

**EXAMINING THE IMPACT
OF THE BIPARTISAN INFRASTRUCTURE
LAW ON TRANSPORTATION INFRASTRUCTURE**

FIELD HEARING

BEFORE THE

SUBCOMMITTEE ON SURFACE TRANSPORTATION,
MARITIME, FREIGHT, AND PORTS

OF THE

COMMITTEE ON COMMERCE,
SCIENCE, AND TRANSPORTATION
UNITED STATES SENATE

ONE HUNDRED EIGHTEENTH CONGRESS

SECOND SESSION

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JULY 23, 2024
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SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

ONE HUNDRED EIGHTEENTH CONGRESS

SECOND SESSION

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**EXAMINING THE IMPACT
OF THE BIPARTISAN INFRASTRUCTURE
LAW ON TRANSPORTATION INFRASTRUCTURE**

TUESDAY, JULY 23, 2024

U.S. SENATE,
SUBCOMMITTEE ON SURFACE TRANSPORTATION,
MARITIME, FREIGHT, AND PORTS,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
Lansing, MI.

The Subcommittee met, pursuant to notice, at 10:08 a.m., in Lansing City Hall, Tony Benavides Council Chambers, 124 West Michigan, 10th Floor, Lansing, Michigan, Hon. Gary Peters, Chairman of the Subcommittee, presiding.

Present: Senator Peters [presiding].

**OPENING STATEMENT OF HON. GARY PETERS,
U.S. SENATOR FROM MICHIGAN**

Senator PETERS. Three years ago I was proud to join members of this committee to help lead a coalition of Democrats and Republicans to pass historic new investment in our Nation's infrastructure.

Since then the Infrastructure Investment and Jobs Act, also known as the "bipartisan infrastructure law," has begun to make a difference in communities all across our country.

The bipartisan law give us the chance to fix our roads and bridges it has also expanded access to high speed internet, upgraded railroads and airports, delivered clean water to countless families, and made critical progress in the fight for a clean energy economy.

Those investments have already made an impact here in Michigan. So far this legislation has funded more than 500 individual projects, and I have seen these benefits firsthand and heard from constituents who are grateful for these resources.

Our airports from Detroit to Lansing to the UP have received funding to improve and expand their services. Our communities are building the electric vehicle charging stations that will power the future of clean transportation, and across our state increased access to high speed Internet is providing Michiganders with new opportunities for education, health care, and innovation, and those investments have created thousands of good-paying jobs and, I will say, union jobs across Michigan.

Today we will focus on the investments in our surface transportation, maritime, port and freight infrastructure and the impact that they have had across our state.

In Bay City the Lafayette Avenue Bridge is getting replaced after almost 85 years. Probably time for a new bridge after 85 years. No more piecemeal repairs. Instead, the Bay City community is going to get a brand new bridge that will bolster its local economy.

In Detroit MDOT is building a mobility and innovation corridor to drive innovation in transit and vehicle technologies. The city has received historic investments to make roads safer.

New trails for pedestrians are being built as part of the Joe Lewis Greenway and the I-375 freeway is getting replaced with a boulevard at street level.

In Detroit, Menominee, Monroe and the Soo Locks—key Great Lakes ports—have begun to receive the support they need to shore up our supply chain, boost the—thank you, Captain—boost local economies and strengthen our maritime infrastructure. I can tell you are ready for your testimony.

[Laughter.]

Senator PETERS. In Kalamazoo, Pontiac, Sault Ste. Marie, and Jackson, the bipartisan infrastructure law's RAISE grant program has kickstarted new projects that will improve pedestrian safety and access, transform downtowns, and reconstruct critical roads. And right here in Lansing resources are going to projects to improve I-496 and U.S. 127 to improve communities and connectivity to the rest of the state.

These are just a few of the projects funded by the bipartisan infrastructure law that we will examine at this morning's hearing and more are breaking ground each and every day.

These projects are not just building new infrastructure but they are also improving public health, economic development, the future of clean energy and so much more, and we are just beginning to see the full effect of this legislation.

That is why our work is far from over. The next step is to understand the details of how this law has been actually implemented and we want to hear directly from local stakeholders, the people who are on the ground seeing these projects up front and close.

This will not just allow us to better utilize resources of the bipartisan infrastructure law but it will also lay the groundwork for future legislation and help us understand where we are still falling short.

Perhaps most important, Michigan is exactly the right place to examine these questions. Our state has rural, urban, and suburban areas that each face their own unique challenges in meeting Michigan's infrastructure needs, and as a hub of domestic manufacturing our state's industries serve millions of individual customers and play a critical role in protecting our national interest.

The strategic supply chains that run through Michigan rely on road, rail, and maritime infrastructure to deliver each and every day, and as a Great Lake state with an international border our maritime infrastructure is among the most critical in North America for trade and for commerce. And there is no state more fitting than ours to hold the Senate Commerce Committee's first hearing on the implementation of the bipartisan infrastructure law.

This morning our panel of expert witnesses will share essential insights into this legislation. They will help us understand how it must be implemented to meet infrastructure needs here in Michigan as well as all across the country.

So I want to thank each and every one of you for being here today and I certainly look forward to a very productive conversation.

Our first witness is Brad Wieferich. Mr. Wieferich serves as the Director of the Michigan Department of Transportation. He has served the department for nearly 30 years in several capacities, most recently as the Chief Operations Officer and Chief Engineer.

Mr. Wieferich also serves on the American Association of State Highway and Transportation Officials Board of Directors and represents MDOT on the Council on Future Mobility and Electrification, and it is Michigan's board—and ITS Michigan Board of Directors and the Mackinac Bridge Authority. He is also a fellow Spartan. Go Green.

You are going to get that response here at Lansing. Very good. Mr. Wieferich, welcome. Welcome to today's subcommittee field hearing. You may proceed with your opening remarks.

**STATEMENT OF BRAD WIEFERICH, DIRECTOR,
MICHIGAN DEPARTMENT OF TRANSPORTATION**

Mr. WIEFERICH. Good morning, Chairman Peters. Go White, and on behalf of the men and women of the Michigan Department of Transportation working every day to provide safe passage for travelers whether they are driving a car or a truck or whether they are a passenger on a train or a plane or a bus or riding a bike or walking, I just want to express our sincere appreciation to you for making a point to spotlight these important issues.

You have long been a champion for transportation across all modes and your decades of advocacy as a lawmaker at the state and Federal levels have helped our fellow citizens immeasurably.

So the bipartisan infrastructure law, also known as the Infrastructure Investment and Jobs Act, or IIJA, has been a boon for Michigan in many ways.

Not only is the additional IIJA highway funding anticipated to support, roughly, 6,000 new jobs annually over 5 years but the program has also helped us to offset the impact of inflation in materials and labor that were spurred by global events, obviously, most notably being the worst pandemic in a century.

The highway funds for Michigan amount to almost \$8 billion total. Roughly, \$2.2 billion of that is new highway funding, which works out to about 430 million new dollars in an average annual increase and that is over the Fiscal Years of 2022 to 2026.

Among other highlights related to surface transportation in the IIJA this does create a new \$27.5 billion bridge program that will help Michigan replace, rehabilitate, and preserve its critical bridge infrastructure.

It also creates new discretionary grant programs and increases existing discretionary grant programs which Michigan has been quite successful in achieving and then will continue to look for how these grants can bolster our program.

It also establishes new highway funding programs to support resiliency. This help—this will help states adapt and mitigate impacts of climate change on the state’s transportation network.

Overall, the IIJA provides 5 years of certainty in planning and makes it possible for MDOT to implement \$1 billion in additional projects over the five years of the authorization, and we all know that some transportation projects can take many years to bring from the planning table through to construction and really having that predictable, sustainable funding source is vital to our planning processes.

I am especially excited about the discretionary grants that have or will benefit some crucial projects that MDOT would otherwise struggle to fund. Governor Whitmer was very forward thinking in establishing the Michigan Infrastructure Office as well to provide key support to all state departments and local entities in applying for these grants, not only just for transportation but to expand broadband services, improve water and wastewater systems, many other services across the state.

So for the department specifically a couple of things that that were mentioned but not limited to, obviously, is \$105 million that we received for I-375 in Detroit. Spur freeway that is built below grade we are going to raise that up, making it an at-grade boulevard, be able to provide some vital community connections for the neighborhoods.

Seventy-three million dollars you mentioned for the Lafayette Bridge in Bay City, but in addition \$14 million to revitalize West Bay Shore Drive in Traverse City to help us with traffic congestion and safety.

We are adding a roundabout at the busy intersection of M-22 and M-72, another \$12 million grant to redesign and replace a pump station on 28th Street in Grand Rapids, which is a vital, busy commercial corridor.

And, again, those are just some of the highlights that we are able to use the discretionary grants to improve quality of life across our state.

We are also pleased to inform or pleased the IIJA has had an infusion of \$5 billion for states to build out the charging networks as the electric vehicles become more common.

Michigan will have \$110 million through Fiscal Year 2026. So funding from the program is also benefiting passenger rail. It is benefiting aviation and maritime travel and movement of all commercial goods.

And in short, Mr. Chairman, I cannot overstate my appreciation for the IIJA funds and ongoing support of the Federal Government in helping me and my team deliver on our promise to provide safe and efficient mobility for all.

[The prepared statement of Mr. Wieferich follows:]

PREPARED STATEMENT OF BRAD WIEFERICH, DIRECTOR,
MICHIGAN DEPARTMENT OF TRANSPORTATION

Good morning Chairman Peters,

On behalf of the men and women at the Michigan Department of Transportation working everyday to provide safe passage for travelers—whether driving a car or truck, as a passenger on a train, plane or bus, riding a bicycle or walking—I want

to express my sincere appreciation to you for putting a spotlight on these important issues.

You have long been a champion for transportation across all modes and your decades of advocacy as a lawmaker at the state and Federal levels has helped our fellow citizens immeasurably.

The Bipartisan Infrastructure Law, also known as the Investment and Jobs Act or IIJA has been a boon for Michigan in myriad ways.

Not only is the additional IIJA highway funding anticipated to support roughly 6,000 new jobs annually over five years, the program helped us offset the impact of inflation in materials and labor spurred by two global events: the worst pandemic in a century and the war in Ukraine.

Those highway funds amount to \$7.98 billion total—roughly \$2.2 billion in “new” highway funding; \$433 million average annual increase—from Fiscal Years 2022 through 2026.

Among other highlights related to surface transportation, the IIJA

- Creates a new \$27.5 billion bridge program that will help Michigan replace, rehabilitate, and preserve its critical bridge infrastructure.
- Creates new discretionary grant programs and increases existing discretionary grant programs, which Michigan has had some success recently winning and for which the department will continue to apply.
- Establishes new highway formula programs to support building for resiliency. This will help the state adapt to and mitigate the lingering impacts of climate change on the state’s transportation network.

Overall, the IIJA provides five years of certainty for planning and makes it possible for MDOT to implement \$1 billion in additional projects over the five years of the authorization. Transportation projects take years, sometimes decades, to bring from the planning table to construction and predictable funding is vital to that process.

I’m especially excited about the discretionary grants that have or will benefit some crucial projects MDOT would have otherwise struggled to fund. Gov. Whitmer was forward thinking in establishing the Michigan Infrastructure Office to provide key support to myriad state departments applying for infrastructure grants, not just for transportation but to expand broadband service, improve water and sewer systems and many other services across the state.

These include but are not limited to a \$105 million award for the transformational conversion of the I-375 spur freeway in Detroit into an urban boulevard that restores connectivity to vital neighborhoods; a \$73 million boost to a project for a long overdue replacement of the Lafayette Bridge in Bay City; \$14.4 million to revitalize West Bayshore Drive in Traverse City, mitigating congestion and adding a roundabout at the busy intersection of M-22 and M-72; to a \$12 million grant to redesign and replace a pump station at a chronically flooded segment of 28th Street in Grand Rapids, a busy commercial corridor.

Those are just some highlights of how the IIJA discretionary grants are making significant improvements to quality of life across our state.

We are also pleased that the IIJA offered an infusion of \$5 billion to states to build out their charger networks as electric vehicles become more common, with Michigan getting \$110 million through Fiscal Year 2026. Not only does that support goals to reduce emissions and dependency on fossil fuels, it also supports vital Michigan employers in the automotive industry.

Funding from the program is also benefiting passenger rail, transit, aviation and maritime travel and movement of commercial goods.

In short Mr. Chairman, I cannot overstate my appreciation for the IIJA funds and ongoing support of the Federal government in helping me and my team deliver on our promise to provide safe and efficient mobility for all.

Thank you.

Senator PETERS. Thank you. Thank you, Mr. Wiefelich. Thank you, and thank you for your leadership on all of those issues. It is always great working with you, not just today but every day on all of these projects.

Our second witness is Captain Paul LaMarre, the Director of the Port of Monroe and President of the Great Lakes Pilot Association.

Captain LaMarre is a third generation Great Lakes mariner. He is a well known leader and tugboat captain across Great Lakes St.

Lawrence Seaway navigation system. He has served as the Port Director of the Port of Monroe since 2012 and is directly responsible for the port's growth into a national example of seaport revival as well as redevelopment.

Captain LaMarre is also the President of the American Great Lakes Ports Association which represents all U.S. Great Lakes ports and is regarded as one of the industry's leading trade associations.

Captain LaMarre, always a pleasure to see you and welcome. You may proceed with your opening remarks.

**STATEMENT OF CAPT. PAUL LAMARRE,
PRESIDENT, AMERICAN GREAT LAKES PORTS ASSOCIATION,
AND PORT DIRECTOR, PORT OF MONROE**

Mr. LAMARRE. Thank you, sir. Always a pleasure, and I actually have the pleasure of towing ships through that Lafayette Street Bridge so glad to hear that that is going to be upgraded.

First, Mr. Chairman, I just want to thank you for this opportunity. We have had the opportunity to sit in many meetings in many rooms where you have fought for not just the Port of Monroe but have been one of the champions of the Great Lakes as a whole.

I consider you a friend. I consider you really one of the true champions of the Great Lakes St. Lawrence Seaway system. Anytime I can be in the same room with you I consider it a true honor.

And as it relates to infrastructure I speak to you today not just from the Port of Monroe, not just as a Michigander, not just representing all of the U.S. ports, but as a third generation mariner whose families relied upon this industry for over a hundred years, and I consistently tell my team at the Port of Monroe that while we all do our very best in our jobs every day there is one thing at the port and through the system that will outlast all of us and that will span generations and that is infrastructure.

You cannot go wrong investing in infrastructure, particularly our marine highways. The Great Lakes St. Lawrence Seaway system is the vein of industry that has fed a growing nation since the early 1900s.

The infrastructure bill itself for the first time in a long time really gave legitimacy to ports and what we do, and ports, the Great Lakes in particular, needs to be seen as a single port in competition with the coasts, and the investment in the infrastructure bill and what it has allowed us to accomplish with future investment in the Port of Monroe is a great example of how we can do better in the future.

I would tell you with the port infrastructure development program and the funds that come along with it, it has been the single most impactful piece of legislation that our community has ever experienced nationwide.

I think that the American Association of Port Authorities and others would attest to that. Of course, our business is multimodal. The ports represent the first and last mile in intermodal transportation hubs that connect the major metropolis of our Nation.

The funding is one piece of this but the execution undoubtedly is another, and I would say that the efficiency of funding will con-

tinue to be important as well and the streamlined communication between intergovernmental agencies.

Another is that we must place value on our American flagged fleet and domestic cargo. What we do on the Great Lakes is shipping the raw goods that feed our Nation but that come out of our soil.

We are the iron ore that is in your automobile in the form of steel. We are the coal that for at least a period of time is keeping your lights on and contributing to steel production.

It is the limestone in your driveway. It is the grain at Kellogg's. It is more homegrown America than any other commodities that are traded throughout the Nation. We are looking to diversify our cargos but with diversifying we need to sustain and upgrade aging infrastructure.

The last point that I will make is not just to thank the Biden administration and yourself but also to thank Secretary Buttigieg who has through U.S. DOT become a real—well, he is from the Great Lakes, of course, but he, just like yourself, has made time to come to the Port of Monroe to visit Michigan to see what we are all about, and what we are all about travels from the Committee table at a hearing all the way to the deck plates of a lake freighter and to the concrete that is on our dock and the improvements that we are making that will keep people in Michigan working far after we are no longer involved in this process.

I thank you for the honor and the opportunity, and you have my written testimony which has all the details, I guess we could say.

But I appreciate you, sir. You are a Navy brother and I thank you very much for your confidence.

[The prepared statement of Mr. LaMarre follows:]

PREPARED STATEMENT OF CAPT. PAUL C. LAMARRE III, PRESIDENT, AMERICAN GREAT LAKES PORTS ASSOCIATION, AND PORT DIRECTOR, PORT OF MONROE

Good morning, Chairman Peters, distinguished members of the Subcommittee on Surface Transportation, Maritime, Freight and Ports, and fellow witnesses. Thank you for the opportunity to testify today on the impact of the Bipartisan Infrastructure Law on transportation infrastructure in Michigan.

My name is Captain Paul C. LaMarre III, and I am proud to speak as the Port Director of the Port of Monroe, MI as well as the President of the American Great Lakes Ports Association which represents all U.S. Great Lakes Ports and is regarded as one of the industry's leading trade associations.

I am honored to share our experiences and insights on the opportunities and challenges we have encountered while implementing the Bipartisan Infrastructure Law and cannot overstate the importance of continued investment in our maritime industry's resilience.

Overview of the Bipartisan Infrastructure Law's Impact

The Infrastructure Investment and Jobs Act, commonly referred to as the Bipartisan Infrastructure Law, has authorized unprecedented investments in our Nation's surface transportation and port infrastructure projects. These investments are crucial for addressing long-standing infrastructure deficiencies and modernizing our transportation networks to meet future demands.

In October 2022, the Port of Monroe was awarded \$11,051,586 through the Port Infrastructure Development Program (PIDP). This grant award represents the single largest investment in the Port of Monroe's infrastructure since the organization's creation in 1932 and will have profound effects on the sustainability and enhancement of our maritime infrastructure which supports the Port of Monroe's continued growth as a regional hub for both domestic and international renewable energy cargoes.

Successes in Implementation

1. *Enhanced Funding for Projects:* PIDP funding has allowed the Port of Monroe to undertake several critical projects that were previously unfunded. For example, the project rehabilitates and reinforces end-of-life infrastructure to increase vessel and cargo handling capacity, improves the efficiency of managing bulk materials used in local road infrastructure projects and the manufacture of building materials, improves the handling of steel coils and plates used in regional automotive manufacturing, adds shore power to reduce vehicle and vessel idling, provides new docking capacity to harbor assist vessels to increase the port's responsiveness against climate change-related weather events, and adds dedicated vessel berthing capacity for handling international containers and the marine transport of wind energy components manufactured at the Port of Monroe.
2. *Rural and Urban Benefits:* The law's provisions for discretionary and formula funding have ensured that both rural and urban areas in Michigan benefit. The Port is in the City of Monroe, Monroe County, Michigan. The Port is within the federally designated Urban Area and community development zone Opportunity Zone 8318. This positioning allows us to leverage funding to improve infrastructure that benefits our economically challenged rural community.
3. *Job Creation:* The infrastructure projects funded by this law will create numerous construction and operational jobs in our community, providing economic stimulus and supporting local economies, thereby contributing to the reduction of unemployment in the region.

Leveraging State and Federal Funds

As a small public Port, the Port identifies and collaborates with state and local governments to leverage and ensure the maximum impact of public funding sources for infrastructure investment. Examples of the Port using Federal funding to attract non-federal sources of infrastructure investment include:

1. Federal Railroad Administration funds for the development of rail siding to Port tenant manufacturing wind towers were leveraged with financial participation from the Michigan Department of Transportation, Ventower, and the Port.
2. U.S. Department of Transportation's America's Marine Highways Program funds for the purchase of a U.S.-made Manitowoc MLC165 crawler crane were leveraged with financial participation from the Michigan Department of Transportation, City of Monroe, and the Port.
3. Department of Homeland Security Port Security grant funds for the purchase of a radiation portal monitor to screen international containers were leveraged with financial participation from the Port.

Challenges Encountered

1. *Implementation Delays:* While we are grateful for the significant funding provided, we have encountered delays in project implementation due to bureaucratic red tape and compliance with numerous Federal and state regulations. These delays have hindered our ability to deliver projects on time. Additionally, the requirement for additional engineering reviews, despite our own licensed engineers providing plans, has added unnecessary layers to the process. Simplifying these procedures would significantly expedite project delivery. While the Port of Monroe's PIDP grant was awarded in October of 2022, it was not until May of 2024 that we were able to achieve a signed grant agreement with MARAD to be able to proceed.
2. *Coordination Issues:* Effective coordination between various stakeholders, including federal, state, and local agencies, has proven to be challenging. Instances of miscommunication have led to project delays and increased costs. Establishing more robust communication channels would greatly enhance project efficiency.
3. *Resource Allocation:* Despite substantial funding, there remains a need for strategic resource allocation to ensure that the most critical projects are prioritized. There have been instances where less urgent projects received funding over more critical ones, underscoring the necessity for a more data-driven and prioritized approach.

Recommendations

- *Equitable Distribution of PIDP Funds:* There is a pressing need for an equitable distribution of Port Infrastructure Development Program (PIDP) funds by re-

gions, particularly for the Great Lakes region. For example, in 2023, only two Great Lakes ports received a combined total of \$14.4 million, which is just 2 percent of the \$653 million distributed, despite the region's robust cargo flows and critical role in the national economy.

- *Streamlining the PIDP Process:* The PIDP process, like many other grant processes, can be cumbersome. The framework created to regulate and oversee the grant process often prioritizes compliance over construction. We urge for a balance that allows responsible management while ensuring timely project initiation. For instance, we received the PIDP grant two years ago but have yet to see Federal dollars disbursed.
- *Clear Metrics:* Expectations for performance monitoring without clear metrics have created difficulties. For example, criticisms for not moving containers with the Port's crane funded through the Marine Highway Grant Program were issued without providing specific metrics or interagency conversations when multiple government agency approvals are necessary to accomplish certain portions of a project. Grant programs should consider the broader implications and roles of other government entities involved.
- *Focus on Marine Transportation System:* The priority of funding should be the bolstering of the marine transportation system, which includes support vessels and ports but equally important the seafarers and maritime personnel required to support the overall system. Currently, there is a heavier focus on monitoring and managing grant funds rather than on systemic support. There should be equitable investment in the American flag fleet, shipbuilding, and the promotion of seafaring occupations.
- *Investment in the Great Lakes:* On the Great Lakes, it is essential to shore up existing infrastructure. Unlike coastal investments that sometimes bolster foreign transportation systems, we need comprehensive investment in every aspect of the process, including infrastructure, vessels, and the people who operate them.

Conclusion

The Bipartisan Infrastructure Law represents a historic opportunity to transform our transportation infrastructure. While we have seen significant successes, there are areas for improvement that can enhance the effectiveness and efficiency of project implementation. It is vital that programs like PIDP continue to receive support and funding to sustain and enhance our infrastructure.

The Great Lakes St Lawrence Seaway system represents the vein of domestic manufacturing and agriculture which fuels the industrial might and sustainability of our Nation. Investment in the Great Lakes is direct investment in American manufacturing. Unbalanced investment in coastal interests further subsidizes a foreign transportation network.

We are deeply appreciative of the Bipartisan Infrastructure Law and PIDP. These initiatives are crucial not only for strengthening infrastructure but also for injecting funds into the economy, thereby promoting economic vitality and job creation.

Most importantly, we are eternally grateful to Senator Gary Peters and Secretary Pete Buttigieg for their unrelenting support of the Port of Monroe, the Great Lakes St Lawrence Seaway as a whole, and this 3rd generation Great Lakes mariner who beams with pride anytime we shake hands.

We appreciate the continued support of this subcommittee and look forward to working together to build a better future for Michigan's transportation infrastructure.

Thank you for your time and consideration. I am happy to answer any questions you may have.

Senator PETERS. Thank you, Captain. Thank you for your opening statement.

Our third witness is Marty Fittante, who serves as the Chief Executive Officer of InvestUP, the regional economic development organization of the Upper Peninsula.

Before taking over InvestUP in 2019 Mr. Fittante served as the Chief of Staff for Michigan State Senator Tom Casperson. He also previously worked for the Michigan House Policy Office where he worked on economic, natural resources, and transportation policy issues.

Finally, Mr. Fittante has earned degrees from Bay College, Ferris State University, and Wayne State University Law School. Welcome to our committee and good to see you and look forward to your opening comments.

**STATEMENT OF MARTY FITTANTE,
CHIEF EXECUTIVE OFFICER, INVESTUP**

Mr. FITTANTE. Thank you, Senator Peters, and good morning.

I appreciate this opportunity to offer a rural Michigan perspective as you examine the impact of the bipartisan infrastructure law on transportation infrastructure and challenges communities like ours have in pursuing such funding.

Senator Peters, as you know from touring on your Harley the UP is not only one-third the state's land mass and just 3 percent of its population it is also remote. Parts of the UP are closer to five other state capitals than we are here today to Lansing.

But before offering you some thought on our perspective regionally on the bipartisan infrastructure law please let me go off script from my written testimony. Despite the distance I am pretty sure I just heard my team up in the Upper Peninsula scream, no, especially Amy Berglund who you know did great service for Senator Levin over many years.

But this may be the most important point I offer. As we celebrate the investments from this Act it is also important, especially today, to celebrate the simple but profound reality of the title of this Act, that this was a bipartisan effort.

For that I join all those who are focused on solutions and say thank you. That you helped lead a bipartisan effort here, Senator Peters, is no surprise and in light of today's political climate I think it is also important to recognize the nature of your approach, recognition which is not my own.

It is that of the nonpartisan Lugar Center at Georgetown which named you the second most bipartisan U.S. Senator in 2023. For that as a constituent I also say thank you.

VOICE. In fact, that gets a round of applause.

Mr. FITTANTE. Agreed. The aim of the Lugar Index is to highlight members' willingness to get results and you have done just that here, maybe because it was a bipartisan effort, and you have produced results here in the Upper Peninsula. Let me briefly mention just three.

First, a nearly \$20 million investment that will reconstruct a critical corridor that connects members of the Sioux Tribe and community members throughout the region to essential services.

The investment will improve safety for motorists, expand access to essential tribal resources, and establish additional nonmotorized nature trails for recreation.

Additionally, the Chippewa County International Airport received over \$5 million that enabled the development of a brand new general aviation terminal. The new terminal replaced a former Air Force building built by the military prior to the closing of Kincheloe Air Force Base in 1977 and with the rural nature of our area will undoubtedly be critical to helping strengthen the region's competitive economic position.

Last, we consider ourselves fortunate and excited to see the City of Menominee, in affiliation with a local transportation and warehousing business KK Integrated Logistics, receive a \$21 million RAISE grant.

This investment will not only transform capacity at the existing site but it is, among other things, also expected to enhance worker and public safety, reduce harbor and highway congestion, result in a 25 percent increase in jobs, and revitalize the local economy, an economy that is in direct competition with its neighbor Wisconsin.

However, how important is this investment to the community? Cynthia Cooper, President of KKIL, traveled from Menominee simply to be here with you today.

These three examples illustrate how impactful the legislation is to the Upper Peninsula and, I suspect, other rural regions. However, speaking of rural communities, taking advantage of the opportunity can be as challenging as this investment is impactful.

Rural communities see challenges in not only competing for Federal grant opportunities but applying for, accepting, remaining compliant, tracking, reporting on, and finding the required match. These challenges can often prove fatal.

Further, the current Federal funding landscape is structured around competitive one-time awards that tend to further strain the lack of local capacity. That capacity as an issue is not a surprise when you appreciate what has taken place with our population, both with its decline and its aging.

Our three largest age demographics are now between the ages of 55 and 69 in the UP, which is up from 30-to 39-year-olds just 35 years ago. That reality makes attentive and accessible Federal staff all the more critical, Senator Peters, and as I saw in the lead up to this testimony from Muriel's efforts, your staff is exceptional and that starts with Aubrey Moore we are fortunate to have manage your district.

Finally, Senator Peters, you are well acquainted with the spirit of Sisú. It is the foundation of our perseverance in the UP. But rather than simply persevering rural communities need to prosper. Not a surprise law school taught me to be long.

We believe we are at an intersection in time and poised to grow. In fact, the UP has seen population growth for the first time in decades over the last three years. But to prosper we need more Federal—friendly Federal programming.

So thank you, Senator Peters, not only for the opportunity to appear before you today and for the investments of this law that you made in the Upper Peninsula, but also for continuing this conversation in the weeks and months ahead.

[The prepared statement of Mr. Fittante follows:]

PREPARED STATEMENT OF MARTY FITTANTE, CHIEF EXECUTIVE OFFICER, INVESTUP

Thank you for the opportunity to provide feedback on critical infrastructure funding, the impact it has on rural American communities, and the challenges we have in seeking such funding.

Chairman Peters, Ranking Member Young and all subcommittee members, infrastructure connectivity and integration of our counties, towns and villages is crucial to our rural health and future prosperity.

I am Marty Fittante, CEO of the non-profit economic development organization, InvestUP, which is based in and proudly calls home, the Upper Peninsula of Michi-

gan. This northernmost and 100 percent rural region spans 15 geographically large counties of Michigan's 83 counties, we are 1/3 of the State's total land mass and with a population of just over 303,000 residents, we are just 3 percent of Michigan's total population. As a point of reference, right now, you are almost just as close to Washington DC as you are to Copper Harbor, the northernmost town of the UP's Keweenaw Peninsula. We are bigger than 9 states!

To say we are proud of our ruralness is an understatement. With 16,377 square miles of scenic landscape, 4,300 inland lakes, 12,000 miles of streams, 1,700 miles of shoreline and . . . 509 moose!, in some parts of the region, we can go days without seeing another neighbor or vehicle in passing. And we are okay with that.

Because, at the very same time, we can boast having three major universities, three SmartZones, a national park, a national lakeshore, a national historical park, a national hiking trail, an international bridge, the only nickel producing mine in the country, one of the longest iron ore producing mines in the country, one of the oldest cities in the country, and international ski jumps.

Amidst all this interesting opportunity that brings students, business travelers and tourists to the region, we also make things—from the iconic to the sophisticated, in the UP. We make circuit boards, snowplows, Stormy Kromer hats, Thoracic Fixation Systems, rocket thrusters and repair kits for the Space Shuttle, and NBA and NCAA maple hardwood basketball courts. Just to mention a few products.

All of which needs infrastructure to connect our industries and people within the region as well as the rest of the state, country and globe, which is becoming increasingly more interconnected and with that provides more opportunity for rural communities like ours. We see that reality with population gains, for the first time in decades, in 10 of our 15 counties.

Small communities and large infrastructure projects typically mix like Lions and Packers fans, and we have our fair share of those as well as we share a border with Wisconsin. Our small municipalities, economic and community development non-profits and schools operate on limited budgets, resources and staffing. While at the same time, our roads, railways, ports and telecommunications span a great number of miles to bring products and people in, as well as out, effectively and incurs tremendous expenses. Not to mention the added challenge of our winter weather with that infrastructure.

We consider ourselves extremely fortunate and grateful to see that the City of Menominee, in affiliation with a local transportation and warehousing business, K&K Integrated Logistics, has been awarded a \$21M RAISE grant this year. This \$26M infrastructure improvement project will not only transform the existing site to greater capacity, it is expected to enhance worker and public safety, reduce harbor and highway congestion, result in a 25 percent increase in KKIL jobs, reduce emissions, incorporate greater energy efficiencies and savings, and revitalize the local economy—a local economy that is both in direct competition with the State of Wisconsin as well as shares workforce and industry, within a disadvantaged county of the region.

K&K Integrated Logistics is a private, family-owned company which transports products and raw materials and is planning a large-scale project that includes dock wall improvements, rail reconfiguration and expansion, storage construction and equipment installation. The project would not move forward without the RAISE grant to invest in this community. Menominee County has a population of just over 23,000, the City of Menominee just over 8,000 and K&K IL currently has 48 employees.

Successfully implementing Federal funds is as much of a challenge as it is impactful. In another example of Federal infrastructure grants deploying to rural communities in our region, the Chippewa County International Airport received \$5.2M from the FAA's Supplemental Airport Improvement Program.

This award enabled the development of a brand-new general aviation terminal which opened in 2022 at the Chippewa County International Airport in the eastern Upper Peninsula. The new terminal replaced a former air force building, built by the military prior to closing the Kincheloe Air Force Base in 1977.

Chris Olson, president of the Chippewa County Economic Development Corporation which manages the airport, says, "This infrastructure investment is another key project to help our community expand its reach both domestically and internationally. The project will ultimately strengthen the county's competitive position and help build capacity that will generate economic opportunity for the region."

To provide an example of demonstrated economic impact of Federal infrastructure funds in one of our more remote and rural counties, in 2010 the Alger County Road Commission completed the repaving and construction of county road H-58 from the City of Munising to the Village of Grand Marais along a scenic stretch of Lake Su-

terior and within the Pictured Rocks National Lakeshore. Senator Peters, you might recall this route in northern Alger County from a Harley ride in the UP?

The roadway was promised as part of the park's enabling legislation from 1966 but remained partially paved and largely gravel and dirt up until the early 2000s when Congress finally passed full funding for the \$14m project. Completing the roadway effectively connected the two rural communities and opened up the park for greater access. In fact, the Park Service indicates that visitation to the park has increased steadily year over year since H-58 opened in 2010, bringing at the peak, over 1.3m tourists to the small county of only about 8,800 residents during the short summer months of 2021. Several years prior to improvements to H-58 the park averaged under 450,000 visitors per summer season.

While the completion of H-58 became a reality only because of the dedication of Congressional funding, the length of time between authorization (1966) and completion (2010) was due to sporadic and inadequate funding. The impact is tremendous, but it took over four decades to get to this point.

As I am sure you are well aware, these grant funds do come with some challenges, especially for small rural municipalities. Not only the difficulty in competing for round after round of Federal grant opportunities, but in applying for, accepting, remaining compliant, tracking and reporting on grant awards poses great capacity challenges for small communities. In fact, while immensely appreciative of the RAISE grant for the City of Menominee, Brett Botbyl, City Manager said, "Well the grants are very labor intensive, so you almost need a grant writer or engineering company to do the work for you." Deploying this additional expertise in Menominee's case can certainly be directly attributed to the success of the project award.

Sadly, the complexity that can come along with Federal funding actually caused InvestUP to return a nearly \$1m grant award that was designed for workforce training because we could not, after considerable effort, find a compliant practical use. The required actions and collection of personal information from participants adversely impacted the public's willingness to participate where they could have received "free" funding for skilled training through our colleges and universities.

To further support these small municipalities experiences, the University of Michigan's Michigan Public Policy Survey found in 2023 that of statewide local government leaders, only 15 percent of township leaders were confident they can monitor grant opportunities and only 14 percent of village leaders felt the same.

In addition, overall, 33 percent of Michigan local leaders are NOT confident they can successfully apply for future grants or funding. In fact, one comment from the study boldly stated, "The application process is what holds small townships back. Navigating Federal systems is very intimidating. This township qualifies for many, but they barely ever get submitted or even applied for because of the lack of staffing and expertise."

In the same U of M survey, leaders offered some recommendations on how their governments could best approach grant funding opportunities and they are consistent with comments that we have heard from municipal leaders and non-profit leaders time and again. These include the need for more local expertise such as hiring grant writers, not only to write and monitor grants, but to identify available opportunities in a timely manner.

Perhaps the most impactful approach around building that local expertise would be a long-term, sustained funding source, that isn't overly prescriptive, that would allow communities to build internal capacity for planning and grant writing. Michigan's Office of Rural Prosperity has supported efforts to build internal capacity through their Rural Readiness Program, with small grants to rural communities to fund grant writers, planning, and grant writing education.

"In just six months, the success of this approach has become clear, with just half a dozen communities able to submit over \$13 million in grant applications, secure over \$2 million in funding, and educate over 300 community partners on the grant writing process," says Sarah Lucas, Director, Office of Rural Prosperity within the Michigan Department of Labor & Economic Opportunity. She goes on further to say, "These are small, one-time grants; but longer-term investments like this in capacity would provide certainty and expertise that could help communities look towards future opportunities, and to plan and budget accordingly."

Currently, the Federal funding landscape is structured around competitive, one-time awards that tend to further strain the lack of local capacity. The episodic nature of these funds discourages communities from working towards long-term solutions and developing projects for which there may or may not be funds available. More predictable structures and funding resources for rural communities could both streamline the process and build in certainty and capacity for large investments. To emphasize this point, InvestUP did not submit an application for the U.S. EDA's

Recompetes pilot grant, although we seemed to be well-suited for it, for this very reason. So as grateful as we are for the Office of Rural Development and its efforts, more opportunity would result by entrusting regions with the resources to build this capacity.

An important, parallel consideration, addressed in Michigan's Roadmap to Rural Prosperity, is the potential for funders and agencies to reduce the time, expense, and capacity burden that local governments and rural non-profits experience in Federal funding opportunities by streamlining and simplifying processes related to grant application, submittal, and reporting processes.

One such approach is to provide shorter application forms or standardized forms and required submittals across programs and agencies to eliminate redundant data entry and application information. Other changes could include lowered or eliminated financial match requirements. Another related challenge here is that urban areas and non-profits have philanthropic funds they can also call on to use to our competitive disadvantage to secure that funding. Further approaches could include the allowance of in-kind matching, and inclusion of administrative or indirect costs in grant awards, to allow communities or organizations with limited resources to compete in grant programs.

Additionally, it would be helpful to expand timelines to allow for planning and implementation with reduced staffing resources; and cooperative grant agreements that feature strong funder engagement and partnership in program implementation, to help communities and organizations build greater administrative expertise and capacity to successfully plan, implement, and manage grant awards.

Understandably, these issues are not easily solved over the course of this testimony or subcommittee hearing. But we offer up our time and further feedback if called upon to assist in any way we can to making Federal grants true opportunities.

We do sincerely appreciate and thank you for the Federal investment in rural community infrastructure and the opportunity to express our appreciation as well as provide some feedback on how we can, collectively, do even better. And arguably as importantly, we are also happy to recommend a few scenic stretches for your next ride back in the UP, Senator Peters.

Senator PETERS. Thank you, Mr. Fittante. Thank you.

Our fourth witness is Amy O'Leary. Ms. O'Leary is the Executive Director of the Southeast Michigan Council of Governments, or SEMCOG, the metropolitan planning organization for that region.

She has worked for SEMCOG for 30 years and became ED in 2017. Ms. O'Leary also holds leadership positions at the Six Rivers Regional Land Conservancy, the Detroit Area Agency on Aging, and the Executive Directors Council of the National Association of Regional Councils.

Ms. O'Leary, thank you for being here. It is great seeing you again. It is always a pleasure working with you. You may proceed with your opening remarks.

**STATEMENT OF AMY O'LEARY,
EXECUTIVE DIRECTOR, SEMCOG**

Ms. O'LEARY. Thank you. Thank you, Senator Peters, and thank you for your support of our infrastructure in Southeast Michigan.

So SEMCOG is a regional planning agency serving almost 5 million people in the seven-county area of metro Detroit. We are a local government association of over 180 members that include counties, cities, villages, and townships.

As the metropolitan planning organization SEMCOG is responsible for ensuring data-driven efficient use of transportation funds. This includes the development of our 2050 long-range transportation plan for our complex system of roads, bridges, transit, non-motorized transportation and freight, and it includes \$38 billion in transportation projects.

We also develop and manage a current list of federally funded projects which for the years 2023 to 2026 totals \$5.8 billion in Federal funds. Today, I will group my comments into three different buckets.

Bucket one, the impact of discretionary grants are transformational. One of the best examples of this are large projects which exceed the scope of formula funding including INFRA, RAISE, and the railroad crossing elimination program.

For example, Innovate Mound in Macomb County received \$98 million through INFRA to reconstruct nine miles of roadway to support economic development as the state's defense corridor.

The \$104 million INFRA grant to help reconnect one of Detroit's historically black and economically strong neighborhoods which was divided and devastated by the highway construction of I-375, as was mentioned earlier. This reconstruction will convert a sunken freeway to a lower speed surface level boulevard.

The third project is a \$24 million railroad crossing elimination grant program in the City of Monroe. This project will improve response times for emergency vehicles, ease congestion and increase safety for pedestrians and motorists.

These projects are, indeed, transformational and we strongly encourage these programs to continue in reauthorization. The need is great. For example, we have over 1,000 at-grade crossings in southeast Michigan and when a grade separation needs to occur the cost is between \$20 million and \$100 million.

The good news is that partnerships are happening. Wayne County in partnership with MDOT and Romulus, Hurton Township, and CSX will be submitting for the separation on Pennsylvania Road with the state adding millions in match.

Discretionary funds are also essential for emerging issues such as addressing flooding through the Protect program and addressing the devastating spike in fatalities on our roadways through the Safe Streets for All program.

Safety is one of the several issues best understood and addressed at the local level. We have one fatality a day in southeast Michigan. Last year 100 of them were either pedestrians or bicyclists.

In response our region has aggressively pursued funding to tackle this issue and we received over \$80 million in planning and construction funds. Reauthorization of the program should consider this national crisis and move Safe Streets for All to a formula program.

The second bucket is the critical role of formula funds. The majority of southeast Michigan's 25,000 miles of roads and almost 3,000 bridges rely on formula funds. The consistent funding source is essential for implementing advanced planning and data-driven approaches.

While discretionary funds have been transformational, time and financial resources, each in short supply for local governments, are needed to compete for these funds.

To more effectively allocate resources and enhance the Nation's transportation systems a balanced approach is needed. The balanced approach should increase formula funds. Our roads and bridges continue to be in disrepair despite significant investments in recent years.

For example, depending on the ownership our road conditions receive a poor rating from 22 up to 47 percent of our roads. Local and county roads are by far in the worst condition, which threatens our economy as well because over 1,500 miles of them are freight and truck routes.

The third bucket is the critical role regions and MPOs play in the process. Regions ensure a data-driven approach occurs including project selection for these formula-based funds that is over a billion dollars annually.

This includes suballocated programs such as the new carbon reduction program and the highly successful transportation alternatives program.

Second, we convene and support communities to ensure they are taking advantage of the discretionary funding opportunities. Currently, we bring together communities in our region, which predominantly fall into the Justice 40 designation to collaborate on projects and ideas and provide needed support.

Regions also apply on behalf of local communities and pass those funds on to communities, which is what we have done with \$10 million of this Safe Streets for All funding.

Finally, we are a voice for local communities and the public regarding their infrastructure concerns and frustrations.

One frustration was the lack of financial and technical ability to apply for these highly competitive funds. MDOT and the state of Michigan's infrastructure office have been strong partners for us locally.

In fact, the MIO office has developed a program to write grant applications for communities through a regionally vetted program.

So I would like to conclude by thanking you for this opportunity and really acknowledging the important role that infrastructure is in southeast Michigan and the role that regions play.

Thank you.

[The prepared statement of Ms. O'Leary follows:]

PREPARED STATEMENT OF AMY O'LEARY, EXECUTIVE DIRECTOR, SEMCOG

Thank you Senator Peters, Ranking Member Young, and members of the Committee for the opportunity to testify today.

My name is Amy O'Leary, and I serve as the Executive Director of SEMCOG, the Southeast Michigan Council of Governments. SEMCOG is a regional planning agency serving almost 5 million people in the seven-county area of Metro Detroit. We are a local government association with over 180 members that include counties, cities, villages, and townships.

As a Metropolitan Planning Organization, SEMCOG is responsible for ensuring data-driven, efficient use of transportation funds. This includes the development of our 2050 long-range transportation plan for our complex system of roads, bridges, transit, nonmotorized transportation, and freight and includes \$38 billion in transportation projects. We also develop and manage the current list of federally funded road projects, which for 2023-26 totals \$5.8 billion in Federal funds.

Today I'll group my comments into three buckets:

Bucket 1—The impact of discretionary grants can be transformational.

One of the best examples of this are large projects, which exceed the scope of formula funding, including INFRA, RAISE, and the Railroad Crossing Elimination Program. For example, Innovate Mound in Macomb County received \$98 million through the INFRA Program to reconstruct 9 miles of roadway to support economic development as the State's defense corridor.

A \$104-million INFRA grant will help to reconnect one of Detroit's historically Black and economically strong neighborhoods, which was divided and devastated by

the highway construction of I-375. The reconstruction will convert a sunken freeway to a lower-speed surface level boulevard.

A third project is the \$24 million Railroad Crossing Elimination Grant Program in the City of Monroe. This project will improve response times for emergency vehicles, ease congestion, and increase safety for pedestrians and motorists.

These projects are indeed transformational, and we strongly encourage these programs continue in reauthorization. The need is great. For example, we have over 1,000 at-grade crossings in Southeast Michigan. When a grade separation needs to occur, the cost is between \$20- and \$100 million. The good news is that partnerships are happening. Wayne County, in partnership with MDOT, Romulus, Huron Township, and CSX will be submitting for the separation on Pennsylvania Road with the State adding millions in local match.

Discretionary funds are also essential for emerging issues such as addressing flooding through the PROTECT program and addressing the devastating spike in fatalities on our roadways through the Safe Streets for All program. Safety is one of several issues best understood and addressed at the local level. We have one fatality a day in Southeast Michigan. Last year 100 of the people killed were pedestrians or bicyclists. In response, our region has aggressively pursued funding to tackle this challenge and we have received \$80 million in planning and construction funds.

Reauthorization of the program should recognize this national crisis and move Safe Streets for All to a formula program.

The second bucket is the critical role of formula funds.

The majority of Southeast Michigan's 25,000 miles of roads and almost 3,000 bridges rely on formula funds. This consistent funding source is essential for implementing advanced planning and data driven approaches. While discretionary funds have been transformational, time and financial resources—each in short supply for local governments—are needed to compete for discretionary funds. To more effectively allocate resources and enhance the Nation's transportation systems, a more balanced approach is needed.

This balanced approach should increase formula funds. Our roads and bridges continue to be in disrepair despite significant investments in recent years. For example, depending on the ownership, our road conditions receiving a "Poor" rating range from 22 up to 47 percent. Local and county roads are by far in the worst condition, which threatens our economy as over 1,500 miles of these roads serve as freight and truck routes.

The third bucket is the critical role regions and MPOs play in the process.

Regions ensure a data-driven approach occurs, including project selection for formula-based funds with over \$1 billion annually coming through our program. This includes suballocated programs including the new Carbon Reduction Program as well as the highly successful Transportation Alternatives Program.

Second, we convene and support local communities to ensure they are taking advantage of the discretionary funding opportunities. Currently, we bring together the communities in our region which are predominantly fall into the Justice 40 designation to collaborate on project ideas and provide needed support. Regions also apply on behalf of local communities and then pass the funds through to our communities. This is what SEMCOG is doing with our \$10 million Safe Streets for All award.

Finally, regions are a voice for local communities and the public regarding their infrastructure concerns and frustrations. One frustration was the lack of financial and technical ability to apply for highly competitive funds. MDOT and the State of Michigan's Infrastructure Office have been strong partners for us locally. In fact, MIO has developed a program to write grant applications for communities through a regionally vetted process.

I would like conclude by thanking the members of the Committee for acknowledging the important role of regions and providing much needed funding that helps us do our job and improve the lives of our residents.

Senator PETERS. Thank you, Ms. O'Leary. Appreciate your comments.

Our fifth witness is Mike Aaron. Mike Aaron serves as the Business Manager for the Laborers Local 1191 and President of the Michigan Labor's District Council.

He is certainly a very well respected labor leader in his community. He also serves as Vice President of the Metropolitan AFL-

CIO and a Board Member on the Mayor of Detroit's Detroit Employment Solutions Corporation.

Mr. Aaron, welcome to the Committee. We all look forward to your opening statement and appreciate your leadership on so many union issues and labor issues in general.

STATEMENT OF MICHAEL AARON, BUSINESS MANAGER AND CHIEF OFFICER, LABORERS INTERNATIONAL UNION OF NORTH AMERICA (LiUNA!) LOCAL 1191

Mr. AARON. Thank you, Senator Peters, and I want to say thank you for the work that—thank you, Senator Peters, and I just want to say thank you for the work that you and this Committee is doing on the infrastructure for Michigan as well as the United States.

As you have heard, my name is Mike Aaron and I am the Business Manager of Laborers International Union Local 1191 located in Detroit, Michigan. The Michigan Laborers District Council represent more than 13,000 skilled trades persons in the state of Michigan.

Laborers Local 1191 is one of seven LiUNA! locals in the state. It is also the largest in the state of Michigan, representing more than 5,700 active construction skilled trades persons in its geographic jurisdiction of Wayne and Macomb Counties.

Local Laborers 1191 members primarily work on building trades and heavy and highway and bridge construction projects. I have been a member of Laborers Local 1191 since 1984. I have been in the union administration leadership since 1988 for over 37 years, good, bad or indifferent.

As business manager of Laborers Local 1191 some of my duties consist of upholding the constitution of the International Union Organization, managing the business affairs of Local 1191 union, protecting the rights of members and laborers' jurisdiction on work projects, enforcing all collective bargaining agreements and securing fair wages and benefits through organizing, policy support, and collective bargaining.

A large part of my responsibility as business manager of Laborers Local 1191 is to vet and endorse policies and candidates that support the core principles of the organization.

One of our core principles is one man one job. This means our members should be able to take care of their families with the earnings from one job. This, among other reasons, is why LiUNA! International and Local 1191 support the bipartisan infrastructure package.

The package has supported large investments in highways, street, and bridge construction, which guaranteed good-paying jobs for the Local 1191 membership and the Michigan laborers.

Most important to the construction industry and myself and my membership of the funds in the bipartisan infrastructure law are covered under the prevailing wage protection of Davis-Bacon Act.

The Davis-Bacon Act is very important to labor. This means that billions of dollars are coming into municipalities to support investments in energy technologies that will help raise standards for workers and industries like charging infrastructure, electrical vehicles, and clean water infrastructure.

The bipartisan package also created unprecedented investments in underserved communities and expand pathways to good-paying jobs, especially for the underrepresented worker.

We know with good-paying jobs come the need for proper training. The law accounted for the need for training by creating training center partnerships being labor unions and employers for the installation of maintenance of energy-efficient building technologies.

Surface transportation funds were also activated to create registered apprenticeship and pre-apprentice programs.

Finally and most importantly, municipalities and local governments are the first time—for the first time ever receiving Federal funds to establish local hiring programs with economic or geographic preference to incentivize people living in these areas to pursue trade careers.

I am very happy to be here today because my—from my perspective the package was an easy piece of legislation for Local 1191 to get behind. It comes to positively impact every facet of my membership's day to day lives.

Thank you to this committee and Senator Peters.

[The prepared statement of Mr. Aaron follows:]

PREPARED STATEMENT OF MICHAEL AARON, BUSINESS MANAGER AND CHIEF OFFICER, LABORERS INTERNATIONAL UNION OF NORTH AMERICA (LIUNA!) LOCAL 1191

Opening Remarks/Introduction (5 Minutes)

My name is Michael Aaron, and I am the Business Manager of Laborers International Union of North America (LiUNA!) Local 1191 located in Detroit, Michigan.

The Michigan Laborers District Council represents more than 13,000 skilled Tradesmen and women in the state of Michigan. Laborers' Local 1191 is one of 7 LiUNA! locals in the state of Michigan. It is also the largest in the state of Michigan representing more than 5,700 Active Construction skilled tradesmen and women in its geographical jurisdiction of Wayne and Macomb counties.

Local 1191 Members primarily work on building trades and heavy highway and bridge construction projects.

I have been a Member of Laborers' Local 1191 since 1984. I have been in Union Administration leadership since 1988—over 37 years!

As Business Manager of Laborers Local 1191, some of my duties consist of:

- upholding the constitutions of the LiUNA! International organization;
- Managing the business affairs of the Local Union;
- Protecting the rights of Members and Laborers' jurisdiction on work projects;
- Enforcing all collective bargaining agreements; *AND*
- Securing fair wages & benefits through organizing, policy support & collective bargaining.

A large part of my responsibilities as Business Manager of Laborers' Local 1191 is to vet and endorse policies and candidates that support the core principles of the Organization. One of our core principals is—one man, one job!

This means that our members should be able to take care of their families with the earnings from one job.

This, among other reasons, is why the LiUNA! International and Local 1191 supported the Bipartisan Infrastructure package. The package has supported large investments in highway, street and bridge construction, which has guaranteed good paying jobs for the Local 1191 membership.

Most important to the construction industry and my membership, most of the funds in the Bipartisan Infrastructure Law are covered under the prevailing wage protections of the Davis-Bacon Act. The Davis-Bacon Act is very important to Labor.

This means that billions of dollars are coming into municipalities to support investments in energy technologies that will help raise standards for workers in industries like charging infrastructure for electric vehicles and clean water infrastructure.

The bipartisan package also created unprecedented investments in underserved communities and expanded pathways into good jobs, especially for underrepresented workers.

We know that with good paying jobs comes the need for proper training. The law accounted for the need for training by creating training center partnerships between Labor Unions and employers for the installation and maintenance of energy efficient building technologies.

Surface transportation funds were also activated to create registered apprenticeship and pre-apprenticeship programs.

Finally, and most importantly, municipalities and localities are, for the first time ever, receiving Federal funds to establish *local hiring programs* with economic or geographic preferences to incentivize people living in these areas to pursue trade careers.

I am happy to be here today because from my perspective, the package was an easy piece of legislation for Local 1191 to get behind. It continues to positively impact every facet of my Membership's day-to-day lives.

Thank you.

Senator PETERS. Thank you. Thank you, Mr. Aaron, for those comments.

Mr. Wieferich, I am particularly excited to see the progress that it has made to restore the Michigan Central Station in Detroit and I am currently working to secure an additional \$3 million in funding through the congressionally directed spending program to make Michigan Central an intermodal station again with passenger train service, which I think will be transformative in so many ways.

MDOT received a corridor ID grant under the bipartisan infrastructure law, as you know, to begin planning how to extend passenger rail service into downtown Detroit and even across the border into Windsor.

So my question for you is once this planning process is over I am sure implementation funding is going to be needed to carry out this project.

Could you please discuss the importance of Congress continuing to support the corridor ID and Federal/state inner city rail program to enable train service like this?

Mr. WIEFERICH. Absolutely, and—yes, the Michigan Central opportunity that we have in front of us is extremely exciting.

I am a transportation person, obviously, but when I see the opportunity for us to be able to connect so many modes together it just makes sense.

So the idea at Michigan Central would be not only to have passenger rail service back through there but also connect with our inner city bus systems along with local transportation systems to create and really build out and maximize our network as a whole.

You mentioned the corridor ID grants that we are very appreciative of. We actually have corridor ID work, which is identification and development work that we are doing on three—all three of our passenger rail services from Grand Rapids and Port Huron and Detroit to Chicago.

In addition, we are actually supporting an Ohio grant that is looking at traveling east out of Detroit down toward Toledo and Cleveland.

So, obviously, we have gotten through step one in the corridor ID process and getting our grant agreement set up. Federal rail, or FRA, has been extremely helpful. We have a very good working relationship with them. Look forward to continuing that.

I think you mentioned the importance of continuing this. Yes, we are in study phase right now. We are looking at the opportunities and what could be.

But we are going to need the resources to be able to actually implement the things that we know will allow those projects to get completed, to opening the doors to greater reliability and better service and expanded frequencies.

So we are very much looking forward to what is next, especially for the Detroit to Windsor connection that we are talking about, working with Amtrak and Canadians' VIA as well and we really look forward to that.

I think one thing I would like to mention and is a bit of a challenge is that there is not any formula funding available for passenger rail, and as I had mentioned in my opening remarks the more certainty we have around that the better we can be at planning and most efficiently actually delivering those projects.

So thank you.

Senator PETERS. May I just follow up? You mentioned about Windsor involved, which is interesting. Being on an international border makes it a particularly interesting project.

But that could also add some complexity to everything. So my question for you is has MDOT received sufficient interagency coordination to carry that out, particularly given the fact we have got an international border? And is there any additional support either related to that or any additional support that Congress can lend?

Mr. WIEFERICH. Yes, I really appreciate that offer. But to this point we have actually had very good coordination both with the Federal partners and with our Canadian partners. So it is still a concept right now that is gaining momentum and as we need assistance to help us with some barriers we will certainly reach out.

Senator PETERS. Great.

Captain LaMarre, the Port of Monroe is vital to the Great Lakes shipping network and the country's supply chain as a whole—and I do not need to tell you that, you tell me that every opportunity you get to do that—to ensure that efficient transportation of highly diversified cargo, you mentioned in your opening comments limestone, asphalt, steel coils, wind energy components. The list can go on.

And that is certainly why I was happy to support your \$11 million award through the Port Infrastructure Development Programs, also PIDP, to drive the upgrades.

But I understand that these improvements include the rehabilitation of operating areas responsible for exporting wind energy components, a key part of the Port of Monroe's operation as the county's only port host to a wind manufacturer.

So my question for you, Captain LaMarre, is could you expand on the ways in which the PIDP grant helps ensure a robust and resilient supply chain and ensures that the port can meet the growing freight volumes in critical sectors such as agriculture, construction, and clean energy infrastructure?

You have got a lot on your plate.

Mr. LAMARRE. Thank you, sir.

We see the Port of Monroe as the gateway to Michigan ports. We are the first stop.

As Michigan's gateway port we believe that we are the front door to the intermodal transportation in the region. The infrastructure bill and what it will do through PIDP for the Port of Monroe will not only rehabilitate infrastructure that was constructed in 1932 when the port was created but it will also expand our ability and connectivities to other modes.

Ports in general, the Great Lakes State, of course, having more ports than any other state, and the Great Lakes and St. Lawrence Seaway system were built up in wartime above anything else and the maritime industry as a whole is often overlooked because, quite frankly, we have such little impact on the public.

People sit at rail crossings. They see trucks on the highway. The ships come and go in the night with the least environmental impact in existence to move the most tons per mile with the least environmental footprint at the Port of Monroe, enhancing our ability to handle both domestic and international freight and also bolster existing state and Federal investment.

As you mentioned, the Port of Monroe is home to the only wind tower manufacturer in the country located at a port.

I can tell you that at the height of the pandemic the Port of Monroe had its busiest season on record and that was because the port serving as a regional distribution hub for General Electric Wind was both manufacturing and sending out wind towers but also bringing in additional wind towers from Canada and also by rail bringing in the hubs and nacelles and serving as a distribution point for all of those components.

Having the ability to utilize the port's infrastructure, which in that case was funded through the state of Michigan, was critically important and this investment will represent the single largest investment in the Port of Monroe's history.

I speak to you today, though, not just as the Port of Monroe but as the American Great Lakes Ports Association as a whole, and it will continue to be critically important not only to renew the legislation but to ensure that the Great Lakes are represented equitably with the coasts because as it stands it has been a much smaller percentage that has gone to Great Lakes ports than that of our coastal competitors.

However, while there is room for improvement it undoubtedly is going to pave the way for the most significant enhancements that our port and others around the system have ever seen.

Senator PETERS. Right. There is no question we have to make sure our coast is represented there and we will continue to fight. We say we have the East Coast, the West Coast and the best coast.

Mr. LAMARRE. Amen.

Senator PETERS. We are going to be fighting for the—

Mr. LAMARRE. That gets an amen.

Senator PETERS. We will be fighting for the best coast.

Mr. Fittante, as you discussed in your testimony the ability for rural areas to compete for Federal funding can be very different from both suburban and urban jurisdictions and the substance of the infrastructure needs themselves are also very different as well.

So if you could expand for the Committee on how infrastructure needs differ in the Upper Peninsula specifically but also what types of infrastructure are most needed?

And, finally, how has the bipartisan infrastructure law supported those needs and equally as important what do we need to be doing in the future to build on what we have done so far?

Mr. FITTANTE. Thank you, Senator.

I guess I would look at it in two ways. I think, first of all, the Act addressed some unique needs in the Upper Peninsula very well.

We certainly have a need for broadband, as other communities do, but particularly acute in rural communities and the Act has followed on to some of the Federal investment that is already making a meaningful difference there.

Additionally, when you look at what the Act does around reclamation of mines, again, very important for the legacy that we have around abandoned mines.

And then, additionally, it provides for EV chargers. I think from our perspective maybe there is a little bit different way to look at that type of investment and how that is unique to the Upper Peninsula, and as we look to electrify what does that mean toward outdoor recreation and what is going on with outdoor recreation mobility and do you electrify trails along those ways.

We see, as I talked about population, great opportunity around water, climate, and outdoor recreation and if you look at Bentonville, Arkansas, it is an example of that.

They credit their focus on outdoor recreation to attracting 1,000 new people a month to that community and if Bentonville can do that we should be eating their lunch in terms of what we have with regard to the topography, the geography, and the climate around outdoor recreation.

Additionally, as you well know from, I think, the last time we had a chance to talk in person, when you tried to fly into Marquette and struggled to get there to drop a puck at the NMU game—go Wildcats—air service is a critical need that is really challenging regionally, and I think from our perspective we have got to figure a way to address that issue because it is so critical.

From our lens it is not a transportation issue alone. It is really an economic development issue and to get in and out of the Upper Peninsula right now in light of what the current flight schedule looks like, in light of what the investment looks like, it is really a 3-day business trip.

And as we try to develop business, as we try to attract business, that is largely a nonstarter and when I look at what we are doing around some sophisticated stuff with technology and entrepreneurship we have got to figure out what a solution to air service looks like.

And then, additionally, I think the big difference for us regionally as opposed to other parts of the state is our state trunk lines—and thank you, Mr. Director—are in really good shape.

It is our local roads that are really our challenge, and so what can we do to make that investment in our local roads to really kind of match what you see as you come into our communities.

When you talk about what we can do to ensure that we are better able to compete I will offer you three different ideas quickly, Senator.

First, good planning leads to good projects and good projects get funded. The challenge for us is getting communities focused on planning and what they need rather than chasing whatever dollars may presently be in front of them.

I think training communities on planning, prioritizing, and implementing efforts to help redevelop themselves is critical.

Most rural cities, villages, and townships are short staffed to start with and let alone have a staff person focused on getting a municipality in a position to plan and implement the opportunity that is presently in front of them and need technical assistance, and that was the case with that KKIL City of Menominee grant.

They had to—really, a need for a grant writer engineering firm to help define that project, compete, and submit the application. So I can certainly expand upon that later, Senator, but those certainly would put us in a pretty good position to compete.

Senator PETERS. Great. Thank you. Thank you.

Ms. O’Leary, the RAISE grants authorized by the bipartisan infrastructure program offered one of the more flexible, high-value opportunities for communities to fund complex and high-priority local projects.

Southeast Michigan has received several RAISE grants including \$16 million for the City of Pontiac for the Pike Street Clinton River Trail connector project, \$8.5 million for electrical vehicle charging in Wayne County, and over \$25 million for the City of Detroit to reconstruct a portion of Michigan Avenue with cutting-edge mobility technologies incorporated into that corridor.

Could you speak to the importance of retaining the RAISE grant program in the next surface transportation reauthorization bill?

And if you would also share with the Committee any recommendations you have to improve the program when we work to reauthorize that bill.

Ms. O’LEARY. Right. Absolutely. Thank you.

So one of the great things about the RAISE program is that it is a way to fund large projects that the formula funding just cannot do, and I think whether it was raised in INFRA the importance for those large projects to be retained in reauthorization is critically important.

The other thing, as you noted, with what got funded in southeast Michigan is the variety and transportation needs and solutions are not singular and so being able to allow for what makes sense in Pontiac may be different than what makes sense in Detroit, and so this does that and we are very appreciative of that.

I think another reason it was successful is it is a known program. It has been around a while.

I think both administratively it is known and also to the applicants it is known. So scaling it up was wise. It is not seen as a new program that people have to understand better.

Because it is such a large amount of dollars I think the applicant is pretty flexible with doing their best with meeting timelines and other requirements but I do think there are some things that we could do a little bit better and one is if partial funding is awarded to really work with the applicant about what that means, because it is so much money even MDOT has trouble when it is partially funded and they run the biggest program in Michigan.

So when a smaller community would receive partial funding their avenue to add to that pot is pretty limited. So that would be one recommendation.

And the second would be just ensuring that the MPO is involved and you all in your group—that you do a great job of making sure that you hear from the MPO for congressionally directed spending awards and that goes back and forth in that we make sure that it is—can get put in our Transportation Improvement Program—our TIP—but also that it makes sense for our region and that we are ready for the funds when they get here.

So there are times when we see large funding announcements and we had no idea that they were happening in our region.

So, thank you.

Senator PETERS. Great. Well, thank you.

Mr. Aaron, as you mentioned in your opening comments, the Davis-Bacon Act requires contractors and subcontractors to pay workers employed on Federal projects no less than the local prevailing wage and benefits received by those doing similar work on similar projects in the area.

This is something I feel very strongly about as well and worked very aggressively to include in the bipartisan infrastructure package to make sure that those projects were subject to the law and we had good-paying jobs being created.

But for the Committee's benefit could you describe how the Davis-Bacon Act requirements have been applied on transportation infrastructure projects here in Michigan since the passage of the law and what impact that these provisions have on your members? What does this mean to a member of your union and other unions across the state?

Mr. AARON. Well, thank you for the question.

The Davis-Bacon Act requires on these transportation infrastructure projects flowing from this bipartisan package has helped to ensure fair treatment and appropriate compensation for my members and all trade persons that work on these projects.

These requirements also help make for plan—they keep the level playing field for the contractor that bid on these projects. It makes sure that these contractors are paying their workers the same.

That means that they are properly classified when paying these workers. They pay them steadily, weekly. This means a lot to our membership and all trades persons that is working under this infrastructure package.

The reporting of these employers that they have to make on a weekly basis to the Department of Labor that—what wages they are paying and what classification that they are paying these wages under, and I must say that the Davis-Bacon wage is really a big thing for my membership because the Davis-Bacon wage is slightly higher than our normally collective bargaining wage that we have for this area.

So my members and some of the other trades persons members, is making more money than they have ever made. So this is very important to our members and their families that they are paid weekly, the playing field is level, and they are paid properly and they have to account for it.

Senator PETERS. Excellent. Thank you, Mr. Aaron.

My next question is going to kind of go to all of you and anyone can jump in in any order that you would like.

I have often heard from stakeholders that a lack of grant writing experience and capacity as well as just basic knowledge of Federal programs is perhaps the primary barrier to assessing Federal funding that we are talking about now with all the benefits. But it only benefits you if you actually can get it and get it awarded to you.

And I know some of you have actually mentioned this in your testimony already and that is why I have introduced the Streamlining Federal Grants Act to direct all agencies to make—just to make the process easier to understand and to apply for.

Should not have specialized training. You should be able to get this, particularly if you are in an underserved or rural community it is difficult to have that kind of expertise and they need assistance, clearly.

So if each of you could expand on how the need for technical assistance has impacted communities and how your organization has attempted to address that need and what should Congress be doing?

So it is open to any or all of you. Who would like to jump in? Ms. O'Leary, you want to jump in first?

Ms. O'LEARY. Sure. Thank you. Great question.

I think one of the biggest challenges of the bipartisan infrastructure law has been the ability and the capacity to be able to access the funds.

When it comes to local capacity assistance I know that the Federal Government does their best, forms Federal navigators, and that funds a couple communities maybe in each state to be able to receive that kind of assistance. But even that is not what needs to happen.

The state does not have the capacity or the local knowledge to serve in this role but regions across the country do. We bring communities together for all types of reasons and they trust us.

We see the big picture but we also understand their local priorities and one example is bringing together the Justice 40 communities to make sure that they can understand what those opportunities are.

So when we look at the challenges it is understanding the opportunity, the match, the grant writing, the contractor selection, the grant reporting. All of those feed into it.

Communities cannot afford \$20,000 to \$100,000 to apply for a grant. SEMCOG just applied for the climate pollution reduction grant and spent \$40,000 to not be successful, and that happens but it is a lot of money.

The Michigan Infrastructure Office is a good start. Formula funds can help avoid some of this because we are able to pass it through. Part of my PL or my planning dollars I pass through directly to local communities to do local planning to support our regional priorities.

So we are passing some of the funds through ourselves, as I mentioned, with the Safe Streets for All grant but also from some of the GLRI money that we have, and one of the things we are doing now is adding money in there to help do contractor selection and procurement for the communities and assistance with the inspec-

tion of the property during construction as well as the reporting requirements for them if they do not have the capacity to do that. Thanks.

Senator PETERS. Anyone else? Captain LaMarre?

Mr. LAMARRE. Those were excellent comments because the port community, through PIDP and the Port of Monroe, shares very similar sentiments.

While the funding is outstanding, I always say to my team when applying for grant funds there is only free cheese in a mouse trap, and so the regulatory process that you can undergo throughout all of this can be very tasking and there are a couple of key points to make here.

You mentioned Justice 40, and I think that is very important because the Port of Monroe is within a Justice 40 community, and one of the barriers to entry is not just the grant writing costs that are incurred which, of course, those costs are public dollars.

It is also the administration if you were to get the grant. But the local match component for distressed communities is a barrier to entry and for smaller ports the local match component has been a barrier to entry.

Thankfully, the Port of Monroe has had the support of Governor Whitmer and our director of MDOT to answer the call as it relates to the local match funding for our PIDP grant. But many other ports cannot and the recurring costs of the process is also another component.

We have created—and hearing streamlining and grants in the same sentence when you are talking about legislation just gets me excited. So streamlining that process because what we have created is a cottage industry of regulating, monitoring, reporting, and following up on the funds that we received, and what we want to see is the efficient and cost effective implementation of these grants but also the construction of that infrastructure.

We want to see the public dollar go as far as possible and the current process needs improvement.

Senator PETERS. Great.

Mr. WIEFERICH.

Mr. WIEFERICH. Obviously, Ms. O'Leary and the captain did a wonderful job of explaining this.

But just to put kind of the state DOT perspective in there, we think of ourselves as a pretty robust agency with a lot of resources but we actually have hired assistance in there in getting expertise on the grant writing narratives, on the cost benefit analysis, on a lot of the administrative stuff that it really takes to really be successful.

For the locals we do provide letters of support where it passed through for some of the funding that comes through. So we work very closely with folks on that. But we do not have the ability to be that bigger resource.

Thankfully, like we mentioned before, we do have the Michigan Infrastructure Office that has a technical assistance program for local units of government and planning organizations, tribal organizations, to be able to help draw that infrastructure money to Michigan.

So not really saying a whole lot more new but just, again, from the state perspective.

Senator PETERS. Right. Thank you.

Mr. Fittante.

Mr. FITTANTE. Senator, if I could just briefly add.

To the captain's point, we have been caught in that mouse trap and so we actually had to, as I provided in my written testimony, return \$950,000 to the state. Critical opportunity for our region.

It was all around workforce development and, unfortunately, it was pass through dollars and we just could not, after nearly a year of sustained effort, figure out how to navigate that to get those dollars in partnership to one of the six higher education institutions in the UP.

And I think the points have been well made. Let me just offer you one example of where I think opportunity is and it really gets to the point Ms. O'Leary made about empowering regions.

We have been fortunate to have a great partnership with the Michigan Economic Development Corporation and have been entrusted with some funds from them that are really not prescriptive.

Part of what we have done with that is to try to tackle this issue around capacity and technical assistance, and in partnership with Northern Michigan University we pushed \$200,000 into a partnership that essentially creates a fellows program where we take a master's level student, we pay that student on behalf of a local municipality or a nonprofit, and we embed them with that nonprofit or local municipality. CDEM does something similar.

And so I think to the extent that you can empower regions through nonprescriptive ways and help to provide that funding. We are really, in a way—in a cost effective way—able to help tackle that challenge and I think this is a new but just one example of kind of the approaches we are looking at and I think the Office of Rural Development here in the state—give Governor Whitmer so much credit for establishing that office, one of only two in the country at the time it was established—are doing a lot of similar approaches for really cost effective return.

Senator PETERS. Yes. Good. Very good.

Mr. Wieferrich, as you know, a key part of achieving our service transportation goals is also investing in transit systems, which is why the bipartisan infrastructure law provided historic support for transit agencies.

In particular, I have championed the no and low emissions bus grant program as well as the bus and bus facilities grant programs, which was—were expanded under the legislation tenfold.

In Michigan these programs not only benefit our environment and transit reliant communities but they also support manufacturing jobs here in Michigan in the commercial vehicle supply chain, which is significant.

Recently, over \$72 million in funding for bus transit was announced for our state, going to Detroit, Ann Arbor, Grand Haven, and Fulton, Michigan.

So my question for you is would you please describe what MDOT's role has been in supporting these transit agencies from the state's perspective and any recommendations on how we should move forward with these programs?

Mr. WIEFERICH. Yes, certainly.

We are very involved with three of those. I will say the Fulton one was actually a tribal transit grant that is direct to the tribe, the Nottawaseppi Huron Band of the Potawatomi.

But for the Detroit, Ann Arbor, Grand Haven, the state will be providing the match for those and we will also be working closely with those entities to make sure that they are following the federally compliant procurement procedures.

We kind of go back to some of the rules and regulations. If you do not use them all the time there are things that locals are going to need as support to make sure that things do not get jeopardized.

So we are very happy that we got these urban agencies that have received these low/no grants. We will say, however, that we have tried to support some of the local or the rural agencies and we have kind of coordinated an application—a single state DOT coordinated application—for the rural agencies.

We have talked to FTA, tried to get advice about what is going to be competitive and we just have not gotten there yet. So the urbans it is great. Obviously, a lot of need for that infrastructure.

But we are also looking for ways on how we can help the rural agencies be successful in the implementation of alternate fuel vehicles.

Senator PETERS. Thank you.

Captain LaMarre, I want to follow up on your point about the Great Lakes receiving more PIPD funding. As you are well aware, millions of tons of maritime cargo are moved through our Great Lakes ports.

However, as you mentioned, in 2023 the Great Lakes ports received only two percent of the PIPD grants nationwide, despite this tremendous volume coming through.

So, Captain LaMarre, can you expand on why it is essential that Great Lakes ports start receiving their fair share of this program and what changes MARAD and Congress should consider to make this possible?

Mr. LAMARRE. You are getting my heart going.

Senator PETERS. I know.

Mr. LAMARRE. So here we go.

Senator PETERS. Get your adrenaline moving.

Mr. LAMARRE. Yes, sir, you better believe it.

The reason that the Great Lakes should receive their fair share of port infrastructure development program funding is that we are talking about the heartland of America's transportation network.

We are talking domestic goods that are critical to keeping our economy going. While investment in our coastal ports is important, investment in an unbalanced manner to the extent that it is subsidizing a foreign transportation network.

Ultimately, we are subsidizing the infrastructure to bring in Toshiba TVs versus moving Michigan soybeans. Ultimately, the Great Lakes, whether it is a set aside and/or an equitable percentage, should be on a level playing field with the coasts.

We are American manufacturing, we are American flagged shipping, and it is very important to look at what are the induced effects, what are the geopolitical implications, and what are the outcomes to the general public—how are these dollars ultimately af-

fecting American citizens across the dock and the towns that they live in.

Senator PETERS. Thank you.

Mr. Fittante, I was so pleased to support the City of Menominee's application for a RAISE grant award of over \$21 million for the Port of Menominee operated by KK Integrated Logistics.

It included the installation of rail infrastructure that was needed to transport freight from the harbor to customers all around that region.

The Port of Menominee is a key gateway for renewable energy into the Midwest after making significant investment to handle the wind energy shipments coming in there.

So my question for you, sir, is could you speak to how success of this grant and the Port of Menominee opens commerce to rural areas all through the upper Midwest but in particular to Michigan's great and wonderful Upper Peninsula?

And also what lessons do you think future UP RAISE grant programs can learn from that successful application? How can we replicate that?

Mr. FITTANTE. So, unfortunately, Senator, when we talk about capacity we were not alongside the City of Menominee and KKIL for this grant other than supporting it where we could. But the real work was done by both the city and KKIL and Cynthia and her team.

And I think the lesson that I take away is you have really dynamic leadership there, particularly with Cynthia Cooper, and as you are traveling on your Harley I really urge you to visit and hear the story of how they persevered through just a devastating fire. It is absolutely worth your time to hear that firsthand.

In addition to the remarks I made, Senator, in my comments about what the grant will do, let me offer you five other specifics that will enable Menominee to improve and expand the port and the dock wall.

It enables berthing of multiple vessels simultaneously versus vessels having to wait and anchor at another port. It increases opportunity for increased commerce in the port, benefiting the immediate and surrounding economies and businesses.

Of course, increased commerce equates to increased jobs and employment opportunities at KKIL and other supporting supplier companies.

Additionally, it will benefit related uses at the KKIL dock to support Fincantieri Marine, the largest employer in the region. Forty-two percent of its workforce comes from the Michigan side and, therefore, the U.S. Navy and DOD.

Fincantieri has partnered with KKIL for decades to dock vessels on their dock during times of over capacity and launches. And then, last, the improvements the grant makes possible enable KKIL to transport increased levels of cargo on waterways and rails, decreased truck transportation, thereby decreasing CO₂ emissions.

Senator PETERS. Right. Right.

Ms. O'Leary, the law provides a number of types of funding, as you well know—formula and discretionary grants—some of which, though, can be applied for regionally or locally.

Would you please discuss some of the advantages and disadvantages of programs allowing regional or local applications instead of solely through the State Department of Transportation? And do you think that the bipartisan infrastructure law strikes the right balance on this front?

Our director may want to hear the same.

Ms. O'LEARY. I know, right? Well, I want to say—

Senator PETERS. He is taking notes right now.

Ms. O'LEARY. Yes. First, I want to say MDOT is a great partner to SEMCOG and to the regions. Really and truly they are.

That being said, I think there are benefits to directly allocating funds, both the formula funds through TAP and carbon reduction as well as the discretionary opportunities such as Safe Streets for All.

When it comes to certain issues such as safety on our local roadways, our communities know those issues the best and so being able to work directly for—applying for the funds or having that suballocation process is really a huge benefit.

One of the disadvantages like we have talked about is really the cost to apply. From a regional perspective it has been interesting because some of the programs, once the locals receive the funding, are not required to be in the TIP even though they are Federal funds. So sometimes for regions it is hard to know, again, what got funded.

We as staff really work as the region to work one on one when we have those suballocated funds. So for TAP or carbon reduction we go out and meet with communities, talk about the programs and be able to provide that technical assistance in a better application, and then we as a region have an elected official board that make all of those grant decisions for us. I think that is harder to do at the state level.

Senator PETERS. Right. Thank you.

Mr. Aaron, as we have discussed today, the infrastructure law invests in a broad range of projects employing many, many trades including the ones you represent.

It also, though, which I think is significant, for the first time ever allowed the use of surface transportation funds for the establishment of registered apprenticeship or pre-apprenticeship programs.

The need for skilled workers is critical right now for the success of this project as well as for our economy. So my question for you, sir, is how are different unions—building trades, operating engineers, laborers and all of our trades—working to create and strengthen a workforce pipeline for these projects including using those funds for apprenticeships and pre-apprenticeship programs so we have more workers able to do this critical work?

Mr. AARON. Well, first of all, I would like to acknowledge that the building trades including the laborers understand the unique challenges construction employers have and is facing with meeting their job demands.

But I feel and I believe labor feels—the building trades—the answer to these challenging employer—these challenges that employers face is and has always been registered apprenticeships.

All of the Michigan building trades including the laborers offer DOL-approved registered apprenticeships training. These apprenticeship programs not only get employers the high-skilled labor they need, they also give people the skills they need to feed their family and maintain their place or achieve their place in the middle class.

It is the most proven career pipeline for tomorrow's more diverse and equitable work force. Currently, the building trades' general apprenticeships, applications for general laborers, seamen, masons, bricklayers, carpenters, electrical workers, plumbers, pipefitters, operator engineers, painters, sheet metal workers, roofers, we all are doing our best to get that career trades person in our industry, and these things can happen if we continue to have the investment in skilled labor flowing for these—from these Federal dollars coming into the state of Michigan to help get these apprenticeships off the ground.

Senator PETERS. Yes. Great. And I want to have that as one of our main takeaways for especially our friends in the media who are here. These are great jobs. The skilled trades——

Mr. AARON. These are——

Senator PETERS.—are great jobs. They pay great wages. You have openings in these jobs. Your country needs you. These are places for young people if you are looking at a future going into the trades.

Mr. AARON. Careers.

Senator PETERS. These are careers that are great careers that provide a good income and you can go immediately to work. So, hopefully, we get more folks in that area. We need it from the UP to Monroe and everywhere in between is where we need skilled workers right now.

So I am going to wrap now and I want to thank all of you, but we are going to—I got one kind of final question for all of you as we wrap it up, as we—I want to kind of put this all together because the reason we came here together was to think about what was—what has the bipartisan infrastructure law—what has been helpful.

So I would like you all to answer just one thing, what you believe to be the single most significant benefit of the infrastructure law so far? It has done a lot. We have talked about a lot of issues.

But I would be curious as to what each of you think was the most significant benefit of the law, and—and this is really important—what outstanding need is there from your perspective that this committee should keep in mind when we are reauthorizing?

So this was a start. I think we have got a lot to talk about. You did. It is very successful. But where do we go from here?

What is the need you think is still out there that has not been met adequately or one that has not even been addressed at all? Give us some perspective.

You just—I know this is hard to distill both of those to one but I think it would be—it would be helpful. So I guess we will start with you again, Mr. Director.

Mr. WIEFERICH. Certainly. Thank you, and that is—it is a great question and a lot to think about.

I think most significantly, obviously, the IJA had many facets to it but for us it allowed us to get to projects that we otherwise would have never gotten to.

We mentioned the Lafayette Bridge. We mentioned I-375. It allowed us to actually think about what could be.

Now, obviously, there is more need out there than just the few projects that we mentioned. So I think, going forward, and I do not know necessarily if it is outstanding but we need to make sure that the investment continues so that we do have that long-term look for planning and efficiency but also really the long-term what you have mentioned earlier about streamlining process.

The more we can streamline process and make it most efficient for all that is how we are going to most efficiently deliver work for the taxpayer.

Senator PETERS. Captain LaMarre.

Mr. LAMARRE. Yes, sir.

To expand on the director's comments, to me the single most important piece of this is lasting improvement with the public dollar.

This bill was bipartisan. Infrastructure is bipartisan. It will stand the test of time. It will reap public benefit far after the investment has been made.

It is apolitical. It does not ebb and flow with the geopolitical ebb and flow of cargo and/or transportation. It is critical to our success as a nation.

Your support of this legislation has been priceless and I would say the last most—well, it is not the second most important thing because at the end of the day thank you is the single most important piece of this day.

Thank you for the opportunity and thank you, I think, from all of us, and it is on us as well to work together, all of our agencies, within the state of Michigan to fortify the message.

So thank you, sir.

Senator PETERS. Thank you.

Mr. Fittante.

Mr. FITTANTE. Thank you, Senator.

I echo the captain's comments about maybe the most important thing being appreciation for what you have done and since he talked about the bipartisan nature I will stand on my comments before and instead say, as I mentioned, we know what it is like to be caught in that mousetrap and lose out and I can give you another example.

We really felt the Recompets program that was in place was really well suited for a region like ours, a coal community, and once again could not qualify.

So I think what I find most heartening about this legislation is its diversity including its application for rural regions. And so thank you for that.

But that is not to say that it is easy to get there and so the one takeaway as you move forward, I think, that I would urge you and your colleagues to consider is, to Ms. O'Leary's point, trust the regions.

Take the bureaucracy out of our way and trust your local partners. We can administer the program in a cost effective way that knows the community and to be able to deliver the opportunity.

And if you cannot do that, because I know it is difficult, then work to ensure that we have got that technical assistance and capacity on the ground in some way to further take advantage of this opportunity.

Senator PETERS. Yes. Great. Right. Yes, great. Thank you.

Ms. O'Leary.

Ms. O'LEARY. I am lucky to be going fourth. Those were great answers.

To add something different, I would say one of the most significant benefits was really the recognition of safety as being core to that legislation, and it is not just the fact that it was able to get that money down locally, which was vitally important.

But we all have that mantra nationally and I think being able to continue to push the dialog about safety first is so important for this country.

I think when we look at what outstanding need there is—it is not sexy but road and bridge funding. What the director was able to do was be able to apply for those discretionary funds which allowed some freeing up of funds to do some of the roads and bridges that we needed to do. But that is so vital.

We talked about 46 percent of the roads are in poor condition still in our region and those are freight roads, not just subdivision roads.

And so I think we need to really look at that investment. Thank you.

Senator PETERS. Great. Great.

Mr. Aaron, you get the last word. I know a place. But it is a place you feel very comfortable, having the last word. So—

Mr. AARON. Well, I think the local hire piece and its requirements really speak volumes, and if we can keep that going because my local has benefited and its membership has benefited from the local hire piece.

Contractors call our office for skilled workers and as well as workers that is embedded in those communities that the work is being performed, and it is a wonderful thing to see a person get an opportunity to get a good-paying job with benefits to provide and sustain their family and help build their communities because at the same time these people are buying lunch in their community.

They are buying fuel in their community. They are help building their community and that means a lot to these people, and once these jobs are over they go on to other careers in the industry.

So, as we say, these are careers of what they are learning and they do not have the debt that go along with these careers. You earn a livable, sustainable wage to sustain a family with benefits.

To have that opportunity is huge. Thank you, Senator. Thank you for the work that you all have done—doing and will do to maintain this program.

Senator PETERS. Well, thank you. Yes. Thank you, Mr. Aaron, and I appreciate those comments.

This is a good way to wrap up this hearing. But before I close I just want to thank the Lansing City Council President Jeremy Garza—I think Jeremy was here in the audience—and Mayor Andy

Schor for letting us use their chambers here today and for the opportunity to have this discussion.

But I also want to thank our witnesses. Thank you. Thank you to all of you for coming in and taking a piece of all of your very, very busy schedules to offer this testimony, to give us your perspective.

This is something that we are going to be continuing to work on for months and years ahead. This is not a job that is finished. It is nowhere near being finished.

We have got a lot of work to do. I think I heard loud and clear from each of you that this was a meaningful step forward and there is much to be happy about. But we also understand that it is a work in progress and we all have to lock arms together at all levels of government, all partisanship, everything. Put all that aside.

And ultimately, as Mr. Aaron said, this is all about people as well, and it is in the best interest of people and our communities as to why we make these investments collectively across all levels of government and as taxpayers, though, they expect money to be used efficiently and thoughtfully and effectively, and having these oversight hearings allow us to continue to do that work that all of you do each and every day. So thank you.

The hearing record will remain open for four weeks. Any senators who wish to submit questions or statements for the record should do so within two weeks by August 6.

Witnesses will then have two weeks or until August 20 to respond to any questions that may be follow-up questions to you.

With that, this hearing is now adjourned.

[Whereupon, at 11:35 a.m., the hearing was adjourned.]

A P P E N D I X



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To: Honorable Senator Peters
From: Manistee County Grant Administration Team
Subject: Statement for the Record RR Crossing Elimination Grant
Date: August 5, 2024

For 35 years, Manistee County has struggled to change its historical industrial infrastructure look. Only after receiving the Federal Railroad Administration Railroad Crossing Elimination planning grant, has the opportunity for impactful change seemed viable.

Manistee County is fortunate to have a balanced economy that has leveraged its rail, water and location for maintaining critical manufacturing and industrial jobs. Because of Martin Marietta's magnesia products, the rail is designated Strategic Rail Corridor Network STRACNET and deserves sorely needed investment for replacement of antiquated bridges and elimination of US-31 (2) highway crossings.

The experience in applying for the grants was straightforward and because our case statement was readily understood, Senator Peters and numerous leaders offered letters of support.

Since being awarded \$530,000 for planning, the community has a renewed sense of hope that its elected officials after deliberations and discussions from multiple feasibility studies may implement a transformational project. It is transformational in that residential areas that were adjacent to rails and railyards will someday have recreational access to Manistee Lake and 23.5 acres will be smartly developed with housing, retail and park areas and serve as the gateway to the city.

The economic impact study is far from completion. Conservative estimates are well over \$65M in potential direct construction investments and you simply can't estimate the quality-of-life implications. The Little River Band of Ottawa Indians support this project for trail creation and improving the environment.

In short, it is our intention to be good stewards of the grant funding to leverage private investments to implement the strategic vision infrastructure changes for our community for the next 100 years.

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