as well as the need for state and federal governments to work closely and effectively as partners in that process.

Building our roads and bridges is essential to the economic wellbeing of our nation, and it represents an important investment in the future of our country. There is a bipartisan interest in insuring that goods can be moved quickly and efficiently across state lines and throughout our country on safe roads and bridges with a minimum of congestion.

I know Chairman Mica is well versed in the importance of maintaining and expanding our transportation infrastructure, but I'd like to briefly bring to his attention the economic impact of transportation to the state of Oklahoma.

According to the U.S. Census, 2,630 transportation and warehousing establishments exist in the state, employing over 64,000 people, or three percent of Oklahoma's workforce.

The total quantity of freight traffic moving into, out of, within and through Oklahoma on all transport modes totals more than 945 million tons, with a value of over \$624 billion. Over 115 million tons of goods are shipped from Oklahoma to states and countries

beyond the state's borders. That number is expected to increase to 155 million tons by 2035.

Oklahoma's central location makes it an ideal location for warehousing and distribution of a diverse array of products and goods. Improving our transportation infrastructure is an important step in supporting those distribution networks, as well as various industries throughout Oklahoma.

Agriculture and industrial livestock production, for example, which account for a significant portion of Oklahoma's exports, stand to benefit from improved rail freight services. Aerospace, a growing industry in Oklahoma, requires reliable and expansive highway and airport networks to solidify the state's position as a national supplier. So as you can see, the economic impact of our transportation systems resonates across the state's economy.

As a former Congresswoman and governor of this state, it is my great hope that the state of Oklahoma and the federal government can work as mutually complimentary partners as we seek to improve these transportation systems.

As Director Ridley will tell us, the backlog of transportation needs in Oklahoma is large, and requires a consistent, long-term federal investment strategy.

It is our hope that such a strategy will include flexible federal funding, free of unfunded mandates or rigid "one size fits all" requirements on states. Such mandates and regulations can be seen in the following examples.

While I was a Member of Congress and the Committee on Transportation and Infrastructure, private farm vehicles came under increased scrutiny from local and state law enforcement in regards to interstate commercial motor vehicle standards. As you are aware, federal law allows each state to determine their own classifications for commercial motor vehicles for trucks with a gross vehicle weight rating of less than 26,000 pounds when traveling within their own borders. However, these federal standards mandate that trucks traveling across state lines with a gross vehicle weight rating of more than 10,000 pounds are considered to be commercial motor vehicles. The discrepancy between these two standards, which forces farmers with heavy pickup trucks who cross state lines to acquire additional licenses, creates a cumbersome burden for our farmers and ranchers who very seldom cross state lines to support their households and families.

Farmers and ranchers in Oklahoma and across the country have been seriously inhibited by these regulations that were never intended to apply to them. I wrote and tried to pass a bill in Congress to make changes to the federal standards mandate for commercial motor vehicles and urge Congress today to pass similar legislation that might enable

Oklahomans and rural farmers across America to conduct business as usual and further contribute to our nation's economy.

The National Environmental Policy Act (NEPA) offers another illustration of burdensome federal regulations. Under NEPA, states are subject to extensive federal regulations in order to make even the most basic improvements to infrastructure within existing transportation rights of way. In order to repave an existing stretch of road, states should not have to acquire a new right of way or undergo a full environmental review and be subject to such added expenses. These projects within existing corridors should be exempt from NEPA regulation so that progress may continue without delay.

Regulations from the Environmental Protection Agency (EPA) are another area of increasing concern. I am proud to say that under the Clean Air Act, Oklahoma's air quality has been in attainment for over a decade and continues to improve. However, if the EPA continues to impose even more stringent air quality targets, after only three years of lowering previous target levels, major areas of Oklahoma's metro will risk non-attainment, which would effectively bring a halt to the continued growth of Oklahoma's economic development centers. This is unacceptable.

A final example of undue federal regulation can be seen in the Davis Bacon Act. The state is currently divided up into four territories with approximately twenty-two job classifications. The current system has proven to be fair and effective for all parties involved. In fact there are generally never problems with meeting Davis Bacon mandated wages because the market driven wages are higher. However, the U. S. Department of Labor conducted an evaluation of Oklahoma's wages and has now proposed dividing Oklahoma into sixty-six territories with thirty-six different job classifications. This is very problematic because if a road happens to cross a county line an employee could make a certain wage one day and a different wage the next day. The Department of Labor has allowed other states that have found themselves in the same position to conduct their own labor studies in partnership with Contractors, the Department of Transportation and the Department of Labor. This would allow the state departments involved and the contractors to work together to certify payrolls in an appropriate manner and it could be evaluated every few years to ensure fairness. I would hope that Oklahoma would be able to do the same, rather than fall under another series of one-size-fits-all federal regulations.

As the director will inform the panel, we believe in Oklahoma that such mandates hinder our ability to provide necessary infrastructure upgrades and ultimately increase the cost of these projects to the state and federal government as well as taxpayers. These mandates, while perhaps well-intentioned, hinder our shared mission to provide world class infrastructure. It is my hope that Chairman Mica, Congressman Lankford and their

colleagues on the Transportation and Infrastructure committee can work to aggressively eliminate them and to provide states with a more flexible form of funding assistance.

I'm greatly encouraged by Chairman Mica's presence here today, and I'm optimistic that our elected officials on both the state and national level can work together to develop transportation policies that provide the kind of flexible, consistent, long-term investment in our economy that our citizens deserve and our nation requires. Certainly that kind of cooperation and mutual understanding is fostered by the kind of field hearing we are holding today.

Again, Chairman Mica, Congressman Lankford, Director Ridley and others, thank you for your hard work and your dedication to meeting the nation and the state of Oklahoma's transportation needs. I'm looking forward to hearing your testimony and to continuing our work together.