



BIPARTISAN POLICY CENTER

Written Statement of

Sherwood Boehlert

**former United States Congressman from New York and
Co-Chair of the Bipartisan Policy Center (BPC)
National Transportation Policy Project (NTPP)**

Submitted to

**United States House Transportation and Infrastructure Committee
Subcommittee on Highways and Transit**

Hearing on

"Improving and Reforming the Nation's Surface Transportation Programs"

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Submitted By

**Bipartisan Policy Center
1225 Eye Street NW, Suite 1000
Washington, D.C. 20005**

Thank you, Mr. Chairman, for the opportunity to appear before you to testify on the authorization of the federal surface transportation programs. I testify today on behalf of the Bipartisan Policy Center (BPC) National Transportation Policy Project (NTPP). Along with former Detroit Mayor Dennis Archer, former United States Senator Slade Gorton, and former Congressman Martin Olaf Sabo, I serve as a Co-Chair of NTPP. The NTPP is a diverse 25-person group of transportation experts, and business, civic, labor, and environmental leaders who have come together to chart a bipartisan vision of critically needed reforms to revitalize and focus our national surface transportation program.

In our June 2009 report, *Performance Driven: A New Vision of U.S. Transportation Policy*, NTPP called for broad and comprehensive reform of national transportation policy and programs. While NTPP recognized that it would take many years and more than one cycle of surface transportation authorization legislation to achieve its vision for national transportation policy, NTPP's conclusions and recommendations are directly relevant to current circumstances because we recognized the need to spend resources wisely no matter how much funding might be available.

There are three themes I wish to emphasize in this testimony. First, it is critical, despite current economic hardships and fiscal austerity that we continue to invest adequately in our nation's transportation infrastructure. Second, the combination of a mounting federal debt, the "broken" state of the highway trust fund, and political resistance to new taxes will likely result in a scaled-back authorization bill. Therefore, future legislation should incorporate opportunities and incentives for innovation, collaboration, and leveraging of additional resources. Finally, federal transportation policy should be reformed to better target resources toward clear national priorities.

Current Condition of Economy and Highway Trust Fund and Political Resistance to New Taxes Suggest Scaled Back Authorization Level

We all recognize that the United States is under-investing in its transportation infrastructure. As a nation, we are deferring investments that are the necessary foundation for economic recovery and growth. This will increase short-term maintenance requirements and long-term costs, and persistent under-investment in the nation's transportation infrastructure, as you, Mr. Chairman, and the president have recognized, will substantially diminish the condition, reliability, and efficiency of a surface transportation system. Under-investment will also impede the nation's economic competitiveness.

Nevertheless, no amount of study and advocacy, by NTPP and others, is likely to increase the overall level of transportation investments in the short-run. The need for greater transportation spending has run into a political and fiscal environment that makes such a course of action difficult. There is disagreement about the nature of federal action and the appropriate levels of federal spending and there is strong resistance on the part of the American people to tax increases. Importantly, BPC's own Debt Reduction Task Force, chaired by former Senate Budget Committee Chairman Pete Domenici and former White House Budget Director Dr. Alice Rivlin, and the Bowles-Simpson Commission demonstrated the fiscal crisis that the nation faces makes any increase in spending very difficult and unlikely.

As this committee addresses a new authorization of the surface transportation programs, you face the need to invest during a period of austerity and scarce resources. In such circumstances, NTPP's message has even greater resonance: "... U.S. transportation policy needs to be more performance-driven, more directly linked to a set of clearly articulated goals, and more accountable for results," and the investments of federal resources should be wiser and only those that advance national purposes.

NTPP shares the concerns that this committee expressed in the recent "Views and Estimates for Fiscal Year 2012" document: the federal government is on an unsustainable fiscal path that presents a critical threat to the national economy. The surface transportation programs should not be a contributor to rising annual budget deficits, as they have been over the last two or three years through the transfers of approximately \$35 billion from general funds to the Highway Trust Fund. As noted in the "Views and Estimates" document, we have to do more with less, and the infrastructure investments funded by these programs should be those that will yield the greatest benefits.

Reforms to Better Target Resources

If we are to meet these economic and fiscal challenges as a nation, this bill – no matter its size – should contain substantial reforms to national transportation policy and programs. The constrained fiscal circumstances that we face and the need to invest wisely create an opportunity – and, establish the necessity – for such programmatic reforms.

What might the elements of these reforms be? NTPP has recommended the following measures, many of which are consistent with proposals that you, Mr. Chairman, and this committee have suggested in recent weeks:

Program Consolidation and Simplification

As both the Administration in its Fiscal Year 2012 budget and you have proposed, there should be significant program consolidations, simplifications, and, in some cases, eliminations. The smaller number of federal programs that result from this process should be tied directly to the achievement of national goals clearly articulated by Congress in this bill. There should be a particularly strong emphasis in the remaining programs on the preservation, restoration, and enhancement of existing surface transportation systems and facilities. NTPP supports the Administration's strong emphasis in the FY 2012 budget document on investing federal resources in "state of good repair" programs.

Programs Need to Focus on National Benefits

Scarce resources must be targeted to investments that demonstrate results and benefits. NTPP, in its original report and in subsequent papers, has proposed a framework for making investments, directed at clearly articulated national goals and at long-term economic growth, productivity, and job creation, not short-term gains. For NTPP those goals were economic growth, national connectivity, metropolitan accessibility, safety, energy security and environmental sustainability. NTPP encourages this committee to ensure that the state and local recipients of federal funds going forward are held accountable for demonstrating performance toward national goals. This requires additional investment in research and data collection, as well as providing technical assistance and training to funding recipients to ensure capacity is in place for adequate modeling and reporting techniques.

Authorization Must Advance Performance and Accountability

Targeted and beneficial investments can result only from a federal program that is focused on outcomes and results, performance management and measurement, and on accountability. NTPP supports the Administration's call in its budget proposals, for more performance-based and accountable federal programs and investments. While the Administration has not yet been specific about the

elements of such a system of performance management, I believe that the surface transportation authorization bill adopted by this committee can mark an important step forward toward beginning such a program. Specifically, NTPP recommends putting the “building blocks” in place in the next bill that will allow for further research and development of the tools and techniques necessary for the development, collection, coordination, and analysis of data on national performance metrics.

Targeted Competitive Programs Fuel Innovation and Maximizing Public Benefits

While I recognize this committee’s strong emphasis on core formula programs, we believe that a necessary emphasis on performance could be substantially enhanced by the establishment of a few targeted competitive programs, such as the Administration’s proposed “transportation leadership” grants or NTPP’s performance bonus program. These programs should be viewed as a joint effort between Congress and the Executive Branch in order to be successful. States and metropolitan regions that are the most effective in targeting federal resources on national purposes and in achieving beneficial outcomes should be rewarded for good performance. Additional federal funding could act as a strong incentive to the achievement of the greatest returns with the strategic investment of scarce federal resources.

Leverage State, Local and Private Resources

With scarce federal resources federal programs should seek to leverage greater investment and innovation at the state and metropolitan levels, as well as private financing. Of course, the fiscal situation at the state and local levels is as severe as at the federal level, but these governments will by necessity have to assume a greater role in transportation infrastructure investment. While the federal government should not prescribe the elements and the specific projects and actions included in state and metropolitan strategic programs, states should be required to maintain their own efforts and funding, as a condition of federal support. I urge the committee to consider whether state matching requirements might be increased or other reforms introduced to improve the leveraging of both state and private dollars through some of the restructured core competitive programs.

States that do more should be rewarded with greater federal support and/or broadened flexibility in the use of federal funds and in the delivery of projects. Moreover, we should seek to

remove impediments, and to incentivize efforts to develop and implement creative financing and funding tools at the state and local levels. Such steps would include reducing, if not removing, federal constraints on the use of road pricing, tolling, direct user charges, and advanced information technologies to support infrastructure investment and system operations.

While private capital is not a panacea for our under-investment in the nation's transportation infrastructure, it can play a larger role than it does now. This committee has already spoken about the expansion of the TIFIA program, and within the limitations of staff and analytical resources of US DOT, these and other credit and credit enhancement programs should grow at the federal level. Moreover, states should be incentivized and assisted in developing and growing their own programs to leverage greater private investment in projects and programs.

Reforming the Planning Process

If we are to do more with fewer federal dollars and to do so largely through the core formula programs, this bill must address the need for substantial reform of the transportation planning process. If the projects in which federal resources are to be invested are to bring the greatest returns, in terms of clearly articulated national goals and purposes, the plans at the state and metropolitan levels should become more than lists of "ready-to-go" and/or locally politically-driven projects. Capital investments that use federal money should be those that offer the greatest promise of long-term national benefits.

The required transportation improvement programs (TIPs) and the long-term plans should move beyond capital projects to include operational improvements and pricing measures that enhance system performance. Moreover, the federal transportation planning process should, as already exists in some states and in some metropolitan regions, promote the incorporation of performance measurement and ongoing evaluation of results and outcomes, in terms of national benefits. Such reforms are critical to ensuring the best use of scarce federal funds toward achievement of compelling national interests with accountability for results.

Accelerate Options for New Sustainable Revenue Sources

Consistent with recommendations by both commissions created under SAFETEA-LU and NTPP's own recommendations, we urge Congress to support opportunities for local and state innovation and experimentation, through pilot programs, in the introduction of direct transportation user-charges, such as VMT fees. These programs could, for instance, be used as a way to test and develop new funding techniques that may have broader national application. Without sufficient rigorous analysis of the potential ideas for new sustainable source of funding for the transportation program the nation's infrastructure is likely to remain destined for poor performance.

Concluding Remarks

We are facing times of severe fiscal constraint across all levels and sectors of government. Given these circumstances, it is critical that we develop a fiscally austere federal transportation program. Though the need for continued investment in our nation's infrastructure is evident, we cannot afford to devote additional resources, much less borrowed dollars, to programs that provide uncertain returns. We need a reformed federal program that advances investments that are in the national interest. The program should ensure, no matter how much money is available for transportation that wise investments are being made.

Thank you for considering this testimony. We welcome opportunities to work with and support the House Committee on Transportation & Infrastructure. We ask that you draw upon our work as you seek to improve and reform, through legislation, the nation's surface transportation programs.

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
Truth in Testimony Disclosure

Pursuant to clause 2(g)(5) of House Rule XI, in the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include: (1) a curriculum vitae; and (2) a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by an entity represented by the witness. Such statements, with appropriate redaction to protect the privacy of the witness, shall be made publicly available in electronic form not later than one day after the witness appears.

(1) Name: NICOLE L. THORPE
ON BEHALF OF SHERWOOD BOEKERT

(2) Other than yourself, name of entity you are representing:
BIPARTISAN POLICY CENTER

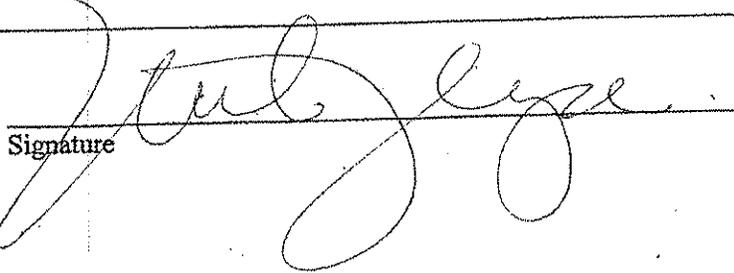
(3) Are you testifying on behalf of an entity other than a Government (federal, state, local) entity?

YES If yes, please provide the information requested below and attach your curriculum vitae.

NO

(4) Please list the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by you or by the entity you are representing:

\$20,000 (Amount)
Commission on Weapons of
Mass Destruction (AGENCY)


Signature

3/28/11
Date

THE HONORABLE SHERWOOD L. BOEHLERT (R-NY)

CHAIRMAN COMMITTEE ON SCIENCE U.S. HOUSE OF REPRESENTATIVES

U.S. Representative Sherwood L. Boehlert was first elected to Congress in 1982. Throughout his 24 years representing Central New York, he earned a reputation for independence, moderation and thoughtful leadership.

Universally recognized as the leading Republican environmentalist in the House and a major force for fashioning an energy policy to meet the demands and challenges of the new century, Boehlert also made a name for himself as a champion of the Federal investment in science and technology. He served on the House Science Committee since first taking office in 1983 and was elected Chairman of the Committee in January 2001, a position he held until his retirement in December 2006.

As Chairman of the Committee, Boehlert oversaw a portfolio that included much of the Federal non-military scientific and technology research and development (R&D) programs, spending on which totaled more than \$30 billion a year. Federal agencies under the Committee's jurisdiction included the National Aeronautics and Space Administration (NASA), the National Science Foundation (NSF), the National Oceanic and Atmospheric Administration, and R&D activities within the Environmental Protection Agency, the Federal Aviation Administration, and the Departments of Commerce, Energy, Homeland Security, and Transportation.

In his first speech as chairman, Boehlert pledged to "build the Science Committee into a significant force within Congress," and to "ensure that we have a healthy, sustainable, and productive R&D establishment – one that educates students, increases human knowledge, strengthens U.S. competitiveness and contributes to the well-being of the nation and the world."

With those goals in mind, Boehlert laid out three priorities for the Committee – "The Three E's" – science and math education, energy policy, and the environment – three areas in which Boehlert believed the resources and expertise of the scientific enterprise could be brought to bear on issues of national significance. Under Boehlert's leadership, the Committee succeeded in getting important legislation on those and other priority areas signed into law.

Unexpected events in the Nation's history – the terrorist attacks of September 11, 2001 and the loss of the Space Shuttle Columbia on February 1, 2003 – also focused Chairman Boehlert's attention on preventing future terrorist attacks and charting a new course for human space exploration.

Under Boehlert's leadership, the Science Committee played a central role in the establishment of the new Department of Homeland Security. The final legislation creating the new Department, signed into law on November 22, 2002, included Boehlert's provisions establishing a Science and Technology Directorate and a Homeland Security Advance Research Projects Agency.

Believing that "the War on Terrorism, like the Cold War, will be won in the laboratory as much as on the battlefield," Boehlert also worked to ensure that agencies throughout the Federal Government were investing in the science and technology necessary to combat terrorism over the long-term. One area of particular concern to Chairman Boehlert was the vulnerability of the Nation's power grid, financial institutions and other critical infrastructures to a cyber attack. To strengthen our Nation's cyber security efforts, Boehlert authored the *Cyber Security Research and Development Act*, which was signed into law by President Bush on November 27, 2002.

Boehlert also took the lead in responding to the concerns of family members of September 11th victims regarding the investigation into the collapse of the World Trade Center. After two high-profile Science Committee hearings into the matter, Boehlert introduced legislation to enable the government to respond more quickly to building failures and to overcome the problems that plagued the World Trade Center investigation. Boehlert's legislation, signed into law on October 1, 2002, designated the National Institute of Standards and Technology (NIST) as the lead agency for all future building failure investigations.

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Boehlert also had several legislative victories in the areas of research and education policy. In December 2002, President George W. Bush signed into law Boehlert's *Investing in America's Future Act*, which authorized the doubling of NSF's budget over 10 years and strengthened NSF's education programs.

One of Chairman Boehlert's signature accomplishments was elevating the issue of U.S. economic competitiveness to the forefront of domestic policy discussions. He was one of the key Congressional leaders who requested the seminal 2005 National Academy of Sciences report *Rising Above the Gathering Storm*, which recommended increased investment in research and education.

Boehlert also hosted an Innovation Summit on December 6, 2005, held at the Department of Commerce that brought together more than 50 chief executive officers and university presidents to discuss the Nation's economic challenges with top Administration officials, including the Secretaries of Education, Energy, Commerce and Labor.

Boehlert's efforts helped pave the way for President Bush's *American Competitiveness Initiative*, announced in the 2006 State of the Union Address, which proposed doubling the budgets of NSF, NIST's laboratory programs, and the Department of Energy's Office of Science over 10 years.

Additionally, Boehlert wrote the *21st Century Nanotechnology Research and Development Act*, which helped promote the emerging field of nanotechnology. At the time the bill was signed into law in December 2003, NSF estimated that nanotechnology would become a \$1 trillion industry within a decade. Boehlert's bill authorized increased funding and established a coordinated interagency program to carry out nanotechnology research.

Strongly believing that the Nation's economic – as well as its national – security is directly tied to increased energy independence, Boehlert took an active role in promoting the development of alternative energy sources. Under his leadership, the Science Committee authored key provisions in the *Energy Policy Act*, enacted in 2005, that authorized research in and development of clean, domestically produced renewable energy sources. Boehlert also led the effort in Congress to increase Corporate Average Fuel Economy standards for cars and light trucks, which would have significantly cut oil consumption within the U.S. transportation sector.

Boehlert's legislative experience and seniority made him one of the most influential members of Congress. His influence has been praised by many publications, including National Journal, which dubbed him "the Green Hornet" and featured him as one of a dozen "key players" in the House. Congressional Quarterly referred to him as "an important envoy between the House GOP leadership the chamber's increasingly independent Republican swing voters" and Time Magazine highlighted him as a power center on Capitol Hill.

Born on September 28, 1936 in Utica, New York, Boehlert is a graduate of Utica College (Bachelor of Science, 1961). Before serving as Oneida County Executive (1979-83), he was manager of public relations at Wyandotte Chemical (1961-64) and served two years in the U.S. Army (1956-58).

Boehlert served as chief of staff for two New York Congressman, Alexander Pirnie (1964-72) and Donald Mitchell (1973-79), where he became intimately familiar with the needs of his constituents in Central New York.

An avid New York Yankees fan and movie buff, Boehlert and his wife, Marianne (Willey) Boehlert, live in Rehoboth Beach, Delaware. They have four grown children and six grandchildren.

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Note: Boehlert is semi-retired. He is Of Counsel to The Accord Group. He is a member of the Board of Alliance for Climate Protection, Chaired by former Vice President, Al Gore; The Natural Resource Defense Council Action Fund; The League of Conservation Voters; The Republican Main Street Partnership; and is a Trustee of the Heinz Center and Utica College.