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INVESTING IN OUR NATION'S TRANSPORTATION INFRASTRUCTURE AND WORKERS: WHY IT MATTERS

(117–60)

REMOTELY ATTENDED HEARING

BEFORE THE

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE HOUSE OF REPRESENTATIVES

ONE HUNDRED SEVENTEENTH CONGRESS

SECOND SESSION

SEPTEMBER 29, 2022

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Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington, DC 20515

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SEPTEMBER 26, 2022

SUMMARY OF SUBJECT MATTER

TO: Members, Committee on Transportation and Infrastructure
FROM: Staff, Committee on Transportation and Infrastructure
RE: Full Committee Hearing on "Investing in our Nation's Transportation Infrastructure and Workers: Why it Matters"

PURPOSE

The Committee on Transportation and Infrastructure will meet on Thursday, September 29, 2022, at 10:00 a.m. EDT in 2167 Rayburn House Office Building and virtually via Zoom for a hearing titled "Investing in our Nation's Transportation Infrastructure and Workers: Why it Matters." The hearing will provide an opportunity for Members of the committee to hear from stakeholders about the impacts of the American Rescue Plan Act of 2021, the Infrastructure Investment and Jobs Act, and the Inflation Reduction Act of 2022 on American families, workers, and communities.[1] The focus will be on the transportation-related provisions of these laws. The committee will hear testimony from the Association of Flight Attendants—Communication Workers of America, AFL–CIO; Transportation Trades Department, AFL–CIO; Amtrak; TriMet; the Heritage Foundation; and the Economic Policy Institute.

BACKGROUND

During the 117th Congress, America faced unprecedented challenges. The COVID–19 pandemic continued to spread through the nation's communities—closing downtowns, impacting workers, and placing unprecedented stress on supply chains as demand for goods surged. At the same time, Congress faced the expiration of authorization for surface transportation programs and policies.[2] In response, Congress passed three laws: the American Rescue Plan Act in March 2021, the Infrastructure Investment and Jobs Act in November 2021, and the Inflation Reduction Act in August 2022. Each law includes investments in America's transportation infrastructure and workers.

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[1] American Rescue Plan Act of 2021 (P.L.117–2), available at https://www.congress.gov/bill/117th-congress/house-bill/1319; Infrastructure and Jobs Act (P.L. 117–58), available at https://www.congress.gov/bill/117th-congress/house-bill/3684; Inflation Reduction Act of 2022 (P.L. 117–169), available at https://www.congress.gov/bill/117th-congress/house-bill/5376/text.

[2] See the Fixing America's Surface Transportation Act (FAST Act, P.L. 114–94), available at https://www.congress.gov/bill/114th-congress/house-bill/22.

MARCH 11, 2021: AMERICAN RESCUE PLAN ACT

On March 11, 2021, President Biden signed the American Rescue Plan Act into law, about a year into the COVID–19 pandemic.[3] Building on the work of the previous Congress, which passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act; P.L. 116–136, enacted on March 27, 2020) and the Consolidated Appropriations Act of 2021(P.L. 116–260, enacted on December 27, 2020), the law's goal was to address the country's immediate needs, change the course of the pandemic, and deliver relief for American workers, including transportation workers. Overall, the law included $1.9 trillion in relief, including investments in programs under the committee's jurisdiction.

Rail

The American Rescue Plan Act provided $1.7 billion for Amtrak, including $970.3 million for Amtrak's Northeast Corridor and $729.6 million for the National Network, which allowed Amtrak to recall and pay employees furloughed due to the COVID–19 pandemic through the end of fiscal year 2021 and restore daily long-distance service within 90 days after enactment.[4] This amount included set-asides of $174.8 million to states to cover lost revenue in state-supported routes and avoid large increases in state payments to Amtrak and $109.8 million for states and commuter rail agencies to cover their Northeast Corridor commuter rail payments to Amtrak.[5]

The law also provided or enhanced and extended unemployment benefits for freight and passenger railroad workers, ensuring that unemployed rail workers continued to receive parity with other enhanced unemployment benefits authorized in the law. This specifically included an additional $300 per week to unemployed railroad workers on top of their standard benefit, access to additional weeks of unemployment benefits, and a waiver of the one-week delay in benefits for newly unemployed or sick workers.[6]

Transit

Further, the law provided a total of $30.5 billion in transit funding, which included: $26.1 billion for operating assistance formula grants for transit agencies located in urbanized areas; $2.2 billion in emergency relief funding for transit agencies demonstrating additional pandemic-associated needs; $1.7 billion in funds for ongoing New Start, Core Capacity, and Small Start capital investment projects; $317.2 million in operating assistance formula grants for states to support transit agencies in rural areas, of which $35 million is for grants on Tribal lands; $50.0 million for transit providers in communities of all sizes to provide transportation for seniors and persons with disabilities; $100 million for intercity bus service that provides essential connections to rural transit; and $25 million in planning grants to help agencies increase ridership and reduce travel times or make service adjustments to increase the quality or frequency of service provided to low-income riders or disadvantaged neighborhoods or communities.[7]

Airports and Aviation

The American Rescue Plan Act provided $8 billion in emergency aid for sponsors of airports to prevent, prepare for, and respond to coronavirus.[8] Of that, $6.4 billion was made available to primary airports for debt service payments, personnel and other operating expenses; $600 million was provided to airports to cover the federal cost share for any Airport Improvement Program grant awarded in fiscal year 2021; $100 million was set aside for general aviation and commercial service airports for costs related to the pandemic; and $800 million was made available to concessionaires located at primary airports, of which 80 percent was targeted toward small businesses and minority-owned firms.[9] The Act required primary airports receiving assistance funds to continue to retain at least 90 percent of their workforce as of March 27, 2020, through the end of fiscal year 2021.[10]

The American Rescue Plan Act also allocated $15 billion to extend the Payroll Support Program (PSP) to fund payroll support for airline workers and related con-

[3] Public Law No. 117–2, available at https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf.
[4] See Sec. 7101 https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf.
[5] *Id.*
[6] See Sec. 2901, 2902 and 2903 https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf.
[7] See Sec. 3401 https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf.
[8] See Section 7102(a). https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf.
[9] See Section 7102(b)). https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf.
[10] See Section 7102(c)(2)(A). https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf.

tract workers.[11] As with the original PSP authorization and its first extension, this second extension prohibited air carriers and contractors from involuntarily furloughing or reducing pay rates or benefits of their workers until September 30, 2021.[12] The extension included similar restrictions on executive compensation and capital distributions, such as dividend payments, and taxpayer protections, as provided in the original program.[13]

The law also established a $3 billion temporary payroll support program for the domestic aerospace manufacturing industry administered by the U.S. Department of Transportation (DOT).[14] The program provided a 50 percent federal share to eligible U.S. aerospace manufacturing companies that met certain criteria to help cover the wages, salaries, and benefits of manufacturing employees most at risk of being furloughed and to facilitate the recall or rehire of such employees furloughed during the COVID–19 pandemic.[15] The law prohibits program recipients from conducting involuntary furloughs or reducing the pay rates and benefits of its eligible employee groups.[16]

Federal Emergency Management Agency (FEMA)

The law provided FEMA $50 billion for reimbursement to state, local, Tribal, and territorial governments dealing with presidentially-declared disasters, available through fiscal year 2025.[17]

Economic Development Administration (EDA)

The law provided $3 billion in economic adjustment assistance for fiscal year 2021 for the purpose of preventing, preparing for, and responding to economic injury caused by the COVID–19 pandemic.[18]

NOVEMBER 15, 2021: INFRASTRUCTURE INVESTMENT AND JOBS ACT

On November 15, 2021, President Biden signed the bipartisan infrastructure framework, passed as the Senate Amendment to H.R. 3684, the Infrastructure Investment and Jobs Act (IIJA) into law.[19] This legislation provided billions of dollars for our highway, transit, rail, airport, port, and wastewater infrastructure. These investments are intended to help construct, repair, and replace airports, roads, bridges, transit systems, railroads, and pipelines; improve safety; reduce carbon pollution from the transportation sector; reduce congestion at ports; and improve air and water quality.[20]

The IIJA provides approximately $660 billion over five years to be distributed by DOT through formula programs and competitive grants to states, local governments, metropolitan planning organizations, transit agencies, Tribes, passenger and freight railroad carriers, ports, airports, and other eligible recipients.[21] This amount includes the following topline amounts by mode:

- $365 billion for highway programs administered by the Federal Highway Administration (FHWA);[22]

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[11] See Section 7301. https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf.

[12] *Id.* The original Payroll Support Program, which was included in the CARES Act, was a $32 billion program to preserve the jobs of employees of U.S. airlines and certain airline contractors through September 30, 2020. The assistance provided was conditioned on companies not involuntarily furloughing or reducing the pay rates or benefits of workers, refraining from stock buybacks, limiting executive compensation, and other conditions. Every major airline signed an agreement with the U.S. Treasury to receive PSP grants. See Payroll Support Program Payments, U.S. Treas., available at https://home.treasury.gov/policy-issues/cares/preserving-jobs-for-american-industry/payroll-support-program-payments.

[13] *Id.*

[14] See Section 7202. https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf.

[15] https://www.transportation.gov/AMJP.

[16] See Section 7202(b). https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf.

[17] https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf.

[18] https://www.congress.gov/117/plaws/publ2/PLAW-117publ2.pdf.

[19] Public Law No. 117–58, available at https://www.congress.gov/bill/117th-congress/house-bill/3684.

[20] As described in Views and Estimates of the Committee on Transportation and Infrastructure for Fiscal Year 2023, p 1. https://transportation.house.gov/imo/media/doc/FY23%20Views%20and%20Estimates__Final.pdf.

[21] https://www.transportation.gov/sites/dot.gov/files/2022-01/DOT__Infrastructure__Investment__and__Jobs__Act__Authorization__Table__%28IIJA%29.pdf.

[22] More information on highway programs available at https://www.fhwa.dot.gov/bipartisan-infrastructure-law/.

- $108 billion for transit programs administered by the Federal Transit Administration (FTA);[23]
- $102 billion for rail programs administered by the Federal Railroad Administration (FRA);[24]
- $43 billion for multimodal project, safety, and innovation grant programs administered by the Office of the Secretary of Transportation (OST);[25]
- $25 billion for aviation programs administered by the Federal Aviation Administration (FAA);[26]
- $8 billion for safety programs administered by the National Highway Traffic Safety Administration (NHTSA);[27]
- $5 billion for motor carrier safety programs administered by the Federal Motor Carrier Safety Administration (FMCSA);[28]
- $2.3 billion for port and waterway programs administered by the Maritime Administration (MARAD);[29] and
- $1 billion for modernization of natural gas distribution pipelines administered by the Pipeline and Hazardous Materials Safety Administration (PHMSA).[30]

The guaranteed funding provided by the IIJA flows to funding recipients through more than 100 grant programs authorized by the legislation and administered by DOT and includes both formula and competitive grants.[31] A comprehensive list of these programs across modal agencies and total funding available for each program can be found on DOT's website.[32]

The law also authorizes $35 billion in existing programs and creates new programs to support drinking water and wastewater infrastructure projects.[33] A large share of this funding is given to the Drinking Water State Revolving Fund and the Clean Water State Revolving Fund.[34]

AUGUST 16, 2022: INFLATION REDUCTION ACT OF 2022

On August 16, 2022, President Biden signed the Inflation Reduction Act of 2022 into law.[35] The law authorizes $369 billion in spending on climate and clean energy provisions, including transportation-related programs.[36]

Highways

The law invests $3.16 billion in a new Neighborhood Access and Equity Grant Program to provide funds to reconnect communities divided by transportation infrastructure, including $50 million for local technical assistance grants.[37] The law also provides $100 million to FHWA for grants and administrative activities to facilitate the completion of environmental reviews for surface transportation projects.[38] Finally, it gives $2 billion to FHWA to reimburse the cost difference between low-embodied carbon construction materials and traditional materials in highway construction projects.[39]

Aviation

The law dedicates $297 million for the Alternative Fuel and Low-Emission Aviation Technology Program, which includes $244.5 million for sustainable aviation fuel

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[23] More information on transit programs available at https://www.transit.dot.gov/BIL.
[24] More information on rail programs available at https://railroads.dot.gov/BIL.
[25] More information on OST programs available at https://www.transportation.gov/mission/budget/bipartisan-infrastructure-law-dashboard.
[26] More information on aviation programs available at https://www.faa.gov/bil.
[27] More information on NHTSA programs available at https://www.nhtsa.gov/bipartisan-infrastructure-law.
[28] More information on FMCSA grant programs available at https://www.fmcsa.dot.gov/Bipartisan-Infrastructure-Law-Grants.
[29] More information on MARAD programs available at https://www.maritime.dot.gov/about-us/bipartisan-infrastructure-law-maritime-administration.
[30] More information on pipeline grants available at https://www.phmsa.dot.gov/news/usdot-begins-accepting-applications-president-bidens-bipartisan-infrastructure-law-program.
[31] https://www.transportation.gov/bipartisan-infrastructure-law/bipartisan-infrastructure-law-grant-programs.
[32] *Id.*
[33] https://www.congress.gov/bill/117th-congress/house-bill/3684.
[34] *Id.*
[35] https://www.congress.gov/bill/117th-congress/house-bill/5376.
[36] https://www.cnbc.com/2022/08/22/what-the-climate-bill-does-for-the-nuclear-industry.html.
[37] See Section 60501. https://www.congress.gov/bill/117th-congress/house-bill/5376/text.
[38] See section 60505 https://www.congress.gov/bill/117th-congress/house-bill/5376/text.
[39] See section 60506. https://www.congress.gov/bill/117th-congress/house-bill/5376/text.

infrastructure projects, $46.5 million for low emission aviation technologies, and $5.9 million to administer the program.[40]

General Services Administration

The law provided $250 million to convert facilities of the Administrator of General Services to high-performance green buildings and $2.15 billion to acquire and install low-embodied carbon materials and products for use in the construction or alteration of buildings under the jurisdiction, custody, and control of the General Services Administration.

WITNESS LIST

- Sara Nelson, International President, Association of Flight Attendants—CWA, AFL–CIO
- Greg Regan, President, Transportation Trades Department, AFL–CIO
- Stephen Gardner, Chief Executive Officer, Amtrak
- Samuel Desue, Jr., General Manager, TriMet (Portland, OR)
- David Ditch, Policy Analyst, The Heritage Foundation
- Adam Hersh, Ph.D., Senior Economist, Economic Policy Institute

[40] See section 40007. https://www.congress.gov/bill/117th-congress/house-bill/5376/text.

INVESTING IN OUR NATION'S TRANSPORTATION INFRASTRUCTURE AND WORKERS: WHY IT MATTERS

THURSDAY, SEPTEMBER 29, 2022

HOUSE OF REPRESENTATIVES,
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
WASHINGTON, DC.

The committee met, pursuant to call, at 10 a.m. in room 2167 Rayburn House Office Building and via Zoom, Hon. Peter A. DeFazio (Chair of the committee) presiding.

Members present in person: Mr. DeFazio, Mr. Larsen of Washington, Mr. Cohen, Mr. DeSaulnier, Mr. Lynch, Mr. Malinowski, Ms. Davids of Kansas, Mr. Lamb, Mr. Auchincloss, Mr. Kahele, Mr. Graves of Missouri, Mr. Crawford, Mr. Gibbs, Mr. Webster of Florida, Mr. Massie, Mr. Perry, Dr. Babin, Mr. Rouzer, Mr. LaMalfa, Mr. Fitzpatrick, Miss González-Colón, Mr. Balderson, Mr. Stauber, Mr. Burchett, Mr. Guest, Mr. Nehls, and Ms. Van Duyne.

Members present remotely: Ms. Norton, Mrs. Napolitano, Mr. Payne, Mr. Lowenthal, Mr. Carbajal, Mr. Stanton, Mr. Allred, Mr. García of Illinois, Mr. Pappas, Ms. Bourdeaux, Ms. Strickland, Ms. Williams of Georgia, Ms. Newman, Mr. Carter of Louisiana, Ms. Cherfilus-McCormick, Mr. Johnson of South Dakota, and Ms. Mace.

Mr. DEFAZIO. The Transportation and Infrastructure Committee will come to order.

I ask unanimous consent that the chair be authorized to declare a recess at any time during today's hearing.

Without objection, so ordered.

As a reminder, please keep your microphone muted, unless speaking. If you make background noise, I will shout at you.

To insert a document into the record, please email it to DocumentsT&I@mail.house.gov.

With that, I recognize myself for my opening statement.

Today's hearing gives us the chance to hear from stakeholders about the impacts of transportation legislation passed in the 117th Congress.

Thirty-six years I have been here working these issues, and the forces of inertia and not getting things done in Washington are quite strong. And I am proud of the work of this committee and this Congress, as a whole, for these last 2 years to break through that inertia and deliver for the American people.

We delivered on the challenges to the transportation sector from COVID–19. When faced with crumbling transportation infrastructure that had been neglected for years, we delivered. And when faced with a climate crisis and a desperate need for Government

leadership in order to decarbonize, again, we delivered with separate legislation.

This Congress passed three bills that will grow the economy, strengthen global competitiveness, create good-paying union jobs, can't be sent overseas, and make our communities more resilient: the American Rescue Plan Act; the Infrastructure Investment and Jobs Act, so-called IIJA; and the Inflation Reduction Act.

Almost 4 years ago, the committee held a hearing to kick off the 116th Congress, and we called it "The Cost of Doing Nothing." We looked at what would happen to the U.S. if we continued to kick the can down the road on the major investments needed for infrastructure. I started an attempt to get a major increase in surface transportation back under President Obama. He killed it, because he was afraid of us raising the gas tax. Donald Trump came in and promised us $2 trillion, delivered nothing.

And then finally, under this President, we passed, twice, legislation out of the House through a real legislative process, many hundreds of amendments, many hours in committee, many hours on the floor. And then, unfortunately, because of the dysfunction of the Senate, the President had to resort to a negotiated deal. It basically matched the funding we had put forward and incorporated some of the work we did. It did not incorporate other parts, but that is where it is when you are dealing with one body that is totally dysfunctional and incapable of legislating. So, we got it done, the biggest investment in transportation infrastructure since the Eisenhower era—actually larger than that, and very long overdue.

The American Society of Civil Engineers estimates the deterioration to have a pricetag of over $2 trillion just to bring it up to a state of good repair and to begin to address future needs, begin to build in more resilience for severe weather events, sea level rise, and other things. So, that is something of which the committee and the Congress can be proud: the money is rolling out.

Then, of course, there was the COVID–19 pandemic, and we had amazing problems with transit, aviation, and others. And again, Congress stepped up, first passed the CARES Act, then the Consolidated Appropriations Act of 2021, and then the American Rescue Plan Act. We managed to keep the trains, buses, and subways running. We saved the aviation industry by keeping the employees paid and in status, not directing money as a bailout to the airlines themselves, as was done in 2001 and 2008. We prohibited the airlines from stock buybacks, furloughs, and executive compensation, and the corporate stockholders would not directly benefit from the Federal funds.

Obviously, we had people actually continue to work in transit, and some actually contracted COVID and died providing critical services. We had people in aviation contract COVID and die, but we maintained those vital industries through a very, very dark time.

I look forward to hearing from Sara Nelson with the Association of Flight Attendants and Greg Regan of the Transportation Trades Department about how they came through and their members came through the pandemic.

I already referenced the surface transportation bill. We have a $100 billion deficit to bring transit up to a state of good repair, let

alone providing new transit options to people to help them get out of congestion, get out of their single occupancy vehicles, and get to work in a timely fashion.

We have 42,966 bridges on the National Highway System in need of substantial repair or replacement, and there is $40 billion dedicated in the IIJA. It is not going to take care of all of them, but we are finally going to begin to address that, and not see the number growing, but see the number of bridges going down.

So, we will hear today from Dr. Adam Hersh, who estimates that the IIJA's additional infrastructure spending will support—pretty precise here—772,400 jobs, not 772,000. Not one more or less, I am not sure. But anyway, that is a lot of jobs, and there is a multiplier effect to the economic benefits for the communities where projects take place and these good-paying jobs—it trickles down through the whole economy, particularly small businesses, Main Street businesses, and others.

And then climate and the transportation sector—and this is a point of some difference—we do a lot of things bipartisan on this committee, but I believe we must address the issues regarding climate through transportation issues. Surface transportation is the largest single contributor of greenhouse gases in the United States, and we need to begin to meaningfully address those. We had provisions in the bill passed out of the House that would have been more effective, but there is still significant investment being made through the IIJA with what will be done, and also through the investment IRA bill in terms of tax credits for EVs, charging stations, more money for transit, more money for rail, and then actually looking for alternate fuels, working with the industry for alternate fuels for aviation and other sectors.

So, I think it has been one heck of a ride for the last couple of years here, or make that starting 3 years ago with the pandemic, and I think we can be very proud of what we have accomplished, and in good part, generated by this committee.

[Ms. DeFazio's prepared statement follows:]

Prepared Statement of Hon. Peter A. DeFazio, a Representative in Congress from the State of Oregon, and Chair, Committee on Transportation and Infrastructure

Today's hearing gives us the chance to hear from stakeholders about the impacts of transportation legislation passed by the 117th Congress. After 36 years in Congress, I have fought enough uphill battles to know that the forces of apathy and inertia are strong. But I am proud of the work of this committee, and this Congress as a whole, these last two years—to defeat that sense of inertia and deliver for the American people.

When faced with the unprecedented challenges to the transportation industry from the COVID–19 pandemic—we delivered. When faced with crumbling transportation infrastructure that had been neglected for years—we delivered. When faced with a climate crisis and a desperate need for government leadership in order to decarbonize—we delivered.

This Congress, we passed three bills that will grow the economy, strengthen our global competitiveness, create good-paying union jobs that can't be sent overseas, and make our communities more resilient—the American Rescue Plan Act, the Infrastructure Investments and Jobs Act, and the Inflation Reduction Act.

Almost four years ago in February 2019, the committee held a hearing to kick off the 116th Congress and we called it "The Cost of Doing Nothing: Why Investing in Our Nation's Infrastructure Cannot Wait." Over the course of nearly seven hours,

we heard from stakeholders about the urgent need to invest in transportation infrastructure projects across the country and across transportation modes.

At that time, transportation demand was booming, and our existing infrastructure was not able to keep up with user demand. In fact, the American Society of Civil Engineers estimated an investment gap of $2 trillion over 10 years to fix existing infrastructure, meet future needs, and restore global competitiveness.

Then, the COVID–19 pandemic hit. Of course, the pandemic had massive impacts on transportation—it disrupted business and leisure travel, and upended many Americans' daily work routines and commutes. But for essential and frontline workers, the need for safe and reliable transit options was greater than ever. In the face of this challenge, we passed COVID relief: first the CARES Act, and then the Consolidated Appropriations Act of 2021, and then the American Rescue Plan Act.

Among other benefits to the country, these bills managed to keep the nation's trains, buses, and subways running. We rescued the aviation industry and Amtrak, but we kept workers at the center of the recovery effort—refusing to allow entities taking these funds to impose involuntary furloughs and stock buy-backs—focusing benefits towards American workers, not corporate shareholders.

And this nation's transportation workers quickly became the heroes of the pandemic, as flight attendants bravely faced hostility from passengers in the midst of a stressful flying environment, transit workers kept buses and subways running so that other essential workers could get to their jobs, and freight workers and truck drivers delivered food and other essentials to communities at a time of great turmoil. These essential workers delivered for our nation.

We appreciate and thank them, and I look forward to hearing from Sara Nelson of the Association of Flight Attendants and Greg Regan of the Transportation Trades Department about how their members overcame obstacles to keep our transportation systems running.

The 117th Congress also passed a surface transportation authorization bill that included truly transformative investments: the Infrastructure Investment and Jobs Act, enacted in November 2021. The long-overdue investments included in this legislation will grow the economy, strengthen our global competitiveness, create good-paying union jobs that can't be sent overseas, and make our communities more resilient, livable, and equitable. In particular, this bipartisan infrastructure law makes badly-needed improvements to our rail systems, bridges and highways, transit, water, and broadband infrastructure, as well as our ports and airports—investments I have championed for years, both in the minority and majority, and under Republican and Democratic administrations.

To give just one example, the bill will tackle the over $100 billion transit state of good repair backlog through a 30 percent increase in transit formula grants in year one alone, a new railcar replacement program, and an unprecedented investment in new, cleaner buses and bus facilities.

Right now, 42,966 of the nation's bridges are in poor condition. That's why the IIJA provided more than $40 billion in dedicated funding for bridge repair, rehabilitation, and replacement. The law tackles every aspect of the problem by authorizing a flexible formula bridge program, providing dedicated funding for small, rural bridge repairs, and establishing a new grant program to reconstruct the largest and most complex bridges that will stand for a century to come. This money is already being put to work across the country. According to the American Road & Transportation Builders Association (ARTBA), more than 300 projects are already underway using funds from the new FHWA Bridge Formula Program alone.

All of these infrastructure investments support good-paying jobs, too—today's witness Dr. Adam Hersh estimates that IIJA's additional infrastructure spending will support 772,400 jobs annually. And there's a multiplier effect to the economic benefits for the communities where projects take place—ARTBA has estimated that IIJA funds would have a three-fold multiplier effect.

But the IIJA doesn't just build for the sake of building. It puts us on a path towards addressing our greatest challenges—strengthening America's position on the world stage; building a transportation system that is equitable and provides access for all; and addressing the existential threat of climate change.

Humans are causing climate change in a number of ways—most notably through burning coal, gasoline and other fossil fuels.

The transportation sector is the largest contributor to greenhouse gas emissions in the United States. Over the last three decades, those emissions have risen 24 percent, more than any other sector. Passenger and freight vehicles account for 82 percent of transportation sector emissions—yet Congress did little to address it. A lot of the climate change policy action has been in the courts and in the private sector, as businesses look to manage their climate risks and comply with laws in the Euro-

pean Union, Canada, and other countries that have actually passed legislation to do something. Until now.

Now, with the Inflation Reduction Act, we are finally seeing Congress take action on climate change. For transportation, this means supporting greener materials in highway construction and the adoption of sustainable aviation fuels. The law also includes substantial tax incentives for electric vehicles. And the IIJA's support for passenger rail, transit, and pedestrian and bicycle infrastructure will make a difference in providing climate-friendly transportation options that will reduce congestion for everyone. As I've said many times, climate change is an existential threat to our nation and the world, and I'm glad we're finally taking action.

Looking back over my 36 years in Congress and on this committee, there is a lot to be proud of. But, serving as Chair of the Transportation and Infrastructure Committee for the last four years has been an honor of a lifetime. We've accomplished so much together, and I'm glad we have this last full committee hearing to focus on the incredible accomplishments of the 117th Congress.

Thank you to each of our witnesses for being here today. I know your time is valuable, and this committee is grateful for your participation.

Mr. DEFAZIO. With that, I would be happy to recognize the ranking member.

Mr. GRAVES OF MISSOURI. Thank you, Mr. Chairman, and thank you to our witnesses for being here today.

Today's hearing is going to focus on the three pieces of legislation that were signed into law by President Biden over the course of this Congress.

First, let's be clear where we are today. The economy and the American people are not better off since the President took office. Rather, the current 8.3 percent inflation is nearly 400 percent higher than when the President first took office, and Americans are struggling with the heightened cost of everyday items. Inflation, and many of the other crises we are facing today, are a result of the cumulative impact of overspending, overregulating, and overall failed leadership.

The first of the three bills we are here to talk about today passed in early 2021, costing a whopping $2 trillion. The American Rescue Plan, or ARP, as it was called, was forced through Congress using the partisan budget reconciliation process under the guise of helping the Nation combat and recover from the COVID–19 pandemic. However, it was passed when the economy was already well into recovery, and only 9 percent of the bill's funds went to COVID-related assistance, not to mention it was the only COVID package developed and passed in a completely partisan way since the onset of the public health crisis.

The second bill, which is of pivotal interest to this committee, is the $1.2 trillion Infrastructure Investment and Jobs Act, or IIJA. The chair and I both were critical of the fact that this bill was written and negotiated in the Senate along with the administration while the House was completely shut out of the process. In November 2021, when the bill came over to the House, Members were left with the choice of this flawed piece of legislation or nothing, which frustrated all sides.

The third bill, recently passed, is the $750 billion Inflation Reduction Act, or IRA. Despite its clever name, it actually makes inflation worse.

All together, these massive spending bills total nearly $4 trillion, most of which was paid for through deficit spending.

I look forward to discussing the very serious effects and consequences that are plaguing Americans in no small part due to the totality of all the massive spending over the last 2 years.

Problem number one isn't hard to identify: the injection of nearly $4 trillion into the economy in only 17 months contributed to the highest inflation in four decades. In fact, economists estimate that inflation is costing the average American family nearly $8,000 more this year for everyday necessities. Inflation is also causing States and local governments to scrap, or at least push off, some very important transportation projects. And we have heard that in this committee.

If inflation continues, it could entirely wipe out the funding increases in the IIJA. But let's remember that Democratic economist Larry Summers warned us, and the majority time and time again dismissed the warnings.

Aside from focusing on the damage these bills did to our economy, another concern of mine is how the administration is implementing laws that have passed, including the IIJA. This administration is not following the letter of the law. Instead, they are using rules and guidance materials to impose partisan policies throughout the process.

Looking forward, my focus is going to be on oversight of IIJA, as well as the transportation-related provisions in the ARP and the IRA to ensure that taxpayer funding is spent wisely and according to the letter of the law, or the way the law was passed.

[Mr. Graves of Missouri's prepared statement follows:]

Prepared Statement of Hon. Sam Graves, a Representative in Congress from the State of Missouri, and Ranking Member, Committee on Transportation and Infrastructure

Thank you, Chair DeFazio, and thank you to our witnesses for being here today.

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Looking forward, my focus will be on oversight of IIJA as well as the transportation-related provisions in the ARP and the IRA to ensure taxpayer funding is spent wisely and according to the letter of the law.

Mr. GRAVES OF MISSOURI. Again, I look forward to hearing from the witnesses today, and I want to thank you, Mr. Chairman, and I yield back the balance of my time.

Mr. DEFAZIO. I thank the gentleman for his statement. I would now like to welcome the witnesses on our panel: Sara Nelson, international president, the Association of Flight Attendants—CWA, AFL–CIO; Greg Regan, president, the Transportation Trades Department, AFL–CIO; Stephen Gardner, chief executive officer, Amtrak; Samuel Desue, general manager of TriMet; David Ditch, policy analyst, The Heritage Foundation; and Adam Hersh, senior economist at the Economic Policy Institute.

Thanks for being here today. Thanks for some who traveled all the way across the country to do that, and I think this is the first hearing we have had where all the witnesses are actually here in person. I can't think of another one, right?

Oh, we have one online. Well, close. All right. This is the closest we have come to having all of the witnesses here.

Without objection, your full statements will be included in the record. And since that has been done, we ask you to limit yourself to 5 minutes, best in terms of summarizing the most cogent parts, or relevant parts, or even if you want to depart and comment on what someone else on the panel said, that is always more interesting.

So, with that, I would recognize President Nelson of the AFA for 5 minutes.

TESTIMONY OF SARA NELSON, INTERNATIONAL PRESIDENT, ASSOCIATION OF FLIGHT ATTENDANTS—CWA, AFL–CIO; GREGORY R. REGAN, PRESIDENT, TRANSPORTATION TRADES DEPARTMENT, AFL–CIO; STEPHEN GARDNER, CHIEF EXECUTIVE OFFICER, NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK); SAMUEL DESUE, JR., GENERAL MANAGER, TRIMET; DAVID DITCH, POLICY ANALYST, THE HERITAGE FOUNDATION; AND ADAM S. HERSH, PH.D., SENIOR ECONOMIST, ECONOMIC POLICY INSTITUTE

Ms. NELSON. Thank you, Chair DeFazio. It is great to have two of you looking down on us at this hearing.

And Ranking Member Graves and members of the committee, we really appreciate the opportunity to talk about the importance of investing in our Nation's transportation and infrastructure and its workers.

I am a 26-year union flight attendant and the president of the Association of Flight Attendants, AFL–CIO. And we represent flight attendants at 19 airlines across the industry. We also coordinate closely with our partner union, CWA; our sister union, APFA; and all the transportation union affiliates of the Transportation Trades Department of the AFL–CIO. We are grateful for the opportunity to testify on the benefits of the American Rescue Plan, Infrastructure Investment and Jobs Act, and the Inflation Reduction Act.

In past crises, we were the bailout. Aviation workers were the bailout. But thanks to Chair DeFazio and coordination between unions and industry and the bipartisan action of this committee, that was not the case this time. Enacting the PSP, the Payroll Support Program, in the CARES Act and extending it in the American Rescue Plan meant that we kept critical service in place to all of our communities and hundreds of thousands of aviation workers out of the unemployment line.

We stayed connected to our healthcare and retirement contributions while continuing to pay taxes that supported our State and local budgets, maintained contributions to Social Security, Medicare, and other long-term programs, as well as supporting other jobs by paying the cable bill and rent, keeping the lights on, and staying warm in our homes and food on the table. PSP kept all systems in place, and didn't strain other public assistance programs that people needed during the crisis.

The program that Chair DeFazio championed was the most effective and transparent jobs program in COVID relief. It is an example of problem-solving that industry and unions and bipartisan action can do together. It is recognized around the world as the gold standard for the critical aviation sector, and it is easy to recognize its success as headlines come from Europe about halting service and turning airlines and passengers away from airports.

The program halted the greed of Wall Street by banning stock buybacks and dividends until September 30th of 2022, and reined in the worst of corporate behavior by capping executive compensation through March of 2023. It is the only industry where inequality did not grow during the crisis.

This hearing is very timely because tomorrow the provision banning airlines from initiating stock buybacks does expire. And while airlines are just now starting to make a profit, the recovery is not complete, and the austerity of 20 years prior has not been corrected for airline jobs. We can't allow $1 to go to Wall Street before fixing operational issues and concluding contract negotiations.

That is why we also appreciate Chair DeFazio's letter, along with 70 signatures, that went to airline trade associations this morning, asking them to take the pledge not to send any cash to Wall Street with stock buybacks on October 1st, 2022.

The Payroll Support Program worked, full stop. But now we have to fix the imperfect system that existed before this pandemic. And

if we use what we did during the pandemic by working together, we can do that.

The Infrastructure Investment and Jobs Act provided $25 billion in our Nation's air transportation system over 5 years. This helps with concessions of the airport, and grants to small businesses, as well. This is important to flight attendants because, when passengers cannot get food, it increases anxiety, increases conflict on board, and then people get on our planes and it creates bigger problems. Concessionaires have had hot coffee thrown in their face and been abused in other ways. We have to stop that from happening, and we have to support our airports as much as possible to do that.

We also are happy that $15 billion was set aside for airport infrastructure for runways, gates, taxiways, safety and sustainability projects, airport transit connections, and roadway projects. And these are important. There was a Ryanair flight attendant who was hit by a private vehicle walking home late at night, because she did not have access to public transportation. This is inexcusable, and this is what we can avoid when we invest in our infrastructure in this way.

The sum of $5 billion is provided to our air traffic control facilities that badly need this investment. And this also has key provisions championed by labor unions, including local hiring preferences, Buy America provisions, and prevailing wage requirements.

The Inflation Reduction Act was another step forward, and I want to highlight the investments in addressing the climate crisis, both with the NOAA climate research and the Gulfstream G550 Hurricane Hunter. This will improve weather forecasts and have a profound impact on saving lives, jobs, businesses, and communities.

Finding the sustainable aviation fuel is important. We appreciate United Airlines' investment to sustainable aviation fuels, but we hope that this will speed up the rest of the industry and make this a reality sooner than 2050, as they have promised.

Now, finally, we applaud the efforts of this committee and its incredible staff for your action to invest both in our Nation's infrastructure and its workers. It is hard to imagine this committee without its inimitable chair, Peter DeFazio, who has transformed safety for our profession. From stopping flags of convenience in aviation, to fines and penalties for disruptive passengers and sexual assault, to evacuation standards and staffing requirements, to stopping the spraying of poisonous pesticides in the aircraft cabin, to certification oversight that ensures aircraft are safe and increasing flight attendant minimum rest to fight fatigue, he has been relentless in championing our jobs and the health and safety of the passengers and crew on board every single day.

Chair DeFazio broke the mold, remembering where he came from, and using his commitment to everyday people to drive his relentless advocacy, policy wonk curiosity, and strategic smarts to get results. His legacy will live on in the countless positive changes he has made for our profession, his mentorship of all of us who have the privilege to work with him, our industry, and our country.

We congratulate honorary AFA member Chair DeFazio on his retirement, but his work and leadership will endure with every

flight, ship, port, truck, and train that moves with the power of the American worker. Thank you, and I look forward to your questions.

[Ms. Nelson's prepared statement follows:]

Prepared Statement of Sara Nelson, International President, Association of Flight Attendants—CWA, AFL–CIO

INTRODUCTION

Thank you Chair DeFazio, Ranking Member Graves and members of the House Transportation & Infrastructure for convening this hearing on the importance of investing in our nation's transportation infrastructure and its workers.

I am a twenty-six year union Flight Attendant and president of the Association of Flight Attendants—CWA, AFL–CIO (AFA), representing Flight Attendants at 19 airlines across the industry. We also coordinate closely with our partner union the Communications Workers of America, the Association of Professional Flight Attendants and all of the transportation union affiliates of the Transportation Trades Department, AFL–CIO.

My testimony will cover various provisions included in the American Rescue Plan (P.L. 117–2), Infrastructure Investment and Jobs Act (P.L. 117–58), and the Inflation Reduction Act (P.L. 117–169) that demonstrate why investments in our transportation infrastructure are a force multiplier for creating a strong, safe, stable and equitable aviation industry now and in the future.

Aviation is all about bringing people together all around the globe. Our job and our agenda is to continue to make that possible. That means a living wage, a secure home, respect and safety on the job, with time to enjoy life for all of the people who make it possible for our planes to fly. And it means doing our part to protect our earth with clean air, water and smooth jet streams. Transportation workers are united and organizing with urgency to ensure sustainable aviation with good union jobs is our collective future.

THE AMERICAN RESCUE PLAN (P.L. 117–2)

A year after the World Health Organization declared a pandemic, President Biden signed into law the $1.9 trillion American Rescue Plan (ARP) Act of 2021 (P.L. 117–2) to provide immediate relief to American workers. The rescue package put the needs of working families first and addressed the burdens placed on our transportation networks during the worst public health and economic crisis in living memory.

All Americans need a living wage, access to healthcare, education, housing, and a secure retirement and thankfully, this time, due to the leadership and experience of Chair DeFazio and many on this committee, the transportation workers didn't pay for this crisis and the horrific deficits exposed by the pandemic. The ARP provided more than $49 billion in federal funding to keep all of America's transportation systems operational.

Especially important to Flight Attendants and aviation workers was $15 billion extended for the worker-first airline Payroll Support Program to finish what we started in the CARES Act. Without a doubt, we owe our jobs and a functioning airline industry to Peter DeFazio. He used years of experience in dealing with one crisis after another to keep workers at the center of any recovery.

WE COULDN'T ALLOW A REPEAT OF THE FALLOUT FROM 9/11

"Hold all other communications on pay cuts, base closures, and previously announced furloughs. United just called me. They're furloughing another 2,500 Flight Attendants. We need to deal with that first."

I'll never forget that call. It was 2003, and our union was six months into a 38-month bankruptcy at United Airlines that followed September 11th.

Nearly one in three United employees—30,000 all told—lost our jobs during that bankruptcy. Our pension was gutted. And those who remained took two massive pay cuts. When United came out of bankruptcy, nearly 45% of the savings the corporation showed Wall Street came off the backs of workers.

Wall Street was ecstatic. Workers were devastated.

That time was the formative experience in my career. And that's why our union worked with urgency to craft a relief plan that ultimately became the Payroll Support Program.

We refused to follow the old "blank check for corporations" bailout playbook, especially for airlines. Our union had spent recent years protesting stock buybacks that pay out Wall Street and top executives while our staffing levels were cut to minimums and we had to work more just to make ends meet. Twenty years after the events of September 11, 2001, we were still feeling the effects of austerity and cost cutting while Wall Street had become more emboldened to take cash from the profits made by our hard work and sacrifice. Prior to the pandemic inequality was felt in our paychecks, eroded retirement security, longer days with shorter nights, staffing cuts resulting in fewer of us with more passengers than ever, and the configuration of the seats and service on our planes. Consumers experienced these cuts too. Austerity also meant job loss and years of no hiring. Initiatives to promote diversity and inclusion suffered at the same rate that mature workers felt the sting of 25, 30, and 35 years on Reserve status and little ability to control our schedules even after decades on the job.

I know from personal experience: the people who benefit if airlines go under are corporate executives, bankruptcy lawyers, and corporate management consultants who under corporate bankruptcy law get to walk away with hundreds of millions in bonuses.

We knew it would be immediate devastation for two million aviation workers if we couldn't get relief, but there was no way we were going to agree to a bailout for airlines. That's why our program, made possible through the relentless leadership of Chair DeFazio and continued to finish the job under the Biden Administration with the ARP, demanded the requirements of no involuntary furloughs, no cuts to hourly rates of pay, continued service to all of our communities and a ban on stock buybacks and dividends along with caps on the executive compensation even after the relief period was complete.

A Historic Workers First Program: PSP

Enacting the PSP in the Act CARES Act and extending it in the American Rescue Plan meant we kept critical service in place to all communities and hundreds of thousands of aviation workers out of the unemployment line. We stayed connected to our healthcare, retirement contributions, while continuing to pay taxes that supported our state and local budgets, maintained contributions to social security, medicare and other long term programs—as well as supporting other jobs by paying the cable bill, rent, keeping the lights on and staying warm in our homes with food on the table. The PSP program kept all systems in place and didn't strain other public assistance programs so many people needed during the crisis. This was a simple, but necessary solution that protected and shored up people on the frontlines of our economy, both during the crisis and for our future.

The program that Chair DeFazio championed was the most effective and transparent jobs program in COVID relief. It is recognized around the world as the gold standard for the critical aviation sector, and it's easy to recognize its success as headlines come from Europe about halting service and turning airlines and passengers away from airports. The program halted the greed of Wall Street by banning stock buybacks and dividends until September 30, 2022 and reined in the worst of corporate behavior by capping executive compensation through March 2023. This was purposely done so federal funding would be directed to frontline workers for our pay and benefits and to prevent growing inequality by stopping taxpayer money from going to airline shareholders and investors during this economic crisis.

This hearing is very timely because *tomorrow* the provision banning airlines from initiating stock buybacks expires. While airlines are just now starting to make a profit, the recovery is not complete and the austerity of twenty years prior has not been corrected for airline jobs. We can't allow CEOs to send one dollar to Wall Street before fixing operational issues and concluding contract negotiations. We need investments in the operation, staffing, and pay and benefits to keep and attract people to aviation jobs.

That is why our union, along with the Air Line Pilots Association, Int'l (ALPA), the Association of Professional Flight Attendants (APFA), the Communications Workers of America (CWA), International Association of Machinists and Aerospace Workers (IAMAW), the International Brotherhood of Teamsters (IBT), Transport Workers Union of America (TWU), and Service Employees International Union (SEIU), representing hundreds of thousands of aviation workers, announced the launch of nostockbuybacks.org. The campaign demands pledges from the CEOs of U.S. airlines to extend the COVID relief ban on stock buybacks until:

1. operational meltdowns are not the norm and staffing and flight schedules are aligned to support public demand; and
2. labor contract negotiations are concluded.

Emphasizing the concerns we're raising, Chair DeFazio and many members on this committee, are sending a letter to the trade associations who represent commercial airlines, urging their members to publicly pledge that they will not engage in stock buybacks on October 1, 2022. Millions of frontline transportation workers have worked through the devastating effects of the COVID–19 pandemic and many put contract negotiations on hold during the crisis. Minimum staffing and high productivity put in place pre-pandemic exacerbate problems now until we can address these issues in bargaining and/or legislation. We appreciate this committee's efforts to solicit the concerns of airline workers who continue to bear the brunt of chronic understaffing and languishing labor contracts.

PSP: FREEZING AN IMPERFECT SYSTEM

While aviation workers came together through our unions, found common ground with airlines and worked with allies in Congress to pass and extend this critical aid, we froze an imperfect system for 16 months with legislative constraints tied to COVID relief. However, the greed that ran rampant before COVID created an industry that was already stretched thin with minimum staffing and heavily reliant on high overtime hours in order to meet basic operational metrics.

The economic fallout of September 11th in the airline industry meant bankruptcies and mergers where the courts abrogated our contracts, eliminated our pensions, and changed our jobs forever. Before September 11th, airlines regularly staffed flights with Flight Attendants above FAA minimums, two or more passenger service agents to board a flight and more throughout the airport to handle delays and cancellations.

Now, flights are staffed with minimum Flight Attendants, so when something goes wrong there's no additional crew to pull from. Passenger service agents are left to board full planes by themselves creating communication issues during the boarding process. And when a flight gets delayed or canceled? That same agent or worse no one is left in the terminal to assist passengers—making an already difficult situation worse.

Hiring is important but maintaining employees is also important. Delta Air Lines was touting the "juniority" benefit from the pandemic last year, but on a recent earrings call CEO Ed Bastian said Delta's operation was suffering from a training/inexperience gap.

Some have questioned the use of the relief dollars in the wake of some operational meltdowns. Staffing is above pre-pandemic levels if compared to the number of flight hours airlines are flying, but this is a problem created pre-pandemic and exacerbated by the immediate return to an unpredictable destination demand and other pandemic effects. More than anything though, American worker productivity was higher than any developed country in the pre-pandemic world. This is also true in aviation, but it is not sustainable anywhere. Aviation workers are not able to pick up as many overtime hours due to COVID infections, difficulties with commuting to work, and fatigue exacerbated by high instances of combative passengers.

It's important to note that earlier airline operational meltdowns were the result of:

1. The lapse in PSP funding from October 1, 2020–December 28, 2020, as we warned would happen due to a backlog in retraining, certification, and security credentials.
2. Airlines planned operations based on pre-pandemic overtime hours, but workers were no longer willing to pick up overtime at the same rate because of the conditions at work.
3. COVID infections, although generally affecting the vaccinated population for shorter time periods, decrease the rate of workers who are able to work.
4. Operational support staff at airlines were also cut or jobs outsourced leaving crew on hold for assignments or release from duty for hours at a time.

Unions have negotiated with management to put in place financial incentives to pick up time, and in some cases address issues with traveling to work. This helped, but it's not a long term fix like we'll experience with the conclusion of contract negotiations and encouragement for other investments in infrastructure rather than pressure to send cash to Wall Street.

Put simply there is minimal give in our system. When something goes wrong, like a massive weather system moving up the east coast, the operations fall apart quickly leaving passengers and crews stranded. Airlines can't control weather, but management can build a system that has more to recover from operational challenges that arise.

That's what we saw this summer—it was worse than pre-pandemic 2019 when looking at delays and cancellations. But because of the critical work of this com-

mittee and the Payroll Support Program it was only worse by a couple percentage points. Our sisters and brothers across the Atlantic have suffered far worse because their governments failed to meet the moment of this crisis. Heathrow has made unprecedented moves telling airlines they had to cut or cap capacity for months. Amsterdam, Dublin and more airports in Europe suffered security queues for 4 plus hours. Thanks to our federalized TSA we did not suffer the same fate.

The Payroll Support Program worked. Full stop. But now we have to fix the imperfect system that existed before this pandemic.

INFRASTRUCTURE INVESTMENT AND JOBS ACT (P.L. 117–58)

The bipartisan Infrastructure Investment and Jobs Act (IIJA) is another critical investment in the quality and safety of our nation's infrastructure that will drive the creation of good-paying union jobs, increase equity in transportation and help fight climate change.

In total, the Law provided $25 billion for the nation's air transportation system over five years.

First, $5 billion is designated for airport terminals, including the concessions and multimodal terminal projects. Flight Attendants (and everyone on this committee) see first hand the terminals that need to be upgraded and more accessible for individuals with disabilities. The ease of getting from one terminal to another should be the norm in 2022 and this bill will help make this a reality. Further, many airports sadly have few healthy dining options (without to-go alcohol!). This is a problem for crew having access to food as well. We are pleased the Airport Terminal Program allows concessions, who are often small business owners, to apply for these grants as well. When concessions are down or poorly staffed passengers cannot as easily get a meal before a flight. This increases anxiety, medical issues, and sometimes leads to violence. Concession workers have had hot coffee thrown back in their face and faced incredible abuse while trying desperately to meet demand. These conflicts are rarely caught and then passengers already behaving badly abuse a gate agent or board our airplanes increasing the potential for violence in the cabin when there's nowhere to go and no way to remove the threat from our workspace.

Second, $15 billion was set aside for airport infrastructure, such as the runways, gates, taxiways, safety and sustainability projects, airport transit connections, and roadway projects. A tragic example comes to mind of the importance of airport transit projects after learning about a Ryanair (UK and Ireland based airline) Flight Attendant, Cinzia Ceravolo [1], who was hit by a car and died. She was trying to walk home in the dark from the airport after her shift because she could not afford a taxi and there was no public transportation option. Had public transit been available to get her safely off the airport road to connect her to a bus stop or to subway, she would still be alive today.

Finally, $5 billion is provided for air traffic control facilities to improve their physical condition. Sadly, the FAA has more than 100 aging control towers [2] at regional and municipal airports across the United States that will eventually need to be replaced. Many control towers built 20 years ago are incompatible with today's operational requirements. The average age of a tower is 27 years, and some are up to 40 years old [3]. The upgrades and repairs on air traffic control facilities around the country will create jobs for local suppliers, construction workers and communities. All of these jobs should be good union jobs to make sure they are done right and get the most out of lifting conditions for the people in all of our communities.

The IIJA also includes many other key provisions championed by labor unions, including local hiring preferences, Buy America provisions, and prevailing wage requirements.

INFLATION REDUCTION ACT (P.L. 117–169)

Most recently, Congress passed and the President signed into law the Inflation Reduction Act (IRA), an incredible step forward for every working family towards lowering energy and healthcare costs, requiring strong labor standards in order to claim clean energy tax credits, creating millions of construction and manufacturing jobs in America [4], and fighting climate change that threatens our jobs and our safety at work and at home.

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[1] https://www.bbc.com/news/uk-england-merseyside-62700831

[2] https://www.faa.gov/newsroom/faa-launches-nationwide-solicitation-design-air-traffic-control-towers-future

[3] https://www.volpe.dot.gov/NAS-infrastructure

[4] https://www.nytimes.com/2022/09/26/business/factory-jobs-workers-rebound.html

Severe turbulence is happening more frequently and is more intense due in part to climate change. This summer, eight people were hospitalized after an American Airlines flight from Tampa, Florida, to Nashville, Tennessee, experienced severe, unexpected turbulence and was forced to land in Alabama[5]. This incident happened a few weeks following a flight from Chicago to Salt Lake City that caused minor injuries to three Southwest Airlines flight attendants and one passenger when their flight experienced moderate turbulence.

For Flight Attendants, these incidents pose a serious occupational risk. And as extreme weather events become more common, more and more flights never take off at all. When the polar vortex plunged most of the U.S. into a deep freeze in January 2019, airlines canceled thousands of flights[6]. Heatwaves, thunderstorms, and other effects of climate change similarly make it impossible for airplanes to fly. Simply put, grounded flights mean lost pay for flight attendants, who earn an hourly wage while we're in the air, and more and more it's hard to go to work when our homes are destroyed in the wake of more frequent natural disasters.

We appreciate the leadership of Chair Maria Cantwell, Senate Commerce, Science and Transportation Committee, to author key provisions in the IRA such as increased funding for the National Oceanic Atmospheric Administration (NOAA) to fund climate research for atmospheric processes to examine the causes and impacts of extreme weather. These investments will support the development of more accurate/timely weather forecasts, and improved climate change predictions. In addition, NOAA also received funding to acquire a new Gulfstream G550 Hurricane Hunter to collect data when large storms appear, which is vital for knowing where storms will hit and how strong they will be. Improved weather forecasts can have a profound impact on saving lives, jobs, businesses and communities.

Another key climate provision included in the IRA that is critical for reducing carbon emissions from air travel is funding for the new Sustainable Aviation Fuel (SAF) and Low-Emissions Aviation Technology Grant Program. We can't think that carbon offsets are a solution that makes any difference at all. Our union is proud of the commitment[7] United Airlines made to be 100% green by 2050 by reducing greenhouse gas emissions by 100%, and we hope to work further with this committee to help speed this action up more. The IRA provided a huge step forward. United and other airlines will benefit from the SAF grant program, and so will we all.

CHAIRMAN DEFAZIO'S CONTRIBUTIONS TO THE LIVES OF AVIATION WORKERS

During the time Congressman DeFazio (D–OR) has been Chair of the House Transportation and Infrastructure during the 117th Congress, we have seen many important aviation health and safety bills introduced or passed by the full House under his leadership.

First, the National Aviation Preparedness Act, H.R. 884, championed by House Aviation Subcommittee Chair Rick Larsen and Congressman Don Beyer (D–VA), that directs federal agencies and aviation stakeholders to develop a national strategy on health and safety protections for future pandemics. From the beginning of the pandemic, our union was urging DOT and other agencies to come together to develop effective mitigations to ensure the health and safety of passengers and aviation employees during the pandemic, and a follow-on plan to put the industry on a path to recovery. We believe the health of our nation's aviation workforce is vital to maintaining our transportation network in times of crisis, as we've seen throughout the COVID–19 pandemic.

Second, the Fair and Open Skies, H.R. 3095 and a narrower version that was included this year as an amendment to the House Appropriations Bill, are already having an impact on new airline entrants, such as Norse Atlantic Airways, a Norwegian low-cost, long-haul airline headquartered in Arendal, Norway. Norse employs nearly 250 U.S.-based Flight Attendants with crew bases in JFK and FLL, and expects to continue to grow and increase Flight Attendant jobs in the U.S. Norse is playing by the rules that make Open Skies fair and this legislation would ensure other airlines do as well. AFA has been working with Chairman DeFazio, Chairman Larsen and many members of this committee since 2016 to prevent for-

[5] https://www.cbsnews.com/news/what-is-turbulence-and-why-climate-change-could-be-making-it-more-common/

[6] https://www.businessinsider.com/flight-cancellation-cold-weather-storm-blizzard-closing-airports-2019-2#:~:text=When%20a%20nasty%20polar%20vortex,start%20dropping%2C%20everything%20slows%20down.

[7] https://www.united.com/ual/en/us/fly/company/global-citizenship/environment.html

eign airlines from using "flags of convenience" to avoid the regulations of their home countries or otherwise undermining labor standards.

Third, the Stop Sexual Assault and Harassment in Transportation Act, H.R. 5706 passed the full House in March 2022. It will help prevent sexual assaults and sexual harassment on airplanes, buses, passenger vessels, commuter and intercity passenger railroads, taxis and ridesharing vehicles. Chair DeFazio has always held this important value that when it comes to the transportation of people, safety must always come first, and that includes protecting people from sexual harassment and assault.

Fourth, the Healthy Flights Act of 2021, H.R. 2770, which was introduced in 2021. The bill (1) sets forth requirements relating to the use of masks and other protective equipment for airline passengers and certain airline employees; (2) requires the FAA to provide certain employees, including any air traffic controller and airway transportation systems specialists, with masks and other protective equipment; and (3) mandates the development of a national aviation preparedness plan to ensure the aviation system is prepared to respond to epidemics and pandemics of infectious diseases. Each of these provisions are things aviation workers have been calling for to feel safe at work. We are thankful for Chair DeFazio's leadership and recognition that we are essential frontline workers who come to work each day to keep our nation's safe and efficient air transportation system operational.

Finally, we have greatly appreciated the unwavering support from Chair DeFazio and members of this committee to urge the U.S. DOT to finalize the congressionally mandated 10 hours of minimum irreducible rest for Flight Attendants passed in October 2018. Chair DeFazio has never stopped fighting on this. The Trump Administration put this law on a path to kill it. But thanks to Chair DeFazio's relentless efforts, the bipartisan support from this committee, and the commitment of the Biden Administration, we will see this rule finally implemented before the end of this year.

CONCLUSION

We thank Congress, and especially the efforts of this Committee, for your leadership in enacting many of the provisions I covered in my testimony that invested both in our nation's infrastructure and its workers. These laws are having a positive impact on our economy and instead of another twenty years of austerity, workers have the ability to push forward to maintain and create good jobs in aviation and beyond.

I also want to touch on how Chair DeFazio has transformed the safety of our profession. From fines and penalties for disruptive passengers and sexual assault, to evacuation standards and staffing requirements to stopping the spraying of poisonous pesticides in the cabin to fighting for child restraint seats for our youngest passengers to aircraft certification standards and oversight to ensure aircraft are safe and increasing Flight Attendant minimum rest to fight fatigue, he's been a champion for our jobs and the health and safety of passengers and crew onboard every day of his extraordinary career.

Over the years, I've known Chair DeFazio as our greatest champion in Congress. He is an honorary member of our union, and I am proud to call him my friend. We can't imagine Congress without the representative who broke the mold remembering where he came from and using his commitment to everyday people to drive his relentless advocacy, policy wonk curiosity, and strategic smarts to get results. Chair DeFazio has never been afraid to speak the truth or take on a righteous fight for the people. His legacy will live on in the countless positive changes he's made for our profession, his mentorship of all of us who've had the privilege to work with him, our industry and our country. He may be retiring from an amazing career we all have benefited from, but Chair DeFazio's work and leadership will endure with every flight, ship, port, truck, and train that moves with the power of the American worker.

Thank you and I look forward to answering your questions.

Mr. DEFAZIO. The witness' time has expired. Thank you so much.

We are going to get the flight attendant duty time over the line before I am retired. It has only been 5 years, after all.

I now recognize Greg Regan, president of the Transportation Trades Department at AFL–CIO. Thank you.

Mr. REGAN. Good morning. I am Greg Regan, president of the Transportation Trades Department, AFL–CIO. We are a federation of 37 unions whose members work in every corner of America's transportation network.

I want to thank Chairman DeFazio and Ranking Member Graves for inviting me to testify today. And it is truly an honor to be asked to testify at Chairman DeFazio's final full committee hearing, and it feels appropriate that I get to do it with my friend, Sara, here, as well.

Mr. Chairman, you have a proud and historic legacy of fighting for sound transportation policies and investments that create good union jobs by pairing these investments with the strongest possible worker protections.

To those of you who supported working Americans with your votes this Congress, I want to thank you for your leadership and your support. Your votes will be an incredible legacy in your careers in public service, and I am proud to be here with you today celebrating these achievements that are changing lives and transforming our economy. I want to share with you some of your legacy's impact on the working people you represent back home in your districts.

First, TTD has long advocated for a generational investment that would finally bring our transportation infrastructure into the 21st century, the kind of investment that leaves a legacy for future generations, the way that our parents and grandparents did for us. The Bipartisan Infrastructure Law, or BIL, positions us to turn the page away from the lost generation that watched its infrastructure fall apart and fail the Nation.

At $1.2 trillion in total funding, including $550 billion in new spending for transportation, the bill helps correct years of chronic underinvestment in our systems and our infrastructure. Importantly, it does so while creating and sustaining hundreds of thousands of good union jobs. And I cannot overstate the importance of this last point. The increased wages, job stability, and benefits that unions bring to workers means that expanding union membership and creating new, high-quality union jobs will deliver immediate results in lifting up working families in every single one of your districts.

Union jobs are creating a more equitable economy and providing new opportunities to earn higher wages and better benefits. When paired with policies like local hire provisions, these new jobs are expanding pathways to trade careers that have been historically inaccessible for many communities, including women and people of color.

Across industries and communities, we know that high union density not only benefits those union workers, but it also lifts the wages and benefits for others who are not in a union. It is truly the tide that lifts all boats. So, this legislation will have far-reaching effects, helping rebuild an American middle class that has seemed out of reach for far too many.

Beyond historic levels of funding, we have championed an aggressive policy agenda to ensure the infrastructure law is improving workplace conditions in all modes of transportation. Just to name a few, the bill better protects public transit and passenger

rail workers from the scourge of assaults they faced at work; it eliminates the ban on local hire preferences, ensuring that these investments create good union jobs in the communities in which they are being built; it strengthens Amtrak, improves quality of service for riders; and it also, on the freight side, helps shed light on some of the most dangerous practices in the freight rail industry today. And finally, it ensures that our public infrastructure investments put more Americans to work through inclusion of the Build America, Buy America Act.

What's more, thanks to the leadership of President Biden and his administration, the bill is being implemented with a pro-union focus that is unprecedented in American history. Under the leadership of Transportation Secretary Buttigieg, we have seen historically strong premiums placed on projects that have support from unions that enforce high labor standards, including the free and fair choice to join a union; that demonstrate they will advance equity and inclusion; and solicit participation for workers that live in the communities where these projects are being built. This is a prime example of how good transportation policy can alter the lives of millions of Americans. Already, we have seen project sponsors touting their project labor agreements, local hire agreements, apprenticeships, and other workforce development programs.

I would like to submit for the record this DOT fact sheet from the most recent INFRA grant awards, which highlights the many grants with strong labor components.

[The information follows:]

"Examples of INFRA Projects Creating Workforce Training Programs and Good-Paying Jobs With the Free and Fair Choice To Join a Union," Fact Sheet, U.S. Department of Transportation, Submitted for the Record by Gregory R. Regan, President, Transportation Trades Department, AFL–CIO

The 10-page fact sheet is retained in committee files and is available online at https://www.transportation.gov/sites/dot.gov/files/2022-09/INFRA%202022%20 Workforce%20Labor%20Fact%20Sheet.pdf.

Mr. REGAN. I want to end on this thought. I know that the bill is not perfect, and certainly at times the process left much to be desired. And it did not have the same funding levels or lofty policy achievements that Chairman DeFazio envisioned in the INVEST in America Act. And while the bill is a significant step forward for the Nation and the workers we represent, it still left a number of our critical priorities on the cutting room floor. I assure you that our advocacy for those policies will not stop.

But it should be noted that just about every single one of the worker-centered policies that we fought to keep in the final law originated right here in this committee. They were the results of the hard work that you put into the INVEST Act, and the contributions that you made to it through pro-worker amendments, many of which were bipartisan, by the way.

You and your staff should know that you have changed people's lives. You have made the largest investment in public transportation and passenger rail in our Nation's history. You have made our airports and ports and our supply chain more competitive, and

you did it while putting workers first. This achievement, in addition to the American Recovery Act and the recently passed Inflation Reduction Act, ensures that this Congress will have a lasting effect for millions of workers in this country. You should all be proud of these accomplishments.

Thank you, and I look forward to your questions.

[Mr. Regan's prepared statement follows:]

Prepared Statement of Gregory R. Regan, President, Transportation Trades Department, AFL–CIO

Good morning. Thank you, Chairman DeFazio and Ranking Member Graves for inviting me to testify before the committee today. It is truly an honor to be asked to testify at Chairman DeFazio's final full committee hearing. The Chairman has a proud and historic legacy of fighting for sound transportation policy, new investments in a modern transportation system and infrastructure that create good union jobs, and the strongest transportation and construction worker protections in our laws and regulations.

I speak today on behalf of 37 unions who collectively represent millions of frontline workers across every mode and every sector of America's transportation network.

I am one of no doubt hundreds of witnesses who have sat before this committee in the past and practically begged for the kinds of historic investments in our transportation infrastructure and services that have been made over the course of this Congress. And now that we are here, there's a surrealness to it. That surrealness stems in part from the deep unfairness that it took a global catastrophe and death on the scale of millions to help us get across the finish line. Among the dead are thousands of frontline transportation workers who never asked to be put in harm's way but who heroically showed up to work every day through the worst of the pandemic. They went to work every day while the majority of us sheltered at home waiting for our health system to deliver life-saving therapeutics.

For those of you who supported the American Rescue Plan, the Bipartisan Infrastructure Law (BIL), and the Inflation Reduction Act, I want to thank you for your leadership and support. Your votes are your legacy as we celebrate these legislative achievements that are changing lives and transforming our economy. Today I want to share with you some of the impacts of your legacy on the working people you represent.

THE AMERICAN RESCUE PLAN

Last year, I testified before this committee on the federal government's COVID–19 relief and response efforts, and their impact on workers in this country. I made this point clear then, and I will make it again today: the three COVID federal relief packages, including the American Rescue Plan, saved the lives of the workers we fight for every day at TTD and saved our country from calamity. By authorizing critical federal support, you helped save vital industries during one of the worst economic and public health crises the world has ever known. And most importantly, by pairing federal support for transportation industries with an extraordinary focus on the welfare of the workforce, you kept millions of workers on the payroll and saved families from financial collapse.

Looking back a year later, it is still remarkable to see the effects of that investment. For decades we saw too many so-called relief bills enacted in response to crises that failed to provide relief to the actual employees. You changed that model. While there are still significant workforce challenges stemming from the pandemic and from bad employer practices and behavior, there can be no doubt that the American Rescue Plan put us in the greatest possible position for economic success and for the implementation of the Bipartisan Infrastructure Bill that would follow in its footsteps.

THE INFRASTRUCTURE INVESTMENT AND JOBS ACT

TTD has long advocated for a generational investment that would finally bring our transportation infrastructure into the 21st century. The kind of investment that goes beyond just the status quo, and that finally addresses some of the most pressing needs facing our country. The kind that leaves a legacy for future generations,

the way our parents and grandparents did for us. At $1.2 trillion in total funding, the Bipartisan Infrastructure Law positions us to turn the page away from the lost generation that watched its infrastructure fall apart and fail the nation.

The BIL helps right years of chronic underinvestment in transportation infrastructure by providing historic funding levels across all modes of transportation infrastructure. Included in the law is new spending to the tune of $110 billion for highways and bridges; $66 billion for rail, including $22 billion in dedicated funding for Amtrak; $39.2 billion for public transportation; $16.6 billion for ports and waterways; $25 billion for airports; $7.5 billion for clean school buses & ferries; $7.5 billion for electric vehicle charging.

These investments will help expand much-needed highway and bridge capacity while bringing into a state of good repair existing highway assets that were quite literally crumbling away under our feet. They will help expand public transportation services, and at the same time, modernize our fleets with clean transit vehicles that will create healthier communities. They will improve capacity on existing passenger rail corridors while expanding transportation services to new communities. They will improve airport runways, gates, taxiways, airport terminals, concessions, and multimodal connections. And they will improve port infrastructure to support the efficient movement of commerce that our economy relies on.

Because of the strong labor protections that are tied to federal investments in infrastructure, they will do all of this while creating and maintaining hundreds of thousands of good-paying union jobs. I cannot understate the importance of the jobs supported by the BIL being union jobs. From the direct benefit to workers of earning fair wages and benefits for their labor, and a union's power to overcome economic inequities, to the secondary benefits in communities of unionization on nonmembers' economic well-being, these jobs will help rebuild an American middle-class that for too long has seemed beyond our reach.

Beyond just much-needed funding, we have championed an aggressive policy agenda to ensure the infrastructure law is creating and maintaining good union jobs across the board, and that it isn't used to undercut public sector jobs in the interest of profits. It is a policy agenda that protects workers from low-road, perverse business models, the risks of assault, being overworked, and from being exposed to unsafe workplace practices. That ensures we are preparing the current workforce for the jobs of the future, and that we have pipelines in place for the next generation of transportation workers.

From the perspective of working people, the Bipartisan Infrastructure Law was not just another extension of MAP–21 or FAST surface transportation laws. Rather, this was arguably the most pro-worker infrastructure law ever passed out of Congress. It contained priorities that we have been fighting for, in some cases, for decades. To name just a few:

- The BIL overturns the ban on local-hire preferences, ensuring that infrastructure projects will create good union jobs in the communities in which they are being built.
- The BIL provides unprecedented levels of funding for public transit workforce training, ensuring that the transition to zero-emission buses won't displace the current maintenance workforce or lead to low-road labor models like contracted-out repair work.
- The BIL includes transit worker protections that ensure frontline transit workers are given an equal voice in safety planning and will help put a stop to the scourge of assaults they have been facing in increasing numbers for decades.
- The BIL includes a number of Amtrak reforms that will strengthen the carrier and improve the quality of service for riders. These include: eliminating harmful language on food and beverage revenues that stunted growth of onboard options; requiring Amtrak to have station agent positions at many Amtrak stations; making employees who have been assaulted eligible for the attendant benefits of Critical Incident Stress Plans; and making it more difficult for Congress to threaten service and good jobs by eliminating long-distance routes.
- The BIL also took the first step toward reforming the Amtrak Board of Directors in order to ensure the Board represents all of its stakeholders. While the reforms, unfortunately, do not include a seat for a labor representative as TTD and rail labor unions requested, the reforms do represent a positive step in the right direction and TTD will continue to advocate for a labor representative on the Board.
- The BIL has several provisions to help shed light on some of the most dangerous practices in the freight rail industry today, including:
  - A requirement for a National Academies study on the safety of trains longer than 7,500 feet, which present unique safety and training challenges, and disrupt communities when behemoth trains block grade crossings.

- A requirement that FRA accident reports include information on train length and number of cars, as well as the size of the crew on board;
- A requirement that DOT create a process that better involves stakeholders, including rail labor representatives, in freight rail accident and incident investigations.
- A requirement for quarterly reporting on failures and functions of Positive Train Control technology, including cutouts, malfunctions, and enforcements where an accident was actually prevented.
- Increased transparency for regulatory waiver requests, including suspensions of rules.

- The BIL includes an expansion of Buy America/Buy American rules that were supported for years by this committee, paving the way for the inclusion of the Build America, Buy America (BABA) Act in the BIL. BABA enhances existing Buy America requirements by applying domestic content preferences for iron, steel, manufactured products, and construction materials to all federal aid assistance infrastructure programs. Because of this bill, the era of flagrant misuse of waivers and egregious loopholes is over. We urge the committee and administration to ensure the durability of these landmark provisions are properly implemented.
- The BIL also improves good jobs in trucking by including provisions that will bring together stakeholders to develop pathways to recruit, retain, or advance women into the trucking industry; creating a new task force that will take on predatory truck leasing schemes that trap drivers in impossible economic conditions; creating a new process to ensures that unsafe operators are taken off the road expeditiously; and requiring a study on the impacts of various methods of driver compensation on safety and driver retention.

Taken on their own, the BIL's investments, paired with these strong workforce protections, are significant accomplishments for the working people of this country. But I would be remiss if I didn't also highlight the work of this administration, under the leadership of President Biden and Vice President Harris, in its implementation.

Even before the BIL was signed into law, the Biden-Harris administration showed historic leadership and a laser focus on tying federal investment to good jobs. Consider just the following actions taken before and after passage of the BIL:

Executive Order on Worker Organizing and Empowerment
On April 26, 2021, President Biden signed an Executive Order establishing the White House Task Force on Worker Organizing and Empowerment. The task force was tasked with mobilizing the federal government's policies, programs, and practices to empower workers to organize and successfully bargain with their employers. [Executive Order, 04/26/21]

Worker Organizing and Empowerment Task Force Recommendations
On February 07, 2022, the White House Task Force on Worker Organizing and Empowerment issued its report, which called for incorporating labor standards into transportation discretionary grant programs, promoting apprenticeships, and making sure taxpayer dollars that are spent on American-made goods will lift up workers and strengthen our economy. [Task Force Report, 02/07/22]

Executive Order on Implementation of the Infrastructure Investment and Jobs Act
On November 15, 2021, President Biden issued an Executive Order on the Implementation of the BIL. In it, he directed agencies to improve job opportunities by prioritizing high labor standards and the free and fair choice to join a union, and to invest public dollars equitably. With this Executive Order, the president set a new standard for tying federal dollars to the creation of good union jobs and lifting up the voice of workers on the projects they are delivering, operating, and maintaining. [Executive Order, 11/15/21]

Executive Order on Use of Project Labor Agreements for Federal Construction Projects
On February 4, 2022, President Biden signed an Executive Order requiring Project Labor Agreements on federal construction projects that cost more than $35 million, a move that is expected to affect $262 billion in federal construction contracting and improve job quality for nearly 200,000 workers. [Executive Order, 02/04/22]

DOL–DOT MOU
On February 7, 2022, Secretaries Buttigieg and Walsh signed a DOT–DOL Memorandum of Understanding to promote cooperative efforts between the DOT and DOL to create and support pathways to millions of good-paying infra-

structure and transportation jobs with the free choice to form a union as increased funding from the BIL ramp up. [MOU, 02/07/22]

Those of us with cynical tendencies may see federal task forces or inter-departmental MOUs and assume they are nothing more than political window dressing. But that could not be further from the truth with this administration. Just a glance at the funding notices issued by this DOT under the leadership of Secretary Buttigieg shows a historically strong premium on projects that have support from unions; enforce high labor standards, including the free and fair choice to join a union; demonstrate they will advance equity and inclusion; and solicit participation from workers that live in the communities the projects seek to serve. This premium on workers is already resulting in grants with project labor agreements, local hire agreements, apprenticeship programs, and other workforce development programs.

I thank President Biden and his administration for their vision and leadership in the implementation of the BIL. We look forward to our continued work with them over the life of this law.

I also want to thank Chairman DeFazio in particular for his work in shaping this legislation. I know the BIL—and the process that led to its development—is not the one you would have picked. Between friends, it's not the one we would have picked either. I know it does not achieve everything you sought in the INVEST In America Act and leaves a significant amount of policy that you and your incredibly dedicated staff worked tirelessly to craft.

But many, if not all, of the worker-centered policies that we fought to keep in the law that ultimately passed originated first in this committee. You and your staff should know that you have changed people's lives. You have better-protected transit workers from the threat of assault at work. You have made jobs on Amtrak safer and more secure. You have cast light on the dangerous practices of the freight rail industry that put workers in harm's way every day. You have made our ports more competitive. You should all be proud of that and I hope, if nothing else, you take that with you for the rest of your lives.

THE INFLATION REDUCTION ACT

Finally, while the Inflation Reduction Act had only narrow amounts of additional funding for transportation infrastructure, I would be remiss if I did not acknowledge this very important victory for working people. By improving healthcare affordability, including for seniors, boosting the domestic job market for clean energy, imposing tax fairness on corporations, and creating a more equitable economy, the lives of all working-class people and those of our future generations will be improved. We have every confidence that the Biden Administration will implement the IRA with the same rigorous pro-worker requirements that they have held as the standard for the BIL.

WHERE WE GO FROM HERE MATTERS

While these are significant achievements, I would like to conclude with two thoughts:

First, largely due to the unusual way the BIL was crafted outside of normal order, many of our priorities that were fought for by this committee were ultimately not included in the final bill. We are working with this administration to make forward steps where possible and will work with future congresses to continue improving the working lives of everyone in this country. There is no good reason to sideline the health, safety, and wellbeing of working people in this country, or to undermine the opportunity for good union jobs right here at home where they're needed the most, and we will always stand firm in fighting for those priorities.

Second, when my brother and our leader, Larry Willis, testified before this committee four years ago, he said, "we must not find ourselves back at this table in 10 or 30 years asking what went wrong. Why nobody rose to meet the challenge." This Congress has met *part* of that challenge. But what happens at the end of the BIL's life remains unknown. The same fiscal cliffs that existed before the BIL still exist today, and they will exist in four years. A return to old baselines means a return to old deferred maintenance, a return to old levels of service, a return to old infrastructure that is never replaced or modernized, and a return to old questions about how things got this way.

We must not let that be the case. I challenge those of you continuing into the next Congress to look deep into the heart of this country and see all the greatness that becomes possible when you invest back into it, the way previous generations did for our benefit.

I once again thank Chair DeFazio and Ranking Member Graves for having me here today, and I look forward to answering any questions you may have.

Mr. DEFAZIO. I thank the gentleman for his testimony. Now we would move to Stephen Gardner, the chief executive officer of Amtrak.

You are recognized for 5 minutes.

Mr. GARDNER. Good morning, Chair DeFazio, Ranking Member Graves, Ranking Member Crawford, members of the committee. My name is Stephen Gardner, and I am Amtrak's CEO. Thank you for having me here today to describe the accomplishments of this Congress, and how the American Rescue Plan Act has helped Amtrak emerge from the pandemic, and how the IIJA will allow us to improve and expand Amtrak's service while creating thousands of skilled jobs.

First, I would like to thank Chairman DeFazio for his incredible 36 years of service to the Nation, and in particular for his championship of Amtrak intercity and high-speed passenger rail.

You have been a tireless advocate for improved infrastructure, innovation, and safety for American workers and for the traveling public, never afraid to speak your mind, always curious, with a well-earned reputation of being both tough and fair. You have pushed us all to do better for the American people. Amtrak and millions of our riders are better for it. So, on behalf of everyone here at Amtrak, thank you for your leadership. Congratulations on all of your accomplishments, and we wish you the best in your next phase.

Let me now turn to two accomplishments that were vital to Amtrak. As you know, we began 2021 in a state of crisis, with our ridership and revenue in tatters, employees furloughed, and many trains suspended because we were running out of the initial COVID–19 funding to support operations. Fortunately, you and many of your colleagues stepped up and provided emergency assistance to Amtrak through ARPA, allowing us to stay afloat, recall workers, restore service, and begin the hiring and training that was so necessary for our future.

Simply put, ARPA is why we are still here today. And through your support and the hard work of Amtrak employees, we are now experiencing strong recovery, with approximately 80 percent of our pre-COVID ridership back, and many new customers choosing our trains.

While ARPA enabled us to survive, the IIJA is now providing Amtrak and our partners with the chance to thrive. With $22 billion in direct investment in Amtrak and another $36 billion in grants available to the FRA, the IIJA is a massive downpayment on the improvements and expansion of intercity passenger rail that Amtrak has argued for since our inception in 1971.

Already, several of the largest capital projects that I have testified about at last December's Railroads, Pipelines, and Hazardous Materials Subcommittee hearing that will use IIJA funding are now moving forward. These projects are creating jobs for Amtrak employees, construction firms, and suppliers around the Nation right now. To name just a few, we have broken ground on the Gateway Program's Portal North Bridge, and we have launched the

procurement phase of the B&P Tunnel replacement project in Maryland.

Over the past few months, Amtrak and its State partners have received several grants that position vital projects for upcoming IIJA funding, and we started to apply for the various IIJA-funded DOT competitive grant programs. For example, design concourse work in Chicago Union Station is being funded by the Federal-State Partnership program, while North Carolina just received a CRISI grant for the S-Line project. And we and our partners in Illinois have submitted a significant Mega application for the Chicago hub improvement program.

Furthermore, IIJA funds will allow Amtrak to accelerate our plans to acquire new trains, funding the replacement of our conventional corridor fleet and a new generation of long-distance trains serving the Nation to replace the hundreds of cars and locomotives that are at the end of their useful lives.

IIJA funding will also ensure that we can bring the benefits of rail travel to more Americans by fully funding the $1.1 billion program we have to bring our stations into ADA compliance.

While the primary beneficiaries of all this investment, of course, will be our customers, each of these efforts creates well-paying jobs and supports the broader economy. Between rebuilding our workforce to restore service and gearing up for these massive capital programs, Amtrak alone hired more than 3,200 people in fiscal year 2022, and we plan to hire roughly 4,000 employees in fiscal year 2023.

Additionally, I am pleased to report that Amtrak in Delaware just received an $11 million grant to establish a Railroading 101 program that will provide needed training skills for railroad jobs.

In addition to these infrastructure projects, IIJA has jumpstarted the expansion of our network, as we and our State partners can now confidently begin planning and advancing projects to bring more trains to more people across the Nation. Signifying this momentum, just over the past few months, we have added several new services with State partners in Vermont, Massachusetts, and Virginia. But this is a prelude to the huge opportunities ahead through the IIJA-created Corridor Development Program being led by the FRA, which will create a pipeline of projects to expand Amtrak service.

Thanks to the IIJA, this is the most exciting time in Amtrak's history. Like all of our employees, I am thrilled to be a part of it and grateful for the opportunity you have given us.

The additional jobs we have created and the projects we are now advancing just represent a tiny fraction of the benefits the IIJA will produce for Amtrak in the years ahead, and we will need continued support from this committee to ensure the authorizations that were enacted for annual funding are achieved, so we can continue to operate the company while we modernize our assets and operate the network.

Thanks again for your support over these many years and for your time this morning. I look forward to your questions.

[Mr. Gardner's prepared statement follows:]

Prepared Statement of Stephen Gardner, Chief Executive Officer, National Railroad Passenger Corporation (Amtrak)

Good morning, Chairman DeFazio, Ranking Member Graves, and Members of this Committee. My name is Stephen Gardner, and I am the Chief Executive Officer of Amtrak. Thank you for inviting me to appear before you today to describe how Amtrak is emerging from the COVID–19 pandemic, in no small part due to the funding provided in the American Rescue Plan Act (ARPA), and how we are utilizing the unprecedented levels of funding the Infrastructure Investment and Jobs Act (IIJA) provides for vital investments that will improve and expand our service throughout the United States while creating thousands of skilled, well-paying jobs.

I'd like to begin my testimony by expressing Amtrak's gratitude to each of you—and especially to Chairman DeFazio, Ranking Member Graves, and Railroads Subcommittee Chairman Payne and Ranking Member Crawford—for the interest in and support for Amtrak you have demonstrated during the soon to conclude 117th Congress, which produced two of the most important pieces of legislation in our 51-year history: ARPA and the IIJA. We are particularly grateful to Chairman DeFazio for his consistent dedication to improving intercity passenger rail service and Amtrak during the 36 years he has served in the House of Representatives, and we are pleased that he ends his time in Congress on such a high note.

THE AMERICAN RESCUE PLAN ACT (ARPA) AND PANDEMIC RECOVERY

ARPA, enacted in March of 2021, provided desperately needed emergency funding to Amtrak at a terrible time. Our ridership and ticket revenues were nearly 75% below pre-pandemic levels. No one knew then when, or to what extent, travel demand would return. We were dramatically reducing expenses but still burning through the previous emergency CARES Act funding and appropriations Congress had provided to keep us afloat, while struggling to provide service during a pandemic for those who needed to travel. ARPA funding allowed us to maintain the reduced levels of service we were operating on the Northeast Corridor (NEC) and state-supported routes, and to restore our long-distance trains to daily operation.

Most importantly, ARPA funding enabled us to preserve our most important asset: our workforce. With the funding ARPA provided, we were able to recall all of the workers we had to furlough indefinitely in October of 2020 because we did not have enough money to pay them. Fortunately, the vast majority of them returned to Amtrak employment. Among train and engine crews, 96% of furloughed engineers and 91% of furloughed conductors returned: only five engineers and 32 conductors did not come back (we did not furlough any Mechanical or Engineering employees).

Additionally, the ARPA funds allowed us to restart our hiring and training pipeline that we had suspended at the onset of the COVID–19 pandemic because of the challenges of training new employees during a pandemic and uncertainty regarding federal funding. Once we received ARPA funding and recalled our employees, we were able to restart this work, which gave us a path to sufficient staffing when travel demand returned. Because it takes so long to train employees for our most-skilled positions, the ability to resume hiring and training last year was absolutely critical to our recovery during FY 2022 and will be very instrumental in our plans for FY 2023. I shudder to think of where we would be today without the funding ARPA provided that enabled us to perform these vital activities.

Thanks to ARPA and the hard work of our employees during the most challenging time in Amtrak's history, we are experiencing a strong recovery from the devastating impacts of the COVID–19 pandemic. During August, we carried more than 2.3 million passengers, nearly 80% of our August 2019 ridership, and our ticket revenues were almost 90% of August 2019 levels. What is particularly noteworthy is that our capacity is only 82% of what it was in August 2019, which means that we're actually filling about the same percentage of available seats that we did then. Ridership on our Virginia state-supported services reached an all-time high for the second consecutive month; our *Northeast Regional* service is approaching pre-pandemic ridership levels despite reduced capacity; and our long-distance trains are achieving near record revenues as domestic tourism and desire for private rooms have increased.

These gains have come as a result of hard work by the great team at Amtrak and our state partners, who have had to rethink many of our business and commercial strategies in the face of very different travel needs and a constantly shifting landscape. We have utilized a variety of different marketing and pricing approaches during this period to support business recovery, many of which have been very successful. These strategies have helped us attract many customers who are new to Amtrak, and more leisure travelers on *Acela* trains to replace business travelers who

are not traveling at pre-pandemic levels. That development is very timely because our new *Acela* trainsets, which will begin entering service next year, will increase our *Acela* capacity by about 75%. That will give us the opportunity to carry many more passengers on our *Acela* trains, which for many years have not had enough seats to meet demand.

THE INFRASTRUCTURE INVESTMENT AND JOBS ACT

While the American Rescue Plan enabled Amtrak to survive, the IIJA is providing the funding that will allow us to thrive.

The IIJA provides $58 billion in advance appropriations for investments in Amtrak and intercity passenger rail. It also appropriates or authorizes significant additional funding for Amtrak and for competitive grant programs for which Amtrak projects are eligible. The IIJA's funding represents the down payment on the expansion and improvement of service that Amtrak and its stakeholders have dreamed of since Amtrak's inception in 1971, but never had the funding to pursue.

Amtrak passengers will not be the only beneficiaries of the IIJA. It will produce thousands of jobs, both within Amtrak and for the suppliers and contractors who will provide many billions of dollars in goods and services required for IIJA-funded projects. The IIJA will enhance communities small and large throughout the United States that will benefit from the new and expanded Amtrak service it will produce, and the station and other infrastructure projects it will fund that will spur local development. Furthermore, the IIJA will help address climate change and reduce greenhouse gas emissions by allowing more travelers to use rail, the sustainable transportation mode.

Amtrak and its state and commuter partners were ready for the opportunities the IIJA has given us. Just prior to its enactment, Amtrak created a new Capital Delivery Department that will be responsible for carrying out IIJA-funded infrastructure and equipment projects. We are staffing it with Amtrak employees experienced in delivering railroad capital projects and rail and construction industry leaders from outside the company attracted by the once-in-a-generation opportunities the IIJA will create.

Amtrak and our partners were also well prepared for participation in the NEC Project Pipeline and the Corridor Identification and Development Program the IIJA establishes, which create Federal Railroad Administration (FRA)-led frameworks for prioritizing, advancing and funding capital projects that intercity passenger rail has lacked. Working with other stakeholders, we developed a long-term capital investment plan, the NEC Commission's 15-year CONNECT NEC 2035 plan released last year, which is currently being updated, that will inform our participation in the development of the NEC Project Pipeline. Amtrak and our partners also advanced preconstruction activities for key projects so they would be ready to go when funding for construction became available.

Amtrak was also prepared for the expansion of our network that the IIJA contemplates. In April of 2021 we issued Amtrak Connects US, Amtrak's 15-year vision for corridor development that would bring service to 160 new communities, attract 20 million more passengers annually, and produce 26,000 permanent jobs. The response we received from states and communities throughout the United States far exceeded our expectations. Many of them have been working with us to advance proposed new or expanded Amtrak service.

ADVANCING INFRASTRUCTURE INVESTMENTS WITH THE IIJA

When I testified before the Railroads, Pipelines and Hazardous Materials Subcommittee last December, I described our initial plans to use the funding the IIJA provides. I would like to take this opportunity to bring you up to date on what we have accomplished since then, and to briefly describe some of the things we will be focusing on in the months ahead.

I am pleased to report that several of the major capital projects that will utilize IIJA funding provided by Amtrak or through competitive grants are moving forward. These projects are already creating jobs for both Amtrak employees and contractors and contributing to our nation's economic recovery from the COVID–19 pandemic.

In August, Amtrak participated in the groundbreaking for the construction of the Portal North Bridge. That New Jersey Transit-led project is the first of the major rail infrastructure projects between Newark and New York City included in the Gateway Program. Construction of the new bridge is projected to create approximately 15,000 jobs and add billions of dollars to the local economy.

Thanks to the enactment of the IIJA, the Gateway Program, including the Hudson Tunnel Project that many have characterized as the most important infrastruc-

ture program in the United States, is going to happen. I'm pleased to report that the Gateway Development Commission, led by new CEO Kris Kolluri, recently assumed the role of Project Sponsor for the Hudson Tunnel Project. With the full engagement of the Governors of New York and New Jersey, the project partners are accelerating towards a full funding grant agreement that will finally allow construction to begin.

Enactment of the IIJA has allowed Amtrak to launch the procurement phase of the B&P Tunnel Replacement Project. It will replace the B&P Tunnel in Baltimore—a nearly 150-year-old bottleneck through which *Acelas* crawl at 30 miles per hour—with the new Frederick Douglass Tunnel. Recent Federal-State Partnership for State of Good Repair (Fed-State Partnership) grants to Amtrak and the Connecticut Department of Transportation will help fund the replacement of two ancient bridges along the NEC in Connecticut: the Connecticut River Bridge between Old Saybrook and Old Lyme, and the Walk Bridge in Norwalk. Amtrak expects to use funding provided by the IIJA to cover costs of these projects.

We are also moving ahead with our Major Station Amtrak Development Programs for which we also expect to use IIJA funds. We recently commenced construction on the rehabilitation of Baltimore Penn Station, a project that will be transformative for both Amtrak and MARC passengers and the surrounding community. In New York City, the Metropolitan Transportation Authority, Amtrak, and New Jersey Transit have just selected a joint venture to design an equally transformative and much larger project: the reconstruction of New York Penn Station. That project, along with track and platform expansion under the Gateway Program, will transform Penn Station into a world-class facility with much needed capacity for more passengers and trains.

We are continuing to advance Major Station Amtrak Development Programs at other stations. At William H. Gray III 30th Street Station in Philadelphia, construction for state of good repair and station retail projects is scheduled to begin early next year. At Washington Union Station, we have begun construction on several near-term state-of-good-repair, safety, and platform capacity expansion projects, including restoration of an unused platform for revenue service, and will soon begin reconfiguration of Amtrak facilities located next to the tracks on the west side of the terminal.

By providing assured, multi-year funding that Amtrak can commit to match local government, transit agency, and private sector investments, the IIJA will allow us to pursue opportunities for public-private partnerships for station development projects. Likewise, the knowledge that there will be federal funding available to match state investments in intercity passenger rail projects encourages states to expend resources to develop plans for rail projects, as they have long done for highway and mass transit projects.

The IIJA will also create a multitude of new opportunities for Amtrak to contract with small businesses and Disadvantaged Business Enterprises (DBEs) to provide goods and services for IIJA-funded projects. In anticipation of this, we have increased staffing in our Supplier Diversity Office, are providing internal training on identifying and using diverse suppliers for Amtrak employees involved in procurements, and have hosted or participated in more than 30 supplier outreach events throughout the country during the past year. We also recently opened a Small Business Resource Center in Philadelphia that provides networking, technical assistance and training opportunities for diverse suppliers and small businesses.

PURSUING IIJA COMPETITIVE GRANTS

Over the past few months, FRA has awarded a number of grants, funded by FY 2021 appropriations, to Amtrak and its state partners under the Consolidated Rail Infrastructure & Safety Improvements (CRISI) and Fed-State Partnership programs. These grants will fund pre-construction activities such as preliminary engineering, design and environmental reviews, and initial construction work, for key infrastructure projects, preparing them for construction when funding is provided. Among the NEC projects receiving such grants are the replacement of the Sawtooth Bridge in New Jersey, a component of the Gateway Program; the Susquehanna River Bridge replacement in Maryland; and the East River Tunnel Rehabilitation project and the Pelham Bay Bridge Replacement project in New York City.

Two very important National Network projects received Fed-State Partnership grants for pre-construction activities. One is for the design of concourse improvements at Chicago Union Station (CUS). The other, a $57.9 million grant that Amtrak and North Carolina are matching, will fund preliminary engineering and initial construction work on the North Carolina portion of the Petersburg, Virginia to Raleigh, North Carolina S-Line, furthering a project that will provide a direct connec-

tion along the federally designated Southeast High-Speed Rail Corridor between Virginia's and North Carolina's growing state-supported services.

The substantial, multi-year funding provided by the IIJA is what will transform each of these projects from construction drawings into reality. Over the next few years, they will be eligible for CRISI, the Fed-State Partnership program that the IIJA has expanded, and other competitive grants. The IIJA provides major increases in funding for these programs in FY 2022 through FY 2026, including $7.2 billion in each year for Fed-State Partnership grants and $1.5 billion annually for CRISI grants, and authorizes additional appropriations. The $22 billion in advance appropriations to Amtrak and the $39 billion in new funding for public transit that the IIJA provides will also help Amtrak and its commuter partners provide funding for these and other transformative projects, the need for which has long been recognized, that are at last coming to fruition as a result of the IIJA.

Amtrak is already pursuing IIJA-funded grants. Amtrak, the City of Chicago, Metra, and the Illinois and Michigan Departments of Transportation recently applied for an FY 2022 Mega grant for CUS, the hub of Amtrak's long-distance network and Midwest state-supported services. The grant would fund a portion of a $418 million project that would provide a faster and more direct access route to CUS for four Amtrak routes; convert an unused mail platform at CUS into the station's first high-level passenger platform to accommodate increased train operations and provide better accessibility; improve Amtrak and Metra passenger flows within the often-congested station; and add 16 miles of second track along the Amtrak-owned Michigan Line served by Amtrak's state-supported Chicago-Detroit/Pontiac and Chicago-Port Huron trains. Amtrak and its state partners also intend to apply for multiple FY 2022 CRISI grants for which FRA recently issued a Notice of Funding Opportunity.

Acquiring New Equipment

IIJA funding is allowing Amtrak to advance and accelerate plans to acquire new equipment to replace locomotives and cars, some of which are approaching 50 years old, that have reached the end of their useful lives.

- Following enactment of the IIJA, we exercised an option for 50 additional ALC–42 locomotives for long distance service.
- IIJA funding will be used for the new Intercity Trainsets, for which we awarded a contract last year, that will replace the Amfleet I cars operating on *Northeast Regional* and other Northeast Corridor and Eastern corridor services, and will also reequip Amtrak Cascades service in the Pacific Northwest.
- We recently commenced the refurbishment of the 450 bi-level Superliner cars and single-level Viewliner I sleeping cars used on our long-distance trains.
- We are developing design specifications and customer requirements for new long-distance equipment in preparation for initiating a formal procurement process to replace the vintage equipment in our long-distance fleet.

New equipment acquisitions will also create thousands of jobs throughout the United States. By way of illustration, the construction of our new *Acela* trainsets by Alstom in Hornell, New York has created 400 direct jobs at Alstom and more than 1,300 new jobs at 170 suppliers across 29 states and 90 cities.

As we acquire new equipment, we will also be using IIJA funds to construct, upgrade and expand equipment maintenance facilities to accommodate our expanded equipment fleet and facilitate adoption of best practices in equipment maintenance. The new and improved facilities will make our operations more efficient, and their construction will create additional jobs.

Enhancing Accessibility

IIJA funding provided is also fueling our efforts to bring all of our stations into compliance with the Americans with Disabilities Act (ADA), on which we plan to spend $1.1 billion over the next six years. We have completed ADA work at 173 stations and have over 250 more ADA projects in design or construction around the country.

Within the last few months, we have completed ADA improvements at:

- The Westerly, Rhode Island station on the Northeast Corridor in partnership with the Rhode Island Department of Transportation;
- Ashland, Virginia, which is served by our state-supported Virginia services in partnership with the Virginia Passenger Rail Authority; Macomb, Illinois on the state-supported *Illinois Zephyr/Carl Sandburg* routes; and Effingham, Illinois on the state-supported *Illini/Saluki* and *City of New Orleans* long-distance routes; and

- Five other stations on long-distance routes: Hutchinson and Dodge City, Kansas on our *Southwest Chief* route; Greenwood, Mississippi on the *City of New Orleans* route; Longview, Texas on the *Texas Eagle* route; and Crawfordsville, Indiana on the *Cardinal* route.

In addition:

- We have begun construction of an additional accessible entrance at New York Penn Station that is being funded by a unique public-private partnership with the owner of the office building above the station; and
- Amtrak is contributing funding for new ADA-compliant stations at Windsor Locks Connecticut, Coatesville, Pennsylvania and Newark, Delaware that are being constructed by the Departments of Transportation of those states and will serve Amtrak and commuter rail passengers.

While enhancing accessibility is what drives our ADA station projects, every one of them also produces many other significant public benefits. They create well-paid construction jobs, as well as jobs at companies that supply materials and components for station construction projects in both the local community where the station is located and throughout the country. The improvements in facilities these station projects include, such as new platforms, improved restrooms and waiting areas, and Passenger Information Display Systems (PIDS), enhance the station experience for all our customers.

Adding New Services

Over the past few months, we have added several new, extended or expanded state-supported corridor services, and advanced plans for others, that will utilize the on-order IIJA-funded Intercity Trainsets when they are delivered and/or IIJA funding for infrastructure.

- In July, we initiated two new state-supported services: the extension of the existing New York City to Rutland *Ethan Allen* to Burlington, Vermont and a seasonal weekend service from New York City to Pittsfield, Massachusetts.
- In partnership with the Commonwealth of Virginia, we recently began operating additional trains from Washington to Norfolk and Roanoke. This service expansion, which created many additional engineer and conductor jobs, is the first of many service additions that will result from the groundbreaking agreement Amtrak and Virginia reached with CSX last year that will transform Virginia's passenger rail service. Amtrak and Virginia plan to pursue IIJA-funded grants for projects that agreement will make possible.
- We recently reached an agreement with host railroad Canadian Pacific for their support of the operation of new trains from Chicago to Milwaukee and St. Paul and on a new route from New Orleans to Baton Rouge.
- We are eagerly awaiting a decision by the Surface Transportation Board that would allow restoration of service along the Gulf Coast between New Orleans and Mobile, which we have not served since Hurricane Katrina in 2005.

We look forward to working with FRA and our state partners to initiate the Corridor ID Program created by the IIJA. Already, states, regional transportation authorities, cities and other entities have submitted expressions of interest to FRA for inclusion of approximately 50 corridors in the Corridor ID Program. What is particularly encouraging is that enactment of the IIJA has triggered strong interest in developing Amtrak service in states such as Georgia, Idaho, Kansas and Colorado, and in places like Western Massachusetts and Reading/Berks County, Pennsylvania, where there is not a history of state funding support and Amtrak has little or no service today.

The IIJA also directs FRA to undertake a two-year study, in consultation with Amtrak, states, host railroads and other stakeholders, of increasing service frequency on, restoring, and adding long distance routes. Here again, we have already seen a great deal of interest in restored or new Amtrak service from states and communities throughout the country, and we look forward to participating in the study.

Building the Amtrak Workforce of the Future

Since the enactment of the IIJA, we have accelerated the efforts we already had underway to recruit, hire and train the thousands of employees we will need to restore all services to pre-pandemic levels, manage and construct the capital projects the IIJA will fund, and operate the additional Amtrak trains throughout the country that the IIJA will make possible. That is a challenging task in the current labor market—but we are accomplishing it.

We have hired 3,200 new employees at Amtrak since the beginning of FY 2022 in October of 2021. That is a record number for us, even though the fiscal year is not over.

We are working aggressively to hire and train new engineers and conductors, and mechanical employees who maintain our equipment, so that we can restore service frequency on all of routes to pre-pandemic service frequency and provide additional passenger capacity to accommodate growth. During the first 11 months of FY 2022, we hired 88 engineer trainees, 280 conductor trainees, and 312 mechanical employees (excluding coach cleaners). Additionally, we brought on almost 800 new maintenance-of-way employees, project managers, and professional engineers with the critical skills to support the huge increase in capital projects and state of good repair work called for under the CONNECT NEC 2035 program on Amtrak's portion of the NEC. While we are making great strides in filling open and newly created positions, enactment of Congressman Crawford's Retirees to Rail Act, which would allow railroad retirees to temporarily return to work during the labor shortage the railroad industry is currently experiencing without loss of Railroad Retirement benefits, would be very beneficial in helping us restore service over the next few months.

We are pursuing innovative approaches to find the employees we need to fully restore service and utilize the funding the IIJA provides. Since June, we have held 11 hiring events at major Amtrak facilities and crew bases around the country. These events have been very successful: at the Los Angeles Career Fair we conducted 230 interviews and extended 132 offers that were accepted. We plan to hold 54 hiring events during FY 2023, during which our goal is to make approximately 6,000 offers resulting in 4,000 additional hires.

We are also pursuing new ways to attract members of the military community to work at Amtrak. In partnership with the U.S. Chamber of Commerce's "Hiring our Heroes" program, we are hosting a group of cohorts, comprised of service members, military spouses, and veterans, as Department of Defense Skillbridge Interns. Individuals participating in this program work with Amtrak in a temporary position for 12 weeks, after which we hope to retain them as full-time employees. Amtrak's participation in this program also advances our goal of creating a more diverse workforce.

We recognize that we are going to need new ways to train our workforce of the future. We are currently working on a template Project Labor Agreement in line with the Memorandum of Understanding we entered into last year with North America's Building Trades Unions (NABTU), the labor organization representing more than three million skilled craft professionals. Once that agreement is in place, Amtrak and NABTU will work together to ensure a consistent construction workforce pipeline that will accelerate apprenticeship readiness programs, promote diversity, and ensure fair wages and benefits for the workers who will build the infrastructure that IIJA funding will allow Amtrak to construct.

In March, we began a Mechanical Apprenticeship Program at our heavy maintenance facility in Beech Grove, Indiana. I am pleased to report that FRA, under the excellent leadership of Administrator Bose, recently awarded an $8 million CRISI grant to Amtrak that will allow us to expand that program to include multiple crafts at other maintenance facilities throughout the country. Twenty-six apprentices are participating in the first expansion of that program in Wilmington, Delaware, which began on September 12. We plan to create additional apprenticeship positions at Beech Grove, and to implement the program at our maintenance facilities in Washington, D.C., New York City, and Los Angeles. We are also seeking, along with the Delaware Department of Transportation, a grant from the U.S. Department of Labor for an innovative program to teach railroading basics to individuals whose employment has been impacted by COVID–19 in order to make them competitive for railroad jobs.

We are also working to engage with potential future Amtrak employees at a younger age. We recently began partnering with the New York City Department of Education to build talent pipelines with high school graduates throughout the city.

The IIJA also led us to expand our internship program, which brings current college and graduate students to work at Amtrak, and our management training and management associate programs, which provide recent graduates with the opportunity to rotate among different Amtrak groups before transitioning into permanent positions. We currently have 36 management trainees or management associates, and 144 interns. These programs serve as a pipeline for bringing in the people we need for our future workforce—I know that from personal experience, because I began my Amtrak career as an intern. Internships and training programs are particularly effective at attracting individuals entering the workforce who have the professional training we need in areas such as engineering and information technology,

and who would not otherwise have considered a railroad career. These programs also connect us with the colleges and universities that participants attend.

One of the challenges that Amtrak and the railroad industry face is that the number of U.S. colleges and universities that offer any railroad engineering or operations courses can literally be counted on the fingers of one hand. For that reason, we are pleased that FRA recently awarded a CRISI grant to the University of Delaware, one of the few U.S. educational institutions that offers railway engineering courses, to create a railway engineering program at Morgan State University, a historically black college and university. Like the University of Delaware, Morgan State is located along the Northeast Corridor, a short distance from Baltimore Penn Station. We look forward to providing future employment opportunities to students who enroll in its program.

Looking ahead, we plan to apply for additional CRISI grants this fall that would allow further expansion of our Mechanical Apprenticeship Program, and to develop apprenticeship programs in other crafts. We will also continue to aggressively seek other opportunities to partner with labor organizations, states and communities, and educational institutions on programs to engage, recruit, hire and train new Amtrak employees. By doing that, we can hire the many new employees we need to carry out the objectives of the IIJA, while providing stronger pathways to employment for a diverse, 21st Century passenger rail workforce.

THE IIJA AND SUSTAINABILITY

In addition to enhancing mobility and creating jobs, the investments we are making with funding provided by the IIJA will advance sustainability and help us reach our goals of reducing greenhouse gas emissions by 40% by 2030 and achieving net-zero emissions by 2045.

- The new ALC–42 locomotives we are acquiring for our long-distance trains emit 89% less nitrogen oxide and 95% less particulate matter than the 1990s era diesel locomotives they are replacing.
- The 17 diesel-hybrid Intercity Trainsets we are acquiring for our *Empire* Service trains will be the first Amtrak equipment designed to utilize battery power for propulsion.
- IIJA-funded investments we will be making to advance our Major Station Amtrak Development Programs will increase energy efficiency, reduce water consumption and improve station resiliency.
- The expansion and improvement of Amtrak service the IIJA makes possible will attract many new passengers to our trains, which will significantly reduce greenhouse gas emissions. On average, traveling by Amtrak is 46% more energy efficient than traveling by car and 34% more energy efficient than domestic air travel. On the electrified Northeast Corridor, taking Amtrak reduces greenhouse gas emissions by up to 83% compared to driving, and by up to 72% compared to flying.

LOOKING TO THE FUTURE

The enactment of the IIJA has been extraordinarily impactful for Amtrak. The additional jobs the IIJA has already created, and the many long needed projects it has allowed to advance, represent just a tiny fraction of the multitude of benefits it will produce in the years ahead. However, future action by Congress, particularly with respect to annual appropriations and long-term, dedicated funding, will play an important part in ensuring that the benefits of the IIJA are fully realized and amplified.

The IIJA's advance appropriations were intended to supplement, not replace, Amtrak's annual appropriations, and can only be used for limited purposes. It is important that Amtrak continue to receive, in addition to IIJA advance appropriations, annual appropriations at levels that are sufficient to operate all of our existing routes at pre-pandemic service frequencies and maintain our assets and equipment, as contemplated in the IIJA's authorizations.

It is also important that reauthorization of the STB reflect the vital role passenger rail plays in our national rail network, as the reauthorization bill recently introduced by Chairman DeFazio and Rail Subcommittee Chairman Payne does.

What is most important, of course, is developing a sustainable, long-term approach to funding intercity passenger rail. While the funding provided by the IIJA has jumpstarted the expansion and improvement of Amtrak service, the five years of advance appropriations and authorizations it provides will not get us all the way down the tracks. Like other transportation modes, intercity passenger rail needs adequate, assured, long-term funding that will allow it to fully realize its potential. Because of the dedicated, multi-year funding provided through the IIJA, Amtrak is

already hiring thousands of new employees to support the work that will occur over the next few years. For the first time in our history, we can properly plan and staff for our needs with certainty that we will have the financial resources to carry out projects. Amtrak looks forward to working with the members of the Committee and Committee staff to make this a permanent reality.

Thanks to the IIJA, this is the most exciting time in the history of Amtrak. Like all of our employees, I am thrilled to be a part of it, and grateful for the opportunity you have given us. We look forward to working with our stakeholders and the Committee to turn the vision embodied in the IIJA into reality, and to providing those who live in every region of our country with the intercity passenger rail service they need and deserve.

National Railroad Passenger Corporation (Amtrak)
Federal Awards

Federal Grantor	Program or Cluster Title	Federal CFDA Number	Award Amount
U.S. Department of Transportation	2020 Northeast Corridor Grant	20.315	*1,183,500,000*
U.S. Department of Transportation	*2020 National Network Grant*	20.315	*1,817,500,000*
U.S. Department of Transportation	2021 Northeast Corridor Grant	20.315	*2,315,304,160*
U.S. Department of Transportation	2021 National Network Grant	20.315	*2,363,665,840*
U.S. Department of Transportation	FY22 Northeast Corridor Cooperative Agreement to the National Railroad Passenger Corporation	20.315	869,128,495
U.S. Department of Transportation	FY22 National Network Cooperative Agreement to the National Railroad Passenger Corporation	20.315	1,449,585,650
U.S. Department of Transportation	IIJA Supplemental Northeast Corridor	20.315	1,189,000,000
U.S. Department of Transportation	IIJA Supplemental National Network	20.315	3,113,000,000
U.S. Department of Transportation	Northeast Corridor Commission	20.315	10,000,000
U.S. Department of Homeland Security	FY2020 Intercity Passenger Rail Security Grant Program	97.075	10,000,000
U.S. Department of Homeland Security	FY2021 Intercity Passenger Rail Security Grant Program	97.075	10,000,000
U.S. Department of Transportation	Long Island City and 1st Avenue Generators and Waterproofing Project	20.323	13,404,979
U.S. Department of Transportation	Operations Simulation for Implementing Passenger Rail Service, New Orleans, LA to Mobile, AL	20.315	250,852.00
U.S. Department of Justice	FY20 Federal Equitable Sharing Agreement	16.922	5,413,680
U.S. Department of Justice	FY21 Federal Equitable Sharing Agreement	16.922	290,429
TOTAL FEDERAL AWARDS			**$14,350,044,085**

Mr. DEFAZIO. I thank the gentleman. We would now turn to the general manager of TriMet in Portland, Oregon: Samuel Desue.

Mr. Desue, you have 5 minutes.

Mr. DESUE. Thank you and good morning, Chairman DeFazio, Ranking Member Graves, and members of the committee. I am Sam Desue, Jr., the general manager of TriMet, Oregon's largest transit agency, serving the beautiful Portland metro region.

I appreciate the opportunity to be here with you today to discuss the critical importance of Federal investment in the mobility service provided by TriMet and our workforce, and thank you for ensuring we had the resources to maintain those services and continue to plan for future mobility in our region.

Prior to the worldwide COVID–19 pandemic, TriMet launched about 1.9 million trips a week. During the height of the pandemic, that number plummeted. But the rides TriMet provided during the frightened and confusing early months of the pandemic were critical. We kept essential workers and people who needed to get to stores and services moving. As I sit here before you today, I can

say with 100 percent certainty that we would not have been able to do that without you. The actions Congress took, your foresight of the valuable and vital role of transit in America's communities, saved us.

Like other transit agencies, TriMet focused on bus and rail services to get nurses, doctors, and other frontline workers to hospitals and clinics, along with transporting those who need dialysis, chemotherapy, and other lifesaving services. Other frontline workers, like grocery store staff and the food industry, needed to get to work. They helped kept us all fed, and TriMet was there for them. Riders who were transit-dependent, often getting by on low incomes, needed to reach those stores, and we were there to get them there. We were there for them because you were there for us.

At TriMet, we used relief funds to maintain service safety for those who needed to ride to jobs. TriMet was able to avoid layoffs related to the pandemic only because of the support you provided us. Three thousand people stayed employed.

Other operators, mechanics, and customer service staff who are proud members of the Amalgamated Transit Union 757, along with other mission-critical workers, had jobs to come to, and they bravely did. They, too, are essential workers. When the rest of the world stopped, they kept going and they kept going to keep life moving. And I mean that accurately. When volunteers had to stay home to protect themselves, TriMet customer service workers and operators filled the void, delivering for Meals on Wheels so our seniors and others did not go hungry.

The pandemic brought a loss of normalcy, a loss of connection, and the fear of economic toil. Your support has not just been about keeping communities functioning in the moment. What Congress has done to avoid the economic meltdown is nothing short of a miracle. Your investments kept people employed and commerce operating.

As businesses and venues fully open, our ridership is returning. We are averaging 6,000 new returning riders a week. As people's fears give way to the desires for normalcy and the responsibility to save our planet for generations, more people will turn to transit. We are ready for that, and building service for the future because Congress cared enough to do the right things.

As I close today, as an Army veteran and a drill sergeant, I would like to acknowledge, in addition to those who served in the military, my heroes are TriMet workers and American transit workers that are here at this table. Never underestimate their contribution to the American economy and their contribution to our Nation.

Thank you, Mr. Chairman, for inviting me to speak for TriMet and our fellow transit agencies across the United States, of the critical importance of the COVID relief emergency funding, and historic investments in public transportation contained in the Infrastructure Investment and Jobs Act. These investments have been and will be critical to ensuring that we can meet challenges we face during this unprecedented COVID public health crisis, and will allow TriMet to position itself to make the operational and capital investments necessary to meet future mobility and accessibility needs in the Portland metro region. Thank you.

[Mr. Desue's prepared statement follows:]

Prepared Statement of Samuel Desue, Jr., General Manager, TriMet

Chair DeFazio, Ranking Member Graves and Members of the Committee on Transportation and Infrastructure, my name is Sam Desue Jr., and I am General Manager of TriMet, the regional transit agency serving the beautiful Portland Metropolitan area in Oregon—a metropolitan area of about 2.5 million people.

I appreciate the opportunity to be here today to discuss the critical importance of Federal investment in the mobility service provided by TriMet and our workforce, and to thank you for ensuring we had the resources to maintain those services and continue to plan for the future of mobility in our region.

TriMet's service district includes Multnomah, Washington, and Clackamas counties, encompassing an area of about 533 square miles that includes nearly 40 cities. We operate 5 light rail lines, 82 bus lines, 1 commuter rail line and LIFT paratransit service. All our buses and railcars are American-made. TriMet employs over 3,000 people and over 2,400 members of our workforce are union jobs directly supporting operations, maintenance and safety of our transit system. Without our workforce we could not provide these vital services to the Portland region.

Our system provides essential transportation and mobility options that connect people with their community, while easing traffic congestion and reducing air pollution—facilitating economic growth, transit-oriented development and livability.

Prior to the pandemic, TriMet provided an average of over 1.9 million transit rides every week. Portland is the *25th largest* U.S. metro area, and TriMet's *service outpaces its population base by ranking 17th* in transit ridership and *11th* in ridership per capita.

TriMet has been a leader in innovation for American transit. From our open-sourced data that led to Google Transit to our light rail design and construction. Over 100 transit agencies in America and 35 cities from around the world have come to us to learn from our successes. Every major light rail line has been delivered on time and on budget—or earlier and under budget.

We have bold goals for growing transit ridership, transitioning to a zero emissions fleet and supporting transit investments to build more livable communities.

We are here today to primarily say thank you and to share some examples of the impact of recent federal investment for our transit agency. In particular, I want to thank you for COVID relief emergency funding and historic investment in public transportation contained in the Infrastructure Investment and Jobs Act (IIJA). These investments have been, and will be, critical to ensuring that we can meet the challenges we faced during the unprecedented COVID public health crisis. They allow TriMet to position itself to meet future mobility and accessibility needs of the greater Portland region.

COVID–19

Like all transit agencies, the COVID–19 pandemic had a severe impact on TriMet's operations and revenue. When ridership, and our projected revenues, fell dramatically in the spring of 2020, TriMet acted quickly to reallocate service and save resources until demand returned. We focused on minimizing cuts to service for our equity communities, transit-dependent riders and essential workers. We redirected resources in a variety of ways that I'd like to share with you today. None of this would have been possible without the ongoing support from the federal government.

We are so appreciative for Congress providing this critical emergency relief funding to allow us to maintain operations and continue to provide vital and lifeline transportation services to our region. Emergency funding provided through CARES, CRRSA Act, ARP allowed us to avoid furloughs and layoffs so that we could keep our cities and counties moving and functioning. All CARES and CRRSA Act funds allocated to TriMet have been spent and all ARP funds have been spent or obligated.

We are proud to say that not one TriMet employee was furloughed during the pandemic, and these funds allowed us to keep our highly-skilled, trained workforce. As you are all aware, hiring, and re-hiring, has been quite a challenge for many industries since early 2021. The ability to retain our workforce was critical to our being able to provide transportation services to essential workers and access to vital services to transit dependent riders. Federal COVID emergency funding made this possible.

These funds also ensured that riders and TriMet operators remained safe while using our system, by putting additional public health measures into place to prevent the spread of COVID. We were able to adjust our service to meet demand, ensuring essential workers could get to work and people who are transit-dependent continued to have access to jobs and services. We learned immediately that essential workers were critical to addressing the pandemic and recovering from it. We prioritized service to hospitals and other medical facilities. With physical distancing limiting capacity on transit, we added extra buses to we wouldn't have to leave anyone behind on lines that served our essential workers like nurses, technicians and doctors.

We made sure that people who often rely exclusively on transit always had service. These are the people essential to keeping society working. People who stock our grocery stores supply us with essential products that communities need to function, and they need transit. While essential workers and those making lower wages may not always get recognition, the pandemic proved how vital they are in a time of crisis. We were here for them—and are here for them. Had transit not been there, the shortages and supply chain nightmares we have experienced would have been significantly worse. Transit kept people and commerce moving!

Our team truly went above and beyond to ensure that TriMet service could support those who needed it most during the pandemic. Initially, we had to innovate to ensure we had the equipment and tools we needed to keep people safe on our system. We called it MacGyvering. We reached out to businesses, asked them to innovate. First, we needed masks. We searched the internet for mask designs. Marketplace innovation sprang into action, as fabric stores opened to get us materials. Small, women-owned businesses started churning out masks in our district with scores of people producing masks at home with sewing machines. TriMet didn't have hand sanitizer. No one did early in the pandemic. We figured out how to produce it ourselves. We worked with breweries, which we have a lot of in Portland, as Chair DeFazio is familiar with, to generate alcohol for our own sanitizer. Pretty quickly, we were supplying others with sanitizer, when the supply wasn't meeting the demand.

TriMet continued to innovate with our resources. We supported overloaded hospitals and developed a partnership between our LIFT paratransit team and Oregon Health & Science University when hospitals were approaching capacity. TriMet came in to help to transport patients who no longer needed hospital care to their home or to a care facility. We brought people to vaccine appointments. We delivered groceries to LIFT customers who were at high risk of contracting COVID and unable to leave their homes. TriMet redeployed our on-street customer service team to partner with Meals on Wheels. As volunteers stayed home, our staff helped meet the increased demand for food for children, families and seniors who would have otherwise gone hungry. We were truly providing a lifeline to so many of our region's residents.

Pandemic relief allowed us to proceed with planned critical safety and maintenance projects that would have had to be cancelled or postponed when faced such a severe and unexpected funding shortfall. Like all transit agencies, TriMet has a significant deferred maintenance backlog. We have been and remain committed to addressing this backlog. The significant decline in revenues threatened these ongoing efforts to maintain and upgrade our existing assets to ensure and improve the safety and reliability of our system.

The projects included replacing rail switches that were over 35 years old and worn out. Signalization of the same era was replaced with new technologies and computerization that we didn't have when TriMet's first light rail line—the third in the nation—was built.

TriMet was able to implement a critical rail safety project on the oldest section of our light rail system, in a high-speed curved area, replacing old wooden rail ties, doubling the useful life of the system. What otherwise would have been an incredibly disruptive project was able to be carried out efficiently to reduce project costs and long-term maintenance costs.

We advanced a project to make critical improvements on the Steel Bridge—every one of our light rail trains goes across this lift bridge (along with freight rail, passenger vehicles, buses, bikes and pedestrians). We were able to essentially replace and rebuild the light rail system across the bridge at a time of reduced ridership. The funding provided through COVID relief meant the project could be done more efficiently, and we were able to accomplish all the safety, reliability and system resiliency elements necessary, rather than scaling them back and stretching them out over time.

The infusion of federal funds also put TriMet in a better position to meet our climate goals and implement a change in fuel sources. We had done a renewable/sustainability study but had to delay it due to the costs. But because we had those dol-

lars available, we were able to implement our goals and transition our entire fleet to renewable diesel. By switching to renewable diesel, and to renewable electricity for our light rail system and all TriMet-owned facilities, we reduced our greenhouse gas emissions by about 70% in a year's time.

These are just a few examples of just how critical the Emergency COVID relief funds provided by Congress were in allowing TriMet to retain its workforce, provide mobility to essential workers, accessibility to vital services for vulnerable communities and riders, and continue to invest in making our system safer and more prepared to provide reliable transit as ridership returns.

PLANS FOR THE FUTURE—INFRASTRUCTURE INVESTMENT AND JOBS ACT

While the COVID relief funding was critical to allowing TriMet to continue to be a lifeline to many in our region throughout the public health emergency, the historic investments in public transportation infrastructure contained in the IIJA will be a game-changer that will help transform the Portland/Vancouver region's transportation network. The significant increase in investment levels contained in IIJA filled the gap in funding ongoing maintenance needs, as well as allowing us to continue to advance capital projects to upgrade our system to expand service and address our region's mobility, quality of life, and environmental challenges.

IIJA will provide a total of $503.6 million for the Portland/Vancouver region in FTA formula funding over the 5 years of the bill. This increased FTA formula funding is critical to allowing us to begin addressing our deferred and preventive maintenance needs, as well as to begin making investments for future growth. This unprecedented funding and the increases in federal discretionary grant opportunities under the IIJA give us a lot to look forward to. The opportunities provided by the IIJA are critical to our agency's goals to rebuild transit ridership and address the climate crisis. Investing in efforts to support ridership recovery is one of the agency's biggest priorities. We have some success stories to share on our progress.

Like many agencies, TriMet's ridership has been steadily returning throughout 2022. We're seeing an average growth of nearly 6,000 riders per week. This is especially encouraging because, like many industries, we've been facing an operator shortage and have not been able to restore service to pre-pandemic levels because of that shortage. More people are riding again, and we're growing our workforce and planning for service and ridership growth in the future.

As ridership returns, we are planning for how TriMet can best address the region's future mobility needs. Just yesterday, we released a new transit network concept to plan for service growth and address the changing travel patterns we've analyzed during the pandemic. Working with the community, we will further define this concept for how best to restore and grow transit while emphasizing building ridership and expanding transit options across our region. This effort is supported by an FTA Route Planning Restoration grant.

A key step in our path towards ridership recovery was the September 18th launch of the Division Transit Project, TriMet's new FX™ high-capacity bus service. Funded by an FTA Small Starts grant and local partners, this project improves travel along a 13-mile corridor that is one of TriMet's most popular bus lines, with more than 10,000 daily rides between Downtown Portland and Gresham. Prior to the opening of this FX service, riders on this bus line crowded buses, full buses passing riders waiting at stops, and traffic congestion behind buses making frequent stops to pick up riders.

The Division Transit Project will provide riders with easier, faster, and more reliable service. This project features all-door boarding, improved stations, and transit priority improvements to speed up transit trips, while addressing congestion along the Division Street Corridor.

Our ridership recovery initiatives are also about more than service improvements and capital projects.

TriMet would like to highlight the work we have done to reimagine safety and security on our transit system. TriMet began this process in June of 2020 after hearing calls for racial equity and social justice following the murders of George Floyd, Breonna Taylor, Ahmaud Arbery and many others. TriMet responded by exploring community-based approaches to public safety. We engaged in comprehensive outreach with riders, community groups, local leaders, the public, and our frontline workers and security staff and have begun agency-wide implementation of those recommendations. We've launched safety response teams to provide information, first aid, mental health support and conflict resolution across our transit system.

TriMet has expanded our fare discount programs to support more people who are struggling financially, seniors, veterans, youth, people with disabilities—the commu-

nities who need transit most, and who we've provided a lifeline to throughout the pandemic.

We've also launched a program to rehabilitate, expand and improve operator and customer amenities at our busiest transit centers. These investments make a difference for everyday riders, who just need a safe and comfortable place to wait or transfer to help them get to where they are going reliably.

We are also primed to take advantage of the growth in federal discretionary grant programs to support the expansion of our MAX network and to grow our bus rapid transit network with more (FX) Frequent Express service on our highest ridership bus lines.

We are working towards pursuing federal funding for the 82nd Avenue Bus Rapid Transit project. The bus line serving 82nd Avenue has the highest ridership of any bus line in greater Portland. Though it carries more people than some of the region's light rail lines, it shares the road with commuters, freight, and local deliveries—and is often stuck in traffic significant increasing travel time and degrading reliability.

We are currently partnering with Metro, the City of Portland and Clackamas County to undertake a transit alternatives analysis for potential bus rapid transit service along 82nd Avenue from Clackamas Town Center to Portland's Roseway and Sumner neighborhoods. BRT on this route would significantly improve travel time, reliability, and comfort by allowing the bus to separate from or bypass other vehicle traffic in key areas along the route and improving stations. This transit project will also be highly coordinated with a community-led Equitable Development Strategy to support business and community stabilization and enhancement. The transit analysis is being developed in coordination with the City of Portland's "Building a Better 82nd" program, which is investing $80 million in near-term safety improvements and another $105 million to enact a vision to improve the corridor.

We are also excited about the many opportunities in the IIJA to support and advance TriMet's Zero Emission Bus transition plan to make the investments we need to meet the goals of our own Climate Action Plan and our state and region's goals to increase transit usage and reduce greenhouse gas emissions. Earlier this year, TriMet made our first bulk purchase of 24 American-made, battery electric buses. TriMet is committed to being part of the solution to climate change, and the funds now available through the IIJA are a game changer to make an immediate impact in reducing TriMet's emissions and working with our state and local partners to address climate change.

TriMet had 700 diesel buses in our fleet as of June 2021, and we were the largest purchaser of diesel fuel in Oregon. Working in partnership with the two electric providers in our region—Portland General Electric and Pacific Power—we are well on the way to changing that. We are committed to having a 100 percent zero-emission fleet by 2040, and the funding provided through the IIJA will help us achieve this goal.

The conversion to zero emission buses is the most significant technological change TriMet has ever faced. TriMet is prepared to make significant investments in transitioning our fleet and facilities, but a strong federal funding partnership is critical to the success of this program. TriMet has identified local and state funds to help cover the costs of transitioning to zero emission buses. We estimate a significant funding gap to upgrade the entire fleet and facilities to charge and maintain the zero emissions fleet by 2040. TriMet is working to concurrently invest in charging infrastructure and facilities improvements across our service area to prepare for this transition.

We are working to develop a zero-emissions maintenance facility and charging infrastructure at Beaverton's Merlo Garage in order to expand TriMet's zero emissions fleet on Portland's westside. TriMet's new Columbia Bus Base will help as the lynchpin to accelerate the TriMet's transition to a fully zero emission bus fleet by 2040, and to meet state and regional climate goals. This site is well-situated in an industrial area within TriMet's service district, allowing buses to begin and end their routes close to their home base and minimize their time in traffic. Master planning and design efforts are in progress, focused on the Columbia site's pivotal role in TriMet's transition to zero-emission buses and planned service growth. Advancing TriMet's Columbia Bus Base project is the key to not only advance our Zero Emissions Fleet Transition but also to increase transit service to meet demand across the growing region.

As you can see, we have big plans to help address the Portland region's mobility needs. This would not be possible without the actions this committee took to lead the effort to ensure public transit agencies had the resources to retain their workforce and continue to provide the vital services throughout the COVID–19 public health emergency. The transit services supported by federal investment are trans-

formative to support mobility, reduce congestion, spur economic development and make an immediate impact in fighting the climate crisis.

In closing, I want to say thank you to this Committee, to Congress, and to Federal agencies for stepping in quickly to keep services like transit afloat, both through Covid relief funds and through the IIJA. Had Congress not acted decisively we would be in a much different place. But you acted and averted a potential great depression.

Mr. DEFAZIO. Thank you for your testimony. We would now turn to David Ditch, policy analyst with The Heritage Foundation.

Mr. DITCH. Good morning. Thank you for the opportunity to testify. The views I express in this testimony are my own and should not be construed as representing any official position of The Heritage Foundation.

We hear frequently from those who benefit from Federal spending. Unfortunately, little consideration is given to the costs to or value for taxpayers. There has been an exponential growth in the size and scope of the Federal Government over the last 100 years. In recent years, this growth has led to three troubling trends in Federal policy in general, and infrastructure policy specifically.

The first trend is inflation. While many factors are causing the current inflation surge, two of the most important flow from Washington: massive deficit spending and loose monetary policy. The Federal spending spree that began in March 2020, aided by the Federal Reserve absorbing trillions in Federal debt, has meant more dollars chasing the same supply of goods. That is a recipe for inflation.

Unfortunately, Congress and the Biden administration continue to make choices that increase deficits, threatening to worsen and prolong the inflation crisis. Even the infrastructure sector has been struck by inflation, with prices for construction inputs skyrocketing over the last 2 years. Since spending increases in the Infrastructure Act are only starting to go out now, higher demand for inputs could cause sustained inflation in the sector.

The second trend is false advertising. The American people have been misled about major pieces of legislation, both proposed and enacted, to an astonishing degree. The March 2021 stimulus package was supposedly about responding to the pandemic and its related effects on the economy. However, it contained a relatively tiny amount of public health spending alongside massive handouts to heavily unionized political constituencies.

Next, the Biden administration unveiled a proposal that sought to use infrastructure as a camouflage for a wide range of progressive priorities, even though only about 4 percent of the proposed funding was designated for roads and bridges. After that approach was finally abandoned, the Infrastructure Act was sold as a generational investment. However, many of the law's investments will yield minimal economic benefit. For Amtrak and urban transit, subsidized expansions will create long-term liabilities in the form of higher operations and maintenance costs for these relatively low-demand services.

Most recently, nonpartisan analysis of the so-called Inflation Reduction Act shows that it will not, in fact, reduce inflation.

The third trend is the Biden administration's aggressive use of executive actions to pursue its agenda, sometimes flouting the rule

of law. Shortly after passage of the Infrastructure Act, the Department of Transportation attempted to make it harder for States to expand highways. This was not about implementing the law as passed, but an attempt to implement provisions that failed to pass. The administration backpedaled only after strenuous pushback from Governors and Members of Congress.

On labor policy, the administration has gone out of its way to increase the cost of federally funded infrastructure projects. An Executive order on project labor agreements and a proposed rule to strengthen wage mandates will further decrease the public value of spending from the Infrastructure Act.

Artificially paying more for labor is not investing in workers. Rather, it is yet another instance of maximizing benefits for a political constituency at the public's expense. Fortunately, Congress has options for addressing these problems.

First, Congress should reform or eliminate rules and regulations that needlessly and excessively add to the cost of infrastructure projects.

Second, Congress should reject the use of bloated spending packages that make public debate and legislative deliberation more difficult.

Relatedly, Congress should reduce or eliminate spending on local and regional infrastructure, since this merely moves costs around and encourages overspending. This would also bring the Highway Trust Fund close to balance.

Third, Congress should rein in executive overreach by using oversight and legal remedies to combat instances of extra-legal action, reducing the amount of discretion and authority delegated to executive agencies, and reforming or repealing outdated statutes.

Reining in the relentless growth of Federal spending would reduce the intensity of political fights, move Government off the road to bankruptcy, and enhance America's prosperity. Thank you.

[Mr. Ditch's prepared statement follows:]

Prepared Statement of David Ditch, Policy Analyst, The Heritage Foundation

COSTLY FEDERAL FAILURES: OVERSPENDING, OVERPROMISING, AND OVERREGULATING

My name is David Ditch. I am a policy analyst at The Heritage Foundation. The views I express in this testimony are my own and should not be construed as representing any official position of The Heritage Foundation.

Each year, Americans pay trillions of dollars in taxes to fund government services. Despite this, federal elected officials have increased spending so far beyond these annual tax hauls that the gross national debt has grown by over $25 trillion since the year 2000.[1]

Since the start of the pandemic in the U.S. in March 2020, the federal government has added $7.5 trillion in gross debt.[2] For perspective, that is the amount of debt the nation accumulated from 1789 through late 2004.

The scale of these numbers is nearly incomprehensible, yet it is vitally important for members of Congress and the American public to recognize that federal "investments" come with very real costs.

[1] U.S. Department of the Treasury, "Debt to the Penny," https://fiscaldata.treasury.gov/datasets/debt-to-the-penny/debt-to-the-penny (accessed September 22, 2022).

[2] Ibid.

Over the past 30 months, Congress has engaged in a seemingly endless spending spree.[3] The purported rationales behind the individual laws tend to be uncontroversial: addressing public health, preventing a deep recession, enhancing the nation's infrastructure.

However, a combination of policy flaws and political opportunism has meant that the components of the spending spree have had much higher costs than were necessary, resulting in a variety of harmful consequences and trends. This is the case for both the spending spree as a whole and for infrastructure provisions in particular.

OVERSPENDING

First, the spending spree is a substantial cause of the current inflation surge.

An analysis published in March 2022 by the Federal Reserve of San Francisco found that excessive stimulus spending in the U.S. accounted for inflation that would not be explained by other factors.[4]

While the Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed in March 2020 at a time of surging unemployment and tremendous uncertainty, stimulus packages passed in December 2020 and March 2021 came when unemployment levels were already well below their peak.[5] Worse, the bills were larded with handouts to narrow political constituencies.[6]

Trillions of dollars in wasteful and unnecessary deficit spending served as kindling fuel for today's inflationary fire by increasing demand without increasing supply, while also adding to the nation's mounting long-term fiscal liabilities.[7]

Inflation has also had dramatic effects on infrastructure development.

According to the American Road and Transportation Builders Association, costs for highway and street construction inputs increased by 43 percent from May 2020 through August 2022—and this despite declines since a peak in June 2022. For comparison, there was less than 3 percent inflation for the same inputs from May 2017 through May 2020.[8]

The November 2021 infrastructure package stands to significantly increase federal spending on infrastructure.[9] Accordingly, it will lead to an increase in demand for related construction inputs as the authorizations become outlays. This will put sustained upward pressure on prices, which would reduce the public value of the spending increase [10] while also causing harmful spillover effects for private construction projects.

This is not the only way that federal infrastructure policy interacts with inflation. Congress has repeatedly bailed out the Highway Trust Fund rather than bring

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[3] David Ditch, "Congress' Wasteful Spending Spree Must End With Infrastructure Bill," Heritage Foundation *Commentary*, November 12, 2021, https://www.heritage.org/budget-and-spending/commentary/congress-wasteful-spending-spree-must-end-infrastructure-bill, and David Ditch, "Despite Raging Inflation, Congress Bent on Continuing Spending Spree," Heritage Foundation *Commentary*, April 21, 2022, https://www.heritage.org/budget-and-spending/commentary/despite-raging-inflation-congress-bent-continuing-spending-spree.

[4] Oscar Jordà et al., "Why Is U.S. Inflation Higher than in Other Countries?" Federal Reserve of San Francisco *Economic Letter*, March 28, 2022, https://www.frbsf.org/economic-research/publications/economic-letter/2022/march/why-is-us-inflation-higher-than-in-other-countries/ (accessed September 22, 2022).

[5] Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," https://data.bls.gov/timeseries/LNS14000000 (accessed September 22, 2022).

[6] Matt D. Dickerson and David Ditch, "9 Things You Need to Know About the $1.4 Trillion Fiscal Year 2021 Omnibus and $900 Billion COVID–19 Package," Heritage Foundation *Commentary*, December 22, 2020, https://www.heritage.org/budget-and-spending/commentary/9-things-you-need-know-about-the-14-trillion-fiscal-year-2021, and David Ditch et al., "COVID–19 Proposals Should Focus on Disease, Not Wasteful Spending Increases," Heritage Foundation *Backgrounder* No. 3588, February 25, 2021, https://www.heritage.org/budget-and-spending/report/covid-19-proposals-should-focus-disease-not-wasteful-spending-increases.

[7] David Ditch, "These 7 Charts Show Why Congress Must Get Spending Under Control Immediately," Heritage Foundation *Commentary*, July 7, 2022, https://www.heritage.org/budget-and-spending/commentary/these-7-charts-show-why-congress-must-get-spending-under-control.

[8] American Road and Transportation Builders Association, "National Materials Dashboard," https://www.artba.org/economics/materials-dashboard/ (accessed September 22, 2022).

[9] David Ditch et al., "9 Things to Know About Senate's $1.1 Trillion Infrastructure Bill," Heritage Foundation *Commentary*, August 5, 2021, https://www.heritage.org/budget-and-spending/commentary/9-things-know-about-senates-11-trillion-infrastructure-bill.

[10] Jeff Davis, "How Much Could Inflation Erode IIJA Buying Power?" Eno Center for Transportation, April 27, 2022, https://www.enotrans.org/article/how-much-could-inflation-erode-iija-buying-power/ (accessed September 23, 2022).

spending and revenue into alignment.[11] To fund the Infrastructure Investment and Jobs Act's (IIJA's) spending increases, Congress used a combination of budget gimmicks and inflationary deficit spending.[12]

Rather than worsening both general and infrastructure-specific inflation trends with yet another surge of deficit spending, legislators should have focused on reforms to improve the value (rather than the quantity) of infrastructure spending. Examples include removing mandates that increase costs for labor and supplies, eliminating wasteful slush funds, and reforming permitting rules that add both costs and delays to projects.[13]

OVERPROMISING

The second harmful trend that has affected both federal spending measures in general and infrastructure policy in particular is the use of false advertising and political spin to obscure the contents of legislative packages.

The March 2021 stimulus package was sold as a response to the ongoing pandemic and the associated economic downturn. While the bill did contain a token amount of public health funding, it gave more legislative attention to superfluous funding of state and local governments, handouts for heavily unionized sectors, such as public transit and public K–12 schools, and a bailout of private-sector union pensions.[14]

The handout to transit agencies was especially egregious, accounting for a considerable share of the bill's transportation-related spending despite transit's relatively tiny share of travel.[15] Between March 2020 and March 2021, legislators handed transit agencies a total of $67 billion, which amounts to over three years' worth of self-generated revenue for all transit systems in the country. This will allow agencies to temporarily avoid politically sensitive decisions relating to bloated labor costs.[16]

Following passage of the so-called rescue plan, the Biden Administration released a so-called infrastructure plan. The initial proposal sought to leverage high public approval of infrastructure as camouflage for an expansive tax-and-spend agenda. In fact, only about 4 percent of the plan's proposed spending would have gone toward roads and bridges.[17] Fortunately, the attempt to expand the concept of infrastructure to include social benefits and components of the Green New Deal eventually foundered.[18]

The IIJA was promoted as a generational investment that would bolster economic growth. However, the package heavily increased subsidies for low-demand transportation modes, such as transit and Amtrak, and other provisions involve the federal government funding infrastructure that is primarily the domain of local governments and the private sector.[19] Maintenance costs for marginal infrastructure and dubious new programs will add to long-term liabilities, serving to slow rather than accelerate growth.

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[11] Tax Policy Center, "What Is the Highway Trust Fund, and How Is it Financed?" *Briefing Book*, May 2020, https://www.taxpolicycenter.org/briefing-book/what-highway-trust-fund-and-how-it-financed (accessed September 23, 2022), and Jeff Davis, "Treasury Deposits $118 Billion Bailout in Highway Trust Fund," Eno Center for Transportation, January 14, 2022, https://www.enotrans.org/article/treasury-deposits-118-billion-bailout-in-highway-trust-fund/ (accessed September 23, 2022).

[12] Ibid.

[13] David Ditch and Nicolas Loris, "Improving Surface Transportation Through Federalism," Heritage Foundation *Backgrounder* No. 3450, November 12, 2019, https://www.heritage.org/budget-and-spending/report/improving-surface-transportation-through-federalism.

[14] Ditch et al., "COVID–19 Proposals Should Focus on Disease, Not Wasteful Spending Increases."

[15] David Ditch, "Call Transportation Bailouts What They Are: More Welfare for Labor Unions," Heritage Foundation *Commentary*, February 11, 2021, https://www.heritage.org/budget-and-spending/commentary/call-transportation-bailouts-what-they-are-more-welfare-labor-unions.

[16] David Ditch, "Public Transit: Bloated Compensation Highlights Excessive Subsidization," Heritage Foundation *Backgrounder* No. 3639, July 22, 2021, https://www.heritage.org/transportation/report/public-transit-bloated-compensation-highlights-excessive-subsidization.

[17] David Ditch, "9 Things You Need to Know About Biden's 'Infrastructure' Spending Plan," Heritage Foundation *Commentary*, April 8, 2021, https://www.heritage.org/budget-and-spending/commentary/9-things-you-need-know-about-bidens-infrastructure-spending-plan.

[18] David Ditch, "Even Some Democrats Sound Alarm on Radical $3.5 Trillion Spending Bill," Heritage Foundation *Commentary*, September 16, 2021, https://www.heritage.org/budget-and-spending/commentary/even-some-democrats-sound-alarm-radical-35-trillion-spending-bill.

[19] Ditch et al., "9 Things to Know About Senate's $1.1 Trillion Infrastructure Bill."

The reconciliation package marketed as the "Inflation Reduction Act"[20] is perhaps the most egregious example of false advertising.

The Congressional Budget Office estimates that the bill would increase deficit spending for fiscal years 2023 through 2026,[21] even though deficit reduction is most needed in the short term. The independent Penn-Wharton Budget Model estimates that, "The impact on inflation is statistically indistinguishable from zero."[22] Thus, the "Inflation Reduction Act" fails to actually reduce inflation, in addition to a myriad of other policy flaws.[23]

OVERREGULATING

A third concerning policy trend is the increasing concentration of power in the federal executive branch. The Biden Administration's approach to infrastructure provides many examples of why this is a problem.

In December, shortly after passage of the IIJA, the Federal Highway Administration issued a "guidance" memo to state governments that sought to prioritize certain types of infrastructure projects above others. Notably, the memo de-prioritized adding highway capacity.

This guidance did not flow from IIJA statute. Instead, it was strongly similar to text from a bill produced by Representative Peter DeFazio (D–OR), even though DeFazio's bill did not become law.[24]

While there is a legitimate ongoing debate about the wisdom of using federal funding to add highway capacity,[25] Congress has chosen not to directly or indirectly oppose new capacity. As such, the Administration should not use "guidance" documents to pressure states to avoid highway capacity projects.

Although the Administration eventually walked the memo back a bit, this was only done after sharp criticism from elected Republicans.[26]

The Biden Administration has also sought to overextend its authority using Equity Action Plans (EAPs) throughout the federal government.[27]

For the Department of Transportation, this means potentially steering valuable infrastructure contracts based on innate characteristics of the contractors rather than selecting them based purely on merit, raising the specter of de facto identity-group quotas.

The department's EAP also calls for micromanaging regional transportation plans based on "equity" concerns, which would mean putting the whims of diversity bureaucrats ahead of practical considerations, while also expanding opportunities for environmental activists to delay projects.[28]

In areas where the Biden Administration has clearer legal discretion, it has consistently chosen to make infrastructure projects more expensive and less economically valuable.

When it comes to labor policy, the Administration's mandates stand to increase costs by billions of dollars per year.

An executive order on project-labor agreements imposes union-style work rules on projects that receive federal funding, undermining the ability of non-unionized contractors to compete.[29]

A proposed regulatory change to federal construction wages under the Davis-Bacon Act could increase costs further by lowering the threshold at which union-based compensation levels are considered "prevailing" and thus required. This would

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[20] The title of the legislation, as passed, is "To provide for reconciliation pursuant to title II of S. Con. Res. 14."

[21] Congressional Budget Office,"Estimated Budgetary Effects of Public Law 117–169, to Provide for Reconciliation Pursuant to Title II of S. Con. Res. 14," *Cost Estimate*, September 7, 2022, https://www.cbo.gov/publication/58455 (accessed September 23, 2022).

[22] Penn-Wharton Budget Model, "Senate-passed Inflation Reduction Act: Estimates of Budgetary and Macroeconomic Effects," August 12, 2022, https://budgetmodel.wharton.upenn.edu/issues/2022/8/12/senate-passed-inflation-reduction-act (accessed September 23, 2022).

[23] Daren Bakst et al., "'Inflation Reduction Act' Is Euphemism for Big Government Socialism, Higher Prices," Heritage Foundation *Commentary*, August 2, 2022, https://www.heritage.org/budget-and-spending/commentary/7-ways-inflation-reduction-act-would-wallop-your-wallet.

[24] David Ditch, "Road to Nowhere: How Biden and Congress Detour Highway Funds," Heritage Foundation *Backgrounder* No. 3697, April 5, 2022, https://www.heritage.org/transportation/report/road-nowhere-how-biden-and-congress-detour-highway-funds.

[25] Ditch and Loris, "Improving Surface Transportation Through Federalism."

[26] Ditch, "Road to Nowhere: How Biden and Congress Detour Highway Funds."

[27] David Ditch, Mike Gonzalez, Hans von Spakovsky and Erin Dwinell, "President Biden's 'Equity Action Plans' Reveal Radical, Divisive Agenda," Heritage Foundation *Backgrounder* No. 3710, May 25, 2022, https://www.heritage.org/progressivism/report/president-bidens-equity-action-plans-reveal-radical-divisive-agenda.

[28] Ibid.

[29] Ditch, "Road to Nowhere: How Biden and Congress Detour Highway Funds."

further inflate construction costs, especially in right-to-work states, on top of already high inflation in the sector.[30]

Proponents of these labor policy changes claim that they equate to "investing" in workers. In reality, arbitrarily increasing compensation for a politically favored group at the expense of the public good is an exercise in cronyism.

This is an example of the economic problem of concentrated benefits and dispersed costs. Few members of the public are aware of the distortions caused by the rules, whereas labor groups are highly motivated to lobby in support of them.[31]

Finally, where the Biden Administration has full discretion over project selection, it has prioritized infrastructure projects favored by left-wing activists over the types of projects that would provide the most economic benefit.

The Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant program was known as Better Utilizing Investments to Leverage Development (BUILD) during the Trump Administration and as Transportation Investment Generating Economic Recovery (TIGER) under the Obama Administration. Under the Biden Administration, the RAISE program largely avoids highway projects in favor of low-yield local projects, such as transit extensions, bike lanes, and "road diets" that actively reduce capacity.[32]

Not only will these "investments" yield minimal economic effect, they also mark an increasing federal involvement in purely local-level projects. The worsening dependence of state and local governments on Washington, DC, is corrosive to governance in a nation as large and diverse as the U.S.[33]

RECOMMENDATIONS

Congress has many avenues for addressing the policy problems referenced in this testimony.

With regards to infrastructure spending, Congress should recognize that the year is 2022, not 1956. States, localities, and the private sector have more than sufficient resources and capacity with which to manage and plan the nation's infrastructure needs.

If cities want to build bike lanes, they should pay for the bike lanes directly. If a state wants to add highway segments in an attempt to boost economic development in a particular region, or to expand an airport, that state should bear the costs—and have more leeway on financing.[34]

Reducing federal infrastructure spending and taxes would benefit the federal government's finances, improving both the long-term budget picture and the short-term need to combat inflation.[35] This would also reduce bureaucratic and regulatory inefficiencies that add costs and delays to projects. Federal spending on local or regional projects, such as hiking paths and mass transit, should be eliminated entirely.[36]

For both infrastructure legislation and other spending bills, shifting away from omnibus-style packages would improve transparency, accountability, and deliberation.

Regarding regulations, Congress should reform or eliminate the thicket of flawed and often archaic laws, such as the Davis-Bacon Act and the Urban Mass Transpor-

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[30] David Ditch, "Updating the Davis-Bacon and Related Acts Regulations [RIN 1235–AA40]," comment on proposed rule to Jessica Looman, U.S. Department of Labor, May 17, 2022, http://thf_media.s3.amazonaws.com/2022/Regulatory_Comments/DavidDitch_Comment_5172022.pdf.

[31] Ditch, "Public Transit: Bloated Compensation Highlights Excessive Subsidization."

[32] Laura Bliss, "Car-Free Transportation Gets Boost from U.S. Grant Program," Bloomberg CityLab, November 29, 2021, https://www.bloomberg.com/news/articles/2021-11-29/bike-pedestrian-infrastructure-favored-in-raise-grants (accessed September 26, 2022); Mischa Wanek-Libman, "Transit Specific Projects Land More than $476 Million in RAISE Grants," *Mass Transit*, August 12, 2022, https://www.masstransitmag.com/management/article/21277191/transit-specific-projects-land-more-than-476-million-in-raise-grants (accessed September 26, 2022); Department of Transportation, "RAISE Grants Capital Awards FY 2021," November 2021, https://www.transportation.gov/sites/dot.gov/files/2021-11/RaiseGrants_Capital%20Fact%20Sheets.pdf (accessed September 26, 2021); and Ditch, "Road to Nowhere: How Biden and Congress Detour Highway Funds."

[33] Diane Katz, "Federalism in Crisis: Urgent Action Required to Preserve Self-Government," Heritage Foundation *Special Report* No. 248, November 30, 2021, https://www.heritage.org/conservatism/report/federalism-crisis-urgent-action-required-preserve-self-government.

[34] David Ditch, Nicolas Loris, Adam Michel, and Kevin Dayaratna, "Paying for Surface Transportation Infrastructure: Four Wrong Routes, Four Good Paths," Heritage Foundation *Backgrounder* No. 3422, July 17, 2019, https://www.heritage.org/budget-and-spending/report/paying-surface-transportation-infrastructure-four-wrong-routes-four-good.

[35] Since federal taxes that fund infrastructure do not fully cover federal infrastructure spending, spending reductions would need to exceed the size of tax cuts.

[36] Ditch and Loris, "Improving Surface Transportation Through Federalism."

tation Act of 1964, that needlessly increase the cost of building and maintaining infrastructure.[37] The National Environmental Policy Act, which has become an anti-development nightmare, should either be substantially reformed or repealed entirely.[38]

Congress can fight back against the growth of executive power by narrowing executive agency discretion, using oversight and legal remedies to combat instances of overreach, and reforming or repealing statutes that are being used to justify power grabs outside their original intent.[39]

Reining in the relentless growth of federal spending and control would reduce the intensity of political fights, move the government off the road to bankruptcy, and enhance our economic prosperity.

Thank you.

Mr. DEFAZIO. I now recognize Adam Hersh, senior economist of the Economic Policy Institute.

Mr. Hersh, you are recognized for 5 minutes.

Mr. HERSH. Thank you, Chair DeFazio, Ranking Member Graves, committee members. Thank you for inviting me to talk with you today.

I apologize that I couldn't be there in person, although I started having COVID symptoms yesterday, so, it is probably all for the best for all of us.

I am a senior economist at the Economic Policy Institute, a nonpartisan 501(c)(3) nonprofit think tank in Washington, DC. Our mission is to make the economy work for working people.

Today I want to talk about two things: number one, why infrastructure matters; and number two, what impacts we can see and expect from recent major legislation to expand infrastructure investment.

First, I want to recognize that this Congress has passed three critical pieces of legislation for American transportation and infrastructure. And by doing so, you have steered us down a path to higher, or broadly shared, and more sustainable prosperity. These pieces of legislation are the American Rescue Plan, the Infrastructure Investment and Jobs Act, and the Inflation Reduction Act.

Now, considering that the previous administration and the 115th and 116th Congresses before you talked a big game and repeatedly held infrastructure weeks but failed to deliver any infrastructure agenda, I think these will be remembered as monumental legislative achievements that fundamentally transformed the U.S. economy and improved everybody's quality of life.

When the plans are fulfilled, Americans will have upgraded and expanded access to safer roads, waste less fuel and time in traffic congestion, drink cleaner water, and breathe cleaner air, send their kids to safer, modernized schools, access low-cost sustainable energy and high-speed internet, enjoy the lower cost of doing business, and keep more money in their pockets because of the productivity and economic opportunities that these laws create.

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[37] Ditch, "Road to Nowhere: How Biden and Congress Detour Highway Funds."

[38] Diane Katz, "Time to Repeal the Obsolete National Environmental Policy Act (NEPA)," Heritage Foundation *Backgrounder* No. 3293, March 14, 2018, https://www.heritage.org/government-regulation/report/time-repeal-the-obsolete-national-environmental-policy-act-nepa.

[39] For example, the Biden Administration's citation of the 2003 Health and Economic Recovery Omnibus Emergency Solutions (HEROES Act) when issuing its recent student loan write-off. See Lindsey M. Burke and Jack Fitzhenry, "Biden's Student Loan Bailout Boondoggle Is on Shaky Legal Footing," Heritage Foundation *Commentary*, September 1, 2022, https://www.heritage.org/education/commentary/bidens-student-loan-bailout-boondoggle-shaky-legal-footing.

That said, we still need to be doing much more to meet the needs of our current economy and to provide the foundation for America's future prosperity and security. You, Congress, need to be doing much more here. Our country faces a staggering infrastructure gap, an incipient climate crisis, and intensifying international competition, where partners take more seriously the significance of infrastructure for economic growth and inclusion, as well as the risks of breaching the ecological boundaries that we need to sustain life on this planet.

America has a choice: we can rise to this challenge and continue the work this Congress has started, or we can relegate ourselves to a long-term decline.

So, why does infrastructure matter? Policy debates tend to focus on infrastructure only when we face an economic downturn and are looking for ways to stimulate investment and sustain employment. Infrastructure investment does this.

Every job created directly with infrastructure projects creates, on average, an additional 17.8 jobs in other sectors of the economy, and supports our domestic manufacturing base. But infrastructure is even more fundamental to overall economic prosperity. It constitutes the essential public goods at the heart of our economy that allow people, goods, and ideas to be more easily exchanged, as well as to address the cost of negative externalities in such a large, complex, social organization. This is the truck, barter, and trade that Adam Smith famously wrote about in "The Wealth of Nations."

Infrastructure lowers the cost of moving people and goods around, as well as creating more opportunities to trade information and spark innovation. It creates opportunity and higher productivity that underpins economic growth, and will yield dividends for years to come.

Consider something as basic as bridges. You may have crossed a dozen or more to get to this hearing today, and you probably cross even more every time you go home to your district for your work periods. You likely barely notice that they are there. But this and other infrastructure assets are essential to everyday life for American families and businesses.

A DOT inventory of roughly 620,000 U.S. bridges found that 3 in 5 were in less than "good" condition. This means that most American bridges have reached or are approaching structural deficiency or functional obsolescence. Table 1 in my testimony reports the details of these for each State.

And bridges are just one type of critical infrastructure. In addition to surface transportation assets, we have drinking, wastewater, and irrigation water systems; energy generation and transmission; public transit; passenger rail and aviation systems; coastal and inland waterways and ports; and high-speed internet and telecommunications, just to name a few classes of infrastructure.

Economic life without these systems, or with a decaying infrastructure system, is unimaginable until catastrophe strikes: a collapsing bridge in Pittsburgh, a failing water system in Jackson, flooding of major communities. We can look forward to more of these things unless we continue to increase our resources going to infrastructure.

Research on the longer term return on investment from public infrastructure finds, on average, every $100 spent generates an additional $17 to $73 of benefits throughout the rest of the economy. The benefits may be larger still than these estimates suggest. Typical economic models, such as those used by CBO, can paint misleading pictures by accounting for costs but not the full range of real-world benefits, making unrealistic assumptions about how people and markets behave and assessing investment returns over too short a time horizon.

New research also shows that the economic return on infrastructure investment is higher, and the extent to which we begin from a sub-optimal level of capital stock, which is certainly the case for the United States. The American Society of Civil Engineers projects the U.S. economy will need an additional $6 trillion in infrastructure investment sustained over 10 years to close our infrastructure gap. The loss of functionality from infrastructure depreciation and underinvestment will cost the United States $10 trillion in GDP, 3 million jobs, and $2.4 trillion in lost exports by 2039.

Mr. DEFAZIO [interrupting]. Could you summarize at this point, quickly? Your time is expired.

Mr. HERSH. Yes, excuse me.

I think there is a lot more to get into in this discussion. Let me just conclude by stressing that achieving our economic goals will require not just Congress allocating more resources to these problems, but also embracing new approaches to how we fund and incentivize infrastructure and technological investments.

Thank you. I look forward to the discussion.

[Mr. Hersh's prepared statement follows:]

Prepared Statement of Adam S. Hersh, Ph.D., Senior Economist, Economic Policy Institute

Chairman DeFazio, Ranking Member Graves, committee members, thank you for inviting me to talk with you today. I am Adam Hersh, Ph.D., Senior Economist at the Economic Policy Institute, a non-partisan, 501(c)3 nonprofit think tank in Washington, DC.

Today, I will talk about 2 things:

1. Why infrastructure matters, and
2. What impacts we can see and expect from recent major legislation to expand infrastructure investment.

First, I want to recognize that this Congress, over the past 18 months, passed 3 monumental pieces of legislation that are critical for American transportation and infrastructure and by so doing have started America on a path to higher, more broadly shared, and more sustainable prosperity. These are the American Rescue Plan Act (ARPA), the Infrastructure Investment and Jobs Act (IIJA), and the Inflation Reduction Act (IRA).

Considering that the previous administration along the 115th and 116th Congresses failed to advance any new infrastructure agenda—despite grandiose pledges and repeated "Infrastructure Weeks"—these 3 acts mark not just monumental political achievements, but also the promise to fundamentally transform the American economy and improve everyone's quality of life.[i] When these spending plans are fulfilled, you will have touched the lives of every single person in America with upgraded and expanded access to safer roads, less time spent in traffic congestion, cleaner drinking water and sanitation, modernized schools, dependable and sustainable energy grids, cleaner air and better health, lower costs of doing business, a re-

[i] Emily Cochrane and Eileen Sullivan. 2020. "The Many Times It's Been 'Infrastructure Week' in Washington." *New York Times*. April 1. Accessed September 15, 2022. https://www.nytimes.com/2020/04/01/us/politics/coronavirus-infrastructure-week-timeline.html.

vitalized manufacturing sector, more money in their pockets because of the investments in America this Congress has made.

Still, all you have done is far from enough. We need to be doing much more to meet the needs of our current economy and provide the foundation for America's future prosperity and security. America faces a yawning infrastructure deficit and if we don't rise to meet this moment, we risk being left behind economically.

1. Why Infrastructure Matters

Infrastructure constitutes the essential public goods at the heart of our economy that allow people, goods, and ideas to be more easily exchanged, as well as to address the costs of negative externalities arising in such complex social organization.[ii] This is the "truck, barter, and trade," that Adam Smith wrote about in his book, *The Wealth of Nations*; infrastructure lowers the cost of moving people and goods as well as creating more opportunities to trade information and spark innovation. Policy debates often focus on infrastructure's impact in terms of the jobs and investment that can be created today. Yes, every job created directly in infrastructure construction creates an additional 17.8 jobs in other sectors of the economy and fuel domestic manufacturing.[iii] But infrastructure is even more essential to creating the opportunity and productivity that propels economic activity into the future, yielding economic dividends for years to come by connecting people, goods, and information together more efficiently.

Consider your own consumption of a very basic infrastructure good like bridges. You may have crossed a dozen or more to get to this hearing today. You probably cross dozens more on every trip home for your district work periods. You probably don't notice them passing by while you are busy on your mobile phone, but they are essential to everyday life in America and they are in trouble. A Department of Transportation survey of nearly 620,000 bridges nationally finds that 3 in 5 in less than "good" condition, while 2 in 5 are more than 50 years old.[iv] Practically, this means most American bridges have reached or are approaching structural deficiency or functional obsolescence. Some states are significantly worse off than the average: in West Virginia 79% of bridges are in less than good condition, 74% in Kentucky, and 66% in Pennsylvania (see *Table 1*). Even in relatively well-situated states like Ohio and Florida, 39% and 38% of bridges, respectively, are still problematic—totaling more than 15,000 bridges.

Bridges are just one type of critical infrastructure. There are many more that are also essential in everyday life for American families and businesses. Until now, Congress has allowed America's infrastructure to go to rot, failed to supply it in adequate amounts, and—whether by design or malign neglect—too often forced select communities most in need of affordable transportation to bear the costs of infrastructure projects while excluding them from the benefits. These include:

- Roads and other surface transportation assets
- Drinking, waste, and irrigation water systems
- Energy generation and transmission
- Public transit, passenger rail, and airports and aviation systems
- Coastal and inland waterways and ports
- Access to high-speed internet
- Conservation and public recreation space

America has been disinvesting in infrastructure assets for years, and our growing deficiencies impose staggering economic costs.[v] The American Society of Civil Engineers (ASCE) estimates that the loss of functionality from America's depreciated infrastructure assets will cost the United States $10 trillion in GDP, 3 million jobs, and $2.4 trillion in lost exports by 2039 due to increased costs of doing business,

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[ii] Technically, economists define a "public good" as non-rival and non-excludable, although in common usage public goods may also refer to rival, non-excludable goods.

[iii] Bivens, L. Josh. 2019. "Updated employment multipliers for the U.S. economy." *Economic Policy Institute*. January 23.

[iv] EPI analysis of Department of Transportation. 2022. *National Bridge Inventory: Bridge Condition by County 2022*. June 15. Accessed September 15, 2022. https://www.fhwa.dot.gov/bridge/nbi/no10/county22.cfm; ASCE. 2021. *Making the Grade: America's Infrastructure Report Card 2021: Bridges*. Accessed September 15, 2022. https://infrastructurereportcard.org/wp-content/uploads/2020/12/Bridges-2021.pdf.

[v] Ayres Steinberg, Sarah, and Adam Hersh. 2013. "New Ryan Budget Cuts Investments in America's Future." *Center for American Progress*. March 13. https://www.americanprogress.org/article/new-ryan-budget-cuts-investments-in-americas-future/; Bivens, L. Josh. 2017. "The potential macroeconomic benefits from increasing infrastructure investment." *Economic Policy Institute*. July 18.

lost time and wasted fuel, health impacts, and other individual costs that add up to a big deal in the aggregate.[vi]

The ASCE projects that the U.S. economy will need $6 trillion in infrastructure investment, sustained over 10 years, may be too low. The aging infrastructure we have is ill-prepared to cope with increasingly frequent severe weather events, wildfires, and flooding we can expect moving forward as the climate warms—and certainly if we fail to limit that warming to 2 degrees Celsius above pre-industrial levels—which will cause it to deteriorate faster. And the ASCE analysis did not factor in additional investments that will be needed to deploy decarbonization technologies at the ambitious pace and scale needed to meet emissions targets. The U.S. Global Change Research Program estimated that, if unabated, climate change will permanently reduce U.S. GDP by 10 percent.[vii] Economic losses will result from harm to physical assets, reduced industrial and agricultural productivity, increased mortality and health impacts on labor force participation, and socio-political destabilization around the world. Other researchers estimate an additional $400–600 billion investment a year is needed to achieve carbon net neutrality.[viii]

The good news is that you have the power to change this in ways that will yield outsized effects on the U.S. economy and the lives of families across this country. Research on the longer-term return on investment from public infrastructure finds that, on average, every $100 spent on infrastructure generates an additional $17 benefit, though some research finds a return on investment as high as 73 percent.[ix] The broad economic benefits may be even larger than these estimates suggest. Typical economic models, such as those used by the Congressional Budget Office (CBO) to score legislation, can paint a misleading picture by accounting for costs but not the full range of real-world benefits, making unrealistic assumptions about how people and markets behave, and assessing investment returns over too short a time horizon.

In the real world, infrastructure investments deliver an immediate economic surge, but also simultaneously achieve other objectives, for example:

- Expanding broadband internet access to rural and other neglected communities will not only create immediate jobs installing communications equipment, but will help bring to every corner of the country employment, education, health care, and social opportunities afforded by connectivity.
- Overhauling public water systems to eliminate lead and other toxics not only will create a lot of jobs and lower utility prices for families and businesses, but also yield lifelong impacts on educational attainment, earnings, and productivity for those living in affected communities.
- Reinvesting in and expanding sustainable public transportation systems will create direct jobs, but also open new opportunities for labor force participation and higher wages and productivity—connecting people to jobs that were literally out of reach—reduce greenhouse gas emissions and improve air quality and therefore health and education outcomes.

This Congress has taken significant steps in the right direction to do this with ARPA, IIJA, and IRA, allocating new resources to these long-neglected foundations of national economic prosperity. But it is also important to note that the foundations of a dynamic and efficient economy go deeper than hard physical infrastructure assets. The pandemic "she-cession" has laid bare how essential caregiving "soft" infrastructure also is for the overall economy and that inadequate and unequal access to quality care has caused preventable harm to individuals, families, and on aggregate economic performance. America's lack of paid caregiving infrastructure represents a glaring obstacle to achieving the country's full economic potential that future Congresses must address.

[vi] ASCE. 2021. *Infrastructure Report Card*. Accessed https://infrastructurereportcard.org/.

[vii] U.S. Global Change Research Program (USGCRP) 2018. *Impacts, Risks, and Adaptation in the United States: Fourth National Climate Assessment, Volume II*. https://nca2018.globalchange.gov/.

[viii] Pollin, Robert, Shouvik Chakraborty, and Jeanette Wicks-Lim. 2021. "Employment Impacts of Proposed U.S. Economic Stimulus Programs: Job Creation, Job Quality, and Demographic Distribution Measures." *Political Economy Research Institute*. https://peri.umass.edu/publication/item/1397-employment-impacts-of-proposed-u-s-economic-stimulus-programs.

[ix] See Bivens, L. Josh. 2017. "The potential macroeconomic benefits from increasing infrastructure investment." *Economic Policy Institute*. July 18. https://www.epi.org/publication/the-potential-macroeconomic-benefits-from-increasing-infrastructure-investment/; Heintz, James. 2010. "The Impact of Public Capital on the U.S. Private Economy: New Evidence and Analysis." *International Review of Applied Economics*. Vol. 24, no. 5, 619–32; Berechman, Joseph, Dilruba Ozmen, and Kaan Ozbay. 2006. "Empirical analysis of transportation investment and economic development at state, county and municipality levels." *Transportation*. Vol. 33, pp. 537–551.

2. BENEFITS OF ARPA, IIJA, AND IRA INFRASTRUCTURE MEASURES

ARPA delivered critical resources to American state, local, tribal, and territorial governments in a time of acute crisis so that they could maintain continuity in essential public and private transportation and infrastructure services when revenue streams tanked;[x] expanded and accelerated local infrastructure projects to offset demand losses in other sectors of the economy; and provided support for struggling small businesses and families to keep the lights on. Moody's analytics found that ARPA increased employment by more than 4 million jobs and nearly doubled the rate of GDP growth in 2021, and delivered sufficient aggregate demand to ensure that the Great Lockdown of 2020 did not repeat in a double-dip recession.[xi]

The Infrastructure Investment and Jobs Act reauthorized funding for existing infrastructure and provided nearly $550 billion in new investments in surface transportation, public transit and rail, water, and broadband internet infrastructure, along with new investments in renewable energy and electric vehicles.[xii] By my estimates, the additional infrastructure spending in IIJA supports 772,400 jobs annually.[xiii] *Table 2* details the number of jobs associated with each program under the IIJA, with most jobs coming from road and surface transportation projects, though all program areas provide significant job creation effects.[xiv] *Table 3* looks at the kinds of jobs that IIJA will create broadly across the economy. Of course, the construction industry comprises the largest share of employment, with nearly 176,000 jobs annually. But the investments also stimulate 175,000 jobs annually in the manufacturing sector, nearly 100,000 jobs in transportation industries, and more broadly across other industries through induced demand. Critically, Buy America and prevailing wage provisions in this and other legislation help set a high standard for contractors to ensure that America's investments create good jobs with fair wages and contribute to the revitalization of our manufacturing base. Moody's Analytics estimates that, at the peak of the expenditures, U.S. GDP will be roughly 0.8 percentage points higher as a result of IIJA.[xv]

Ink is still drying on the Inflation Reduction Act, but it is clear this is the most ambitious action Congress has taken to confront the impending climate change crisis with more than 100 programs that will restore, expand, and modernize a broad range of infrastructure systems. These investments will bring the costs of transportation, electricity and other utilities, building heating and cooling for families and businesses in America. The spending will do so while supporting domestic manufacturing and development of new domestic industries where U.S. businesses will lead innovation and critical components of energy goods and systems will better insulated from disruption in global supply chains. University of Massachusetts economists estimate that IRA will generate 912,000 jobs per year, on average, for 10 years from the public and private investments that the policies incentivize.[xvi] Rho-

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[x] In addition to supporting public health, public security, and education services, and providing aggregate demand support more generally—through the business and household sectors—with indirect economic benefits for transportation and infrastructure industries.

[xi] Moody's Analytics. 2022. "Global Fiscal Policy in the Pandemic." *Moody's Analytics*. February 24. Accessed https://www.moodysanalytics.com/-/media/article/2022/global-fiscal-policy-in-the-pandemic.pdf.

[xii] Adam S. Hersh. 2021. "'Build Back Better' agenda will ensure strong, stable recovery in coming years." *Economic Policy Institute*. September 16. https://www.epi.org/publication/iija-budget-reconciliation-jobs/.

[xiii] To be clear, these average annual number of jobs supported cannot be summed together over 10 years. If, for example, all of the spending ramped up in Year 1 and then persisted, then 772,400 jobs would be supported in the first year and then this number would persist but not grow. Over the 10-year window, one could cumulate these job numbers and classify them as "job-years"—a measure of total hours of work supported by this spending over the next decade. For more on the estimation methodology, see Adam S. Hersh. 2021. "'Build Back Better' agenda will ensure strong, stable recovery in coming years." *Economic Policy Institute*. September 16. https://www.epi.org/publication/iija-budget-reconciliation-jobs/.

[xiv] These tables are reproduced from a report that also analyzed the potential effects of President Biden's broader Build Back Better agenda.

[xv] Moody's Analytics. 2021. "Macroeconomic Consequences of the Infrastructure Investment and Jobs Act & Build Back Better Framework." *Moody's Analytics*. November 4. https://www.moodysanalytics.com/-/media/article/2021/macroeconomic-consequences-of-the-infrastructure-investment-and-jobs-act-and-build-back-better-framework.pdf.

[xvi] Robert Pollin, Chirag Lala, Shouvik Chakraborty. 2022. "Job Creation Estimates Through Proposed Inflation Reduction Act." *Political Economy Research Institute*. August 4. Accessed https://peri.umass.edu/publication/item/1633-job-creation-estimates-through-proposed-inflation-reduction-act.

dium Group economists estimate that IRA will reduce energy costs for the average household by $730 to $1135 annually.[xvii]

CONCLUSION

While this Congress has taken great strides to tackle pressing crises while reinvesting in the infrastructure at the foundation of America's long-term economic prosperity. Achieving our economic goals will require not just significantly more resources, but embracing new approaches to the public role in how we fund and incentivize infrastructure and technological investments. Thank you.

[xvii] John Larsen, Ben King, Hannah Kolus, Naveen Dasari, Galen Hiltbrand, and Whitney Herndon. 2022. "A Turning Point for US Climate Progress: Assessing the Climate and Clean Energy Provisions in the Inflation Reduction Act." *Rhodium Group*. August 12. Accessed https://rhg.com/research/climate-clean-energy-inflation-reduction-act/.

Table 1

State	All	Good	Fair	Poor	Rank	% Fair + Poor
AK	1,626	739	761	126	18	55%
AL	16,162	6,416	9,171	575	26	60%
AR	12,955	6,136	6,145	674	16	53%
AZ	8,497	5,334	3,056	107	2	37%
CA	25,810	12,091	12,172	1,547	17	53%
CO	8,917	3,056	5,409	452	33	66%
CT	4,353	1,253	2,875	225	42	71%
DC	248	78	166	4	39	69%
DE	872	320	538	14	29	63%
FL	12,740	7,871	4,414	455	3	38%
GA	15,034	11,239	3,502	293	1	25%
HI	1,177	284	819	74	49	76%
IA	23,835	9,320	9,911	4,604	27	61%
ID	4,579	1,315	3,030	234	43	71%
IL	26,873	12,748	11,702	2,423	15	53%
IN	19,367	7,916	10,411	1,040	25	59%
KS	24,931	13,231	10,406	1,294	8	47%
KY	14,482	3,915	9,554	1,013	46	73%
LA	12,733	5,498	5,664	1,571	21	57%
MA	5,252	1,330	3,478	444	48	75%
MD	5,456	1,780	3,425	251	38	67%
ME	2,505	678	1,472	355	45	73%
MI	11,314	3,951	6,094	1,269	32	65%
MN	13,497	7,806	5,089	602	5	42%
MO	24,569	9,455	12,884	2,230	28	62%
MS	16,782	9,660	6,025	1,097	6	42%
MT	5,278	1,624	3,287	367	41	69%
NC	18,822	7,791	9,728	1,303	24	59%
ND	4,281	1,901	1,931	449	19	56%
NE	15,336	7,952	6,164	1,220	11	48%
NH	2,531	1,339	1,002	190	9	47%
NJ	6,805	1,791	4,559	455	47	74%
NM	4,033	1,441	2,393	199	31	64%
NV	2,071	1,184	858	29	7	43%
NY	17,557	6,350	9,596	1,611	30	64%
OH	27,003	16,437	9,343	1,223	4	39%
OK	23,197	9,824	11,166	2,207	22	58%
OR	8,255	2,802	5,057	396	34	66%
PA	23,202	7,798	12,292	3,112	35	66%
RI	784	168	486	130	51	79%
SC	9,427	4,095	4,855	477	20	57%
SD	5,897	1,950	2,951	996	37	67%
TN	20,377	8,621	10,875	881	23	58%
TX	55,701	28,040	26,887	774	14	50%
UT	3,080	858	2,158	64	44	72%
VA	14,042	4,668	8,873	501	36	67%
VT	2,846	1,493	1,282	71	10	48%
WA	8,388	4,291	3,674	423	13	49%
WI	14,336	7,356	6,058	922	12	49%
WV	7,317	1,711	4,145	1,461	50	77%
WY	3,121	967	1,949	205	40	69%

Table 2

Jobs supported by Infrastructure Investment and Jobs Act and budget reconciliation bill spending, average per year over 10 years

Category	Jobs
Infrastructure Investment and Jobs Act	
Roads, bridges, major projects	196,074
Safety	19,607
Public transit	69,517
Rail	72,933

Table 2—Continued

Jobs supported by Infrastructure Investment and Jobs Act and budget reconciliation bill spending, average per year over 10 years

Category	Jobs
Electric vehicle (EV) infrastructure	16,686
Reconnecting communities	1,782
Airports	26,394
Ports and waterways	23,138
Water infrastructure	79,964
Broadband infrastructure	60,605
Environmental remediation	35,412
Power infrastructure, including grid authority	81,206
Resilience	89,125
Subtotal	772,444
Budget reconciliation bill	
Universal pre-K	197,659
Child care	341,711
Clean energy tax incentives	153,664
Electric vehicle (EV) rebates	41,043
Agriculture/forestry	69,593
Clean energy accelerator/green bank/infrastructure bank	12,531
Civilian Conservation Corps	6,951
Federal procurement of clean technology	21,016
Weatherization	9,060
Place-based clean energy economic development and environment	8,072
Education (postsecondary)	321,989
Long-term care	545,598
ACA Premiums	102,768
Dental, vision, hearing	251,109
Public housing, preservation, supply, and affordability	115,261
Lawful permanent residences for immigrants	80,288
Community college infrastructure	7,633
Critical Supply Chain Resilience Fund	26,359
Manufacturing USA	2,279
National Institute for Science and Technology Laboratories	3,038
Extension Partnerships	5,317
Regional Innovation Hubs	7,596
Community Revitalization Fund	6,717
Auto supply chain	17,308
Manufacturing financing	12,800
Small Business Administration and minority business development	18,433
Rural Partnership Fund	2,636
Pandemic preparedness: HHS, DOE, DOD	12,508
Research and development	149,450
Workforce	82,177
Child nutrition	56,559
Paid leave	143,371
CTC/EITC/CDCTC	414,182
Subtotal	3,246,677
Total	4,019,122

Notes: Research and development includes research programs for infrastructure, the National Science Foundation Technology Directorate, climate research, Department of Energy demonstrating funding, ARPA-Climate initiatives, historically Black colleges and universities, and STEM centers of excellence and education programs. Pandemic preparedness includes designated funding for the Departments of Health and Human Services, Energy, and Defense. CTC/EITC/CDCTC denotes Child Tax Credit/Earned Income Tax Credit/Child and Dependent Care Tax Credit.

Source: EPI analysis of White House 2021b, 2021c, and 2021d.

Table 3

Jobs supported annually by the 2021 Infrastructure Investment and Jobs Act (IIJA) and budget reconciliation bill, by industry

Industry	Jobs		
	IIJA	Budget reconciliation	Total
Agriculture, forestry, fishing and hunting	2,393	47,294	49,686
Oil and gas extraction	652	1,354	2,006
Mining (excl. oil and gas)	2,353	3,823	6,176
Utilities	3,018	5,704	8,722
Construction	175,501	136,708	312,210
Manufacturing	174,628	381,628	556,256
Food	383	14,526	14,909
Beverage and tobacco product	73	2,288	2,361
Textile mills and textile product mills	827	3,806	4,633
Apparel, leather and allied products	304	7,586	7,890
Wood products	5,119	23,262	28,381
Paper products	1,499	5,114	6,613
Printing and related support activities	1,296	5,876	7,172
Petroleum and coal products	793	1,129	1,922
Chemical manufacturing	2,704	17,180	19,883
Plastics and rubber products	8,416	11,852	20,268
Nonmetallic mineral product	7,741	7,550	15,292
Primary metal	7,166	13,458	20,624
Architectural and structural products; boiler, tank, and shipping containers	8,179	34,188	42,367
Other fabricated metal products	14,861	31,393	46,254
Agricultural, construction, commercial and service, and metalworking machinery	1,356	9,481	10,837
Engine, turbine, and power transmission equipment	439	9,525	9,964
HVAC and misc. industrial machinery	6,134	57,971	64,105
Computer and peripheral equipment	127	6,418	6,545
Communications and audio and video equipment	254	1,700	1,954
Navigational, measuring, electromedical, and control instruments	1,031	2,722	3,753
Semiconductor and other electronic components; reproducing magnetic and optical media	2,615	12,722	15,337
Household appliances	761	14,365	15,126
Other electrical equipment, appliances, and components	46,144	45,732	91,876
Motor vehicle and motor vehicle parts	24,927	21,924	46,851
Aerospace products and parts	4,127	1,120	5,248
Railroad, ship, and other transportation equipment	11,060	792	11,852
Furniture and related products	2,239	4,834	7,073
Miscellaneous manufacturing	14,053	13,112	27,165
Wholesale trade	24,133	63,158	87,291
Retail trade	17,862	158,596	176,458
Transit and ground passenger transportation	99,474	8,644	108,119
Other transportation and warehousing	39,184	59,513	98,697
Information	12,747	27,979	40,726
Finance and insurance	11,766	33,538	45,304
Real estate, rental and leasing	6,157	22,264	28,420
Professional, scientific, and technical services	45,922	161,092	207,013
Management of companies and enterprises	10,392	50,774	61,166
Employment support services and building services	31,100	89,287	120,387
Waste management and remediation and other administrative and support services	33,339	52,536	85,875
Educational services	998	225,870	226,868
Health care and social assistance	674	1,069,517	1,070,191
Arts, entertainment, and recreation	5,876	31,323	37,199
Accommodation and food services	9,502	110,030	119,532
Other private services	5,555	55,880	61,435
Public administration	59,221	450,164	509,384
Total	772,445	3,246,675	4,019,119

Source: EPI analysis of White House 2021b, 2021c, and 2021d and BLS 2020.

Mr. DEFAZIO. Thank you, thank you. My thanks to all the witnesses.

Before we get into questions, I just want to take the opportunity to briefly discuss the Payroll Support Program, which was supported on a bipartisan basis by this committee and by the United States Congress.

People say, well, it didn't work. Look at the interruptions to schedules this summer. Well, as Ms. Nelson mentioned, just look at Europe and what a mess they are. We would have had a fraction of the flights in the air this summer that we did have. Demand came back, roaring back. And yes, the airlines weren't quite ready for that, but they would have been totally unprepared without the PSP program.

As Ms. Nelson pointed out, unlike 2001 and 2008, when airlines got money after the attack on the World Trade Center and after the economic collapse in 2008, many declared bankruptcy. We saw consolidation, and employees lost their pensions, and we said it is not going to be that way this time. You are going to pass the money through to your employees, you keep them qualified, and you will be ready when the pandemic abates.

We, at that point, couldn't anticipate when we first passed that it was going to go on as long as it did with several surges. But I think it was extraordinarily successful.

And so, I want to enter into the record a letter signed by 70 of my colleagues that is directed to Airlines for America, National Air Carrier Association, and the Regional Airlines Association, urging that, with the expiration of the stock buyback on October 1st, that airlines refrain from stock buybacks.

Stock buybacks used to be illegal until the Reagan administration. It is the ultimate in self-dealing. It doesn't benefit customers. It only benefits those whose salaries are tied to stock price and, of course, stockholders. And a large majority of Americans do not own any significant amount of stock in the airlines or the oil companies or others that have been profiting coming out of the problems with COVID.

So, today we are sending this letter to ask them to refrain until such a time as they can meet current demands with proper staffing and customer service. And I am hopeful that they will receive this and will act accordingly.

So, with that, I ask unanimous consent to enter this in record.

Without objection, so ordered.

[The information follows:]

Letter of September 29, 2022, to Airlines for America, Regional Airlines Association, and National Air Carrier Association, from 70 Members of Congress, Submitted for the Record by Hon. Peter A. DeFazio

CONGRESS OF THE UNITED STATES,
WASHINGTON, DC 20515,
September 29, 2022.

Mr. NICHOLAS CALIO,
President and CEO,
Airlines for America, 1275 Pennsylvania Ave. NW, Suite 1300, Washington, DC 20004.

Ms. FAYE MALARKEY BLACK,
President and CEO,
Regional Airlines Association, 1201 15th St. NW, Suite 430, Washington, DC 20005.

Mr. GEORGE NOVAK,
President,
National Air Carrier Association, 1735 N. Lynn, Suite 105, Arlington, VA 22209.

DEAR MR. CALIO, MS. BLACK, AND MR. NOVAK:

When the pandemic struck in 2020, Congress came together in a bipartisan manner and quickly passed the Payroll Support Program (PSP), an aid program that unequivocally prevented the unmitigated disaster and potential collapse of our nation's aviation system. Unfortunately, other countries that were either too slow or too limited in their response are still struggling to recover and, in some cases, parts of their aviation system ceased operations altogether. The PSP, which provided approximately $50 billion in aid to the U.S. aviation sector, safeguarded the livelihoods of the 750,000 plus workers employed by U.S. airlines as well as those in manufacturing and maintenance. In doing so, it not only protected those jobs, but it ensured the airlines' ability to return to service by precluding a crippling attrition of talent during this temporary crisis.

The PSP also included clear limitations on the use of funds. Specifically, it mandated a prohibition on involuntary furloughs, forbid cuts to hourly rates of pay, required continued service to all communities, banned stock buybacks and dividends through September 30, 2022, and capped executive compensation through April 1, 2023. This was purposely done so federal funding would be directed to frontline workers for their pay and benefits and to prevent airline shareholders and investors from profiting off an economic crisis and taxpayer money. As a result, PSP saved thousands of aviation industry jobs and accrued tremendous benefits for workers, airlines, and consumers alike. Given the restrictions outlined above, those who characterize the PSP as a bailout for the airlines are entirely off the mark; it was solely a program to protect the integrity of the aviation system and its workers.

Fortunately, the U.S. aviation system survived the pandemic. Unfortunately, it is now having trouble meeting the increasing and pleasantly unexpected public demand for air travel. In just the first half of 2022, U.S. airlines have canceled more flights than in all of 2019, disrupting travel for millions of passengers. Meanwhile, despite PSP, flight attendants, pilots, and other aviation workers have had to endure increasingly stressful working conditions due to inadequate staffing and an unprecedented number of unruly passengers, which has led to a growing number of workers leaving the industry for better opportunities. This, combined with (1) changing travel patterns as the market adjusts to more leisure-oriented destinations, (2) infrastructure and system limitations, and (3) retraining and onboarding delays, has created a critically challenging post-crisis climate the aviation industry must navigate.

Some carriers have done just that by adjusting and adapting their schedules to compensate for this new normal. Others, meanwhile, have been much slower to respond, resulting in a deluge of cancellations, delays, complaints, and headlines. Even the Department of Transportation has taken notice, launching a dashboard for travelers to compare airline cancellation policies. Simultaneously, communities with small airports have been increasingly frustrated that routes are either being reduced or cut altogether. Suffice to say, the industry has some more work to do before we say we've returned to normal operations.

We stand united with the entire U.S. airline industry and applaud them for weathering the pandemic. And to be clear, not all of the operational challenges we're seeing around the country are the fault of the airlines. The FAA is also trying to tackle these issues, working to replenish their ranks and balance staffing to better serve the drastically different new post-COVID travel patterns. That said, given the cracks in the system which the pandemic exposed and the number of displaced passengers due to chaotic operations, we urge your member carriers to refrain from ini-

tiating stock buybacks when the prohibition ends on September 30, 2022, at least until air carriers are able to publish and fulfill schedules that meet demand; staff flights and key personnel positions appropriately; and return service to every community—big or small.

We look forward to your response.

Sincerely,

PETER A. DEFAZIO,
Member of Congress.
RICK LARSEN,
Member of Congress.
ADAM SMITH,
Member of Congress.
ADRIANO ESPAILLAT,
Member of Congress.
ALAN LOWENTHAL,
Member of Congress.
ALBIO SIRES,
Member of Congress.
ALEXANDRIA OCASIO-CORTEZ,
Member of Congress.
ALMA S. ADAMS, PH.D.,
Member of Congress.
ANDRÉ CARSON,
Member of Congress.
ANDY LEVIN,
Member of Congress.
AYANNA PRESSLEY,
Member of Congress.
BARBARA LEE,
Member of Congress.
BONNIE WATSON COLEMAN,
Member of Congress.
CAROLYN B. MALONEY,
Member of Congress.
CAROLYN BOURDEAUX,
Member of Congress.
COLIN ALLRED,
Member of Congress.
CONOR LAMB,
Member of Congress.
CORI BUSH,
Member of Congress.
DANNY K. DAVIS,
Member of Congress.
DAVID N. CICILLINE,
Member of Congress.
DEAN PHILLIPS,
Member of Congress.
DEBBIE DINGELL,
Member of Congress.
DONALD M. PAYNE, JR.,
Member of Congress.
DONALD NORCROSS,
Member of Congress.
DONALD S. BEYER, JR.,
Member of Congress.
DWIGHT EVANS,
Member of Congress.
ELEANOR HOLMES NORTON,
Member of Congress.
EMANUEL CLEAVER, II,
Member of Congress.
ERIC SWALWELL,
Member of Congress.
FREDERICA S. WILSON,
Member of Congress.
GERALD E. CONNOLLY,
Member of Congress.
GRACE F. NAPOLITANO,
Member of Congress.
GRACE MENG,
Member of Congress.
HALEY STEVENS,
Member of Congress.
HENRY C. "HANK" JOHNSON, JR.,
Member of Congress.
JAHANA HAYES,
Member of Congress.
JAMAAL BOWMAN, ED.D.,
Member of Congress.
JAMIE RASKIN,
Member of Congress.
JAN SCHAKOWSKY,
Member of Congress.
JARED HUFFMAN,
Member of Congress.
JERROLD NADLER,
Member of Congress.
JESÚS G. "CHUY" GARCÍA,
Member of Congress.
JOE COURTNEY,
Member of Congress.
JOHN GARAMENDI,
Member of Congress.
JUDY CHU,
Member of Congress.
KATIE PORTER,
Member of Congress.
LLOYD DOGGETT,
Member of Congress.
LUCILLE ROYBAL-ALLARD,
Member of Congress.
MARCY KAPTUR,
Member of Congress.
MARIE NEWMAN,
Member of Congress.
MARK DESAULNIER,
Member of Congress.
MARK POCAN,
Member of Congress.
MARK TAKANO,
Member of Congress.
NANETTE DIAZ BARRAGÁN,
Member of Congress.
NIKEMA WILLIAMS,
Member of Congress.
NYDIA M. VELÁZQUEZ,
Member of Congress.
PRAMILA JAYAPAL,
Member of Congress.
RASHIDA TLAIB,
Member of Congress.
RAÚL M. GRIJALVA,
Member of Congress.
RO KHANNA,
Member of Congress.

ROSA L. DELAURO,
Member of Congress.
SALUD CARBAJAL,
Member of Congress.
SEAN PATRICK MALONEY,
Member of Congress.
SETH MOULTON,
Member of Congress.
SHARICE L. DAVIDS,
Member of Congress.
SHEILA CHERFILUS-MCCORMICK,
Member of Congress.
STEPHEN F. LYNCH,
Member of Congress.
STEVE COHEN,
Member of Congress.
TOM MALINOWSKI,
Member of Congress.
TROY A. CARTER, SR.,
Member of Congress.

Mr. DEFAZIO. All right, we will now go to formal questions, and I will first start with Ms. Nelson.

Would you briefly—very briefly, because I want to ask questions to a number of people—summarize the difference between what happened in 2001, 2008, and with PSP?

Ms. NELSON. Certainly. In 2001, the airlines were given $5 billion to recover their time that the airplanes were actually on the ground. They were also given a grant program that many did not even get approval for, even though airline employees agreed to concessions.

The result was bankruptcies across the industry. We lost our pensions. We took a 30- to 40-percent cut in pay. We increased productivity, so that airlines were working essentially with one worker for every two that they had pre-9/11. That was a bad move going into the pandemic, actually, and part of what we saw as a result of staffing problems this summer.

The bailout was really put on the backs of employees, while airline executives and bankruptcy lawyers enriched themselves. It grew inequality, and it was 20 years of austerity where we did not work on any infrastructure issues. We did not move forward on diversity and inclusion initiatives. We did not improve union contracts. We did not attract people to the airline industry.

And that is also why we do not have people in the funnel right now for many of the jobs, like pilot jobs, mechanic jobs, flight attendant jobs, and otherwise.

Mr. DEFAZIO. OK, thanks. And so, we could assume that, had we not engaged in this program, as you pointed out with Europe, that things would have been—despite the problems this summer, it would have been way, way worse.

Ms. NELSON. First of all, this was a bigger crisis than 9/11 by 100-fold. This was the biggest crisis in 100 years in the airline industry. And this committee saved the airline industry and made it possible for us to move forward now, and not have another 20 years of austerity and hurt for everyone, and probably just one airline serving all of America.

Mr. DEFAZIO. Thank you. Now to Mr. Regan.

Would you comment on what would have happened with transit, had you not received the funds to keep people on the job?

Mr. REGAN. Yes. I think basically every public transit system in the country would have gone bankrupt. I don't think we would have had service in most of the cities, whether it be large or small communities across the country.

And frankly, the way that the aid was structured—again, driven towards workers—allowed them to not only keep the service going, which allowed people who needed that service during the pan-

demic—which included medical officials, people in food service, other critical workers that were keeping our country moving during the pandemic—could continue to use the service.

But then we had the workforce in place. So, as we started to see demand rise again—and I have seen numbers of upwards of 75 percent of where we were pre-pandemic—that we had the workforce and the infrastructure in place to actually be able to meet those demands.

Mr. DEFAZIO. Thank you.

Mr. Desue, I mean, some have said, well, we gave the transit agencies too much money, way more than they normally receive. We allowed them to use it for operating, which we usually don't. Is TriMet rolling in money there?

What did you do with all that money?

Mr. DESUE. Actually, we used the money to save lives, actually to put services out on the street, to get people to destinations, to get people, frontline workers, to work to be able to assist us. And we used all of our money that was given to us to make sure that we connected people to opportunities, and we also connected people to essential services.

Mr. DEFAZIO. Thank you.

And Mr. Gardner, similar for Amtrak.

You talked quite a bit about the future and what is coming out of IIJA, but going through the pandemic?

Mr. GARDNER. Mr. Chairman. Yes. Without the funding we received, Amtrak would not have survived. There is no question.

We were facing dramatic losses of revenue and ridership, and strong interest in maintaining the network required additional investments. And because of the investments we received, we were able to recall workers and operate our services. And those have been incredibly important to preserving the network, and now give us a platform from which to improve.

Mr. DEFAZIO. OK, thank you.

Mr. Ditch, if I understood your testimony, it is kind of the same thing we saw during the Trump administration with the advisor on transportation, which is we should devolve the duty to all of the 50 States and the Territories to provide for the Nation's transportation network.

Now, it didn't work in the 1950s. I didn't bring it today because I didn't expect anybody to go back to the stupid argument of the poster that I have, which was the cover of Life magazine, which was this brandnew, beautiful ribbon of concrete, the Kansas Turnpike. Oops, suddenly it ends in a farmer's field, and it ended in that farmer's field because Oklahoma didn't have the money. They said, "Well, we will build it, but we don't have the money." And they didn't build it until the Eisenhower program.

So, we are going to say to, like, say, L.A.-Long Beach, hey, it is up to you to get all of that freight out of California. And when it reaches the Arizona border, it is up to Arizona to move it, and it is up to the next State to move it? We are not going to have a coordinated Federal program, because you are talking about basically a 60-percent reduction from what is in the IIJA.

Now, you really think that is going to rebuild those 42,000 bridges, that is going to deal with a $100 billion backlog in transit, or we just shouldn't bother?

Mr. DITCH. I believe——

Mr. DEFAZIO [interrupting]. Briefly.

Mr. DITCH [continuing]. That there has been quite a lot of bloviation about the concept of crumbling roads and bridges, even though, historically, if you look decade by decade, the quality of our infrastructure in America has, in fact, been improving. There are fewer structurally deficient bridges, there are fewer roads in poor condition.

Mr. DEFAZIO. Right. Because we have a lack of investment.

Mr. DITCH. I believe that States have the capacity in 2022——

Mr. DEFAZIO [interrupting]. Well, OK, thank you.

Thirty-six States, including red States, have raised gas taxes, registration fees, and every other damn thing, and they need a partner. And if the Federal—we haven't adjusted the Federal gas tax—I was here when we did it, 1993. It was the last time. There has been a little bit of inflation since 1993. And you want to go back to, oh, we will live off the gas tax and proceeds that weren't adequate back then, now?

So, I thank you very much for your misplaced testimony.

With that I recognize the ranking member.

Mr. CRAWFORD. Thank you, Mr. Chairman. I have a letter here addressed to you and to the ranking member from The Transportation Alliance. I would ask unanimous consent to submit that for the record.

Mr. DEFAZIO. Without objection.

[The information follows:]

Letter of September 29, 2022, to Hon. Peter A. DeFazio, Chair, and Hon. Sam Graves, Ranking Member, Committee on Transportation and Infrastructure, from Judith Potter, President, The Transportation Alliance, Submitted for the Record by Hon. Eric A. "Rick" Crawford

SEPTEMBER 29, 2022.

The Honorable PETER DEFAZIO,
Chairman,
Committee on Transportation and Infrastructure, U.S. House of Representatives, Washington, DC 20515.

The Honorable SAM GRAVES,
Ranking Member,
Committee on Transportation and Infrastructure, U.S. House of Representatives, Washington, DC 20515.

DEAR CHAIRMAN DEFAZIO AND RANKING MEMBER GRAVES:

Thank you for holding today's hearing on *Investing in our Nation's Transportation Infrastructure and Workers: Why It Matters*. We hope the Committee will continue to hold hearings like this where more of the transportation sector can be included and their stories heard. Today's hearing focuses only on a small part of the overall transportation infrastructure and workers in this country. We would urge you to invite more of us to be witnesses at hearings like this.

My name is Judith Potter and I serve as the President of The Transportation Alliance (TTA), which represents the interests of members in 250 cities, including airport shuttle, executive sedan, limousine, non-emergency medical transportation, paratransit, and taxicab fleets. The Transportation Alliance is the largest trade organization in the industry, with members operating over 100,000 vehicles and serving 900 million passengers per year. In short, we are critical to the overall transportation infrastructure across the country. We are made up of small businesses, whose

workforce is very diverse. Today, our industry employs a workforce that is over 80% persons of color in most urban areas. What other industry can make that claim?

In addition to my role with the TTA, I am the CEO of Black & White Transportation Company located in Toledo, Ohio. When I first joined Black & White it was as their bookkeeper and we had a small fleet of 40 taxicabs. Since I bought the company in 1997, we have increased our fleet to over 150 taxi vehicles and another 25 paratransit vans.

I'm submitting this letter for the record so that the Committee will get a better picture of the real impacts COVID–19 has had on our industry. We appreciate the immediate action Congress took in March of 2020 when the country shutdown. We appreciate the efforts to provide relief to small businesses through the Paycheck Protection Program (PPP), Economic Impact Disaster Loans (EIDL), and other relief programs, but those programs were short term and were not enough to help industries like ours, where most of our members lost 80 to 100% of their businesses. We are making a comeback, but it hasn't been easy, and we are not yet back at full strength. I am here asking Congress to do more to help industries like ours, that are so vital to every community, the elderly, persons with disabilities, and people who have no other timely transportation options available to them.

As Congress has and continues to pass vital legislation focusing on critical infrastructure, we ask that it go beyond the big "boys" in this sector. We ask that Congress put the same focus on our industry (and others) that it has on the airlines, who received its own stimulus funds. Amtrak, which also received its own stimulus funds. The motorcoach industry which also received its own special funding. And public transit, which also received significant extra funding. The taxi (local for-hire transportation) industry plays as big of a role in our Nation's transportation infrastructure as the airlines, Amtrak, and the motorcoach industry, but we have not received special funding.

Unlike most other transportation providers, much of our industry is open 24 hours a day, 365 days a year. We are available when there are no other transportation options open to the public. When other transportation services are available, we provide feeder services to or from them. When they are not open or not timely, we provide the full trip. We are specialists at providing demand response service for first mile, last mile or the full trip.

This country needs our services. This country needs our workers. I'm submitting this letter in the hope Congress will bring us to the table and work with us to ensure that we continue to make it back so we can serve our communities who today are under served and who don't have access to various transportation options.

To help us do that, we ask that Congress consider the following actions if it is serious about *investing in our Nation's infrastructure and its workers*:

1) Worker shortages: Like so many other industries, we face a shortage of workers to serve the communities who need us the most. To help us attract drivers, we are asking Congress to consider grants to companies like mine so that I can recruit the drivers I need to serve the citizens of Toledo. These grants aren't just to help attract drivers, but to help us train and keep mechanics, call center personnel, and the full workforce needed to serve the public. It's one thing to put a fleet of cars on the road, but if you can't keep them operational, then our citizens suffer, and our business will fail.

   Wages continue to rise beyond what we can offer today. We need access to grants to help us supplement the wages we offer our workers. I have heard over and over how people are working for non-livable wages. We can fix that if we have a partner like the Federal government. We aren't asking for handouts, but a partnership. When we can recruit, train, and keep our workforce, it means we are healthier as a company. This means our community is healthier because they get the services they need and depend on. Local, state, and Federal governments are healthier because more tax revenue is being collected. This is a cycle and one that needs the support of Congress.

2) Small Business Centric Policy: When Congress turns to the issue of tax breaks, the attention immediately turns to big corporations. We want to ask that Congress instead turn its attention to small businesses. According to the Small Business Administration (SBA) there are 32.5 million small businesses in the United States that account for 64% of all new jobs created in this country. Small businesses create 1.5 million jobs annually. According to the SBA, COVID–19 has rendered 31% of all small businesses in the United States non-operational. This is a big loss to every community. Our industry has suffered its share of losses due to the pandemic. We need Congress to focus on tax policy that helps and supports small businesses. We need the same types of treatment our large corporate counterparts get. Cut our taxes and let us reinvest in our companies. Cut our tax rates and cost of doing business and watch us

grow to big businesses, which ultimately means more tax revenue back to the Federal government.

3) Electric Vehicles: We have seen the push over the past couple years towards electric vehicles, yet little has been done to help really move businesses like ours in that direction. It's one thing to say we need to move away from gas powered vehicles and towards electric vehicles, but it's hard to fulfill that promise when the vehicles don't exist to get us there. In our industry for example, there are no good options for us when it comes to electric vehicles. The vehicles available do not have the battery life to justify the change. We cannot have our fleets charging half the day. We cannot keep our businesses operating or servicing the community when our vehicles are hooked up to charging stations every couple of hours versus on the road transporting passengers. Congress needs to work with our industry on addressing this issue before we can mandate changes.

The second problem with pushing the electrification of vehicles is the lack of battery capacity. This country currently cannot make enough batteries to meet its push to move the country to electric vehicles. It's hard to meet the Buy America Act requirements when the most critical part of your vehicle isn't produced in the United States.

The third issue is recent proposed legislation by Congress that would limit who can and can't receive the tax credit for buying electric vehicles. Under the proposal I've read, the tax credit would only apply to vehicles made with union labor. That will again limit industries like ours, who could and should be the pilot case for how and why the country can go electric.

Due to the electric vehicle limitations noted above, our industry is not currently able to present the public with a favorable picture of how great electric vehicles can be. The other big obstacle standing in our way is the cost of these vehicles. A company like mine with 150 vehicles could not afford to buy new or used electric vehicles to meet this goal. Not only do we not have the financial resources to do so, we could not stay in business due to the cost outweighing any profits we could generate.

If Congress and the Administration are serious about moving to electric vehicles, then work with us. Help us. Create a pilot program that offers our industry grants to purchase these vehicles, charging stations, and batteries. Supporting the taxi industry's efforts to green their fleets could set the tone for the country. The more people ride in our electric vehicles, the more we can educate the public on the need and savings to passengers, their communities, and the planet. Work with us. We are the solution.

These solutions will go a long way toward meeting the goals of the hearing today. Invest in us and we can provide the green return on investment you're looking for. Invest in us and our communities become stronger, our workforce becomes stronger, and our Nation's infrastructure becomes stronger.

Don't forget the little guy in these discussions and policy debates. We need your help. If we go away, what then? We have solutions that help you meet your goals. We just need a seat at the table and for Congress to work with us.

Thank you for the opportunity to submit these comments for the record and for your attention to these issues. We hope Congress will hear us and invite us to the policymaking table.

Respectfully,

JUDITH POTTER,
President, The Transportation Alliance.

Mr. CRAWFORD. Thank you, Mr. Chairman.

Mr. Gardner, I wanted to visit with you a little bit about Amtrak. As you know, in March of this year I introduced the RATES Act because of my concern with significant amounts of taxpayer dollars invested in Amtrak. When is the last time Amtrak was profitable?

Mr. GARDNER. Well, Congressman, thank you for the question. The company was never set out to be profitable. We——

Mr. CRAWFORD [interrupting]. OK, so, basically, the answer to that question is never.

Mr. GARDNER. That is right.

Mr. CRAWFORD. Correct. OK. So, are we at a point with Amtrak that we are not measuring profit and loss as a performance metric?

Are we just looking at the service that is provided, or are we just looking at whether or not people are happy with their experience on Amtrak? What does success look like for Amtrak?

Mr. GARDNER. Well, I think the Congress actually just helped to reformulate that in the passage of the IIJA and the reauthorization. And really, the focus is to operate the company as a business in pursuit of a public mission, to take the funds that we receive from the public and try and drive as much value and operate as efficiently as possible.

Mr. CRAWFORD. So, no profitability required there?

Mr. GARDNER. Right.

Mr. CRAWFORD. In fact, 2019 was probably the closest year you came to profitability. And according to my records, last year you approached 90 percent of August 2019 levels, and that was the closest you had ever come in the history of Amtrak to actually making a profit.

So, where does Amtrak expect to end this year in terms of profit and loss?

Mr. GARDNER. Our anticipated year-end results, which we are still tabulating, but our roughly $910 million operating loss, that reflects very significant increases in cost structure since 2019. Still lagging revenue, of course, compared to 2019, and lagging ridership, but the overall trends of the year have been very positive, and increasing ridership and revenue.

Mr. CRAWFORD. OK, let me pause there and interject this. This is a $910 million operating loss. This is after $3.7 billion in extra money, in COVID money over the last 17 months, and you still have a $910 million operating loss?

Mr. GARDNER. The dollars that were provided by Congress helped to stabilize the employees and the operation of the network. They provided the dollars that normally come from revenue. But after losing 97 percent of our business in 1 month, we did not have that revenue source. So, those dollars——

Mr. CRAWFORD [interrupting]. And what do you attribute that 97 percent loss of business to?

Mr. GARDNER. Pardon me?

Mr. CRAWFORD. What do you attribute that 97 percent loss to?

Mr. GARDNER. Well, that occurred between March and April of 2020. So, we had a massive shutdown of travel across the entire network. We suspended a huge amount of service, and we did provide those important necessary trips, but very few travelers in that period of time. And since we have been rebuilding ridership month over month, riding with the waves of COVID, of course, and seeing reductions as we have seen flare-ups. But we are——

Mr. CRAWFORD [interrupting]. So, we have actually observed a trend, where more people are working from home. That would mean that probably you are experiencing less ridership. So, what is your plan to address that?

Because more and more people, even in post-COVID—in fact, President Biden came out not long ago—I think it was last week—and said the pandemic is over. So, that is great news. So, that means the workforce has made some adjustments, that, kind of, the new normal is a lot of people are working from home now. And so, do you anticipate continuing to see ridership decline?

Mr. GARDNER. No, Congressman. In fact, Amtrak's business is not really subject to the daily commute. In fact, for instance, on the Northeast Corridor, most of our trips are people who travel once a year.

So, we see, in fact, some parts of our network with growing ridership of people have reshifted their locations around the region and need to travel into those central business districts once or twice a week. So, we are growing ridership over time. We have about 80 percent of our pre-COVID ridership in August.

Mr. CRAWFORD. So, the one area where you come the closest to actually turning a profit in the commuter space is the area that you are not focusing.

You are saying that your ridership is increasing with the one time a year that people are taking long hauls. Is that what I am hearing from you?

Mr. GARDNER. No. In fact, in the Northeast Corridor we have folks who travel once a year. We have folks who travel once a month. The Northeast Corridor continues to be the real driver of growth in parts of the country. But our short-distance corridors, which make up half of our ridership, are also and have been historically our biggest source of ridership growth in the past decade or so.

So, we see value in many of these services. We see a much greater return for our business than some of our transit colleagues, because people are finding ways to find rail useful in this new arrangement.

Certainly, it is changing over time. We see this, as well, in our own workforce. But we think rail is well positioned in those short-distance corridors, both here in the Northeast Corridor and around the country, to provide value, particularly as folks have moved to different locations and need access to the central business district. And congestion, as we all see, still is back, is raging back in many cities, and people see trains—we see a huge portion of new riders coming to Amtrak because they are attracted by the offer of passenger rail.

Mr. CRAWFORD. So, yes or no, profitability in the future at any point?

Mr. GARDNER. We are working really hard to return the economics back to the train operating business here by driving revenue across our system.

We also are returning more seats into the marketplace. We are still below what we had, but we will, in response to demand. And we will be looking to again, in the train operation portion of our business, get our recovery back up to the kind of levels we had in 2019. It is going to take several years to do so.

The biggest issue for us is the loss of revenue associated with business travel, particularly here in the Northeast Corridor, where business travel has not yet returned. We have been able to find folks to fill those seats, but it is going to take a while to be able to regain the revenue that was associated with business travel. And I think that is something that folks are looking at in systems all over the country. But we are working hard to do that.

Mr. CRAWFORD. I yield back.

Mr. DEFAZIO. I now recognize Representative Larsen.

Mr. LARSEN OF WASHINGTON. Thank you, Mr. Chair.

Mr. Gardner, just following on on a few questions slightly unrelated to the previous questions. We just started the Amtrak Cascades on Monday, and one run a day north and one south. There was a thought we could start in March. That didn't happen. So, we started in September, second run later this winter.

One of the challenges has been the availability of staff to operate. And this is going to be for a few of the panelists on this theme about the challenge to implement the IIJA and the availability of people to do it.

And can you, from Amtrak's perspective, help me understand what you are doing to find the people to actually implement the IIJA as it applies to Amtrak?

Mr. GARDNER. Thank you very much, Congressman Larsen. We are working across every available strategy to build our workforce. As I mentioned, we have achieved 3,200 hires here, a little bit more in this fiscal year. We are aiming for 4,000 next year.

And as you rightfully mentioned, in various pockets of the country, we face different challenges for our workforce. In the Pacific Northwest, we have a challenge both with mechanical workforce and with our conductors. And some of our employees, they are highly skilled, trained employees, and to develop them into skilled professionals in their Territory can take 6 months, 1 year, or 2 years for certain types of crafts. So, as we look to rebuild the workforce, there is a long lead time to do that.

We were able to fully recall our furloughed employees, and most returned. The vast majority came back. But we still have to now make up for the hiring we didn't undertake to deal with the attrition across retirements. And so, that is underway.

We are focused on bringing back all of the service and frequencies we can. We are investing in referral programs for our employees. We have an entirely new training capacity. We are building out partnerships with a whole host of technical colleges, community college trade schools, starting working in high school to build a pipeline of new employees into the business.

So, it is really a new day at Amtrak, in terms of hiring and building up an entirely new skill set. And we are partnering with our labor colleagues. We have just received a grant from the Federal Railroad Administration, CRISI, to be able to start a new and expanded apprenticeship program based off an initial program that is going to train 600 new apprentices.

Mr. LARSEN OF WASHINGTON. Thanks.

Mr. Regan, could you talk a little bit about challenges of the workforce availability, and what labor is doing to fill those gaps? We have got a lot of dollars of spending in roads, bridges, and highways, and a variety of other areas. But again, the workforce availability over time could be a challenge to successfully implementing the IIJA.

Mr. REGAN. Well, I think, if you look at the way we are going to see workforce growth because of the IIJA, it is going to come in a couple of phases.

The first phase for a lot of this is going to be in construction. And I would have to point out that the apprenticeship programs run by the North America's Building Trades Unions is the second highest

job training program in the country after the U.S. military. So, they are prepared, and they are ramping up to be able to meet the demand of construction.

When it comes to the operations side, especially if you look at things like transit, a lot of these new programs are putting job training requirements at the front end. So, the low- and no-emission bus program, for example, required applicants to put 5 percent of their money towards workforce training. That includes making sure people are trained to operate electric buses and maintain electric buses, which is very different than diesel bus.

Building in the workforce training on the front end means that, by the time you have built out the physical infrastructure or you have received the new equipment, that you have the workforce ready to go to meet the service demands that are going to be there when they are delivered.

Mr. LARSEN OF WASHINGTON. Yes.

President Nelson, could you talk about how this question might apply to flight attendants?

Ms. NELSON. The issue here is that staffing was cut down to minimum levels prior to the pandemic. There is no give in the operation.

The issues of combative passengers, and the fact that contract negotiations were essentially put on hold during the pandemic is making it difficult to maintain and attract people to the jobs. And so, contract negotiations have to be concluded. And I think that, as we move forward and look at the FAA reauthorization bill, we need to look at priorities around staffing.

Mr. LARSEN OF WASHINGTON. Yes, thank you.

Mr. Chair, I have got just a few moments. I just do think the challenges of workforce availability is a concern. We need to address it, and really be on top of it as we move forward over the next several years to implement the IIJA. Thank you, I yield back.

Mr. DEFAZIO. I now turn to Representative Babin.

Dr. BABIN. Yes, sir. Thank you, Mr. Chair.

As you all know, and some of you brought up in your testimonies—thank you for being here, all you witnesses—Government investment is vital to transportation and infrastructure industry.

However, we all know that simply just throwing money at this problem doesn't work. Throwing billions of taxpayer dollars at this industry without solving the supply chain crisis, pandemic recovery issues like fraud and abuse, major workforce shortages, burdensome bureaucratic redtape, and other underlying issues will not actually allow us to see long-term sustainable improvement and investment in our Nation's infrastructure.

And additionally, carving out political handouts for niche green transportation and infrastructure projects and companies is not good for our industry. In fact, it causes delays, increases costs, and is anticompetitive.

My question is for Mr. Ditch.

Mr. Ditch, as noted in your testimony, a historic level of funding was injected into the transportation and infrastructure sector with the passage of the Infrastructure Investment and Jobs Act, much with budget gimmicks and inflationary deficit spending. I am deep-

ly concerned about the left's rampant spending and its effect on our economy.

If there was one thing that you would like people listening in on this hearing to take home on the impact of this type of spending, what would it be? Very briefly, please.

Mr. DITCH. My gosh, it is difficult to know where to start.

But I believe that, unfortunately, as bad as things are right now with interest rates going up, with inflation at the highest levels we have seen since I was an infant, unfortunately, things could still get worse because we are facing a nearly $31 trillion national debt. That works out to about $238,000 in debt for every single household in the country.

And as the interest rate on debt payments climbs, just keeping up with those payments is going to be very difficult. It is going to eat into our Federal and economic resources tremendously.

Dr. BABIN. Absolutely. Thank you so much. One more question, please.

Another thing I am very deeply concerned about are President Biden's project labor agreements, or PLA mandates, threats from the left to ensure that infrastructure funds only pay for union labor. These comments are very concerning, especially for the 87.4 percent of nonunion workers in construction.

I have received correspondence from more than 1,000 construction companies, and another letter from nearly 20 business groups that all oppose Biden's PLA mandate. They say that PLAs discriminated against firms and workers based on whether or not their workers are union.

Mr. Ditch, would you please explain how Government-mandated PLAs hurt the transportation and infrastructure industry?

Mr. DITCH. At a time where construction companies are desperate for workers, are struggling to find people to do the work, which is much more highly skilled than it was 100 years ago, it is, frankly, absurd that Congress and the Biden administration feels the need to impose more "worker protections" like project labor agreements, which are the equivalent of union work rules.

It makes it nearly impossible, between that and the Davis-Bacon Act, for nonunionized construction contractors to bid for these Federal projects, which means that not only are you freezing out a lot of people who could do good work at a more affordable rate, it also means that State and local governments are going to be bidding against each other for the relatively small number of unionized contractors for the next several years, while all this money is going out the door. And that is going to incentivize those smaller number of contractors to increase their prices, which means that we are going to get fewer roads, fewer bridges, fewer miles of tunnels built for this incredible $1.2 trillion in spending.

Dr. BABIN. At a higher cost, as well, I might add.

OK, Mr. Chairman, I yield back.

Thank you very much, Mr. Ditch.

Mr. DEFAZIO. OK, I thank the gentleman.

Representative Napolitano?

Mrs. NAPOLITANO. Thank you, Mr. Chair.

Mr. Regan, I thank you for working with me on provisions of the infrastructure law requiring transit agencies to salvage risk reduc-

tion programs and improve safety by installing equipment and implementing actions to reduce accidents, injuries, and assaults on transit workers. Is this important safety requirement being implemented effectively by FTA and transit agencies?

What can we do to improve the implementation of the safety projects?

Mr. REGAN. Thank you for the question. We have been in constant communication with the Federal Transit Administration about implementing the safety protections in there. Obviously, they made some important steps recently in terms of changing the definition of "assault," and will improve the accuracy of the data that we collect to make sure that we have an accurate description of how broad the scope of the problem is.

I do think that what we need to do—I view the actions that were taken by this committee and by Congress to improve safety for operators, I view them as a first step. It is going to be a diagnostic tool to show how broad the problem is, and also making sure that we have workers as part of the safety planning committees to make sure that they can help identify where the biggest risks are in their workplace.

So, I want to see, you know, another year, make sure we have the right data come in, make sure we have people part of the committees. And I think that what the Congress can do is to hold their own agencies accountable, make sure that they are following through with their promises to engage workers on the safety side and accurately reflect the data in terms of how bad the assault problem is in this country, which we know is just far too bad at this point.

Mrs. NAPOLITANO. Yes, but we need your input as to what needs to be done.

And also, you mentioned in your testimony the Executive orders passed that empower the workers' right to organize, bargain, and feel safe. What practices have been implemented to protect the workers' rights since these orders?

Mr. REGAN. Well, the President started off on the strongest note, with the Worker Organizing and Empowerment Task Force, where they went through every agency in the Federal Government to identify ways that they can better empower workers and better make it easier for people to collectively bargain and join unions.

I think the last discussion was about the project labor agreements and Davis-Bacon. And I would take the complete opposite view about the effects of those laws, and the fact that we are incorporating strong labor standards into all of these projects that are going out is a good thing. It means people are going to get paid more, put more money into their communities, make sure they have the benefits that they need in case they get ill or get injured on the job.

So, I think the idea that somehow the union participation in these programs is a bad thing, I just find completely absurd on the face of it.

Mrs. NAPOLITANO. Well, I agree with you, because you also have to look at the safety standards in some buildings that have collapsed because they didn't go with organized labor to build them. I just wonder whether any more implementation of the safety pro-

grams is needed, and if you would send information to this committee on what your findings are so we can follow up on that.

Mr. REGAN. Yes, we will absolutely do that. We are going to work hand in hand with the Federal Transit Administration to make sure that this is done right.

And what I would do to my colleagues that are running these transit agencies, I would encourage you to welcome in the unions with open arms, to make sure that we are addressing the safety problem. Our members are the ones that are on the ground. They know where they are vulnerable. They are the ones who can help craft policies that will protect them in the workplace.

Mrs. NAPOLITANO. Well, I know our workers are revered all through the other nations, and we should also thank them for the work they have done.

I yield back, Mr. Chair.

Mr. DEFAZIO. I thank gentlelady. We would now move to Representative González-Colón. I believe she is virtual. Are you there?

[No response.]

OK. We will move on to then Representative Balderson.

[Pause.]

Representative Balderson?

[No response.]

Nope? OK, Representative Johnson.

[No response.]

All right, let's try one more. Mr. Guest?

[No response.]

Is the video working, or did everybody just go away?

OK. Representative Van Duyne, I believe, is actually here, so, I recognize her.

Ms. VAN DUYNE. I am right here. I am right here, Chairman. Thank you very much. I appreciate it.

Mr. Ditch, I would like to actually have you have a moment to respond to the chairman's question, and give an answer—without being cut off or belittled—about the State funds, and whether or not they actually are adequate, and why you believe that is true.

Mr. DITCH. Thank you very much. I genuinely believe that State governments now have the capacity to maintain their own highways, especially if the Federal Government gives them more tools to work with.

For example, the 1956 Highway Act prevented the tolling of roads that were built from that date forward, which essentially means most highways west of the Mississippi. The existing highways at the time are grandfathered in, which means that you see tolls all over the Northeast and parts of the Southeast.

If States had full ability to raise funds on their own, whether it is gas tax, whether it is tolls, whether it is mileage fees, what have you, they could easily do the work that is necessary to maintain the highways. And especially when you get rid of all the redtape that is mandated by the Federal Government that increases costs.

Ms. VAN DUYNE. Well, I appreciate you bringing up the redtape, because that was going to be my second question to you. When we talk about State funds, a lot of State funds have to have all of these different Federal regulatory costs on top of them. For example, the Biden administration wants to obligate every NEVI grant

applicant, regardless of local or State regulations, to use Davis-Bacon wage requirements.

The problems associated with the implementation of the Davis-Bacon Act are well documented. I worked at HUD. People who worked in the Davis-Bacon department hated it and wanted it to go away. We have seen it directly and indirectly. The compliance requirements are burdensome and costly.

Can you talk about some of the Federal regulations that actually make the State budgets a lot less efficient because they are having to be wasted on unnecessary regulations? Can you go a little bit further into that?

Mr. DITCH. Yes. The Davis-Bacon Act increases wages, or I should say it increases costs by billions of dollars every single year across the country.

More to the point, though, the real value of the added cost is greater in right-to-work States. So, for example, if there is no Davis-Bacon Act, I suspect that Oregon would still be paying union wage rates—New York, Illinois, California.

But for States like Texas, Florida, Tennessee, the Dakotas, it reduces their flexibility to make choices. You need to pay workers enough to show up to do the work. And with a lot of blue collar work, especially with construction work, right now that means employers already have incentives to pay very healthy wages, growing wages. There is no need for the additional burden of the Federal Government saying the market rate isn't enough, you need to pay a premium.

Ms. VAN DUYNE. In your testimony you also stated that these so-called infrastructure bills did more to push Green New Deal policies than for traditional infrastructure that we have already identified as not getting enough resources. Can you explain how these bills masked Green New Deal ideas under the pretext of infrastructure, and what the likely impact will be on actual infrastructure?

Mr. DITCH. One of the things I find striking is how much of the discussion of these green energy policies acts as though it is a free lunch, that we will be better off, that it will create all these wonderful green jobs. The fact of the matter is, if the green economy was this amazing investment opportunity, the private sector would be pouring in money hand over fist.

The green sector only works through subsidies. So, that means you are getting these high-paying new unionized jobs in the green sector at the expense of an untold number of jobs elsewhere in the private sector. We see these green jobs and these construction projects. We fail to see all the jobs that could be created and will in many cases be destroyed through higher taxes if the Federal Government got out of the way.

Ms. VAN DUYNE. Do you think that there would be more actual infrastructure, more building of roads, more building of bridges if we prioritized that, as opposed to things like bike lanes?

Mr. DITCH. Again, absolutely. The amount of value we could get for the economy, for the average Americans who use roads and bridges every single day, and who might never ride transit in their entire life, we could derive far more economic benefit if we concentrated on the things that people actually use from coast to coast and border to border.

Ms. VAN DUYNE. Do you have any examples of where you have seen highway spending not spent on highways since the rollout of these pieces of legislation?

Mr. DITCH. I am sorry, could you repeat that?

Ms. VAN DUYNE. Yes, do you have any examples of where highway spending was spent on things other than highways?

Mr. DITCH. Oh, my gosh, yes. Each year about 30 percent of funds that go through the Highway Trust Fund are diverted into things like bike lanes, and walk paths, and even ferry boats. Its intent is to shoehorn every single conceivable aspect of surface transportation into the highway bill, and it muddies the waters. And people paying the gas tax end up paying for things they don't actually use.

Ms. VAN DUYNE. Thank you very much.

I yield back.

Mr. DEFAZIO. OK, we would now turn to Representative Payne, who is virtual.

Mr. PAYNE. Thank you, Chairman.

Mr. Gardner, thank you for joining us today. The Infrastructure Investment and Jobs Act provided over $22 billion to Amtrak, with an additional $36 billion to modernize and develop intercity passenger rail. I am proud to work with Chairman DeFazio in making that critical funding available.

I am a frequent rider of the Northeast Corridor. Can you please share when you think the NEC service will return to pre-pandemic levels?

Mr. GARDNER. Thank you, Chairman Payne, and thank you for your strong support.

We are working hard to return the NEC service by the end of fiscal year 2023. We will have much of the service back. In fact, on the regional side we will be, on some days, at higher levels. The Acela service will take a little bit longer to return in the section between Washington and New York to its full levels. But as we see the arrival of our new train sets next year, we will be able to increase service. So, we are working hard there.

The long lead is on the equipment maintenance side, the mechanical crafts, which we are building and growing now, but are under intense competition across the Northeast Corridor for machinists, welders, et cetera.

And, as I mentioned, we have seen a good return of demand and, in fact, we have higher demand for relatively less service today. So, we are very optimistic that the growth will continue, and we are working hard to return all of our capacity.

Mr. PAYNE. Yes. I recently had an opportunity to see the new Acela equipment that is scheduled to enter service next year. I look forward to the improved ride quality.

How would consistent funding help Amtrak get on a regular cycle of fleet replacement for all its services?

Does consistent funding provide Amtrak's suppliers the confidence they need to invest in their U.S. manufacturing facilities and workers?

Mr. GARDNER. Thank you, Mr. Chairman. The IIJA funds to Amtrak really change the entire game for Amtrak's capital program. As you know, we have always gone year to year on annual appro-

priations for capital investment, and that has significantly restrained our ability to make those longer term investments that help drive down operating costs and improve quality over time, because we were never aware if the funds next year would be there to pay the bills to invest in those bigger programs. So, the 5 years of advance appropriations is essential for us to be able to re-fleet the entire network.

As you know, we have started with the Acela, and the IIJA funds provide the funding necessary to re-fleet the regional equipment, both in the Northeast and around State-supported corridors, and, really excitingly give us the funds now to start tackling the long-distance network. This equipment is the same age as I am. It has earned its retirement. I haven't yet, but it certainly is ready to be replaced with modern, reliable equipment to meet the demands of a new generation of riders and, in the process, creating enormous opportunity for the manufacturing sector.

The new Acela trains are being manufactured in New York, creating 450 or so direct jobs in Hornell, another 1,700 jobs across 29 States at the various suppliers supporting the development of that new fleet, which is 95 percent made in the United States. So, really, a great opportunity as we invest in new equipment for the network to also stimulate the economy and job growth.

Mr. PAYNE. Yes, I am really glad that the Federal Government has finally met its commitment to Amtrak over its life, finally.

Thank you for your work on advancing the Gateway Program with New Jersey Transit. What help do you need from our committee going forward to keep this project moving?

Mr. GARDNER. Well, thank you. We are making good progress on the Gateway Program. It is an incredible partnership between the State of New York, New Jersey, Amtrak, and the Federal Government.

The key things here will be our partnership with the Department of Transportation as it starts to award the grant funds, both in the FTA programs and FRA programs, to provide that funding necessary to deliver the program, and to also work to harmonize the different requirements associated with the relative grant programs, because there are different rules in each, and we are really in a new era of combining funding together.

So, I think the committee's focus on ensuring that those funds can come together from different programs successfully so that program parties and sponsors can deliver these programs efficiently and at the lowest dollar cost with the best benefit is going to be really important.

The other thing I would just say generally is Amtrak's operations, the daily operations, really rely on that annual appropriation amount. The Senate has $2.6 billion in their proposal for 2023, and that is really important so that we can keep operating the railroad while we are making these big investments on the capital side.

Mr. DEFAZIO. OK, thank you.

Mr. PAYNE. Thank you, and I yield back, Mr. Chairman.

Mr. DEFAZIO. We would now turn to Representative Balderson.

Mr. BALDERSON. Thank you, Mr. Chairman.

Thank you all for being here this morning. My first question is for Mr. Ditch.

Mr. Ditch, last year the White House and the Federal Reserve referred to inflation as transitory, and even suggested it was a high-class problem. Currently, the Consumer Price Index is 8.3 over the past year, a 40-year high.

According to the Congressional Budget Office, the so-called Inflation Reduction Act, which was signed into law last month, will actually increase inflation in 2023. Your colleague at The Heritage Foundation, Daren Bakst, recently said about the IRA, "The bill's push for electric vehicles is just one example of this extremism."

Despite decades of subsidies, electric vehicles make up just about 1 percent of registered vehicles. Mr. Ditch, do you believe the new tax credits for electric vehicles included in the IRA is a good use of taxpayer dollars?

And do you believe they will reduce the record-high inflation in the short term?

Mr. DITCH. I do not believe it is a good use of taxpayer dollars. And I think it is very clear at this point that the so-called Inflation Reduction Act has practically nothing to do with reducing inflation. You don't have to take The Heritage Foundation's word for it; you can look at the Penn Wharton model, you can look at the Congressional Budget Office, and you can also look at the math.

The spending is front-loaded, and the "deficit reduction" is spread out, which means that you are actually increasing the deficit in the first 5 years when, for inflation reduction, we need deficit reduction today. We need the spending, if anything, to be backloaded and the pay-fors to be front-loaded. Not to mention the fact that, by reducing the incentives for business investment, you will be reducing overall productivity, and productivity, again, is what we need right now. We need more goods to lower prices.

Mr. BALDERSON. Thank you. A followup to that, do you believe the environmental provisions from the IRA or the new tax on natural gas will reduce inflation?

Mr. DITCH. I genuinely do not. The IRA is not going to lower energy costs. It is investing in types of electricity—in electricity generation, electric vehicles, what have you—that are not practical for broad swaths of the country.

Now, I am originally from western New York. Solar power is not going to do a lot of work in western New York or States like West Virginia, but I see the Federal Government investing in projects in those locations. Those projects might feel good for Members who are very passionate about that issue, but they are not actually going to produce a sufficient amount of energy. They are not going to actually help the consumers who really need the price of gas and the price of home heating to come down.

Mr. BALDERSON. Thank you for that response. And I know that Secretary Buttigieg on Twitter—that those EV tax credits will reduce inflation in the short term by helping Americans save money on gas. Unfortunately, I don't think this administration understands the vast majority of our constituents, my constituents, are focused on affording groceries and paying their bills, not saving for a new electric vehicle. So, thank you.

My final question to you, Mr. Ditch. In your testimony you note that, to fund the infrastructure bill's spending increases, Congress used a combination of budget gimmicks and inflationary deficit spending. Can you expand on these budget gimmicks? And how do you think Congress should have structured the funding to ensure the bill wasn't inflationary?

Mr. DITCH. There is a lot of what we might call turning over the couch cushions looking for money.

Perhaps the largest gimmick involved supposedly derailing a rule put forward by the Trump administration that Congress clearly has no intention of allowing to take place, but it just happens to receive a favorable CBO score.

The fact that this thing isn't going to happen, even though it has also never happened, doesn't actually offset the amount of spending that is going out the door. What matters is how much money is going out the door compared to how much money is being brought in. And the Infrastructure Investment and Jobs Act makes more money go out the door to the tune of hundreds of billions of dollars, and the deficits, once again, are very high in the early years, which is exactly the wrong time to have it. We need deficit reduction today, not 6 or 7 years from now.

Mr. BALDERSON. Thank you.

Mr. Chairman, I yield back.

Mr. DEFAZIO. I thank the gentleman. I would make just one comment that there is a difference between investment and spending for consumption. And investment in infrastructure has an incredible economic multiplier effect, according to many private sources. Perhaps not The Heritage Foundation.

Mr. Cohen is recognized for 5 minutes.

Mr. COHEN. Thank you, Mr. Chair.

Firstly, I would like to say that Mr. Gardner did a good job of praising our chairman, but it could have been better, because he is the Roger Federer of transportation. He is leaving everything on the court. He can leave knowing he has accomplished his job and served his mission well. And I thank the chairman for his work and Mr. Gardner for his kind remarks. I appreciate it.

Mr. Gardner, let me ask you about Amtrak. Memphis proudly has a service to and from Chicago and New Orleans. I would like to have service to Nashville. Any opportunity for that to occur in the future?

Mr. GARDNER. Well, thank you, Congressman. So, there is opportunity for that through the FRA Corridor Development Program.

So, just to be clear, the way that the IIJA structures—so, the dollars available on the opportunities—is really the growth, the network, and expansion opportunities will proceed through the Federal Railroad Administration's programs. And Amtrak has really focused on rebuilding and modernizing our current assets. So, the FRA has established this program, it is an opportunity for States, localities, and other partners and stakeholders to identify corridors for development, and then proceed through a pipeline of planning and investment so that new services can be developed.

So, we are going to be working with the FRA, and we already are working with States all across——

Mr. COHEN [interrupting]. I hope you will try to see that that happens. There are more songs written in Nashville about people leaving Nashville and going to Memphis than anything else.

[Laughter.]

Mr. COHEN. And it gets facilitated with a train.

Let me ask you also, is Mr. Steven Anderson still at Amtrak in any way whatsoever?

Mr. GARDNER. Richard Anderson? No.

Mr. COHEN. Richard Anderson. Good. Richard Anderson, at one of these committee meetings, when they were talking about the merger of Northwest and Delta, promised me that they would not close the hub in Memphis. He said, "I love Arnold Perl. I love Phil Trenary. I love the Rendezvous. Memphis will not close." He lied. I am happy he is gone.

Management makes a lot of money. They make a ton of money, and they come to us and they lie. Just like the Boeing aircraft president came to us and said, "I am responsible."

And I asked him, "If you are responsible, you should take a cut in pay or resign." He did neither. He was fired about 3 weeks later.

Ms. Nelson, do labor union employees who don't come before our committee and lie, who don't make tremendous salaries like the Boeing CEO and Mr. Anderson, do they contribute greatly to these opportunities for America to improve its transportation?

Ms. NELSON. Absolutely. Aviation workers and other workers on the front lines are committed to their jobs.

And when you go to a family party or a gathering, what do you ask people? You ask, "What do you do?" People take pride in what they do.

We are typically here for the long run when CEOs come and go. I have seen eight CEOs in my time at United Airlines, for example, and it is the aviation workers who know on the front lines where we need to improve on safety, how we need to respond to consumers' needs, and why we need to keep things safe so that people can take that for granted, but then also have a safe, efficient flight, or a safe, efficient transport experience.

And so, it is through our work on ensuring safety for the public and for ourselves—and the fact that we put our lives on the line when we go to work, so, it better be safe—so, you can count on us, and you can trust us to ensure that.

And we want to make sure that we maintain that connectivity for the American public. It also matters to us for getting to work ourselves. We have to have transportation into those smaller communities because oftentimes we can't afford to live in the bases that are high-priced and very hard to get housing in.

Mr. COHEN. Thank you for your work in representing the flight attendants. And the union is important there. I know that.

Ms. NELSON. Thank you.

Mr. COHEN. I want to thank Secretary Buttigieg, who is not here, for his work. He came before our committee. He came to Memphis, when the bridge over the Mississippi River, the Hernando de Soto Bridge, closed because of a failure of it to be monitored correctly, to see defects in the infrastructure, and also for the opportunity that he gave us to have Ms. Fernandez, the FTA Administrator, to come to Memphis when she announced grants to our transit system

of close to $76 million, which was very important for our bus system. And we appreciate it.

And we know bridges will be coming, lead pipes will be replaced, that internet will become more available to more people and cheaper, and that roads will be constructed. Memphis is a city that lives on transportation, and this infrastructure bill was good, could have been much greater if they had accepted the House bill.

And I do want to mention the following names real quickly: Richard Burr, Bill Cassidy, Susan Collins, Lindsey Graham, Lisa Murkowski, Rob Portman, Jerry Moran, Todd Young, Thom Tillis, Mike Rounds, and Mitt Romney—Republicans who voted for this bill in the Senate. It is a good bill. It could have been greater.

I yield back the balance of my time.

Mr. DEFAZIO. I thank the gentleman. Representative Johnson, I believe, is now with us, virtually.

You are recognized.

Mr. JOHNSON OF SOUTH DAKOTA. Thank you, Mr. Chairman. My questions will be for Mr. Ditch.

Obviously, the laws that Congress passes are important. But, Mr. Ditch, it seems to me that the laws of supply and demand are also pretty powerful, certainly more powerful than anything we do in DC.

So, a recent survey by the Associated General Contractors, I think, found that 73 percent of respondents indicated that they wouldn't bid on a Federal project that had a project labor agreement as a requirement. So, I want you to tell me if I am thinking about this in the wrong way.

I mean, I look at a workforce crisis out in this country. We have a lot of big things we want to get done. We don't have enough talented and hard-working people to get done what we want to get done. You have got a number of outstanding firms across our country, where the workers have chosen not to unionize. They have made that decision, and they are at risk. And a number of these Federal projects are being frozen out of helping to advance this infrastructure investment that our country needs to continue to make.

Now, this is of particular importance in my State, South Dakota, where 4 percent of the workers are unionized. There are simply not enough unionized shops to be able to respond to the edict that the administration has put out, saying that some workers will be frozen out of this kind of work.

Mr. Ditch, the laws of supply and demand. It seems to me that if we are shrinking the number of firms and workers available to bid on these projects, it will, by necessity, increase the price of those projects at a time when inflation is already destroying the purchasing power of these Federal dollars.

Mr. Ditch, what am I getting wrong with my economic assumptions?

Mr. DITCH. I don't believe you are getting any of that wrong.

There are times where I am a bit confused as to what reality these moves are attempting to supposedly respond to. Again, if you go back a century, construction work was very low skill. You can go around and, potentially, employers would have more leverage than the employees, and they would underpay. And so, maybe in

some scenarios it would have made sense to have protections like project labor agreements and the Davis-Bacon Act.

But in 2022, construction work is not low skill. You need to know what you are doing. The productivity per worker is exponentially greater than it was a century ago. These workers are valuable, they know they are valuable, and employers know they are valuable. They are compensated fairly. That compensation keeps going up over time, both in absolute terms and, frankly, I believe, relative to the median wage.

All that these rules do is layer on an additional amount of requirements, an additional amount of bureaucracy, and it makes it harder for State governments who are mostly doing the work to find the workers, to find the contractors that they need to get the work done.

And what, supposedly, is the harm that is being addressed by these rules? I don't see it. It just seems like featherbedding.

Mr. JOHNSON OF SOUTH DAKOTA. Well, and I want to make clear I certainly wish no ill will to the hard-working men and women who have chosen to unionize. That is their right under Federal law.

But for those who have made a different decision, and for those firms that are expert firms that are able to deliver great value for the American people, including on a number of projects that are expected to be built in South Dakota, the idea that we are going to freeze South Dakota firms out of that part of the economy, to me, is a terrible waste of talent.

I do, with the minute I have left, I want to turn to Mr. Hersh. There is bipartisan agreement, sir. It seems to me that the siting process in this country takes too long. The same kind of project that would take 2 years to permit in France or Germany, it takes 7½ years in this country. Secretary Buttigieg and I had a great conversation about this the last two times he was before this committee.

So, sir, if you were going to give a recommendation to this committee on the most important thing we could do to appropriately streamline these approval processes, what would your answer be?

Mr. HERSH. Thank you for your question, Representative Johnson. I don't think I am the best person on this panel to actually answer this for you. I would suggest forwarding to Mr. Regan.

Mr. JOHNSON OF SOUTH DAKOTA. Sure, right. It is an all-play. Who wants to take the bait?

[Pause.]

Mr. DEFAZIO. He is asking someone to answer his question. I forgot what the question was already, sorry.

Mr. JOHNSON OF SOUTH DAKOTA. It was about—sir, and I am out of time.

I would just note that I think we need, with the little time I don't have available, it is good and well to talk about this investment in infrastructure. But if we are going to take 7½ years to permit these projects, we are going to have a tremendous amount of money wasted——

Mr. DEFAZIO [interrupting]. OK, all right.

Mr. JOHNSON OF SOUTH DAKOTA [continuing]. I think we need to be talking [inaudible] about what we can do to streamline that process.

Thank you, sir, I yield back.

Mr. DEFAZIO. I thank the gentleman. The gentleman might remember that Representative Davis, who I guess is not here, virtually or not, his One Federal Decision was adopted to streamline the process to a maximum of 2 years.

And I would further observe, if the gentleman would—that 93 percent of Federal transportation projects go forward under categorical exemption; 4 percent go forward with an environmental analysis, which is a relatively short process, it does involve a little bit of public involvement; and 3 percent, the largest projects, many of which impact millions and millions of people and cost billions of dollars, potentially, go through a full NEPA process, so the public can participate, the options are looked at, and we determine what the overall impact is of that particular project.

For instance, we know we have to rebuild the tunnels under the Hudson River, but they were held up by the Environmental Impact Statement, sitting on Secretary Chao's desk for 3½ years collecting dust. And we couldn't get her to blow off the dust and put those forward, even though the work had been done.

So, it is a very small number of projects that take anywhere near the amount of time the gentleman is talking about.

With that, we are moving——

Mr. JOHNSON OF SOUTH DAKOTA [interrupting]. The NEPA process [inaudible]——

Mr. DEFAZIO [continuing]. We are now moving on to——

Mr. JOHNSON OF SOUTH DAKOTA [interrupting]. Even the Biden administration agrees.

Mr. DEFAZIO. We are moving on to Representative Lynch. The gentleman is out of order.

Mr. STAUBER. Mr. Chair, Mr. Chair, I will yield——

Mr. DEFAZIO. Representative Lynch.

Mr. STAUBER. Mr. Chair, Mr. Stauber. I will yield some time to my good friend, Mr. Johnson.

Mr. DEFAZIO. Well, you are not recognized, so, you can't yield. When you are recognized you can yield.

Mr. LYNCH. Reclaiming my time.

Mr. DEFAZIO. Representative Lynch is recognized for 5 minutes.

Mr. LYNCH. Thank you, Mr. Chairman. Look, I know this is probably one of our last meetings, there is not much time left in this session. I just want to say thank you to you, Mr. Chairman, for your 36 years that you have served Oregon's Fourth Congressional District. I want to thank you.

I know that, in the process here, the legislative process, the sausage-making process, sometimes we don't get everything we want. But I think everyone would agree that you have elevated the cause and the priority of infrastructure, transportation and otherwise, across this country during your 36 years. We all owe you a debt of gratitude for making—look, I am from Massachusetts, and we have some of the oldest infrastructure in the country. And so, I am doubly grateful for your leadership.

I am also a former president of the Iron Workers Union, and former legal counsel for the Carpenters Union, the Teamsters Union, and the Stagehands Union. And I just want to thank you for your willingness to champion the cause of workers, and espe-

cially those that go through an apprenticeship program and might get paid a little bit more as a union tradesperson under either Davis-Bacon or local prevailing wage laws. So, thank you for that.

Mr. Regan, Quincy, Massachusetts, where I represent, is the city of Presidents. John Adams, Abigail Adams, and John Quincy Adams all grew up there, lived there.

We have a brandnew electric bus facility. And it is really transformational, I think, not only for the skill set of the workers.

But also, I wanted to talk to you about the Build America, Buy American provision of the Infrastructure Act. So, how will that—I mean, I know why, but I want you to explain to the public why that provision will help put more Americans to work, especially in an emerging industry that we really haven't captured well in the United States as of yet.

Mr. REGAN. Absolutely, and thank you for the question.

First, if I may, I want to correct a couple of comments about Davis-Bacon and Buy America——

Mr. LYNCH [interposing]. Go right ahead, feel free.

Mr. REGAN [continuing]. Mentioned earlier.

First of all, Davis-Bacon, what it does is it sets a wage floor, and it ensures that the workers are actually paid their wages in an industry where wage theft, unfortunately, is a very significant problem. What it does is ensure that people who are bidding to do the work are qualified to actually deliver, they are qualified to do the training, they are qualified to deliver the wages that are needed, and to deliver a quality work product. And it prevents people from actually just undercutting the marketplace and abusing their workforce.

Second of all, PLAs ensure that projects are delivered on time and with the highest quality work available. I have spoken to Republican Members of Congress who support PLAs, and they were in the contracting industry. They said they paid a little bit more upfront, but they knew it was going to be the best quality work, and was going to be delivered on time.

So, there is a reason why PLAs are adopted all throughout the country and why Davis-Bacon is the gold standard when it comes to construction.

Mr. LYNCH. So, Mr. Regan, what you might be saying is that—so, when the gentleman from South Dakota is concerned about people in South Dakota, Davis-Bacon actually requires that people and prevailing wage laws in South Dakota make sure that the workers in South Dakota can afford to live in South Dakota, is that right?

Mr. REGAN. That is 100 percent right.

Mr. LYNCH. OK.

Mr. REGAN. So, on Build America, Buy America, we look at—unfortunately, for too long in our country, we have ceded our previous manufacturing areas to foreign companies. We have to import so many things. We saw that with the supply chain crisis of 1½ years ago, when one of the major problems and contributors to the failure to move goods was the lack of chassis. And we didn't make chassis here, so, we had no way to actually solve that problem on our own. We were relying on chassis made in China or in other countries.

And if we look at an emerging industry like electric buses, this is an opportunity to gain back some of that market share, and be-

come leaders in the manufacturing field once again, in an area where, frankly, we just can't sit here and rely, from our own economic competitiveness and our national security, on foreign nations to provide our critical goods that keep our economy and our people moving throughout this country.

Mr. LYNCH. Thank you. And you just raised another issue.

So, we have a competition over EV batteries, so, electric vehicle batteries. There is one U.S. company that is competing. It is from my district, but we are manufacturing them in the suburbs of Austin, Texas. But that would bring those jobs into the United States. Even though I am putting workers from Texas to work, that is a good thing, as opposed to losing those jobs to countries overseas.

Mr. Chairman, I yield back. Again, I thank you for your service to your constituents and to the country. Thank you.

Ms. NELSON. Mr. Chairman, if I may just add briefly, it is really important to correct the misstatement that 87 percent of the construction workers have rejected a union. That is not true. There is no vote for that. They only have access to these jobs when we make the commitment to make them project labor agreement jobs. So, it is on all of us, as policymakers, to make sure that that is possible for the American worker.

Mr. DEFAZIO. Thank you for the clarification. We would now turn to Representative Massie.

Mr. MASSIE. Thank you, Mr. Chairman.

Mr. Ditch, it looks like we have given over $50 billion of bailouts to the airline companies. And meanwhile, they are giving bonuses to management and their executives.

If Congress hadn't given the billions and billions of dollars to the airline industries, would the airplanes have disappeared? Would the equipment on the tarmac that we see carrying the fuel and the luggage to the airplanes, would that have just vaporized? Would the computer systems that they own and use, would those have gone into the waste bin? What would have happened in a free market if we hadn't given the bailout to the airlines?

Mr. DITCH. For one thing, it is a very complicated situation because what was going on during the pandemic was not a pure free market.

Airlines, in many cases, were discouraged or actively, in some cases, prevented from normal operations because of the public health rules. So, to that extent, their reduction in business was not their fault. At the same time, there was a—essentially, it was a jobs program. The $50 billion, you are right, it didn't go into airplanes and terminals, it went into ensuring that absolutely nobody got laid off. This was a special kind of protection.

While we did have the Paycheck Protection Program, there were some sectors of the economy where that wasn't enough, and some people lost jobs. And then, when the economy rebounded, those jobs returned. We could have seen some layoffs——

Mr. MASSIE [interrupting]. At least—it looks like about half of that money went to that. But isn't it really a bailout, not for the airplanes and the airlines and these routes, but a bailout for the investors in those companies, and a bailout for the creditors?

Like, the airplanes wouldn't have disappeared. After capital rearrangement, I would assume they would go out and get more capital

from new investors, and the old investors would get diluted. Didn't we really just protect—ultimately, after you do the paycheck protection, we were protecting the people on Wall Street that hold the stock in those companies.

Mr. DITCH. Yes, there is—absolutely. And again, that is very true. And it is also the case for the Paycheck Protection Program that a tremendous amount of the money that was notionally being put forward to preserve jobs was instead captured by investors and owners, and they ended up in some cases not only not losing money, but getting a little bit back.

Mr. MASSIE. Let me move on to my next question for Mr. Gardner.

Mr. Gardner, can you describe to me the state of Amtrak's vaccine mandate program?

Mr. GARDNER. So, we have a general mandate for vaccine for new workers.

Mr. MASSIE. And so, are you aware that the efficacy of the vaccine wears off after 6 months quite a bit?

Mr. GARDNER. So, I think, depending on which vaccine, and what time, and what period, certainly the vaccines have limited efficacy, but we require new employees, as they come to the——

Mr. MASSIE [interrupting]. Let me ask you a question. If somebody got the first initial doses of the vaccine 20 months ago, would that comply with your vaccine mandate?

Mr. GARDNER. Yes, if they were vaccinated.

Mr. MASSIE. Do you believe two doses 20 months ago has any effect on the currently circulating variants of the virus?

Mr. GARDNER. From what I understand from the public health, I do believe vaccines have a beneficial effect on public health and the individual——

Mr. MASSIE [interrupting]. Do you believe a COVID vaccine that was taken 20 months ago that targeted a variant that is no longer circulating has an effect on preventing the spread of COVID now?

Mr. GARDNER. Well——

Mr. MASSIE [interrupting]. Can you give me some scientific basis for that? Because I think it is based in mysticism, disproven myths, and superstition.

And, in fact, I am glad you mentioned public health and what we know about public health. The CDC this summer said that, after 8 months, the effectiveness of three doses is somewhere between 20 and zero percent against the currently circulating variants. That is after 8 months.

Your vaccine mandate is so ridiculous. You are saying if you got the jab 20 months ago, then you are good to go. And in the meantime, you do have an exemption, according to your website. Somebody can be tested every week, every week. Why would you test somebody who has not had the vaccine, but you wouldn't test somebody who had a vaccine that is no longer effective, according to the CDC? Do you have any scientific basis for doing that?

Mr. GARDNER. Yes. Again, we are following the guidance from the CDC. We are following the best public health guidance we can get.

Our goal here is simple, which is to try and ensure the health of our employees and the health of the traveling public. We have

done a good job throughout the pandemic to do that. Our ask here is simple, is that we are looking for employees, when they come new to the company, that they be vaccinated and boosted for COVID–19 so we can help to play our part in supporting——

Mr. MASSIE [interrupting]. But you don't care—my time has expired. But you don't care if it works or not.

And I would like to submit to the record—I know my time has expired, Mr. Chairman, and I will yield that back, but I would ask unanimous consent to submit for the record a CDC "Updates on COVID–19 Vaccine Effectiveness During Omicron," published June 28, 2022, that shows just what I said.

And also, for the record, an article in National Review titled "The Third Airline Bailout Is No Better Than the First Two Bailouts." The author is Veronique de Rugy.

Mr. DEFAZIO. Without objection.

[The information follows:]

"Updates on COVID–19 Vaccine Effectiveness During Omicron," PowerPoint presentation, Centers for Disease Control and Prevention, June 28, 2022, Submitted for the Record by Hon. Thomas Massie

The 24-slide presentation is retained in committee files and is available online at https://www.fda.gov/media/159499/download.

"The Third Airline Bailout Is No Better Than the First Two Bailouts," by Veronique de Rugy, National Review, March 12, 2021, Submitted for the Record by Hon. Thomas Massie

THE THIRD AIRLINE BAILOUT IS NO BETTER THAN THE FIRST TWO BAILOUTS

by Veronique de Rugy

National Review, March 12, 2021, 1:21 p.m.

No one seems to care anymore but airlines will receive their third bailout in a year thanks to the new COVID–19 relief bill. That will make a total of $79 billion in airline bailout: $50 billion in the CARES Act ($25 billion in payroll support and $25 billion in subsidized loans), $15 billion in December 2020, and finally $14 billion for commercial airlines as part of the American Rescue Plan.

I have written many times about why most of the money goes to bailing out shareholders and creditors rather than workers. In part, it is because the amount of each bailout covers more than the payroll costs of those workers who would have gotten furloughed. Oh, and by the way, airlines are receiving subsidies even when they have committed not to furlough anyone in 2021 even without a bailout, like Southwest has.

Gary Leff of *View from the Wing* also notes that while the airlines are picking our pockets, "Delta is even paying out large management bonuses" and that "American even figured out how to keep workers they let go from collecting on payroll support."

Leff also points out this morning that American was threatening to furlough employees while demanding more government subsidies and paying large bonuses to management:

> At the beginning of February American Airlines sent out 13,000 WARN Act notices letting employees know they might be furloughed at the beginning of April. At the same time American was preparing to provide widespread across-the-board raises to management.
>
> *View From The Wing* has learned that American provided Level 5 (manager) employees and above with raises starting in February.
>
> This week President Biden signed the American Rescue Plan which included $14 billion for a third airline payroll bailout. The deal requires American to keep workers on payroll through September 30, in exchange

for approximately $3 billion. (Employing the workers that would have been furloughed will cost them less than $100 million per month for six months, according to an explanation during its last earnings call.)

But the airline was *handing out raises at the same time their hands were out to Congress*.

The first bailout was wrong, so was the second one, and this third one is no different. The fact that no one seems to be outraged anymore is simply adding insult to injury.

Mr. MASSIE. Thank you.

Mr. DEFAZIO. We will now turn to Representative Carbajal, virtually.

Mr. CARBAJAL. Thank you, Mr. Chair.

Ms. Nelson, thank you for your and your members' work during the COVID–19 pandemic.

When you came before this committee about 1½ years ago—February of last year, to be exact—we discussed the challenges transportation workers faced during this pandemic. And in response, Congress acted and passed the Bipartisan Infrastructure Law and the American Rescue Plan, which included $15 billion to extend the Payroll Support Program, PSP, which helped airline workers from losing their jobs during this unprecedented time.

Right now, our Nation continues to confront another threat, the ongoing climate crisis. In your testimony you mentioned the impacts to the aviation industry and its workers. Can you elaborate more on this?

Ms. NELSON. Yes. Thank you very much for that question.

So, the climate crisis is continuing to disrupt our jobs. There are increased incidents of severe turbulence that has thrown aviation workers—flight attendants—around the cabin. We are the ones that are unbuckled, pushing 300-pound carts. And when these happen, it is typically flight attendants that are severely injured, hospitalized. And there are two incidents that I referenced in my written testimony specifically about this at American Airlines and Southwest Airlines over the past year. This frequency of events are becoming more and more serious, and a serious occupational risk.

The other issue is that we have a disaster relief fund. We have more applicants for our disaster relief fund in the past 5 years, by far, than we have had in the entire time since its inception at 9/11. Flight attendants' homes are destroyed. Their ability to get to work is destroyed. Airport infrastructure is destroyed. Airport tarmacs become too hot to land on or, with the polar vortex, it was too cold to take off.

The climate crisis is creating a serious threat to our jobs, our income, and focusing on better prediction of these weather events so that we can work to avoid them and work to avoid the catastrophic effects of them, as well as stopping carbon emissions, slowing carbon emissions, and tackling the climate crisis is critically important for the continued jobs that flight attendants and other aviation workers do.

Mr. CARBAJAL. Thank you. Congress just passed the Inflation Reduction Act, which I am sure you are aware of, to not only reduce energy and healthcare costs, but also to fight climate change to address these challenges.

Ms. NELSON. We thank you.

Mr. CARBAJAL. Yes.

Mr. Regan, it is nice to see you, and thank you also for your work during this COVID–19 pandemic. This committee, under the leadership of Chairman DeFazio, has been busy, as you are aware. We helped write the American Rescue Plan and the Bipartisan Infrastructure Law. Now, as we begin to see the $1.2 trillion being used to bring our infrastructure into the 21st century through the Bipartisan Infrastructure Law, can you discuss the impacts of this historic investment for workers?

Has it helped make sure we have good-paying jobs?

Mr. REGAN. Yes, and thank you for the question.

I think we are going to see the worker impact of the infrastructure law go throughout the entire length of the law. As I have mentioned earlier, it will come in stages, I think, especially early on. We are going to see, really, an increase in construction worker jobs. And with some of those important protections like Davis-Bacon and PLAs, we are going to ensure that those are good-paying jobs, where people are paid a good wage, and the projects are going to be done the right way and on time.

Beyond that, as we start seeing expansion of services, whether it be in transit systems, or at Amtrak, or in other parts of our economy, we are going to see more and more need for operating crafts, maintenance crafts, people who can be trained up to deliver these jobs, and actually, manage what are becoming very high-tech systems in some of our public transit systems.

So, the job training aspect that is going to be done now will help lead us into the future, where we have a workforce ready and able to go, and to operate what will hopefully become—and which I believe will become—a modern, efficient, and effective transportation system, one that will be the envy of the world.

Mr. CARBAJAL. Thank you very much. I was glad to support the Bipartisan Infrastructure Law and our workers. This legislation was a jobs bill, and I am glad that it also had specific language promoting good Davis-Bacon union jobs. Thank you very much for your testimony.

Mr. Chairman, I yield back.

Mr. AUCHINCLOSS [presiding]. The Chair now recognizes Mr. Gibbs for 5 minutes.

Mr. GIBBS. Thank you.

Just to clarify a little bit, Representative Johnson from South Dakota was talking about the delays and stuff. And, unfortunately, the infrastructure bill included no reforms to the outdated NEPA process, and we still have a 6-year-plus delay, even though we tried to do it in 2 years. But Secretary Buttigieg is still sitting on administrative inaction. So, I just wanted to make that clear.

A lot of the testimony today is talking about all the great things all this taxpayer money spending has done. One thing I want to clear for the record is, prior to March of last year, when the American Rescue Plan was passed on a 100-percent partisan basis, we passed five COVID relief measures, a bipartisan legislation which I fully supported, because I think when the Government locks down the economy, tells people they can't come to work, tells people who is essential and who is not essential, that is kind of like eminent domain. And all of society should help pay for that cost, and

we did. And I think that it protects us, and protects our economy and our standard of living.

But unfortunately, when they passed the bill, nearly $2 trillion last March, a year ago last March, it accelerated inflation. We had inflation under 2 percent prior to that, and then it jumped up to 4.2 percent, now at 8.3 percent, and maybe heading higher. Who knows? Only time will tell. It has added to costs now.

Mr. Ditch, we talk about all this inflation, and everybody on the panel is talking about the infrastructure bill and all the spending, how it is going to pay for all this. How does inflation devalue all these additional trillions of dollars that Congress is spending for all these projects?

Would we have been better off to not spend all these trillions of dollars, and maybe pass an infrastructure bill that actually went to infrastructure like roads and bridges? Because in the infrastructure bill, a lot of it didn't go for roads and bridges, it went for pet projects. Is that the way you see it?

Mr. DITCH. And I profoundly disagree with Chairman DeFazio's statements a few minutes ago that, essentially, if it is an investment, then magically it can't be inflationary. Spending is spending. Economic activity is economic activity. Whether someone is buying a hamburger or whether someone is buying a concrete mixer, monetary policy doesn't distinguish between how the money is being used.

So, yes, the added spending in the Infrastructure Investment and Jobs Act is inflationary, because it isn't paid for, because it is adding to deficits.

And in terms of the economic value, while some of the projects could potentially provide a return on investment, just because we are spending on infrastructure, that doesn't mean there is a great multiplier effect. When you are spending on expanding transit in Amtrak that only a small percentage of the public actually uses, when you are spending on things like Complete Streets and Road Diets that might make a roadway look nicer, but isn't going to actually increase the economic productivity of that asset, that isn't going to be meaning we get economic gains to balance out the spending and balance out the inflation.

I do believe we would be better off——

Mr. GIBBS [interrupting]. Mr. Ditch, the Inflation Reduction Act has some tax increases in there targeting the supply side of the economy. And I would argue the reason we are in this fix is because we spent trillions of dollars, the Feds have put a bunch of money out, and now they are raising the interest rates and trying to bring their balance sheet back in order, but we have limited the supply, but increased demand because we put all these dollars out here in the economy, and we have cut supply, especially in the energy sector.

I mean, I think most people see that. Is that correct? We have just increased this inflation, these two bills just put gas on the fire for inflation and limited supply. What could we do on the regulatory side to help this?

Mr. DITCH. Yes, the One Federal Decision rule in the IIJA was a step in the right direction. It is only one of many steps that we need.

We really need to overhaul NEPA, perhaps even scrapping it altogether and starting over. Many of the provisions in NEPA are outdated. They are cumbersome, they are really bureaucratic. Some of my colleagues at The Heritage Foundation have written extensively about this over the course of years.

There is a lot we can do. And the extent to which this permitting process gets in the way of things, it gets in the way of projects that both sides like. It gets in the way of highways; it also gets in the way of solar plants and windmills.

Mr. GIBBS. Yes. Just one last question, I have a little time here.

The Heritage Foundation, do you have any recommendations on how we could shore up the Highway Trust Fund?

Mr. DITCH. I am sorry, what?

Mr. GIBBS. How can we shore up the Highway Trust Fund?

Mr. DITCH. Yes, that is very important.

Mr. AUCHINCLOSS. The Chair recommends that perhaps you do that in a written response.

Mr. GIBBS. OK, yes.

Mr. AUCHINCLOSS. The Chair recognizes Mr. Malinowski for 5 minutes.

Mr. MALINOWSKI. Thank you, Mr. Chairman. Thanks to our witnesses. I just want to begin by saying—and I see the chairman came back—what an extraordinary privilege it has been for me, serving with him on this committee these last 4 years.

I came to this committee for the subject matter. I stayed for the chairman. This is one committee where I would always try to come on time, not just to gavel in so that I could ask my questions, but because I always wanted to hear Pete DeFazio's opening statement, because I knew I would learn something from it.

And Pete, I have to admit that, if not for you, I would not know nearly as much as I do about budgetary treatment expansion and adjustment of the Harbor Maintenance Trust Fund under section 9505 of the Internal Revenue Code of 1986.

Did I get that right?

Mr. DEFAZIO. Yes.

Mr. MALINOWSKI. Close enough, yes.

[Laughter.]

Mr. MALINOWSKI. I came here with ambitious goals, of course. And I think we met a lot of those goals: the biggest investment in American infrastructure in our country's history; helping my State of New Jersey with the Gateway Project, doing it at a time when most of my constituents thought Washington was broken and incapable of doing big things. We proved them wrong. Doing it in a way that enables our country—America, and not China—to lead the world to clean energy. I can't understand why anyone would be against that.

Now, we did spend a lot of money. I acknowledge that. I wish the infrastructure bill had been better paid for. The political reality is we would have done it in the House. There was no way to get a bill through the filibuster in the Senate that is fully paid for. That is the political reality.

But I also think that we have to be a little bit honest when we are talking about the deficit. And I want to ask you, Mr. Ditch, you said at one point today, quite correctly, that, when it comes to the

deficit, the only question is how much money is going out, how much money is coming in. So, I want to ask you whether you or The Heritage Foundation, for example, opposed the 2017 tax bill, which resulted—just yes or no—in about $2 trillion more going out than coming back in.

Mr. DITCH. I was a congressional staffer at the time. Heritage was broadly supportive.

Mr. MALINOWSKI. Thank you. And can you think of any bill that was enacted by the U.S. Congress during that 2-year period when the Republican Party had control of the House and Senate and the White House, enacted and signed by the President, that substantially reduced the deficit, can you name one?

Mr. DITCH. No.

Mr. MALINOWSKI. Thank you. And you would acknowledge that the IRA—although your critique of it, I understand it, is that it doesn't get to the deficit reduction fast enough; fair enough—that it does reduce the deficit by around $300 billion over the next few years.

Mr. DITCH. It remains to be seen whether that will actually be the case.

Mr. MALINOWSKI. OK. That is the estimate of the nonpartisan analyst that looked at it.

And as you acknowledge, Republicans had 2 years to do something about the deficit, and you acknowledge they did nothing. We just cut it by $300 billion.

As to the airline bailout, you actually believe that, if we had done nothing at a time when not only the Government was telling businesses to shut down, but people were not flying because they didn't want to die, you actually believe that if we had done nothing to help the airlines, that 2 years later they just would have picked up where they started, all those workers would have just magically come back to their airline jobs, all the planes would have been ready to go, the airports would have been fine, and the airline industry would have been in good shape this summer to fly all those people around?

Mr. DITCH. I didn't say that. I don't believe it. There absolutely would have been layoffs, and there could very well still be jobs that would not exist.

Mr. MALINOWSKI. Correct.

Mr. DITCH. The question, to me, is——

Mr. MALINOWSKI [interrupting]. Probably massive disruptions far greater than anything that consumers faced this summer.

What would the unemployment rate in America be, if not for the PPP program and the money that we spent, the deficit-causing—I acknowledge that—money that we spent during the pandemic, what would our unemployment rate be in America today?

Mr. DITCH. There is really no way of knowing.

Mr. MALINOWSKI. Would it be 3.5 percent or higher?

Mr. DITCH. We very well could have higher unemployment today. The question is whether it was worth the incredible expense.

Mr. MALINOWSKI. OK. Well, I think most of the folks in my district who I represent, who have jobs today and would not have—I think we kind of agree some of them would not have jobs today—believe and would probably argue that it was worth it, because I

don't think there is anything more important, especially at a time where we all acknowledge inflation is a problem, that people actually have jobs and incomes to begin to afford the day-to-day expenses of life in this country.

Thank you, and I yield back.

Mr. AUCHINCLOSS. The Chair recognizes Miss González-Colón for 5 minutes.

Miss GONZÁLEZ-COLÓN. Thank you, Mr. Chair.

Mr. Gardner, I just tried to book a trip——

[Audio malfunction.]

Miss GONZÁLEZ-COLÓN [continuing]. Using my Puerto Rican address on the website, on the Amtrak website——

Mr. AUCHINCLOSS [interrupting]. Is the gentlelady's microphone on?

Miss GONZÁLEZ-COLÓN. Yes, it is. Can you hear me now?

Mr. AUCHINCLOSS. Perhaps speak closer to it.

Miss GONZÁLEZ-COLÓN. I will try.

Mr. Gardner, I tried to book a trip using my Puerto Rican address on the Amtrak website. And when I went to purchase a ticket, I discovered that Amtrak does not recognize Puerto Rico as part of the United States. I just hope that you can commit to me to rectify this issue.

Mr. GARDNER. Absolutely. We don't serve all of the United States, only 46 States. But——

Miss GONZÁLEZ-COLÓN [interrupting]. I know. But I was using the Amtrak here, in the States.

Mr. GARDNER. Yes.

Miss GONZÁLEZ-COLÓN. But I am using my address in Puerto Rico just to purchase the ticket.

Mr. GARDNER. I will look into that, for sure, absolutely.

Miss GONZÁLEZ-COLÓN. Thank you.

Mr. GARDNER. Yes.

Miss GONZÁLEZ-COLÓN. Mr. Ditch, in your testimony there is an issue regarding the way the funds are being used. And one of those is specifically saying—and I will want to quote it here—that only 4 percent of the Infrastructure Investment and Jobs Act funding will go towards actual infrastructure projects, would produce actual benefits for State, local, and the whole country's economic well-being.

Does The Heritage Foundation agree with the CBO dynamic scoring analysis, that the actual Federal infrastructure on the Federal budget can be positive, if funding is not borrowed but sustained in real investment?

Mr. DITCH. Yes, it—I am sorry, could you repeat the question?

Miss GONZÁLEZ-COLÓN. OK. My simple question is if you agree with the CBO, the Congressional Budget Office, dynamic scoring analysis, that the actual effect of infrastructure on the Federal budget can be positive if the funding is not borrowed, but sustained in real investment.

Mr. DITCH. The funding of—the way that the—I am sorry I am having such a hard time understanding anybody today, Miss González-Colón. Please, just one more time. I am very sorry.

Miss GONZÁLEZ-COLÓN. That is OK. I am prepared to use my time on another question.

You said that you are aware of the issues of the Highway Trust Fund. Are you?

Mr. DITCH. Yes. The Highway Trust Fund is in a very perilous state. Unfortunately, for many years Congress decided to draw down a large existing balance by offloading money into places like transit and local government slush funds——

Miss GONZÁLEZ-COLÓN [interrupting]. What recommendations do you have to shore up the Highway Trust Fund?

Mr. DITCH. I believe the number-one thing we need to do, rather than trying to increase taxes on hard-working Americans, Congress needs to live within its means, and that means getting rid of the diversions that are coming out of people who pay gas tax, and are going towards people who do not pay the gas tax, who ride on buses and trains, and who take ferry boats. None of those things have to do with the Interstate Highway System.

Miss GONZÁLEZ-COLÓN. Thank you, Mr. Ditch.

Dr. Hersh, as someone who voted for the House infrastructure bill that passed out of this committee—and I did so in support of critical and needed infrastructure development for Puerto Rico. However, due to the current inflation rates, projects are at risk of not being done because of cost overruns and skyrocketing prices.

According to USAspending.gov, there is still $220 billion in COVID–19 funding that hasn't even been earmarked to be spent on specific projects. Just the Department of Transportation alone is sitting on $11.77 billion in unspent and unobligated money that could be used to help build infrastructure projects across the country.

Would it make economic sense to utilize this unspent funding to address cost overruns for infrastructure projects?

Mr. HERSH. Thank you for that question. Yes, it would make sense, and it is going to be a challenge to manage these——

[Audio malfunction.]

Miss GONZÁLEZ-COLÓN. What is needed to use that unspent money?

[Pause.]

Miss GONZÁLEZ-COLÓN. You are muted. You are muted, sir.

Mr. AUCHINCLOSS. The gentleman is muted. Mr. Hersh?

[Pause.]

Miss GONZÁLEZ-COLÓN. Mr. Hersh, you are muted.

Mr. AUCHINCLOSS. The gentlelady's time has expired. Perhaps the gentlelady can request a written response to that question.

[Pause.]

VOICE. I think you need to put your headphones back in. That thing goes to your mic.

Ms. NELSON. Also, this is a moment to recognize aviation worker job security.

[Pause.]

Mr. AUCHINCLOSS. The Chair recognizes himself for 5 minutes, and my question is for Mr. Regan, and it is really about why our younger American men are dropping out of the workforce, and how unions affiliated with TTD can work to engage them.

According to The New York Times, men in their prime working years, 25 to 54, have retreated from the workforce. The trend was occurring before the pandemic, really since the 1960s, but it has

been exacerbated by COVID–19. Under the Bipartisan Infrastructure Law, we had an unprecedented investment in the workforce that has a strong union foundation at a time when public approval for unions has never been higher. It is a great opportunity for us.

And yet some of our domestic male-dominated blue collar industries have been growing rapidly, adding millions of new jobs, and we can't find workers. Men with no bachelor's degree have seen an almost 10 percentage point decline in their labor force participation over the last 30 years in the 25 to 34 age cohort. Some of this decline can be attributed to economic and structural change, and I know some of my Republican colleagues will place some of the blame on COVID–19 unemployment benefits, although there is no evidence for that.

What we do know for sure is that men are not returning to work. And in 2021, almost twice as many women joined the workforce as men did. In 2022, 91 percent of prime age immigrant men re-entered the labor force, compared to only 84 percent of U.S.-born men. So, again, I would push back on any claims from my colleagues on the other side of the aisle that this has to do with immigrants taking jobs. That is not what is happening. What is happening here is that we have an issue with native-born American men 18 to 35 who are not entering the workforce at the level that we need them to.

The not-in-the-labor-force men outnumber the formerly unemployed by more than four to one. So, we have this huge pool of untapped potential working-age labor force that we need to help build our roads and bridges, fix our water supplies, and yet they are on the sidelines of the United States economy.

And my question to you is, how can Congress and unions work together to get this cohort of prime working-age men back into the workforce with skills that give them confidence, dignity in this economy, and contributing to overall economic growth?

Mr. REGAN. Thank you for the question. I think, at its core, when people talk about a labor shortage in a lot of these areas, it tends to rub me the wrong way because in a lot of situations—you actually saw during the Great Recession, for example, more people were hired than actually resigned during that period—it is that people didn't want to do bad jobs.

So, in many of these cases, especially as you advance greater union density and more union participation, it actually raises wages across the board, even for nonunion employees. So, if we are providing better incentives for people to go to those jobs, which really—wages, benefits, working conditions, you hit all those three, you are going to be able to recruit more people into your workforce.

And as we also put in more training at the front end for these jobs, and giving people the skills they need to advance not only in the job they are hired to do, but hopefully advance their careers down the line as well, you are giving people the tools to succeed in a specific trade, whether it be in the transit workforce, in the freight rail workforce, or in the aviation workforce. In every scenario, if we provide people with the wages, the benefits, the working conditions, and the training, then they are going to succeed, and they are going to tell their friends about, "Hey, I got this great job right now. I didn't always think I would be a transit worker,

but right now I was blown away. The pay is good, the benefits are good."

Mr. AUCHINCLOSS. And what are you doing for outreach on that? I mean, I hear your point: wages, benefit, working conditions. There has never been a time, at least in my lifetime, when the conditions have been better for that type of outreach, where we have got work that we want to do, we have got funding to do it, we have got a lot of people able to work. And the appeal of joining organized labor is higher than ever, and yet we still have one American looking for every two open jobs right now.

There is this cohort of younger American men who need a different type of outreach.

Mr. REGAN. Well, part of it—and I want to commend Stephen for what they have done at Amtrak, in terms of partnering with unions to go to these job fairs, to advertise their jobs in high schools and in community colleges, to make sure that people understand what the realities of these jobs are.

Mr. AUCHINCLOSS. Yes, these men are not going to job fairs, though, to be clear.

Mr. REGAN. That is fair.

Mr. AUCHINCLOSS. We have done studies. They are not at job—they are not seeking employment.

Mr. REGAN. Well, I think it is going to require a lot more work. I mean, from a union perspective, certainly we can do more to advertise what our jobs bring, and the quality of life you can get with a job in any of the industries that I represent. So, I think there can be more done, from a union perspective.

I also think that employers themselves, if they are embracing some of the principles that I support, and are talking about what people can earn and achieve in these workforces, and put them out, whether it be on online advertisements or even whatever is getting the greatest number of eyes on it, I think that should be an effective way to go.

Mr. AUCHINCLOSS. Well, I am certainly eager to work with unions on this, because we need these young men building things and getting off the sidelines.

Mr. REGAN. Yes.

Mr. AUCHINCLOSS. Thank you.

I yield back. I recognize Mr. LaMalfa for 5 minutes.

Mr. LAMALFA. Thank you, Mr. Chairman. As we have seen with inflation and supply chain shortages and such, an estimated 43-percent increase in the cost of highway and street construction just from May of 2020 until August of this year, according to the American Road and Transportation Builders Association. We have $7.5 trillion in additional U.S. debt since the beginning of March 2020, due mostly to the response to the COVID situation.

The proposal in the IIJA had a total spending of $1.2 trillion, but had nothing in there to really fix the underlying shortfall in the Highway Trust Fund issue, gas taxes, et cetera. So, I would like to toss a question to Mr. Ditch on that, which would be: What recommendations do you have to shore up the Highway Trust Fund?

There are ideas of raising the gas tax. There are other measures. There is also one of a per-mile fee increase, or creating a per-mile tax, which I am very opposed to personally, for my rural district.

But what would you say we do to shore up that Highway Trust Fund?

Mr. DITCH. I believe the number-one solution to making the Highway Trust Fund sustainable is reducing Federal spending. That would involve eliminating transit subsidies to involve eliminating some of the slush funds, like the Climate Mitigation Program and the Transportation Alternatives Program. If you remove all of the diversions away from roads and bridges, that would reduce trust fund—and you—in the—at least in the pre-IIJA baseline, that would reduce spending about 30 percent get it close to balance.

I also believe the Federal Government should reduce the amount that it spends on highways. I believe that State governments have the capability to do the work themselves faster and more affordably, and the need for the Federal Government to subsidize highways is, frankly, zero at this point in time.

Mr. LAMALFA. OK. So, we have seen the price of all the materials that have gone up so much. How much do you think the role of inflation has played in these price spikes versus some other factors, say, a road project costs $10 million, it took 5 years to permit and build. What do you think it would look like now, like, say, 20,000,008 years?

And then I want to come to you on the permitting process after this question.

Mr. DITCH. Yes, it is really unfortunate that Congress has decided to massively increase infrastructure spending at the exact time when infrastructure spending is going to cost so much more to actually do. These projects are going to be much more expensive. Some of that increase is due to energy prices. And while some of that, in turn, is potentially caused by the unfortunate war in Ukraine, some of it could also be addressed if our Federal energy policy was more interested in increasing domestic production of the things that we need, the things that we can rely on, rather than all these Green New Deal policies.

It is unclear what is going to happen in terms of economywide inflation or sector-specific inflation, but it seems that right now is a very, very bad time to try to throw more money to turn the fire hose up even higher.

Mr. LAMALFA. Indeed, it seems, I think, a widely held view that energy costs have driven everything up, and yet we have the capability in this country to overwhelm the market with the amount of energy we would need, whether it is natural gas or petroleum or our electricity generation, like we face in California.

Miraculously, they decided to extend the life of a nuclear powerplant, which is 9 percent of our power in California, another 5 years. It should have been 25 years. But indeed, we are not shutting that down, amongst other things.

So, let me shift gears to lastly mentioning the frustration with getting projects permitted. And so, in the last administration, there was a Federal decision that streamlined—the NEPA process would set a 2-year limit for completing a NEPA review for permitting on major infrastructure projects, and required it to go through a single Federal agency. That was reversed by the Biden administration on

day one. I am not sure how that helped its productivity, but it was tossed out.

So, my home State of California, it has a very rigorous CEQA process, kind of equivalent to NEPA, only even more rigorous, more stringent. How productive do you think it would be to have a substitution policy authority that—if a State such as California and several others have already their own level of NEPA process that is equivalent to or even more aggressive than the Federal one, would that not be a productive way to have one-stop shopping for permitting and getting things done in parallel, instead of stacking permit processes?

We actually had such a thing in the 2015 FAST Act, but it never got put into place. Please comment on how you think that could be, cost savings-wise and time saving-wise.

Mr. DITCH. Frankly, you mentioned your home State of California. I think that, if you look at the trends for California, they are not very positive. And a lot of that has to do with the amount of bureaucracy, the attempt to control everything centrally.

And then we can turn to what happened with the California high-speed rail debacle, some of which, unfortunately, received a few billion dollars of Federal funding. That project is estimated to cost several times what it initially did. It is years and years and years behind schedule.

We don't want to follow the California model in the country, and we really don't want to impose that sort of one-size-fits-all bureaucratic, centrally planned approach to infrastructure. And unfortunately, with each successive round of infrastructure spending, the Federal Government takes over more areas that used to be controlled by State and local governments. And we are going to take the country in the direction of California. And I think people are voting with their feet in terms of whether that is what they want.

Mr. LAMALFA. Yes, indeed, had California been required to do the high-speed rail—I call it high-cost rail—project on its own without Federal help—it is going to look for more Federal help, too, because the original idea that was sold to the voters on the ballot was $33 billion. It quickly increased to $42 billion in a year. Two years later it was $98.5 billion, and now it is about $120 billion, and they only have a little bit going between an almond orchard on one end, and I think Merced on the other. So, it is a boondoggle. And we can't have the Federal investing in things that don't work.

So, I appreciate it, and I yield back, Mr. Chairman.

Mr. AUCHINCLOSS. The Chair recognizes Mr. García for 5 minutes.

Mr. GARCÍA OF ILLINOIS. Thank you, Mr. Chairman. And to all of our witnesses, thank you for being here today.

I also want to echo the accolades of our chairman and, of course, his great legacy. And of course, next year, when we walk into that room, I vow to solemnly bow at his picture in the room. So, thank you, Chairman, for a great run leading our committee.

I am going to ask our witnesses to be as concise as possible in their answers. I am trying to get four questions in. So, thank you so much for your indulgence.

First, for Ms. Sara Nelson, in 2020 I led a letter to leadership expressing concern with airlines spending over 96 percent of free

cashflow on stock buybacks from unused funds under the CARES Act—the Payroll Support Program, rather. I even questioned former Boeing CEO Dennis Muilenburg for reaping millions in stock buybacks.

Are you concerned with the expiration of the stock buyback and how that will be tied to pay? One.

And two, would you agree that these funds can be used to prioritize payroll payments, staff levels, benefit, and minimum wage assurances?

Ms. NELSON. Yes, thank you for the question.

So, first of all, I just want to make clear the Payroll Support Program put a cap on executive compensation that extends through March of 2023, and banned stock buybacks and dividends through September 30th, just tomorrow. And the result of that was that this was the only industry where inequality did not grow.

And we are not done with the recovery yet, so, we are very concerned that the $39 billion that went out the door from 2014 to 2019 in stock buybacks—and during a time when the airlines were making profits, they were still cutting back on staffing and the number of people that we had at work to handle the demand—we are suffering from the results of that now. People are not able to work at the rate that they were before.

It has been too hard to work two and three jobs just to get by, with the 20 years of austerity that we have been working under. And this is no time for cash to be going out the door in stock buybacks, essentially a greed tool, to send money to Wall Street when we need to invest in the operation, invest in the American workforce, and put us in a position where we can say to the next generation, "These are good jobs to come to. They are good union jobs with good pay benefits and a secure retirement."

And so, that is what we need to do, rather than investing in stock buybacks.

Mr. GARCÍA OF ILLINOIS. And that is why I look forward to working with you on the Reward Work Act, my bill, and I thank the chair for serving as co-lead in its introduction.

A question for Mr. Regan. Midway Airport in Chicago is near my current district, and will be in my new district next Congress.

I am also the sponsor of the Good Jobs for Good Airports Act in the House, which would establish a minimum wage and benefit standard for airport workers across the country. I am pleased that several aviation unions have endorsed the Good Jobs for Good Airports Act.

In light of the current picketing happening at O'Hare and Midway Airports in Chicago, how can we ensure that this money is used to improve wages and benefits that aviation workers receive, especially low-income workers who don't receive a living wage and good benefits like healthcare?

And how will the $25 billion in the Bipartisan Infrastructure Law for airports help rebuild our airports and aviation infrastructure?

Again, as concise as you can be.

Mr. REGAN. Yes, thank you for that question. And obviously, we are in complete agreement when it comes to making sure that these workers are supported. In many cases, the contractors work

for subcontractors. They are the lowest paid people in the entire aviation industry, and they deserve better support from the Federal Government as we start utilizing all this money.

I think one thing that the Federal Government can do is really incentivize the increase in better jobs or wage raises, benefits, things like that at the front end, when airports are applying for greater funds. They are going to be looking to expand airports all across the country. And it is going to be a big amount of money that is going out. And if we are putting it at the beginning that we need to have labor peace agreements, if we have to have certain wage requirements as a condition of making sure this money is going out the door, I think that will go a long way towards ensuring that people actually start treating these workers with the dignity and respect that they deserve.

Mr. GARCÍA OF ILLINOIS. Thank you so much. I am running out of time here. I want to ask one more question to Mr. Regan on rail safety.

Chicago is the center of this country, of our rail network. The IIJA takes a number of important steps towards improving highway and trucking safety, with the goal of reducing tragic accidents and fatalities on our highways. And it is evident that these efforts are more needed now than ever, as NHTSA reported that traffic deaths reached a 16-year high in 2021.

To be [inaudible]——

Mr. AUCHINCLOSS [interrupting]. The gentleman's time——

Mr. GARCÍA OF ILLINOIS [continuing]. And why are Amazon's operations so unsafe, and what threat do they pose to the promises of the IIJA?

I think the chairman is telling me my time is up.

Mr. AUCHINCLOSS. The gentleman's time has expired.

Mr. GARCÍA OF ILLINOIS. [Inaudible] in writing, I would appreciate it.

Thank you, Mr. Chairman. I yield back.

Mr. AUCHINCLOSS. The gentleman yields. Written responses would be appreciated.

And the Chair recognizes Mr. Nehls for 5 minutes.

Mr. NEHLS. Thank you, Mr. Chairman. I would like to thank all the witnesses for being here today. My questions are really geared towards Mr. Gardner.

And I am from Texas, Mr. Gardner, I represent the 22nd Congressional District in Houston, and I am getting a lot of questions. Like most individuals in the great State of Texas, we are seeing the crisis at our southern border, and many of my constituents are asking me what Congress is doing to secure our border. They ask me about these midnight flights, where illegal aliens are flown all over the country.

And so, my question is, are illegal aliens being transported on Amtrak trains?

Mr. GARDNER. Thank you, Congressman. We, of course, offer trips through Texas on the Sunset Limited through your district there, and those tickets are available for purchase. We don't have any special programs or engagement regarding any immigrant groups, per se. It is really just a matter of people purchasing reservations. So, the tickets are available for sale, and folks board our

trains, but we don't, as part of ticketing, of course, check immigration status.

Mr. NEHLS. OK. And so, that is a followup question I have, as it relates to purchasing tickets. And I brought this up in a previous hearing, about people that want to ride on an Amtrak train. Up here, in this corridor here, I have had staff and others that have told me that they can purchase a ticket on a train, right, and they are never asked for an ID. They can carry two bags, whatever they want, on the train. The bags are not scanned.

I mean, there is no metal detectors. There is no—like, you get on an airplane today, you have to give them everything but a blood sample. I mean, you have got to take off your belt, your shoes, all of it. You have got to have your bag match your—all of it. But on a train, it appears that you can buy that ticket, and there is no real security apparatus in place to make sure you know who is on your train.

So, how does Amtrak—what are your safety procedures to make sure that your passengers are safe on a train, if someone can buy a ticket like an illegal alien, possibly, or someone else, and give that ticket to somebody else because there is no ID required? How does Amtrak justify this?

Mr. GARDNER. Well, Congressman, the Amtrak system and transit systems around the country are open systems designed to make travel easy and facilitate mobility. And certainly, we have a dedicated Amtrak police force, one that we have been growing, a lot of efforts, in partnership with DHS and TSA, to provide security.

We do random ID checks. You need to have an identification on board. And we do spot screening, and we have a large K–9 force associated with our police team to screen passengers.

Having said that, we would encourage and support further investment in rail security efforts. That is something Amtrak has long advocated for since the tragedy of 9/11 and so forth. So, there are opportunities to invest, and we are growing our police force, and we work very closely with police forces across the country to provide security both at our stations and on board our trains.

But——

Mr. NEHLS [interrupting]. Would Amtrak support legislation to have your passengers travel through a metal detector like I have to do to get on the House floor to vote here?

Mr. GARDNER. That is a, I think, very impractical approach, given that the majority of our 500 stations are—many of them are unstaffed. Many of them are just platforms located in the——

Mr. NEHLS [interrupting]. All right, I have about a minute left. And you say it is impractical, but I will say this to you. Is that—when you look at the security apparatus that you have in place—and yes, I am an old sheriff, I did it for 30 years, I understand about having dogs running around, maybe sniffing a bag here or there, and doing some random checks.

But I will guarantee you—the first time, sir, that you have a mass casualty event on your train because somebody brings guns onto those trains, and these assault weapons, and all of a sudden—you think you are struggling now? You wait until you have a mass casualty event on the train, and then the American taxpayers are going to be on the hook because you are going to want more money.

You are going to want more money because your ridership is going to say, "We can't ride this train because we can't feel safe."

All I am trying to say to you is be a little bit more proactive. And the idea to say is, well, it is an open system doesn't sit well with me, because that is not—you got to be more proactive, and do everything that you can to provide a safe and secure environment for your passengers. And my understanding is that right now you have received billions of dollars from us, and you just haven't really improved the security apparatus. And it is something that I am going to be focusing on here in the next legislative year.

Thank you for your time.

Mr. AUCHINCLOSS. The gentleman yields. The Chair recognizes Mr. Lamb for 5 minutes.

[Pause.]

Mr. LAMB. I guess the button that says "talk" is the one you are supposed to press. Thank you, Mr. Chairman, and thank you to all of our guests.

Mr. Regan, to start—Regan or Reagan? I missed the intro.

Mr. REGAN. It is Regan.

Mr. LAMB. Yes. In Pittsburgh, that would be Regan, so, I just wanted to make sure.

I want to talk about the issue of Buy American steel provisions, particularly in the IIJA. The goal in that statute was to make these the most comprehensive and enforceable that we have ever had. I know that opinion in the steel industry is pretty positive about it, but there is always a risk of there being more loopholes or, sort of, specific steel products that are difficult to obtain in America.

And then there is, kind of, a whole separate set of issues related to the tendency of steel companies to start moving away from union areas like western Pennsylvania to nonunion operations in the South.

So, I was wondering if you could just comment, from the AFL–CIO's perspective, on how we are doing on Buy America, and what else might remain on that to-do list.

Mr. REGAN. Thank you for the question. I think that the policies that were adopted as part of the IIJA were among the most aggressive pro-Buy America policies that I have seen in my career.

When you have those types of really aggressive, forward-looking policies, it is going to take a little bit of time for the industries to catch up. I am trusting that the DOT, working together with the unions who care about these issues, that every decision they are making when it comes to implementing Buy America is geared towards that goal of getting to 100 percent. That is, ultimately, what needs to be the goal, that we don't just set ourselves a ceiling or a floor at 70 percent, and then just try to scrap that together. It should be towards rebuilding our overall manufacturing capacity to actually meet our country's needs.

And as I mentioned earlier, our supply chain crisis that happened earlier really laid bare where our lack of preparedness is when it comes to economic redundancy and making sure that we have the ability to provide the equipment and the raw materials that are needed in this country.

So, as we start to implement this bill more, as we start identifying where there are gaps in our manufacturing capacity, the next

step needs to be making sure that companies are aware of those opportunities, and that we can start growing that manufacturing base again in this country.

Mr. LAMB. Yes. No, I couldn't agree more. It is obviously a complicated issue that involves energy prices and things that I think both sides have had input on here today. So, I appreciate that.

Ms. Nelson, I missed the earlier parts of your testimony, but I know from your written submission one of the key observations is the way that, even before the pandemic, the situation was unstable for your workforce and the people you represent. And so, if there is anything you haven't gotten to say yet, or anything you would like to emphasize as it relates to basically helping your members thrive a little bit better in the years ahead, changes that we can make. Every time I am on a flight I am struck by how difficult that job is, and I know during the pandemic it got a whole lot harder. So, if you could, just point us to some concrete ways you think we can address whatever workforce issues are going on.

Ms. NELSON. I appreciate that very much.

And first, I would just like to say that it was historic that unions and the industry got together to work on this relief program that really put us in a place where we are not going backwards now. We essentially froze an imperfect system, that is true. There were issues prior to the pandemic, and thank you for recognizing that.

But I really do want to recognize that the industry agreed to ban stock buybacks. We hope that they continue on that. We are asking them to do that now, so that they can invest in the workforce and the infrastructure. But they also agreed to a cap in executive compensation. They did not take bonuses during this time. That was said earlier in the hearing. So, I want to make that very clear. And when we do our best work is when we are working together.

So, what we want to do is make sure that the system in place right now that promotes things like stock buybacks, where cash is being sent out to Wall Street, not reinvested in the business, not reinvested in good jobs, not reinvested in the infrastructure that is needed—I will give you an example. When the airlines started making money after all the bankruptcies, after the consolidation of the industry, the mergers, what we saw was staffing taken down to FAA minimum levels.

Typically, at the mainline carriers, it was staffed 25 to 50 percent over the minimum levels, depending upon the load factors on our planes. Today, every single flight is full, and every single flight is staffed at FAA minimum levels. There is no give in the system. That also then makes it much harder for the flight attendants on the front lines, who are dealing with aggressive passengers, conflicts.

And I want to be very clear. We have been working very closely with TSA Administrator Pekoske, recognizing that the assaults against airline employees have not gone down. There was a lot of narrative around that was just about the mask policy. That is not true. There are other issues going on in the country that we need to deal with: serious depression issues, serious mental health issues. And we are usually on the tip of the sphere of anything happening socially or politically in the country. We see that on the front lines.

In terms of what can help as we are coming up, we need to address the issue of staffing. We need to readdress what those staffing minimums are in relation to—it can't just be about evacuation standards anymore. There are a whole series of things that flight attendants are responsible for today: radiation exposure——

Mr. AUCHINCLOSS [interrupting]. The gentleman's time has expired.

Ms. NELSON [continuing]. [Inaudible] standards, a seat for every passenger on board——

Mr. AUCHINCLOSS [interrupting]. The gentleman's time has expired.

Ms. NELSON. Thank you so much for your——

Mr. LAMB [interrupting]. Thank you for that. I do have to yield back.

Mr. AUCHINCLOSS. The Chair recognizes Mr. Stauber for 5 minutes.

Mr. STAUBER. Thank you, Mr. Chair, what a great discussion.

Ms. Nelson, I just want to—first off, thanks for your comments. I want to just share a couple of things with you, and I will share with others, as well. Thanks for what you and your union workers do to keep us safe, a tremendous amount of responsibility during COVID.

I will just add that when you are talking about your profession, make sure it is under the wings, too, the mechanics and the people that push the bags, as far as union workers, both above and beyond the wings. I just want to make sure that—that is a whole group of people that allows us to fly across this Nation and enjoy the great things that your profession does to allow us to have good ridership and safe ridership. I just want to make sure that it is above and below the wings that we recognize it.

Ms. NELSON. Absolutely.

Mr. STAUBER. Thank you.

A couple of things, Mr. Chair. Chairman DeFazio—I wanted to talk more about the NEPA process, and I am not going to speak for the chair, but I think that, if he were here, he would probably say that this committee should have had some say in the Infrastructure Investment and Jobs Act.

Do you all know that not one of us had a hearing or input on it?

Ms. NELSON. Yes.

Mr. STAUBER. And that is unacceptable. That is not good governance, and we know that.

We talked about NEPA. My good friend from South Dakota talked about NEPA. That does need to change. We need to change it. I just want to give you an example.

In the Iron Range in Minnesota there is the biggest copper nickel find in North America. It is called the Duluth Complex. It has 95 percent of our Nation's nickel reserves, 88 percent of the cobalt reserves, over one-third of our copper reserves, and other platinum group metals. This administration pulled the Federal leases on it, and it had a project labor agreement in it, and I supported it. Thousands and thousands of workers lost the right to mine, lost the right to go through the process. And there is a project labor agreement. I stood there with my union brothers and sisters.

Help me help you on this. We talk about electric vehicles. Does anyone here ever want to purchase any critical minerals, including cobalt, with child foreign slave labor? If there is anybody here, raise your hand on the panel. Anybody?

OK. I want you all to know on this committee I had an amendment that said the United States will not purchase one ounce of critical minerals using child slave labor from foreign nations. And it went down on a party-line vote.

My workers in northeastern Minnesota are ready, able, and willing to help with the supply chain. The EV charging stations that Secretary Buttigieg just brought forward to the country yesterday, no requirement for American critical minerals. The workers in my district? Zero requirement.

I just want to move on to Ms. Nelson.

Do you require a 4-year degree?

Ms. NELSON. To be a flight attendant?

Mr. STAUBER. Yes.

Ms. NELSON. No.

Mr. STAUBER. Mr. Regan, do you require a 4-year degree?

Mr. REGAN. Not for most of the professions that I represent.

Mr. STAUBER. Mr. Gardner, Amtrak, do you require a 4-year degree?

Mr. GARDNER. For most crafts, no.

Mr. STAUBER. OK. One of the things that we must understand is there are many people that have gone through school, college, paid for it themselves, worked while going through school, and there are many others that haven't. You are an industry that doesn't require the 4-year degree in your jobs. And so, we just had a piece of legislation that allows your blue collar workers to have to pay for others that committed to pay their own loans.

The last thing I want to talk about is, Ms. Nelson—I just want to share this with you all. My background is a police officer. For 23 years I wore the uniform in a local police department. I organized my union, I became my union's president.

Ms. Nelson, you brought up something that is very near and dear to me. The depression and the suicide in our cops across this Nation because of the defund the police movement is atrocious. The training, retention, morale, and recruitment is down lower than ever. As you go across and talk to people, would you please make sure that you talk about our men and women in blue and brown that keep our community safe every single day? You have the voice to do that, and I am just imploring you to do that.

And I yield back.

Mr. LAMB [presiding]. The Chair recognizes Mr. Allred for 5 minutes.

Mr. ALLRED. Thank you, Mr. Chairman. I will just say that the House spent months and had hundreds of amendments on a House infrastructure bill. The Senate, of course, incorporated some of that in the IIJA. I think it is a little bit disingenuous to say we had no input into it. I think that our bill was better than theirs, but I do think it was a huge advancement for us. In fact, the largest investment in infrastructure since the Eisenhower era. And as Chairman DeFazio likes to point out, even larger than the investments from the Eisenhower era.

Mr. Regan, in your testimony you mentioned the February 2022 MOU, memorandum of understanding, signed by Secretary Buttigieg, Secretary Walsh, and will support millions of good-paying jobs. And I was wondering if you could speak to the significance of the MOU and the impact that it is going to have on job growth in the country, and certainly in your area.

Mr. REGAN. Thank you for the question. I think one of the things that I found most significant about this MOU is that there are areas of expertise within the Department of Transportation that the DOL does not have. And there are areas of expertise in the Department of Labor that the DOT does not have.

And I think one of the key parts there deals with apprenticeship programs and job training requirements that DOL has dealt with extensively, and that DOT wants to adopt and bring in to make a key part of how they are rolling out this infrastructure spending money that comes in their jurisdiction.

I think it is actually a really important step, and far more meaningful than I think it is given credit for that they have partnering, and brought the shared experience and shared expertise between those two agencies together to actually deliver on projects that are going to create the best quality jobs and the best pathways to success for individual workers across the country.

Mr. ALLRED. That is great. I am glad to hear that. I am a big believer that unions strengthen our middle class. I myself am a former member of the NFL Players Association, which is an affiliate of the AFL–CIO, and I know how important my union was to me, as a player and now, even as my playing career is over.

And so, Ms. Nelson, you and I have talked about this before, and you were starting to talk about it with my colleague, Mr. Lamb, about how we can better support your folks, the flight attendants who faced, as you said, some of the most challenging conditions of any field during the pandemic, and even post-pandemic.

On my last flight coming here, the flight attendants were talking about the assault that occurred on—I forget which flight it was, where a flight attendant was hit in the back of the head. I am just wondering——

Ms. NELSON [interrupting]. [Inaudible] to Los Angeles on American Airlines, yes.

Mr. ALLRED. Yes, that is right. Obviously, on that flight there was, again, an issue around jurisdiction, that you and I have talked about before and when the plane landed, who was responsible for what?

Can you just talk about how we can better support safer working conditions for flight attendants?

Ms. NELSON. Thank you very much. What we would like to see is a banned passengers list and, as you noted, the better jurisdiction and clarification about who is going to take on these issues that happen on the plane, on the jetway, and in the gates themselves, because we have assaults against gate agents and assaults against concession workers and TSA workers, as well. We need to look at that banned passengers list.

We also need to look at a major contributor to these events, and that is alcohol. And so, the signage in the airports and the policies and the training for people serving alcohol in the airports, and also

making it more clear and giving better staffing and better eyes on the entire operation throughout the airport about where the problems are arising, and where people are inebriated, so that they are not getting on the plane—and we are not able to see that because we have little staffing and a lot of people to load on board—so that we can keep them off the planes before we start.

I want to thank you so much for your support on that and the more that we can do to be coordinating. I appreciate very much the TSA and FAA working together on moving people out of the PreCheck program when they are being fined by the FAA for outbursts on the plane—they are no longer a trusted traveler and they shouldn't be there—and the coordination between FAA and DOJ to speed up prosecutions, and make sure that people are very clear that, when you are acting out on the plane, when you are violent on the plane, you are going to be ending up in jail. This is a Federal crime, and the more that we can enforce that, the better off we can be.

Finally, I would just say that we really need leadership from all over to call on people to be helpers and to lift people up. Because our experience, as flight attendants, is that the vast majority of people come to our planes with kindness in their heart and a desire to have a safe, uneventful flight. We need to help people understand that flight attendants are there for your safety, that when they board the plane they are making that connection with people, and that they are sitting up, and we are calling out good behavior, as well. And we need that coming from all leadership ranks across the Government and across our airlines, as well.

Mr. ALLRED. That is great. Thank you so much for your testimony.

And Mr. Chairman, I yield back.

Mr. LAMB. The Chair recognizes Ms. Mace.

[No response.]

Mr. LAMB. The Chair recognizes Mr. DeSaulnier.

Mr. DESAULNIER. Thank you, Mr. Chairman. It is nice to see you up there.

Well, I want to thank all of you for being here. This is really very exciting and important.

I represent a district in northern California in the bay area that is transitioning. We have got five oil refineries. Chevron is headquartered there. We have 4 of the 10 megacommutes in the United States, so, infrastructure is important.

But also, Mr. Regan, I want to direct this question at you. You represent a diverse workforce. So, transitioning, it is this hard infrastructure over the next few generations of workers, but it is also transitioning the fuel. A major part of the bill that I was able to get in was a bill that I had on clean corridors. This is really extraordinary, not just the multiplier of this investment for multiple generations on improving our infrastructure and what that does to communities. The multiplier—correct me if I am wrong, but my memory is that, for every 1 construction job in a high-cost area, it is about 12 other jobs out in the larger economy.

Maybe, if you could just talk a little bit about—and there has been some challenges. I know the steel workers who represent the workforce in those refineries in my district, they are good-paying

jobs by State statute—I was an author of the bill—they are required to be graduates of the State apprenticeship program. It has led to much fewer workforce disruptions and air quality off-sites. But on the other hand, those are good-paying jobs. But we are going to transition those. We have got plenty of jobs in the new economy on solar, IBEW, and other alternative fuels.

As exciting as this is, I think it is even more exciting, because we are looking at multiple generations, if we do it right, not just to improve those long commutes and quality of work, quality of life in two-income households in expensive places like DC and the bay area, but lead the world in transitioning to a cleaner, more efficient, and economically more robust energy source.

For your memberships, there are challenges to that. People have to be retrained and respected. Maybe you could talk to that a little bit, about what you see, from a multigenerational standpoint, of the benefit of this investment.

Mr. REGAN. Well, I think the investment is critical to our country.

I also think that it would be—it is too often dismissed that many of the new, green-energy jobs do not have the same pay or benefits or job training requirements that exist in some of the more traditional—whether it be in pipeline work, or whether it be even in mining or in fuel refining.

I think we do need to have a real focus on making sure that it is—the word "transition" gets thrown around a lot, but I actually think it needs to be that we have a true, genuine transition where you are not asking people to take a step backwards. Because I don't know very many people in this country who would say, "yes, you know what? I will gladly take a 75-percent cut and go do that," because that is just not realistic, especially for most people in this country, especially working-class people who are relying on this.

I think there needs to be a focus on making sure that there are the same level of wages and benefits, but also to ensure that there is training up there at the front end, so that people are not just sort of cast out to sea and expected to figure it out.

Mr. DESAULNIER. And I think that is sort of what I was getting at. Some of it is—in my perspective, and I have a very progressive San Francisco district. I have, I think, a 98 percent League of Conservation lifetime score, but I have a 99 percent AFL–CIO score. And I am a former Teamster. But I don't see these as mutually exclusive.

But you don't tell somebody—a boilermaker or a welder—that it is too bad we are going to make you coders. They are jobs that can take their current craft and apprenticeship, and we can move them to. We are doing a lot of work identifying with NOAA—I mean, as we look at what is happening in Florida right now, we know there is lots of work here. But it is connecting that work to actually make this country remarkably like—and the kind of growth we had in the fifties and sixties, where the middle class really regains its position.

I wonder if either you or, Ms. Nelson, if you have something to say. I see you shaking your head.

I think we have got such an opportunity with this to rebuild the middle class in so many ways for multiple generations.

Mr. REGAN. I think you are absolutely right. And I think there are examples of where this is being done well.

I think a lot of the offshore wind energy, we are making sure that all that construction is being done under project labor agreements so that the job quality is up there with traditional energy jobs, but that also needs to extend to other parts of that supply chain, if you will, from energy.

And in one example for—we do need to make sure that the mariner jobs, our Jones Act jobs, make sure that those——

Mr. DEFAZIO [presiding] [interrupting]. OK, the gentleman's time has expired, but I will take 5 minutes, and you can continue. And then Ms. Nelson.

VOICE. No, Ms. Norton first.

Mr. DEFAZIO. Oh, Norton, Norton. Oh, sorry. Where?

Oh, oh, there you go.

Eleanor, sorry, sorry, I didn't know you were on the screen. OK.

Eleanor Holmes Norton is recognized for 5 minutes.

Ms. NORTON. Thank you, Mr. Chair. I have a question for Mr. Desue, the general manager of TriMet.

One of my goals, as chair of the Highways and Transit Subcommittee, has been increasing the ability of Disadvantaged Business Enterprises—DBEs—to participate in the building of our infrastructure.

Mr. Desue, I understand that your agency recently completed a new bus rapid transit project that had DBE participation at a rate of 84 percent. Now, that is a record for TriMet on a major capital project. Can you tell me what benefits TriMet saw from inclusion of minority- and women-owned businesses, and what advice you have for other agencies looking to increase their DBE participation?

Mr. DESUE. Thank you, Congresswoman. We are very excited at TriMet with the 84-percent rate that we had.

I would start off by saying partnerships are very key to the community, making sure that we engage Disadvantaged Business Enterprises to be part of the projects that we have. We start with really connecting and building those relationships with the partners in the community also on this project here, with the 84 percent, which is the largest in the State of Oregon, from a project standpoint, and we are really proud of that.

Ms. NORTON. Thank you.

Mr. Gardner, in 2012 Amtrak announced a master plan for the development of Union Station here in the District of Columbia. The $10.7 billion Washington Union Station expansion project will renovate facilities and over 25 acres of tracks, [inaudible] compliance, address decades of maintenance backlogs, eliminate [inaudible] bottlenecks, and create an estimated 67,000 construction jobs.

Mr. Gardner, when does Amtrak expect to start receiving funding under the Bipartisan Infrastructure Law or other sources for the Union Station expansion project?

Mr. GARDNER. Well, thank you, Congresswoman, and thank you for your interest and leadership on this project. I know it has been very important to you.

As you know, we are still in the environmental process, which is led by the FRA, to finalize that Environmental Impact Statement

for that future vision that we laid out quite some time ago. And we have been in great conversations with our partners at USRC in the District, and with the Federal Government, and FRA, in particular, about advancing this program.

Our expectation is that that environmental work will be done towards the end of next year. We are very anxious for that to be complete, and that will then permit us to go into the design process and start advancing some of the core elements of that program. I am happy to say that work is underway in a variety of other important aspects that will support that work.

We are nearing in on completion of the track 22 rehabilitation, which puts back in a track that had been out of service in the new accessible platform. That is going to be completed in the summer of 2023.

We, of course, are looking for further work on the sub-basement elements here. This addresses both the historic basement of the headhouse and the track structure above it in the lower level platforms, and are working on the hangar to the south, as well, and modernizing the concourse.

A lot of work is underway on the infrastructure and the elements of the terminal. But the big program is in the environmental process, and we are anxious to have that work completed by the department, and be able to move forward in partnership with the District, our other commuter rail partners, WMATA, and the Federal Government.

Ms. NORTON. Well, how soon after the release of the Federal Railroad Administration's final Environmental Impact Statement Review can we expect a groundbreaking?

Mr. GARDNER. Well, I think we are working right now, actually, with the District, who is making an investment and working with us and also the Federal City Council to develop a governance and funding and financing strategy. We have got to pull together all these different parties, who have different elements of this program.

We will also partner, of course, with the developer, who has the air rights, to build a path to implementing this program. As soon as we get the environmental work done, we will really be able to commence the remainder of the design, and look for those early wins. We are hopeful we will be able to move forward quickly once we get the EIS complete.

Ms. NORTON. OK, thank you.

Mr. DEFAZIO. I thank the gentlelady. We are waiting for Mr. Van Drew. He says he is on his way here. OK.

He is not?

Well, that is OK. I will take 5 minutes, and then, if he shows up, he can—OK.

So, Ms. Nelson, I was a little concerned about some of what we have heard today about the PSP program. Would you just expand a little bit on that issue, especially from the—well, anyway, let's just say what we have heard. Go ahead.

Ms. NELSON. I would be happy to. The Payroll Support Program was historic. We have never conducted a relief program in this way ever before in this country. And——

Mr. DEFAZIO [interrupting]. You are talking a little soft now, Sara.

Ms. NELSON. We have never—thank you. I have never had anybody say that to me.

But we have never conducted a relief program in this country the way that we did with the Payroll Support Program. It covered, essentially, 50 percent of the payroll at the major airlines to keep everyone in their jobs, make sure there was no reduction in the rate of pay, and continue service to all of our communities. And it had executive controls, as well, and controls on ensuring there would not be growing inequality during this pandemic. And that was the ban on stock buybacks and dividends that expires tomorrow and the cap on executive compensation. And so, all of these things kept people in their jobs, paying taxes, continuing to contribute to the country. And it was a total investment in the workers.

It was the first time also in the country that we told a corporation exactly what they could do with the money. We have not done that before. We have given it to them and said, "You make the best decisions," and that ends in job cuts. That usually ends in concessions, sometimes that ends in bankruptcies, and it always ends in executive bonuses. And that did not happen with the Payroll Support Program.

Anyone who calls it a bailout does not understand what this was. It was a total success. And everywhere I go around the world, talking with other aviation unions and other corporations, frankly, around the world, they absolutely herald the success of payroll support, wish they had done it, and look to the U.S. as a leader on what we did to preserve aviation and our ability to maintain our aviation system.

The only other thing that I would say is that we are on the—we had demand come slamming back. This is not like another crisis, where demand slowly came back, either. And some of the problems that we see are an irregular set of demands for where people want to fly, and also the short staffing and the problems of 20 years of austerity prior to the pandemic.

But the Payroll Support Program itself was a complete success, and I thank you for your absolute relentless efforts to get it done. If we had not had you in the chairperson position, I do not believe that we would have been able to achieve this. And I have to applaud unions and the industry working together to make this work.

Mr. DEFAZIO. Well, thanks. And I just would note that the FAA also took a hit. I mean, because a lot of people retired, they couldn't run the academy, they couldn't bring in new controllers. And then we had, as you point out, displaced demand. Like, suddenly a lot of demand for Florida, not so much in other places.

Ms. NELSON. Yes.

Mr. DEFAZIO. And the FAA was a little slow to adjust to that, and it caused some disruptions. And now they are trying to staff up.

Ms. NELSON. However, TSA and our air traffic controllers being in a federalized system, that is the other thing that I hear around the world. The privatized systems that you worked so hard in your career to fight against were a complete and total failure in other countries during this pandemic.

Mr. DEFAZIO. Yes, I have talked to people who have been in line for 6 hours in Amsterdam because the private entities laid off all the security workers, and they didn't come back.

And obviously, the same thing here. We maintained TSA, even though they weren't real busy. And we were ready when people came back. So, you are absolutely right. There would have been unbelievable disruptions, hadn't we done those things.

And Mr. Regan, you were just finishing up on something, and I interrupted you. You will have 1 minute.

Mr. REGAN. Yes. Look, I was just going to add that there are success stories out there when it comes to green energy and doing it the right way.

I know that there was some discussion in Congress about whether to make sure that the ships that are carrying goods to and from the construction sites for offshore wind are U.S. mariners with U.S. certifications, and that is something where I think we need to look at the totality of a project, to make sure that is being done the right way across the board.

Mr. DEFAZIO. Yes. Actually, I have been engaged in working on trying to have the insertion vessels be Jones Act vessels, too. And the crews of the insertion vessels in the interim, which are foreign, operating in U.S. waters, should be U.S. workers, or at least paid adequately, which they aren't.

Mr. REGAN. Yes.

Mr. DEFAZIO. Thank you.

I guess Mr. Van Drew didn't get here, so, I think at this point we are going to conclude. That would conclude our hearing.

I would like to thank all the witnesses for your testimony. Comments have been informative and helpful.

I ask unanimous consent that the record of today's hearing remain open for such time as our witnesses have provided answers to any questions that may be submitted to them in writing.

I ask unanimous consent, without objection, that the record remain open for 15 days for any additional comments and information sent by today's Members or witnesses to be included in the record of today's hearing.

Without objection, so ordered.

The committee stands adjourned.

[Whereupon, at 1:19 p.m., the committee was adjourned.]

SUBMISSIONS FOR THE RECORD

Prepared Statement of Hon. Eddie Bernice Johnson, a Representative in Congress from the State of Texas

Thank you, Chairman DeFazio, and Ranking Member Graves, for holding today's hearing on our nation's transportation workers. I would also like to thank our witnesses for testifying today.

I want to take a minute to say how much I've enjoyed working with Chairman DeFazio over the years. Your strong leadership and keen knowledge of every mode of transportation made for a more productive committee. The programs we're discussing today are a testament to your success as a chairman and your dedication to workers everywhere.

Democrats in Congress and especially on this committee have worked extremely hard to provide new jobs and economic development as we address the problems created by the COVID pandemic. We've provided stabilizing funds that have allowed companies and agencies to keep their employees working and keep the economy moving.

Democrats, with very little help from our Republican colleagues, passed the largest transportation and infrastructure bill in history, building better roads, rail lines, and transit systems creating millions of good paying jobs and new manufacturing opportunities.

After years of chronically underfunding our transportation infrastructure needs, the $600 billion Democrats provided in the Infrastructure Investment and Jobs Act is creating jobs in every mode of transportation and improving infrastructure in every state in America.

I look forward to learning from our witnesses how the infrastructure and worker provisions provided through the American Rescue Plan, Inflation Reduction Act, and the Infrastructure Investment and Jobs Act are being utilized to keep our economy growing and keep people working.

Letter of October 12, 2022, to Hon. Peter A. DeFazio, Chair, and Hon. Sam Graves, Ranking Member, Committee on Transportation and Infrastructure, from Catherine Chase, President, Advocates for Highway and Auto Safety, Submitted for the Record by Hon. Peter A. DeFazio

OCTOBER 12, 2022.

The Honorable PETER A. DEFAZIO, Chair,
The Honorable SAM GRAVES, Ranking Member,
Committee on Transportation and Infrastructure,
United States House of Representatives, Washington, DC 20515.

DEAR CHAIR DEFAZIO AND RANKING MEMBER GRAVES:

Thank you for holding the September 29 hearing, "Investing in our Nation's Transportation Infrastructure and Workers: Why it Matters." We respectfully request this letter be included in the hearing record.

With 20,175 people killed on our nation's roads during the first half of this year, according to recently released data from the National Highway Traffic Safety Administration (NHTSA), Congress and the U.S. Department of Transportation (DOT) can and must take swift action to end this tragic toll. Advocates for Highway and Auto Safety (Advocates) commends the Transportation and Infrastructure Committee for advancing the Investing in a New Vision for the Environment and Surface Transportation (INVEST) in America Act which included numerous lifesaving provisions directly targeted at preventing crashes, saving lives, reducing injuries, and containing costs. We thank the Committee leadership and members who championed safety improvements as part of that bill. The INVEST in America Act set

a strong foundation for the Infrastructure Investment and Jobs Act (IIJA, Pub. L. 117–58) which, while not optimal, took key steps forward for safety.

It is now incumbent upon the U.S. DOT to implement the lifesaving measures enacted in the IIJA taking the directives as a "floor," not a "ceiling," for what must be achieved, as they have the authority to do. We applaud this Committee for exercising your oversight role by holding the July 19 hearing "Implementing the Infrastructure Investment and Jobs Act." We look forward to continuing to work with you to ensure the U.S. DOT delivers the needed advances on time and in a manner that maximizes safety outcomes and equity for all road users.

Lastly, on behalf of the Board of Directors and staff of Advocates, we thank and commend Chair DeFazio for your nearly four decades of service to the U.S. House of Representatives, your remarkable leadership of the Committee and your steadfast commitment to safety. Because of your vital work, countless lives have and will continue to be saved.

Sincerely,

CATHERINE CHASE,
President, Advocates for Highway and Auto Safety.

cc: Members of the U.S. House of Representatives Committee on Transportation and Infrastructure

Statement of the American Society of Civil Engineers, Submitted for the Record by Hon. Peter A. DeFazio

INTRODUCTION

The American Society of Civil Engineers (ASCE) appreciates the opportunity to submit a statement to the House Committee on Transportation and Infrastructure ahead of the hearing on *Investing in our Nation's Transportation Infrastructure and Workers: Why it Matters*.

ASCE has long advocated for investing in our transportation system and the workers who help it function. While infrastructure is often taken for granted, it forms the foundation of our national economy, global competitiveness, and quality of life. Infrastructure investment and economic strength are closely linked, as projects that aid the nation's highways, ports, waterways, railroads, and airports put people to work and help goods reach their destinations. The Infrastructure Investment and Jobs Act (IIJA), enacted in November 2021, will be instrumental in generating economic growth and narrowing the infrastructure investment gap.

The IIJA represents a historic bipartisan achievement and the largest investment in our nation's critical infrastructure systems in a generation. With this $1.2 trillion investment, the federal government can restore its critical partnership with cities and states to modernize our nation's roads, bridges, transit systems, drinking water systems, sewer collection pipes, school facilities, broadband, ports, airports, and more. To optimize the investment of over 100 new programs and many more existing programs across these sectors, the American Society of Civil Engineers (ASCE) understands the vital role transportation workers play in ensuring infrastructure serves communities safely and efficiently. Congress should build on recent legislative actions by continuing to encourage government agencies to include skilled workers in their long-term plans.

ASCE thanks the committee for holding this important and timely hearing and looks forward to helping lawmakers as the IIJA is implemented.

ASCE'S 2021 REPORT CARD FOR AMERICA'S INFRASTRUCTURE

Every four years, ASCE publishes its Report Card for America's Infrastructure, which grades the nation's major infrastructure categories using an A to F school report card format. The most recent report card[1], released in March 2021, evaluated 17 categories of infrastructure and reflected an overall C– grade. This grade marks an increase from the D+ recorded in 2017, indicating the country has made some progress in recent years, however 11 categories remained in the "D" and those categories reflect some of the infrastructure that families and businesses interact with most closely on a daily basis like the roads and transit systems, or critical systems like our dams and levees. Often, it is these categories where we have failed to make investments needed to maintain the assets that were build 50 years ago or more.

[1] https://infrastructurereportcard.org/

Fortunately, the IIJA makes progress to reverse decades of underinvestment in many of these lowest categories and make a significant down payment on the $2.5 trillion infrastructure investment gap that was identified in the 2021 Report Card.

Therefore, efficient implementation of the IIJA will play a major role to not only raise the grades for these infrastructure categories, but to make our nation's infrastructure fit for the future.

DEDICATING RESOURCES TO GROWING THE PIPELINE OF SKILLED WORKERS

To realize the potential of the five-year IIJA, it is critical that we have the civil engineering workforce in place to design, build, and maintain the nation's infrastructure. The American Council of Engineering Companies found that the industry will need to add 82,000 full- and part-time engineers to implement the IIJA. Infrastructure owners, including state and local departments of transportation, as well as consulting engineers, cannot effectively utilize the influx of funding if they do not have the workforce in place.

While Congress continues to recognize workforce needs with recent provisions dedicated to advancing science, technology, engineering, and mathematics (STEM) education in the CHIPS and Science Act of 2022, Congress should continue to encourage state and local governments to include skilled workers in their long-term workforce development plans. Furthermore, the Department of Labor and the National Science Foundation should partner with the engineering community to develop programs that can assist state STEM education and workforce plans to solve this ongoing challenge in the industry.

While some limited funds in the bill support workforce development activities and address gaps, as a nation we must continue to grow a diverse pipeline of skilled workers. Specifically, we must bring students into the industry and keep engineers in the U.S. Even more importantly, funds can and should be directed to include targeted outreach to disadvantaged and minority communities to address the ongoing gender, racial, and ethnic diversity gap that persists in the engineering field.

ASCE has identified some steps that communities can take in order to grow the pipeline of future engineers. This includes:

- Provide all students, regardless of background or career intentions, with basic STEM literacy.
- Provide equitable access to STEM education for all student populations, particularly those populations that have been traditionally underrepresented in STEM fields.
- Encourage students to pursue careers in engineering—and especially in civil engineering.
- Establish and maintain rigorous K–12 STEM education standards that are validated by the relevant professional communities.
- Introduce K–12 students to civil engineering through counseling, instruction, and engineering experiences, and in class practice to stimulate interest.
- Prepare K–12 students to study engineering at the college level through rigorous coursework in mathematics and the sciences.
- Support the development and implementation of Career and Technical Education in the STEM disciplines for students who are not college bound.

Many of these steps will also address the fact that the engineering profession continues to lag behind in diverse representation, which is critical to serve communities across the country effectively. The lack of diversity, equity, and inclusion in the civil engineering profession limits capacity to effectively meet societal needs. Over the last several decades progress has been made to varying degrees through awareness, education, and action. However, more efforts are needed to fully realize inclusive and equitable practices in our profession, to assure representation of the rich diversity of our global communities, and to produce just societal outcomes from our work.

Finally, the lack of professional grade status and associated compensation for qualified engineers employed in many government agencies has been a disincentive for attracting and retaining engineering professionals in the public sector. Many of these positions are now being filled by professional administrators and paraprofessionals having little or no formal engineering training. Ultimately, the quality of the public infrastructure and the successful prosecution of infrastructure projects which these agencies oversee could be adversely affected. This could undermine the public trust and respect for the affected government agencies. A government career path for engineers to reach professional grade will encourage engineers to enter government service and enhance retention of the valuable technical expertise and experience that is required to effectively implement the IIJA.

CONCLUSION

ASCE remains a staunch supporter of investing in infrastructure and the workforce that maintains and operates transportation systems. A robust workforce is necessary for a safe and dependable network of roads, bridges, transit systems, rail lines, ports, waterways, and aviation facilities. The nation is on the precipice of a long-awaited infrastructure decade. However, if we fail to make smart investments or fail to fill the nation's workforce gaps, we will not realize the full impact of the historic investments made by the bipartisan infrastructure law.

ASCE thanks the House Committee on Transportation and Infrastructure for holding this hearing and stands ready to assist lawmakers with their work on this important subject.

Statement of Cole Scandaglia, Senior Legislative Representative and Policy Advisor, International Brotherhood of Teamsters, Submitted for the Record by Hon. Peter A. DeFazio

On behalf of the 1.2 million members of the International Brotherhood of Teamsters, I write today regarding the Committee's hearing entitled "Investing in our Nation's Transportation Infrastructure and Workers: Why it Matters." The Teamsters are proud to represent members across the transportation industry who operate, maintain, and build our nation's transportation networks, and we appreciate the opportunity to provide our perspective on today's hearing.

Over the last 18 months, Congress and this Committee have worked to pass the American Rescue Plan Act of 2021, the Infrastructure Investment and Jobs Act, and the Inflation Reduction Act of 2022. Taken together, these bills represent one of, if not the most, critical and transformational legislative periods for transportation workers and the nation's infrastructure. We vigorously applaud the Committee's efforts and the members who supported these bills, and in particular thank Chairman DeFazio for his steadfast leadership and vision in securing these victories. From the depths of the COVID–19 pandemic to seizing the opportunity to make generational investments in the transportation industry, these bills have dramatically changed the trajectory of Teamster members' lives and livelihoods.

AMERICAN RESCUE PLAN

The sudden onset of COVID–19 and its sustained destruction as it reached pandemic status presented an existential threat to hundreds of thousands of Teamster members. Aviation boardings dropped 96%, Amtrak ridership dropped 97%, transit ridership cratered, and construction projects came to halt. At the beginning of 2021, it was evident that our economy was still in need of a lifeline. The Rescue Plan delivered that—providing essential support for Amtrak, the airline and transit industry, and other sectors as well extended unemployment benefits and secured pension benefits for millions. Without the passage of this legislation, the industries we represent were staring down the barrel of bankruptcies, closures, and dramatic service reductions. Instead, Congress wisely acted to pass the Rescue Plan, and both our members and the American economy continue to reap the benefits of that decision.

INFRASTRUCTURE INVESTMENT AND JOBS ACT

Today's witnesses will assuredly discuss in detail both the historic investments the IIJA made in infrastructure and the transportation workforce, along with key policy victories on safety, working conditions, and labor protections. Simply put, the IIJA delivered on years of failed promises to "do infrastructure". We have already begun to see the impacts of the IIJA for our members and know that over the course of the bill it will create thousands of good Teamster jobs.

We also know that the IIJA lacked a number of the bold, forward-thinking policy objectives that the Teamsters fought for when infrastructure legislation was originally passed out of this committee. We remain committed to these principles and look forward to working with the Committee to pursue them in other avenues.

INFLATION REDUCTION ACT

While many of the Inflation Reduction Act's greatest accomplishments are unrelated to transportation, we should not ignore the inclusion of important provisions that provide tax credits and incentives to support decarbonization of the economy and promote the manufacture and deployment of clean commercial vehicles. As the federal government and state regulators continue to pursue green initiatives and

stricter emissions standards, it will be essential that compliant vehicles are available and accessible for the country's freight needs.

Driven by necessity and emergency, this Congress has passed some of the most impactful and pro-worker legislation of our lifetimes. The Teamsters look forward to seeing these efforts continue to bear fruit, and we express our deep gratitude for those who have stood by us in these challenging times. We appreciate the Committee's consideration of our perspective on this hearing.

"Invest in Transit Equity, Invest in Transit Workers," Report, National Campaign for Transit Justice, February 2022, Submitted for the Record by Hon. Peter A. DeFazio

The 14-page report is retained in committee files and is available online at https://transitjustice.org/wp-content/uploads/2022/02/Transit-Workers__Report__v7.pdf.

Statement of Adell Louise Amos, J.D., Clayton R. Hess Professor of Law, Executive Director, Environment Initiative, Office of the Provost, University of Oregon, Submitted for the Record by Hon. Peter A. DeFazio

On behalf of the University of Oregon's Environment Initiative, I submit this written testimony for the Transportation and Infrastructure Committee's Hearing on the transformative impact of the legislation passed by the 117th Congress as it relates to the need to address climate change through the transportation sector. I submit these comments as the director of the University of Oregon Environment Initiative. Oregon's Environment Initiative is a campus-wide, transdisciplinary effort to focus our faculties' considerable expertise and energies on addressing the challenges of climate change. This effort reflects a critically important point that I've seen in my own career as the Deputy Solicitor for Land and Water Resources at the U.S. Department of the Interior (Obama Administration) and as a professor of law and researcher on pressing water issues related to climate, every single discipline can contribute. The UO is well-positioned to bring a broad range of expertise to this moment—from the humanities and social sciences to the natural sciences, law, journalism, business, design, and education.

As Chair DeFazio recognized in his opening remarks, the work of the Congress in the last two years to focus on the role of the transportation sector in addressing the climate crisis has been historic. The American Rescue Plan Act of 2021, the Infrastructure Investment and Jobs Act (IIJA), and the Inflation Reduction Act of 2022 represent an unprecedented and transformational investment in our shared vision for a just and livable future. Combined with passage of the CHIPS and Science Act, universities through our faculty, students and graduates are well-positioned to team-up with our own communities and the federal government to lead technological and civic change. We want to commend Chair DeFazio and the Committee for their leadership in putting climate change, transportation equity, and neighborhood access at the forefront of congressional action. This work promises transformational change that will benefit American families in the years to come.

As the work of this Committee recognizes, we find ourselves, as a nation, amidst unprecedented and transformative environmental impacts brought about by global climate change, the impacts of structural racism, increased economic insecurity, and the public health outfall of a global pandemic. As a result, we face societal paradigm shifts in systems that govern our economy, our natural world, the built environment, democracy, and the fundamental relationships among people and our relationship to the ecological system around us. These shifts highlight social justice dynamics and environmental inequities that shape our world and they require action from all spheres of society.

The University of Oregon is a comprehensive public research university with an integrated mission to explore new knowledge, generate innovative teaching approaches, and serve our community. We are known for our deep expertise in a wide range of disciplines related to the environment. This legacy of leadership results from decades of deep and substantive engagement with environmental issues. We have demonstrated our ability to deploy this expertise in ways that provide lasting policy-relevant work, including transportation research and its impact on communities.

In the transportation area, the UO has had the pleasure of working with Chairman DeFazio for the last fifteen years since the establishment of a University Transportation Center that included University of Oregon faculty. We appreciate his

longstanding focus on climate and resiliency in this sector. Reflecting the "Oregon Way"—the idea that solutions should benefit the common good—the Chairman has championed improving infrastructure and transportation for communities, understanding impacts, and the integration of transportation, livability and our built environment. At the University of Oregon, we also take an integrated approach in developing our expertise in understanding transportation impacts.

University of Oregon faculty have demonstrated our ability to deploy this expertise in ways that serve our communities. For example, our street re-design guidebooks, Rethinking Streets, have been used by local officials and communities in every state to help build infrastructure that makes it easier, safer, and more comfortable to walk, bike, or take transit more often. Our award-winning university-community partnership model, the Sustainable City Year Program, expands the transportation workforce while directly helping communities address climate change and equity through improved transportation, housing, and land-use systems. It has been adopted and adapted by other institutions of higher learning in all regions of the United States. Our innovative work focusing on the next generation of surface transportation modes, including autonomous vehicles, ridehailing, and micromobility, is helping proactively guide municipal decision making across the country so that regions can maximize the positive potential benefits of these modes and limit the negative externalities.

Much of this forward-looking, practice-relevant, and transportation workforce expanding effort was catalyzed through the leadership of Congressman DeFazio fifteen years ago. We have enjoyed and appreciated our continuous engagement with him as the work continues to make our transportation systems and communities more climate-friendly, equitable, and livable. We are very encouraged that the Infrastructure Investment and Jobs Act included a Center of Excellence that will focus on the impacts of autonomous vehicles and new mobility on our systems and communities.

Just as Congress has taken decisive and unprecedented action to address climate, here at the University of Oregon, as an institution of higher education with a public facing mission, we are committed to doing our part to contribute to climate solutions in even more meaningful and direct ways using the tools of education, research and community engagement. To accomplish this purpose, the University of Oregon launched the Environment Initiative, a campus-wide coordinated structure through which we can create and disseminate knowledge, integrate curriculum and reorient the work of the University using a transdisciplinary, problem-centered approach that responds to the needs of the community.

Facing our collective future requires us to create infrastructures in higher education that envision our work differently. Just as so much of our public life will be transformed as we face the impacts of a changed climate, so must our education system be prepared to respond. Organizing our research, teaching, and external engagement around an issue allows us to design proactive problem-solving pathways, to engage with multiple constituencies and social groups, to participate in diverse ideas and forms of knowledge, and to exert the full measure of our creative energy. This problem-centered approach begins with a particular challenge—such as clean water, energy efficiency, decarbonization, or wildfire—and asks what each discipline can bring to bear upon the problem.

Given our integrated mission to explore, teach, and serve, our engagement is critical to our authentic participation in the state, the ecoregion, the nation, and the world. We are marshaling our expertise to build upon and leverage our existing institutional strengths to structure higher education in a way that is responsive to the challenges and focused on climate solutions that reflect justice and equity. The work that this Committee has done to address the need to decarbonize the transportation sector through the historic passage of the American Rescue Plan, the IIJA and IRA reinforces and sets the course for the work we hope to partner in as a public research University as we build a resilient, decarbonized, and just future—in the transportation sector and beyond.

By leveraging the support provided through the University of Oregon's recently launched Environment Initiative, we are eager to see the provisions Congress has put in place be fully funded and implemented including efforts such as TRACE Centers and ARPA–I. The University of Oregon's Environment Initiative intends to step up and participate in these new opportunities. Congress has provided historic resources in pursuit of historic goals. We believe the Environment Initiative can contribute in achieving these goals and look forward to the work ahead.

Thank you for the opportunity to submit this written testimony. In particular, as a citizen of Oregon and member of this community, I want to recognize and thank Chair DeFazio for his longstanding and steadfast commitment to these issues and our state. The 117th Congress has acted in remarkable ways to create a policy

framework that transitions the U.S. to a more sustainable and equitable future. We look forward to engaging in this work.

APPENDIX

QUESTION FROM HON. EDDIE BERNICE JOHNSON TO SARA NELSON, INTERNATIONAL PRESIDENT, ASSOCIATION OF FLIGHT ATTENDANTS—CWA, AFL–CIO

Question 1. Ms. Nelson, we've seen a disturbing trend in passengers attacking flight crew members. Is there more the airlines and DOT could be doing to help prevent this violence against airline employees?

ANSWER. Congresswoman Johnson, thank you for asking and checking in on this issue affecting our workplace. AFA appreciated the letter you sent to the U.S. Department of Justice (DOJ) last year to encourage the agency to prioritize prosecution of unruly and disruptive passengers onboard aircraft, particularly toward crewmembers. We agree that expeditiously referring the most violent, physical assaults against crewmembers and passengers to the DOJ for public prosecution is critical to deter bad actors. While there must be swift and clear consequences for violent acts, there also must be leadership from airline management, federal agencies and Congress that asks, "What is the right thing to do and demonstrate?" Your willingness to stand up for us matters greatly and we value your leadership. It makes us safer. We encourage all your colleagues to join you.

Still, more needs to be done. AFA has called for more airport signage, airport public service announcements (PSAs), and notifications from the airline—starting when passengers purchase the tickets all the way up until boarding—should all be enhanced communication measures to reinforce the 'zero-tolerance' policy, the fines/jail time consequences, and the rules associated with alcohol consumption.

Most of the passenger noncompliance with safety rules coincide with passenger alcohol consumption. We need more education throughout the airports on rules related to alcohol—advising passengers that federal regulations prohibit passengers serving themselves alcohol and from boarding aircraft when inebriated. Vendors selling alcohol should be required to provide staff with "traffic light" alcohol training and recognition of the server's important role in contributing to aviation security and safety of all travelers. We also continue to call on airports to ban the practice and promotion of "to go" alcohol.

AFA has a list of recommendations for airlines and airports (and we encourage DOT/FAA guidance on these items):

1. Limit onboard alcohol sales.
2. Ban cocktails to-go and in-airport alcohol delivery.
3. Limit customers to purchasing one alcoholic beverage at a time.
4. The FAA must remind airports and vendors of their obligation not to serve inebriated passengers.
5. Airports must remind all airport employees of their shared responsibility to keep intoxicated passengers from boarding planes by notifying gate agents and crew members in advance.

We believe consequences for violent behavior need to include loss of ability to fly on commercial airlines when the acts warrant and after due process. AFA supports Senator Reed and Representative Swalwell's bill, the Protection from Abusive Passengers Act, because it does not allow those abusive passengers to fly for a period and revokes certain privileges, such as TSA Precheck or Customs' Global Entry.

AFA would like to work with you and all stakeholders to act together to keep us safe and flying friendly. Aviation is about bringing people together, not tearing us apart. Every person matters, and we can only have the freedom of flight when we recognize the reality that we are all in this together.

QUESTION FROM HON. BRIAN K. FITZPATRICK TO SARA NELSON, INTERNATIONAL PRESIDENT, ASSOCIATION OF FLIGHT ATTENDANTS—CWA, AFL–CIO

Question 1. Recent years have brought a wide variety of new challenges to maintaining the physical and mental wellbeing of essential workers, especially in the

transportation sector, while on the job. As Congress continues to prioritize this issue moving forward, what impact has the safety funding already allocated by the Infrastructure Investment and Jobs Act had on flight attendants and other aviation employees?

ANSWER. Thank you for the question, Congressman Fitzpatrick. The bipartisan Infrastructure Investment and Jobs Act (IIJA) is another critical investment in the quality and safety of our nation's infrastructure. As you know, $5 billion is designated for airport terminals, which includes concession projects. When concessions are down, or poorly staffed passengers cannot as easily get a meal before a flight. This increases anxiety, medical issues, and sometimes leads to violence. While seemingly small, funding for concessions is actually very important for the safety and well-being of everyone at the airport.

In addition, $15 billion was set aside for airport infrastructure, such as the runways, gates, taxiways, safety and sustainability projects, airport transit connections, and roadway projects. A tragic example comes to mind of the importance of airport transit projects after learning about a Ryanair (UK and Ireland based airline) Flight Attendant, Cinzia Ceravolo, who was hit by a car and died. She was trying to walk home in the dark from the airport after her shift because she could not afford a taxi and there was no public transportation option. Had public transit been available to get her safely off the airport road to connect her to a bus stop or to subway, she would still be alive today.

I am confident the funding provided in the infrastructure bill will yield positive safety outcomes for Flight Attendants now and in the future. Thank you for your leadership on this and your vote to adopt this critical legislation.

QUESTION FROM HON. DINA TITUS TO SARA NELSON, INTERNATIONAL PRESIDENT, ASSOCIATION OF FLIGHT ATTENDANTS—CWA, AFL–CIO

Question 1. The Bipartisan Infrastructure Law provides an historic $25 billion to help rebuild our airports and aviation infrastructure. How can this money be used to improve the wages and benefits that aviation workers receive, especially lower-income workers who don't receive good benefits like healthcare and pensions?

ANSWER. Thank you for the question, Congresswoman Titus. The IIJA includes many key provisions championed by labor unions, including local hiring preferences, Buy America provisions, and prevailing wage requirements. Transportation unions came together to ensure that many of the requirements to receive infrastructure funding from the IIJA protected workers from cheap business models that underpay and overwork their employees, sometimes in unsafe workplace settings. This funding will be used to improve the wages and benefits that aviation workers receive because of these worker protections, in addition to creating more good union jobs in the communities in which the projects are being built. That provides job security and stability for Flight Attendants and other aviation workers on the job too.

QUESTION FROM HON. JESÚS G. "CHUY" GARCÍA TO SARA NELSON, INTERNATIONAL PRESIDENT, ASSOCIATION OF FLIGHT ATTENDANTS—CWA, AFL–CIO

Question 1. In 2020 I led a letter to leadership expressing concern with airlines spending over 96% of free-cash-flow on stock buybacks from unused funds under the CARES Payroll Support Program. I even questioned former Boeing CEO Dennis Mulienburg for reaping millions in stock buybacks. Are you concerned with the expiration of the stock buyback and how that will be tied to pay? Would you agree that these funds can be used to prioritize payroll payments, staff levels, benefit and minimum wage assurances?

ANSWER. Thank you for the question, Congressman Garcia. And thank you for your leadership on this issue. Stock buybacks are a greedy tool that has assisted in massive inequality and growing poverty. They were once illegal, and they should be made illegal again if we want a thriving economy where everyone can benefit from their hard work.

The CARES Payroll Support Program (PSP) halted the greed of Wall Street by banning stock buybacks and dividends until September 30, 2022, and it also capped executive compensation through March 2023. This was purposely done so federal funding would be directed to frontline workers for our pay and benefits and to prevent taxpayer money from going to airline shareholders and investors during this economic crisis. This plan first codified in the CARES Act, originating from House Transportation and Infrastructure Chair Peter DeFazio, not only served as the most effective COVID relief plan in the world, it also stopped growing inequality as aviation was the only industry not to increase inequality between frontline workers and executives during the pandemic.

The hearing was very timely because the provision banning airlines from initiating stock buybacks expired the next day. We know you are aware our union, along with the Air Line Pilots Association, Int'l (ALPA), the Association of Professional Flight Attendants (APFA), the Communications Workers of America (CWA), International Association of Machinists and Aerospace Workers (IAMAW), the International Brotherhood of Teamsters (IBT), Transport Workers Union of America (TWU), and Service Employees International Union (SEIU), representing hundreds of thousands of aviation workers, announced the launch of nostockbuybacks.org. The campaign demands pledges from the CEOs of U.S. airlines to extend the COVID relief ban on stock buybacks until:

1. Operational meltdowns are not the norm and staffing and flight schedules are aligned to support public demand; and
2. Labor contract negotiations are concluded.

While airlines are just now starting to make a profit, the recovery is not complete and the austerity of the twenty years following 9/11 has not been corrected for airline jobs. We can't allow CEOs to send one dollar to Wall Street before fixing operational issues and concluding contract negotiations currently underway for more than a million workers. We need investments in the operation, staffing, and pay and benefits to keep and attract people to aviation jobs.

Airlines have yet to take the pledge, but so far, our public position has helped to stave off announcements of stock buybacks in aviation. This twitter thread includes a review of the public statements from airlines since we launched our campaign: https://twitter.com/afa__cwa/status/1575867566953676801

Emphasizing the concerns we're raising, thank you for signing the letter sent on September 29, 2022, to the trade associations who represent commercial airlines, urging their members to publicly pledge that they will not engage in stock buybacks on October 1, 2022. Millions of frontline transportation workers have worked through the devastating effects of the COVID–19 pandemic, and many put contract negotiations on hold during the crisis. Minimum staffing and high productivity put in place pre-pandemic exacerbate problems now until we can address these issues in bargaining and/or legislation. We appreciate your efforts to solicit the concerns of airline workers who continue to bear the brunt of chronic understaffing and languishing labor contracts.

QUESTIONS FROM HON. EDDIE BERNICE JOHNSON TO GREGORY R. REGAN, PRESIDENT, TRANSPORTATION TRADES DEPARTMENT, AFL–CIO

Question 1. Mr. Regan, every business in America is struggling to find workers. Your organization represents millions of employees. What suggestions do you have for bringing more people into the nation's workforce?

ANSWER. First, it's important to note that we do not have a shortage of workers, but a problem with the supply of good jobs that attracts and retains workers. Employers must pay workers fair wages and ensure they are safe on the job and have good training opportunities and other benefits that help create opportunity and dignity in work. Second, we cannot meet our workforce needs without creating an equitable environment for *all* workers in this country. I encourage you to read our recent policy statements on the topics of *good jobs* and *equity*.

Question 2. Mr. Regan, we averted an economic disaster with the financial support provided in the legislation we're discussing today. Without these bills, would the workers you represent have been able to pay their bills and feed their families?

ANSWER. The simple answer is no. Without the financial support provided by Congress, entire industries and the jobs they provide would have disappeared almost overnight. The emergency investments that Congress made to stave off the worst economic effects of COVID preserved millions of jobs in this country and ensured that the affected industries would still exist as we emerged from the pandemic. Critically, these investments came with strong protections that ensured continuity of pay for workers, and not just their employers.

QUESTION FROM HON. BRIAN K. FITZPATRICK TO GREGORY R. REGAN, PRESIDENT, TRANSPORTATION TRADES DEPARTMENT, AFL–CIO

Question 1. Recent years have brought a wide variety of new challenges to maintaining the physical and mental wellbeing of essential workers, especially in the transportation sector, while on the job. As Congress continues to prioritize this issue moving forward, what impact has the safety funding already allocated by the Infrastructure Investment and Jobs Act had on the wide range of workers represented by the TTD?

ANSWER. Unfortunately, we are still working to implement these provisions and in the meantime, workers continue to suffer the threat of violence in their workplaces. We have made our concerns with the pace of their implementation clear with the administration and would be eager to work with you, as a champion of these issues, to ensure that they are fully and expediently put into place.

QUESTION FROM HON. HENRY C. "HANK" JOHNSON, JR. TO GREGORY R. REGAN, PRESIDENT, TRANSPORTATION TRADES DEPARTMENT, AFL–CIO

Question 1. One of the key priorities of the three legislative victories under President Biden was to provide a major win for workers, such as pathways to secure, good-paying jobs in the transportation sector and beyond. Democrats accomplished this goal by protecting against involuntary furloughs and expanding unemployment benefits.

Mr. Regan, can you please speak to how the ARP, IIJA, and IRA have elevated workers from historically disadvantaged backgrounds, such as Black and Brown Americans, in their ability to secure quality jobs across the transportation industry?

ANSWER. The three Covid relief packages, including the American Rescue Plan, delivered industry-saving investments that kept aviation workers well-trained and ready to work, maintained critical transit service so the communities who rely on public transportation to get to work (often communities of color) could continue to support their families, and extended federal unemployment and sickness benefits for many rail workers affected by the pandemic. These are just a few examples of how the ARP directly benefited workers at risk of losing their jobs during the pandemic. With high union density in the transportation sector, and with many workers of color more than proportionately represented in certain transportation trades, Black and Brown Americans were also able to benefit from the compounded advantages of a union job that was kept on the rolls because of these policies. We encourage you and the Committee to read more about the advantages of union jobs in transportation for Black and Brown Americans, and our unions' work to broaden access to those jobs, in our policy statement, *Building a Strong and Equitable Transportation Workforce*.

The Infrastructure and Jobs Act and the Inflation Reduction Act made generational investments in our transportation infrastructure, boosted the domestic job market for clean energy, and helped to create a more equitable economy overall. The strong labor protections and domestic content requirements tied to these federal investments, and the *overturning of the ban on local hire* in federal infrastructure projects, will pave the way for Black and Brown Americans to build wealth for their families by securing high quality jobs in the industry. Moreover, the IIJA gave the Biden Administration a larger forum to bolster the creation of high-quality jobs and advance equity goals through several executive actions involving the implementation of IIJA, including: the *Memorandum of Understanding between the Department of Transportation and the Department of Labor*, which commits to harnessing transportation investments for the creation of pathways to high-quality jobs for all workers; the *Executive Order on Use of Project Labor Agreements For Federal Construction Projects*, which helps to standardize wages across gender, racial, and ethnic groups; the *Executive Order on Implementation of the Infrastructure Investment and Jobs Act*, which directs agencies to invest public dollars equitably, and the creation of the *Infrastructure Talent Pipeline Challenge*, which partners with many of our affiliate unions in supporting equitable workforce development in construction and electrification jobs.

The investments made in our infrastructure and in our economy this Congress have provided, and will continue to provide over the next decade, immeasurable value for transportation workers and those seeking a career in the transportation trades, especially for workers of color. We encourage you and the Committee to read more about the opportunity IIJA provides to advance racial, gender, and economic equity. and our unions' work to advance those goals, in our policy statement, *Building a Strong and Equitable Transportation Workforce*.

QUESTIONS FROM HON. DINA TITUS TO GREGORY R. REGAN, PRESIDENT, TRANSPORTATION TRADES DEPARTMENT, AFL–CIO

Question 1. One of the provisions from the House-passed INVEST Act that unfortunately did not make it into the final Bipartisan Infrastructure Law was the requirement for two-person crews on most freight and passenger trains. Could you please talk about the importance of this provision and why it is necessary for ensuring safety for workers and our communities through which hazardous materials are transported?

ANSWER. Yes, a requirement for having two-person crews on most freight and passenger trains is a fundamental safety issue that still needs to be addressed. TTD and our rail labor unions were disappointed that this vital provision was not included in the final IIJA legislation, but we applaud the leadership of Congresswoman Titus, Chairman DeFazio, and others who continue to fight for this important provision.

In the U.S., a freight train can weigh up to 15,000 tons, averages over a mile long and last year the industry transported 2.47 million carloads of hazardous materials.The Class I railroads are now operating trains up to five miles in length as a result of their implementation of so-called "Precision Scheduled Railroading." It is absurd to argue that such a massive piece of equipment can be safely operated by one individual, especially given the many tasks for which at least two people are needed in order to operate a freight train and the myriad of FRA regulations and railroad operating rules that must be followed. No average American would feel comfortable with

If a train operated by a single crewmember were to encounter an emergency situation like a highway crossing collision with an automobile, a release of hazardous materials or a mechanical problem, that crewmember could not leave the engine idling in order to investigate the issue. Those emergency response needs would have to wait until another crewmember could arrive from many miles away. Should a train breakdown and block a highway crossing, a second crewmember would be needed to quickly disconnect the train to unblock that crossing.

Such a basic safety issue should not be open for negotiation and it should not be something for which unions have to give something else up in order to achieve. The safety of rail workers, the communities that freight trains pass through, and our rail system should not be bartered at a bargaining table.

Question 2. The Bipartisan Infrastructure Law pairs robust investments in workforce training with funding for transit agencies to transition to zero emission buses which will ensure workers do not get left behind as we move to a clean energy economy. This is already coming to fruition in Southern Nevada. I was proud to secure a $2 million earmark in the IIJA for the Regional Transportation Commission of Southern Nevada to purchase zero emission buses. In August, the RTC was awarded another $6.7 million for additional zero-emission buses and workforce development initiatives.

Can you talk more about how these initiatives are working in practice and how the pairing of workforce development and clean energy funding may serve as a model for other innovations in transportation?

ANSWER. Pairing new investments in cleaner transit with dedicated funding for workforce training is already proving a success. The first round of funding for the revised Low/No program went out last year and ensured that nearly every procurement for Zero Emission Buses is tied to investing in the skills needed for the maintenance workforce to maintain those buses. We are working cooperatively with the National Frontline Workforce Training Center, created by Congress several years ago to create better procurement standards and training standards so that transit agencies and the frontline workforce can cooperatively build the tools they need to ensure those dollars are well spent and successful. We would be glad to update you on the progress of those investments as we continue to learn more about their successes on the ground.

Question 3. One of the major victories for workers in the Bipartisan Infrastructure Law was the removal of a regulatory barrier that prevented State and local governments from prioritizing folks in their communities for jobs supported by federal funds.

How has your membership been able to take advantage of the workforce development programs in the Bipartisan Infrastructure Law?

ANSWER. The Transportation Trades Department, AFL–CIO (TTD) and our affiliated unions *have committed* to capitalize on the investments made in our industry by the Bipartisan Infrastructure Law to advance equity goals. The removal of the ban on local hire was *supported by TTD*, and we applaud Congress for including it in BIL. We encourage you and the Committee to read more about advancing equity goals through federal investments, union jobs, and workforce development, and our affiliated unions' efforts to advance equitable access to those jobs through job training in our policy statement, *Building a Strong and Equitable Transportation Workforce*. This month, many of our affiliated unions also partnered with President Biden's *Infrastructure Talent Pipeline Challenge* to expand pathways into good jobs and build a diverse infrastructure workforce through the expansion of pre-apprenticeships, registered apprenticeships, and other high-quality training programs, with

many specifically catered to underrepresented communities, including women and refugees.

QUESTIONS FROM HON. JESÚS G. "CHUY" GARCÍA TO GREGORY R. REGAN, PRESIDENT, TRANSPORTATION TRADES DEPARTMENT, AFL–CIO

Question 1. Midway Airport in Chicago is near my current district and will be in my new district next Congress. I am also the lead sponsor of the Good Jobs for Good Airports Act in the House, which would establish minimum wage and benefit standards for airport workers at airports across the country. I am pleased that several aviation unions have endorsed the Good Jobs for Good Airports Act.

In light of the current picketing happening at O'Hare and Midway airport, how can we ensure that this money is used to improve the wages and benefits that aviation workers receive, especially lower-income workers who don't receive a living wage or good benefits like healthcare? And how will the $25 billion in the Bipartisan Infrastructure Law for airports help rebuild our airports and aviation infrastructure?

ANSWER. The Biden administration has made good jobs central to implementing the Bipartisan Infrastructure Law. Most Department of Transportation's (DOT) discretionary grants follow the *DOT's Grant Application Checklist* criteria. Using the DOT's requirements ensures federal dollars will create good-paying jobs, a fair choice to join a union, and high-quality training and education programs for workers. The section criteria also ask applicants to implement policies during procurement and project implementation to promote the hiring and retention of underrepresented workers. In addition, the checklist encourages applicants to use Labor Peace agreements, Project Labor Agreements, and Collective Bargaining Agreements that help protect the federal government's investment in future projects by ensuring that workers establish fair wages, benefits, and scheduling, which have been successful in preventing labor disruptions.

The BIL provides our aviation system with the long-overdue support it deserves by investing in outdated technology and other components of airport infrastructure needed to accommodate the industry's workforce and continued growth. These investments will increase efficiency, reduce waste, and allow for more significant job growth. We strongly encourage the Committee to review TTD's policy statement, "*TTD Supports Significant Investments In America's Infrastructure*," and the press release, "*Transportation Labor Appleasuds Largest Investment in Transporation, Jobs in America's History*."

Question 2. The State of Illinois and the City of Chicago have applied for grants from USDOT's new MEGA program for the critical I–290/CTA Blue Line rebuilding and the expansion of Chicago Union Station. How can the State of Illinois and municipalities in my district best partner with labor to ensure grant applications have strong labor components just like the latest round of INFRA grants?

ANSWER. We encourage all members to review the *USDOT Grant Application Checklist for a Strong Transportation Workforce and Labor Plan* and to ensure that project sponsors and representatives of the labor workforce are working together in your districts to meet the standards outlined by this administration. Ensuring labor support for projects is a dramatic shift by this administration—and one that we are incredibly thankful for—and this tool will help both project sponsors and labor work more cooperatively towards our shared goals of creating good jobs and fixing America's infrastructure.

Question 3. Chicago is the center of this country's rail network. The IIJA takes a number of important steps towards improving highway and trucking safety with the goal of reducing tragic accidents and fatalities on our roadways. It's evident that these efforts are more needed than ever, as NHTSA reported that traffic deaths reached a 16-year high in 2021. With that in mind, I was very disturbed to read an article in the Wall Street Journal last week about the dismal safety records of the companies Amazon contracts out its services to, and its failure to correct these issues. I was particularly struck by finding that these contractors were cited for committing certain safety violations at a rate 70 times greater than represented UPS drivers. To be blunt—what's going on here? Why are Amazon's operations so unsafe, and what threat do they pose to the promises of the IIJA?

ANSWER. There is no other way to say this: Amazon has placed a premium on profits over safety, fair employment, and other public goods. Reining in corporate greed that places more value on profit than the wellbeing of contract workers, the traveling public, and in many cases, their customers is the only solution to this problem.

QUESTIONS FROM HON. EDDIE BERNICE JOHNSON TO STEPHEN GARDNER, CHIEF EXECUTIVE OFFICER, NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK)

Question 1. Mr. Gardner, thank you for meeting with me and the I–20 Corridor Coalition earlier this year. I wanted to reiterate my strong support for Amtrak Service between Dallas-Ft. Worth and Atlanta and encourage you to include this corridor in any future long distance service plans developed by Amtrak or FRA. Could you update me on any progress being made on this project?

ANSWER. Amtrak has provided data on our long-distance trains to the Federal Railroad Administration's (FRA) Long-Distance Service Study, which is intended to evaluate potential expansion of the long-distance network. We will continue to participate in the FRA's study and provide them with data to help them identify options to improve the long-distance network, as well as the capital and operating costs associated with such changes to inform Congress on future funding decisions.

Additionally, Amtrak has requested that the Surface Transportation Board (STB), as a condition of approving the merger between Canadian Pacific Railroad and Kansas City Southern Railroad, require that the two companies participate in a joint study with Amtrak and other affected railroads with the goal of introducing a daily round-trip train service between Meridian and Dallas, with potential for a second daily round trip. A copy of our letter to the STB, including that request, is attached with these responses.†

Question 2. Mr. Gardner, the Northeast Corridor has so much potential for increased speed and expanded service, especially with the new *Acela* trains coming online next year. You mentioned in your testimony that work has begun on addressing the bottlenecks on this line. Do you have any timelines on when these projects will be completed?

ANSWER. Key to Northeast Corridor (NEC) increased speed and expanded service is to first address the backlog of state-of-good-repair (SOGR) needs, including the replacement of 100+ year old bridges and tunnels. As part of the *Acela* program, Amtrak has already made a number of improvements to the NEC's infrastructure which will help us increase the maximum speed from 150mph to 160mph. Examples of this infrastructure work include a project to add two new platforms at Baltimore-Penn Station, and another platform expansion at the New Carrollton, Maryland stop—both of which will accommodate the increased capacity that comes with the new *Acela* trainsets.

Additionally, we and our partners are advancing many major infrastructure projects including Portal North Bridge in New Jersey and the Frederick Douglass/Baltimore and Potomac Tunnel Replacement Project in Maryland that will simultaneously improve performance and increase reliability along the Corridor. As you may be aware, the FRA will soon publish a project inventory for the NEC, which will serve as the basis for future FRA grant funding through the Federal-State Partnership grant program. This grant program is a major anticipated source for the funding of all of these major projects and the IIJA's $24 billion for this program is an essential down payment in support of these SOGR improvements. While Amtrak is grateful for this funding, the NEC's SOGR backlog is vast and many needed projects over the coming decade will require additional federal and state support in order to advance. This is particularly true for "pure" speed and trip time projects which are not directly related to core SOGR needs. To address the important work of gaining higher speeds and further reductions in travel time—which we believe is vital to increasing the competitiveness of intercity rail in the NEC and creating more capacity in the future—additional investments beyond this initial IIJA funding are needed, and we stand ready to work with Congress to identify options and opportunities.

QUESTION FROM HON. BRIAN K. FITZPATRICK TO STEPHEN GARDNER, CHIEF EXECUTIVE OFFICER, NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK)

Question 1. This August, Rep. Fitzpatrick (PA–01) and Rep. Moulton (MA–06) led 28 of their colleagues in a bipartisan letter expressing concern about the current trip times on Amtrak's Northeast Corridor and hope that historic investments set aside for this line in the Infrastructure Investment and Jobs Act will be used to improve timetables. What progress has Amtrak made in prioritizing modernization projects that will directly decrease long trip times between Boston and Washington, D.C.?

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† Editor's note: The documents referenced by Mr. Gardner are retained in committee files and are available online at https://dcms-external.s3.amazonaws.com/DCMS_External_PROD/1643835362179/303645.pdf.

ANSWER. As part of the *Acela* program, Amtrak has already made a number of improvements to the NEC's infrastructure which will help us increase the maximum speed from 150mph to 160mph and begin improving trip times. Examples of this infrastructure work include a project to add two new platforms at Baltimore-Penn Station, and another platform expansion at the New Carrollton, Maryland stop—both of which will accommodate the increased capacity that comes with the new *Acela* trainsets and enhance reliability.

In further support of reduced trip times on the Northeast Corridor, Amtrak is actively working to implement projects that address the backlog of state-of-good-repair (SOGR) needs, including the replacement of 100+ year old bridges and tunnels and replacement of rail and ties to allow increased operating speeds. Our Portal North Bridge Project in New Jersey and the Frederick Douglass/Baltimore and Potomac Tunnel Replacement Project in Maryland exemplify this twin aim of simultaneously improving performance and increasing reliability along the Corridor.

This work is being closely coordinated with state partners across the corridor. As you may be aware, the FRA will soon publish a project inventory for the NEC, which will serve as the basis for future FRA grant funding through the Federal-State Partnership grant program. This grant program is a major anticipated source for the funding of all of Amtrak's major projects on the NEC and the IIJA's $24 billion for this program is an essential down payment in support of these SOGR investments. While Amtrak is grateful for this funding, the NEC's SOGR backlog is vast and many needed projects over the coming decade will require additional federal and state support in order to advance. This is particularly true for "pure" speed and trip time projects which are not directly related to core SOGR needs. To address the important work of gaining higher speeds and further reductions in travel time—which we believe is vital to increasing the competitiveness of intercity rail in the NEC and creating more capacity in the future—additional investments beyond this initial IIJA funding are needed, and we stand ready to work with Congress to identify options and opportunities.

While much more work awaits, the record levels of increased infrastructure funding for the NEC provided by the Administration and Congress and the arrival of the new *Acela* fleet will combine to begin a new era of improved customer experience on the Corridor, and we look forward to working with you to extend and amplify these opportunities.

QUESTIONS FROM HON. HENRY C. "HANK" JOHNSON, JR. TO STEPHEN GARDNER, CHIEF EXECUTIVE OFFICER, NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK)

Question 1. Mr. Gardner, last year Amtrak presented an ambitious long-term vision that would connect Atlanta to Savannah, Nashville, and Montgomery vis-a-vis passenger rail. Earlier this year, the Georgia Department of Transportation received $8 million in federal funds to study the Atlanta-Savannah link.

Question 1.a. Can you speak to the value of bringing this vision to life, including the impact on communities of color who have historically been denied access to quality passenger rail?

ANSWER. Amtrak's Connects US vision (May 2021) outlined a vision for new service to 160 new communities, many of which are underserved by intercity passenger rail and also communities where many residents are people of color. New intercity passenger rail service not only creates additional transportation options, but also benefits the environment by reducing greenhouse gas emissions, benefits the economy by creating jobs and encouraging development around new and existing stations, and increases connectivity between communities by connecting new city pairs and smaller communities to large towns and cities. The FRA's Corridor Identification and Development Program will play an important role in determining how we bring new and expanded intercity passenger rail service to communities across the country, and we are hopeful that states and other eligible entities partner with us to pursue funding opportunities under this new FRA program.

Question 1.b. The creation of the Atlanta-Savannah connection would lead to a plethora of jobs and opportunities for small businesses. What plans does Amtrak have in place to ensure that Black and Brown Americans, including historically disadvantaged, minority-owned small businesses, participate in project development and contribute to regional economic growth in a meaningful way?

ANSWER. As we and our state partners look to improve and expand service, we have a great chance to engage diverse and local businesses in the business opportunities created by these new investments. Because our supplier diversity program is a national program, we are always working to be inclusive through our outreach across our network which helps Amtrak to meet and exceed its Corporate Diversity Goal (15%) year over year. Outreach includes virtual and in person for national

expos/conferences as well as our own Amtrak events which include pop-up events in stations, panel discussions that include various selections of small businesses, and 1:1 sessions. While national events assist our efforts for opportunities from a broader scope, we recognize that we also must be more intentional for specific projects that may require us to go where the suppliers are to engage and make them aware of the opportunities coming down the pipeline.

Even before the pandemic, we have teamed up with the Minority Business Development Agencies (MBDA) and the Procurement Technical Assistance Centers (PTAC) as well as other agencies to reach prospective suppliers across the map. We also utilize our diversity spend reporting analysis to identify the areas in which we need to ramp up outreach to ensure that we focus on areas/groups where participation is not at an optimal level in contributing to regional economic growth. We remain transparent with the procurement opportunities as posted on the procurement portal (accessible at https://procurement.amtrak.com), and our Supplier Diversity Office (SDO) is always available to connect with businesses to assist them in learning how to do business with Amtrak.

QUESTION FROM HON. EDDIE BERNICE JOHNSON TO SAMUEL DESUE, JR., GENERAL MANAGER, TRIMET

Question 1. Mr. Desue, too often we hear from companies that it is too hard to comply with Made-In-America requirements, yet I see that all your buses and rail cars are built in America. Can you discuss your experience purchasing American-made equipment? And do you think there could be an opportunity to produce more American-made goods?

ANSWER. We have not had problems buying American-made buses or light rail vehicles. As I mentioned in my testimony, TriMet recently made our first bulk purchase of 24 American-made, battery electric buses. This part of a multiyear effort to fully convert our fleet. With all of the Nation's transit agencies similarly committed to multiyear conversions to electric vehicles, there may be an initial supply issue, but the significant public investments from all levels of government to this conversion will lead to market responses that will expand domestic manufacturing compacity. So, we do not envision the supply of new American-made electric vehicles and charging infrastructure to be a long-term issue.

The substantial investment in electric vehicles and charging infrastructure contained in the IIJA will also likely result in unforeseen innovations that will likely result in superior technologies and products. This always happens. It's a rarely recognized result of this kind of investment, and it will likely result in new American-made products that benefit everyone.

QUESTIONS FROM HON. HENRY C. "HANK" JOHNSON, JR. TO SAMUEL DESUE, JR., GENERAL MANAGER, TRIMET

Question 1. Democrats in Congress have invested heavily in climate-combatting transportation options so that Americans can minimize their carbon footprint. Among the travel options available, transit is essential for getting around without damaging our planet. Last year, I introduced H.R. 3744, the Stronger Communities through Better Transit Act, which is designed to provide high-quality, low-cost and frequent transit to communities across America, which a specific emphasis on those in underserved neighborhoods.

Question 1.a. Mr. Desue, how would further federal investments in public transit assist communities of color with mobility while also combatting pernicious climate effects?

ANSWER. Communities across the nation are recognizing the long overdue need to address long-neglected communities of color. These equity communities tend to have a high percentage of transit-dependent riders and—as we found out during the pandemic—essential workers. Targeting investments to increase transit usage in these communities will ensure that residents have access to jobs and critical services and will begin to address the air quality challenges these communities often face.

Question 1.b. What are some best practices you've witnessed in Oregon involving mass transit that you believe would translate well across the metro-Atlanta region and America?

ANSWER. As TriMet converts to an electric bus fleet, we have prioritized placing these buses in service in equity communities first. In addition to the Greenhouse Gas emission reductions from the diesel engines, the health consequences of diesel buses must not be minimized, and communities of color have been historically saddled with air polluting industries and freeways. Removing the diesel buses is a start. One secondary issue that we feel is important is noise pollution. Diesel buses

make a lot of it and health care officials say industrial noise is a stressful irritant on people. Reducing the noise impacts, we believe, will also have a significant effect in the quality of life for people served by electric buses. This commitment will ensure that those communities most impacted by environmental and public health impacts of transportation emissions receive the initial benefits of this transition to electric vehicles.

QUESTIONS FROM HON. DINA TITUS TO SAMUEL DESUE, JR., GENERAL MANAGER, TRIMET

Question 1. The Bipartisan Infrastructure Law pairs robust investments in workforce training with funding for transit agencies to transition to zero emission buses which will ensure workers do not get left behind as we move to a clean energy economy. This is already coming to fruition in Southern Nevada. I was proud to secure a $2 million earmark in the IIJA for the Regional Transportation Commission of Southern Nevada to purchase zero emission buses. In August, the RTC was awarded another $6.7 million for additional zero-emission buses and workforce development initiatives.

Can you talk more about how these initiatives are working in practice and how the pairing of workforce development and clean energy funding may serve as a model for other innovations in transportation?

ANSWER. This is a great question, because all of America's transit districts are in the same situation as we convert to electric vehicles.

Transit agencies have been using essentially the same technology for over a century—diesel powered buses. Like the Regional Transportation Commission of Southern Nevada, TriMet has secured $2 million grants for our initial purchase of electric vehicles. These kinds of federal grants have helped introduce us to this new technology.

Switching technologies is not like flipping a switch. That means we need to learn its quirks and limits. For a century, our workforce knew every gear and valve of a diesel engine, but now they are dealing with vehicles that require a very different skill set to maintain and operate. Our maintenance staff will need to acquire a new range of skills to deal with the computer programming issues that are needed to keep electric buses maintained and in operation. That is a huge shift.

We are part of several consortiums of transit agencies where we share our information so we can learn from others as all of America's transit agencies converts. We are also committed to working with our workforce to ensure they have the resources necessary to gain the knowledge and skills to further their careers as we transition to zero emission buses.

Question 2. One of the major victories for workers in the Bipartisan Infrastructure Law was the removal of a regulatory barrier that prevented State and local governments from prioritizing folks in their communities for jobs supported by federal funds.

How will the removal of this barrier benefit local governments and agencies like TriMet, and how will this benefit workforce development efforts in underserved communities?

ANSWER. Regarding the removal of barriers for prioritizing people in their communities for jobs supported by federal funds, we believe this will have long-term benefits. Currently, like most transit agencies, we need more employees. With a workforce of 2,800 employees, we are down 300 operators and over 50 mechanics. To attract more employees, we have offered a $7,500 signing bonus and a like bonus to retain workers. These are paid over three years and have proved to slow the tide of early retirements and to attract new applicants. TriMet is committed to ensure that residents in our service area have access to career opportunities and benefit from the investments we make and services we provide in our community.

Question 3. As you know, the IIJA made historic investments in transit. Many transit agencies, however, around the country, including in my district, are facing a shortage of workers in just about every category. In order to maximize the potential of this funding, we need to ensure transit agencies are able to meet their staffing needs.

Can you talk about some of the recruitment and retention efforts the transit industry has implemented to address this issue and what role Congress can play to provide assistance?

ANSWER. I appreciate this question because while it seems like a lack of workforce a local issue—every transit agency is experiencing this in Oregon—and we understand it is happening nearly everywhere. TriMet provides good, middle-class jobs. The kind of jobs people can support a family, buy a house, and sustain a commu-

nity. Keeping transit agencies staffed up will determine whether we can meet the mobility and accessibility challenges facing our region, as well as whether or not we can take the steps necessary to begin addressing the climate crisis. It will affect traffic and whether people who have no other means of travel can use something other than a car. Transit is critical to our nation's vitality, so having a robust workforce is important to the nation. If we are going to grow ridership, we cannot allow long-term worker shortages to negatively impact our transit services levels.

As I mentioned in my previous responses, TriMet is committed to building and maintaining the workforce we need to continue to provide public transportation services for our region. There is no silver bullet to address the near-term worker shortage issues and our long-term workforce needs. We have dramatically stepped-up hiring efforts by increasing pay, offering signing and retention bonuses, invested in workforce development and training development efforts ensuring our employees have the resources to receive and maintain the skills training necessary to provide the services required by TriMet as we implement innovative transit approaches and technology. We have also taken steps to improve the quality of our employees' jobs—like installing protective barriers for bus drivers. If a driver does not feel safe on the job, it is not likely they will remain on the job.

TriMet is committed to providing the compensation packages and skills necessary to provide middle class, family sustaining career opportunities to our workforce. Our workforce is mission critical to TriMet, and we are taking the steps necessary to address short-term shortages while building the longer-term capacity to meet our future needs.

QUESTION FROM HON. EDDIE BERNICE JOHNSON TO ADAM S. HERSH, PH.D., SENIOR ECONOMIST, ECONOMIC POLICY INSTITUTE

Question 1. Dr. Hersh, how can the Congressional Budget Office (CBO) improve their economic models to better assess the return on investment we see in transportation infrastructure spending?

ANSWER. The most salient implications for shortcomings in CBO economic modeling are found in the macroeconomic model CBO uses to score legislation for its effect on federal budgets and providing economic projections for the national economy. Among the methodological limitations imposed by CBO's modeling choices, we can characterize them as (a) overstating the actual costs of infrastructure projects and other long-term return public goods investments, and (b) understating their benefits. This results from unempirical macroeconomic assumptions that form the core of CBO's model of the U.S. economy.

Congress, monetary policy makers, and private sector investors the world over make critical economic decisions about the future based on CBO projections. But time after time, those projections have proven woefully inaccurate. *Figure 1* compares successive CBO economic projections for the 10-year U.S. Treasury yield—a key variable determining the budgetary costs of fiscal spending programs—and the actual market-determined interest rate.[i] CBO consistently overpredicted rising interest rates in its economic projections. The result of these forecast errors is to systematically overstate the borrowing costs of legislative initiatives—including for infrastructure investment and other public goods like scientific research and development, education, and public health measures—providing misleading information about the potential economic impacts of their policies. It also pushes policymakers to undersupply countercyclical fiscal policy to manage recessions and other adverse macroeconomic shocks.

For example, in 2011, the oldest vintage forecast available online from CBO, modelers predicted interest rates on the 10-year Treasury note would rise to 5.25% by the fourth quarter of 2019 as employment recovered, creating upward inflationary pressure. We know now that the recovery imagined by CBO never materialized and, in reality, Treasury yields *fell* to 1.79% with the weakness of the recovery. Although subsequent projections pared down the interest rate outlook, CBO continued to severely overestimate the extent to which interest rates would rise. Here, CBO is significantly out of step with the rest of the economics, which has known for some time that equilibrium interest rates were much lower than CBO's models suggest.[ii]

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[i] Reproduced from Adam Hersh and Mark Paul. 2021. *Room to Run: America has ample fiscal space and should use it to tackle pressing economic and climate challenges*. Available at https://groundworkcollaborative.org/wp-content/uploads/2021/04/GroundworkCollab__RoomToRoom__r4.pdf.

[ii] Holston, Kathryn, Thomas Laubach, and John C. Williams. 2017. "Measuring the Natural Rate of Interest: International Trends and Determinants." *Journal of International Economics*.

Continued

Past policy choices have been guided by the Congressional Budget Office's (CBO) mistaken projections that consistently overstated the relationship between government spending and interest rates. This follows from a common—though empirically inaccurate—theoretical assumption known as "Ricardian equivalence," that treats public investment as crowding out private investment by bidding up interest rates.[iii] The assumption presumes both that capital markets are inherently efficient and that savers and investors exhibit rational expectations.

In the real-world economy, though open international capital markets that allow savings from abroad to flow into U.S. assets mean that borrowing at the margin is unconstrained. And the financial sector is not efficient, but defined by market failures from asymmetric information and incomplete or unenforceable contracts that create adverse selection, moral hazard, and principle-agent problems; moreover, investors not only don't always exhibit rational behavior, but are often epistemologically unable to make optimizing decisions under conditions of fundamental uncertainty.[iv] The repeated forecast errors resulting from CBO assumptions shown in *Figure 1* indicate that policymakers take votes based on CBO models that exaggerate the true federal budgetary costs of spending programs and lead policymakers to withdraw countercyclical fiscal support too early in past recoveries, entrenching longstanding racial and gender inequities and deterring investments that would raise productivity and living standards over the long term.

Another flawed component of CBO's model pertains to how it evaluates unemployment in relation to consumer price inflation and interest rates. The model is built on an assumption that when unemployment falls below an optimal "natural" rate, price inflation mechanically follows, prompting the Federal Reserve to raise interest rates. But what is natural? CBO assumes unemployment for different demographic groups (age, sex, education, and race) "were approximately at their natural rates in 2005".[v] In other words, whatever the unemployment rate was for each demographic sub-group in 2005, that's what CBO assumes is the lowest unemployment should get before inflationary pressures are assumed to kick in.

I illustrate this graphically in *Figure 2*, showing the 2005 unemployment rate for white (4.4 %), Black (10%), Latino (6%), and Asian (4%) workers as a red dashed line superimposed on each groups' unemployment rate since that time in blue.[vi] As Williams (2021) emphasizes, this assumption surreptitiously embeds racial disparities into policymaking decisions about how much employment is enough? Essentially, CBO says unemployment for Black workers should stay structurally double the rate for white workers, and 50% higher for Latino workers. For context, the CBO's assumptions would mean the Black jobless rate, which dropped to 5.2% in August 2020 with no inflationary consequences, would never be expected to fall beneath the peak overall unemployment rate during the Great Recession—10% in October of 2009. Yet, all groups sustained unemployment below CBO's natural rate for considerable time without causing inflation. In other words, the perversely racialized distribution of unemployment that CBO's model dictates affects all workers by embodying a bias toward excessive unemployment for particular groups of workers.

The above discussion considered the macroeconomic context in which CBO models assess the impact of macroeconomically significant investments in transportation and other infrastructure is the failure to use capital budgeting for investments in long-lived public infrastructure assets. Because fiscal adjustments in government consumption and government investment have differential effects—with cuts in investments having particularly large, negative economic effects, Congress's current budgeting practices skew most cost-benefit analyses in favor of costing too much.[vii] CBO staff are aware of this shortcoming and have proposed to Congress alternative

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Vol. 108, Supplement 1, pp. S39–S75; Laubach, Thomas, and John C. Williams. 2003. "Measuring the Natural Rate of Interest." *Review of Economics and Statistics*. Vol. 85, no. 4, pp. 1063–70.

[iii] See, for example, Meissner, T. and Rostam-Afschar, D., 2017. "Learning Ricardian equivalence." *Journal of Economic Dynamics and Control*, 82, pp.273–288; Clausio Sardoni. "The public debt and the Ricardian equivalence: Some critical remarks." *Structural Change and Economic Dynamics*. Volume 58, September 2021, Pages 153–160.

[iv] These problems are discussed in detail by Gary Shackle. 1991. *Epistemics and Economics: A Critique of Economic Doctrines*. Routledge; and Hyman Minsky. 2008. *John Maynard Keynes*. McGraw Hill.

[v] Shackleton 2018

[vi] Reproduced from Adam Hersh and Mark Paul. 2021. *Room to Run: America has ample fiscal space and should use it to tackle pressing economic and climate challenges*. Available at https://groundworkcollaborative.org/wp-content/uploads/2021/04/GroundworkCollab__RoomToRoom__r4.pdf.

[vii] See Jovanovic (2017) and Blanchard and Leigh's (2013).

approaches to budgeting federal investment that separate investment spending into a capital budget that accumulates returns on investment over longer time horizons.[viii] Additionally, to better understand the impacts of their policies, Congress could require CBO to also report measures of alternative economic welfare, such as those developed by the Commission on the Measurement of Economic Performance and Social Progress.[ix] These indicators encompass a range of social and economic development metrics, and reveal that although policies can be seen to increase GDP in the short-run, they don't necessarily enhance economic performance or social development over the long term.

CBO should reassess the biases inherent in the models it uses to project the Federal fiscal position and the U.S. macroeconomy. It will take time for CBO to adjust to potential new methodologies, and this process should be informed with robust transparency and public participation. In the meantime, and without altering their methodology, Congress should require that CBO also report a confidence interval around the point estimates produced by their models. This would tell us although CBO predicts an average tendency of X, the model says that we can expect an outcome between X ± e, but we should really count on anything more specific than a dart thrown at this X ± e interval. This will make more explicit to consumers of CBO analyses the extent of uncertainty surrounding their predictions for the future, and can be factored into fiscal policymaking as well as economic decisions made by businesses and households.

QUESTION FROM HON. HENRY C. "HANK" JOHNSON, JR. TO ADAM S. HERSH, PH.D., SENIOR ECONOMIST, ECONOMIC POLICY INSTITUTE

Question 1. Mr. Hersh, under the IIJA's Airport Terminal Program, Atlanta Hartsfield international airport received a $40 million grant from the federal government. How will this economic investment allow the airport and the metro-Atlanta region to further develop its economy while also providing quality jobs to Georgians?

ANSWER. The IIJA investments in Atlanta Hartsfield International Airport would provide quality jobs to Georgians and help support regional economic activity through several channels.

First, through well understood Keynesian multiplier effects, the $40 million dollar Atlanta airport project would support employment directly in completing the project, indirectly in other industries related to the project, and via greater consumption from these workers' additional incomes across the rest of the economy (referred to as induced demand) for 425 job-years (a unit of measure equal to the labor required for one year's full time work).[x] Additionally, the IIJA investments are expected to "crowd-in" a range of complementary private investments that will similarly increase economic activity and employment. Not all of the jobs created will be located in the Atlanta metropolitan area, though a significant share will—particularly in construction trades and in the additional regional economic activity supported by the income of those directly employed in the airport projects.

Jobs supported by IIJA projects are covered by "Davis-Bacon" requirements that ensure contractors pay workers on construction projects a fair, prevailing wage rather than undercutting local labor markets with a race-to-the-bottom in wages. These requirements ensure that wages for millions of workers in infrastructure construction as well as those in millions of jobs across the regional economy enjoy stronger wages and working conditions, amplifying the project's local contributions.

Second, a renewed and expanded airport will bring broader and longer-term economic benefits through higher productivity, lower costs of doing business, and increased opportunities for regional development centered on the economic hub of metro-Atlanta. The capacity to handle more flights and passengers enhances the attractiveness of Hart International and the Atlanta region as a destination for tourists and business travelers, a hub for air travel ensconcing Atlanta in regional and global aviation networks, and a more efficient platform for international airfreight serving regional exporting businesses.

Third, the Airport is a major energy consumer. Decarbonizing and improving energy efficiency at ATL with IIJA support will significantly reduce energy demand on the regional grid, in turn contributing to more stable regional energy systems

[viii] Congressional Budget Office. *Budgeting for Federal Investment*. April 15, 2021. Available at https://www.cbo.gov/system/files/2021-04/56900-capital-budgeting.pdf.

[ix] https://ec.europa.eu/eurostat/documents/8131721/8131772/Stiglitz-Sen-Fitoussi-Commission-report.pdf

[x] Based on estimates provided in Adam S. Hersh, "'Build Back Better' agenda will ensure strong, stable recovery in coming years," *Economic Policy Institute*. September 16, 2021. Available at https://www.epi.org/publication/iija-budget-reconciliation-jobs/.

and improved air quality bringing long-term health and economic development benefits.

Figure 1

CBO CONSISTENTLY OVERPREDICTS RISING INTEREST RATES

Actual versus CBO projected 10-year Treasury yields

Source: Authors' analysis of CBO and Federal Reserve data.

Figure 2

TO CBO, NOT ALL NATURAL RATES ARE CREATED EQUAL

Actual unemployment (**blue**) and CBO assumed natural rates of unemployment (**red**), by race

Source: Authors' analysis of CBO and BLS data.

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