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# CONSTRUCTING THE SURFACE TRANSPORTATION REAUTHORIZATION BILL: STAKEHOLDERS' PERSPECTIVES

## HEARING

BEFORE THE

## COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

## UNITED STATES SENATE

ONE HUNDRED NINETEENTH CONGRESS

FIRST SESSION

JULY 16, 2025

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COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

ONE HUNDRED NINETEENTH CONGRESS

FIRST SESSION

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SHELDON WHITEHOUSE, Rhode Island, *Ranking Member*

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# CONSTRUCTING THE SURFACE TRANSPORTATION REAUTHORIZATION BILL: STAKEHOLDERS' PERSPECTIVES

**WEDNESDAY, JULY 16, 2025**

U.S. SENATE,
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS,
*Washington, DC.*

The committee met, pursuant to notice, at 10 a.m. in room 562, Dirksen Senate Office Building, Hon. Shelley Moore Capito (chairman of the committee) presiding.

Present: Senators Capito, Whitehouse, Cramer, Sullivan, Ricketts, Boozman, Husted, Markey, Kelly, Padilla, Blunt Rochester, Alsobrooks.

## OPENING STATEMENT OF HON. SHELLEY MOORE CAPITO, U.S. SENATOR FROM THE STATE OF WEST VIRGINIA

Senator CAPITO. Thank you for joining us this morning and welcome to our three great witnesses that we have.

This hearing is second in a two-part series of hearings that we are having to help guide the development of our next Surface Transportation Reauthorization Bill.

Earlier this spring, we held a hearing with U.S. Secretary of Transportation Sean Duffy, where he detailed how the Trump administration is administering the current law and described priorities for the next bill. Today, we will hear from new stakeholders on their priorities.

My vision for this legislation is simple, but important: we want to improve the movement of people and goods. Our roads and bridges are what connect us to the people and places that matter most in our lives. They help businesses, large and small, create jobs, economic activities, and enable their competitiveness in the global marketplace.

For example, my home State of West Virginia is pursuing important projects like Corridor H to better link our communities to essential services and economic opportunity. This legislation will provide the funding and establish the policies and programs that enable the improvement of the surface transportation network that we all rely on.

Since the enactment of the bipartisan Infrastructure Investment and Jobs Act, the Committee has reviewed and conducted oversight on existing programs and policies, and we have learned a lot about what is working and what is not. The IIJA met a generational level

of investment in our surface transportation network, but there have been some challenges in the implementation.

We know that the highway formula programs are producing results in communities across the States. We also know there have been some issues getting discretionary grant awards out the door and producing tangible improvements to that network.

When Secretary Duffy appeared before the Committee, he outlined the backlog of more than 3,200 discretionary grant awards without signed grant agreements that he had inherited from the prior administration. I appreciate the Secretary's ongoing efforts to address this backlog, and I know that the Department of Transportation is making progress on getting these agreements in place. As a matter of fact, I believe they have done over a thousand of those already, and have resolved those.

We will apply the lessons learned from the IIJA to shape the next bill and those lessons have led me to three principles. I have discussed these principles at our hearing with the Secretary, but I believe it is important to reiterate them today.

Principle one: improving the safety, and I want to emphasize safety, safety and reliability of America's surface transportation network with impactful investments. In recent years, we have seen an increase in the number and scope of Federal transportation programs. These programs sometimes have duplicative purposes and project eligibility. This leads to an expensive and time-intensive process to get funding out the door and lessens the impact that the legislation can make.

As we craft the next bill, we must prioritize investments that instead optimize Federal funding and give State partners the confidence to invest over a longer period of time. We should focus on eliminating duplicative programs and increasing funding for the highway formula programs that our States rely on and, as I said earlier, have a proven track record of success.

Principle two: reforming and modernizing Federal programs and policies to create efficiency. We all know that, as currently structured, Federal requirements can add red tape that increases costs and slows down the completion of projects. We all want to deliver transportation benefits faster and save money for the American taxpayer.

To achieve this goal, we need to take a serious look at Federal requirements to determine how we can create certainty for the partners who make these projects happen and ensure that the public receives the benefits of these investments quickly.

Principle three: addressing the variety of surface transportation needs across all States. Obviously, different States have different needs, and I think we will hear about that today. I would not expect West Virginia, with our mountainous peaks and valleys, to which Senator Curtis is not here to tell me how much more mountainous his State is, so we will just say we are the Mountain State, to prioritize the same transportation projects as other States.

We need to avoid top-down mandates from Washington, DC. and give States the flexibility to address the individual improvements that their communities need. It will take collaboration from my Senate colleagues, the Trump administration, and our stakeholders to complete this bill before the IIJA expires in September 2026.

We must be pragmatic, work in a bipartisan fashion to deliver a bill that sets us up for a productive conversation on this reauthorization effort with our colleagues in the House.

I am really grateful, I know many of you have traveled far, to the witnesses that have joined us today. I look forward to learning about these priorities. This is an excellent opportunity ahead of us to make a pivotal impact on our surface transportation network. Each of us knows how important that network is and the role that it plays in keeping our Country's economy and people on the move.

I am excited to get to work and continue the EPW Committee's bipartisan tradition of developing legislation that delivers for the American people.

Ranking Member Whitehouse, I now recognize you for your opening statement.

**OPENING STATEMENT OF HON. SHELDON WHITEHOUSE, U.S. SENATOR FROM THE STATE OF RHODE ISLAND**

Senator WHITEHOUSE. Thank you, Chairman, for this hearing. Thank you to the witnesses for being here. Welcome particularly to Mayor Gallego, who will be introduced later by her Arizona kinsman, Senator Kelly.

As we consider the next surface transportation reauthorization bill, I would be remiss not to remind everyone that Democrats will have no reason to do a bill if we have an administration that will not faithfully execute the laws, meaning both sides of any compromise we reach.

On the bright side, DOT has made substantial progress obligating money to hundreds of previously frozen grants. New draft guidance for the National Electric Vehicle Infrastructure program, NEVI, was submitted to the Office of Information and Regulatory Affairs. This is progress.

NEVI is still stalled at OIRA, and periodic threats continue to politically disfavored projects, like high-speed rail and congestion pricing.

I want to get a bill done, and I have given my team the green light to work on details. DOT is moving in the right direction, particularly when compared to the dumpster fire of political corruption at the Environmental Protection Agency.

Here in Congress, there is bipartisan agreement about a strong Federal commitment to our infrastructure. The American Society of Civil Engineers still gives our roads a D+. We have more than 43,000 bridges still classified as structurally deficient. Thirty-nine percent of our public roads are still in poor or mediocre condition. Close to 40,000 people still die each year on our roadways, in the wealthiest country in the world.

Our directive is clear: work together to build on the early successes of the IIJA and further improve our transportation infrastructure. As we do this, prudent investments must account for anticipated conditions.

Annual costs for climate-related damage to road and rail infrastructure are expected to reach nearly $20 billion a year by 2050 with approximately $1.5 billion in costs for bridges alone. A recent report by the U.S. Chamber of Commerce and Allstate found that for every $1 invested in infrastructure resilience, communities

across the Country save $13 in post-disaster losses. One to 13 is smart spending.

I thank DOT for finalizing the PROTECT grant agreement for the historic and beautiful Mount Hope Bridge in Rhode Island just last week. That PROTECT program recognizes that climate change is a real driver of infrastructure risk, and that investments in resilience now save big money in the long run.

Pollution-driven climate change is costing lives and livelihoods. To pretend otherwise is to abdicate our moral and fiscal responsibility. The next reauthorization bill must and will take climate change seriously. We may not have to say it, but we have to do it.

Transportation is the largest source of U.S. greenhouse gas emissions: 1.8 billion metric tons of carbon dioxide into our atmosphere each year, more than a quarter of total U.S. emissions.

Just last week, four communities were ravaged by 1-in-1,000-year rainstorms. Climate change is making floods like those in Texas, North Carolina, New Mexico, and Illinois more intense, more deadly, and more frequent.

Homeowners' insurance in coastal wildfire risk areas is collapsing, taking down real estate values and presenting a systemic financial danger to our economy. Our transportation system is driving this climate upheaval, and that, in turn, challenges the functionality of our transportation system.

In addition to climate safety, the next reauthorization bill must prioritize roadway safety. The persistently high number of traffic fatalities, and their immeasurable pain and suffering, is unacceptable. This is not just driver and passenger safety, but the safety of those walking, biking, and working on construction sites or responding to emergencies. Many of our roads that are in poor condition are the local roads that carry a large share of our vehicle miles traveled, exacerbating the safety risks.

As we put pen to paper on this next transportation package, let us be clear-eyed. Let us follow the evidence. Let us make the investments in our transportation systems that reduce emissions, that prioritize safety, that bolster resilience, and that meet the real-life needs of the communities we serve.

With that, I look forward to working together with the Chair and my Republican colleagues on this bill, and I look forward to hearing the perspectives of our witnesses.

Senator CAPITO. Thank you.

Next, I will turn to Senator Cramer to introduce our first witness for this meeting. Senator Cramer, you are now recognized.

Senator CRAMER. Thank you, Chairman Capito and Ranking Member Whitehouse.

Chairman, let me just start out by promising you that unlike Senator Curtis, Governor Armstrong and I have no intention of bragging about how much bigger our mountains are than yours.

[Laughter.]

Senator CAPITO. Good.

Senator CRAMER. We will just yield to that.

It is a really great honor for me to represent my Governor and a former Member of Congress, Kelly Armstrong, whose actual years of service are very similar to mine in that every time he won an

election, he improved the institution he went to. He replaced me in the House of Representatives.

[Laughter.]

Senator CRAMER. Including on the Energy and Commerce Committee, and he also served on the Judiciary Committee, which as you know, Madam Chairman, is not a small task in the House of Representatives, to be on Energy and Commerce and have another such important office.

Kelly—what is interesting to me about Governor Armstrong is he is not naturally a politician at all. In fact, he is quite naturally the opposite. He is a successful businessperson, he is a lawyer that is not even ashamed to say it. He is a graduate of the University of North Dakota, where he got both his degrees, his undergraduate and his law degree. He served on the State Senate, which is, in my mind, where the rubber meets the road. Then of course, like I said, in Congress, and now as our Governor.

Kelly, to me it seems like you are still a new Governor. I do not know how it feels to you, having been through one legislative session. You may feel much more experienced. Governor Armstrong brings that perspective, as I look forward to hearing from the Mayor.

I think for all of us up here, it is really, really important to remember that there is probably no better illustration of the juxtaposition of the relationship between the Federal Government, local and State governments than infrastructure. It is actually legitimate in the Constitution, right, interstate commerce.

Kelly brings that very important perspective from a rural State that produces a lot of things that we do not consume in our own State, or at least we do not consume nearly in the supply that we provide to a hungry world and a growing economy, whether it is energy or food or how you get semolina wheat to the mill to turn it into flour, or durum wheat to turn into semolina flour to get it to a pasta plant to get it to the restaurant in New York. He understands it all, and he understands the relationship. I am really grateful he is here.

Beyond all those other things that Kelly has done, he is most of all, and what he is really, really good at is, he is a very experienced youth baseball coach. That is really where the rubber meets the road.

With that, Madam Chair, it is just my honor to introduce Governor Kelly Armstrong.

Senator CAPITO. Thank you, Senator Cramer.

I would mention that Governor Armstrong is testifying here on behalf of the National Governors Association this morning. I will say to all of you out there, today is the congressional women's softball game. We are playing at Audi Stadium tonight at 7:30. It is going to be televised.

I am the only Senator playing, so we had better get through that vote-a-rama quickly so I can get there. This is how I met Governor Armstrong; he helped coach and coached us all, I think over on the third base line for one of our games. It is really great to see you, and I welcome your testimony, Governor.

**STATEMENT OF HON. KELLY ARMSTRONG,**
**GOVERNOR, STATE OF NORTH DAKOTA**

Governor ARMSTRONG. Thank you, Chairman Capito, Ranking Member Whitehouse, and Senator Cramer, for that introduction, and members of the committee.

Before I get into my remarks, I would say if we are going to talk that much about baseball and softball, anybody who thinks being a State senator or being a trial lawyer is the best preparation for Congress is wrong. The best preparation for Congress is dealing with youth sports parents.

[Laughter.]

Governor ARMSTRONG. Thank you for the opportunity to testify today and offer the State perspective as this committee continues its work on surface transportation reauthorization. I have the honor of serving as the 34th Governor of the State of North Dakota.

In rural States like ours, transportation infrastructure is not merely about convenience; it is a pillar of our communities and thriving local economies. Our highways, roads and bridges are essential lifelines connecting our agricultural producers, energy industry, small businesses and families to markets, healthcare, education and emergency services.

North Dakotans drive over 12,000 miles a year, and we are the geographic center of North America. As Senator Cramer mentioned in his introduction, we produce a lot of things the world needs. We are very proud of the fact that we provide calories and energy to a world that continues to ask for more and more and more of those, to continue what is the greatest economy in the history of the world.

We put a lot of miles on. Unlike D.C., where many people do not own a car and rely on public transit, our citizens depend heavily on personal vehicles to reach their destination. We have teenagers driving farm trucks, senior citizens driving hundreds of miles for doctor's appointments and students driving 20 miles one way for baseball or basketball practice.

The roads in our State are not just for North Dakotans. Investment in rural highways benefits the entire Nation. The movement of people and goods from the coasts across North Dakota and other rural States benefits people and businesses at both ends.

Good roads in States like ours are essential to getting ag, energy and other products to national and world markets. My request for the Committee today is simple: continue providing robust funding, giving maximum flexibility to States and watch us go to work.

A key piece of ensuring States can successfully and efficiently build projects is formula-based funding. The next highway bill should maintain or increase the percentage of program dollars distributed by formula, allowing States to more quickly deliver critical transportation projects. This is especially important in States like North Dakota that do not have that long of a construction season.

Although discretionary grant programs play a role in our infrastructure funding, the process is often inefficient, slow and costly. In some cases, it can take up to 18 months between an award and grant announcement.

I can give you a specific example. In June 2023, the North Dakota Department of Transportation was awarded a $30 million Railroad Crossing Elimination grant from the Federal Railroad Administration. The grant will fund a long-overdue grade separation project in Grand Forks, a city with nearly 60,000 residents and home to my alma mater, the University of North Dakota.

Secretary Buttigieg came to Grand Forks, we welcomed him, and we were excited about the project. As of today, more than 2 years later, the North Dakota DOT is still awaiting execution of a grant. In our first legislative session, we had to appropriate $20 million in State DOT money because of the cost increase that is associated with that 2-year delay.

We are very, very appreciative of the money. We are very, very appreciative of the award. The delay alone is an expense that was never anticipated, never dealt with. We will fix it. We will get it done. We are excited about it. It is important. It was unnecessary.

Delays in discretionary grant programs are problematic, regardless of their geographic location. However, in a State with a short construction window, the negative impacts of these delays are magnified.

While discretionary grant programs serve an important purpose, I encourage this committee to increase, to the extent possible, the percentage of dollars delivered via formula.

Additionally, I ask that you consider including provisions that give States more flexibility to deploy funds to the places they need it most. The bipartisan Highway Funding Transferability Improvement Act from Senators Cramer and Alsobrooks will do just that by increasing the percentage of funds departments of transportation can transfer between accounts.

States know their needs, and this legislation will enhance our ability to make the best decisions for our unique situations. Robust funding is important, but all the money in the world, and quite frankly, we could appropriate less money if we streamline the permitting process. We would take less money from the Federal Government every single day if we could get a shovel in the ground faster.

I appreciate the opportunity to be here, and just would end with, thank you so much for having us. Thank you for all you have done to help us build infrastructure in North Dakota, and I look forward to your questions.

[The prepared statement of Governor Armstrong follows:]

**Testimony of Governor Kelly Armstrong**
**State of North Dakota**
**Before the United States Senate Committee on Environment and Public Works**

**Constructing the Surface Transportation Reauthorization Bill: Stakeholders' Perspectives**

**July 16, 2025**

Chairman Capito, Ranking Member Whitehouse and Members of the Committee:

Thank you for the opportunity to testify today and offer the state perspective as this committee continues its work on surface transportation reauthorization.

I have the honor to serve as the 34th governor of the state of North Dakota. In rural states like ours, transportation infrastructure isn't merely about convenience – it's a pillar of our communities and thriving local economies. Our highways, roads and bridges are essential lifelines connecting our agricultural producers, energy industry, small businesses and families to markets, healthcare, education and emergency services.

We put on a lot of miles in North Dakota. Unlike Washington, D.C., where many people don't own a car and rely on public transit, our citizens depend heavily on personal vehicles to reach their destination. We have teenagers driving farm trucks, senior citizens driving hundreds of miles for doctor's appointments and students driving 20 miles one-way for school or basketball practice.

The roads in our state are not just for North Dakotans – investment in rural highways benefits the entire nation. The movement of people and goods from the coasts across North Dakota and other rural states benefits people and businesses at both ends. Good roads in states like ours are essential to getting ag, energy and other products to national and world markets.

My request of this Committee today is simple: continue providing robust funding, give maximum flexibility to states and watch us go to work. A key piece of ensuring states can successfully and efficiently build projects is formula-based funding. The next highway bill should maintain or increase the percentage of program dollars distributed by formula, allowing states to more quickly deliver critical transportation projects.

Although discretionary grant programs play a role in infrastructure funding, the process is often inefficient, slow and costly. In some cases, it can take up to 18 months between an award and grant announcement. Let me give you an example from my state.

In June of 2023, the North Dakota Department of Transportation was awarded a $30 million Railroad Crossing Elimination grant from the Federal Railroad Administration. The grant will fund a long-overdue grade separation project in Grand Forks, a city with nearly 60,000 residents and home to my alma mater, the University of North Dakota. As of today, more than two years later, North Dakota DOT is still awaiting the execution of a grant agreement.

Delays in discretionary grant programs are problematic, regardless of geographic location. However, in a state with a short construction window, the negative impacts of these delays are magnified. While discretionary grant programs serve an important purpose, I encourage this Committee to increase, to the extent possible, the percentage of dollars delivered via formula.

Additionally, I ask that you consider including provisions to give states more flexibility to deploy funds to the places that need it most. The bipartisan Highway Funding Transferability Improvement Act from Senators Cramer and Alsobrooks will do just that by increasing the percentage of funds departments of transportation can transfer between accounts. States know their own needs, and this legislation will enhance our ability to make the best decisions for our unique situations.

Robust funding is important, but all the money in the world means nothing if it can't be deployed because of a broken permitting system. I urge this Committee and your colleagues to use surface transportation reauthorization to enact bipartisan permitting reform.

I often say you only need to stop linear infrastructure in one place to stop an entire project. That's true whether it's a highway, transmission line, pipeline or anything else. At nearly every opportunity, the permitting and certification process for infrastructure, especially energy infrastructure, has been mired in legal and regulatory entanglements.

Our current regulatory framework imposes excessive delays and escalating costs, and injects uncertainty into critical infrastructure projects. It also discourages private sector investment, while making federal investment less effective and efficient.

Both the *Infrastructure Investment and Jobs Act* and *Fiscal Responsibility Act* included provisions to improve our nation's permitting process. However, flawed implementation of both pieces of legislation has prevented good ideas, such as One Federal Decision, from achieving their intended impact.

This Committee, along with your House colleagues, have a real opportunity to ensure efficiency, certainty and transparency in the permitting process, all while protecting our environment. I urge you to consider including provisions to expand categorial exclusions, streamline reviews under the *National Environmental Policy Act* (NEPA), enact litigation reform and eliminate duplicative reporting requirements.

Thank you again for the invitation to join you today, and thank you for your continued work on this critical legislation. I look forward to your questions.

**Senator Cramer:**

1. America's highway system is built on a user-pays model, with drivers contributing to the Highway Trust Fund (HTF) through the federal gas tax at the pump. However, Electric Vehicles (EVs) don't use gas, and they aren't contributing to the HTF like other drivers. Many states, including North Dakota, have added EV and hybrid registration fees to rectify this at the state level, ensuring all drivers are paying into the system. Presently, internal combustion engine cars pay both a state and federal gas tax. Without enacting something at the federal level for EVs as well, they will continue paying less for the same use of roads, bridges, and the entire interstate system.

    a. Should Congress follow the lead of 38 states, including North Dakota, by enacting some sort of EV fee to ensure the user-pay model applies to all drivers?

    **Yes, I support Congress enacting a Federal EV fee to ensure all drivers, regardless of vehicle type, contribute to the maintenance and upkeep of our nation's roads.**

    b. Twelve states have no EV registration fee. For these states, aren't EV drivers getting a free ride for the use of the same system? For the remaining 38 states that charge electric vehicles, aren't EV drivers only paying half as much drivers of internal combustion engine vehicles? Given the shortfalls in the Highway Trust Fund and importance of the interstate highway system, why is it important for every driver to pay into the system?

    **Continued shortfalls in the Highway Trust Fund present a significant challenge in our efforts to make the infrastructure investments our country needs. Every driver using our roads should be contributing to their maintenance, plain and simple. No one vehicle type should bear most of the cost for infrastructure that benefits all drivers.**

**Ranking Member Whitehouse:**

1. In November 2024, the Biden Administration announced an award of nearly $32 million for North Dakota from the U.S. Department of Transportation's Low Carbon Materials Discretionary Grant Program. Earlier this month, Republicans in Congress rescinded all unobligated funding from this program. How much of the $32 million is still available for North Dakota to use after the current Congress and the President rescinded funding for this program?

    **No funds remain for North Dakota to use.**

    a. Why did North Dakota decide to apply for this funding? What benefits or opportunities did North Dakota see from this program?

    **My administration did not make the decision to apply for this funding, and it was not considered a high priority for our state.**

2. Like so many states, North Dakota has recently grappled with extreme weather events, such as severe storms and tornadoes, and wildfires. In what ways should the science that informs us of the increasing frequency and severity of extreme weather events and their effects be factored into decisions about spending taxpayer dollars on infrastructure?

   **Infrastructure funding should be distributed based on need and with flexibility to ensure recipients can deploy funding in a timely manner. Instead of subjecting funding to new criteria or restrictions, I would encourage Congress to consider adding more flexibility for funding, allowing states and municipalities to allocate funding where they need it most.**

Senator CAPITO. Thank you, and I am sure your voice is loud and clear for all the other 49 Governors and others.

Our next witness is Austin Ramirez, the CEO of Husco International, Inc. He is testifying on behalf of the National Association of Manufacturers today. Mr. Ramirez became CEO of Husco in 2011, taking over from his father, Gus Ramierz.

Today Husco has over $500 million in annual sales, employs over 1,500 people worldwide and has a global footprint. They specialize in high performance hydraulic and electromechanical components. Mr. Ramirez will share his perspective as a user of the transportation network that relies on safe roads and bridges to get people to work and products to market.

I would note in his bio he was an all-American swimmer at the University of Virginia. Wahoowa for you.

Mr. Ramierz, you are recognized for 5 minutes.

**STATEMENT OF AUSTIN RAMIREZ, CEO, HUSCO INTERNATIONAL, INC.**

Mr. RAMIREZ. Thank you, Chairman Capito, for the generous introduction. Good morning, Ranking Member Whitehouse, and members of the committee.

My name is Austin Ramirez, and I am proud to serve as the President and CEO of Husco. Thank you for the opportunity to testify about the importance of modern infrastructure to U.S. manufacturing, and to provide manufacturers' views on surface transportation reauthorization.

Husco is a family owned business based in Waukesha, Wisconsin. We make vital components used in the cars you drive and the equipment that powers construction. For nearly 80 years, we have been an economic driver in our local community, providing thousands of family supporting careers.

We are also a business with a purpose, guided by the values of opportunity and service. Husco is the top corporate philanthropic donor in Wisconsin. We have built schools and welcomed refugees. These values reflect my family's story.

My dad, Gus, was born in Puerto Rico. He came to this Country at the age of six and pursued the American dream, graduating from our Nation's top universities. Over several decades, Gus went from working at Husco to leading it as a standalone company. Under our family's leadership, revenues have grown from $20 million in 1985 to over $500 million today.

Husco is an American success story. We represent the possibility and prosperity created by a strong manufacturing sector, an industry that employees 13 million people, and contributes $2.9 trillion to the U.S. economy. When manufacturing wins, America wins.

Our competitiveness depends on decisions made here in Washington. We need policymakers to promote a comprehensive strategy to grow U.S. manufacturing. Such a strategy must include continuing investments in our Nation's surface transportation infrastructure.

Modern, dependable transportation helps manufacturers make and move our products. These projects generate productivity gains and induce demand for manufactured goods, stimulating the economy and bolstering American competitiveness.

At Husco, we see these benefits directly. Our customers are in the automotive and construction industries. Husco families drive over the roads and bridges improved by highway projects. Several are turning dirt this year in Waukesha County.

To realize these benefits, however, we need the Federal Government to be efficient and remove red tape. Permitting reform must be part of any comprehensive manufacturing strategy.

Congress should seize the opportunity to support manufacturers like Husco through continued infrastructure investment. We cannot go back to the fits and starts of highway bill extensions. Our industry needs certainty to invest, plan, and hire in America.

Manufacturers are ready to do our part to get a bill done this Congress. We champion the Infrastructure Investment and Jobs Act, a historic effort made possible by the leadership of this committee. We commend your leadership now as you look to drive the next highway bill to enactment.

As you begin this work, manufacturers respectfully encourage you to consider several policy proposals that will support our growth and success. First, we ask that you continue to make robust investments in our surface transportation infrastructure. Manufacturers recognize the importance of ensuring efficiency in government spending. We support long-term solutions for the Highway Trust Fund.

Second, Congress should strengthen supply chains. Manufacturers depend on the movement of freight, but industry surveys have shown repeated supply chain challenges. Surface transportation legislation should continue to expand highway capacity, connectivity and support our Nation's freight network through intermodal improvements.

Finally, Congress must make the reforms necessary to get these projects actually completed. The vast majority of manufacturers say that our complex permitting laws impact investment decisions. We need to fix this broken system and stop endless litigation. Doing so will unlock growth potential across manufacturing and empower infrastructure investments that help companies like Husco compete.

As a small manufacturer in the heartland of America, I appreciate the committee's work to continue investments and support manufacturing. Manufacturers like Husco strongly support your efforts to advance bipartisan surface transportation reauthorization.

To put it simply, investments in infrastructure are investments in manufacturing. Our industry depends on a robust, modern, efficient transportation system, and you can promote domestic manufacturing by getting a highway bill done this Congress.

Thank you for inviting me to testify today to share Husco's story. I look forward to your questions.

[The prepared statement of Mr. Ramirez follows:]

**Testimony of Austin Ramirez**
**President and CEO, Husco**

**U.S. Senate**
**Committee on Environment and Public Works**

**"Constructing the Surface Transportation Reauthorization Bill: Stakeholders' Perspectives"**
**July 16, 2025**

Chairman Capito, Ranking Member Whitehouse, and members of the Committee, my name is Austin Ramirez, and I am proud to serve as President and CEO of Husco. I appreciate the opportunity to provide testimony on how Congress can continue to modernize and strengthen our nation's surface transportation infrastructure, to the benefit of manufacturers across America like Husco.

Husco is a privately held, family-owned business based in Waukesha, Wisconsin. We are a critical part of the manufacturing supply chain—we produce hydraulic and electro-mechanical components that are used in both passenger cars and off-highway vehicles. As vehicle technology has continued to evolve, including trends toward electrification and automation, Husco's proprietary products have remained vital enablers of safe, productive, and efficient vehicles.

At Husco, we employ more than 1,600 workers, a large portion of which are at our home facilities in Waukesha and Whitewater, Wisconsin. We are an economic driver for our local community, and I am incredibly proud of our ability to provide family-supporting careers to people from all walks of life. In the 77 years that we've been headquartered in Waukesha, our company has seen countless first jobs, career milestones, retirement parties, and more.

We've also sought to be a leader in helping others access the benefits of American opportunity. We were honored to hire a group of Afghan refugees fleeing the Taliban in 2016; not only were we able to provide jobs for these families, but we also did our best to make them feel at home in our workplace and our community. From translation services to training opportunities to dedicated spaces for daily prayers, our refugee program—which has also welcomed Burmese refugees—has been embraced by our local employees and has built and strengthened our new employees' ties to America.

We take our role as a pillar of the community seriously. Husco is the top corporate philanthropic donor in all of Wisconsin—far outpacing even our larger peers operating in the state. Our success in business allowed us to fund and build a new K-12 school in Milwaukee that has grown into an education leader in our state. In 2023, St. Augustine Preparatory Academy, which we call "Aug Prep," was rated the top publicly funded K-12 school in the state. Nearly 90% of Aug Prep's students qualify for free or reduced-price lunch, and we are proud to play our part in giving them an opportunity to flourish and become the character-driven leaders that our community needs.

Husco's values reflect my own, uniquely American story. My dad is originally from Puerto Rico; my grandparents brought him to Miami, Florida, as a six-year-old, chasing the American dream. Dad—who everyone calls Gus—excelled as a student and an athlete in the Coral Gables public school system and eventually achieved a master's degree in aerospace engineering from Georgia Tech and an MBA from Harvard. He moved to Wisconsin to work at Husco in the early

1980s. Growing up in the Milwaukee suburbs, my parents made sure that my sisters and I learned the value of a good education and a hard day's work.

At the time, Husco was one division of a larger conglomerate, mostly manufacturing components that were used by the other business lines within the company. In 1985, my dad took a leap of faith and led a management buyout to purchase Husco and run it as a standalone company. One of my earliest childhood memories is hearing my mother explain to our neighbor that we might be living on the street because they had mortgaged the house (and drained our college funds) to raise the capital to support Gus's vision for an independent Husco.

I interned at Husco in high school and college, mopping floors and painting walls. I came back home to work at the company full time in 2003. By 2011, Gus decided the time was right to transition leadership of the company—and I stepped in as CEO. Under Ramirez family leadership, Husco's annual revenues grew from $20 million in 1985 to more than $500 million today. I'm humbled to be the steward of this proud legacy, and I work every day to continue improving the lives of Husco families and building an enterprise of which all our stakeholders are proud to be a part. I truly believe that Husco's story—and the story of those of us who earn our living at Husco—are embodiments of the American dream.

That American dream is underpinned and made possible by a strong manufacturing sector. An investment in manufacturing is an investment in our nation's prosperity—for every $1.00 spent in manufacturing, there is a total economic impact of $2.64.[1] As an industry, manufacturers contribute $2.9 trillion to the U.S. economy and employ nearly 13 million workers. In other words: when manufacturing wins, America wins.

The competitiveness of manufacturers like Husco is impacted by decisions made in Washington, D.C. We need policymakers to promote a comprehensive manufacturing strategy, emphasizing pro-growth policies that make it easier to invest, plan, and hire in America. This includes continuing the bipartisan tradition of investing in our nation's surface transportation infrastructure, as a modern transportation system is integral to manufacturers' ability to make and move products on which millions of people depend. Additionally, public infrastructure projects generate productivity gains and induce demand for manufacturing goods—stimulating the economy and bolstering American competitiveness.[2,3]

**Surface Transportation and Manufacturing**

At Husco, we see real benefits from continued investments in our nation's surface transportation infrastructure. We specialize in manufacturing equipment with direct application in public infrastructure projects, developing customized hydraulic solutions for construction and material handling equipment. We also manufacture automotive components for use in both internal combustion engine and electric vehicles. And we rely on dependable roads, bridges, and other modal facilities as part of a functioning transportation supply chain—this year alone, several highway projects will get underway in Waukesha County, focused on essential work such as

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[1] National Association of Manufacturers. Key Facts. Available at https://nam.org/mfgdata/#KeyFacts
[2] John Huntley. *Explainer: Economic Effects of Infrastructure Investment.* (University of Pennsylvania, The Wharton School, June 15, 2021). Available at https://budgetmodel.wharton.upenn.edu/issues/2021/6/15/economic-effects-of-infrastructure-investment
[3] Testimony Presented to the Committee on Environment and Public Works. (Transportation Construction Coalition, Feb. 26, 2025). Available at https://www.epw.senate.gov/public/_cache/files/f/7/f7705248-5490-4827-b5ec-3b4d43074f8a/1D580FB664EE03EA4BFD3A53EE58C0C20B9289098A8297E9AFD05AC4CA9EA33B.02-26-2025-johnson-testimony.pdf

bridge rehabilitation and road resurfacing.[4] In every facet, this infrastructure is essential to the health of our business and our ability to provide well-paying, community-sustaining jobs.

There is also a human element when it comes to the benefits of a modern transportation system. As stated previously, we take immense pride in being a place where someone can support a family over a lifelong career. Every day, Husco families in Wisconsin, Iowa, and beyond travel over roads to and from work, the grocery store, and kids' baseball games. Their safety and livelihoods are improved by projects that modernize American infrastructure and make the movement of people and goods safer and more efficient.

The success of any effort to modernize and make improvements to our nation's surface transportation infrastructure depends in large part on the swift obligation of funding and how efficiently projects can get from design to construction. Rightsizing our nation's cumbersome and overreaching permitting laws and regulations is essential in this regard—and is part of any comprehensive strategy to grow U.S. manufacturing. And targeted reforms are needed to ensure federal infrastructure investments are as effective as possible, including changes that would simplify formula funding programs and notices of funding opportunities for the discretionary grantmaking process, removing red tape.

Congress can and should seize this opportunity to enact legislation that will further support our economy and better enable manufacturers like Husco to compete. It is critical that we provide the certainty that comes with keeping to the five-year surface transportation reauthorization schedule, instead of going back to the fits and starts of extensions.

Additionally, manufacturers have been leaders in championing continued improvements to America's surface transportation infrastructure, advocating for passage of the Infrastructure Investment and Jobs Act, the Fixing America's Surface Transportation Act, and the Moving Ahead for Progress in the 21st Century Act, among many other pieces of legislation.[5,6,7] The IIJA in particular was a historic investment, made possible by the foundational work of this committee with the Surface Transportation Reauthorization Act, and informed by years of advocacy from manufacturers and other key stakeholders to finally address our nation's longstanding infrastructure needs. I know that manufacturers throughout our industry stand ready to support the Committee as you continue this important work.

Manufacturers commend the Committee for your leadership in putting forward the next iteration of surface transportation reauthorization legislation. As the Committee works to reauthorize federal infrastructure programs, manufacturers respectfully encourage you to consider several

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[4] Jim Riccioli. *Road ahead features 2025 work on five major highways in Waukesha County, including I-94.* (Milwaukee Journal Sentinel, Jan. 8, 2025). Available at https://www.jsonline.com/story/communities/west/2025/01/08/five-major-highways-in-waukesha-county-to-undergo-construction-in-2025/77432228007/

[5] National Association of Manufacturers. "Historic Infrastructure Bill Becomes Law." Nov. 16, 2021. Available at https://nam.org/historic-infrastructure-bill-becomes-law-26504/

[6] Letter in Support of H.R. 22, Fixing America's Surface Transportation Act (FAST Act). (National Association of Manufacturers, Dec. 2, 2015). Available at https://transportation.house.gov/uploadedfiles/kvltr_hr22fast.pdf

[7] Testimony of National Association of Manufacturers President and CEO Jay Timmons before the Senate Committee on Environment and Public Works on MAP-21 Reauthorization. (National Association of Manufacturers, Feb. 12, 2014). Available at https://www.epw.senate.gov/public/_cache/files/0/7/07b26bf7-c8fe-449c-bf61-ff358a613dcf/BF9D594B66EBA773D15F23EC2FEC547786CB6ADB4C2DD1862C0C90B6D44D8B5A.21214hearingwitnesstestimonytimmons.pdf

policy proposals that will support our efforts to build and grow here at home and compete around the world:

- **Continuing robust investment levels** for federal infrastructure, developing long-term solutions for Highway Trust Fund solvency
- **Strengthening transportation supply chains**
- **Reforming burdensome permitting** laws and regulations to ensure federal infrastructure investments are made efficiently and responsibly

**Continuing Robust Investment**

Manufacturers support continuing robust investments in our nation's surface transportation infrastructure. The IIJA provided for $1.2 trillion in funding, with $550 billion in new spending over the five-year term of the bill.[8] This amount included $350 billion in federal-aid highway funding to invest in roads, bridges, and safety projects, among other uses, the vast majority of which was provided via contract authority.[9,10] This represented an increase of more than 50% from the amount authorized under the FAST Act. Unfortunately, the real value of this increase was partially eroded by an inordinate increase in inflation.[11]

Manufacturers respectfully request that the Committee continue current spending at the programmatic level for highway programs, consistent with the scope of the reauthorization language. The Committee also should continue support for certain programs created under the IIJA, such as those focused on deploying electric vehicle charging infrastructure, alternative fuel infrastructure, and clean school buses. Continued investments in technology and strategic advanced energy infrastructure will ensure the U.S. retains its economic competitiveness. While we understand the importance of ensuring efficiency in government spending, it is important that Congress maintain investments that can help grow the economy through increased commerce.

Manufacturers recognize the growing gap between Highway Trust Fund revenues and expenditures on federal highway and public transportation programs, and we know it is vital that the Committee and other stakeholders work together to develop solutions to this long-term issue.[12] Any final agreement should adhere to user-pays-based principles, with fees or taxes charged to all users on a commensurate basis and utilized directly for related infrastructure expenses. Particularly for highway infrastructure funding, user fees or taxes must apply proportionally to all vehicle types. It also is critical that calculations for any fees or taxes be transparent, practical, and utilize reasonably accessible data so as not to create onerous reporting burdens on states or businesses. Alternative financing mechanisms, such as bonds

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[8] Senate Committee on Environment and Public Works. "Bipartisan Infrastructure Investment and Jobs Act Summary." Available at https://www.epw.senate.gov/public/_cache/files/3/f/3f606d49-bf20-4315-a81d-57e4923d8add/89F2F64BF2A0D902204BE671FE689F3B.infrastructureinvestmentjobsactsectionbysectionsummary.pdf

[9] Federal Highway Administration. "Infrastructure Investment and Jobs Act." Available at https://www.fhwa.dot.gov/infrastructure-investment-and-jobs-act/funding.cfm

[10] Senate Committee on Environment and Public Works. "Investments in Infrastructure Under the Jurisdiction of the Environment and Public Works Committee Made in the Bipartisan Infrastructure Investment and Jobs Act." Available at https://www.epw.senate.gov/public/_cache/files/4/b/4b2277ac-4d52-48a9-a0ce-55d2efcf224f/7109CFD950A3E5FA01F59CA90C04818B.epw-bif-one-pager-final.pdf

[11] Robert S. Kirck and William J. Mallett. *Funding and Financing Highways and Public Transportation Under the Infrastructure Investment and Jobs Act.* (Congressional Research Service, May 24, 2023). Available at https://www.congress.gov/crs-product/R47573

[12] Ibid.

and other private financing instruments, as well as public–private partnerships, should be encouraged where appropriate.

**Strengthening Supply Chains**

Manufacturers depend on efficient transportation supply chains to compete and to make and move products. More than $18 trillion worth of freight moved in 2023 alone—weighing more than 20 million tons—with tonnage expected to increase by 1.6% every year.[13] Manufacturing goods—like the components we make in Waukesha, Whitewater, and Maquoketa, Iowa—accounted for the majority of this value. However, industry surveys by the National Association of Manufacturers have shown supply chain issues to be a primary business challenge for nearly one-third of manufacturers.[14]

To alleviate supply chain challenges and enhance manufacturing competitiveness, surface transportation reauthorization legislation should continue to expand capacity, increase connectivity, and build on the progress made since MAP-21 to improve our nation's freight network. This may be accomplished in part by emphasizing support for projects of national and regional significance that facilitate the movement of freight—including on the National Highway System and connectors—and reaffirming freight movement and economic development as national goals under the federal-aid highway program. Furthermore, it is important that the Committee work to address the critical shortage of truck parking facilities.[15]

For Wisconsin-based companies like Husco, functioning transportation supply chains are an imperative—our state has one of the highest concentrations of manufacturing employment.[16] Your support will advance projects such as the I-94 East-West Corridor. The corridor is a critical economic route in our state that is currently characterized by extreme congestion and safety issues. The proposed project promises to address these issues via additional capacity and other improvements to "maintain a key link in the local, state, and national transportation network."[17]

Manufacturers also encourage the Committee to work with fellow committees of jurisdiction to strengthen transportation supply chains as part of surface transportation reauthorization. The committees should look to continue support for critical freight and passenger rail transportation programs such as the Consolidated Rail Infrastructure and Safety Improvements Program, the Railroad Crossing Elimination Grant Program, and the Section 130 Railway-Highway Crossings Program—freight truly is intermodal. And Congress must work to tackle the surge in cargo theft, incidences of which have increased by double-digit percentages, representing hundreds of millions of dollars in stolen goods annually.[18]

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[13] U.S. Department of Transportation, "Moving Goods in the United States." Available at https://data.bts.gov/stories/s/Moving-Goods-in-the-United-States/bcyt-rqmu

[14] National Association of Manufacturers. Q3 2024 Manufacturers' Outlook Survey. https://nam.org/wp-content/uploads/2024/10/Outlook_Survey_Q3_2024_NAM.pdf

[15] *Lack of parking for semi trucks creates dangerous situations.* (CBS, Sept. 25, 2023). Available at https://www.cbsnews.com/video/lack-of-parking-for-semi-trucks-creates-dangerous-situations/

[16] Wisconsin Economic Development Corporation. Advanced Manufacturing. Available at https://wedc.org/key-industries/advanced-manufacturing/

[17] I-94 East-West Corridor Purpose and Need Summary. (Wisconsin Department of Transportation). Available at https://drive.google.com/file/d/10x5p06rEzNAWgUXNEcqrETzp5P3APiT1/view

[18] Courtney Reagan and Scott Zamost. *Cargo thieves are attacking the supply chain at alarming rates.* (CNBC, May 9, 2025). Available at https://www.cnbc.com/2025/05/09/cargo-thieves-attack-supply-chain.html

Collectively, these policies would bolster American supply chains by ensuring the efficient movement of manufacturing goods—ultimately supporting companies like Husco as we bring inputs to our facilities and as we deliver products to our customers across the country.

**Reforming Burdensome Permitting**

Manufacturers like Husco create good jobs that grow our economy and the American middle class, all while developing and deploying technologies that protect the environment. But right now, cumbersome and overreaching permitting laws and regulations are holding back progress, delaying investments, and making it harder to compete globally. It is no surprise that in a 2024 survey of manufacturers, 72% of respondents said that the length and complexity of the permitting process affected their investment decisions.[19]

Permitting delays, complicated bureaucracy, and litigation make it difficult to complete infrastructure projects that benefit communities across the country. One study found that appeals of environmental assessments and environmental impact statements for infrastructure projects take an average of 1,250 days to resolve.[20] By way of example, the I-94 East-West Corridor project mentioned above has faced legal challenges.[21]

While manufacturers recognize recent actions by the U.S. Department of Transportation to update its National Environmental Policy Act implementing procedures, Congress must provide permanent solutions to advance the kind of bold investments that will increase manufacturing competitiveness.[22]

Manufacturers request that the Committee work with other committees of jurisdiction in the House and Senate to undertake separately or as part of any final surface transportation reauthorization legislation commonsense permitting reforms that will make it possible for us to grow our operations, modernize infrastructure, shore up supply chains, create jobs, and ensure responsible American energy dominance. Such reforms should include:

- Expediting judicial review;
- Creating enforceable deadlines;
- Increasing the use of categorical exclusions to the environmental review process;
- Streamlining project approvals under the Clean Water Act, the Clean Air Act, the Endangered Species Act, and the National Historic Preservation Act;
- Accelerating needed energy infrastructure, including more transmission lines, pipelines, and permanent carbon sequestration sites; and
- Unlocking access to domestic critical minerals, including on federal lands.

Streamlining America's broken permitting process will unlock growth potential across manufacturing. With respect to our nation's transportation infrastructure, putting an end to

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[19] National Association of Manufacturers. Q1 2024 Manufacturers' Outlook Survey. Available at https://nam.org/2024-first-quarter-manufacturers-outlook-survey/
[20] Nikki Chiappa et al. *Understanding NEPA Litigation.* (Breakthrough Institute). Available at https://thebreakthrough.imgix.net/Understanding-NEPA-Litigation_v4.pdf
[21] Nick Rommel. *WisDOT's Interstate 94 expansion faces federal lawsuit.* (Wisconsin Public Radio, Aug. 20, 2024). Available at https://www.wpr.org/transportation/wisdots-interstate-94-expansion-plan-faces-federal-lawsuit
[22] U.S. Department of Transportation. "U.S. Transportation Secretary Sean P. Duffy Unveils Sweeping Updates to NEPA at USDOT to Fast Track Roads, Bridges, & Other Key Infrastructure." June 30, 2025. Available at https://www.transportation.gov/briefing-room/us-transportation-secretary-sean-p-duffy-unveils-sweeping-updates-nepa-usdot-fast

seemingly interminable permitting delays will empower the investments needed to help companies like Husco make and move products.

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As a small manufacturer in the heartland of America, I appreciate the Committee's commitment to continue investments that support manufacturing competitiveness. To put it simply, investments in infrastructure are investments in manufacturing. Our industry depends on a robust, modern, efficient surface transportation system—and you can bolster domestic manufacturing by ensuring that our existing infrastructure is appropriately funded and maintained and that new infrastructure projects can get off the ground.

Manufacturers like Husco strongly support your efforts to advance bipartisan surface transportation reauthorization legislation that empowers us to move and create innovative products that drive the American economy.

Thank you for inviting me to testify today to share Husco's story. I look forward to your questions.

**Senate Committee on Environment and Public Works**
**Hearing Entitled, *"Constructing the Surface Transportation Reauthorization Bill: Stakeholders' Perspectives".***
**July 16, 2025**
**Questions for the Record for Austin Ramirez**

**Ranking Member Whitehouse:**

1. You emphasized the importance of reliable infrastructure for manufacturing. How can a federal surface transportation reauthorization bill better support supply chain resilience for manufacturers?

Manufacturers like Husco depend on efficient transportation supply chains; however, industry surveys have shown supply chain issues to be a primary business challenge. Disruptions caused by a major bridge outage or everyday congestion on critical corridors have real impacts on manufacturers' ability to make and move products. For example, in my home state of Wisconsin, the I-94 East-West Corridor is a critical economic route that experiences extreme congestion—thankfully, an expansion and safety improvement project is expected to begin construction later this year.

Continued, long-term federal investment in surface transportation infrastructure through enactment of a five-year reauthorization bill will provide states and other entities the resources and funding certainty to advance projects such as the I-94 East-West Corridor, which contribute to manufacturing competitiveness through supply chain resilience and materials demand. Policymakers should provide flexibility for such partners to meet their own transportation needs, informed by national goals. It is also important that Congress continue to promote efficiencies in project delivery and permitting as part of any legislation to ensure these projects get done on time and on budget.

2. How can funding be structured to support workforce development and equitable access in smaller communities served by manufacturers like Husco?

Rural transportation is integral to manufacturers' operations—particularly as it pertains to the movement of freight—and our ability to create jobs in economically disadvantaged communities. Increased surface transportation connectivity and safety in rural areas will support manufacturing investments and reduce inordinate traffic injuries and fatalities in such areas. Flexible funding which allows states to address their rural transportation needs, paired with discretionary programs to address any gaps, will advance these goals and help manufacturers grow and train workers in rural America.

While not a long-term solution, federal workforce programs, such as the Workforce Innovation and Opportunity Act, should include transportation support as an allowable use of funds. Optimally, training dollars would only need to be used for upskilling, but in many regions, transportation challenges make it impossible for workers to access high-quality manufacturing careers.

Senator CAPITO. Thank you, Mr. Ramirez.

Now I want to turn to Senator Kelly who will introduce our final witness.

Senator KELLY. Thank you, Madam Chair. I am excited to welcome my friend and the Mayor of Phoenix, Kate Gallego, to the committee. Mayor Gallego is only the second woman to be elected the mayor of Phoenix, and she is one of the youngest big city mayors in the Country and certainly the best.

[Laughter.]

Senator KELLY. Now, Mayor Gallego has a wealth of transportation policy experience that I know will be critical to this committee's discussion today. During the Biden administration, she served as Chair of the Transforming Transportation Advisory Committee, and she continues to serve as chair of Climate Mayors, a bipartisan network of nearly 350 mayors across the Country who are leading cities to meet their sustainability goals.

As a lead negotiator of the CHIPS and Science Act, I worked closely with Mayor Gallego to boost domestic semiconductor manufacturing in Arizona, and bring the Taiwan semiconductor manufacturing company to Phoenix. This critical investment is generating thousands of jobs and it is cementing our State as a global hub for microchip manufacturing. It is also part of the growth that is fueling the region that requires smart investments in transportation infrastructure to keep up.

Mayor Gallego, thank you for testifying today. As the committee discusses the upcoming surface transportation reauthorization, I know how valuable it will be to learn from your experience about what Congress can do to meet the transportation needs of urban areas while ensuring that our infrastructure remains resilient in the face of climate change.

With that, Madam Chair, I hand it back to you.

Senator CAPITO. Thank you.

Welcome, Mayor, and we look forward to your testimony. Thank you.

## STATEMENT OF HON. KATE GALLEGO, MAYOR, CITY OF PHOENIX, ARIZONA

Mayor GALLEGO. Thank you, Chair Capito, Ranking Member Whitehouse. Senator Kelly, thank you for the wonderful introduction and invitation. Members of the Senate, I am grateful for the invitation to testify today on surface transportation reauthorization.

I am honored to share my perspective and offer insight from local government. I have the great privilege of serving as mayor of the fifth largest city in the United States. More than 1.7 million people call Phoenix home. That is more than the population of 11 States.

We have a lot of people, and a lot of roads, nearly 5,000 miles. We own hundreds of bridges.

Throughout my time as mayor, and before that as a member of the City Council, improving our transportation infrastructure has been a top priority for me. I served as Chair of our MPO, the Maricopa Association of Governments, and helped lead our transit agency, Valley Metro.

I serve as Co-Chair of Accelerator for America, which operates the national infrastructure advocacy coalition, United for Infrastructure. Madam Chair, we were so grateful to you for kicking off our Infrastructure Week event this year.

I chaired the U.S. DOT Transforming Transportation Advisory Committee, a national panel that advised on how to use technology to improve surface transportation. Our work included tools to speed project delivery as well as how to best use AI and automation.

I also serve as Chair of Climate Mayors, where I have the privilege of working with a bipartisan network of nearly 350 of my colleagues to work toward making our communities safer and more resilient. Recently, our coalition had the honor of speaking with Ranking Member Whitehouse. It was a perfect showcase of how direct collaboration benefits our levels of government.

That is why I am excited about the opportunity to speak with you today. The Infrastructure Investments and Jobs Act was revolutionary for our city. It is essential that the funding levels from that law continue, or better yet, increase, to allow States, tribes and local governments to carry on the essential work that the law spearheaded.

One thing I know is top of mind for all of us is safety. With an average of 30,000 crashes annually and an average of two crashes resulting in serious injuries every single day, NHTSA, National Highway Traffic Safety Administration, has consistently ranked Phoenix in the top three cities in the Nation for overall traffic fatalities. That is not a point of pride.

As a mayor, among the moments that stick with me the most in this job are the tragedies that involve children. Both as a mom and a local leader, there is nothing worse than seeing a child get hurt. One moment I will always carry with me is speaking with a father of a young woman who was killed due to a traffic accident. He gave me a picture of her and asked me to work hard to make sure it never happens again. I still have her photo.

As a result of the Safe Streets and Roads for All program, we have been able to address some of the safety issues on the roads that took his daughter's life. This grant allowed us to implement proven safety measures designed to address issues involving pedestrians, transit riders, and drivers on a very critical corridor.

Another challenge that Phoenix faces is rising temperatures. Just last week, we hit 118 degrees. Our highway infrastructure is required to face this reality head-on and has to be built and maintained differently. It must be resilient. Programs such as PROTECT, and Senator Kelly's Healthy Streets Initiative, would help cities to implement essential initiatives such as cool pavement.

Infrastructure benefits our economy and our national security. When I was recruiting our largest economic development deal, a semiconductor manufacturer, to come to Phoenix, I spoke about our commitment to investing in transportation infrastructure to support their investment. That mattered. TSMC, Taiwan Semiconductor Manufacturing Company, is now investing $165 billion in our city, and the Federal Government has partnered with us to invest in freeway infrastructure to support these advanced industry jobs.

This partnership means that we, Americans, now make the most advanced chips in the world again in our Country, important for our national security.

In the upcoming surface transportation reauthorization bill, I encourage Congress to invest more directly to local governments, tribal governments and MPOs in addition to States. More than 75 percent of road miles are owned by cities and counties. In addition, local governments own and operate more than half of our bridges and the majority of our public transit systems. Local leaders drive the same roads as our constituents every day and we are well equipped to determine where to make key investments.

The discretionary programs in IIJA help cities, including mine, tremendously. Congress should continue to invest in those programs to meet the needs of communities today.

Phoenix is a growing city whose best days are still ahead of it. With continued help from Congress, who has so often been a key partner of cities, America's infrastructure will be safer, more resilient, better maintained, and more responsive to the needs of each community.

Thank you for your time. I look forward to your questions.

[The prepared statement of Mayor Gallego follows:]

City of Phoenix
Office of Mayor Kate Gallego

**United States Senate**

**Committee on Environment and Public Works**

**Hearing: Constructing the Surface Transportation Reauthorization Bill: Stakeholders' Perspectives**

**Written Testimony of Kate Gallego, Mayor of Phoenix**

**Wednesday, July 16, 2025**

Chair Capito, Ranking Member Whitehouse, Senator Kelly, and distinguished Members of the Committee:

Thank you for the invitation to testify today on Surface Transportation Reauthorization and the federal government's critical role in building and maintaining our nation's transportation infrastructure.

I am honored to share my perspective and offer insight from local government. But first, a little about me. I have the great privilege of serving as the mayor of the fifth largest city in America. More than 1.7 million people call Phoenix home – that's more than the population of 11 states. We have a lot of people, and a lot of roads: nearly 5,000 miles of them.

Throughout my time as mayor, and before that as a member of the City Council, finding ways to improve our transportation and infrastructure has been a top priority for me.

I served as Chair of our Metropolitan Planning Organization, the Maricopa Association of Governments, and I have helped lead our transit agency, Valley Metro. I serve as Co-Chair of Accelerator for America, which operates the national infrastructure advocacy coalition, United for Infrastructure. We were thankful to Chair Capito for kicking off our Infrastructure Week event this year.

I Chaired the U.S. Department of Transportation's Transforming Transportation Advisory Committee, a national panel that advised on how to use technology to improve surface transportation. Our work included tools to speed project delivery as well as how to best use AI and automation.

I also serve as the Chair of Climate Mayors, where I have the privilege of working with a bipartisan network of nearly 350 of my colleagues to work towards making our communities




safer and more resilient. Earlier this year, our coalition had the honor of speaking with Ranking Member Whitehouse, which was a perfect showcase of the benefit of direct collaboration and communication between our levels of government.

That is why I am excited about the opportunity to speak with you all today. The Infrastructure Investments and Jobs Act (IIJA) was revolutionary for our city. I know several Members of this Committee drafted and supported large parts that legislation, including Chair Capito and Ranking Member Whitehouse, and I want to thank you for that support. It is essential that the funding levels from that law continue, or better yet, increase, to allow states and local governments to carry on the essential work that law spearheaded.

One thing that I know is top of mind for all of us is safety. With an average of 30,000 crashes annually and an average of two crashes resulting in serious injuries every single day, the National Highway Traffic Safety Administration (NHTSA) has consistently ranked Phoenix in the top 3 cities in the nation for overall traffic fatalities. That is not something we are proud of.

As Mayor, the moments that stick with me the most in this job are the tragedies that involve children. Both as a mom, and as a local leader, there is nothing worse than seeing a child get hurt in your community.

One moment that I will always carry with me was speaking with a father who lost his daughter due to a traffic accident—he gave me a picture of her and asked me to make sure it never happened again to another parent. I still have her photo.

As a result of the Safe Streets and Roads for All (SS4A) Grant Program, we have been able to address some of the safety issues on the roads that took his daughter's life. This grant allowed us to implement proven safety measures designed to address issues involving pedestrians, bicyclists, people taking transit, and drivers on the critical corridor of Indian School Road from 91st Avenue to 39th Avenue.

The Safe Streets program is helping us save lives in Phoenix, and I know that the communities Chair Capito, Ranking Member Whitehouse, and other Members of this Committee represent benefited from this program's investments as well.

For all of our communities, infrastructure benefits our economy and our security. Phoenix is a city built on innovation, and I am proud to share that it is a burgeoning technology hub. Our city landed a historic $165 billion semiconductor manufacturing plant that is creating thousands of great-paying high-skilled career path jobs in the industries of the future. The commitment to improving our transportation infrastructure is one of the reasons why its operator, TSMC, chose Phoenix. Their investment in Phoenix means that we once again make the most advanced chips



**City of Phoenix**
**Office of Mayor Kate Gallego**

in America, important for our national security. I appreciate EPW's partnership in strengthening our freeway system, which is so key to our manufacturing sector.

Another challenge Phoenix faces is rising temperatures. Just last week, we hit over 115 degrees. Our highway infrastructure is required to face this reality head on and has to be built and maintained differently—it must be resilient. I know that after the devastating natural disasters we have seen across the country, that I am not the only local leader thinking about how to make our infrastructure more resilient—it is something we must take into consideration with every single project.

Grant programs such as Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) help cities invest in projects such as cool pavement, which lowers street surface temperatures. I am thankful to Senator Kelly for helping get Healthy Streets included in the IIJA, and I encourage Congress to provide funds for that program in the future. Healthy Streets would help us continue to implement programs such as cool corridors, which includes tree planting and shade infrastructure with a focus on transit corridors and the highest frequency pedestrian pathways.

Our city is constantly working to address these challenges, but our needs significantly outpace our means, which is why the partnership with the federal government is so vital. This year, Phoenix's Street Transportation Department's Capital Improvement Program is estimated at just under $500 million.

Part of that funding is from the IIJA. This law has increased funding available for our region via the Federal Highway Administration by $525 million over the five-year period. In addition, more than $500 million in discretionary funding from IIJA has been awarded to Phoenix either directly or indirectly through partnerships.

These funds support the 35th Avenue I-10 to Camelback Road Project. Its goal is to enhance safety for vehicles and pedestrians using proven measures coupled with technological advances to reduce travel times, improve overall flow, reduce congestion, and improve air quality.

And to make sure projects like these are completed and maintained, it is critical that cities are included as part of the conversation, and that their priorities are funded. More than 75 percent of road miles are owned by cities and counties. In addition, local governments own and operate more than half of our bridges and the majority of our public transit systems. Local leaders drive the same roads as our constituents every day, and we are well equipped to determine where to make key investments.

In the upcoming surface transportation reauthorization bill, I encourage Congress to invest more often and more directly to local governments and Metropolitan Planning Organizations, not just



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to states. And in addition, I urge Congress to consider and address the unique needs of fast-growing cities and states such as Phoenix.

The discretionary programs in the IIJA helped cities, including mine, tremendously, and Congress should continue to invest in those programs to meet the needs of communities today.

With continued help from Congress, which has so often been a key partner of cities, America's infrastructure will be safer, more resilient, better maintained, and more adept to the needs of each community. So many of the Members on this Committee have been critical to maintaining that partnership, and I thank each and every one of you personally for your support.

Phoenix is a growing city whose best days are still ahead of it, and continued partnership with Congress is essential to maintaining that future.

Thank you all for your time. I look forward to your questions.

City of Phoenix
Office of Mayor Kate Gallego

**United States Senate**

**Committee on Environment and Public Works**

**Hearing: Constructing the Surface Transportation Reauthorization Bill: Stakeholders' Perspectives**

**Questions for the Record – Mayor Kate Gallego, City of Phoenix**

**Ranking Member Whitehouse:**

1. What are the particular transportation and infrastructure challenges for cities and urban regions, and how can our federal policies and programs better support your efforts to address them?

Phoenix is the fifth largest city in the United States, and we have more than 1.7 million residents—that is more than the population of 11 states. We also have nearly 5,000 miles of roadway. With this many residents and this many roads, our biggest challenge is securing adequate funding to keep our infrastructure maintained and to continue to invest in new projects. That is why I urge Congress to maintain or increase the funding levels passed in the *Infrastructure Investments and Jobs Act* in the next surface transportation reauthorization bill. It is essential that states and local governments continue to see the support for and investment in transportation and infrastructure from our federal government.

In addition to funding broadly, the safety of our residents is always top of mind. The National Highway Traffic Safety Administration (NHTSA) has consistently ranked Phoenix in the top three cities in the nation for overall traffic fatalities—that is not a point of pride. As a result of the Safe Streets and Roads for All (SS4A) Grant Program, we have been able to address some of the safety issues on key corridors in our city. Discretionary programs like SS4A have been revolutionary for Phoenix, and I urge Congress to continue to prioritize these programs in addition to formula funding.

   a. How can the federal funding process—from planning and project prioritization to delivery—work better or more efficiently for you?

As Mayor of one of the largest cities in the nation, I know first-hand the difference federal investments can make in local communities. More than 75 percent of road miles are owned by cities and counties. In addition, local governments own and operate more than half of our bridges and the majority of our public transit systems. Local leaders drive the same roads as our

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constituents every day, and we are well equipped to determine where to make key investments. In the next surface transportation reauthorization bill, I urge Congress to send federal funds directly to local governments and Metropolitan Planning Organizations as much as possible. Not only will this reduce administrative burdens and costs, but it will also give local leaders the autonomy to direct the investments where they are needed most.

2. Last year, the Arizona Department of Transportation joined 14 other state departments of transportation and the District of Columbia in supporting the concept of a greenhouse gas performance measure. Do you agree with ADOT's view that it would be good policy to measure and report on greenhouse gas emissions from transportation and to set declining emissions targets? If so, what benefits do you see resulting from this policy?

I have the privilege of serving as the Chair of Climate Mayors, a bipartisan network of nearly 350 U.S. mayors demonstrating climate leadership through meaningful actions in their communities. By joining Climate Mayors, cities indicate that they are pursuing actions to achieve an emissions reduction target by developing a community greenhouse gas inventory and setting near- and long-term goals to reduce emissions. Local leaders across the country are already doing their part to reduce emissions, and I encourage initiatives at both the state and federal level to support and compliment these efforts.

3. Transportation remains the largest contributor of greenhouse gases in the United States. What are some of the opportunities you are pursuing for reducing greenhouse gas emissions from transportation? How can Congress help these efforts?

Phoenix is a city built on innovation, and we strive to find innovative solutions in every sector, including transportation. Fiscal Year 2024 was the City's first complete year of utilizing Renewable Liquefied Natural Gas in two-thirds of our Public Transit Department's heavy-duty transit fleet, which is natural gas powered, and we hope to continue this effort.

In addition, the City has several initiatives aimed at encouraging the use of electric vehicles to reduce greenhouse gas emissions, including electric cars, buses, bikes, and scooters. In Fiscal Year 2022, Phoenix received a $16.3 million Low-No/Bus & Bus Facilities Discretionary Grant to implement zero-emissions buses into our fleet. Beginning in 2026, the City anticipates operating our first 12 battery-electric buses to provide service on multiple routes in the region. Since 2019, Phoenix has also actively offered a shared e-scooters and e-bikes program, providing a sustainable way for our residents to get around the downtown area.

Phoenix also has 384 electric vehicle charging ports throughout the City. The goal is to have 500 charging ports by 2030. In January, the City of Phoenix received notice of an award for $15 million through the Charging and Fueling Infrastructure Discretionary Grant Program, which would have helped us meet our goal. However, we have yet to receive any communication from

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the U.S. Department of Transportation about a grant agreement. I encourage Congress to continue funding the discretionary grant programs passed in the *Infrastructure Investments and Jobs Act* to help cities like Phoenix continue to implement innovative programs to reduce greenhouse gas emissions.

**Senator Blunt Rochester:**

1. Transportation Demand Management (TDM) is the umbrella term for strategies that inform and encourage travelers to maximize the efficiency of a transportation system, leading to improved mobility, reduced congestion, and improved air quality. These strategies include trip planning, carpooling, vanpooling, and HOV lanes. I understand that Maricopa County has implemented a Travel Reduction Program with over 1,000 participating employers. How has the City of Phoenix used TDM strategies to increase the efficiency of your transportation landscape?

In 2024, 325 people per week moved to the City of Phoenix and our population is expected to increase 26.2% by 2050. Due to our City's growth rate, we are constantly thinking about Transportation Demand Management (TDM) and ways to make it easier and more efficient for our residents to get from place to place. For example, the City offers a free bus card to every City employee, encouraging them to take public transportation to and from work during peak rush hour traffic. In addition, since 2016, Phoenix has installed over 327.8 new bike lane miles, and aims to install 30.1 miles of new bike lanes annually. The City also offers a shared e-scooters and e-bikes program, providing an alternative and sustainable mode of transportation for our residents around the downtown area.

   a. How would increased eligibility for TDM strategies under the existing highway formula and discretionary programs further these efforts?

Increased eligibility for TDM strategies under existing highway formula and discretionary programs would give cities further flexibility in leveraging federal investments to improve the overall transportation system for our residents. Specifically, in the next surface transportation reauthorization bill, I urge Congress to extend the date set in 23 U.S. Code § 166(b) High Occupancy Vehicle (HOV) Facilities, which allows alternative fuel vehicles to drive in HOV lanes. The current statutory limit by which states can allow electric vehicles to operate in HOV lanes is September 30, 2025. This policy is both a strong TDM strategy and a tool for encouraging the use of alternative fuel vehicles, and I encourage its extension.

Senator CAPITO. Thank you very much.

I will kick it off with a sort of general question to everybody on the panel. In your individual ways you have talked about the importance of the surface transportation network and what reauthorization will mean to you in terms of economic and job growth.

I want to dig down a little bit more on that. Is it the predictability, the affordability, the flexibility? What would you point to as, from your standpoint as Governor, and then we will go down the panel, to how this will impact your economic growth and job creation abilities?

Governor ARMSTRONG. Thank you, Madam Chair. All of the above, but I think, I have had the opportunity to serve here too. We spend money inefficiently. We are required to do that because you go a decade without any increase in funding and then things turn to whatever. The more predictability and foresight you can push onto us, the less money we will spend to build the same project.

Senator CAPITO. Would you say the predictability factor would be, get this bill in by the end of September 2026, so you can have the predictability for the next five or 6 years?

Governor ARMSTRONG. Yes, that would be a worthy call. Then I also think, I mean, like I said, our perspective, we start, each State is different, but I do not think any community or any State in the Country has the amount of money they need to fix their roads and bridges or whatever. They can prioritize their projects, they know which ones are permitted at the State or county level. They know which ones that they can divert, I mean, they can start doing, I mean, the work force shortage exists all over the Country. The earlier you could do that and the more flexibility you can, like with Senator Cramer's and Senator Alsobrooks' bill, then we can divert and move things around.

It is not just about like picking winners and losers. We know which project is ready to go, and we know which one we are going to have to wait another construction cycle to do.

Senator CAPITO. Right.

Mr. Ramirez, how would this impact your ability to grow?

Mr. RAMIREZ. I mentioned supply chain in my comments, and I think that is a real issue we have. Rural facilities, and having surface transportation to those facilities that is efficient and well-maintained is really important.

Another really big one is, my main facility is outside Milwaukee, Wisconsin. The main east-west corridor, I–94, has been caught up in litigation for years. I have employees that spend hours a day stuck in traffic because we can not execute projects that we have already agreed to do.

Senator CAPITO. That project is still waiting to be completed? I am not unfamiliar with that.

Mr. RAMIREZ. Yes, ma'am.

Senator CAPITO. Wow. That is a major corridor for you.

Mayor, do you have a comment on how this will impact your ability to grow? You kind of alluded to it in your comments.

Mayor GALLEGO. Absolutely. I think we all share a goal for American infrastructure being the best in the world. This committee has moved that forward, but we have an enormous backlog.

We appreciate the leadership on starting early. Certainty helps us. Same with the Governor, the earlier we can hire and plan, the less it costs, and the more we can do better.

Phoenix is proud to be one of the homes of the Mayo Clinic. In our case, they are in North Phoenix, in an area that has a lot of infrastructure challenge, including a major flood plain. There is a huge bridge, where if we could get that built it would expedite their ability to expand.

They have come up with incredible research that has reduced the risk of cancer, heart disease and more. The whole Country benefits from the innovation that is happening there. They need investments in infrastructure to be able to expand and do that work. It is literally life-saving.

The work you are doing here today matters so much to us.

Senator CAPITO. Well, good. You led me right into my next question. This is one of my pet projects for surface transportation as it was in the past, is our bridges. Our Nation's bridges, I could speak for my State personally, we have a lot of bridges, a small State but a lot of bridges. We have some that are considered, you can still use them, but in another five to 10 years it is questionable whether you are going to be able to use them.

There is also, and they are so expensive to repair and fix, and inconvenient, as Mr. Ramirez was saying.

Governor, does having a set-aside for bridges help you, or would you rather have the flexibility to decide if you are going to use that for bridges or not?

Governor ARMSTRONG. The State of North Dakota owns over 1,700 bridges. There are 4,800 bridges total in the State of North Dakota. I would tell you that if you had a set-aside for bridges, no matter what the Federal Government gave us, it would not be enough.

I would say we have to do a better job at our level. Again, we do not have mountains or all of that. You would not build a grid infrastructure for bridges in North Dakota in 2025 the same way you did it in 1925. I think we can help make a better case to the Federal Government by saying, we are prioritizing these things, this is how we are going to do it.

I would not be opposed to the set-aside for bridges, because——

Senator CAPITO. Well, there is one. I think there has been one, and I'm very much committed to that.

I would also say, your point on whether you would rebuild in 2025 as you built in 1925 really leads me to my next Senator here, because that is the resiliency portion of the bill that I think it is exceedingly important. Not only does it save money, it saves lives, and it is much safer.

Senator Whitehouse?

Senator WHITEHOUSE. Thank you, Chairman.

Welcome, Mayor Gallego. We appreciate your being here.

What are the particular challenges that 118 degree weather presents to your regional transportation system? Can you even wait for a bus in that kind of weather?

Mayor GALLEGOS. Our weather can be dangerous. We had 31 straight days above 110. Workplace safety really matters. I appreciate that you both emphasize how important that is. We hope sur-

face transportation reauthorization will make sure that as construction contracts go forward, we honor the men and women who are building America. We have to make sure that they are structured so that safety is part of the areas we incentivize the most. Construction in 118 can be dangerous.

Senator WHITEHOUSE. Yes.

Mayor GALLEGOS. We do not want least cost bids that say you can not take breaks for water and shade, because those abilities to cool yourself down matter so much to our community.

Similar to North Dakota, the way we build bridges today is not, the way we built in 1925 is not what we would do today. We did not have the challenge of 31 straight days above 110. We want the flexibility to use pavement and construction techniques that make sense for our climate, that can deal with the expanding and contracting.

We are so grateful that Congress appropriated money for bridges. Right now, how it is structured, that money goes primarily to the States. As the Governor mentioned, they do not maintain every bridge. Phoenix maintains bridges directly, so we would love to be eligible for that money.

We have bridges that things are falling off of right now. We want to be able to make sure that they are safe and that we keep our constituents ready. Again, we want to, at least in Phoenix, be able to use certain building materials that tend to be lighter in color, so they do not maintain the dark heat. When you wear a black tee-shirt, you get hot more easily than a white tee-shirt. Same principles with building materials; we just hit 97 as the overnight low. We used to cool off a lot more at night and building materials matter in that.

Senator WHITEHOUSE. When I visited Phoenix some time ago, I met with the city's emergency management and law enforcement people, who pointed out that they were having staffing issues in the heat because responding, for instance, to a regular car wreck could require a lot more people, because the heat effect on the first responders could be such that they need to be actually switched out on a pretty regular schedule, say, responding to a fire, for instance. That you needed people who were there to help cool them down, so that the payroll load for the same task had gone up considerably because of the dangers of trying to work, particularly with protective gear on, in that kind of an environment.

Is that still the case?

Mayor GALLEGOS. That is still the challenge. For us, we now need to have mobile cooling units onsite at fires, so that our firefighters can cycle in and out. Like West Virginia, we are home to beautiful mountains. Phoenix is proud to have the largest urban mountain park of any big city.

When our firefighters go in and have to do multiple rescues in a day, it is dangerous. I have called firefighters who have been hospitalized after doing these rescues, because it is so hot and often they will have to carry the weight of human beings.

We try to pre-position ice throughout the city to cool people's bodies down. It is a real challenge and vulnerable populations are impacted the most by the heat.

Senator WHITEHOUSE. Yes.

Mr. Ramirez, you mentioned in your testimony clean school buses, which is something dear to my heart, because in addition to everything else, the school buses have kids in them and they go around neighborhoods and they have fairly standard routes, so they are pretty easy to put a charging schedule on. They do not spew particles and exhaust into neighborhoods as they go around and as they idle.

How would we best, in a highway bill, try to gather into our decisions some of those benefits that are not kind of instantly in the program of, for instance, kids waiting for the school bus to pick them up, having clean air to breathe at the school bus stop instead of school bus exhaust to breathe?

Mr. RAMIREZ. It is a great comment. I think any time you do a major investment, you need to look holistically at all the positives and negatives associated with that. I will tell you, our business is making components for automotive applications, including things like school buses. Almost every new product that we manufacture has something to do with emissions and efficiency.

That is true on the internal combustion engine side as well. If we can improve every internal combustion engine by 5 percent, that has a huge impact on the environment that our kids and our cities are dealing with, just as much as making electric vehicles go further for every charge.

Senator WHITEHOUSE. Do you think a pollution tax or fee would be a sensible thing to look at to fund infrastructure improvements?

Mr. RAMIREZ. I do not know that I have a position on the right way to do it. I think considering environmental impact is certainly appropriate.

Senator WHITEHOUSE. Thank you.

Senator CAPITO. Senator Cramer?

Senator CRAMER. Thank you. Thank you all. This has been very, very interesting.

You have done a great job, by the way, of answering my first two questions. I will not repeat them, although I will say, my first two questions would have been about formula funding and the importance of that, and the flexibility within the formula to do the things that are important in a city or a State. I appreciate all of that.

What we have not talked about yet, though, is adequate funding. Where do we get this revenue from? It is interesting, because as you all know, we are, the pay-to-use system is what our highway system is built on, except it is completely dependent on people who pay gas tax, largely. Yet not all vehicles utilize gas or at least, and even the ones that do, utilize less of it, or use less of it.

Yet this becomes such a major political struggle, not among us so much as out there. It is so misunderstood oftentimes.

I would like each of you to perhaps, particularly the Governor and Mayor, to talk about any ideas you might have for how we approach, whether it is electric vehicles, even hybrids, and having some sort of a way for them to pay to use this system in a way that is not offensive to everybody. Now I am asking for political counsel, quite honestly, so I will start with the Governor.

Governor ARMSTRONG. I think that you kind of hit it, to start with, the gas tax part of it. I mean, we had a bill in the legislature

to raise the gas tax that did not pass. We run into use, I mean, if you are going to raise any tax, a use tax is significantly more.

I always get a little concerned about vehicle miles driven. I have written 500 briefs on the Fourth Amendment throughout the course of my life. I do not know exactly, but everyone in North Dakota drives a lot. I think Wyoming is No. 1, but we are in the top 10. You would negatively impact States like mine.

I think a real conversation about, well, I will back up. I think if you can deploy the money faster and allow us to do things faster, that is what I think is the easiest version for adequate funding, because we did not need as much. If we have more flexibility and we can do it quicker, we can do that.

I think it is a real conversation. I mean, every car, combustion or otherwise, is driving a lot more on that 18.3 cents that is being taken in. As you get more and more other vehicles on the road, there is going to be a disparity there.

Senator CRAMER. Did not North Dakota, I know most States have a registration fee of some sort, now, that is applicable to all vehicles. Is that at least a way to get to it?

Governor ARMSTRONG. Yes, I think at the State level, I think that is appropriate. I think whatever four-tired vehicle that ends up on the road is going to utilize that road and is going to require maintenance and upkeep and all of those things.

You can incentivize, I mean, there are a lot of political reasons that different people incentivize things. We are just talking about school buses. I hope they exempt places that have a shortage of school bus drivers, so we actually have schools getting out early and running schools and they are driving 200, 300, 400 miles a day in that single school bus.

Senator CRAMER. Yes.

Mayor, maybe you could address the same thing. It seems to me that with this large dependence on Federal funding, it just does not seem right to me that certain categories of vehicles are not paying what I would consider to be their fair share for the cost of building and maintaining these roads.

Do you have a thought or a solution on that?

Mayor GALLEGOS. It is important to me that we adequately fund the National Highway Trust Fund. Phoenix is a proud member of the National League of Cities, and the League has produced seven principles around this item. We would like to make sure it is adequate funding. We want to protect privacy. Any new solution, we think technology needs to be ready to go on day one. This is so essential: we have to get it right.

I share those principles in my written testimony. I think they are a good guide for how we can improve in this area.

Senator CRAMER. Thank you.

In the area of permitting, or maybe just reform in general, and you have all spoken to the efficiency issues, do any of you have just some solid closing recommendations for ensuring that infrastructure projects do move faster, get permitted and move faster, while also maintaining a high level of environmental protection? I will start with you, Mr. Ramirez.

Mr. RAMIREZ. Thank you, Senator Cramer.

This is a really complicated topic, but I actually think the solutions are pretty simple. We need deadlines in the regulatory process that are enforceable. We need limited expedited judicial review. I think if we do those two things, we will actually get infrastructure dollars from being approved and allocated to actually being spent and invested in new projects.

Senator CRAMER. Counselor, would you support expedited judicial review?

Governor ARMSTRONG. I would.

[Remarks off microphone] permitting process at the Federal level. I think you all have a unique opportunity, because a lot of the fights that are associated with infrastructure reform do not apply to roads. Try getting a bridge permit across a Federal waterway. We are not building new ones. We are replacing existing ones.

Every one of our constituents wants this kind of infrastructure, and you do not get into some of the ideological fights that exist in transmission or pipelines or some of those things.

Senator CRAMER. Thank you all.

Senator CAPITO. Senator Padilla?

Senator PADILLA. Thank you, Madam Chair. Thank you to all three of you.

Mayor Gallego, good to see you again. I want to recognize that Phoenix recently hosted yet another Super Bowl which did not just put the city of Phoenix in a national and international spotlight, but places significant demands on the city's infrastructure.

I am asking this question because in the next 3 years, California will host a couple of Super Bowls as well as the World Cup and the 2028 Summer Olympics. Based on your experience, what can the Federal Government do to better support cities as they prepare for the transportation challenges of hosting large major events?

Mayor GALLEGOS. Our Super Bowl was successful because of a partnership with the Federal Government. We were able to use the New Starts program to expand our transit system. Often with these major sporting events, everyone stays until the last minute. That means that they are all leaving at once. The transit system was very important for moving people.

We were able to, in partnership with the Federal Government, expand the tarmac at Phoenix Sky Harbor Airport. We had much more traffic when we were hosting that major event.

I do want to note, though, people with private planes apparently left at a high rate right after the Super Bowl halftime show, which was not obvious to me what happened. New buses were really important to us because we had to dramatically expand our fleet.

I should note in past Olympics, Phoenix has helped other cities that are host communities by lending buses, and I think all working together, we can help make sure it is a great experience. Our Country is in the international spotlight, and it is in all of our best interests to make sure that works well.

Not this committee's jurisdiction, but the safety dollars you all sent are very important. Unfortunately, we are in a world where pretty much every city is investing in things like vehicle barriers, trying to learn from what happened in communities like New Orleans, and that done in partnership with the Federal Government.

Senator PADILLA. Those are the big two, security and transportation.

Back to the Super Bowl experience again, are there any specific investments or flexibilities that could have been additionally helpful for the city that we should consider as we are crafting the next bill?

Mayor Gallegos. I think we would, again, because we often build our systems for the average transportation users, and these events cause such a huge spike, we would love that the Federal Government understand the huge variety and look at funding for peak levels. You will hit an all-time peak in every mode of transportation in southern California, and we ought to consider that in our planning. That is a way we might need to modernize.

It is important to us that security dollars and transportation dollars go hand in hand. Our transportation system does have some vulnerabilities, and so we need to plan ahead. We saw during the Paris Olympics one of the most dangerous safety threats was to their train system. We ought to learn from that, and plan ahead.

Senator PADILLA. I was there when that happened.

Thank you for that. I may have some followup questions, both on that topic as well as the heat stress, heat island effects and some of the initiatives that you are pioneering, that came up earlier in the hearing. I want to associate myself with that as a concern and as a need.

Mayor GALLEGO. Thank you for your leadership on that topic. It will save lives.

Senator PADILLA. Colleagues, I will call your attention to the map of current fires out west. We have a lot of work cut out for us.

In my time remaining, I do want to ask a question of Mr. Ramirez on a different topic. The Bipartisan Infrastructure Law provided $2.25 billion for the Port Infrastructure Development Program to strengthen our Nation's ports and freight systems. We know that these investments are part of a broader effort to expand capacity and keep goods moving more efficiently and reliably across the Country.

You mentioned in your testimony that supply chain issues are a primary business challenge for nearly a third of manufacturers. Can you talk about the need for continuing investment in port infrastructure in our efforts to keep goods moving efficiently?

Mr. RAMIREZ. Thank you for the question, Senator Padilla. Absolutely. Husco is a global company. We have facilities around the world; we have suppliers around the world. We both import a lot of components from the rest of the world into our U.S. facilities, and we export products that we make in our U.S. facilities around the world.

Certainly, ports are an absolutely critical part of the supply chain infrastructure that we have to deal with. It has been an issue with congestion over the years.

Senator PADILLA. Any suggestions as to, not just to maintain, changes, additions to the port components of transportation legislation?

Mr. RAMIREZ. I think continued investment in technology and how we load and unload containers can make a huge difference in throughput for our ports.

Senator PADILLA. Modernization and new fuel sources like hydrogen.

Thank you, Madam Chair.

Senator CAPITO. Thank you. Senator Husted?

Senator HUSTED. Thank you, Chairwoman Capito. Thank you to all of you for being here today.

I represent the State of Ohio. We call ourselves the heart of it all, because we make everything, right? We have agriculture, we have manufacturing, we have a lot of things.

I will brag for a moment that in the recent CNBC ratings of best States to do business, we were No. 5, and we have got No. 1 rated in infrastructure. I have been involved in those issues over the years. One of the things, the reason that we were rated No. 1 is because we have invested the money. We have actually asked people to sacrifice by paying a little bit more so that we could have quality infrastructure to make roads safer, to make sure that the infrastructure serves our manufacturing capacity. Those things matter a lot.

Different States take different approaches. Some States have very hot weather that affects their roads and some have freezing and thawing, we know salt, all of those things on the roads really impacts the things that we do. I just am interested in advice from each of your perspectives as we think about our highway infrastructure and what we are doing for our roads and bridges, and new technologies and adoptions.

What advice do you have for us as we consider how to fund those things and regulate those things going forward? I will start with you, Governor Armstrong.

Governor ARMSTRONG. My advice to my colleagues when I was here and what will always be as a Governor who deals with this, set metrics and let us get there. Set reasonable, realistic metrics. Do not prescribe how we meet those metrics.

That exists in everything, but particularly in these things. The way they do it in Arizona and the way we do it in North Dakota is going to be different. We have bridge needs; they have bridge needs. We do not have 118 degree heat; we have 60 below wind chill. We have a lot of different issues.

I appreciate when we start talking about resilience and we talk about all of these things. The hair on the back of my neck goes up, because I think it is just going to make it slower and slower and slower.

If you can set metrics that are reasonably attainable and do not slow down the process, we will meet them. We know how to do it. Our construction guys, our State guys, they want to do it. We do not want to rebuild it. We do not want to have to fix it any more than we have to.

That would be my request.

Senator HUSTED. Thank you, Senator.

We talked about the philosophy of the users of infrastructure paying for infrastructure and having consistent funding. I think that is really important. I think even when you have that, if we

can not go from allocating dollars to actually getting projects done, I do not think anything is more frustrating than that, than hearing about infrastructure spending but actually not seeing projects get completed.

To me it comes back to permitting and regulatory reforms so we can shorten the time between allocating dollars and getting a project actually completed.

Senator HUSTED. Yes, time is money, inflationary costs, things happen. You thought you had enough money.

I know our highway funding in Ohio; we thought we had enough money when we passed the last gas tax. Then the whole inflationary thing happened over the course of time. Now that money is not adequate to the task. The longer it takes, the less value your money has.

Mayor GALLEGO. We all know that we have the most innovative country when it comes to transportation. The discretionary grants have been so helpful in pushing that innovation and getting that technology deployed.

I spoke earlier about how we have a backlog of maintenance on our bridges. For us, we are always going to put dollars to safety first. We have to make sure our roadways are safe.

Because of some of the discretionary grants we have been able to receive, we are looking at technologies that do things like speed freight traffic. That is good news for America, when manufacturers can get their goods where they are going more quickly.

That is dollars in their pockets, that is American jobs, and just the incredible innovation that comes out of these discretionary grants will put our Country in a great place to continue to lead the way.

Senator HUSTED. I am going to run out of time here, but the idea of, again, I will come back to, I like the idea of setting the metrics. It is a solid approach to doing this, and everything we can do to save you time would be helpful.

Any other thoughts, Governor?

Governor ARMSTRONG. Yes. I would reiterate what Mr. Ramirez said. None of this works without streamlining permitting. I think roads are the perfect example. You do not have to stop linear infrastructure everywhere; you only have to stop it in one spot. If there is a road from Ohio to North Dakota, they can stop it anywhere. They can stop it in Minnesota, they can stop it in North Dakota, they can stop it in Ohio, they can stop it in Indiana.

Senator HUSTED. Thank you.

Senator CAPITO. Senator Blunt Rochester?

Senator BLUNT ROCHESTER. Thank you, Madam Chair, and thank you to the Ranking Member. Thank you to all of the panelists. It is good to see my former E&C colleague as well.

I have heard from folks up and down my State about their priorities for the next surface transportation reauthorization bill. Your perspectives and this hearing is really very helpful as we craft it.

My colleagues have heard me mention the Reconnecting Communities program (RCP) before. This program addresses physical barriers and connects people to jobs, essential services and economic opportunities, while correcting historic injustices and harms to communities due to past infrastructure decisions.

Our goal is to make the best decisions for all of us. I was grateful to get this program into the Bipartisan Infrastructure Law during my time in the House.

Mayor Gallego, the city of Phoenix received one of the last rounds of RCP planning awards. Can you tell us a little bit about the Grand Canalscape project and why this funding is so essential?

Mayor GALLEGO. Thank you. Phoenix is grateful for your leadership on this project. It makes so much sense for us.

It may be a surprise to some people; Phoenix has more miles of canals than Venice. The canal system was really important for delivering water infrastructure to farms in Phoenix's early days, but it has now become a really important transportation corridor.

Unfortunately, there are some major conflicts now with rail. There is not currently a safe way to cross the rail at one part of the Grand Canal. It also has a real challenge with the freeway.

Unfortunately, when you do not give people a safe way to cross, they still cross. The Reconnecting Communities Grant really helps us to make sure that we can do that in a way that keeps our residents safe. When you have a major crash including fatalities along the rail, it shuts down the rail system.

We are so grateful to have that support. These projects are enormously complicated and we could not deliver them without Federal partnership.

Senator BLUNT ROCHESTER. Could you talk a little bit about what will happen if we fail to reauthorize the Reconnecting Communities program? Would the city of Phoenix be able to deliver on this project?

Mayor GALLEGO. Unfortunately, this project is enormously complex and we really need the Federal partnership. I should take the time to say thank you, because these investments allow us to save lives. I get to meet the people who live along the way and who do not have to worry about their kids running across a rail anymore. I do not know that you always get to.

On their behalf, thank you.

Senator BLUNT ROCHESTER. Thank you for sharing that. I think the reality is there are members on both sides of the dais who have multiple projects that will benefit, including in my home State, at the top of our State in Wilmington, all the way down to our rural counties in Georgetown, Delaware. It is vitally important and we want to continue this.

I will be introducing legislation to get this done. I urge my colleagues to join me in expanding the Reconnecting Communities program in the next surface transportation bill.

I would like to shift gears a little bit to digital infrastructure. Mayor, you also spoke a little bit about encouraging smart technology and AI. I would love to ask you and the Governor, how could increased investment in digital infrastructure, things like radar-based detection systems at intersections, to live travel advisories, contribute to safety and mobility on our roads alongside traditional physical infrastructure?

Governor ARMSTRONG. Piggybacking a little bit off of what the Mayor said on safety, our legislature passed a bill that raised our speed limit, raised our fines. That is probably not the safest part of the bill. We are now doing digital speed limits and requirements

when we have the adverse weather, which is snow and blizzards and icy roads. We can do that in real time now.

I think if you are talking about mileage and cost, we are looking at running our entire State fleet through an AI program to see how we buy cars, where we park cars, are we driving them too much, are we not driving them enough. I think there is real opportunities to do a lot of these things.

Then I think, just from the way you model out infrastructure, knowing what your traffic flow is and knowing where it is at. It does not matter if it is in a rural State like North Dakota or on the east coast, you can prioritize where you are spending this money and then spending it better.

Senator BLUNT ROCHESTER. Great. Thank you.

Mayor GALLEGOS. We have been lucky to have received Federal support for advance signals. Signal technology is so important to the city of Phoenix. We can give our firefighters signal priority so they can get where they are going more quickly. If you are experiencing a stroke, the amount of time while your brain does not receive blood is really important. Seconds matter. Giving our firefighters a little bit of an advantage matters so much.

We also have a real challenge with, unfortunately, pedestrian fatalities and red light running. There is technology today that we are going to be able to install, thanks to the Infrastructure and Jobs Act that can stop a signal if someone is in the intersection and save a life.

I had a very important boss who was killed in one of these accidents. I hope my work as mayor of Phoenix will mean that fewer people have to go through that. Your investment in this technology helps us save lives.

Senator BLUNT ROCHESTER. Thank you, Madam Mayor. I will be pushing for digital infrastructure formula funding, and hopefully that will save more lives.

Thank you so much, and I yield back, Madam Chair.

Senator CAPITO. Thank you.

Senator Boozman?

Senator BOOZMAN. Thank you, Madam Chair, and thank you, Ranking Member, for holding this important hearing today.

Governor Armstrong, in Arkansas, 43 percent of our residents live in rural areas. We rank sixteenth for fatality rates on rural roads and third for rural pavements in poor condition. Some Federal programs like NEVI and PROTECT can make it harder for States to target those basic rural road needs.

From your perspective, how can Congress better structure funding programs to give States more flexibility to invest where it is most needed, especially for rural safety and road conditions?

Governor ARMSTRONG. The one thing I have learned about all of this is that funds are fungible. The more you were doing into these specialty programs, the less likelihood that places like rural Arkansas and rural North Dakota, it is not whether or not they qualify, they are not going to apply. I mean, we are just trying to get county roads built. We are not interested in the other side of it.

I would say that the more flexibility that you give on a real basis for recognizing it is not always population based, it is economy based, it is economies of scale based. Then I think one thing is rec-

ognizing that rural infrastructure is more expensive per mile than urban infrastructure in a lot of ways. It is really hard to deliver whatever service it is to the last mile.

Often times, that last mile is producing a ton of economic activity that the world needs. Farm equipment is getting heavier, grain trucks are getting bigger, economies of scale in that industry are going up. Making sure that we are not, all of these things are worthy to debate and discuss, but not at the expense of the places that are producing the things and just do not have, like, we do not have barriers to connecting communities other than 100 miles.

Senator BOOZMAN. Along the same line, Governor, you are well aware of the programs that bring delays and extra costs because of burdensome applications and uncertain timelines. However, some major projects like large rural highway upgrades or critical freight corridors are simply too expensive for States to tackle with formula funds alone, which you just alluded to. That is why large competitive grant programs are so valuable when used well.

What are your thoughts on the effectiveness of big grant programs and the need to cut red tape and make sure Federal dollars get turned into projects on the ground faster?

Governor ARMSTRONG. We appreciate the grant programs as much as we can get them, yes. The quicker you can deploy the money, I mean, I do not know if you will find a rural Governor that would not like block grants in every area of this versus the requirement side of it. Not at the expense of formula funding.

The more flexibility we are given in that is better. The grant, we have utilized the grant programs. We care about ports, too, in North Dakota. We care about them a lot. Our products get there, and we need them to get there.

At the same time, we want to be able to have a more reasonable and reliable cost analysis for the next construction season, so we can better spend the dollars you send to us.

Senator BOOZMAN. Very good.

Mr. Ramirez, you know first-hand that strong infrastructure is critical to manufacturing competitiveness. Rural areas produce a significant share of our Nation's manufacturing and farming output. Yet population decline and shrinking tax bases make it harder to modernize roads and bridges.

What Federal investments or policy reforms would best help manufacturers in rural States remain efficient and connected to national and global markets?

Mr. RAMIREZ. Thank you, Senator. Great question. It is true, most things do not get made in big cities. We manufacture in rural environments. That is certainly true for Husco and I think most manufacturers across our Country.

I feel a little bit like a broken record, but I really think the key is around permitting reform, and not just getting dollars allocated, but getting projects completed.

Senator BOOZMAN. Very good. Thank you, Madam Chair.

Senator CAPITO. Thank you.

Senator Sullivan?

Senator SULLIVAN. Thank you, Madam Chair. I want to welcome the witnesses, and you are going to see a theme, I think, here on this issue of permitting reform. This committee has a long and I

think real positive history of producing significant bipartisan infrastructure. I am really hopeful that we can, under the Chairman and Ranking Member's leadership, do that again with this highway bill.

They key has to be permitting reform. I think even my friends on the other side of the aisle, who, let's face it, oftentimes resist it because you have far left radical environmental groups who love the fact that NEPA takes 10 years, because you can not build anything. They do. That is a fact. I see it in my State all the time.

Governor, let me start with you. My State, Alaska, is resource-rich, infrastructure-poor. We have less road miles than Connecticut and we are almost 120 times bigger than Connecticut and have a lot more natural resources than Connecticut.

How do we ensure that a highway bill for the whole Country takes into account places like my State or your State that have huge resource potential but not nearly the number of roads that we need, that the rest of the East Coast has? Eighty-two percent of the communities in Alaska are not even connected by a road.

How do we make progress in that area?

Governor ARMSTRONG. I think the first and most important answer is an equitable formula that gives States maximum flexibility on how to spend the money. Second, I think there are two ways infrastructure gets beat up, how heavy is it or how much is it driven on? Those are the two ways infrastructure gets beaten up.

You might not have as many miles driven or as many vehicles traveling on those roads. The things you are doing in Alaska are pretty heavy, and they are pretty important. Recognizing that you factor those things in.

Eventually, I mean, I think the answer, the simple portion, the implementation is really hard, right? The simple portion is making sure you have an equitable formula that gives States the maximum amount of flexibility and certainty.

Senator SULLIVAN. Right.

Mr. Ramirez, let me go to permitting reform. It is such an important issue. The Supreme Court in its Seven County Infrastructure Coalition v. Eagle County was a great course correction on NEPA, saying look, this is a procedural, not a substantive law. You do not need 10,000 pages in 10 years.

We have a gold mine in Alaska, the Kensington Mine, is now employing about 450 people in southeast Alaska. It is producing gold for America. Took 20 years to permit. We had a big infrastructure development project on the Kenai Peninsula. It was a road that took 36 years to permit. I think it was a world record on NEPA slowness.

I think even my colleagues on the other side of the aisle, who have always blocked permitting reform, that is the dark, deep secret here, you have my Democrat colleagues, hey, we want permitting reform, we want permitting reform, then you go to them with common sense approaches and they do not do it because their far left groups tell them not to.

I think even my Democrat colleagues now want to see this, because they see everything, renewables, any project is blocked by this real bad implementation. NEPA had a good goal at the begin-

ning, but it has been totally abused and hijacked by groups that do not want to build, certainly do not want to build in my State.

What are the real key elements, by the way, we have some NEPA reform in the budget reconciliation, but I really want to thank the Chairman for staying on that. It is pretty good, actually.

What would you say are the key elements that I hope my Democrat colleagues can get behind on NEPA reform that everybody in the Country wants? Every Democrat Governor, every Democrat mayor, I am sure the mayor here wants it. I mean, it is nuts that it takes 10 years on average to permit a bridge. No wonder why China is kicking our butt on so many of these things.

What would you think are the key elements of NEPA permitting reform that we need for this bill?

Mr. RAMIREZ. Thank you, Senator. I would offer two principles that I think would solve the majority of the problems. One is going in up front, to have a regulatory process that has enforceable deadlines.

Senator SULLIVAN. Yes.

Mr. RAMIREZ. That can not go on forever.

Senator SULLIVAN. Both at the agency level and at the litigation, the court level.

Mr. RAMIREZ. That would be the second part. I think going in and having deadlines for the regulatory agencies, and then having an expedited judicial review process so it can not be tied up in litigation forever. If you applied those two principles across our regulatory system, I think we could see a real change.

Senator SULLIVAN. Very common sense. I hope my colleagues on the other side of the aisle embrace those. They are common sense. The whole darned Country wants them.

Let's not let some far left groups who always hate NEPA reform drive the agenda for America. Nobody wants 10 years to permit a bridge, 20 years to permit a gold mine. Unfortunately, that is what NEPA has done to our Country.

Thank you, Madam Chair.

Senator CAPITO. Thank you.

Senator Kelly?

Senator KELLY. Thank you, Madam Chair.

Mayor Gallego, thank you again for being here. As you know better than probably anybody, Phoenix is an urban heat island experiencing higher temperatures than the surrounding rural areas due to the lack of vegetation and the use of asphalt and concrete that absorb a lot of the heat.

An estimated 45 percent of metro Phoenix residents live in an area where the urban heat island effect raises temperatures by about 8 degrees or more. This is why I worked to include the Healthy Streets program, which I think you mentioned in your opening remarks, and we put that in the Bipartisan Infrastructure Law, which would fund initiatives such as cool pavement projects that mitigate the effects of this extreme heat.

Mayor, why is it critical for Congress to fund programs that help vulnerable cities like Phoenix become more resilient to the effects of extreme heat?

Mayor GALLEGO. Thank you for your leadership on that program. We are at a point now where we are going to have to adapt cities

to hotter environments. Phoenix now talks to cities all around the Country, including in the northern-most parts of our Country, about heat challenges. This is a national problem, and we appreciate your coming up with a national solution.

The heat can be deadly. We are losing more Americans to heat than any other type of natural disaster. Our infrastructure funding has not caught up with that reality yet. Even some of the coldest States in the Country have had terrible heat waves with an incredible loss of life.

We know the solutions. There are building material changes, design changes, that can save lives. Your program will help cities, rural communities, tribes, get the funding to make those changes, many of which require us to design infrastructure very differently.

Senator KELLY. I had a roundtable back in Phoenix on extreme heat just last week. The number of deaths nationwide from extreme heat exceeds every other natural disaster combined. It is a real problem, and it is also associated with the thing we are going to talk about next here.

I want to talk a little bit about energy. It is our grid. The grid goes down in Phoenix, the estimates are that somewhere up to maybe half of the residents of the city will wind up in an emergency room, if it happens during a certain time of year in the summer when the heat is the highest.

I want to talk about, mentioning electricity. Your data centers, chip manufacturing and other industrial expansion in Phoenix is putting pressure on our infrastructure. As our population grows to fuel this technology boom, how does electrical and transportation infrastructure need to respond?

Since this is transportation, maybe we should focus on that.

Mayor GALLEGO. We are seeing a huge boom in data center and advanced manufacturing. Just in the Phoenix metro, the data centers have requested 32 gigawatts of new electricity. The amount of damage, well, the impact this would have on our streets with all this construction, these are huge construction sites, in our case we have it in many cases right up against residential, so very high impact. You are seeing a lot of truck traffic; water is a different impact.

The amount of infrastructure investment is something we really need to talk about. Data centers are very vulnerable to heat, so the cooling impact in a community——

Senator KELLY. To put the 32 gigawatts into perspective, the current SRP, Salt River Project, and APS, Arizona Public Service, the two utilities, provide about 16 for the entire county right now. The requested, over a number of years, I think it is five to 10 years, exceeds what is currently on the grid right now.

Mayor GALLEGO. It does. This is a trend we are not talking about enough as a country; what does it mean if in a few short years we are asking our utilities to completely replicate themselves?

I am so grateful you are paying attention to the infrastructure side of that. The amount of traffic in areas that have not seen traffic, we should probably talk about hazardous materials on our streets. They will be going places they have not, and it may be time to have new conversations about that.

The data centers, there is a conversation in Arizona and several other States about small modular reactors. That would put nuclear material in areas that have not seen nuclear material before. Phoenix is the fifth largest city in the Country. Our transportation department needs your support to navigate that as do our firefighters and others who will need new types of training if we are going to see this change. We have to look at how it impacts our street network.

There might be some time where we would also be able to reduce regulation, particularly around semiconductors. There is some hazardous material regulation that we might be able to update to be able to make it a little bit easier to do business.

It really is time to look at the types of material that will be traveling on streets that have never seen it before, and how we have the appropriate regulatory system from the Federal Government for these issues.

Senator KELLY. Thank you, Mayor. Thank you for being here.

Senator CAPITO. Thank you.

Senator Ricketts?

Senator RICKETTS. Thank you, Chairman Capito, and thank you for your dedication to providing a strong foundation for the next surface transportation reauthorization bill. Hearings like this are invaluable as we work to build legislation that will address key transportation infrastructure issues.

Thank you, Chairman Capito, and thank you, Ranking Member Whitehouse, for holding today's hearing. Thank you to the witnesses for coming here today.

Governor Armstrong, welcome to Washington. I have talked before this committee about needing flexibility in the next reauthorization. I have been looking for some ways to be able to provide that flexibility through the infrastructure supply chain. You are from an agricultural State, as I am. Agricultural products are a large part of the infrastructure advantage that we have, we have been able to provide that.

I know this is especially true in Nebraska, and one of the things that I found when I was Governor was that oftentimes my department of transportation thought their customer was the road, not the people who drove on the road. We have $9.9 billion in agricultural exports every year. I am sure North Dakota has a lot of agricultural exports as well. Transporting these goods is vital for both of our States and the Country's economic growth.

That is why I recently introduced the VARIANCE Act with my colleague Senator Schiff. This would allow a 10 percent axle variance for vehicles transporting dry bulk goods. As you know, sometimes corn is going to shift around a little bit so you can not necessarily keep the corn and soybeans over every axle.

It gives some flexibility, then increased efficiency and safety and cost-effectiveness as well. This is one that I hope in many ways we can get the EPW committee to go forward on it.

Governor Armstrong, where have you and your DOT experienced regulatory roadblocks? How can Congress best address these things in the next reauthorization?

Governor ARMSTRONG. I will deal with one we have not talked about yet, which is rail. The thing with rail is, we are trying to get

to our friends on the coast to get our products to port. Eventually, you run into bottlenecks. Sometimes it is a State line with different political ideologies, sometimes it is just a place in which you can not get it in the ground.

We can build the front-end infrastructure. North Dakota has done a really great job of that. Eventually, we can only build our infrastructure out enough that it can get through Montana, Idaho, Washington, to the ports.

I think understanding that the ability to do those things only works in North Dakota if it works all the way to where it is going. The more you create that, and Senator Ricketts, you will understand this as well, I want as much competition in the marketplace for my egg producers as humanly possible.

Then another one, which is not necessarily this, but we should hold our frenemies accountable for the amount of empty shipping containers that are floating around the world on a daily basis. I think that is one thing that is not always front of mind, but really, really affects the transportation side and the cost side of my egg producers getting things to market.

Senator RICKETTS. Just on that issue, have you found that you have had trouble getting containers to North Dakota because of that? Or rail cars?

Governor ARMSTRONG. Yes. Either trouble in supply, or trouble in cost.

Senator RICKETTS. Well, I thank you for that feedback on that. I know that working with Union Pacific, headquartered in Nebraska, I know that they have had issues with regard to transporting coal to get to export on the west coast ports, because of again, local-State regulations blocking that, which is, it is a legal product. You have, again, local-State rules that are blocking just the pass through of that product to get to foreign markets.

Governor ARMSTRONG. For all of the expansion of the InterState Commerce Clause, there are some places where it is very hard. I do not have a port in North Dakota. I have to get my products to a port.

Senator RICKETTS. Yes. Point well taken. Thank you, Governor.

Mr. Ramirez, you are president and CEO of a manufacturing company, and I am sure you have run into various issues as well. One of the problems we have had in Nebraska is a project can be all the way through the permitting process, including in the Endangered Species consultations, but if the status of the species changes during that process and before the final NEPA, National Environmental Policy Act, approval, then the whole thing has to start all over again.

You mentioned a couple of issues to Senator Sullivan with regard to kind of bigger picture things of making sure that we have timelines, and to put limits on litigation. Are there are other specific things like what I just described that would be great reforms to be able to think about as we go through a permitting process type of thing?

Mr. RAMIREZ. I think the concept of categorical exclusions is another one that I probably should have brought up earlier. For similar types of infrastructure having similar types of environmental reviews, again that just strikes me as a commonsense way to help

expedite this process without giving up any of the robustness that our citizens expect.

Senator RICKETTS. Great. Thank you very much, Mr. Ramirez.

Thank you, Chair.

Senator CAPITO. Senator Alsobrooks?

Senator ALSOBROOKS. Thank you so much to Chair Capito and Ranking Member Whitehouse for holding today's hearing and thank you as well to all of our witnesses for joining us.

Surface transportation is a vital part of everyday life, connecting people to jobs, education, and essential services. Decades of underinvestment, however, have left much of our Country's infrastructure in poor condition, leading to traffic congestion and safety concerns.

The Bipartisan Infrastructure Law sought to address these issues by providing unprecedented investments to create a more reliable, sustainable, and equitable transportation network while creating jobs for Maryland, which is my State. This meant dedicated funding targeting the repair of thousands of miles of deteriorating roads and hundreds of structurally deficit bridges.

This piece of legislation also provided over $1.7 billion for public transit, helping to modernize buses, trains and rail lines, and providing funding to programs that seek to improve transportation equity and safety.

As the Ranking Member of EPW's Subcommittee on Transportation and Infrastructure, and a member of the Banking Committee, I look forward to working with my colleagues here to ensure that the next authorization provides long-term predictable investments that repair our aging infrastructure, improve safety and support economic development.

My first question is for Governor Armstrong. Welcome, Governor. Many rural counties, including those in Maryland, face unique challenges when it comes to roadway safety, like long stretches of unlit roads, limited emergency response, and aging infrastructure. I wonder whether you believe the current Federal safety programs provide States with sufficient flexibility to effectively address these unique risks.

Governor ARMSTRONG. I will like it better if yours and Senator Cramer's bill passes.

Senator ALSOBROOKS. Yes, exactly.

Governor ARMSTRONG. I think it is important, and even through the course of this hearing, the different things that exist.

I said this regarding bridges; we have to do a better job of building out safety corridors as well. Recognizing that delivering those services in rural areas is really, really difficult, and it is really difficult if there is four feet of snow on the ground and the wind is blowing 30 miles an hour.

The more flexibility we are allowed, the better we can have. One of the things that is unique to a place like North Dakota is, you have a bad winter and a late thaw, and all of a sudden I have a county problem or a DOT problem that nobody knew about until May 1st.

If you are really restricted in how you utilize the money that is available to you, you are legitimately fixing things that would go

25 spots down the priority area because you are not allowed to use the money for the one that should be No. 1.

Senator ALSOBROOKS. I totally get it. I was a former county executive of my county, and understand so well exactly what you described.

Next, I have a question for Mayor Gallego. The Federal Highway Administration's PROTECT program is a critical new funding source for States and cities working to strengthen the resilience of their infrastructure. Maryland has used this funding to assess and strengthen at-risk coastal infrastructure and evacuation routes.

I wonder, how is it that the city of Phoenix, if you can just talk to us a bit about how you have tackled the broader challenges of infrastructure resilience in the face of extreme heat, flooding, and other climate related risks?

Mayor GALLEGO. Thank you so much. We are thrilled to have someone who understands local government advocating for the PROTECT program. For us, we have hit record after record in terms of heat, and our infrastructure was not built with that in mind.

The PROTECT program, just as it helps you with sea level rise, helps us with infrastructure that may literally melt because of the heat. It allows us to invest in more advanced building materials that are more heat resilient and that also do not retain the heat as much.

We are going to need to redesign our network for a hotter environment. PROTECT gives us the chance to try innovation. I would very much like Phoenix to be the lead in developing the technologies for our transportation future around heat resilience, which I think will become important to more and more of the community. PROTECT allows us to be innovative, to take risks and do things we have not done before, as well as to deploy solutions we have proven work.

Senator ALSOBROOKS. Great. Next, I would like to go back to Governor Armstrong. The Federal Highway Administration's emergency relief program is a vital Federal tool for restoring damaged infrastructure and ensuring safety after disasters like the bridge collapse. As you know first-hand, Maryland had the Key Bridge collapse.

I wonder whether North Dakota has benefited from this program, if you can just talk quickly about it.

Governor ARMSTRONG. We utilize, I say this tongue in cheek, what other people call climate change, we usually call Tuesday. We can have 100 degree swings in October in the same town. We have utilized it for, the last time I remember was actually the 2011 flood and when our capital city flooded.

Utilizing the fund to get, I mean, it is, the capital city in the State of North Dakota, we had bridges, we had highways, we had county roads that without the Federal Government's help we would not have been able to recover nearly as fast.

Senator ALSOBROOKS. Thank you so much. Thank you.

Senator CAPITO. Thank you.

Senator Markey, I will give you a second here. You are up.

Senator MARKEY. Thank you, Madam Chair.

Our debate about this surface transportation bill must begin with a question: what do Americans want out of their surface transportation system? I think it is fair to say they want it to be safe. They want it to be affordable. They want a system that does not further exacerbate the climate crisis.

Let's evaluate how we are performing in these categories. On the topic of safety, our transportation system is a disaster; 40,000 people are dying every year on our roads. This is no accident.

Many of our roads are designed only for fast moving cars, not for pedestrians, for cyclists or for public transit, all of which are safer modes of travel with the right infrastructure in place. That is a failure.

Now let's examine transportation affordability. On this front too, we are failing. The Department of Transportation estimates the cost for average Americans $12,000 a year to own and operate one automobile. Twelve thousand a year.

Many communities are left without other viable transportation options, requiring a family to travel by way of car for almost every trip, increasing their costs. That is a failure.

Then of course, when it comes to sustainability, our system is performing poorly. The transportation sector is the largest contributor to greenhouse gases in our Country.

We have a system that invests more money in expanding highways than it does in building sustainable infrastructure. That is a failure.

Our communities feel these failures every day in higher costs, worse air quality, a deteriorating climate, and the loss of loved ones in car crashes.

Mayor Gallego, do you agree that local communities most directly feel the pain of our failing transportation system? I would just love to get your expert view on that issue.

Mayor GALLEGO. Thank you. We are faced with a climate crisis right now in Phoenix. We had a month straight above 110 last year; we hit 118 this month. Your constituents might put mittens on their children in the winter; we sometimes do it in the summer because a seat belt buckle can burn your hand.

We need to make sure, 118 is hot enough, it is too hot, and we have to make sure that we address this. We have to design a transportation system that is resilient. We need the right building materials for our roads. We need to make sure our transit hubs have shade and are comfortable so that people can be safe while using them. We really appreciate your leadership on this.

Senator MARKEY. We are seeing it as well in New England. The Gulf of Maine, we call it Boston Harbor, after the Arctic is the second fastest-warming body of water in the world. We are seeing it. It is setting up conditions for a catastrophic storm or absolute disaster. We are seeing it. No one can escape this.

I agree with your testimony. That is why I am soon going to be reintroducing my Green Streets Act, which would reimagine how we prioritize transportation infrastructure investments. The bill would require States to invest in infrastructure like walking and biking and public transit that will reduce emissions, bring down costs and prevent more loss of life.

The bill would also require States to maintain their facilities in a State of good repair before expanding highways further. Well-maintained roads are safer, they are better for emissions, and they mean fewer potholes, flat tires, broken axles for American travelers.

The Green Streets Act is of course a climate bill. It is also a safety and it is also an affordability bill as well. Research indicates a 20 percent reduction in the number of miles traveled by car in this Country would reduce vehicle fuel and maintenance costs for the average American family by roughly $2,000 annually.

Even more importantly, the same reduction in miles traveled by car would save 180,000 lives by the year 2050 in our Country.

If there is anything more American than an automobile, it is consumer choice. American families deserve a publicly funded transportation system that affords them the choice to travel safely, affordably and sustainably.

I look forward to working with my colleagues on this committee, with you, Madam Mayor, with all concerned citizens in our Country to ensure that the next surface transportation bill addresses these issues.

Thank you, Madam Chair.

Senator CAPITO. Well, thank you.

I think we are coming to the end of our hearing. I appreciate everybody's testimony. I think there are a lot of similarities in whatever everybody is saying from the different standpoints of where you are. Permitting is something that Senator Whitehouse and I and our staffs talk about almost daily. We know that this is at the heart of the efficiency that I think most folks, and how the dollars can go farther than they can.

With that, I have no more comments. Do you have a comment?

Senator WHITEHOUSE. Just to emphasize the comment that I repeatedly make, which is that any bipartisan bill that does either surface transportation or permitting reform is going to have things in it that one side likes more than the other side likes. That is the nature of compromise on large pieces of legislation.

Essential to going forward is some level of trust that the implementer of that legislation will be an honest implementer. If we are going to have to continue to live through this selective refusal to release appropriated and obligated funds, if we are going to have to deal with an implementer that will favor, for instance, only the fossil fuel projects but not the clean energy projects, that is a huge deterrent to getting this done.

I know I am not saying anything new here. It is obvious to anybody who has ever been involved in a negotiation in which the implementer has to be trusted to make it work. We are not at that place yet by any stretch. I have nevertheless instructed my team to go forward to try to get big bills done, and we can get through that gate when we need to.

I do not want anybody caught by surprise later on when we come to that gate and we do not see an implementer that we can trust and things come to a halt that is unexpected or surprises anybody.

We are going forward in good faith. The Chairman has been very good to work with. I think we can have some confidence that we can do these big things.

At the end of the day, there will be a gate that we have to get through. That gate will be no more monkeying around with faithful execution of the laws for partisan or special interest purposes. Simple as that.

Thank you, Madam Chairman.

Senator CAPITO. Thank you, Senator Whitehouse. I can not resists, but I said, the irony of what you just said describes the pain I felt over the last 4 years. The way we wrote the Highway Bill, the way the implementation and the guidance that went through went far afield from what the original intent of the bill was.

We could argue about that, so I understand what you are saying. I think you are right. I think you are right only because we have lived through this over the last 4 years.

With no further questions, I would like to thank the witnesses and all my colleagues for your participation today. Senators who wish to submit written questions for the record have until 5 p.m. on Wednesday, July 30th, to do so. The witnesses' responses to those questions are due back to the committee no later than 5 p.m. on Wednesday, August 13th, and will be submitted for the record.

With that, the hearing is adjourned.

[Whereupon, at 11:40 a.m., the hearing was adjourned.]

## CHARGE Surface Transportation Reauthorization Priorities

The Coalition Helping America Rebuild and Go Electric (CHARGE) is an alliance of stakeholders dedicated to a zero-emission, affordable, accessible, equitable, and sustainable transportation future. CHARGE's membership includes industry, accessibility, environmental, labor, health, equity, transit, clean energy, consumer advocacy, and civic organizations promoting electric vehicle transportation, reducing transportation costs and emissions, and increasing transportation options.

Transportation reauthorization provides a unique opportunity to ensure the necessary and constructive investments from the *Infrastructure Investment and Jobs Act* (IIJA) and the *Inflation Reduction Act* (IRA) are successful in delivering the transportation future we envision.

On a broad basis across our coalition of 52 groups and in accordance with our principles, CHARGE supports the following priorities in the next transportation reauthorization:

### MEDIUM- AND HEAVY-DUTY VEHICLES

**Significant investment in the adoption of zero-emission heavy-duty vehicles through technical assistance and incentives for medium and heavy-duty vehicles and infrastructure:**

- Expand investments in the procurement of zero-emission fleets, including first and last-mile delivery vehicles, along with supporting infrastructure, to advance the deployment of an integrated zero-emission freight corridor strategy.
- Ensure that funding programs support procurement of all zero-emission vehicle sizes within Class 4-8. Expand medium- and heavy-duty vehicle charging infrastructure funding eligibility through additional programs such as the National Electric Vehicle Infrastructure (NEVI) and the Charging and Fueling Infrastructure (CFI) programs.
- Encourage state-wide applications and clarify federal guidance to allow programmatic stackability of investments in order to ensure a coordinated zero-emission freight system.
- Direct program investments to prioritize domestic manufacturing.
- Prioritize investments to improve air quality for underinvested communities.
- Support innovations like electric micro-mobility and for urban freight deliveries and the Transit Vehicle Innovation and Deployment Centers (TVIDC) for transit technology advancement.
- Reauthorize the Clean School Bus Program to protect children's health.
- Fund deployment of zero-emission port technologies, such as Reduction of Truck Emissions at Port Facilities (RTEPF), to modernize port operations.

### MULTIMODAL TRANSPORTATION

**Make Convenient Zero Emission Public Transit available to all Americans:**

- Significantly increase investment in transit funding, including transit operations.
- Remake and expand the Low or No Emission Grant Program and Grants for Buses and Bus Facilities Program in line with a full transition to zero-emission public transit.
- Streamline procurement and grant award processes in discretionary grants for transit buses.

**Expand and reform the Carbon Reduction Program (CRP) to accelerate clean, efficient electric transportation to ensure this transition prioritizes affordability and benefits our most underinvested urban and rural communities:**

- Put guardrails on all FHWA formula programs to direct investment to effective GHG reduction strategies, emphasizing co-benefits for underinvested communities.
- Engage underinvested communities to identify their mobility needs.
- Ensure that community engagement requirements are met so underinvested communities are not left behind in the zero-emission transportation transition.
- Deliver innovative clean mobility options like carshare, transportation wallets, shared micromobility (e-bikeshare and e-scootershare), and other mobility-as-a-service options.

**EV CHARGING INFRASTRUCTURE**

**Build a nationwide EV charging network that: 1) Makes charging convenient; 2) Ensures reliable access where people live, work, and travel; 3) Removes barriers to EV adoption:**

- Fund programs to deploy a nationwide, interconnected, publicly accessible EV charging station network that deploys infrastructure to meet the needs of all vehicle users.
- Prioritize maintenance of the charging infrastructure to ensure a continued, reliable, and efficient system.
- Provide technical support for deployment, especially for underinvested communities, to maximize access investments.
- Enact reforms to ensure charging investments are targeted toward smart locations that meet community needs, take advantage of available power, foster walkability, and support rural economic development.
- Support payment models that make EV charging available to people without a credit or debit card.
- Ensure access to affordable EV-charging infrastructure in underinvested communities, including for micromobility, and incentives for EV-ready building codes that prioritize multi-family and rental housing.

- Support the development of complementary charging solutions – such as battery swapping, bidirectional, detachable, and wireless charging – that could help address current EV charging challenges and improve EV charging experiences.

TESTIMONY OF
IAN JEFFERIES
PRESIDENT & CHIEF EXECUTIVE OFFICER
ASSOCIATION OF AMERICAN RAILROADS

**BEFORE THE**

**United States Senate Committee on Environment and Public Works**

**HEARING ON:**

# Constructing the Surface Transportation Reauthorization Bill: Stakeholders' Perspectives

**July 16, 2025**

**Association of American Railroads**

**425 Third Street SW**

**Washington, DC 20024**

**202-639-2100**

**Introduction**

On behalf of the members of the Association of American Railroads, thank you for the opportunity to submit this written testimony. Since 1934, AAR has been the leading voice for the U.S. freight rail industry, driving policy, research, and technology to enhance safety and efficiency. AAR freight railroad members account for 84 percent of U.S. freight railroad mileage, 93 percent of the sector's employees, and 97 percent of its revenue. AAR members include the major freight railroads in Canada and Mexico, Amtrak, and several commuter rail systems.

In 2023, freight rail contributed $233.4 billion to the economy, with each rail job supporting 3.9 additional jobs. Serving key industries, railroads invest billions in infrastructure, creating jobs, strengthening supply chains, and connecting businesses globally. Every $1 invested in rail transportation generates an additional $2.50 across the wider economy — railroads have a powerful ripple effect across the economy and a wide range of sectors.

Additionally, because a single train can replace several hundred trucks, railroads significantly reduce highway congestion. This helps decrease gridlock and lowers the need for taxpayers spending on highway infrastructure.

**America Benefits Greatly When Freight Moves by Rail**

America's freight rail network is the best in the world, spanning more than 135,000 route-miles. By linking businesses to each other domestically and abroad, freight railroads have played an essential role in America's economic development for two hundred years.

Freight railroads remain indispensable today, serving every industrial, wholesale, retail, and resource-based sector of our economy. They carry enormous amounts of corn, wheat, soybeans, and other farm products; fertilizers, plastic resins, and a vast array of other chemicals; coal to generate electricity; cement,

sand, and crushed stone to build our highways; lumber and drywall to build our homes; animal feed, canned goods, corn syrup, frozen chickens, beer, and countless other food products; steel and other metal products; newsprint and other paper products; autos and auto parts; iron ore for steelmaking; wind turbines; airplane fuselages; machinery and other industrial equipment; and much more.

Meanwhile, rail intermodal — the transport of shipping containers and truck trailers on railroad flatcars — has grown tremendously over the past 30 years. Nearly everything found on a retailer's shelves may have traveled on an intermodal train. Substantial amounts of industrial goods, such as auto parts, are transported by intermodal trains as well.

Each year, railroads move more than 1.5 billion tons of freight and twenty-eight million carloads and intermodal units 1,000 miles on average per shipment, underscoring their critical role in the U.S. economy. However, freight railroads contribute to our nation in many other ways that show why supporting freight rail is sound public policy:

- *Safety.* is the top priority for railroads, and the industry is steadfast in its commitment to reducing accident frequency and severity and enhancing safety measures. While any train accident is one too many, data from the Federal Railroad Administration indicate moving freight by rail is extremely safe. Between 2005 and 2024, the train accident rate decreased by 32% and the employee injury rate dropped by 26%. Railroads today have lower employee injury rates than most other major industries, including trucking, airlines, agriculture, mining, manufacturing, and construction — even grocery stores. By these and other measures, the past decade has been the safest in rail history thanks to continuous improvements through investments in technology, infrastructure, and training.
- *The Environment.* Moving freight by rail meaningfully reduces greenhouse gas emissions while helping the economy. On average, railroads move one ton of freight five

hundred miles per gallon of fuel, making them three to four times more fuel efficient than trucks. This means that moving freight by rail instead of truck reduces greenhouse gas emissions by up to 75 percent.

· *Re-Investments*. Unlike trucks, barges, and airlines, America's privately-owned freight railroads operate overwhelmingly on infrastructure they own, build, maintain, and pay for themselves. From 1980 to 2024, America's freight railroads spent more than $830 billion ($1.3 trillion when adjusted for inflation) of their own funds on capital expenditures and upkeep expenses related to locomotives, freight cars, tracks, bridges, tunnels and other infrastructure and equipment. "Crumbling" might describe some U.S. infrastructure but not freight rail. The American Society of Civil Engineers has consistently recognized these achievements, awarding rail one of the highest grades of all American infrastructure.[2] Freight rail infrastructure is in better overall condition than ever before.

· *Appealing Jobs*. The approximately 150,000 freight rail employees are among America's most highly compensated workers. In 2023, the average U.S. Class I freight rail employee earned wages of $112,600 and fringe benefits of $36,300, for total compensation of $149,000. By contrast, the average wage per full-time equivalent U.S. employee in 2023 was $80,300 (71 percent of the rail figure) and average total compensation was $97,200 (65 percent of the rail figure). The median tenure of railroad employees is 13 years, compared to 3.9 years for private sector workers.

1

[1] *Route-miles refer to the length of a single rail route even if the track is double or triple-tracked in some sections. Including parallel tracks, rail yards, and sidings adds tens of thousands of miles to the rail mileage total.2 See American Society of Civil Engineers, 2025 Report Card for America's Infrastructure* (available at: https://infrastructurereportcard.org/).

**Looking Ahead to Surface Transportation Reauthorization**

The rail industry respectfully suggests that a series of overarching principles should guide surface transportation reauthorization. Adherence to these principles would enhance our nation's ability to transport people and goods safely, efficiently, and cost-effectively. (A full list of these principles can be found in our brief on 2026 Surface Transportation Reauthorization.) Today, however, I will focus on two important priorities in the Committee's jurisdiction: the Section 130 Rail-Highway Crossings Program and the potential increase in federal truck size and weight.

**Support Section 130 Rail-Highway Crossings Program**

A highway-rail grade crossing is where a roadway and railway intersect at the same level. The U.S. has over 200,000 crossings, equipped with either active warning devices like gates and flashing lights or passive warning signs. Since trains cannot quickly stop or change courses, safety at these crossings depends on motorists following signals and precautions. While states, not railroads, assess and prioritize crossing risks, railroads invest millions annually in safety maintenance, technology, and public education. These efforts have helped reduce grade crossing collisions by 25% since 2000, yet 95% of rail-related fatalities still involve trespassers or crossing users, highlighting the need for continued awareness. More work must be done.

There are two complementary federal programs which states and localities can utilize to address this critical safety challenge: the Railroad Crossing Elimination Grant Program and the Section 130 Rail-Highway Crossing Program (Section 130 Program). The Section 130 Program was originally authorized in the Surface Transportation and Uniform Relocation Assistance Act of 1987. The Program provides formula grant funds to states and local governments to eliminate or reduce hazards at highway-rail crossings and has been reauthorized in each subsequent surface transportation reauthorization. Most recently, the Infrastructure Investment and Jobs Act (IIJA) provided $245 million yearly in Section 130 Program funds

and made other helpful improvements to the program. Congress should maintain or increase funding for the Section 130 Program in the next reauthorization.

**Oppose Increases in Federal Truck Weight**

Congress has long maintained reasonable limits on the size of trucks operating on the Interstate Highway System — no more than 80,000 pounds for weight and two 28-foot trailers for length. However, some interests are consistently pushing to increase federal limits on truck weight to at least 91,000 pounds — a jump of almost 14%.

Congress should reject calls to increase federal truck size and weight limits until, at a minimum, trucks pay the full cost of the damage they cause to our roads and bridges. Raising truck size and weight limits would also artificially shift freight from rail to truck. The increased wear and tear from bigger, heavier trucks will exacerbate the ongoing shortfalls of the Highway Trust Fund over time. The current gas tax of 18.4 cents per gallon of gasoline and 24.4 cents per gallon of diesel fuel, which last increased in 1993, has failed to keep pace with highway maintenance costs, changing fuel prices, and more fuel-efficient vehicles. As a result, since 2008, policymakers have been forced to transfer a total of $275 billion of general taxpayer funds into HTF to cover the shortfall, including $118 billion in IIJA funding. Without an increase in the gas tax or other reforms to restore a user-pays system, introducing bigger, heavier trucks will only worsen this shortfall.

Increased truck traffic also leads to increased greenhouse gas emissions, especially when freight is diverted from trains to trucks. Freight railroads currently account for 40 percent of U.S. long-distance freight volume (measured by ton-miles)3 but, according to EPA data, account for just 1.7 percent of transportation-related greenhouse gas emissions. By comparison, medium and heavy-duty trucks account for over 20 percent of transportation-related greenhouse gas emissions. 4 Shifting more freight to bigger,

heavier trucks will lead to higher emissions and worse environmental and public health outcomes in communities around the country.

**Conclusion**

America's freight railroads are a vital national resource. With highway congestion becoming more acute and with public pressure growing, railroads are well positioned to take on a larger role in meeting these challenges, given their substantial advantages in these areas over other transportation modes. As our economy evolves, railroads will continue to be called upon to make additional investments in their networks to provide the efficient, dependable, and cost-effective freight transportation service that their customers, and our nation, need to prosper. Congress must craft appropriate policies for this to happen. Freight railroads are ready to collaborate with this committee to ensure that our nation's transportation needs are met in a responsible, environmentally sound, and safe manner.

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[2] *3 See Association of American Railroads, Rail Transportation and the U.S. Economy: Fueling Growth, Trade, and Opportunity (available at: https://www.aar.org/wp-content/uploads/2025/02/AAR-PE-Economic-Impact-Report-2025-FINAL.pdf) 4 Testimony of Chad Shirley, Principal Analyst Microeconomic Studies Division, Congressional Budget Office, Before the U.S. House of Representatives Subcommittee on Highways and Transit, Committee on Transportation and Infrastructure, October 18, 2023.*

ENVIRONMENTAL LAW & POLICY CENTER

July 30, 2025

Dear Chair Capito, Ranking Member Whitehouse, and Members of the Committee,

The Environmental Law & Policy Center appreciates the opportunity to submit this written testimony for the docket for the July 16, 2025 hearing entitled Constructing the Surface Transportation Reauthorization Bill: Stakeholders' Perspectives.

The Environmental Law & Policy Center (ELPC) is a not-for-profit public interest organization dedicated to advocacy and action to protect air quality, water quality, and natural resources throughout the Great Lakes region and Midwest.

The goals of a transportation reauthorization should be: 1) to build a transportation system that kills less people; 2) to build a system that is environmentally and financially sustainable; and 3) to build a system that increases and improves mobility for all.

American roads are the most dangerous in the developed world. More than 40,000 people lose their lives in motor vehicle crashes, including more than 7000 pedestrians, annually. Pedestrian deaths have increased 75% since 2010.

Transportation is the leading source of climate pollution in the United States as a result of increased driving and movement of freight. More than 46% of Americans still live in areas with unhealthy air, and 5 of the worst 9 states are in the Midwest. Transportation drives a significant portion of the pollution that makes air unhealthy to breathe.

Addressing these connected problems – unhealthy air, climate pollution and safety – through 21st Century transportation policy presents a tremendous opportunity. The need to tackle these challenges is true nationwide but particularly true in the Midwestern states where ELPC works. Not only is the Midwest the crossroads of America for freight, congestion in many of its cities remains a challenge, as do aging roads, bridges and transit systems. Cities in the Midwest suffer from ozone and/or particulate pollution challenges that threaten public health. Climate change is already threatening the Great Lakes and impacting the region.

The Midwest is ground zero for much of the nation's manufacturing and agriculture, and that means millions of truck miles on our highways and in our densely populated urban areas. Illinois alone has 7,945 miles of national highways -- the 4th largest system in the nation. Smart policy changes and investments can improve our existing transportation system while ensuring investments are resilient and improve mobility.

Below are recommendations for the next Surface bill. In addition, we include priorities outside this Committee's jurisdiction, but which are critical to reauthorizing the Surface Transportation program.

**Prioritize a System that is Maintained, Resilient to Climate Change, and Serves People and Communities**

- Set new priorities for transportation spending to ensure projects are improving access to jobs, schools, shopping, and public services. Retain performance metrics and restore a metric for greenhouse gases.
- Ever increasing VMT is driving up climate pollution, worsening air quality, exacerbating congestion and increasing threats to safety. Transportation dollars should be invested in increasing availability of choices for transportation - transit, passenger rail, safe walking and biking - that can help reduce VMT.
- Prioritize investments toward state of good repair for existing bridges and roadways by requiring states to produce maintenance plans, conduct benefit-cost analyses.
- Federal funds should not support the construction of new infrastructure prone to future climate-induced flooding or destruction due to extreme heat (as discussed in the hearing) or other factors worsened by climate change. Similarly, federal policy should ensure dollars are not wasted on rebuilding infrastructure that will be damaged repeatedly due increased frequency and intensity of storms and other weather events. Rather, infrastructure should be designed for resilience to our changing climate.
- BUILD grant applications should be evaluated for their cost-effectiveness. Projects should be evaluated by the benefits they will deliver based on population served and overall environmental performance.
- Restore the Reconnecting Communities program and fully fund the projects that were already awarded. Dozens of Midwestern communities along highways have been awarded planning and capital grants over the past few years, but demand far outstripped the supply of funds. Rural and urban communities across the heartland deserve transportation safety and access.

**Promote Complete Streets**

A renewed focus on safety for all users is needed.

- Strengthen programs for bicycle and pedestrian infrastructure and ensure funding of investments to advance safety and access for active transportation.
- Maintain a strong CMAQ program with increased funding and revise the program to increase resources for safe biking and walking infrastructure investments.

**Invest in Electric Vehicle Charging**

- Fully implement and continue the National Electric Vehicle Initiative (NEVI) program along federal highways to facilitate the electrification of the vehicle fleet.

- Continue implementing and funding community charging through the Charging and Fueling Infrastructure Discretionary Grant Program. Support state programs for electric vehicle corridors. Encourage states to develop EV charging corridors.

**Strengthen the Carbon Reduction Program**

The U.S. transportation system must evolve to move people and goods efficiently while reducing emissions and long-term cost. The Carbon Reduction Program (CRP), created under the Infrastructure Investment and Jobs Act, funds projects to do exactly that. States and local governments are using CRP dollars to upgrade traffic signals and roundabouts, improve transit, and deploy clean vehicle technologies. Some states have undermined the CRP by transferring its funds to other uses, undercutting the program's purpose. These actions underscore the need for stronger protections in the next reauthorization to ensure CRP funds serve their intended purpose.

- Significantly increase funding for the CRP;
- Add CRP to the list of programs exempted from transfer rules in 23 U.S.C. §126(b);
- Limit the scope of NEPA assignment to apply only to CRP-eligible projects, with the federal government retaining authority over other project types, to ensure that projects with both efficiency and environmental benefits are prioritized by project sponsors; and
- Direct that larger CRP projects be included on the Federal Permitting Dashboard with an expedited review timeline.

**Protect Effective Reviews to Protect Communities and the Environment**

Permitting received considerable attention during the hearing. Any discussion of permitting reform must account for the Trump Administration's actions to weaken and otherwise compromised implementation of NEPA including rescission of CEQ regulations and promulgation of DOT's current Interim Final Rule for Procedures for Considering Environmental Reviews (90 Fed. Reg. 29621). Further the Committee should fully consider all of the changes to NEPA including those in prior Reauthorizations.

It is also important to recognize that not all proposed projects are good ones that merit being built. Over and over again we have seen that we cannot build our way out of congestion with more and wider highways. Environmental reviews are the opportunity for communities to have a say in what is built, provide input on alternatives, and ensure the concerns of those most directly impacted by projects are heard.

Testimony offered at the July 16th hearing suggested that a decade long "delay" in permitting the I-94 expansion in Milwaukee was proof of the need for further NEPA reform. In fact, the proposed expansion of I-94 from 6 to 8 lanes at a cost of $1.75 billion in densely populated Milwaukee lacks

this community consensus. In 2017, Governor Scott Walker abandoned the project due to lack of funding and a lack of community agreement over its scope, pledging that any future project would better reflect community wishes. In 2020, the Wisconsin Department of Transportation returned to the project and completed a supplemental Environmental Impact Statement in 2024. Meanwhile, in December 2023, the FHWA's Office of Civil Rights opened an investigation into whether the project would harm minority communities. In August 2024, a coalition of religious and environmental organizations filed a federal lawsuit against the project sponsor for failing to consider a 6-lane alternative to the proposed 8-lane project. Construction has not begun – not because of bureaucratic delays, but because the state has not adequately considered a cheaper and more effective alternative preferred by the community.

- Ensure the Department of Transportation retains strong guidance for reviews under the National Environmental Protection Act and has the staff and expertise to ensure effective and timely reviews.
- Make NEPA review one of the eligible costs for a federal aid highway. This would allow State DOTs to spend a portion of their federal transportation funds paying resource agencies to review their NEPA documents. This change would better fund agencies which lack capacity for quick, quality NEPA review.
- Restore funds for DOT environmental reviews rescinded in recent reconciliation legislation.

***While we recognize that this Committee only has jurisdiction over the Highway title of the bill, we share the following recommendations which we will be sharing with the committees of jurisdiction:***

**Rethink Revenue**

Since 2018, $280 billion has been transferred from the general fund to the Highway Trust Fund – in essence, paying people $280 billion to drive more and increase air and climate pollution and congestion. The climate crisis requires that Congress develop a new approach to transportation funding that stops subsidizing driving.

- Revenue to the highway account should only come from the gas tax and other user fees. We cannot continue to subsidize driving with transfers of general revenues and from other sources to the Highway Trust Fund. Congress must either raise the gas tax or cut spending in the next Surface Transportation Bill.
- Direct Highway Trust Fund dollars to maintain existing infrastructure, transit and safe walking and biking and ensure investments will achieve strategic greenhouse gas reduction targets.
- Fees on Electric Vehicles (and Plug-in Hybrids or Hybrids) must be carefully constructed and should not exceed the gas tax equivalent of what drivers of comparable vehicles pay.
- Heavy trucks should pay their fair share – something they do not in the current system.
- Tolling of federal aid highways should be permitted.

**Invest in Intercity Passenger Rail**

Federal policy should continue to recognize the potential for intercity and interstate rail as an essential travel option that reduces congestion on roadways and alleviates pressure at airports for short-hop flights. Improved inter-rural and interregional mobility supported by passenger rail would improve connections for more of our rural population, enabling access to health care, education, cultural activities, and more – especially as intercity bus barriers are reducing or eliminating services.

Continuing the work started with the rail expansion programs in IIJA to build out an interconnected rail network will increase connectivity between rural and urban transit systems. Expanded intercity rail can also bring substantial economic benefits to rural communities and small cities by spurring travel to destinations and historic central cores, reviving commercial districts, and encouraging new business investments and tourism.

Continue FRA programs advancing new service development to hundreds of locations not served by passenger rail and for improvements on existing routes: Corridor Identification & Development, Federal State Partnership for Intercity Passenger Rail, Restoration & Enhancement Grants, and Grade Crossing Elimination. Past NOFOs have demonstrated strong demand for passenger rail expansion. Fund at levels commensurate with strong demand from States, communities and other eligible applicants.

**Invest in Transit**

- Restore operating support for transit agencies as ridership continues to rebuild in the face of new travel and work patterns. American transit networks have traditionally catered to home-to-central business district commutes with a '9-to-5' model, and had infrastructure designed around that pattern. The global cities with the strongest post-covid transit ridership have successfully shifted to serve new travel markets, catering to all day travel and more flexible regional transit.
- Provide parity between road and transit funding as a cost-effective use of public funding. Transit funding provides more jobs per dollar and gets more people to their destinations than roadway funds. Increase funding for upgrading and maintaining existing transit infrastructure and systems. Despite these facts, the federal government supports 80% of highway costs and just 50% of transit capital costs. While this spreads limited federal dollars across more transit projects, true parity would bring more funding to transit.

Finally, no earmarks or Congressional Directed spending should be permitted unless the project is already listed in the appropriate Transportation Improvement Program ("TIP").

We appreciate the opportunity to submit this written testimony for the docket for the July 16, 2025 hearing.

Sincerely,

The Environmental Law & Policy Center




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*Testimony of*

James T. Riley, Esq.
President
Railway Supply Institute

**BEFORE THE**

**SENATE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS**

HEARING ON:

Constructing the Surface Transportation Reauthorization Bill: Stakeholders' Perspectives

July 16, 2025

**INTRODUCTION**

Thank you on behalf of the members of the Railway Supply Institute (RSI) for this opportunity to submit written testimony highlighting their perspectives on Surface Transportation Reauthorization. Founded in 1908 as the Railway Business Association, RSI is the only trade association representing the full supply chain for the railroad system - from small component manufacturers to the largest locomotive and railcar builders and lessors. RSI is the largest of all the associations in the railway supply industry.

RSI's nearly 200 members have more than 725 rail supply locations in 46 states and 277 congressional districts. RSI represents an industry that has over 1.6 million railcars drawn by more than 28,000 locomotives on 140,000 miles of rail. Our members build and maintain 70% of freight rail cars and 95% of tank cars running on the North American railway system.

The railway supply industry has been a dynamic and vital part of the U.S. economy for nearly 200 years, encompassing more than 682,000 direct, indirect, and induced jobs across all 50 states.

RSI strongly supports a surface transportation reauthorization bill that ensures predictable and dedicated funding to improve the safety, reliability, and productivity of the nation's overall transportation system. RSI members have proven that sustained investment in America's rail manufacturing capabilities strengthens the domestic supply chain and creates well-paying jobs in communities across the nation.

**RAILROAD CROSSING SAFETY**

RSI believes that modernizing the nation's railway crossing systems is a critical investment that has been proven to enhance the safety of the surface transportation network. Since the creation of the Railway-Highway Crossing Safety Program (23 USC §130) in 1986, fatalities at railway-highway crossings have decreased by 58%. Several RSI member companies are the manufacturers of the state-of-the-art signaling systems that have been installed across the nation to replace functionally obsolete warning devices. RSI strongly recommends reauthorization of this important program so that RSI members can continue to be partners in delivering a safer surface transportation network.

**TRUCK SIZE AND WEIGHT**

The safe and efficient movement of freight is essential to domestic commerce and America's global competitiveness. RSI members own approximately 70% of freight railcars operating on the North American rail system and are key partners in ensuring the continuous flow of goods. Freight railroads account for just 0.5% of total U.S. greenhouse gas emissions and 1.8% of transportation-related greenhouse gas emissions, despite accounting for approximately 40% of U.S. long-distance freight volume. The locomotives our members build today allow railroads to run cleaner, use less fuel, and pull more cars per train than ever before.

In recent years, legislation has been brought forward seeking to increase truck weight limits above the current maximum gross vehicle weight of 80,000 pounds. Congress has rejected these efforts as numerous studies have shown heavier trucks would impose additional costs to maintain the nation's highways and auxiliary roads. RSI strongly recommends that the next surface

transportation reauthorization bill preserve existing weight limits to avoid significant damage to our nation's surface infrastructure.

**CONCLUSION**

RSI once again would like to thank the Committee for the opportunity to provide the rail supply industry perspective to the surface transportation reauthorization process. RSI strives to be a resource and partner for the Committee as it drafts a surface transportation bill that ensures the continued growth and modernization of the rail network.

Pew

July 30, 2025

**Written Statement Submitted by The Pew Charitable Trusts to the U.S. Senate Committee on Environment and Public Works For the record of the hearing held on July 16, 2025 regarding "Constructing the Surface Transportation Reauthorization Bill: Stakeholders' Perspectives"**

The Pew Charitable Trusts' (Pew) U.S. Conservation program works to advance commonsense solutions that address the impacts of a changing environment on nature and communities, in collaboration with policy makers, state and local governments, Tribes, and stakeholders. We appreciate the Senate Committee on Environment and Public Works holding a hearing on this issue and respectfully request that our statement be submitted for the record.

As the Committee crafts legislation to reauthorize the Infrastructure Investment and Jobs Act (IIJA), we urge the continuation and enhancement of two critical infrastructure programs: the Wildlife Crossing Pilot Program (WCPP) and the Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) Program. Established by the IIJA, these programs are strengthening our nation's critical infrastructure, supporting projects and planning aimed at enhancing the safety of people and wildlife, and spurring state-level investments. For example, since 2021 more than a dozen states have enacted laws that provide funds to match federal dollars for infrastructure projects that reduce motorist collisions with wildlife and improve habitat connectivity.

According to the Federal Highway Administration, wildlife-vehicle collisions (WVCs) result in over $10 billion in annual costs to Americans.[i] Last year, State Farm reported nearly two million insurance claims due to animal collisions, with these accidents causing over 200 human fatalities and more than 26,000 injuries.[ii] In addition to the tragic human toll, WVCs pose a severe threat to wildlife populations, especially migratory animals and those species whose habitats are increasingly fragmented by road infrastructure. Research demonstrates that well-designed wildlife over- and underpasses and associated fencing reduce WVCs by up to 90 percent, helping reduce the number and cost of accidents, prevent human deaths and injuries, and conserve game and imperiled species which many communities depend upon.[iii]

We urge the Committee to **make WCPP permanent,** providing state departments of transportation, local governments, regional transportation authorities, Tribes, and federal land management agencies with reliable funding resources around which they can plan and leverage state and local investments. Additionally, we encourage the Committee to **increase authorized funding** for the program to not less than $200 million annually, which will help address the significant unmet demand for funding resources. For example, during the first WCPP funding cycle, eligible applicants requested a total of nearly $550 million, far exceeding the $125 million allocated for that period, as well as the cumulative $350 million made available over the five-year duration of the IIJA.[iv] Given that many Tribes face financial challenges as well as staff capacity issues, often making the current 20 percent WCPP match unattainable, we also ask that the WCPP cost-share requirements for Tribes be eliminated to help ensure that all worthy projects receive consideration.

Extreme weather also poses a significant risk to motorist safety. According to the U.S. Department of Transportation, adverse weather results in an annual average of nearly 6,500 fatal car and truck crashes and over 450,000 crashes involving injuries.[v] In 2024, for example, impacts from Hurricane Helene forced the closure of more than 2,000 roads across the Carolinas, cutting off access of numerous communities to evacuation routes, emergency responders, and critical facilities like as hospitals and shelters.[vi]

The PROTECT Program is helping communities nationwide improve the resilience of their surface transportation infrastructure before disasters strike through dedicated resources for resilience planning, improvements to grey and green infrastructure, and enhancement of reliable evacuation routes. To date, nearly $830 million has been awarded to 80 recipients across 37 states, the District of Columbia, the U.S. Virgin Islands, and seven Tribal communities. An additional $7.3 billion is

Pew

being deployed to all state departments of transportation and the District of Columbia to help integrate resilience into transportation systems at scale.[vii] The program also lowers long-term costs for taxpayers by reducing the need for repeated post-disaster repairs. We ask the Committee to **prioritize inclusion of the PROTECT Program** in the surface transportation reauthorization bill to ensure that communities continue to have the necessary resources and incentives to plan for disasters before they occur.

Thank you for your consideration of Pew's recommendations relating to these critical surface transportation programs. Pew looks forward to continued engagement on these issues with members of the Senate Environment and Public Works Committee.

**Contacts**
Forbes Tompkins, The Pew Charitable Trusts, ctompkins@pewtrusts.org
Andrew Menaquale, The Pew Charitable Trusts, amenaquale@pewtrusts.org

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July 16, 2025

The Honorable Shelley Moore Capito
Chairwoman
Environment and Public Works Committee
Washington, D.C. 20510

The Honorable Sheldon Whitehouse
Ranking Member
Environment and Public Works Committee
Washington, D.C. 20510

Dear Chairwoman Capito and Ranking Member Whitehouse:

The American Cement Association (ACA), representing cement manufacturers across the country, appreciates the opportunity to submit this letter for the record for today's hearing, "Constructing the Surface Transportation Reauthorization Bill: Stakeholders' Perspectives". The cement industry looks forward to working with Congress to pass a long-term surface transportation reauthorization bill that advances our industry's priorities.

Cement is the primary ingredient in concrete. When mixed with water, it acts as the binding agent that holds coarse and fine aggregates together to form concrete. This reaction with water makes cement a hydraulic material, giving concrete the versatility to be placed in a plastic (flowable) state and then harden into a strong, durable, and sustainable rock-like mass. Cement and concrete product manufacturing directly and indirectly employs over 600,000 people across the United States and contributes more than $100 billion to the national economy.

Each year, 36.1 million metric tons of cement are used to build various types of surface transportation infrastructure. Of this, 17.5 million metric tons are used for roadways, highways, and bridges; 2.5 million metric tons for sanitary and stormwater systems, including stormwater runoff from roadways; 3 million metric tons for rail and tunnels; and 5 million metric tons for passenger terminals, including transit and rail.

**Blended Cements**

Innovation is thriving in the cement industry, particularly in the development of blended cements. These cements reduce the amount of clinker in the mix by incorporating supplementary cementitious materials such as limestone, slag, ash, and pozzolans. Each new blended cement undergoes extensive research, development, and testing to ensure readiness for a wide range of applications.

Blended cements offer numerous benefits, including extending the nation's cement supply and enhancing the strength and durability of concrete infrastructure. The reauthorization bill should incentivize federal-aid highway funding recipients to use blended cements and other sustainable, market-ready construction materials. It should also encourage updates to specifications to include these materials.

American Cement Association

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**Performance-Engineered Mixtures**
Performance-engineered mixtures involve comprehensive testing of concrete components to meet or exceed pavement design and lifecycle performance requirements. Traditional metrics like strength, slump, and air content have shown limited correlation with long-term performance. Advances in testing technologies now offer better predictors of durability.

A pilot program, partially funded by the Federal Highway Administration (FHWA), collaborated with several state departments of transportation to explore performance-engineered mixtures. The results demonstrated that these mixtures can significantly improve long-term pavement performance. The cement industry supports reauthorization efforts that incentivize their broader adoption.

**Accelerating Adoption of Improved Pavement Materials**
While innovation in concrete mixes continues, it often takes time for state departments of transportation and other federal-aid recipients to update specifications to reflect these advancements. ACA urges that the reauthorization bill include provisions to accelerate the adoption of new construction materials by coordinating with states on research, testing, and evaluation. FHWA should leverage existing data to expedite the incorporation of these materials into state specifications.

**Bridge Investments**
One in three bridges nationwide requires repair or replacement, underscoring the need for continued investment through both the Bridge Formula Program and the Bridge Investment Program. Large bridge projects funded through the Bridge Investment Program are often too complex for formula programs alone. Meanwhile, the Bridge Formula Program has enabled states to plan, design, and construct smaller bridge projects as part of their State Transportation Improvement Plans.

**Resilience**
The increasing frequency and severity of disasters highlight the need for resilient transportation infrastructure. Concrete's durability makes it a key material for building infrastructure that can better withstand such events. Reauthorization should maintain investments in resilience at all stages—construction, maintenance, and post-disaster repair. Federal policy should support engineering discretion and consider the interplay of various project components to enhance resilience.

**Research and Deployment**
The Accelerated Implementation and Deployment of Pavement Technologies (AID-PT) program plays a vital role in transferring innovative technologies and strategies into practice. As concrete and asphalt technologies evolve, AID-PT is essential for deploying these innovations in roads, bridges, and tunnels. Reauthorization should continue to support this program.

American Cement Association

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**Buy America**
The Infrastructure Investment and Jobs Act defined cement, cementitious materials, aggregates, and their combinations (e.g., concrete and asphalt mixes) as construction materials and exempted them from Buy America requirements. The cement industry supports maintaining this exemption in reauthorization.

**Addressing the Long-Term Solvency of the Highway Trust Fund**
A critical component of reauthorization is ensuring the long-term solvency of the Highway Trust Fund. The Congressional Budget Office projects that by FY 2028, the highway and transit accounts will be depleted, with a projected annual shortfall of $40 billion by FY 2029.

The cement industry supports preserving the user fee structure of the Highway Trust Fund. We advocate for user fees that include contributions from electric and hybrid vehicles. While these fees alone won't close the funding gap, they are essential to maintaining the integrity of the user fee model.

**Conclusion**
We look forward to working with Congress to pass a long-term reauthorization of the surface transportation program before the end of FY 2026. If you have any questions, please do not hesitate to contact Sean O'Neill at soneill@cement.org.

Sincerely,

Sean O'Neill
Senior Vice President
Government Affairs

The Honorable Shelley Moore Capito
Chairman
Senate Committee on Environment and Public Works
Washington, D.C. 20510

The Honorable Sheldon Whitehouse
Ranking Member
Senate Committee on Environment and Public Works
Washington, D.C. 20510

July 30, 2025

**RE: Letter for the Record on Senate Environment and Public Works Full Committee Hearing Titled "Constructing the Surface Transportation Reauthorization Bill: Stakeholders' Perspectives"**

Dear Chairman Capito, Ranking Member Whitehouse, and Members of the Committee:

On behalf of the undersigned organizations and the millions of members we represent, we appreciate the opportunity to submit comments and materials on the July 16, 2025 hearing, "Constructing the Surface Transportation Reauthorization Bill: Stakeholders' Perspectives."

As Austin Ramirez, President and CEO of Husco, pointed out during the hearing, programs created under the Infrastructure Investment and Jobs Act of 2021 are fueling a boom in U.S. manufacturing, ensuring we maintain our economic competitiveness while improving transportation for millions of Americans. As Mr. Ramirez mentioned, the EPA Clean School Bus Program (CSBP) is an excellent example of what we can achieve for our communities when we invest in modernizing our infrastructure.

Since launching in 2022, the Clean School Bus Program has been overwhelmingly successful and popular, helping to upgrade hundreds of fleets. Congress created the program to provide $5 billion in funding to replace aging diesel school buses with cleaner models. To date, EPA has awarded $2.7 billion for over 8,500 clean school buses at more than 1,000 school districts in 49 U.S. states, D.C., four U.S. territories and 60 federally-recognized Tribes. 75% of awards have gone to low-income, rural or Tribal school districts, and more than 2,200 electric school buses have already been delivered to U.S. schools under the program. Another $2 billion remains to be distributed.

States, school districts and private industry have sought out this funding, understanding that clean school buses cost less to maintain and operate than diesel models. Over 2,500 school districts, from every U.S. state, have applied for this voluntary program, requesting approximately $7.7 billion in CSBP funds. Because of the program, clean school buses in rural communities have increased 180% since 2022. The cost savings associated with clean school buses is money school districts can be reinvested in the classroom.

Best yet, the program is helping kids breathe cleaner air. Diesel pollution is linked to lung and heart illnesses, even cancer, and can shorten lifespans and worsen asthma, the top chronic condition for children and a leading cause of school absences. These harms are especially severe in low-income communities and communities of color, where children are exposed to 28% more diesel pollution than their peers. Asthma rates among children of color are significantly higher, and studies show that diesel exhaust inside school buses can reach levels up to 46 times what the EPA considers a significant cancer risk. Electric school buses can significantly reduce major pollutants, which means healthier air for students and better air quality for all.

The program has also boosted manufacturing in the school bus industry, as companies raced to meet demand. Blue Bird, the largest U.S. school bus manufacturer based in Fort Valley, Georgia, increased from 1,500 workers in 2023 to 2,000 in 2024, as it aims to manufacture 5,000 electric school buses per year. In May 2023, Blue Bird opened a new 40,000 square foot EV manufacturing facility in Georgia to meet growing demand. With a third electric school bus production facility underway, Blue Bird is expected to create another 428 manufacturing jobs and 250 construction jobs.

In 2022, Thomas Built Buses, the second largest U.S. school bus manufacturer based in High Point, North Carolina, added extra production shifts and hired another 280 employees in response to electric school bus demand. Thomas Built is nearing capacity to build 1,000 electric school buses per year. These investments help further develop U.S. dominance in clean technology development, ensuring that American workers and companies are not left behind in the clean energy economy.

Recognizing the impact of the Clean School Bus Program and the opportunity to improve public transportation millions rely on, states have also stepped up. Since 2022, over a dozen states have established their own electric school bus programs to complement federal efforts. This includes California, Colorado, Connecticut, Delaware, Maryland, Massachusetts, Michigan, Minnesota, New Jersey, New York, Virginia, Washington, and West Virginia.

Utilities, too, have created their own programs to augment electric school bus infrastructure funding, most notably in California, Colorado, Georgia, Illinois, Indiana, Michigan, Nevada, North Carolina, and Virginia, among others. In total, according to Atlas EV Hub, utilities have invested approximately $864 million since 2022 for all kinds of medium- and heavy-duty vehicle charging infrastructure, which includes make-ready programs and incentives for electric school buses. Many of these programs incentivize vehicle-to-grid-capable electric school buses, which can use stored power in their batteries to deliver energy to the grid during peak demand and prevent emergency shut-offs.

These gains are bound to increase. Over 23 million U.S. children rely on school buses each school day, in every state and territory. School buses remain our country's largest -- and safest -- form of public transportation, with 450,000 school buses on the road traveling 4.3 billion miles per year. Yet most of these school buses are diesel buses and many are over a decade old, using outdated technology that is particularly polluting and especially harmful to the children who ride them. Older, pre-2009 buses are linked to increased school absences, and low-income and rural communities are more likely to rely on these most polluting models. Accordingly, the Clean School Bus Program prioritizes replacement of model year 2010 or older school buses.

While the Clean School Bus Program has made significant progress, demand for funding has greatly outpaced the supply. EPA had to double Clean School Bus Program funding awarded in 2022, 2023 and 2024 after receiving far more applications than expected; nearly $8 billion has been requested for $2.7 billion distributed. For every application awarded, another 2 applicants wanted funding but didn't receive it. This means approximately 1,200 school districts are waiting for funding. EPA received another $900 million in applications for the fourth round of the Clean School Bus Program closing in January 2025. Awards are overdue to be announced.

It's clear that the Clean School Bus Program is already making a difference and needs more support. Thousands of school districts throughout the country are waiting for more funding. Millions of children still need a clean ride to school. We can and must provide public transportation that is reliable, safe and used by our most vulnerable and precious cargo.

Given its successful track record and high demand, we urge Congress to include the Clean School Bus Program within the reauthorization of the Surface Transportation bill. We look forward to working with the committee to increase the program's efficiency and effectiveness.

Thank you for your time and attention.

Alliance of Nurses for Healthy Environments
Chispa LCV
Clean Energy Works
Environmental Defense Fund
Environmental Law & Policy Center
Generation180
Jobs to Move America
It's Electric! Coalition
League of Conservation Voters
MN350
Moms Clean Air Force
Mothers Out Front
Piedmont Environmental Alliance
Sierra Club
Southern Alliance for Clean Energy
WE ACT for Environmental Justice

AMPO

The Honorable Shelley Moore Capito
Chair
Committee on Environment and Public Works
United States Senate
Washington, D.C. 20510

The Honorable Sheldon Whitehouse
Ranking Member
Committee on Environment and Public Works
United States Senate
Washington, D.C. 20510

Dear Chair Capito, Ranking Member Whitehouse, and Members of the Committee:

On behalf of the Association of Metropolitan Planning Organizations (AMPO), thank you for your continued leadership and the Committee's dedication to advancing transportation solutions that serve communities of all sizes. AMPO is a nonprofit membership organization that serves the needs and interests of Metropolitan Planning Organizations (MPOs) nationwide. As federally mandated and locally driven organizations, MPOs are key to ensuring that federal transportation investment reflects regional priorities while meeting national goals.

We especially appreciated the testimony at "Constructing the Surface Transportation Reauthorization Bill: Stakeholders' Perspectives" by Mayor Kate Gallego. Local governments and their planning partners bring deep expertise and a proven track record in addressing today's transportation challenges. It's essential that we recognize the obstacles they face in shaping and delivering the infrastructure solutions our communities need. We commend the committee for your focus on addressing transportation challenges across all communities.

Mayor Gallego's testimony highlighted a fundamental problem: federal funding is needed to support the places where people live, work, and travel. Local governments are responsible for more than 75 percent of the nation's road miles, yet, on average, they receive only 14 percent of federal transportation funds through suballocations. The consequences can be felt nationwide. When non-highway streets go unmaintained or regional corridors remain unfunded, the effects ripple through the economy and our communities. Freight slows down, consumer costs rise, safety risks increase, and infrastructure liabilities grow. Delays in project delivery further erode the value of each federal dollar and reduce public trust in the system.

MPOs serve as regional conveners, bringing together local governments to identify shared priorities, coordinate long-range planning, and reflect community input. They help ensure that infrastructure investments meet actual needs and deliver lasting value. Federal law requires coordination between states and MPOs, but this process should be revisited to ensure clarity and transparency. State project selection processes are not always clearly communicated or easily accessible to the public. Projects that MPOs have already programmed into their Transportation Improvement Programs (TIPs) may be delayed because of a lack of a clear and transparent process. MPOs can face unobligated balances of federal funds, not due to local inaction, but often because of procedural delays or shifting priorities, beyond their control.

For example, an AMPO survey found that on average, nearly 90 percent of unobligated suballocated Surface Transportation Block Grant funds were already programmed in MPO respondents' TIPs and awaiting State action. These delays are avoidable and costly. Brookings research shows that 33 states do

AMPO

not use public-facing project selection systems. More than half of states suballocate less than 10 percent of federal transportation dollars to local or regional governments. Only two states—Colorado and Utah—consistently align state planning with MPO long-range plans. These examples can provide a roadmap for how to better improve the system.

As the mayor highlighted, when local and regional agencies have a meaningful role in transportation decision-making, all communities are able to improve safety, reduce congestion, support economic growth, and respond more effectively to locally-led and driven improvements. We respectfully urge Congress to recognize the important role of regions and locals. With the right tools, funding, and authority, regional organizations and their local partners are ready to deliver results to the American people.

Sincerely,

William Keyrouze

Bill Keyrouze
Executive Director
Association of Metropolitan Planning Organizations (AMPO)

**cc:** Members of the U.S. Senate Committee on Environment and Public Works
United States Senate
Washington, D.C. 20510




July 15, 2025

The Honorable Shelley Moore Capito
Chair
Committee on Environment & Public Works
170 Russell Senate Office Building
Washington, DC 20510

The Honorable Sheldon Whitehouse
Ranking Member
Committee on Environment & Public Works
530 Hart Senate Office Building
Washington, DC 20510

Dear Chair Capito and Ranking Member Whitehouse:

The Coalition for Recreational Trails (CRT) is an alliance of national and regional trail-related organizations across a broad spectrum of interests representing motorized and non-motorized communities. Its members work together to build awareness and understanding of the Recreational Trails Program.

**As you consider stakeholders' perspectives at the full Committee hearing on July 16 titled *Constructing the Surface Transportation Reauthorization Bill*, we wanted to convey CRT's support of full funding for the Recreational Trails Program (RTP).**

RTP was created by the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) and has been included in each subsequent round of transportation reauthorization legislation. Through 2024, more than 30,000 projects have been completed under RTP.

RTP embraces the "user-pay/user-benefit" philosophy of the Highway Trust Fund, returning federal tax on fuel used for nonhighway recreation to the states for trail projects. Fuel taxes are paid only by trail enthusiasts operating gas-powered vehicles, but funding is available for all recreational trail activities. A 2021 report from the Federal Highway Administration found "...for the past 3 years for which data is available, the estimated amount of taxes on nonhighway use of recreational vehicles is $843,422,069 (average of $281,140,690/year)." Despite this, the program is currently funded at approximately $84 million per year. As such, CRT seeks to close that gap and better align RTP funding with user contributions.

Please support full funding for this important program.

S 811, sponsored by Senators Klobuchar, Risch, Welch, Budd, Tillis, Curtis, and Merkley seeks to better align funding with gas receipts. As Senator Klobuchar notes in a press release:

"Minnesota snowmobilers, hikers, ATV users, cyclists, and countless others who enjoy the outdoors rely on the Recreational Trails Program to explore our state's natural wonders and support our local

businesses. "Our bipartisan legislation will ensure states receive the resources they deserve to protect and improve these trails for generations to come."

Senator Risch said, "The Recreational Trails Program provides Idahoans and visitors to our state with access to our public lands. "This legislation ensures trail maintenance projects can continue and future generations can enjoy Idaho's great outdoors for years to come."

In a separate press release, CRT Co-Chair Derrick Crandall said, "We applaud the actions of the sponsors to craft a bright future for RTP and use the legislative process to clarify the opportunity to expand and improve this program without adverse impacts to other federal transportation programs, including programs under USC Section 133(h) of the current transportation act."

Background on RTP:

Trail projects eligible for RTP grants are varied, giving states flexibility. Eligible projects include: maintenance and restoration of recreational trails; development and rehabilitation of trail and trailhead facilities and trail linkages for recreational trails; purchase/lease of recreational trail construction and maintenance equipment and construction of new trails.

30% of RTP funds are earmarked for motorized recreation; 30% are earmarked for nonmotorized recreation; and 40% are available for projects that support diverse recreational trail use within recreational trail corridors and at trailheads. This means that RTP enhances opportunities for hikers and bikers, cross-country skiers and snowmobilers, OHV enthusiasts and equestrians, walkers and wheelchair users, off-road motorcyclists and eBike riders, and even water trail paddlers.

Apportionment of funds among states since 2009 is 50% of all funds are awarded to all states equally and the remaining 50% is apportioned based upon nonhighway recreational fuel use in each state.

Information on RTP projects funded between 1991 and 2021 is available on the RTP database: https://recreationaltrailsinfo.org/. RTP has become the foundation for state trail programs across the country. It attracts hundreds of millions of dollars of matching support from other sources, encourages cooperation among trail users, and facilitates improved physical and mental health and boosts trail-driven economic activity in countless communities.

We suggest that the Congress look for precedent to the annual transfer of federal motorfuel taxes paid by those enjoying recreational boating to the Sportfish Restoration and Boating Trust Fund, and the similar transfer of federal motorfuel taxes attributed to use of small engine products like lawnmowers, chainsaws, snowblowers and more to restore critical wetlands.

Sincerely,

Marianne W. Fowler

Marianne Fowler, Co-Chair

Derrick Crandall, Co-Chair

CC: Members of the Senate Environment and Public Works Committee

CRT's membership includes:

American Council of Snowmobile Associations
American Hiking Society
American Horse Council
American Motorcyclist Association
American Trails
Americans for Responsible Recreational Access
Back Country Horsemen of America
Conservation Legacy
The Corps Network
Equine Land Conservation Resource
International Association of Snowmobile Administrators
International Mountain Bicycling Association
International Snowmobile Manufacturers Association
Motorcycle Industry Council
National Association of State Park Directors
National Off-Highway Vehicle Conservation Council
National Recreation and Park Association
Off-Road Business Association
Outdoor Recreation Roundtable
Partnership for the National Trails System
PeopleForBikes
Professional TrailBuilders Association
Rails-to-Trails Conservancy
Recreation Vehicle Dealers Association
Recreational Off-Highway Vehicle Association
ShareTrails.org/BlueRibbon Coalition
Specialty Vehicle Institute of America
Sports and Fitness Industry Association
The Student Conservation Association
Tread Lightly!
United Four Wheel Drive Association

July 16, 2025

The Honorable Shelley Moore Capito
Chair
Senate Environment and Public Works Committee
Washington, DC 20510

The Honorable Sheldon Whitehouse
Ranking Member
Senate Environment and Public Works Committee
Washington, DC 20510

Chair Capito, Ranking Member Whitehouse and Members of the Committee:

The National League of Cities, National Association of Counties, National Association of Regional Councils, and National Association of Development Organizations represents thousands of counties, cities, towns, planning agencies, and regional economic development organizations across the United States, appreciates the effort of the Environment and Public Works Committee to consider how to maintain the momentum in rebuilding nationally from the Infrastructure Investment and Jobs Act and streamline the delivery of federal support to the nation's pressing transportation needs in the upcoming surface transportation reauthorization.

Local governments—together with their regional planning organizations, including Metropolitan Planning Organizations (MPOs) and Rural Transportation Planning Organizations (RTPOs)—play a foundational role in maintaining and prioritizing the investment throughout the country's surface transportation system. We own more than 43% of the nation's Federal-Aid Highway system and over half of all bridges. More than any official sitting in a state or national office, our regional process is attuned to the immediate needs of our area's portion of the nation's transportation system and how it supports strong local and national commerce in addition to our residents.

Since the passage of the Intermodal Surface Transportation Efficiency Act (ISTEA) (Pub. L. 102–240) in 1991, Congress has directed State Departments of Transportation to meaningfully coordinate with local and regional partners in the planning and programming of federal transportation dollars, but a recent comprehensive survey of all state and regional practices shows that coordination is lacking. It also shows that on average, states share only 14% of transportation funding with local partners, including 15 states that send less than 5% of total funding to localities. The current track record of the distribution and project selection process has resulted in D+ road infrastructure grades from the American Society of Civil Engineers and a safety crisis on our roads.

To that end, we respectfully request your consideration of the following policy priorities as the Committee works together to draft and develop the next surface transportation legislation:

1. Streamline Delivery of Key Formula Funds Directly to Regional Organizations and Local Governments

2. Maintain Competitive Federal Funding Access for Local Governments and Regional Organizations
3. Strengthen Transportation Planning, Performance, and Project Delivery
4. Dedicated Formula Funding for Rural Transportation Planning
5. Streamline Environmental Processes and Permitting for Smaller Projects and Rebuilding

We appreciate your consideration of these proposals and would welcome the opportunity to share additional information or discuss them further.

Sincerely,

National Association of Counties

National League of Cities

National Association of Regional Councils

National Association of Development Organizations

# North American Concrete Alliance

July 16, 2025

The Honorable Shelley Moore Capito
Chairwoman
Environment and Public Works Committee
Washington, D.C. 20510

The Honorable Sheldon Whitehouse
Ranking Member
Environment and Public Works Committee
Washington, D.C. 20510

Dear Chairwoman Capito and Ranking Member Whitehouse:

The North American Concrete Alliance (NACA), a coalition of twelve concrete-related trade associations, appreciates the opportunity to submit a letter for the record for today's hearing *Constructing the Surface Transportation Reauthorization Bill: Stakeholders' Perspectives*. Cement and concrete are critical to the construction of a range of different components of surface transportation assets in communities across the country.

As you may know, NACA is a coalition of concrete-related trade associations dedicated to addressing industry-wide priorities in the areas of research, education, and government affairs. The cement and concrete industry, directly and indirectly, employs approximately 600,000 people in our country, and our collective industries contribute over $100 billion to our economy. Not only are cement and concrete essential construction materials and basic components of our nation's surface transportation infrastructure, but our members rely on a well-functioning transportation system to efficiently move our product to market. Specifically, our members rely on a well-functioning freight network, including rail, waterways, and roadways.

**Cement and Concrete Use in Surface Transportation**
Concrete-made with cement is critical for constructing highways, bridges, tunnels, sidewalks, culvert, and mass transit systems. Due to its durability, concrete is essential for improving infrastructure resilience, especially in the face of increasing natural disasters. Understanding the role of cement and concrete in these projects is crucial for recognizing the importance of continued investment and policy support to enhance and sustain our nation's surface transportation infrastructure.

Annually, 36.1 million metric tons of cement are used to build a range of different types of transportation infrastructure. Concrete is a major material in bridge construction, with over 400,000 concrete bridges in the United States – 235,000 are built with concrete reinforcing steel and over 100,000 utilize prestressed concrete. Further, concrete pavements are a key element to our nation's road infrastructure by providing multiple pavement solutions for the needs of Federal-aid surface transportation project.

**Addressing the Long-Term Solvency of the Highway Trust Fund**
Critical to reauthorization of the surface transportation program is addressing the long-term solvency of the Highway Trust Fund to ensure federal-aid highway recipients can plan, engineer and design, and build highway and transit projects across the country. The Congressional Budget

Office projects that by Fiscal Year 2028, the Highway and Transit Account accounts of the Highway Trust Fund will be exhausted, and expenditures will exceed revenue by approximately $40 billion annually by Fiscal Year 2029.

These numbers demonstrate the need for the surface transportation reauthorization to address the long-term solvency of the Highway Trust Fund. Members of NACA would support an electric vehicle fee and a hybrid vehicle fee indexed to inflation, whether at the point of sale or annually, where the revenue collected would be dedicated to the Highway Trust Fund. This would maintain the user-fee concept of the Highway Trust Fund. While the projected revenue from these fees would not cover the whole difference in authorized expenditures it is an important step to addressing the solvency of the Highway Trust Fund.

**Resilience**

Surface transportation infrastructure – including roads – built with concrete have a service life of 30 to 50 years without the need for frequent resurfacing, repairs, or patching. This longevity not only reduces the maintenance costs but also minimizes disruptions. The resilience of concrete infrastructure is vital in the face of increasing natural disasters, providing a robust infrastructure that can endure extreme weather events. An important component of improving the resilience of transportation infrastructure is the precast concrete underground infrastructure, especially as the structures often surpass 100 years of service life. The cement and concrete industry supports reauthorization of the surface transportation program maintaining a focus on investing in resilient transportation infrastructure both when it is first built and when repaired after a disaster. Doing so reduces the cost of repairing and rebuilding infrastructure after a disaster.

**Bridge Investments**

One on three bridges nationwide require repair or replacement, underscoring the need for continued investment in bridge investments. As part of this it is important to invest in large bridge projects and smaller projects in states and communities across the country. Continuing bridge investments will enable states and communities to plan, design, and build critical bridge projects.

**Research and Deployment**

The Accelerated Implementation and Deployment of Pavement Technologies (AID-PT) program plays a vital role in transforming innovative technologies and strategies into practice. As concrete technologies evolve, AID-PT is essential for deploying these innovations in roads, bridges, and tunnels. Reauthorization should continue to support this program.

**Conclusion**

We appreciate the opportunity to share the perspectives of the cement and concrete industries on the importance of passing a long-term surface transportation reauthorization that advances the use of cement and concrete in the construction of surface transportation assets across the country

and the importance of addressing the long-term solvency of the Highway Trust Fund. We look forward to working with Congress to pass a long-term reauthorization of the surface transportation program.

Sincerely,

American Cement Association
American Concrete Pavement Association
American Concrete Pipe Association
American Concrete Pressure Pipe Association
American Concrete Pumping Association
Concrete Foundations Associations
Concrete Masonry & Hardscapes Association
Concrete Reinforcing Steel Institute
National Precast Concrete Association
National Ready Mixed Concrete Association
Precast/Prestressed Concrete Institute
Tilt-Up Concrete Association

1812 N. Moore Street, Suite 2200
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July 30, 2025

The Honorable Shelley Capito
Chairman
Committee on Environment and Public Works
U.S. Senate
Washington, D.C. 20510

The Honorable Sheldon Whitehouse
Ranking Member
Committee on Environment and Public Works
U.S. Senate
Washington, D.C. 20510

Dear Chairman Capito and Ranking Member Whitehouse:

The National Electrical Manufacturers Association (NEMA) appreciates the opportunity to submit the following comments in support of critical transportation infrastructure reauthorization programs, including the surface transportation reauthorization legislation and the National Electric Vehicle Infrastructure (NEVI) program. As your committee begins the collaborative process of soliciting stakeholder input on key surface transportation programs and policies, we look forward to working with you and the House Committee on Transportation & Infrastructure to help draft and advance reauthorization legislation that delivers a comprehensive national strategy for investing in our roads, bridges, transit systems, and other vital infrastructure comprising the U.S. transportation system.

NEMA represents 325 pro-growth companies employing over 460,000 American workers in more than 6,100 facilities in every state and Congressional District across the U.S. NEMA companies play a key role in transportation systems, building systems, lighting, utilities, and medical-imaging technologies. Collectively, the electroindustry contributes over $250 billion to the U.S. economy each year, producing $130 billion in shipments and $38 billion in exports. The electroindustry has a robust domestic manufacturing base and supports the fundamental goal of creating good-paying American jobs and modernizing our transportation infrastructure.

NEMA members are directly or indirectly involved in approximately one-third of the investments funded through the last surface transportation reauthorization bill. Based on the central role NEMA plays in maintaining and modernizing our nation's infrastructure, we urge the committee to prioritize the following investments in U.S. transportation networks.

**Electrical Components for Road, Bridge, and Highway Construction Projects**
Electrical manufacturers provide roadway lighting, integrated information management and control systems that inform users and facilitate smarter utilization of transportation networks, power distribution architecture, and other electrical components designed to ensure safety, efficiency, and functionality across America's transportation systems. Several programs included in surface transportation reauthorization support electrical infrastructure for roads, bridges, and highways, including the Bridge Investment Program, Highway Safety Improvement Program, and Advanced Transportation Technologies and Innovative Mobility Deployment (ATTIMD) program.

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**National Electric Vehicle Infrastructure (NEVI) Formula Program and Charging and Fueling Infrastructure (CFI) Program**

The National Electric Vehicle Infrastructure (NEVI) Formula Program, established under the Infrastructure Investment and Jobs Act (IIJA), provides nearly $5 billion over five years to create a network of EV fast charging stations across the U.S. The program aims to install 500,000 EV chargers by 2030, focusing on designated Alternative Fuel Corridors along the Interstate Highway System. As of the end of 2024, nearly 204,000 public charging ports are now online, and the program aims to have fast chargers every 50 miles along 70% of the most heavily trafficked corridors by the end of 2025. Additionally, 41 states have released solicitations, with 35 states issuing conditional awards for over 3,560 fast charging ports across more than 890 locations.[1]

The complimentary Charging and Fueling Infrastructure (CFI) discretionary grant programs supports the strategic deployment of publicly accessible EV charging and alternative fueling infrastructure, particularly in rural and underserved communities. Together, NEVI and CFI are critical to building a comprehensive, national network that supports all Americans – regardless of where they live – in the transition to electric transportation.

NEMA is deeply engaged in these efforts – developing technical standards to ensure that charging equipment is safe, interoperable, and reliable, while manufacturing critical EV technologies used nationwide.

We urge the Committee to reauthorize and streamline implementation of the NEVI and CFI programs, ensuring that technical standards, domestic manufacturing goals, and workforce development initiatives are fully integrated. Sustained investment and regulatory consistency across these programs are essential to strengthening domestic supply chains, creating jobs, and expanding access to EV infrastructure across the country.

**Domestic Content Preferences and Build America, Buy America**

NEMA has strongly advocated for clarity and consistency in the implementation of domestic content preferences required under the Build America, Buy America (BABA) Act as well as tax credits aimed at bolstering the domestic manufacturing base. NEMA has developed the 70901-2024 standard, which provides a framework for assessing and applying BABA requirements to infrastructure projects.[2] Additionally, NEMA launched the Make It American™ program and established the BABA Information and Legal Resource Center, offering resources like product specifications and a third-party certification program to help members navigate the complexities of BABA compliance.[3] Participating organizations undergo an expert-led audit to assess their conformance with the supply chain evaluation process standard and verify the application of product-specific criteria to designated products. To date, six companies have obtained NEMA's Make It American certification.[4]

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[1] http://driveelectric.gov/news/q4-2024-nevi-quarterly-update
[2] https://www.nema.org/standards/view/compliance-with-domestic-preference-requirements
[3] https://www.makeitelectric.org/nema-programs/make-it-american/
[4] https://www.makeitelectric.org/nema-programs/make-it-american/nema-make-it-american/

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NEMA shares the Administration's goals of strengthening U.S. economic resilience, securing domestic supply chains, and reducing dependence on geopolitical adversaries for sourcing raw materials and supplies. Re-orienting supply chains and expanding the domestic manufacturing base requires investment, planning and an implementation runway. A pragmatic regulatory landscape must allow adequate time and flexibility to comply with domestic content preferences and provide continued technical support and training as businesses evaluate, plan for, and make the necessary decisions and investments to succeed.

Prioritizing these programs and policies will deliver a transportation system that is safer, more sustainable, and more competitive – while also supporting economic growth, securing U.S. supply chains, and improving the quality of life for all Americans.

Thank you for your attention to these important issues. NEMA and its members are ready to provide technical expertise, data, and industry insights to assist your efforts. We look forward to working closely with the Committee to advance reauthorization legislation that achieves our shared goals of realizing a modern and innovative transportation system that reflects our country's needs for decades to come.

Sincerely,

Brian Papp Jr

Brian Papp
Managing Director, Government Relations
NEMA

July 30th, 2025

The Honorable Shelly Moore Capito, Chair, Senate Committee on Environment and Public Works

The Honorable Sheldon Whitehouse, Ranking Member, Senate Committee on Environment and Public Works

Dear Chair Capito and Ranking Member Whitehouse,

On behalf of the Natural Resources Defense Council and Sierra Club, thank you to the subcommittee for holding a hearing on *The Road Ahead: Proposals to Improve America's Transportation Infrastructure* on July 23rd. The federal government, in partnership with states and localities, plays a critical role in delivering a multi-modal transportation system that serves all Americans. Thirty percent of Americans do not drive and the current cost of owning and operating a vehicle is a heavy burden for many families, so infrastructure that makes it safe and convenient to walk, bike and take public transit to routine destinations is critical. Many places in America have yet to invest in this basic and essential infrastructure. Congress must authorize transportation investments to create a system that provides Americans with safe, affordable, and convenient travel opportunities and ensure greater accountability and transparency so that Americans can be confident that those investments are delivering results.

NRDC and Sierra Club, recommend the following actions for the next Surface Transportation Reauthorization bill:

***Invest in Transit and Active Transportation*** - The overwhelming majority of the federal program is available to states for road building and highway expansion. These uses have been shown to increase household costs by forcing dependence on cars while also contributing to harmful pollution and adverse public health outcomes. The average cost of

owning and operating a car in 2024 was $12,296[1], a heavy burden for many families. To ensure that everyone has access to safe and affordable mobility, the federal program must shift toward modes of transportation that offer mobility to everyone, including those who are too old or young to drive and those who do not have access to a car. To that end, Congress should:

- Increase funding for transit to the same level as highway funding;
- Reauthorize critical programs for active transportation such as Safe Streets and Roads for All at higher funding levels;
- Put a fix-it-first policy in place to prioritize maintenance of existing roadways, where poor conditions add to vehicle repair costs and reduce safety for all road users.[2]

***Fund Electrification*** - Our current transportation system is a major source of harmful pollutants that significantly impact public health. In addition to providing more transportation options, the next reauthorization bill should continue to support vehicle electrification by reauthorizing and increasing funding for the National Electric Vehicle Infrastructure program (NEVI) and the Charging and Fueling Infrastructure Grant program (CFI). These programs are essential to developing a national electric vehicle charging network at a scale that will meaningfully reduce adverse public health impacts from our transportation system. Investing in a widespread, reliable charging network is an essential step to creating healthier and more resilient communities.

***Strengthen the Carbon Reduction Program*** - The U.S. transportation system must evolve to move people and goods efficiently while reducing emissions and long-term cost. The Carbon Reduction Program (CRP), created under the Infrastructure Investment and Jobs Act, funds projects to do exactly that. States and local governments are using CRP dollars to upgrade traffic signals and roundabouts, improve transit, and deploy clean vehicle technologies. However, some states have undermined the CRP by transferring its funds to

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[1] https://www.bts.gov/content/average-cost-owning-and-operating-automobilea-assuming-15000-vehicle-miles-year

[2] While the Banking Committee has jurisdiction over transit issues, we would like to note for EPW that in addition to the above priorities, NRDC and Sierra Club also recommend that Congress create a new program for transit operations funding. Transit is a key component of economic growth and resilience in rural, urban, and suburban communities. But the federal transit program primarily provides funding for capital investments, not for operating expenses. Transit agencies can purchase new buses or build new rail lines with federal funds but often lack funding to pay for fuel or drivers, limiting the service they can provide. The Moving Transit Forward Act[2] introduced by Senators Van Hollen and Fetterman and the Stronger Communities though Better Transit[2] bill introduced by Congressman Hank Johnson propose to establish a federal operations funding program and should be included in reauthorization. This program would enable transit agencies to provide the necessary service to meet demand in their communities.

other uses, undercutting the program's purpose. These actions underscore the need for stronger protections in the next reauthorization to ensure CRP funds serve their intended purpose. To that end, we urge Congress to:

- Significantly increase funding for the CRP;
- Add CRP to the list of programs exempted from transfer rules in 23 U.S.C. §126(b);
- Limit the scope of NEPA assignment to apply only to CRP-eligible projects, with the federal government retaining authority over other project types, to ensure that projects with both efficiency and environmental benefits are prioritized by project sponsors; and
- Direct that larger CRP projects be included on the Federal Permitting Dashboard with an expedited review timeline.

***Increase Transparency and Data Accessibility on Transportation Spending*** - Every American deserves to know how their tax dollars are being spent–and whether those investments are delivering results. To ensure greater accountability and improve federal decision-making, we urge Congress to include strong data transparency provisions in the upcoming surface transportation reauthorization bill. Specifically, we propose requiring the U.S. Department of Transportation (USDOT) to regularly publish clear, accessible, and reliable data on the status, use, and outcomes of both formula and discretionary grant programs and on the amount of funding that is transferred from one program to another. This data should highlight how federal transportation funds are impacting critical national priorities such as emissions reductions, road safety, public transit access, and infrastructure conditions. Making this information publicly available in a user-friendly format will:

- Increase public trust;
- Strengthen government-wide decision-making;
- Improve program effectiveness and efficiency; and
- Enable communities to track progress and advocate for needed investments.

***Invest in Underserved Communities*** - With household costs rising, it is important to make sure that the communities most in need have access to transformative programs such as BUILD, PROTECT, and any new programs created through reauthorization. It is crucial to include clear criteria to ensure funds reach communities most in need. In the next reauthorization, Congress should require USDOT to include indicators such as income level, poverty rate, and local unemployment in the evaluation of discretionary grants. These metrics provide a straightforward, durable way to ensure funding supports communities that have long been overlooked—rural and urban alike.

***Provide Technical Assistance to Communities*** - Small and underserved communities often lack the technical capacity to navigate complex federal grant processes, putting them at a disadvantage when competing for funding. USDOT has taken important steps to address this gap through programs like the Rural and Tribal Pilot Program and the Thriving Communities Program. In the next bill, Congress should preserve and expand federal technical assistance programs. Whether by continuing existing initiatives or establishing a dedicated, consolidated support structure, Congress must ensure that technical assistance remains a core part of transportation policy. This is key to making sure every community—regardless of size or staffing—can access the resources that meet their economic and community goals.

***Promote Community-Led Decision-Making*** - No one understands a community's needs better than the people who live there. Community members and community-based organizations (CBOs) have important perspectives and hold unique knowledge of community values. Project planning and development benefit when community members and CBOs are actively involved, as the resulting projects better reflect community priorities. Public participation is a crucial part of federal transportation planning and environmental review processes and should be preserved in the next bill. Moreover, discretionary grant programs should require that applicants demonstrate meaningful participation by CBOs in the development of the application to ensure broad community support.

***Fund Research and Development Programs for Innovative Transportation Materials*** - Research, development, and demonstration programs for transportation materials, like cement and steel, can help spur manufacturing technology breakthroughs to help cut costs for state and local governments while increasing resilience to extreme weather events. The bipartisan Concrete and Asphalt Innovation (CAIA) Act of 2025 alongside the Innovative Mitigation Partnerships for Asphalt and Concrete Technologies (IMPACT) Act would establish research and development programs for production of low-emissions cement in collaboration with industry partners. Including research and development funding in the Surface Transportation Reauthorization bill creates an opportunity for the U.S. to lead in resilient and innovative transportation materials.

***Fund a Low Carbon Materials Procurement Program*** - Funding to procure advanced, low-carbon transportation materials creates a strong market signal that encourages manufacturers to innovate. The Inflation Reduction Act funded programs at EPA, FHWA, and GSA to facilitate and pilot low-carbon procurement. Congress should build upon and formally authorized these programs in Surface Transportation Reauthorization. Funding should also be set aside to assist suppliers of low-embodied carbon materials with

validating their lifecycle emissions in the form of Environmental Product Declarations. FHWA is well positioned to oversee grants that would assist these suppliers with measuring and reporting the quantity of embodied carbon in construction materials and products like cement, asphalt, and steel.

***Authorize States to engage in Advance Purchase Commitments for Innovative, Low-emissions, high-performance Materials -*** Advanced purchase commitments (APCs) allow states to guarantee direct purchase of innovative materials, even if such materials are not yet on the market. American manufacturers and State DOTs alike benefit from advance multi-year contracts that de-risk investments in scaling up production, create market certainty, and bring innovative materials to the transportation sector faster. The Transportation Reauthorization bill could authorize APCs thereby accelerating innovation and uptake of cleaner construction materials like cement, asphalt, and steel for transportation infrastructure. Authorizing APCs are proposed in both the CAIA and the IMPACT Act 2.0.

***Continue to Fund American Industrial Demonstrations -*** To keep pace with foreign competitors and ensure that manufacturers investing in innovation, clean air, and good jobs in the United States are rewarded, this reauthorization bill must sustain funding for industrial emissions demonstration projects. The last Surface Transportation bill included $7 billion for advanced demonstration programs originally signed into law by President Trump.

***Create a Preference Low-Carbon, High-Performance Materials in Non-Highway Infrastructure -*** From charging stations to rail, Surface Transportation touches many sectors critical to creating demand for innovative and low-carbon materials such as cement, aluminum, and steel. Surface Transportation Authorization can turbocharge demand for innovative clean domestic products across sectors by including bills like Senators Warren and Sanders' Buy Green Act of 2024, which funded the purchase of American-made clean, renewable, and emission-free energy products for federal, state, and local use and establishes grant funding to U.S. companies to invest in clean energy manufacturing here at home.

Sincerely,

Natural Resources Defense Council (NRDC)
Sierra Club




The Honorable Shelley Moore Capito
Chairman
Senate Environment and Public Works Committee
United States Senate
Washington, DC

The Honorable Sheldon Whitehouse
Ranking Member
Senate Environment and Public Works Committee
United States Senate
Washington, DC

The Honorable Kevin Cramer
Chairman
Subcommittee on Transportation and Infrastructure
Senate Environment and Public Works Committee
United States Senate
Washington, DC

The Honorable Angela Alsobrooks
Ranking Member
Subcommittee on Transportation and Infrastructure
Senate Environment and Public Works Committee
United States Senate
Washington, DC

Dear Chairman Capito, Ranking Member Whitehouse, Chairman Cramer, Ranking Member Alsobrooks, and Distinguished Members of the Committee and Subcommittee,

On behalf of American Rivers Action Fund, I appreciate the opportunity to submit this statement for the hearing titled *"Constructing the Surface Transportation Reauthorization Bill: Stakeholders' Perspectives"* scheduled on Wednesday, July 16, 2025. This important discussion highlights the growing need to invest in natural infrastructure that not only supports ecosystem health but also protects and strengthens our transportation systems against extreme weather.

We respectfully request that this statement be included in the official hearing record. American Rivers Action Fund is committed to advancing bipartisan policy solutions that improve habitat connectivity, reduce flood risk, and modernize infrastructure with nature-based and resilient approaches. From culverts to road improvements and pedestrian safety, the Surface Transportation Reauthorization discussion provides an unparalleled opportunity to lead with innovation, job creation, and economic development while balancing resilence goals.

We urge the Committee and Subcommittee to consider the following recommendations:

<u>National Culvert Removal, Replacement, and Restoration Grant Program</u>

- Permanently reauthorize this highly oversubscribed program at a funding level that meets national demand.

- Enhance access for tribal and rural communities by streamlining contracting and permitting and shortening project implementation timelines.
- Dedicate funding for NOAA, FWS, and FHWA staff to support timely consultations and improve contracting efficiency.
- Include inventories and species-specific barrier identification protocols as eligible funding activities.
- Develop and require minimum design criteria, including fish passage standards and climate-informed hydraulic design.
- Ensure resilient project design life and streamflow adaptability, supporting long-term infrastructure and ecosystem function.
- Clarify that utility relocation costs are allowable and require these to be included as line items in project budgets.

Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) Program

- Maintain the program's formula and discretionary grant structures and current eligibility criteria.
- Encourage public outreach with state/local hazard mitigation agencies and subject-matter experts in flood and wildfire resilience.
- Support the development and alignment of Resilience Improvement Plans with long-range transportation planning processes.
- Increase federal cost-share reductions for projects prioritized in approved resilience plans, especially for evacuation routes and vulnerable infrastructure.

Thank you for your leadership and commitment to building a world-class transportation system that is safer, more resilient, and environmentally sustainable. We welcome the opportunity to work with your committee to advance strategic investments that restore ecosystems and meet the demands of our communities.

Sincerely,



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