

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
UNITED STATES SENATE

ADDRESSING AMERICA'S SURFACE TRANSPORTATION INFRASTRUCTURE NEEDS

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SUBMITTED FOR THE RECORD

NOVEMBER 28, 2018
WASHINGTON, DC



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Introduction

Chairman Barrasso, Ranking Member Carper, and members of the Committee, on behalf of the Sacramento Area Council of Governments (SACOG) I welcome the opportunity to submit comments for the record as part of today's hearing. SACOG is a council of governments that represents the 22 cities and six counties of the Greater Sacramento Region in California. My agency, and my peer regional planning agencies, truly appreciate being included in your thinking as the Committee on Environment and Public Works starts developing a successor to the FAST Act.

A Perspective from the Heartland of California

I'm honored to be here in front of this distinguished committee today and I'm proud to represent the Greater Sacramento region. When you hear Sacramento, you might make a lot of assumptions that go with the stereotype of "California": that we're a coastal state, that we're an urban state, that we're a blue state. I want to dispel those myths when it comes to central and inland California. The Sacramento region is one of the nation's most diverse. We're diverse in terms of our people, our politics and our places. Indeed, our region covers the booming urban core of Sacramento, vibrant suburbs, historic towns and main streets, newly developing exurbs, rural farmland and thousands of acres of forests. We are truly a microcosm of America, which is the reason we are often used as a test market for advertisers. It's with that perspective, and in the spirit of that diversity, that I offer my testimony and our regional insights for the Committee today.

(1) Meeting the Funding Challenge: From the Bottom Up

It is impossible to address the future of the nation's surface transportation program without first getting to the heart of our biggest challenge: the transportation 'fiscal cliff' that's staring at us when the current FAST Act authorization expires in 2020. By many accounts, we will have a financial hole to fill in the tens of billions. In filling this hole, we have two enormous challenges to confront. First, we need a short-term fix that either means raising the federal gasoline tax or continuing stopgap funding solutions of the recent past. Second,

we need to accelerate our efforts to deploy the successor to the gas tax. It's my belief that whatever successor emerges as the favorite will need to be tested and deployed in a majority of the states before it's adopted at a national level. It's also my belief that we should not simply replace the current tax on gasoline with a tax on the number of miles you drive. A rural resident who drives 20 miles on a lightly travelled two-lane road doesn't impose anywhere near the cost of an urban resident who travels 20 miles on a congested interstate highway in the middle of rush hour. We need creative approaches to generating revenue for transportation that can both reduce traffic congestion and apply some sense of fairness between rural and urban areas. Among other things, we should test creative time-of-day pricing much like energy rates currently used by the utility sector.

So let's get to work. Let's build on the existing pilot projects across the country and move into more widespread deployment. The next authorization should encourage both pilot tests and larger scale deployment at both the state level and within metropolitan regions. It should lift the current prohibition on tolling the interstates and allow for the testing of a variety of creative approaches to 21st century transportation user-fees.

(2) Embracing Innovation: Is the Transportation Sector Prepared?

As someone who's been in the transportation planning profession for nearly three decades, I believe this is one of the most exciting and disruptive times that our profession has ever seen. The introduction of new automated vehicle technology, the growth of big data, and the proliferation of new private-sector companies providing new on-demand mobility solutions have started to transform transportation planning and how we think about moving people and goods. Automated vehicles have the ability to not just revolutionize our transportation system, but to provide new freedom and independence for seniors and people with disabilities.

Yet support for these new innovations are still the exception rather than the rule in our current federal transportation programs and policy. The U.S. Department of Transportation took two critical steps forward when it issued the Smart Cities Challenge in 2015 and began developing its automated vehicle policy. While

these are positive steps, they are nowhere near enough to help states, regional planning agencies and local governments plan for and embrace a future of autonomous, shared, connected and electric vehicles that's coming faster than we ever thought.

In the Sacramento region, our agency has started preparing for this disruption by developing a new program we call "Civic Lab." Civic Lab is a nine-month initiative that, in its first year, involved eight teams representing over 20 different local jurisdictions from a range of urban, suburban and rural areas. We challenged them to bring their most pressing transportation and mobility problems to us. Our ground rules were that they couldn't spend a lot of money on the solution, they had to use creative problem-solve techniques popular among start-up companies, they had to use some form of technology or data, and they needed to consider partnering with a private sector company. Our agency issued an umbrella procurement for private sector vendors so that our teams didn't have to go through their own local government procurement process. We now have six of our eight teams who are advancing pilot projects to test their ideas, many of whom are pulling from that regional umbrella procurement in order to quickly partner with private companies. We have helped our teams develop innovative transportation projects including a program that will move low-income youth to summer construction jobs so they can reliably get to work on time, an on-demand shuttle service for a rural community on the edge of our region that isn't well served by fixed-route public transit, an automated bus that will connect a train station with our local campus at Sacramento State University, and a new traffic management program that can help one of our most popular rural farm areas deal with peak congestion during harvest season. Since these are pilot tests, we're also working with another local university, U.C. Davis, to provide a data-driven evaluation of our projects.

While all of this is tremendously exciting and inspiring, we've also learned that there are some significant federal roadblocks that we have to overcome. For starters, most of our transportation pilot projects simply aren't eligible for our standard federal formula funds. We need to remove the current restrictions on our federal transit funds to allow our projects – most of which are promoting shared rides and multiple passengers in vehicles – to be eligible for funding. And we need to broaden the flexibility of our federal highway funding to allow

these types of innovative approaches to compete. Currently, we are only finding that kind of flexibility through our federal Congestion Mitigation and Air Quality (CMAQ) funds. We even have some of our rural innovation projects that may not be eligible for any federal transportation funding whatsoever. The next authorization bill should change these restrictions so that these types of innovation projects can thrive.

But there's much more that the next transportation authorization bill must do to embrace innovation. While states and metropolitan planning organizations rely on and appreciate the certainty that formula funds provide, there should be a greater emphasis on national and even state-level competitive grant programs that explicitly encourage innovation, technology, pilot projects and partnerships with the private sector. For example, USDOT's Smart Cities Challenge should be replicated but allow for communities to compete within different categories according to whether they are urban, suburban or rural. State-level challenge grant programs should be funded so that each state can design its own innovation grant program tailored to the needs and geography of each particular state.

But we need to go even further in infusing innovation and technology into our federal transportation programs. We need to partner with technology companies and designers to develop smart, quick, low-cost solutions to reduce fatalities on rural, two lane roadways. We will never have enough money to turn every two-lane road with a safety problem into a four- or six-lane facility. I give my colleagues at the state departments of transportation in Missouri, Texas, Oregon, and Washington a lot of credit for attempting to tackle this critical safety issue. Yet the lessons need to be better understood and more widely shared. We are still approaching these rural safety issues with too much reliance on older, more expensive solutions, and too little understanding of how smart, lower-cost designs can save more lives, faster.

And while we need to invest more in mass transit, we also need to invest in the capacity of our transit agencies in order to allow them to transform from agencies that simply move buses and trains into agencies that move people. There are critical experiments already underway in Houston, Indianapolis and in my hometown of Sacramento where transit agencies are redesigning bus routes for the first time in 50 years. They are experimenting with new forms of

microtransit that can provide flexible, door-to-door transit through on-demand apps. These innovations in public transit have just as much relevance – if not more – in our nation's rural areas and small towns.

(3) Simplifying but Strengthening the Planning Process

As an agency that sees itself as a regional planning body, and as someone who has been involved with the transportation planning profession for several decades, I can tell you that we are entering a similar period of disruption in the field of planning that we're seeing with automated vehicle technology. As Yogi Berra famously said, "the future ain't what it used to be." We can no longer plan for the next 20 years as if it will look just like the last 20.

The next federal surface transportation authorization bill should advance our approach to transportation planning by encouraging our planning process to be quicker, easier, more meaningful and data-driven. The truth is that our current planning process is too cumbersome and too slow. It's weighed down by a complicated set of requirements, many of which tie the hands of planning agencies, make us plan for the sake of planning, or are simply out of date. Just as MAP-21 and the FAST Act simplified and streamlined the number of distinct federal funding programs, so too should the next authorization simplify the planning process without eliminating the overall goals and outcomes that the federal government understandably wants us to achieve. I would start by eliminating the multitude of planning factors that we have to consider and reduce them to just four: economic prosperity, access to opportunity for disadvantaged populations, traffic safety, and environmental sustainability including resilience to extreme weather events.

While we simplify and streamline the planning process, we can strengthen it at the same time. We need the federal government to be a strong partner and invest in new data and analysis tools in order to build the capacity of regional planning agencies and state departments of transportation. For instance, the U.S. Department of Transportation invested in the procurement of a national 50-state dataset on traffic flows and traffic congestion. Our agency is currently using this dataset as part of our long-range modeling in our latest 20-year transportation

plan. This is a perfect role for USDOT and a remarkably cost-effective use of public resources.

USDOT should also help build the capacity of transportation agencies by working with us to develop new tools that can evaluate the effectiveness of major new transportation investments. While we took some important first steps towards more performance-based planning in MAP-21 and the FAST Act, we stopped short of carrying those performance measures all the way into the evaluation of specific transportation projects. It's one thing to track the year to year changes in our federal performance measures, but it's far more meaningful if we can understand how our specific transportation investments and individual projects move the needle and make progress on things like reducing traffic fatalities. This is admittedly a technical challenge, but it is also the next frontier in performance-based planning. And it is far more achievable today than it was just a few years ago due to the prevalence of big data.

In summary, we need to overhaul our transportation planning process to be less about checkboxes and more about data-driven decisionmaking. We need it to have fewer regulatory requirements that take staff time and resources, and include more meaningful evaluations of how cost-effective our transportation investments will be.

(4) Bridging the Rural-Urban Divide

As I describe above, I represent a mid-size region in the heartland of California that brings together just about every type of geography possible: rural, urban, and suburban. Exactly a decade ago, our board of directors recognized that we needed to be more intentional about bridging our rural-urban divide, and so we launched our Rural-Urban Connection Strategy (RUCS) program. After the adoption of our award-winning Blueprint plan, an agreement that represents a voluntary commitment to quality growth in urban and suburban areas throughout our six-county region, our local elected officials realized that our rural areas were notably missing.

So we launched an effort designed to help our rural communities better capitalize on their existing assets. We've developed economic assessment tools that help local farmers understand how to maximize their profitability, and help

our local governments understand how to maximize their local tax revenues from productive agricultural land over the long term. We've identified that, in some cases, we've taken too much of a short-term view on air pollution. This has led to the closure of some of our local agricultural processing plants, only to find that we have increased long-haul truck traffic that now has to haul many of our products hundreds of miles in order to get them processed. We've discovered that our urban areas are economically dependent on our rural agricultural lands and vice-versa. Indeed, for every job on a farm within our region, we have two jobs in urban areas that are dependent on that farm and its economic output. We've come to understand that we'd be better off with a broader and more flexible toolbox of infrastructure investments. For example, many of our rural communities see broadband and high-speed communications as a transportation investment, on par with roads, bridges and freight rail. We've learned that not every rural, two-lane road is a farm-to-market road. Indeed, some rural transportation investments have far more economic bang for the buck than others. We believe it's our job as a regional planning agency to understand these issues and be aware of those differences, particularly in a region where 85 percent of our land is rural.

We don't do ourselves any favors by segregating rural areas from urban ones. Yes, they have undeniably different issues they're grappling with. But they are almost always inextricably linked. A vast number of rural areas across the U.S. are usually part of a larger regional economy that typically contains one or more smaller cities at its core. And once again, it's typically regional planning agencies – sometimes designated as Rural Transportation Planning Agencies (RTPOs) – and councils of governments that unite these urban-rural regions.

MAP-21 and the FAST Act gave rural officials a stronger voice in the planning process. The next transportation authorization bill should do even more to invest in regional planning capacity at all levels. It should increase the authority and direct funding for smaller, non-metropolitan planning organizations and strongly encourage local urban-rural coordination initiatives.

Congress should also consider broadening the eligibility of certain federal transportation funding programs – such as the Surface Transportation Block Grant Program (STBGP) – in order to allow eligibility to fund broadband projects and high-speed communications networks in rural communities. Here's the

rationale for this: transporting information and data is now as valuable as transporting people and goods, sometimes even more so, in rural communities who are increasingly relying on high speed communications for economic development, tourism, access to education, telemedicine and agricultural sales and marketing.

Conclusion

In the greater Sacramento region, we've learned a lot about using our regional planning role in general, and our transportation investments in particular, as way to bridge our divides and better connect our communities. I'm here today to tell you just how vital federal transportation funding is in supporting our work and strengthening our economy. But I'm also here to tell you that while we are underinvesting in transportation, simply spending more money on our current programs and traditional approaches won't work. We need to be smarter about how we invest our limited funds. The next transportation authorization bill must change the way we plan for and invest in transportation projects, doing more to embrace and encourage technology, innovation, data-driven planning and true regional collaboration that can bridge our urban-rural divides.