

RURAL TRANSPORTATION CHALLENGES: STAKEHOLDER PERSPECTIVES

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BEFORE THE
SUBCOMMITTEE ON
HIGHWAYS AND TRANSIT
OF THE
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TRANSPORTATION AND
INFRASTRUCTURE
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Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington, DC 20515

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MARCH 15, 2024

SUMMARY OF SUBJECT MATTER

TO: Members, Subcommittee on Highways and Transit
FROM: Staff, Subcommittee on Highways and Transit
RE: Subcommittee Hearing on “*Rural Transportation Challenges: Stakeholder Perspectives*”

I. PURPOSE

The Subcommittee on Highways and Transit of the Committee on Transportation and Infrastructure will meet on Thursday, March 21, 2024, at 10:00 a.m. ET in 2167 Rayburn House Office Building to receive testimony at a hearing entitled, “*Rural Transportation Challenges: Stakeholder Perspectives*.” The hearing will provide an opportunity for Members to hear from stakeholders regarding the importance of Federal highway and transit programs for rural areas, the unique challenges facing these communities, and implementation of Infrastructure Investment and Jobs Act (IIJA) (P.L. 117–58) programs meant to aid rural communities. At the hearing Members will receive testimony from witnesses on behalf of the National Association of Towns and Townships, American Bus Association, Community Transportation Association of America, and the American Farm Bureau Federation.

II. BACKGROUND

RURAL INFRASTRUCTURE

The United States transportation system, overseen by the United States Department of Transportation (DOT or Department), includes 8.8 million miles of public roads and nearly 620,000 bridges, as of 2020.¹ Of the 8.8 million miles of public roads, roughly six million lane-miles, or 68 percent, are in rural areas.² The National transportation system also includes approximately 970 urban and 1,270 rural and Tribal public transit operators.³ States and local governments own the vast majority of roads, accounting for roughly 19 percent and 77 percent, respectively.⁴ The Federal Government owns a small segment of transportation facilities, mainly located on Federal lands.⁵

¹ DOT, TRANSP. STATISTICS ANNUAL REPORT (2022), available at <https://rosap.ntl.bts.gov/view/dot/65841>.

² DOT, BUREAU OF TRANSP. STATISTICS, *Rural Transportation Statistics*, (Aug. 16, 2022), available at <https://www.bts.gov/rural>.

³ DOT, TRANSP. STATISTICS ANNUAL REPORT (2022), available at <https://rosap.ntl.bts.gov/view/dot/65841>.

⁴ DOT, FHWA, *Ownership of U.S. Roads and Streets*, (May 31, 2022), available at <https://www.fhwa.dot.gov/ohim/onh00/table5.htm>.

⁵ *Id.*

The definition of the term “rural” varies across Federal agencies and programs. Generally speaking, for the purposes of highway transportation, title 23 of the United States Code defines “rural areas” as those that are not “urban areas,” which are subsequently defined as “designated by the Bureau of the Census as having a population of 5,000 or more and not within an urbanized area, within the boundaries to be fixed by responsible state and local officials in cooperation with each other, subject to approval by the Secretary [of Transportation].”⁶ For purposes of transit, chapter 53 of title 49 defines “rural area” as an area encompassing a population of less than 50,000 people that has not been designated in the most recent decennial census as an “urbanized area” by the Secretary of Commerce.⁷ However, many discretionary programs authorized by Congress and overseen by DOT set specific parameters of what constitutes rural.

Transportation networks are essential for the movement of people and goods across the Nation. In rural areas, residents tend to drive farther distances to get to work and for goods and services. According to the Census Bureau, as of 2020, approximately 66 million Americans lived in rural areas, equating to about 20 percent of the total population.⁸ While a smaller share of the total population lives in these areas, the Census Bureau estimates these communities constitute 97 percent of total land area in the United States.⁹

Rural communities have diverse infrastructure needs. A 2022 TRIP report found that a \$180 billion backlog exists for rural road and bridge needs.¹⁰ Further, the same report cites that the average annual United States rural household’s vehicle miles traveled (VMT) is 50 percent higher when these communities are compared to their urban counterparts.¹¹

OFFICE OF THE SECRETARY OF TRANSPORTATION: SELECT PROGRAMS

The Office of the Secretary of Transportation (OST) oversees various discretionary grant programs. On November 15, 2021, the President signed IIJA into law, representing the largest Federal investment in decades in the United States’ infrastructure.¹² While the majority of highway funding under IIJA was distributed to the states via formula, the law significantly expanded discretionary grant programs administered by the Secretary, including the creation of several new programs.¹³ For example, IIJA codified the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) (previously known as TIGER and subsequently BUILD) program.¹⁴ The program was initially funded under the American Recovery and Reinvestment Act (ARRA) of 2009 (P.L. 111–5) and subsequently funded by annual appropriations legislation.¹⁵ IIJA requires that not more than 50 percent of funding under the program go to either projects located in rural areas or projects located in urbanized areas.¹⁶ For the purposes of RAISE, the law defines a “rural area” as being located outside of an urbanized area.¹⁷

IIJA also statutorily enacted the Rural Opportunities to Use Transportation for Economic Success (ROUTES) Initiative.¹⁸ The ROUTES Initiative was formed in 2019 by DOT Order 5050.1 to bolster support for rural areas through the facilitation of grant and loan opportunities and technical assistance.¹⁹

⁶ 23 U.S.C. § 101.

⁷ 49 U.S.C. § 5302.

⁸ U.S. CENSUS BUREAU, *2020 Census Urban Areas Facts*, (June 2023), available at <https://www.census.gov/programs-surveys/geography/guidance/geo-areas/urban-rural/2020-ua-facts.html>.

⁹ U.S. CENSUS BUREAU, *AMERICAN COMMUNITY SURVEY RURAL HANDBOOK* (2019), available at https://www.census.gov/content/dam/Census/library/publications/2019/acs/ACS_rural_handbook_2019_ch01.pdf.

¹⁰ Press Release, TRIP, *U.S. Rural Roads & Bridges Have Significant Deficiencies & High Fatality Rates & Lack Adequate Capacity; Backlog of Needed Repairs & Improvements to Rural Roads & Bridges totals \$180 Billion*, (Oct. 13, 2022), available at <https://tripnet.org/reports/rural-connections-national-news-release-10-13-2022/>.

¹¹ *Id.*

¹² Press Release, THE WHITE HOUSE, *Updated Fact Sheet: Bipartisan Infrastructure Investment and Jobs Act*, (Aug. 2, 2021), available at <https://www.whitehouse.gov/briefing-room/statements-releases/2021/08/02/updated-fact-sheet-bipartisan-infrastructure-investment-and-jobs-act/>.

¹³ IIJA, Pub. L. No. 117–58, 135 Stat. 429.

¹⁴ 49 U.S.C. § 6702.

¹⁵ American Recovery and Reinvestment Act of 2009, Pub. L. No. 111–5, 123 Stat. 203.

¹⁶ IIJA, Pub. L. No. 117–58, 135 Stat. 429.

¹⁷ *Id.*

¹⁸ IIJA, Pub. L. No. 117–58, 135 Stat. 854.

¹⁹ DOT Order, DOT 5050.1, *U.S. Dep’t of Transp.’s Rural Opportunities to Use Transportation for Economic Success (ROUTES) Initiatives*, (Oct. 28, 2019), available at <https://www.transportation.gov/sites/dot.gov/files/docs/dotorders/DOT%205050.1%20updated.pdf>.

Additionally, OST provides guidance for all competitive discretionary grant programs by first issuing a Notice of Funding Opportunity (NOFO), which sets forth the eligibilities under each program. A NOFO may also set forth requirements for grant applicants to demonstrate effort with respect to priorities established in executive orders or broader Administration or DOT-wide goals, in addition to criteria established by statute.²⁰ For example, the Justice40 Initiative (J40), created by President Biden’s Executive Order 14008, establishes a goal to devote 40 percent of certain Federal benefits to funding in disadvantaged communities.²¹ DOT’s implementation of J40 affects the decision-making processes for at least 39 programs and approximately \$204 billion in authorized IIJA funding.²²

DOT has outlined in its FY 2022–2026 Strategic Plan its goals of advancing safety, economic strength and global competitiveness, equity, climate and sustainability, transformation, and organizational excellence.²³ In order to increase the likelihood of securing a grant award, DOT encourages applicants generally, and within their NOFOs, to align applications with DOT’s defined strategic goals and to detail how their respective projects would help DOT achieve these goals.²⁴ While applicants must comply with statutory requirements for grants, pursuant to the NOFO they will have a greater chance at securing a grant award if they also meet this Administration’s additional criteria related to equity, Justice40, and climate change—although some competitive grant programs also include these same factors as statutory evaluation criteria.²⁵

FEDERAL HIGHWAY ADMINISTRATION (FHWA): SELECT PROGRAMS

An estimated 87 percent of funding provided in IIJA to be overseen by FHWA is distributed to states by formula.²⁶ This funding is important for supporting the vast and disparate needs of states, including in rural areas. For example, under IIJA, 55 percent of the Surface Transportation Block Grant (STBG) formula program is distributed based on population factors. In the first three years of IIJA, areas below 5,000 in population received \$4.8 billion in funding and areas between 5,000 and 50,000 received an additional \$1.9 billion.²⁷ Areas with population under 50,000 received 32 percent of suballocated STBG funding under IIJA.²⁸

IIJA made updates to existing programs and created new programs and initiatives to support rural infrastructure needs. The law amended STBG to also allow states to use up to 15 percent of funding per fiscal year on rural minor collectors or local roads or critical rural freight corridors.²⁹ As another example, for the Nationally Significant Freight and Highway Projects (INFRA) program, IIJA provided that of the at least 15 percent of funding set aside for small projects with anticipated costs of less than \$100 million, that 30 percent be for projects to rural areas.³⁰

IIJA also created the Rural Surface Transportation Grant program to support infrastructure projects in rural areas.³¹ The law authorized \$2 billion in contract authority for the program. For the purposes of the program, the law defines a “rural area,” as being located outside an urbanized area with a population of more than

²⁰ DOT, *DOT’s Implementation of White House Executive Actions (EAs)*, (last updated July 13, 2023), available at <https://www.transportation.gov/priorities/dots-implementation-white-house-executive-actions-eas>; see also DOT, *Maximizing Award Success: USDOT Grant Evaluation Criteria*, (last updated Nov. 17, 2023), available at <https://www.transportation.gov/rural/grant-toolkit/maximizing-award-success/evaluation-criteria>.

²¹ DOT, *Justice 40 Initiative*, (last visited Feb. 23, 2023), available at <https://www.transportation.gov/equity-Justice40>.

²² DOT, *Justice40 Fact Sheet*, available at https://www.transportation.gov/sites/dot.gov/files/2022-11/Justice40_Fact_Sheet_v1.2pptx.pdf.

²³ DOT, *STRATEGIC PLAN FY 2022–2026*, available at https://www.transportation.gov/sites/dot.gov/files/2022-04/US_DOT_FY2022-26_Strategic_Plan.pdf.

²⁴ DOT, *Maximizing Award Success: USDOT Grant Evaluation Criteria*, (last updated Nov. 17, 2023), available at <https://www.transportation.gov/rural/grant-toolkit/maximizing-award-success/evaluation-criteria>.

²⁵ *Id.*

²⁶ WILLIAM J. MALLET, CONG. RSCH. SERV. (R47922), *THE HIGHWAY FUNDING FORMULA: HISTORY AND CURRENT STATUS UNDER THE INFRASTRUCTURE INVESTMENT AND JOBS ACT*, (Feb. 15, 2024), available at <https://www.crs.gov/Reports/R47922>.

²⁷ See FHWA, *IIJA FY 2022 Computational Tables*, available at <https://www.fhwa.dot.gov/bipartisan-infrastructure-law/comptables2022/table4p1-6.cfm>; FHWA, *IIJA FY 2023 Computational Tables*, available at <https://www.fhwa.dot.gov/bipartisan-infrastructure-law/comptables2023/table4p1-6.cfm>; FHWA, *IIJA FY 2024 Computational Tables*, available at <https://www.fhwa.dot.gov/bipartisan-infrastructure-law/comptables/table4p1-6.cfm>.

²⁸ *Id.*

²⁹ IIJA, Pub. L. No. 117–58, 135 Stat. 464.

³⁰ IIJA, Pub. L. No. 117–58, 135 Stat. 469 seq.

³¹ IIJA, Pub. L. No. 117–58, 135 Stat. 510.

200,000.³² Generally, highway, bridge, or tunnel projects are eligible for funding. The program requires the Federal cost share of a project not exceed 80 percent, except for projects on the Appalachian Development Highway System or the Denali Access System, which states may determine to be eligible for up to 100 percent Federal cost share.³³ The law also stipulates set-asides under the program: not more than 10 percent for projects with awards of less than \$25 million; 25 percent for projects on the Appalachian Development Highway System; and 15 percent for projects aimed at addressing fatalities due to lane departures on rural roads.³⁴

RURAL ROADWAY SAFETY

According to the National Highway Traffic Safety Administration (NHTSA) in 2021, 40 percent of all traffic fatalities occurred in rural areas.³⁵ A 2022 report by TRIP looking at rural infrastructure found that traffic crashes and fatalities on rural non-Interstate roads are disproportionately high and notes that rural roads are more likely to have narrow lanes, limited shoulders, sharp curves, exposed hazards, pavement drop-offs, steep slopes and limited clear zones along roadsides.³⁶ A 2022 report by the Governors Highway Safety Association and State Farm about the disproportionate rate of rural fatalities cites several contributing factors, including lack of safety resources, simpler roadway infrastructure, poor emergency medical services and behavioral risks including failure to use a seat belt, impaired driving, speeding and distraction.³⁷

IIJA included initiatives to improve safety outcomes, including in rural areas. The law increased funding for the Highway Safety Improvement Program (HSIP), which is focused on infrastructure projects that enhance safety, to \$15.6 billion, a 34 percent increase when compared to the previous authorization.³⁸ This program includes a special rule for high risk rural roads, which requires a state to expend HSIP funds for safety projects on roads that the state determines pose a significant safety risk pursuant to FHWA guidance.³⁹ In fiscal year (FY) 2024, 24 states triggered the special rule, and \$103.7 million was required to be obligated for safety projects on high risk rural roads.⁴⁰

The law also provides funding for NHTSA, whose grant programs include those aimed at improving safe driving behavior, such as preventing impaired driving or distracted driving. Funding for NHTSA's behavioral programs, which are funded under the Highway Trust Fund, was increased to \$5.1 billion, a 36 percent increase compared to the previous authorization.⁴¹ IIJA also provided \$1.6 billion in advance appropriations over five years for NHTSA, much of which is focused on the agency's behavioral safety work.⁴²

³² *Id.*

³³ *Id.*

³⁴ *Id.*

³⁵ DOT, NHTSA, *Summary of Motor Vehicle Traffic Crashes*, (Oct. 2023), available at <https://crashstats.nhtsa.dot.gov/Api/Public/ViewPublication/813515>.

³⁶ Press Release, TRIP, *U.S. Rural Roads & Bridges Have Significant Deficiencies & High Fatality Rates & Lack Adequate Capacity; Backlog of Needed Repairs & Improvements to Rural Roads & Bridges totals \$180 Billion*, (Oct. 13, 2022), available at <https://tripnet.org/reports/rural-connections-national-news-release-10-13-2022/>.

³⁷ Press Release, GOVERNORS HIGHWAY SAFETY ASSOCIATION, *America's Rural Roads: Beautiful and Deadly*, (September 1, 2022), available at <https://www.ghsa.org/resources/news-releases/GHSA/Rural-Road-Safety22>.

³⁸ DOT, FHWA, *Federal-Aid Highway Program Authorizations Under the Fixing America's Surface Transportation (FAST) Act*, available at <https://www.fhwa.dot.gov/fastact/estfy20162020auth.pdf>; see also, DOT, *IIJA, Public Law 117-58, Authorized Funding, FY 2022 to FY 2026*, available at https://www.transportation.gov/sites/dot.gov/files/2022-01/DOT_Infrastructure_Investment_and_Jobs_Act_Authorization_Table_%28IIJA%29.pdf.

³⁹ 23 U.S.C. §148.

⁴⁰ DOT, *Bipartisan Infrastructure Law Computational Tables, Table 5: Highway Safety Improvement Program*, available at <https://www.fhwa.dot.gov/bipartisan-infrastructure-law/comptables/table5p2.cfm>.

⁴¹ ROBERT S. KIRK ET AL., CONG. RSCH. SERV., R44388, *SURFACE TRANSPORTATION FUNDING AND PROGRAMS UNDER THE FIXING AMERICA'S SURFACE TRANSPORTATION ACT (FAST ACT)*; P.L. 114-94 (Feb. 18, 2016), available at <https://crsreports.congress.gov/product/pdf/R/R44388>; see also, DOT, *IIJA, Public Law 117-58, Authorized Funding, FY 2022 to FY 2026*, available at https://www.transportation.gov/sites/dot.gov/files/2022-01/DOT_Infrastructure_Investment_and_Jobs_Act_Authorization_Table_%28IIJA%29.pdf.

⁴² DOT, *IIJA, Public Law 117-58, Authorized Funding, FY 2022 to FY 2026*, available at https://www.transportation.gov/sites/dot.gov/files/2022-01/DOT_Infrastructure_Investment_and_Jobs_Act_Authorization_Table_%28IIJA%29.pdf.

FEDERAL TRANSIT ADMINISTRATION: SELECT PROGRAMS

FTA provides Federal financial assistance for Rural Areas through both mandatory formula funding and the discretionary competitive grant process.⁴³ Title 49, United States Code, Section 5311 authorizes FTA Formula Grants for Rural Areas and stipulates that authorized grants may be used for planning, capital projects, operating costs, job access projects and public transportation service agreements.⁴⁴ IIJA provides \$4.6 billion for these formula grants over five years. Section 5311(b)(3) further authorizes the Rural Transportation Assistance Program which may be used for research, technical assistance and training.⁴⁵ Federal project cost shares are limited, with exceptions, to 80 percent for capital projects and administrative expenses and 50 percent for operating assistance under Section 5311(g).⁴⁶ Eligible recipients of Section 5311 funding include state and Federally recognized Indian Tribes; and subrecipients may include state or local government authorities, nonprofit organizations and public transportation or intercity bus service operators.⁴⁷

IIJA established the Ferry Service for Rural Communities Program and the Electric or Low Emitting Ferry Pilot Program, both of which provide Federal funding opportunities for rural communities to develop or expand ferry services.⁴⁸ Operated by FTA, the Ferry Service for Rural Communities Program is authorized for discretionary funding totaling \$1 billion over the five-year authorization of IIJA, which may be awarded to ferry service providers that operate a regular service schedule between at least two rural areas located more than 50 sailing miles apart. These funds may be used for capital and operating expenses.⁴⁹ Additionally, IIJA provides \$1 billion over five years in advanced appropriations for the Ferry Service in Rural Communities program.⁵⁰

The Electric or Low Emitting Ferry Pilot Program, another FTA-administered discretionary grant program, was authorized up to \$250 million in total funding for fiscal years 2022 through 2026 for ferry infrastructure, equipment, and related technology for grantees seeking to transition to electric or low-emitting vessels.⁵¹ These funds may be allocated to qualifying recipients of Section 5311 funding or recipients in urbanized areas.⁵² The Electric or Low Emitting Ferry Pilot Program received \$250 million in advanced appropriations from IIJA over five years.⁵³

IIJA also allocated \$1.97 billion in contract authority for the FTA-administered Bus and Bus Facilities Competitive Grant Program. Section 30018 of IIJA stipulates that a minimum of 15 percent of annual grant amounts from this program must be distributed to projects in rural areas.⁵⁴ Many rural communities rely on bus transit systems and this funding provides communities the opportunity to replace, rehabilitate and purchase buses, vans, and related equipment, and to construct bus-related facilities.⁵⁵

COMMERCIAL MOTOR VEHICLES: SELECT REGULATIONS

Rural transportation plays a critical role in our Nation's supply chain. The Bureau of Transportation Statistics recently completed a study that found "between 2000 and 2019, the volume of freight (in millions of tons) per year per Interstate lane-mile grew nine percent in rural areas versus 1.1 percent in urban areas and

⁴³ See DOT, FTA, *Formula Grants for Rural Areas—5311*, available at <https://www.transit.dot.gov/rural-formula-grants-5311>; see also DOT, FTA, *Rural Transit*, (Nov. 8, 2023), available at <https://www.transit.dot.gov/rural>.

⁴⁴ 49 U.S.C. § 5311.

⁴⁵ *Id.*

⁴⁶ *Id.*

⁴⁷ DOT, FTA, *Formula Grants for Rural Areas—5311*, available at <https://www.transit.dot.gov/rural-formula-grants-5311>.

⁴⁸ IIJA, Pub. L. No. 117–58, 135 Stat. 1325–1326.

⁴⁹ IIJA, Pub. L. No. 117–58, 135 Stat. 1326.

⁵⁰ IIJA, Pub. L. No. 117–58, 135 Stat. 1441.

⁵¹ IIJA, Pub. L. No. 117–58, 135 Stat. 1325.

⁵² IIJA, Pub. L. No. 117–58, 135 Stat. 1325; U.S. DEP'T OF TRANSP., FTA, *Electric or Low-Emitting Ferry Pilot Program—IIJA § 71102*, (Feb. 12, 2024), available at <https://www.transit.dot.gov/funding/grants/grant-programs/electric-or-low-emitting-ferry-pilot-program-ija-ss-71102>.

⁵³ IIJA, Pub. L. No. 117–58, 135 Stat. 1440.

⁵⁴ IIJA, Pub. L. No. 117–58, 135 Stat. 915.

⁵⁵ DOT, FTA, *Grants for Buses and Bus Facilities Program*, available at <https://www.transit.dot.gov/bus-program>.

that 46 percent of truck vehicle miles traveled occurred in rural areas.”⁵⁶ DOT estimates nearly half of all truck VMT happens on rural roads.⁵⁷

Title 49, United States Code, Section 31111, prohibits states from restricting the lengths of buses, truck trailers, and trailer combinations operating on the national network of highways below the Federal minimum.⁵⁸ Federal law requires states to allow a minimum 28-foot length for truck trailers in a double combination, and 48-foot length for a truck semitrailer, and 45-foot length for a bus.⁵⁹

Title 23, United States Code, Section 127, sets forth maximum vehicle weights for use on the Interstate system, which is generally 20,000 pounds on a single axle and 34,000 pounds on a tandem axle. FHWA may withhold up to 50 percent of a state’s apportionment of Federal highway funds if such state does not permit vehicles on the Interstate system up to these formula weight maximums.⁶⁰ This withholding provision was enacted by Congress in 1982 to ensure states would uniformly allow truck weights up to the Federal maximum.⁶¹ Similarly, FHWA may withhold up to 50 percent of a state’s apportionment of Federal highway funds from a state that sets weight limits on the Interstate system that are higher than these formula weight maximums, unless a state has a legislative exemption or is covered under grandfathered allowances. Many rural states with a large agricultural and forestry presence have truck weight laws and regulations in place that exceed the Federal standards to address the movement of agricultural commodities and forestry products.⁶² These size and weight limits were grandfathered to apply to Interstates under federal law or subsequently added through statutory exemptions.⁶³ Forty-one states have a variety of limited exemptions from Federal truck size and weight limits for moving agricultural commodities.⁶⁴

The Federal Motor Carrier Safety Administration (FMCSA) regulates commercial activities of interstate motor carriers, the safety of commercial motor vehicles operating in interstate commerce, and the licensing and fitness of the drivers of such commercial motor vehicles.⁶⁵ One such regulation is the Hours-of-Service (HOS) requirements, which generally limit the number of hours drivers operating commercial vehicles in interstate commerce may drive during a seven or eight day consecutive period.⁶⁶ Most property-carrying CMV drivers may drive 11 hours after 10 consecutive hours off duty.⁶⁷ Most passenger-carrying CMV drivers may drive a maximum of 10 hours after eight consecutive hours off duty.⁶⁸ These regulations have been updated over time due to Congressional action, DOT rulemakings, and legal challenges. Congress has granted exemptions from Federal HOS regulations for certain industries and under certain circumstances.⁶⁹ The DOT has also granted exemptions using its authority.⁷⁰ IIJA further modified the HOS requirements for livestock haulers to include an exemption from requirements if within a 150-air mile radius from the final destination.⁷¹

⁵⁶ DOT, BUREAU OF TRANSP. STATISTICS, *Rural Transportation Statistics*, (Aug. 16, 2022), available at <https://www.bts.gov/rural>.

⁵⁷ DOT, *The Critical Role of Rural Communities in the U.S. Transportation System*, (Nov. 20, 2023), available at <https://www.transportation.gov/rural/grant-toolkit/critical-role-rural-communities>.

⁵⁸ 49 U.S.C. § 31111.

⁵⁹ *Id.*

⁶⁰ 23 U.S.C. § 127.

⁶¹ DOT, FHWA, *Compilation of Existing State Truck Size and Weight Laws*, (Oct. 4, 2019), available at https://ops.fhwa.dot.gov/freight/policy/rpt_congress/truck_sw_laws/app_a.htm.

⁶² *Id.*

⁶³ *Id.*

⁶⁴ *Id.*

⁶⁵ DOT, *Safety First, Federal Motor Carrier Safety Administration*, (May 2, 2018), available at <https://www.transportation.gov/briefing-room/safetyfirst/federal-motor-carrier-safety-administration>.

⁶⁶ 49 C.F.R. 395.3.

⁶⁷ DOT, FMCSA, *Summary of Hours of Service Regulations*, (Mar. 28, 2022) available at <https://www.fmcsa.dot.gov/regulations/hours-service/summary-hours-service-regulations>.

⁶⁸ *Id.*

⁶⁹ DOT, FMCSA, *INTERSTATE TRUCK DRIVER’S GUIDE TO HOURS OF SERVICE (2022)*, available at https://www.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/2022-04/FMCSA-HOS-395-DRIVERS-GUIDE-TO-HOS%282022-04-28%29_0.pdf.

⁷⁰ *Id.*

⁷¹ IIJA, Pub. L. No. 117–58, 135 Stat. 777

III. WITNESSES

- Mr. Mike Koles, Executive Director, Wisconsin Towns Association, on behalf of the National Association of Towns and Townships
- Mr. Jeff Greteman, President, Windstar Lines, on behalf of the American Bus Association (ABA)
- Mr. Todd Morrow, Executive Director, Island Transit, on behalf of the Community Transportation Association of America (CTAA)
- Mr. Scott VanderWal, National Vice President, American Farm Bureau Federation

RURAL TRANSPORTATION CHALLENGES: STAKEHOLDER PERSPECTIVES

THURSDAY, MARCH 21, 2024

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON HIGHWAYS AND TRANSIT,
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
Washington, DC.

The subcommittee met, pursuant to notice, at 10:02 a.m. in room 2167 Rayburn House Office Building, Hon. Eric A. “Rick” Crawford (Chairman of the subcommittee) presiding.

Mr. CRAWFORD. The Subcommittee on Highways and Transit will come to order.

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

Without objection, so ordered.

I also ask unanimous consent that Members not on the subcommittee be permitted to sit with the subcommittee at today’s hearing and ask questions.

Without objection, so ordered.

As a reminder, if Members wish to insert a document into the record, please also email it to DocumentsTI@mail.house.gov.

I now recognize myself for the purposes of an opening statement.

OPENING STATEMENT OF HON. ERIC A. “RICK” CRAWFORD OF ARKANSAS, CHAIRMAN, SUBCOMMITTEE ON HIGHWAYS AND TRANSIT

Mr. CRAWFORD. We are here today to discuss transportation challenges facing rural areas across the country. Rural communities are the backbone of America. While they are often forgotten about, much of the food and fuel consumed by people across our country is produced in or travels through rural areas to make it to our urban city centers. Without a strong transportation network and updated infrastructure, these vital goods produced by our Nation’s farmers, ranchers, and manufacturers can’t be delivered to market for consumers.

The United States Census Bureau estimates around 20 percent of our Nation’s population lives in rural areas. While folks living in these communities account for a smaller segment of the overall population, rural areas make up 97 percent of the total land area in the United States.

Our rural communities are essential to the connectivity of the Nation, and a robust transportation network of rural highways and roads ensures that people and goods can freely move across the

country. These communities vary in shape and size, and have vastly different infrastructure needs than their urban counterparts.

They also often lack sufficient resources and capacity to make necessary improvements to infrastructure. A report issued in 2022 by the nonprofit research group TRIP found there is a \$180 billion backlog in rural road and bridge needs across America.

Needless to say, formula funding is critical to States and helps support our rural areas. The States know best what their individual transportation needs are. For example, the transportation needs in my home State of Arkansas vary greatly from the needs of California, Wyoming, or New York. It is paramount we retain the ability of States to prioritize projects and address their wide-ranging needs.

That's why the Federal Highway Administration's December 16, 2021, policy memo—which sought to encourage States to prioritize nonmotorized modes of transit, as well as updating existing infrastructure over new capacity projects—was so troubling. Thankfully, after a number of us here in Congress raised our significant concerns, Federal Highways did the right thing and superseded their memo.

People who live in rural areas often travel further to work, the grocery store, and other essential services. For many, this involves frequently crossing State lines, so, there must be some recognition of the implications. When one State proposes policies that have implications on interstate commerce, it affects travelers in other communities.

It is also unrealistic to think that these communities can or should prioritize bike lanes and pedestrian projects over much-needed critical infrastructure. The same 2022 report by TRIP found that vehicle-miles traveled are 50 percent higher in rural areas than in urban areas.

While the Infrastructure Investment and Jobs Act, or IIJA, made changes to existing programs and included initiatives to support rural areas, we heard in a full committee hearing earlier this month about the many challenges that rural communities face in applying for discretionary grants. IIJA provided historic funding for the improvement of American infrastructure. The law significantly expanded discretionary grant programs. IIJA authorized \$196 billion for new and existing DOT competitive grant programs over 5 years.

Witnesses raised concerns with the high cost of applying and the lengthy review processes that disproportionately affect rural America. Concerns were also shared about the ability of small communities to comply with burdensome Federal permitting requirements. These barriers, combined with woke policies the Biden administration has included as part of the Notices of Funding Opportunity for discretionary grants like Justice40 have seriously undermined the ability of rural communities to compete for grants. The Biden administration has pushed an onerous regulatory agenda that is particularly harmful to rural America.

This includes the Federal Highway Administration's final rule to create a greenhouse gas performance measure, forcing State departments of transportation and metropolitan planning organizations to set declining targets for carbon dioxide emissions stemming

from transportation on the National Highway System. This rule goes beyond the administration’s statutory authority. The policy was considered and rejected during Senate negotiations of IIJA. Stakeholders have previously testified before this subcommittee that this rule will impact project selections.

Furthermore, concerns have been raised regarding how the rule will impact more rural States with communities that can’t build a subway or bike lanes to cut emissions. These projects simply don’t make sense in communities where the only congestion and traffic jams are caused by combines or cattle.

I look forward to hearing today from our witnesses regarding the challenges facing our rural areas, as well as their thoughts on how we might help address issues at the Federal level.

[Mr. Crawford’s prepared statement follows:]

Prepared Statement of Hon. Eric A. “Rick” Crawford, a Representative in Congress from the State of Arkansas, and Chairman, Subcommittee on Highways and Transit

We are here today to discuss transportation challenges facing rural areas across our country. Rural communities are the backbone of America. While they’re often forgotten about, much of the food and fuel consumed by people across our country is produced in or travels through rural areas to make it to our urban city centers.

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While folks living in these communities account for a smaller segment of the overall population, rural areas make up 97 percent of the total land area in the United States.

Our rural communities are essential to the connectivity of the nation, and a robust transportation network of rural highways and roads ensures that people and goods can freely move across the country. These communities vary in shape and size, and have vastly different infrastructure needs than their urban counterparts. They also often lack sufficient resources and capacity to make necessary improvements to infrastructure. A report issued in 2022 by the nonprofit research group TRIP found there is a \$180 billion backlog in rural road and bridge needs across America.

Needless to say, formula funding is critical to states and helps support our rural areas. The states know best what their individual transportation needs are. For example, the transportation needs in my home state of Arkansas vary greatly from the needs of California, Wyoming, or New York. It is paramount we retain the ability of states to prioritize projects and address their wide-ranging needs.

That’s why the Federal Highway Administration’s December 16, 2021, policy memo—which sought to encourage states to prioritize “non-motorized modes and transit,” as well as updating existing infrastructure over new capacity projects—was so troubling. Thankfully, after a number of us here in Congress raised our significant concerns, Federal Highways did the right thing and superseded their memo.

People who live in rural areas often travel further to work, the grocery store, and other essential services. For many, this involves frequently crossing state lines, so there must be some recognition of the implications when one state proposes policies that have implications on interstate commerce; it affects travelers in other communities.

It is also unrealistic to think that these communities can or should prioritize bike lanes and pedestrian projects over much-needed critical infrastructure. The same 2022 report by TRIP found that vehicle miles traveled are 50 percent higher in rural areas than in urban areas.

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Furthermore, concerns have been raised regarding how the rule will impact more rural states with communities that can't build a subway or bike lanes to cut emissions. These projects simply don't make sense in communities where the only congestion and traffic jams are caused by combines or cattle.

I look forward to hearing today from our witnesses regarding the challenges facing our rural areas, as well as their thoughts on how we might help address issues at the federal level.

Mr. CRAWFORD. I now recognize Ranking Member Holmes Norton for 5 minutes for an opening statement.

**OPENING STATEMENT OF HON. ELEANOR HOLMES NORTON
OF THE DISTRICT OF COLUMBIA, RANKING MEMBER, SUB-
COMMITTEE ON HIGHWAYS AND TRANSIT**

Ms. NORTON. Thank you, Mr. Chairman. I would like to thank subcommittee chair Rick Crawford for holding this hearing on transportation challenges in rural communities.

One of the many benefits of the Infrastructure Investment and Jobs Act, the surface transportation portion of which I helped to shape as the then-chair of this subcommittee, is that it provides funding for communities of all sizes.

In my district, the District of Columbia, 151 new transportation projects were started in the first 2 years of the law alone. This includes \$72 million to repair the Interstate 395 bridge, \$35 million to redesign South Capitol Street, and \$20 million for the Wheeler Road Safety Project.

But DC's story is not unique. Similar investments are being made in every congressional district in America, and the Infrastructure Investment and Jobs Act includes dedicated funding for rural transportation.

One example is the Rural Surface Transportation Program. To date, under this program, the Biden administration has awarded funds to 30 different projects to rebuild bridges, eliminate unsafe railway crossings, and increase truck parking.

Another example is the RAISE Program. Fifty percent of the program funds are dedicated by law to rural areas. The law also increased funding for our safety programs. While only 19 percent of our U.S. population lives in rural areas, rural roads account for 43 percent of all traffic fatalities. Reasons for this disproportionate fa-

tality rate include outdated infrastructure and unsafe driver behavior.

The Infrastructure Investment and Jobs Act includes a 34-percent funding increase for the primary infrastructure safety program, the Highway Safety Improvement Program, and a 36-percent increase for programs to prevent unsafe behavior like speeding and drunk driving. The investments will make our roads much safer.

We also will hear today about the importance of rural transit. Too often, transit is dismissed as being only relevant for major metropolitan regions like my own. This is simply not true. For an elderly resident who relies on the bus to get to a doctor's appointment, transit is a lifeline. For a person with a disability who is not able to drive, transit is a lifeline. For someone who cannot afford a car, transit is a lifeline. That holds just as true for rural communities as it does big cities.

According to the Federal Highway Administration, 6.8 percent of households in rural areas, or approximately 4.3 million people, do not drive a car. I appreciate that we will hear today from Todd Morrow, executive director of a rural transit system, about the value of transit in rural communities.

One of the roles of this committee is to ensure that the Nation's infrastructure is safe and efficient in all communities. While my congressional district does not include any rural areas, I appreciate the need to invest in rural America to ensure the safety of roads and bridges, to ensure reliable transit service, and to spur economic development.

Those same needs exist for the 81 percent of the country that live in urban communities. I hope that we, as a committee, continue to work together to pass infrastructure investments that improve the lives of all Americans.

[Ms. Norton's prepared statement follows:]

Prepared Statement of Hon. Eleanor Holmes Norton, a Delegate in Congress from the District of Columbia, and Ranking Member, Subcommittee on Highways and Transit

I would like to thank Subcommittee Chair Rick Crawford for holding this hearing on transportation challenges in rural communities.

One of the many benefits of the Infrastructure Investment and Jobs Act, the surface transportation portion of which I helped to shape as the then-chair of this Subcommittee, is that it provides funding for communities of all sizes. In my district, the District of Columbia, 151 new transportation projects were started in the first two years of the law alone.

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For an elderly resident who relies on the bus to get to a doctor's appointment, transit is a lifeline. For a person with a disability who is not able to drive, transit is a lifeline. For someone who cannot afford a car, transit is a lifeline. That holds just as true in rural communities as it does in big cities. According to the Federal Highway Administration, 6.8 percent of households in rural areas, or approximately 4.3 million, people do not have a car.

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Those same needs exist for the 81 percent of the country that live in urban communities. I hope that we as a Committee can continue to work together to pass infrastructure investments that improve the lives of all Americans.

Ms. NORTON. I yield back.

Mr. CRAWFORD. I thank the ranking member. I now recognize the ranking member of the full committee, Mr. Larsen, for 30 seconds to make an opening comment.

[Laughter.]

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

Mr. CRAWFORD [interrupting]. Just kidding. You get 5 minutes.
[Laughter.]

OPENING STATEMENT OF HON. RICK LARSEN OF WASHINGTON, RANKING MEMBER, COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Mr. LARSEN OF WASHINGTON. All right. Thank you, Chair Crawford and Ranking Member Norton, for holding this hearing.

Today's hearing focuses on rural transportation and the unique experience, needs, and challenges of rural communities that our infrastructure investments must address. The Census Bureau estimates that 97 percent of the total land area in the U.S. is in rural areas. Rural communities are not limited to any one part of the country and certainly not limited to only certain States.

The district I represent, which is located north of Seattle, including none of Seattle, is home to rural communities, urban communities, and everything in between. These communities have many shared transportation needs.

At the same time, my rural and smaller communities face unique challenges. They play a crucial role in our economy. Many of the first-mile supply chains that need infrastructure investment to efficiently get goods and products to market, for instance, are in our rural communities.

Rural communities have unique mobility needs. Residents in rural counties are aging. In nearly 85 percent of counties, more than 20 percent of the population is 65 or older.

Rural communities face distinct safety challenges. While only 19 percent of the U.S. population lives in rural areas, nearly half of all fatal crashes occur on rural roads. These realities highlight the

quality of life, economic development, safety, and mobility benefits we can achieve through investments in rural areas.

The Bipartisan Infrastructure Law is helping rural communities respond to these challenges. A frequent topic of this committee is how Federal infrastructure dollars can advance equity. A key part of realizing equity in transportation systems is ensuring that smaller communities can succeed in accessing funding. Smaller communities have limited funds to design and apply for infrastructure grants and limited capacity to manage complex permitting and construction. Yet, smaller jurisdictions in my district and throughout the country are in great need of investment.

The BIL marked the largest investment in transportation infrastructure since the 1950s, and it is already paying off in rural areas. Investing in rural transportation creates jobs while enhancing transportation connectivity, supporting global economic competitiveness of our farmers and manufacturers.

A great example of the BIL's investment in rural economies is through bridge funding. Off-system bridges, those not on the Federal-aid highway system, have had limited access to Federal funds. Eighty-seven percent of those bridges are located in rural areas. The BIL takes steps to address this by including a 15-percent set-aside of each State's bridge formula funding for use on off-system bridges.

The BIL also created the Bridge Investment Program, which is delivering results in rural America. One example is the \$50 million award DOT made to replace and rebuild six rural bridges in north-west South Carolina.

The Brookings Institute estimates that BIL invests more than \$338 billion in specific or significant rural investment opportunities. It includes creating a \$2 billion Rural Surface Transportation Grant program for safety and connectivity of rural roads; formally establishing the Rural Opportunity to Use Transportation for Economic Success, or ROUTES initiative, to better support smaller communities in accessing Federal resources; dedicating half of the \$7.5 billion for the RAISE grant program to rural areas; and establishing new set-asides in highway formula programs to direct more Federal funding to rural roads and bridges.

Another issue I have heard from my constituents and community leaders about is increasing mobility in rural areas. Transit is often associated with larger cities, but it is also very important for rural and smaller communities. Transit riders don't care about whether the system is classified as rural, small, small urban, or large urban. They do not care if they are 1 of the 380,000 annual riders on Island Transit in my district, or 1 of the 2.5 billion annual riders on New York's Metropolitan Transit Authority. What they do care about is getting to their jobs on time, making a doctor's appointment, or being able to visit friends or family.

That is why the BIL made significant investments in transit infrastructure nationwide, including \$4.6 billion for Rural Area Transit Formula program, a 42-percent increase over the prior authorization. The BIL also invests \$1 billion to support ferry service to rural areas—mainly Alaska, I would note.

The BIL also requires that 15 percent of all bus and bus facility grants go to transit investments in rural areas. And in my district,

Island Transit was awarded \$7.5 million in a grant to design and construct a South Whidbey Island Transit Center. I don't want to steal Todd Morrow's testimony too much, but this project is going to create jobs and make travel easier for residents of Whidbey Island.

Additionally, transit agencies in Skagit and Whatcom Counties in my district received almost \$15 million from the FTA to upgrade their bus systems. While these agencies serve small urban areas, they actually do provide quite a bit of vital service to connecting the surrounding rural communities.

So, I welcome this opportunity to discuss the challenges facing rural communities and highlighting the ways the BIL is already working to address the problems. I also appreciate hearing what programs and funding we may consider in the upcoming surface authorization to ensure that every community, no matter the size or location, shares in the benefits of infrastructure investment.

I want to thank the witnesses for being here today, I look forward to today's discussion.

[Mr. Larsen of Washington's prepared statement follows:]

Prepared Statement of Hon. Rick Larsen, a Representative in Congress from the State of Washington, and Ranking Member, Committee on Transportation and Infrastructure

Thank you, Chairman Crawford and Ranking Member Norton, for holding this hearing.

Today's hearing focuses on rural transportation and the unique experience, needs and challenges of rural communities that our infrastructure investments must address.

The Census Bureau estimates that 97 percent of the total land area in the United States is in rural areas.

Rural communities are not limited to any one part of the country or only in certain states.

The district I represent, which is located north of Seattle and includes none of Seattle, is home to rural communities, urban communities and everything in between. These communities have many shared transportation needs.

At the same time, rural and smaller communities face unique challenges.

Rural communities play a crucial role in our economy. Many are the first mile of supply chains that need infrastructure investment to efficiently get goods and products to market.

Rural communities have unique mobility needs. Residents in rural counties are aging—in nearly 85 percent of counties more than 20 percent of the population is age 65 or older.

Rural communities also face distinct safety challenges. While only 19 percent of the U.S. population lives in rural areas, nearly half of all fatal crashes occur on rural roads.

These realities highlight the quality of life, economic development, safety, and mobility benefits that we can achieve through investment in rural areas.

The Bipartisan Infrastructure Law (BIL) is helping rural communities respond to these challenges.

A frequent topic of this Committee is how federal infrastructure dollars can advance equity.

A key part of realizing equity in transportation systems is ensuring smaller communities can succeed in accessing funding.

Smaller communities have limited funds to design and apply for infrastructure grants and limited capacity to manage complex permitting and construction.

Yet, smaller jurisdictions in my district and throughout the country are in great need of investment.

The BIL marked the largest federal investment in transportation infrastructure since the 1950s, and it is already paying off.

Investing in rural transportation creates jobs while enhancing transportation connectivity, which supports the global economic competitiveness of farmers and manufacturers.

A great example of the BIL's investment into rural economies is through bridge funding. "Off-system" bridges—those not on the Federal-aid highway system—have had limited access to federal funds. Eighty-seven percent of those bridges are located in rural areas. The BIL takes steps to address this by including a 15 percent set-aside of each State's bridge formula funding for use on off-system bridges.

The BIL also created the Bridge Investment Program, which is delivering results in rural America. One example is the \$50 million award DOT made to replace and rebuild six rural bridges in northwest South Carolina.

The Brookings Institute estimates that the BIL invests more than \$338 billion in specific or significant rural investment opportunities.

The BIL directly invests in rural communities by:

- Creating a \$2 billion Rural Surface Transportation Grant program for safety and connectivity of rural roads;
- Formally establishing the Rural Opportunity to Use Transportation for Economic Success (ROUTES) initiative, to better support smaller communities in accessing federal resources;
- Dedicating half of the \$7.5 billion funding for the RAISE grant program to rural areas; and,
- Establishing new set-asides in highway formula programs to direct more federal funding to rural roads and bridges.

Another issue I have heard about from my constituents and community leaders is increasing mobility in rural areas.

Transit is often associated with big cities, but it is just as important for rural and smaller communities.

Transit riders do not care about whether their system is classified as rural, small urban, or large urban.

They do not care if they are one of the 380,000 annual riders on Island Transit in my district, or one of the 2.5 billion annual riders on New York's Metropolitan Transit Authority.

What they *do* care about is getting to their jobs on time, making it to doctor's appointments or being able to visit friends or family.

And that's why the BIL made significant investments in transit infrastructure nationwide, including \$4.6 billion for the Rural Area Transit Formula Program, a 42 percent increase over the prior authorization.

The BIL invests \$1 billion to support ferry service to rural areas.

The BIL also requires that 15 percent of all Bus and Bus Facilities grants go to transit investments in rural areas.

In my district, Island Transit was awarded a \$7.5 million Bus and Bus Facilities grant to design and construct the South Whidbey Island Transit Center.

This project is going to create jobs and make travel easier for the residents of Whidbey Island.

Additionally, transit agencies in Skagit and Whatcom Counties in my district received almost \$15 million from the FTA to upgrade their bus systems. While these agencies serve small urban areas, they also provide vital service to connect surrounding rural communities.

I welcome the opportunity to discuss the challenges facing rural communities and highlight the ways that the BIL is already working to address these problems.

I also appreciate hearing what programs and funding we may consider in the upcoming surface authorization, to ensure that every community, no matter the size or location, shares in the benefits of infrastructure investment.

Thank you to all the witnesses for being here today. I look forward to today's discussion.

Mr. LARSEN OF WASHINGTON. I yield back.

Mr. CRAWFORD. I thank the gentleman. Now I want to welcome our witnesses and thank them for being here today.

Before we have the formal introductions, I want to briefly acquaint you with our lighting system. As you can imagine, it is pretty self-explanatory: green, yellow, red. There are three lights in front of you. Green means go. But unlike a stoplight, yellow does not mean proceed with caution, as you might expect. It means step on the gas, because it is fixing to turn red. Once it turns red, you

might hear a little tap, tap, tap, just to remind you that your time has expired. So, I just want to make sure everybody was clear on that and how that lighting system works.

I ask unanimous consent that the witnesses' full statements be included in the record.

Without objection, so ordered.

I ask unanimous consent that the record of today's hearing remain open until such time as our witnesses have provided answers to any questions that may be submitted to them in writing.

Without objection, so ordered.

I also ask unanimous consent that the record remain open for 15 days for any additional comments and information submitted by Members or witnesses to be included in the record of today's hearing.

Without objection, so ordered.

As your written testimony has been made part of the record, the subcommittee asks that you limit your oral remarks to 5 minutes—see the lighting system.

Before our first witness, Mr. Koles, gives his testimony, I would like to recognize Representative Van Orden to give a short introduction.

Mr. VAN ORDEN [audio malfunction]. Thank you, Mr. Chairman. Transportation and Infrastructure, what is going on here?

Mr. CRAWFORD. That is a comms problem, sir.

[Laughter.]

Mr. VAN ORDEN. Very well. Dang, Army guy's in charge.

Hey, it is great to have another Wisconsinite here. I appreciate you showing up. There are two of us now, so, we have got everybody surrounded.

Mr. Michael Koles, from Shawano, Wisconsin, has dedicated his working life to finding solutions to everyday transportation infrastructure challenges we experience in America's Dairyland. After receiving his bachelor's degree in political science—the one strike against him—from Wartburg College, and his master's in urban and regional planning from the University of Wisconsin, Madison, Mr. Koles has spent 26 years committing to improving Wisconsin's transportation system, specifically for our rural roads.

He currently serves as the executive director of Wisconsin Towns Association, where he and his team work with State elected officials to improve transportation, land use, emergency services, housing, and economic development conditions for communities across the State. He also served as the president of the National Association of Towns and Townships from 2020 to 2022, where he collaborated with the State and Federal Government to fund our local and minor collector roads.

Thank you, Mr. Koles, for coming. I appreciate you being here today. And I understand that you brought cheese for the entire subcommittee, and we appreciate that greatly. I am looking forward to hearing your testimony.

Mr. CRAWFORD. And with that, Mr. Koles, you are recognized for 5 minutes.

TESTIMONY OF MIKE KOLES, EXECUTIVE DIRECTOR, WISCONSIN TOWNS ASSOCIATION, ON BEHALF OF THE NATIONAL ASSOCIATION OF TOWNS AND TOWNSHIPS; JEFF GRETEMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER, WINDSTAR LINES, ON BEHALF OF THE AMERICAN BUS ASSOCIATION; TODD MORROW, EXECUTIVE DIRECTOR, ISLAND TRANSIT, ON BEHALF OF THE COMMUNITY TRANSPORTATION ASSOCIATION OF AMERICA; AND SCOTT VANDERWAL, NATIONAL VICE PRESIDENT, AMERICAN FARM BUREAU FEDERATION

TESTIMONY OF MIKE KOLES, EXECUTIVE DIRECTOR, WISCONSIN TOWNS ASSOCIATION, ON BEHALF OF THE NATIONAL ASSOCIATION OF TOWNS AND TOWNSHIPS

Mr. KOLES. Chairman Crawford, Ranking Member Norton, members of the committee, thank you for the opportunity to testify about the challenges facing rural roads.

I am Mike Koles, the executive director of the Wisconsin Towns Association. We represent 1,266 rural municipalities that range in size from a couple square miles to 100 square miles. Fifty-eight percent of them are home to less than 1,000 people. Ninety percent of those municipalities are home to less than 2,500 people. So, really rural. I was recently, as Representative Van Orden noted, president of the National Association of Towns and Townships. We represent 10,000-plus of those rural communities.

In the most recent census, as has been noted twice, 19 percent of the population lives in rural areas. The amount of land that that covers, though, is 97 percent. And maybe even more striking for this committee, 68 percent of the road-miles are in that rural area.

In the United States, our interstate system is really the heart of our system. The veins and the arteries, those are the State highways. And then those local roads, which are a vast majority of the entire system, those are our capillaries. In America's Dairyland—and I don't have cheese for everybody—but in America's Dairyland, we have a saying: milk doesn't come from the grocery store. It comes from a farm that is on one of those capillaries.

We produce a lot of forest products in Wisconsin. The lumber and also the concrete that we produce helps build buildings in cities and rural areas alike. That comes off a capillary.

And I am sure you are all big Packer fans; you know Green Bay, best team out there, of course. Green Bay is also known as the toilet paper capital of the world. That pulp comes from aspen trees that comes off of a capillary that gets that wood to the Green Bay to turn it into toilet paper. So, ingest a little bit: without rural roads, you don't have toilet paper, folks.

An athlete cannot succeed if they have a strong heart and weak capillaries. I am telling you the rural areas in our system have those capillaries, and they are weak. We have a sickness, and that hinders our economy, and that hinders our safety, as was noted by several Members.

Just a couple of facts. In 2020, 48 percent of the Nation's arterials and collectors were rated in poor, mediocre, or fair condition. These arterials and collectors represent only 31 percent of the rural roads; 67 percent of the rural roads are actually functionally classi-

fied as local—so, again, a major part of the system. A national condition rating for those most local roads is hard to determine, but in Wisconsin, I can tell you that 11 percent are in poor condition and 76 percent need some type of maintenance or construction work.

As for bridges, the story is sort of the same. We have 42,000 bridges in this country that are rated as poor or structurally deficient. Eighty percent of them are rural. Interestingly—and not a lot of folks understand this—a bridge is defined as anything over 20 feet. We have a lot of structures that are called culverts under 20 feet that act a lot like bridges. And yet on the local system in this country, we don't know where they are, we don't know how many there are, and we have no idea what the safety condition is on them.

And last, about 10 months ago, we had one in Representative Van Orden's district, a 15-foot culvert, that collapsed under the weight of a 20-ton fertilizer tender. Nobody got hurt, thankfully. When they deconstructed the culvert, the engineers said the newest it was was 1916. So, it was built earlier than 1916.

I will note one final fact. It has been noted already. Rural roads are significantly more dangerous. The fatality rate on rural non-interstates is double what it is on others.

I put a lot of solutions in my written materials. I have included three here that I will note.

First, we need to make sure that the money gets down to the local level. Right now, we have some wonky definitions: 200,000 is considered rural, and I can tell you that NATaT does not think that 200,000 people is rural.

We need stable, consistent funding. The FAST Act and IIJA are necessary investments. We need to make that stable and growing so that we can plan better, so that contractors can plan better so that materials suppliers can plan better.

And third, we have to be proactive. The culvert crisis is one example of where we can either wait for the crisis to happen or get out ahead of it. Thank you.

[Mr. Koles' prepared statement follows:]

Prepared Statement of Mike Koles, Executive Director, Wisconsin Towns Association, on behalf of the National Association of Towns and Townships

INTRODUCTION

Chairman Crawford, Ranking Member Norton, members of the committee, thank you for the opportunity to speak today about the challenges facing rural roads. I am Mike Koles, the Executive Director of the Wisconsin Towns Association. We represent 1,266 rural municipalities covering the entire rural area of Wisconsin. These municipalities range in geographic size from a few square miles to over 100 square miles. Fifty eight percent (58%) of them are home to less than 1,000 people and 90% have a population less than 2,500.

I am also on the Board of Directors and recently served as President of the National Association of Towns and Townships, which represents over 10,000 of these rural local governments across the country.

In the most the recent Census, 19% of the U.S. population lives in rural areas, but these communities cover 97% of America's land and are home to 68% of the nation's road miles. Most of this country and its lane miles are in what many would erroneously call the middle of nowhere.

The road system in America can be compared to the human circulatory system. Any athlete is going to pay close attention to the health of their circulatory system. They exercise their heart and it pushes the blood to and from capillaries through arteries and veins. The 60,000 miles of capillaries are the last connection that delivers nutrients and oxygen to the 30 trillion cells in the human body and the first connection to transport blood back to the heart and lungs.

While the small eleven ounce heart is important, so are the much larger 60,000 miles of capillaries. Both are critical if the athlete is going to be healthy.

In America, our interstate system forms our heart. State highways function as the transportation system's arteries and veins. And, like the human circulatory system, our local roads form the critical and vast majority of our capillaries that serve as the first and last mile of our economy.

In America's Dairyland, we have a saying, "milk doesn't come from the grocery store." It comes from a farm on one of those rural capillaries. The wood and concrete that build our urban areas comes from a forest or a quarry on one of those rural capillaries. And although you might know Green Bay for the Packers, it is also the toilet paper capital of the world. The pulp that produces the toilet paper comes from the aspen trees that are in a forest on one of those rural capillaries. Simply, without healthy rural roads, our nation's citizens don't have much to eat, don't have much for homes or office buildings, and don't even have toilet paper.

I am here to tell you today that our capillaries have been neglected and are sick, and that sickness hinders our national economy and endangers our safety.

RURAL ROAD COMPOSITION

According to the Federal Highway Administration (FHWA), in 2020 there were over 6 million rural road lane miles. The lane miles were distributed as follows in order of functionality: interstate (2.0%); other freeway (0.4%); principal arterials (3.9%); minor arterials (4.6%); major collectors (13.6%); *minor collectors* (8.6%); and *local* (66.8%).

Due to the nature of functional classification, most entrances to farms, fields, forests, quarries, mines, energy producing lands, and other rural based economic drivers are found in communities with small populations and on roads functionally classified as *minor collectors* and *local*.

RURAL ROADS ARE CRITICAL TO THE ECONOMY

Based on a 2019 UW-Madison analysis of the economic impact of agriculture in Wisconsin using the 2017 USDA Census of Agriculture, the industry is responsible for \$104.8 billion in economic activity and 437,700 jobs. This represents 16.4% of Wisconsin's industrial revenues and 11.8% of employment. Given trends and inflation, economic activity is expected to be even greater following calculations using the 2022 Census of Agriculture.

Wisconsin is the #1 cheese producer (25% of US total). Over 1,200 cheesemakers produce over 600 types of cheese. The state produces more potatoes than all but two and is a top producer of snap beans and peas. The tart cherry crop produced 12.9 million pounds in 2022 and the state is #1 in cranberry production (60% of the country's total). \$3.87 billion in product was exported outside the US (#11 amongst states), bringing in foreign money that recirculates in the domestic economy multiple times.

According to the Wisconsin Department of Natural Resources, the forest products industry produces \$24.2 billion in industry output and contributes 130,000 jobs to the state's economy. It is the #1 industry in 10 of Wisconsin's 72 counties; #1 in employment in 8 counties, and the #1 industry for value added in 10 counties. These facts speak to the heavy reliance of certain communities and populations on traditional rural industries and, thus, rural roads.

Nationally the story is no different. According to a TRIP report: "Agriculture, food, and related industries . . . contributed \$1.2 trillion to the U.S. gross domestic product (GDP) in 2021. This represents 5.3 percent of overall U.S. GDP."

A vast majority of the fields and forests that produce the aforementioned goods, economic impact, and employment are in rural areas and obtain access from roads functionally classified as *minor collector* or *local*. Furthermore, they are certainly in communities well below the 200,000 population threshold to be considered eligible for the U.S. Department of Transportation's Rural Surface Transportation Grant Program.

RURAL ROAD AND BRIDGE CONDITION A CONCERN

In 2020, 12% of the nation's rural arterials and collectors were rated in poor condition, 19% percent in mediocre condition, 17% in fair, and only 51% in good. These arterials and collectors represent only 31% of rural roads. Sixty-seven percent (67%) are functionally classified as *local* roads. While a national condition rating for local roads is hard to determine, in Wisconsin 11% of town roads are in poor condition and 76% require significant maintenance and reconstruction.

Of the nation's over 618,000 bridges, 70% (435,189) are rural. In 2022, 8% of the nation's rural bridges were rated as poor or structurally deficient. These are characterized by significant deterioration of the bridge deck and other major components. It is frequently not feasible for modern day agriculture, forestry, mining, or supply chain equipment to use these bridges. Out of all the country's bridges rated poor or structurally deficient, 80% are rural.

Road and bridge conditions often result in weight postings that limit the size and weight of farm machinery, school buses, commercial trucks, and even emergency service vehicles. These weight limits are used as a strategy to preserve public safety and what little road remains. Infrastructure users are forced to haul partial loads or follow longer alternative routes, which can be substantial in rural as compared to urban areas due to the lack of connectivity and a high density road grid system. This results in decreased productivity, greater fuel emissions, increased costs, increased food prices, and reduced fire and ambulance response times. According to a Pacific Economic Cooperation Council study, improving the quality of transportation systems serving the movement of goods from rural to urban areas is a strategy that should be followed to lower food prices and increase economic prosperity.

RURAL CULVERTS AN EMERGING PROBLEM

23 CFR 650.305 defines a bridge as "having an opening measured along the center of the roadway of more than 20 feet." The nation's bridges have been located, inventoried, and are regularly inspected for condition. The federal government provides funding for off-system bridges, presumably due to the resulting safety and economic concerns absent the funding.

Any structures under 20 feet are culverts, although colloquially called many things, such as small bridges or bridge-like structures. Unlike bridges, except for several states that have championed efforts to address culverts, we largely don't know where these are, how many there are, or what condition they are in. Furthermore, outside of a small pilot program in ILJA (Public Law 117-58) for anadromous fish, federal funding for stand-alone culvert replacement is lacking.

Despite the 20-foot threshold, many culverts look, act, and function like a bridge, thus posing the same safety and economic risks. For example, in the spring of 2023, a 15 foot, 5 inch culvert collapsed under the weight of 20 ton fertilizer tender in the Town of Farmington, Wisconsin, in Representative Van Orden's district (below). Luckily nobody was injured and no fertilizer was spilled in the trout stream. Human and environmental disasters were avoided. Deconstruction of the culvert revealed an estimated age of no later than 1916. The structure was likely built prior to or during WWI.



In the Town of Bloomfield, Wisconsin, a large dairy farm must travel nearly 6 miles to go a few hundred feet to access some of its fields due to a weight limited culvert that spans nearly 20 feet, but doesn't quite make the length necessary for the town to access state or federal (below).



RURAL ROAD SAFETY

Reports from the Governors Highway Safety Association (GHSA) and TRIP reveal disturbing rural road safety realities. Fatalities on rural, non-interstate roads occur at a rate double that on all other roads. In 2020, rural roads accounted for 2.17 deaths per 100 million vehicle miles traveled compared to 1.09 deaths on all other roads. Furthermore, despite only being home to 19% of the population, between

2016 and 2020 almost half of all fatalities took place on rural roads. During these same years, the risk of dying in a crash was 62% higher on a rural road than the same trip length on an urban road.

A variety of factors have been found to produce these unfortunate results. For example, rural roads are more likely to be narrow, have limited shoulders, sharp curves, and steep ditch slopes. Interestingly, these are some of the same features that plague efficient agricultural equipment travel. Limited clear zones in the right-of-way increase the number and density of obstacles when a vehicle leaves the road.

Lack of safety mechanisms, like low-cost rumble strips that would help prevent collision with right-of-way obstacles and head-on collisions, are sorely missing on many rural roads. The GHSA report states: “Rural and tribal areas often grapple with limited resources at all levels. Cash-strapped governments must cover broad geographic areas that often have few alternative transportation options. Rural and tribal roads tend to lack safety features . . . Small communities may not have access to technical expertise—in fact, they may have a single person tasked with all aspects of public safety, from well water to road safety to disaster response.”

Lack of resources to employ people to address rural road safety challenges extends to after accident emergency services. Many communities are encountering a fire and EMS crisis as decreased volunteerism and lack of resources to employ full-time emergency responders is producing an increase in already lengthy response times resulting from the extreme distances that must be traveled in rural areas.

SOLUTIONS

1. *Adjust the Rural Surface Transportation Grant Program to target truly rural areas and first mile roads that service the fields, forests, farms, and quarries that feed the nation and provide building materials.*

IJA provided \$2 billion in STP discretionary grants that are available to communities either: a) outside of urban areas; or, b) within urban areas so long as the population is less than 200,000 people. The Wisconsin Towns Association and the National Association of Towns and Townships feel strongly that a population of 200,000 is not rural and highly populated communities outside of urban areas are also not rural.

NATaT supports the Rebuilding Rural Roads Act (H.R. 3002) and the Protecting Infrastructure Investments for Rural America Act (H.R. 5437) that would change the definition of rural in DOT’s Rural Surface Transportation Grant Program from 200,000 to 20,000.

2. *Build upon the paradigm shift included in the FAST Act to the STP block grant that allowed states to allocate 15% of funds dedicated to adjusted census-defined areas that have a population of 50,000 or lower for projects on roadways functionally classified as either rural minor collector or local. (23 USC Section 133(g) and (k)).*

Roads functionally classified as minor collector and rural are the first and last mile roads in the US supply chain. These comprise 75% of the rural roads in the US and over 99% of Wisconsin’s town roads. Previously these roads were not eligible for STP block grant funding.

Wisconsin Department of Transportation Secretary Craig Thompson has actively chosen to use this discretion and has deployed the maximum 15%. This will result in an approximately \$15 million investment over the course of the FAST Act for town roads alone. To date, \$36 million has been awarded to 57 local governments in Wisconsin. The program has proven extremely popular and is significantly overprescribed. A total of 1,057 applications were submitted requesting \$856 million. This is a funding overprescription of 2,378% and speaks to the significant investment need on minor collector and local roads in smaller communities.

3. *Right size competition for grant funding.*

As was noted by the GHSA, rural communities often have one person that oversees many local government responsibilities. It is not uncommon in a town to have one or two road patrol people that are responsible for 50+ miles of plowing, ditch maintenance, and basic summer road maintenance. They do not have the time or skill set to prepare a competitive grant application. Furthermore, lack of private sector grant writing resources and local government funding even when grant writers are available further plague rural communities. Juxtapose this with a community of 200,000 that likely has a public works director and possibly even a grant writer on staff. The much larger community certainly has an advantage in obtaining both formula and discretionary funding.

Again, WisDOT has been a leader in addressing this challenge. The 15% in formula funding noted in recommendation #2 was suballocated to different municipal types, thus, for example, preventing a city of 50,000 people from competing with a town of 250.

4. *Consider targeted changes to the quality based selection process.*

When rural communities do muster the resources to hire out project scoping and grant writing, the current quality based selection process requirement significantly diminishes the supply of engineering firms willing to do such work. Firms that assist in project scoping and grant writing are typically prohibited from providing the much higher profit margin engineering services to the community. This exacerbates the already existing shortage of engineering firms to assist small communities in an attempt to compete with larger communities.

5. *Continue the FAST Act and IIJA investment in bridge funding.*

In addition to the increased funding in the FAST Act, the required off-system set aside was increased from 15% to 20%. Both are a welcome increase and should be continued in a future authorization. The IIJA created a new Bridge Formula Program (BFP) that, in Wisconsin's case, awarded \$45 million annually (\$225 million total). Under BFP, a minimum of 15% must be spent on off-system bridges and projects must be funded at 100% federal participation. WisDOT chose to exceed the 15% minimum and allocate \$180 million to date to local off-system bridges resulting in 330 bridge projects that are 100% federally funded. Based on conversations with my colleagues on the NATaT Board, WisDOT's actions are an anomaly.

6. *Increase funds for the federal bridge program and create a carve-out to include off-system non-state structures less than 20 feet, which states must distribute through a competitive process.*

7. *Create a program modeled after Wisconsin's Agricultural Road Improvement Program.*

Wisconsin recently created a \$150 million pilot program to increase agricultural supply chain efficiencies through reconstruction of roads functionally classified as *minor collector* and *local* that are subject to weight limits. Reconstructed roads can no longer be subject to a weight limit. This program will prove the first step in creating priority agricultural routes on which farmers, loggers, and processors will be able to carry full weights throughout the year.

8. *Achieve a stable, consistent, and enhanced funding stream.*

In 2021, FHWA estimated the US faces a \$180 billion backlog in rural road and bridge maintenance and construction. Investments in the FAST Act and IIJA are a welcome and necessary injection that must continue. The enhanced funding is necessary; however, achieving greater consistency and stability is needed to empower local governments to engage in more effective planning and move toward an asset management approach to managing their infrastructure. Furthermore, this would allow materials suppliers, engineers, and contractors to more efficiently prepare, which would avoid infrastructure construction and maintenance pricing bubbles.

Sources

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Wisconsin Department of Transportation, Wisconsin Information System for Local Roads, 2023

Mr. CRAWFORD. Thank you, and I now recognize our ranking member for the introduction of our next—oh, I am sorry. We are going to jump to Mr. Greteman.

You are recognized for 5 minutes. My apologies.

TESTIMONY OF JEFF GRETEMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER, WINDSTAR LINES, ON BEHALF OF THE AMERICAN BUS ASSOCIATION

Mr. GRETEMAN. No problem.

Good morning, Mr. Chairman, Ranking Member Norton, members of the committee. My name is Jeff Greteman. I am the president of Windstar Lines, a family-owned charter bus company based out of Carroll, Iowa. I appreciate the opportunity to testify about rural transportation challenges and the importance of bus operations in meeting the public transportation needs of rural communities.

The timing of this hearing is important, as private bus operators are facing increased challenges to provide these vital services. The goal for the transportation policymakers is to support a connected, nationwide transportation service for the public. Private bus operators, both charter operators like Windstar and scheduled service operators, play a critical role in this system, ensuring rural communities have access to vital services, educational and job opportunities, and connections to the broader national transportation network in a safe, cost effective, and environmentally friendly manner.

However, the operating environment for bus operators is deteriorating rapidly, and the COVID pandemic took a toll. Bus operators are increasingly losing access to key facilities which provide intermodal connections, and many of these facilities are publicly funded.

Also, we are seeing jurisdictions restricting access through zoning or other means to prevent rural operators from establishing safe pickup and dropoff points that provide meaningful connections to other services. There is statutory language to prevent these restrictions, but these entities are finding ways around it.

Recognizing intercity bus service provides an essential link between rural communities and the rest of the Nation, the Federal Government created the 5311(f) program because major intercity bus carriers were forced to abandon less productive routes. But the program has not kept up with today's costs and business environment, putting bus operators who participate in the program at increased risk of abandoning these routes or face going out of business. These issues put a strain on rural operators.

As well, there are basic infrastructure needs in rural States. Congestion and potholes are not solely the problem of large urban areas, and rural States need the flexibility to choose the infrastructure investments that best fit their needs. For this reason, Mr. Chairman, we support your legislation addressing the recent Federal highway rule that could limit a State's ability to make infrastructure investment decisions such as adding capacity when appropriate.

Just one example is completing the four-laning of Highway 30, which runs through my hometown in Iowa. Highway 30 is the most heavily trafficked route outside of Interstate 80. Limiting our State's ability to determine when Highway 30 gets its last miles

four-laned is unneeded Federal oversight and should be left in the hands of local and State officials.

We are also challenged by resource issues. As you have likely heard, we face staffing shortages. Finding qualified drivers is one of the biggest challenges to bus operators today, and in rural areas, this is more difficult due to lack of CDL testing sites and the time it takes to obtain a CDL.

Additionally, there are a number of broader challenges we face that are not just limited to rural operators, but pose a threat to the entire private bus industry. Bus operators and CMV operators in general engaging in interstate operations are wholly dependent on a national, uniform safety scheme. The Federal Motor Carrier Safety Regulations work, and they work because the operators can cross State lines without the risk of running into differing individual State rules and regulations.

Because of this uniformity, national safety standards remain in place and all operators play by the same rules. For this reason, we oppose any effort by the FMCSA to waive its preemption of State rules concerning drivers' hours of service. Windstar operates in the lower 48 States, and the burden to keep up with 48 different hours-of-service schemes would be overwhelming. We can't operate with a patchwork of hours-of-service regulations. We need a national standard.

Finally, the bus industry has a long and successful environmental track record taking cars off the road and relieving congestion. We are proud of these efforts, and support addressing climate change issues. However, recent policy initiatives and regulations to push CMV owners toward ZEV technology, although well-intended, are unrealistic for the bus industry. Please understand, we are not opposed to cleaner vehicles, but the transition requires a more reasonable timeline with realistic expectations for our industry.

For bus operations, the technology is still under development. Appropriate charging infrastructure is not yet in place. The cost to transition to ZEVs is also significant, particularly for an industry dominated by private small business. Right now, the cost of an electric bus is twice the cost of a diesel bus, and the price is even higher for hydrogen, and the cost for the infrastructure, coordinating with power suppliers, and training for staff to maintain the fleet.

Also, current EVs on the market can't meet the capacity range of diesel vehicles we have no idea on the resale value. Investment of this sort is very risky for small businesses, and especially for rural operators already struggling to remain in operation. Robust funding is available for transit and schoolbus industries, but once again, the private bus industry is being left out. We want to be supportive. However, we need more reasonable timelines and resources.

I will close by saying if rural bus services are to survive long term, there needs to be greater recognition of the critical role we play in the national transportation network and the very real challenges we are facing.

Thank you, Mr. Chairman. I would be pleased to answer any questions.

[Mr. Greteman's prepared statement follows:]

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**Prepared Statement of Jeff Greteman, President and Chief Executive
Officer, Windstar Lines, on behalf of the American Bus Association**

Good morning Mr. Chairman, Ranking Member Norton, and members of the Subcommittee. My name is Jeff Greteman, and I am president of Windstar Lines, a private bus operator based out of Carroll, Iowa.

I appreciate this opportunity to testify today about rural transportation challenges, and the importance of private bus operations in meeting the public transportation needs of rural communities, both on behalf of my company and the entire industry, representing the American Bus Association.

The private bus industry has a long and respected history serving the traveling public in this country, although not often recognized for its contributions. It is an industry dominated by small businesses, often family owned like Windstar, which provides a vital service as part of the larger national transportation network. Private bus operations include scheduled route services, like Greyhound, but also commuter and shuttle services in and around urban areas and work sites, and charter operations, like Windstar, which operate locally or across the country. Private bus operators also are relied upon by the public for transportation services, and we move our military and serve in times of disasters to assist with evacuations and recovery in the aftermath.

Windstar Lines provides charter bus service, contract commuter service, employee shuttles, and convention transportation support, and we are certified to move our military by the Department of Defense. We are a family owned and operated business based in Carroll, Iowa, with 11 additional locations nationwide. We transport approximately 1.5 million passengers annually, while maintaining an exemplary safety record. However, I am also here to speak on behalf of all rural bus operations, including scheduled operations that serve rural communities and work with state and local governments to ensure these communities have adequate public transportation services.

During the COVID-19 pandemic the private bus industry suffered staggering losses, close to \$12 billion in 2020, alone, and it is still struggling to recover—this is particularly true for rural operators and the vital services we provide. Although Congress enacted the Coronavirus Economic Relief for Transportation Services Act or CERTS in 2021, to assist private operators the industry was left primarily to rely on its own resources to survive the Pandemic. Yet, at the same time, private operators played a critical role, shuttling necessary medical personnel to high-risk areas, connecting rural communities to medical facilities in larger urban areas, and assisting those who faced dire economic circumstances by providing reliable and cost-effective transportation services. From a rural standpoint, this was particularly important, as private bus operations provide a vital link for rural and otherwise isolated communities to the larger national transportation network, urban hubs and facilities, and access to medical and educational resources and jobs.

However, although critical to serving the transportation needs of rural communities, the operating environment for bus operations is deteriorating. Companies are struggling to remain viable, which is becoming increasingly difficult to do.

Rural bus operators like Windstar are facing various strains on their operations. As is well documented, the bus driver shortage is making it difficult to meet staffing needs. However, in the Midwest, because of the lack of availability of Commercial Driver License (CDL) testing facilities and CDL training facilities for bus operators, it makes it even more difficult to attract drivers to the profession. Further, federal CDL requirements for testing, requiring lengthy waits between testing and obtaining a license, are disincentives to pursuing a CDL.

Additionally, roadway infrastructure needs are very important to rural operations. Congestion and potholes are not solely the province of large urban areas. Rural States face similar issues and should have the discretion to address their transportation needs as they see fit, including adding capacity if appropriate to address inefficiencies as well as safety. For example, Highway 30 runs from the east to west border of Iowa, and is the second most traveled roadway in the state after I-80. It is the state's longest roadway and connects major cities such as Cedar Rapids and Ames, and serves over 550,000 of Iowa's 3.1 million population. However, over 80 miles of it remains two-lane, which causes safety concerns, congestion, and operational inefficiencies for businesses like Windstar that depend on it. The Highway 30 Coalition is advocating for the State to modernize this roadway and add capacity to make it a 4-lane highway.

This project is specific to my state, and states need to have the flexibility to identify their own infrastructure needs and make these types of decisions. For this rea-

son, Mr. Chairman, we wholly support your legislation, H.J.Res. 114, to stop the Federal Highway Administration's final rule imposing national performance measures concerning greenhouse gas emissions, on states and transportation planning agencies. Rural states have unique needs and should not be forced into a "one-size-fits-all" mandate restricting their ability to provide critical transportation investments to meet their transportation needs. Unlike urban areas, bike lanes and transit rail are not always an option for rural communities—we, as public transportation providers, need highway capacity, and I want to thank the Chairman for recognizing this and for his legislation.

Another significant issue is that bus operators are losing access to key facilities and destination points providing intermodal connections, and many of these facilities are publicly funded facilities like transit stations, Amtrak stations and airports, which should welcome and promote intermodal transportation. Although there is statutory language¹ requiring these public facilities to provide reasonable access to intercity bus operators, facilities have found ways to get around the law due to gaps in the law or interpretive guidance. This is a major concern for rural bus operators who are trying to ensure their passengers have meaningful connections to the larger national transportation network. Efforts to work with federal partners like the Federal Transit Administration (FTA) or the Federal Aviation Administration, have proven unsuccessful either because the law is insufficient or because of disinterest.

Similarly, rural bus operators are increasingly facing restrictions from the local jurisdictions they are trying to serve, in terms of destination points or pick-up/drop-off locations. The changing business environment for intercity bus operations has led to numerous bus station closings, and while operators seek to relocate many localities are restricting or prohibiting these efforts. For example, rather than permit bus operators to relocate to areas that provide amenities and meaningful connections to other transportation services, they are instead restricting bus stopping points to industrial areas with few amenities and no intermodal access, resulting in less attractive bus service and hurting both the passengers and the bus operator.

The private bus industry prides itself on being one of the few publicly accessible intercity modes of transportation servicing rural communities, ensuring equitable access to the national transportation network in a safe and cost-effective manner. However, if bus operators cannot provide necessary transportation connections and attractive service to customers, the operating model is unsustainable and rural communities will suffer.

Also, federal programs like the 5311(f) rural transportation grant program, managed by FTA, are not keeping up with the costs and business case to support rural transportation bus routes. The funding formula for use of 5311(f) funds is insufficient for subsidizing rural route operations. Increased requirements, like the Buy America requirement, and supply chain issues have increased costs for equipment significantly. Currently, there is only one manufacturer who can supply compliant equipment, and costs for equipment have increased by over 30%. These cost increases, in turn, cut into funds otherwise relied on to cover operating loss costs.

As well, the formula funding for operating loss subsidies, typically 50% of net operating losses, does not fully account for the actual costs to private operators to provide services on routes that would not otherwise exist. By definition, the remaining 50% of net operating losses are unfunded and often require the private operator to subsidize the route, an increasingly difficult burden to carry. The 5311(f) program was initially created to prevent intercity bus operators from abandoning less productive routes. However, we are at a point where the program is not meeting its goals. Operators providing 5311(f) services these days need greater support to sustain their businesses if they are to continue operating such routes and remain viable rural transportation providers. It would also help if States were limited from certifying and transfer these vital funds to other programs when they could be used to provide increased support for rural transportation in other states. Better coordination between the states in support of rural interstate transportation instead of an intrastate-only focus, could also lead to better results for this important transportation lifeline and better connections for passengers to the national transportation network.

In addition to these various challenges for rural operators, the viability of the entire private bus industry is at risk from a number of current regulatory initiatives and policy directions. These initiatives appear to reflect a lack of understanding of bus operations and take no account of the valuable services and benefits private bus operators contribute to our country.

Bus operators, as well as commercial motor vehicle operators in general that engage in interstate operations, are wholly dependent on a national, uniform regu-

¹See, 49 USC 5323(r) and 49 USC 47107(a)(20).

latory safety scheme. This scheme is a hallmark of the Federal Motor Carrier Safety Administration's (FMCSA's) safety oversight role. The Federal Motor Carrier Safety Regulations or FMCSRS work, and they work because operators can cross state lines without the risk of running afoul of differing individual state rules and regulations. Because of this uniform scheme, national safety standards remain in place and all operators must play by the same rules. However, FMCSA is currently entertaining waiver requests to set aside its preemption determination of state ordinances that differ from the national scheme and interfere with their jurisdiction over drivers' hours of service. If FMCSA proceeds to waive its preemption determination and allow states to set their own rules, bus operators like Windstar will be burdened with trying to navigate new rules every time they cross state lines or be faced with heavy penalties and litigation. This is entirely unworkable from a business standpoint, in terms of engaging in interstate operations. Windstar currently operates in the 48 contiguous states; the burden of trying to remain compliant with 48 different HOS schemes would be overwhelming.

Finally, Mr. Chairman, the bus industry has a long and successful environmental track record, taking cars off the roads and relieving congestion, along with adopting cleaner engine technology and cleaner fuels. We are proud of these measures, and certainly are supportive of addressing climate changes issues. However, recent policy initiatives and regulations to drive the commercial vehicle industry transition to zero emissions vehicle (ZEV) technology, albeit well intended, are unrealistic for the bus industry.

Increasingly stringent emissions requirements pursued by the Environmental Protection Agency (EPA) and sometimes driven by or even superseded by the California Air Resources Board (CARB) and like states, are a serious threat to our industry. These agencies seem to take no account of the environmental benefits the bus industry currently provides, in the development of their rules, nor do they consider the costs for new heavy-duty ZEVS and the need for reasonable timelines. In fact, neither EPA nor CARB has made any concerted outreach to the private bus industry to understand our operations or the burdens we face from their rules.

Right now, for motorcoach vehicles, zero emissions technology is still under development—and it is unclear whether batteries or hydrogen fuel cells will be the best fit for such vehicles. Also, appropriate charging infrastructure is not yet in place, and very little attention is being paid to what infrastructure is necessary—in terms of charging capacity, speed, space, and the needs of passenger carrying vehicles. Further, the costs for our industry to transition to ZEVs are significant, particularly for an industry dominated by small businesses, who continue to struggle with recovery from the pandemic. Currently, the cost of an electric bus is two times the cost of a regular diesel vehicle (\$600K v. \$1.5 million), and the price is even higher for a hydrogen vehicle (\$2 million+). Then there is also the cost for installation of onsite charging infrastructure and training for staff, to consider, in order to maintain the fleet. Further, the current ZEV vehicles on the market cannot meet the capacity or the range of diesel operated vehicles, which is particularly problematic in terms of providing rural transportation services. Lastly, purchases of bus equipment are a significant investment for bus operators, who also take into account the resale value of the equipment—which is a known quantity for vehicles on the market today. This is not the case for an electric bus or ZEV vehicle, where resale value has yet to be determined.

Investment of the sort necessary to transition an industry to an entirely new power mode is very risky for small businesses, and especially for rural operators who are already struggling to remain in operation. Although legislation has authorized various grant programs for ZEV investment, none of these programs will assist the private bus industry with such a transition. Please understand, we want to be supportive and are not opposed to moving toward cleaner vehicles, but this transition needs to happen on a more reasonable timeline, with more resources, and with realistic expectations for our industry.

Mr. Chairman, I want to thank you, again, for holding this hearing and allowing me to testify about rural transportation services. I will close by saying the private bus industry provides critical public transportation services to rural and isolated communities. However, if rural bus operators are to survive, there needs to be greater recognition of the critical role we play in the national transportation network and the very real challenges we are facing.

I would be pleased to answer any questions.

Mr. CRAWFORD. Thank you, sir, and I now recognize the ranking member for an introduction of our next panelist.

Mr. LARSEN OF WASHINGTON. Thank you, Mr. Chair. I am pleased to introduce Mr. Todd Morrow, the executive director for Island Transit, which provides safe, reliable, and accessible transportation services for more than 380,000 riders in Island County, Washington State, each year.

Todd is a seasoned leader in the transit industry with 23 years of experience. And I knew him before then, as well. Throughout his career, he has worked to promote public transportation at the local, State, and Federal level. In his role as Island Transit's executive director, Todd has helped the agency weather the pandemic, and he has secured funding for capital projects that will improve service for community members on the island. He has guided the agency through the interagency process by moving towards a zero-emission fleet, as well as implementing sustainable energy practices.

He's also focused on increasing Island Transit's service, adding Sunday service for the first time in the agency's history. Morrow's leadership extends to various industry roles, as well, including past presidency of the Washington State Transportation Association's board of directors, and he continues to be an integral part of The Bus Coalition, serving as the treasurer.

I want to thank him for making the trip out, and look forward to hearing his testimony.

Thanks, Todd.

Mr. CRAWFORD. Thank you.

Mr. Morrow, you are recognized for 5 minutes.

TESTIMONY OF TODD MORROW, EXECUTIVE DIRECTOR, ISLAND TRANSIT, ON BEHALF OF THE COMMUNITY TRANSPORTATION ASSOCIATION OF AMERICA

Mr. MORROW. Thank you very much. Chair Crawford, Ranking Member Larsen, and committee members, thank you for this opportunity to discuss rural transit. I am Todd Morrow, executive director of Island Transit. I am here representing the 1,200 members of CTAA, otherwise known as the Community Transportation Association of America, the majority of which are rural public transit systems.

My public transit agency serves Island County, a rural county of 86,000 northwest of Seattle. Island County has the most visited State park in Washington and is the home of Naval Air Station Whidbey Island. As a rural transit agency, we receive our Federal funding through our State department of transportation. Island Transit has a \$21 million annual budget, 63 buses, 136 employees, 16 bus routes, and an operating base on each of our two islands. We provide traditional, on-demand, paratransit, and vanpool service. We carry approximately 7,500 passenger trips an average week; 13 percent of those are ADA paratransit trips for those receiving door-to-door service. Popular destinations include grocery stores, local hospital, Walmart, restaurants, schools, and the Washington State Ferry for Boeing and Microsoft workers.

Just as in urban areas, people need access to those places. This is especially true for vulnerable Americans, older adults, persons with disabilities, and low-income individuals. Everything we do is about safely and equitably moving people. We are currently grow-

ing our service. Last June, we began bus service on Sundays for the first time.

We are unique because we are zero fare. Our agency receives 70 percent of our operating revenue from voter-approved, locally collected sales tax.

The recent increases in Federal transit funding are making it possible for Island Transit to move two critical projects forward. One is our South Whidbey Transit Center project, which will create a safe place for off-street transfers. The Federal Transportation Administration awarded at \$7.5 million.

Like urban systems, rural systems need modern facilities. Competitive bus and bus facilities funding makes that possible.

One challenge that occurs with facility building is that transit, unlike highway projects, is required to complete the environmental process prior to purchasing the property.

Our other major project is transitioning our fleet to zero-emission vehicles. We have seven battery-electric vehicles in our fleet already, solar panels on our two operating bases, and battery charging at our main operating base.

Another challenge is the availability of vehicles. Our agency's current purchase of nine more electric vans is in limbo because manufacturers have gone out of business. Vehicle prices, particularly for these small vehicles that rural systems depend on, have dramatically increased.

This shortage also impacts large buses, particularly hydrogen fuel cell buses. There is just one Buy America-compliant manufacturer of hydrogen buses. This year, we will be requesting Federal funding to purchase 12 of those full-size hydrogen buses.

Both Island Transit and CTAA support the Federal Transit Administration's recent prioritization of progress payments to bus manufacturers to help them with their cash flow challenges. We would welcome strategies to increase access to new bus manufacturers while they become Buy America-compliant.

For rural systems, the fleet transition is challenging because advances in zero-emission technology have not successfully reached the smaller class of vehicles we use. Their battery range is low. Charging infrastructure, too, is just not as prevalent yet in rural America.

The capacity of our local power grid and grid resiliency is also a concern. To address this, my agency has purchased acreage adjacent to our operating base, with the potential for siting a microgrid there for possible additional electricity.

Recruitment is challenging for transit agencies, as well. We see two places where the Federal Government could help us. One is to fast-track the certification of oral testing labs for our required drug and alcohol testing. CTAA requests members of this committee send a letter to HHS to urge them to finish this important work.

Another area is the requirement for a commercial driver's license. We need an addition to the CDL passenger endorsement that is focused on bus driving and public transit.

I would like to end by introducing you to one of Island Transit's bus riders, James, a veteran turned veterans advocate. He said, "Island Transit gives people like me, a vet, a chance to get to where

I need to go and help others. Without Island Transit, I couldn't do what I do.

I would like to thank you for inviting me to speak to you today.
[Mr. Morrow's prepared statement follows:]

**Prepared Statement of Todd Morrow, Executive Director, Island Transit,
on behalf of the Community Transportation Association of America**

Chair Graves, Ranking Member Larsen, Committee Members:
Thank you for this opportunity to share the challenges and opportunities facing rural transit providers. I am Todd Morrow, Executive Director of Island Transit. I'm here representing the more than 1,200 members of the Community Transportation Association of America (CTAA)—the majority of which are rural public transit systems. I am also a Board Officer of The Bus Coalition and the past chair of the Washington State Transit Association.

ISLAND TRANSIT BASICS

“When you have seen one transit agency you have seen one transit agency” is a common phrase in our industry and aptly describes Island Transit. Island Transit serves Island County, a rural county northwest of Seattle which includes two large islands. One, Whidbey Island, is the fourth longest in the lower 48. This “long-ness” and island geography significantly impacts our operations. To get to our other island, we travel through two other counties. There are only four gateways to our islands, two of them are via Washington State Ferries and the others are by way of bridges, including the iconic Deception Pass bridge. Island Transit helps to mitigate the congestion through those entry points by the bus routes we provide.

Island County has the most visited state park in Washington state. We are the proud home to Naval Air Station Whidbey Island and have a thriving agriculture, arts, and hospitality industry. 86,000 people call Island County home. For federal purposes we are categorized as a rural transit agency and receive our federal funding through our state Department of Transportation.

Island Transit has an annual budget of \$21 million, a fleet of more than 60 buses, a staff of 136, sixteen bus routes, and an operating base on each island. We provide traditional and on-demand bus service, paratransit, and vanpool service. We are governed by a Board of Directors composed of local elected officials and a union representative.

Our route that travels from our largest town, Oak Harbor, to the ferry terminal in Clinton, is our longest. It covers nearly the length of Whidbey Island and is approximately 40 miles long. It runs hourly and carries the most passengers of any of our routes (1,798 an average weekday). The one-way trip lasts about one hour and forty five minutes. We also have long routes connecting our islands to transit systems and larger cities on the mainland.

Popular destinations in Island Transit's service area include the Washington State Ferries for those who work off island, at Boeing and Microsoft. Our popular on-island destinations include our local hospital, grocery stores, Walmart, restaurants, and schools. We also cater to tourists and bicyclists with our summer state park service.

We are somewhat unique among the nation's rural transit providers because we are fare-less and began that way when our service started in the 1980s. Our agency receives approximately 70% of our operating revenue from a voter-approved, locally collected sales tax, which is at the highest level allowed by state law. The rest of our capital and operating revenue comes from federal and state funds. During the COVID era Island Transit received more than \$16 million from the federal government's pandemic relief spending. Those funds made it possible to not furlough staff, among other things. During that time there was a disproportionately high portion of our budget that came from federal programs.

Being fare free has many positives for the operations of Island Transit. The most important is that it removes the fare as a barrier, so that all can have access to the mobility we provide. Even if one can afford a bus fare, simply worrying about how much it is and when to pay, presents a psychological barrier to some. Fare free also transforms the role of Coach Operator. Rather than having to check and enforce each passenger's payment of a fare, that driver can instead focus on helping the customer. This is especially important for the tourists and first-time riders. Finally, not charging a fare negates the cost of having to account for the fares collected, which in some cases may just barely cover that accounting cost.

DEMOGRAPHICS OF ISLAND TRANSIT'S SERVICE AREA

Island County has several notable demographic realities that shape Island Transit's service and its importance. The 2020 US Census Bureau identified that almost 25% of the county's population was age 65 years or older. That is significantly higher than the state and national average of 16% for the elderly population group. 13% of the population identified as veterans, and 15.5% identified as having a disability. All of these factors underscore the need for scheduled fixed-route and especially paratransit service to ensure the mobility of these populations. To efficiently serve these groups we are oftentimes combining our ADA paratransit trips with those on our new on-demand service. Public transportation allows seniors to age in-place in their homes, something many prefer and is less costly than assisted living senior housing.

ECONOMIC IMPACT

The impact of Island Transit on our local economy is threefold: one is from our payroll's impact on the local economy, as one of the larger employers in the county. Another economic impact stems from our construction projects and spending on our service, which generates business in our county. Our service is also beneficial to area businesses, including in the hospitality sector, by making it easier for their customers and workers to access them.

An example of our impact in the tourism industry is when Island Transit began service 7 days a week, including Sundays. Because of our daily operations, our islands can now be advertised as a place to visit every day of the week without an automobile, making it possible for even the transit dependent to enjoy them. Related to that, we started summer service which connects our state parks easily by bus, helping to address congestion and providing access for all.

Another example of the role that transit plays in supporting the local economy is Island Transit's South Whidbey Transit Center project. This project is the recipient of recently awarded Congressionally Directed Spending and of a Federal Transit Administration bus and bus facility (Section 5339) grant. It will support area businesses by making it easier for customers and workers to access them, and it will provide access to a new pedestrian and bike path to the ferry terminal. Visitors to the island (as well as residents who are traveling for work) will have a convenient place to leave their car and travel hassle-free by transit, enjoying the scenic beauty and arts and culture of the island.

During the pandemic, the important role of Island Transit was underscored, as was the case with other transit agencies across America. Essential workers (including hospital workers, first responders, and store employees) still needed to get to their jobs. Others still needed to travel to their medical appointments, grocery stores, pharmacies, and so on. Transit, including Island Transit was there to provide that service and did not shut down. Importantly, as a larger employer, we also kept our workforce employed, in part because we knew the importance of our payroll to the local economy.

THE VALUE OF RURAL TRANSIT

One of the challenges of rural transit is that destinations are farther apart requiring long routes, all in areas with low population density. But transportation in rural areas is just as important as transit in big cities. People in rural areas, as in urban areas, need access to health care, places of employment, goods, and services. This is especially true for vulnerable Americans: older adults, persons with disabilities, low-income individuals, and others.

In rural areas, these long routes increase the cost of bus service. Island Transit, like all rural providers, seeks ways to efficiently provide our services. This includes using small bus vehicles and combining traditional, scheduled trips with those serving disabled passengers.

ISLAND TRANSIT TODAY

Everything Island Transit does is about safely and equitably moving people. And we are currently growing our service. Last June, Island Transit began bus service on Sundays for the first time. We expect to add more hours to our service day, to support those who work later once we have hired more staff.

This service growth began with an analysis of the financial sustainability of our operating revenue, followed by a route network analysis, called *Island Transit Maximized*. That work has made it possible to replace some of our scheduled trips with a more efficient on-demand service, as well as provide service on Sundays and in

new places. On demand service is an increasingly common form of service that involves the customer scheduling their bus trip, rather than expecting a bus at a pre-set time. The scheduling occurs using an application on a smartphone or computer, or by calling dispatch. With these trips being scheduled for a particular rider, a bus is not out circulating empty.

As we add service, ridership on the Island Transit system has grown. This is normal in the transportation industry. Unfortunately, many rural transit systems are not in a position to add more service. Island Transit's financial sustainability analysis showed that the agency has the capacity to provide more services.

During the past 12 month period, Island Transit carried on average 7,485 passengers trips each week. 13% of those trips were paratransit trips. We had the highest ridership in the month of August last year, after we added service on Sundays, with 37,507 passenger trips for that entire month.

Island Transit has embarked on a 17-year plan to replace our current fleet with both hydrogen and battery electric vehicles. We need hydrogen buses because they work on our long routes and are not dependent on an electrical grid that is susceptible to long power outages from storms. Federal investment makes this transition possible. We have 5 battery electric sedans for our vanpool program. We have also installed solar panels on our two operating bases and battery charging at our main operating base. We just received two battery electric, ADA accessible vans and have nine more on order, funded by a grant that includes state and federal funds.

CHALLENGE: VEHICLE AVAILABILITY AND COST

This gets to our first challenge: The availability of vehicles, which has been severely impacted by a bus manufacturing shortage and supply chain issues. My agency's order of nine more vehicles is in limbo because the manufacturer has gone out of business. We are having difficulty finding another vehicle model to replace those, one with adequate range. Vehicle prices, particularly for the small vehicles that rural systems depend on, have dramatically increased, creating another challenge.

This manufacturing shortage also impacts large buses, particularly hydrogen vehicles. There is just one Buy America compliant bus manufacturer of hydrogen buses, its competitor having recently stopped production. This year we will be requesting federal funding to purchase 12 full-sized hydrogen buses. We are concerned that the reduction in manufacturers will mean it will take two years to receive those buses. We welcome strategies to increase access to new manufacturers of bus vehicles while they become "Buy America" eligible.

Both Island Transit and CTA support the Federal Transit Administration's recent prioritization of allowing agencies to make progress payments to bus manufacturers, something that will help those businesses with their cash-flow challenges. Also, in Washington State we are fortunate to have a state department of transportation that has contracts in place with many vendors, making joint procurements easier for smaller transit agencies.

CHALLENGE: LIMITATIONS OF CURRENT TECHNOLOGY

For small transit agencies like mine, fleet transitions like the one we've embarked on will take time. The advances in zero emission technology have not extended to all vehicle classes. The battery range is low for smaller vehicles, making them a challenge for many rural operators whose service areas cover hundreds, and sometimes thousands, of square miles. For our new vehicles we were expecting a range of 200 miles, however our initial testing shows a much more limited range, about 100 miles. For context, most of our vehicles travel 140 to 250 miles or more a day. Charging infrastructure is just not as prevalent yet in rural America.

As agencies like Island Transit move to some electric vehicles, concerns arise about the capacity of our local power grids. Grid resiliency, including after storm damage, is especially important. Our agency is working with our local power provider for a new transformer that is needed for the charging of more electric vehicles. To address this long-term concern, my agency was fortunate to buy acreage adjacent to our operating base, with the hope we may site a micro grid there to support our energy needs.

The national investment in hydrogen hubs will help transit agencies like Island Transit who will use hydrogen for a portion of its fleet. Additional investments in battery technology and the nation's power grid will also benefit the transition to battery and hydrogen fuel cell vehicles.

CHALLENGE: PROPERTY ACQUISITION AND DEVELOPMENT

Just like their large urban counterparts, rural transit systems need modern facilities. Island Transit is working with the Federal Transit Administration to build a transit center at the south end of our long island. We need a place there for safe, off-street transfers. In the latest round of bus funding, the FTA awarded us \$7.52 million for this project. We thank Representative Larsen for that. Senator Murray and Senator Cantwell secured us an additional \$4 million in Congressionally designated spending, in the FY 2024 appropriations bill.

When building facilities, all transit agencies, unlike highway projects, are required to complete the environmental process before purchasing the property. If they do not complete that environmental work first, they are not eligible for federal dollars to develop the project. This makes land acquisition exceedingly challenging for many transit agencies. Thankfully, this was not an issue for my agency, but for others it is.

CHALLENGE: FRONT-LINE EMPLOYEE RECRUITMENT

Recruitment, as for most employers these days, is a significant challenge for my transit agency. We have been able to cost-effectively implement service increases, but we chronically lack drivers. We see two places where the federal government could make changes that would assist us in recruiting: one is to fast-track the certification of oral testing labs for our required drug and alcohol testing. CTAA would like to request that members of this committee send a letter to HHS urging them to finish this important certification. Another area is the requirements for a Commercial Driver's License. We need an addition to the CDL passenger endorsement that is focused on bus driving and public transit. Additionally, there needs to be a way to consider learning disabilities and language differences in the testing.

PRIORITIES

The Community Transportation Association of America is working to address the vehicle shortage, particularly the small bus industry, because those vehicles are the mainstay of most rural transit systems. To that end, CTAA advocates for strategies to address that shortage, including increasing access to new manufacturers while they locate facilities in America and streamlining the vehicle procurement process.

Here are CTAA's 2024 Legislative and Policy Priorities

1. Maintain full funding for FTA formula grant programs as authorized in IJJA.
2. Provide 80 percent federal share for all FTA formula grants, regardless of whether these grants are providing operating or capital assistance to public transit providers.
3. Create a tier of supplemental Section 5311 funding to be awarded on a STIC-like basis to states in which rural transit providers exceed selected performance benchmarks.
4. Assure that FTA recipients and subrecipients can retain all of the proceeds from the sale or disposition of vehicles acquired with FTA financial assistance when they commit to using these proceeds for capital replacement.
5. Set aside a percentage of Section 5339 bus and bus facility grants, including Section 5339(c) low- and no-emission bus and bus facility grants, for award to tribal nations' bus, bus facilities, and "low/no" projects.
6. Make the Internal Revenue Code's charitable mileage rate for volunteer drivers the same as the mileage rate for non-taxed reimbursable business travel, and adjust the charitable mileage rate annually, just like the business rate.
7. Have FTA establish a public interest waiver from Buy America for standard production vans and minivans, including vans and minivans modified solely to become accessible to wheelchair-using passengers, provided that the final assembly of these vans and minivans takes place in the US, Canada or Mexico.
8. Develop criteria for identifying particular states and urban areas with exceptionally low numbers of CDL-holding drivers as "transportation professional shortage areas," and give FTA authority to consider waiving any or all provisions at 49 USC Section 5323 as requested by FTA recipients in those areas.
9. Require FTA to identify the scope of data collection and reporting requirements currently placed upon its rural, tribal and smaller urban transit recipients, and mandate that no additional data collection or reporting requirements be placed on these transit providers until or unless existing requirements are streamlined, simplified or reduced.

10. Have DOT and HHS take steps to accelerate the implementation of saliva-based testing for marijuana among employers and employees covered by federally required transportation workforce drug and alcohol testing regulations.
11. Call upon FTA to allow (and provide guidance concerning) advance and progress-based payments for vehicle procurements likely to take 13 months or more to fulfill, and establish mechanisms by which FTA can allow the use of performance bonds to assure timely, cost-compliant production and delivery of transit vehicles.
12. Change DOT NEPA guidelines to allow FTA recipients to acquire the real estate for bus-related facilities prior to beginning the environmental assessment process.
13. Provide technical assistance and financial incentives to advance the deployment of charging infrastructure for electric medium- and heavy-duty buses, trucks and heavy equipment where appropriate in smaller communities and rural areas, particularly to enable coordination and partnerships between local utilities, transit agencies, local public works agencies and other fleet operators.
14. Establish a program of FTA formula grants specifically for tribal nations' transit projects on reservations and tribal lands in urban areas with populations greater than 50,000.

The Bus Coalition has the following priorities:

- Increasing funding (\$400 million) for the Bus and Bus Facility Program along with legislative language that would set aside a portion (\$150 million) for the FTA to address cost escalations for previous grant awardees.
- Support for CTAA's efforts to address the cutaway crisis.
- Support microgrid and battery storage initiatives through the Department of Energy and FTA
- Seek additional spare ratio flexibility.
- Address local match concerns, especially as transit systems transition to more expensive zero emission vehicles.

I'd like to end by introducing you to one of Island Transit's bus riders, James. James is a veteran turned veteran's advocate. Not only does he use Island Transit, but he also sees it as linking the veteran community to essential resources. He said: "Island Transit gives people like me, a Vet, a chance to get to where I need to go and help others. Without Island Transit, I couldn't do what I do."

Thank you for being our partner in providing the service that benefits so many. Thank you for the opportunity to share about our needs as we do this work.

Mr. CRAWFORD. Thank you. I now recognize the gentleman from South Dakota to introduce our final witness.

Mr. JOHNSON OF SOUTH DAKOTA. Mr. Chairman, on one hand, it is sufficient to describe my friend, Scott, as a third-generation producer from Volga. That's important and noble work, so, it's a good description. But on the other hand, it doesn't tell the whole story.

The reality is Scott is among the very most trusted policy voices in South Dakota. And as I thought about why that is, it's because so many people in politics, they are dramatic, and they are hyperbolic, and their hair is always on fire. In typical Farm Bureau fashion, though, Scott VanderWal is level, steady, deliberate, and wise, and so, people in South Dakota have figured out that when Scott VanderWal tells you something, you can take it to the bank. And I am sure that will be the experience of this committee, as well, today.

Thank you for being with us.

Mr. CRAWFORD. I thank the gentleman from South Dakota. And Mr. VanderWal, you are recognized for 5 minutes.

**TESTIMONY OF SCOTT VANDERWAL, NATIONAL VICE
PRESIDENT, AMERICAN FARM BUREAU FEDERATION**

Mr. VANDERWAL. Well, thank you, Mr. Chairman and members of the committee. Good morning. I am Scott VanderWal, a third-generation corn and soybean farmer and cattle feeder from east central South Dakota. I am president of the South Dakota Farm Bureau and vice president of the American Farm Bureau Federation. And I am pleased to offer this testimony today on behalf of the American Farm Bureau Federation and the nearly 6 million Farm Bureau member families across these United States.

The long-term success of American agriculture relies upon a robust, safe, and dependable transportation network. My testimony today will outline several key issues affecting our Nation's agriculture, industry, and transportation infrastructure. During the past few years, farmers in South Dakota have been under pressure from a variety of factors outside of our control, such as the pandemic, three consecutive years of drought, and the highly pathogenic avian influenza.

Farmers were more frustrated than anyone at the supply chain delays we saw during the pandemic. We want the supply chains straightened out as soon as possible so we can get goods from our farms to America's pantries. That is why I am grateful that Representative Johnson from South Dakota has introduced the Modernizing Operations for Vehicles in Emergencies Act, or the MOVE Act. This bill gives States more flexibility to waive Federal weight limits in the Interstate Highway System in order to allow the States to respond to emergencies. This will help to resolve supply chain issues quickly and allow our food system to be more adaptable.

The American Farm Bureau Federation continues to be supportive of the Infrastructure Investment and Jobs Act, or IIJA, that made essential investments to our Nation's infrastructure. These investments will continue to give farmers and ranchers a leg up on competitors in the world market.

This last year, the U.S. became a net importer of food for the first time in many of our lifetimes. So, new investments are timely. This is a huge concern for us, as we work very hard every day to make sure that the United States is not dependent upon other countries for our food supply. Food security is a huge part of national security, and we take that very, very seriously.

Farmers and ranchers do not work remotely, but our products reach markets well beyond our farm gates. Nearly everything we do involves physical items, whether it's crop inputs, feed, livestock, grains, or other produce that we grow. These all have to be moved physically from or to markets around the world or the United States. While highways play a vital role in transporting goods across the country, we must also recognize the importance of our rail and inland waterway infrastructure. In most cases, transporting goods via waterways can be more cost effective than traditional road transport.

The national Highway Trust Fund serves as the backbone of our transportation infrastructure, providing crucial funding for maintenance and improvement of our roads and bridges. Farm Bureau

supports increasing Federal Highway Trust Fund fees to reflect improvements in fuel economy and increased inflation.

We also support revenue collection efforts to those users whose vehicles do not contribute to the Federal Highway Fund, such as electric vehicles. I am hopeful that this committee will work with the American Farm Bureau Federation to prioritize long-term, sustainable funding solutions for the national Highway Trust Fund.

Electronic logging devices, or ELDs, play a crucial role in ensuring the safety and efficiency of our Nation's transportation system. However, certain exemptions of these devices are necessary to accommodate the unique needs of the agricultural community. We aren't hauling widgets that can sit in a truck bed for 10 hours. We are hauling live animals, and each stop along the way poses hazards to the livestock. The IIJA provided an exemption for livestock and insect haulers from hours-of-service regulations within a 150 air-mile radius of their final destination. We are thankful that Congress continues to recognize that need, and we ask for continued support on that.

In conclusion, I urge this committee to consider the perspectives and priorities of the agricultural community as you work to address the challenges that face our Nation's transportation infrastructure. By working together to prioritize long-term investment, maintain necessary exemptions, and promote biofuel production, we can ensure a brighter, more sustainable future.

Thank you so much for the opportunity to testify before you today, and I will look forward to your questions.

[Mr. VanderWal's prepared statement follows:]

Prepared Statement of Scott VanderWal, National Vice President, American Farm Bureau Federation

Mr. Chairman and members of the Committee, I am Scott VanderWal, a third generation corn and soybean farmer and cattle feeder from Volga, South Dakota. I am President of the South Dakota Farm Bureau and vice president of the American Farm Bureau Federation. I am pleased to offer this testimony on behalf of the American Farm Bureau Federation and the nearly 6 million Farm Bureau member families across this country.

The long-term success of American agriculture relies upon a robust, safe and dependable transportation network. Farmers and ranchers need to efficiently transport goods to market to ensure our nation's food supply remains safe and secure. Access to well-maintained roads, waterways, ports and railways is critical for business, and outdated infrastructure in our rural communities poses a significant threat to the security of our agricultural economy.

Rural communities play an important role in our nation's economy. They are home to a majority of U.S. manufacturing, farming and ranching. American agriculture provides the food and fiber for our country and the world, creating jobs for millions of Americans. Deteriorating rural infrastructure, however, threatens the competitive leadership of American agriculture. Our farmers' and ranchers' ability to meet domestic demands and compete globally depends on a robust and reliable infrastructure.

My testimony today will outline several key issues affecting our nation's agriculture industry and transportation infrastructure.

MOVE ACT

During the past few years, farmers in South Dakota have been under pressure from a variety of factors outside of our control, such as the pandemic, three consecutive years of drought, and the Highly Pathogenic Avian Influenza. Of course, negative headlines often find a way to crowd out the positive, but research shows that Americans trust farmers and ranchers, more than any other profession. They under-

stand that we are committed to growing safe, sustainable food, fiber and fuel, even as we face mounting challenges beyond our control.

Farmers were more frustrated than anyone at the supply chain delays we saw in the pandemic. We want the supply chains straightened out as soon as possible so we can get goods from the farm to America's pantries. The federal government needs to provide flexibility to states when we are dealing with pandemics or disaster events. We all saw that firsthand.

That's why I'm grateful that Representative Dusty Johnson (R-SD) has introduced the Modernizing Operations for Vehicles in Emergencies (MOVE) Act.

This bill gives states more flexibility to waive federal weight limits on the interstate highway system in order to allow the states to respond to emergencies. This will help resolve supply chain shortages quickly and allow our food system to be more adaptable.

INFRASTRUCTURE INVESTMENT AND JOBS ACT (IIJA)

The American Farm Bureau Federation continues to be supportive of the IIJA that made essential investments to our nation's infrastructure. These investments will continue to give farmers and ranchers a leg up on competitors in the world market. This past year, the U.S. became a net *importer* of food—for the first time in many of our lifetimes—so new investments are timely.

Farmers and ranchers do not work remotely, but our products reach markets well beyond our farm gates. Farm inputs and the products we raise all have to be moved to markets across the world. Our competitive advantage has always been an efficient transportation network.

While highways play a vital role in transporting goods across the country, we must also recognize the importance of our rail and inland waterway infrastructure. In most cases, transporting goods via waterways can be more cost-effective than traditional road transport.

By improving and expanding our inland waterway infrastructure, we can alleviate congestion on our roads and reduce the wear and tear on our highways. Studies [<https://www.nationalwaterwaysfoundation.org/file/28/tti%202022%20final%20report%202001-2019%201.pdf>] have shown barges can provide transportation at a tenth of the cost of rail and a sixteenth of the cost of trucking when available. This not only benefits the agricultural industry but also contributes to overall economic efficiency and environmental sustainability.

NATIONAL HIGHWAY TRUST FUND

The National Highway Trust Fund serves as the backbone of our transportation infrastructure, providing crucial funding for the maintenance and improvement of our roads and bridges.

However, the Trust Fund faces significant challenges, including insufficient funding and outdated infrastructure. According to the Congressional Budget Office (CBO), projections indicate a shortfall of \$149.7 billion over the five fiscal years following the expiration of the IIJA.

Farm Bureau supports increasing Federal Highway Trust Fund fees to reflect improvements in fuel economy and increased inflation. We also support revenue collection efforts to those users whose vehicles do not contribute to the Federal Highway Fund (electric vehicles).

I am hopeful that this committee will work with the American Farm Bureau Federation to prioritize long-term, sustainable funding solutions for the National Highway Trust Fund to ensure the continued viability of our transportation infrastructure and make sure all those who use our highways pay into the Trust Fund.

ELECTRONIC LOGGING DEVICES—HOURS OF SERVICE EXEMPTION

Electronic logging devices (ELDs) play a crucial role in ensuring the safety and efficiency of our nation's transportation system. However, certain exemptions of these devices are necessary to accommodate the unique needs of the agricultural community. Farmers and ranchers often operate on tight schedules dictated by weather conditions, harvest cycles and market demands. Mandating ELD regulations without providing necessary hours of service exemptions for livestock would raise serious concerns about animal welfare.

We aren't hauling widgets that can sit in a truck bed for 10 hours. We are hauling living animals and each stop along the way poses hazards to the livestock. Farmers and ranchers need to ensure that their livestock are healthy when they arrive at their destination. The IIJA provided an exemption for livestock and insect haulers from Hours-of-Service regulations within a 150 air-mile radius of their final destina-

tion. We are thankful that Congress continues to recognize that need and ask for continued support.

FEDERAL HIGHWAY ADMINISTRATION (FHWA): NATIONAL PERFORMANCE MANAGEMENT MEASURES; ASSESSING PERFORMANCE OF THE NATIONAL HIGHWAY SYSTEM, GREENHOUSE GAS (GHG) EMISSIONS MEASURE

Farmers and ranchers across the country are committed to providing food to both domestic and global markets. We recognize the importance of sustainable practices that minimize our environmental footprint and believe that agriculture is well-positioned to help reduce emissions. Renewable fuels offer a choice that can supplement fossil fuels, helping to reduce our emissions while giving us a valuable market for the crops we grow.

Congress should continue to invest in biofuel infrastructure and promote the use of renewable fuels by passing year-round E15. The Environmental Protection Agency could also help by providing larger volume increases to advanced biofuels so that heavy-duty trucks can be more involved in lowering emissions. These actions could be quick fixes to reducing greenhouse gas emissions on roadways.

This past November, FHWA finalized a rule that imposes emissions performance measures on state departments of transportation. This rule will favor states with large populations that can build public transit or buy electric buses. We do not support additional burdens placed on states by the FHWA with respect to establishing declining carbon dioxide targets and for states to then report on progress toward the achievement of those targets.

South Dakota highway users—and all rural Americans—want to see safe and reliable roads well into the future. Adding more bureaucracy and red tape to the highway planning process will limit long-term success and put rural Americans at a disadvantage. If the federal government's goal is to lower emissions on the roadway, higher blends of renewable fuels are proven policy solutions to help achieve national climate goals.

CONCLUSION

In conclusion, I urge this committee to consider the perspectives and priorities of the agricultural community as you work to address the challenges facing our nation's transportation infrastructure. By working together to prioritize long-term investment, maintain necessary exemptions, and promote biofuel production, we can ensure a brighter more sustainable future. Thank you for the opportunity to testify before you today. I look forward to your questions.

Mr. CRAWFORD. Thank you, sir. I thank all the witnesses for being here today. Thank you for your testimony.

I now turn to Member questions. I recognize myself. I would like to raise an issue that I have significant concerns with, which is the Federal Highway Administration's final rule to create a greenhouse gas performance measure forcing State departments of transportation and metropolitan planning organizations to set declining targets for carbon dioxide emissions stemming from transportation on the National Highway System.

This policy was considered and rejected as part of negotiations of the Infrastructure Investment and Jobs Act. Despite that fact, the Biden administration continues to march forward with their proposal. The full committee and this subcommittee have previously heard concerns from other stakeholders regarding this rule.

Specifically, folks have raised concerns about how this rule will impact the ability of States to select their own projects and what that would mean to rural communities. As I mentioned in my opening statement, these are areas where a subway system or bike lanes just simply don't make sense, and they won't help move people or goods within or from our rural areas. So, I would like to start with Mr. Greteman.

Do you share those concerns?

Mr. GRETEMAN. Yes. Great question, Chairman, absolutely.

Because the greenhouse gas performance measures apply a one-size-fits-all to both rural and urban communities, it just doesn't make sense for certain communities to have bike lanes, to have subways, to have heavy transit in rural Iowa, rural Arkansas, western Nebraska. These places don't need that type of service. And when you start influencing States, State officials on how they can spend their revenue, it leads to—to me, it just seems like a recipe for disaster.

And reducing greenhouse gas is important, but it needs to be done in a fiscally sensible way. They will end up spending money on projects that are not necessary and don't provide any economic benefit. And no, I don't think it benefits rural America at all.

Mr. CRAWFORD. Thank you.

Mr. VanderWal, you addressed this in your written testimony. Do you want to expand on that?

Mr. VANDERWAL. Thank you, Mr. Chairman. Yes, we are very concerned about that process because it does complicate the process.

For a small State like South Dakota, we don't have the resources in a lot of cases. And frankly, not the need for some of these transportation methods. Like you mentioned, subways, we don't have any subways in South Dakota. Electric vehicles is another one that is a real challenge for us because it can be 25 degrees below zero in the wintertime. And as we saw with Chicago during the cold snap this winter, they don't work well in that circumstance.

So, we believe it's not fair to States that have fewer resources, and we need flexibility among the States. Like the previous speaker said, one size doesn't fit all.

Mr. CRAWFORD. Got it. Mr. Greteman, in your testimony, you discussed the importance of having one Federal standard for companies engaged in interstate commerce as it relates to meal and rest break provisions. Can you elaborate on that, and why there is currently a patchwork of State provisions, and how that's problematic?

Mr. GRETEMAN. Yes. Thank you, Mr. Chairman.

One aspect of our company's mission is maintaining operational simplicity. And not only would this create operational inefficiencies for our company, it creates operational inefficiencies for every single company that operates in interstate commerce. How would the DOT hours-of-service rules apply? Which State regulations would supersede?

We have motorcoaches that depart Sioux Falls, South Dakota, pick up a group in northwest Iowa. The driver from South Dakota switches drivers in Illinois or Missouri by St. Louis, switch to another driver. Which sets of rules would apply? We are going to drive through six States. We are going to use drivers from multiple States. We have an origin, we have a destination. Which State rules will apply? Cross-country travel will be completely disrupted. How will electronic logging devices accommodate the different State changes?

Right now, the Federal Motor Carrier Safety Regulations, they work. We have a uniform safety scheme that works great for the United States travel, and having a patchwork of different State

provisions would just be an utter failure in progress of moving goods, services, and people across the United States.

Mr. CRAWFORD. Thank you. The Clean Freight Coalition just this week announced the results of a study which found \$1 trillion of investments could be required to meet goals set by States and the Federal Government to reduce emissions from and electrify the trucking sector.

Mr. VanderWal, our ag sector, like many others, relies on trucking to deliver goods to market. American families are dependent on those products. I have some concerns about forcing a massive shift to EVs, and particularly as it applies to trucks. A trucker hauling cattle across Arkansas doesn't have the hours to spend waiting for their truck to charge. Your thoughts on that? And in just a few seconds.

Mr. VANDERWAL. Yes, we would be concerned about that. We feel that if the administration wants to reduce the carbon footprint, we certainly have something to contribute through biofuels and renewable fuels that we can contribute. You are correct, we can't have livestock trucks sitting along the side of the road, especially in hot conditions. So, it's very, very much a concern for us.

Mr. CRAWFORD. Thank you. I appreciate that.

Ranking Member Norton.

Ms. NORTON. Thank you, Mr. Chairman. This is a question for Mr. Koles.

Can you share your concerns about the bill and the effects that allowing heavier trucks would have on safety and infrastructure, particularly on bridges?

Mr. KOLES. We work closely with the Farm Bureau in our State, and we are going to take just a little bit different position than the Farm Bureau during this hearing.

So, NATaT is opposed to extra weights on the roads. From an engineering aspect, it creates more damage, especially to bridges. Bridges don't care about axles, it's all about weight. And then, from a safety standpoint, for the few States that we do have enough quality data from, the safety aspects are problematic, as well, because the crash amounts increase. So, we are very concerned about any increased weights beyond the current standards that are there right now.

Ms. NORTON. Thank you.

Mr. Morrow, your testimony notes that over 15 percent of people in Island County have a disability. Transit is often a lifeline for people with disabilities. Can you share any strategies or success stories from Island Transit's work serving those in your community with disabilities?

Mr. MORROW. Well, thank you very much, Ranking Member Holmes Norton, I appreciate the question.

And yes, as you know, transit is critical to supporting access to opportunities for all Americans, especially those who are dependent on it, and that includes people with disabilities.

And one of the things that we have done in order to make more access to opportunities available is increase our service and add service. As you heard, we added Sunday service for the first time in our history, which means that now people who are transit-de-

pendent, are with disabilities and use us, can now access and do whatever they want on Sundays where our service goes.

And one really interesting story about that was a gentleman named Lucas, one of our bus riders, a wonderful young man who was obviously thrilled that we would add Sunday service because it opened up opportunities for him. He organizes his life around our bus service so that he can see his friends, and go to work, and do all those things. When he met me the first week after I was at Island Transit, he saw me standing at the bus stop looking like I am today, and I think he was pretty suspicious. Who is this guy getting on there? And he knew right away I was the new executive director, and he treated me like the President of the United States, because what Island Transit does for him on a daily basis so very much improves his life. Thank you.

Ms. NORTON. Mr. Morrow, what can Congress do to help ensure transit agencies can purchase the vehicles they need?

Mr. MORROW. Well, thank you for that question. You are already doing it with the investments. For instance, the strong and increased investments in the bus and bus facilities program has made a substantial difference.

Obviously, a bus operator like myself will say there is always room to do more. I think you all know that there was maybe \$8 billion in requests in the last round for bus and bus facilities funding, and available was about \$1.7 billion, something like that. My agency benefited from that, and I thank Ranking Member Larsen for that, for the FTA grant that we received.

But also, supporting things like the progress payments that the FTA is working on that will help manufacturers so that they can receive payment for the vehicles as they are produced, that will help them.

Investing in technology. One of the real challenges in the rural transit industry for us in the CTAA world is that not all of those improvements have made it to the small bus market yet. And so, we really need to see longer battery ranges, other options in the small vehicle market.

And then, as I mentioned before—and this is, I know, something that some of you are working on—is an on-ramp for the manufacturers who are in the process of coming to the United States, who have good vehicles that we could use today. We need somehow to have access to those vehicles while they are working through the Buy America process.

It's all those sorts of things in combination, and then also remember it's different depending on whether it's small vehicles and large vehicles. There is no one-size-fits-all response. Thank you.

Ms. NORTON. And I yield back.

Mr. CRAWFORD. The gentlelady yields. The gentleman from South Dakota, Mr. Johnson.

Mr. JOHNSON OF SOUTH DAKOTA. Thanks, Mr. Chairman.

Mr. VanderWal, ag shippers have dealt with a lot in recent years: high path, drought, COVID. Talk to us about the difficulties they have faced when dealing with those challenges and the emergency truck weight waivers.

Mr. VANDERWAL. Well, thank you, Representative, for that question. That is a big deal for South Dakota and, frankly, most of the States.

And I guess I would use an example of the Texas drought about 3 years ago. South Dakota was having a good year. We had lots of hay, and we had lots of ranchers wanting to donate hay to the ranchers in Texas. And logistically, it got to be a problem because they had to get exemptions from Governors across all the States, all the way from South Dakota to Texas, and that got to be quite a process.

But what the situation is, is you want to do something like that as economically, inexpensively as you can. And when you have people donating hay, and in some cases, we had people donating their—at least some of the truck-miles, the trip permits and all the things that go along with going through those States and the different regulations get to be a problem. So, our members put in policy a request to streamline the process to make that happen more economically.

Mr. JOHNSON OF SOUTH DAKOTA. Yes, and you could just imagine all kinds of scenarios, emergency scenarios, where some additional flexibility and streamlining that flexibility could be useful. Give us some other ideas, examples of where ag shippers or, really, the ag industry generally would want a little more flexibility.

Mr. VANDERWAL. Well, I would start out by answering that by saying the livestock can't wait for feed in disaster situations. We have had it in South Dakota, too: floods, snowstorms, all kinds of things. We have had several cases in the past where the Governor has waived the height and weight limits for trucks hauling hay certain times of the day or extended the hours. Those are all times when livestock in particular need taken care of, and they can't wait, like I said.

Mr. JOHNSON OF SOUTH DAKOTA. So, as we look to—and there is a 150-mile exemption for ag truckdrivers that they can get around the hours of service, or the hours of service don't apply to them. In general, is that working pretty well? Are there any reforms needed to the system?

Mr. VANDERWAL. Yes, it certainly has helped, because it gives them some flexibility. And flexibility is what we really need. When we talk about this whole situation, that is really the key.

And I will use an example of trucks that go out to western South Dakota or Montana to pick up feeder cattle. A lot of times they have to go out in the pastures, and the rancher will often have them rounded up in the corrals, and sometimes they don't. So, the trucker can arrive, and it might take 20 minutes to load the load, or it could take 2 hours. And at that point, they might know that they are going to be out of hours before they get where they are going.

And a concern that we would have there is if that happens, a rancher may not be able to sell his cattle that have to go that far away. And maybe that's the best bidder for his cattle, but he could be prevented from selling for the best price in that circumstance.

Mr. JOHNSON OF SOUTH DAKOTA. Yes, not everybody might understand how much more difficult cattle can be to wrangle than a

pallet of iPhones. They have their own minds, and they don't always take orders very well, as you know better than I do.

Let's talk a little bit about the global supply chain and shipping. During COVID, the west coast ports were pretty locked up for quite a little while. That had a pretty big impact on beans, which I know, along with corn and cattle, you produce.

And then also with the Red Sea. I mean, is Farm Bureau concerned about—and have we seen much disruption, particularly among the corn and bean folks, because of the Red Sea issue?

Mr. VANDERWAL. Yes, we have seen some disruptions. And, obviously, we are in a worldwide economy when it comes to corn and beans and a lot of these commodities. And it affects the markets because the markets get jittery about certain things like that. They don't like uncertainty, they don't like disruptions.

And whether or not the products that we raise in South Dakota are going someplace where they have to go through the Black Sea, that doesn't really matter. But it's the disruptions in the market. And so, we try to look for other markets or expanded markets around the world, but at this point, we haven't been able to do that, either. So, it is a problem, and we are concerned about it going forward.

Mr. JOHNSON OF SOUTH DAKOTA. So, Mr. Chairman, I would close by just trying to underline a couple of things that Mr. VanderWal talked about, the things that we can take back into our work.

Number one, some additional flexibility for America's growers. I mean, our farmers and ranchers, they will do better if they have the flexibility they need to get these products, get this food to market.

And then also the importance of developing new markets abroad. In America, we ship out a heck of a lot of corn, beans, beef, vegetables, dairy, and other things. People are hungry for our food. Let's make it easier for them to get it.

With that, I yield back.

Mr. CRAWFORD. The gentleman yields. Ranking Member Larsen.

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

Mr. MORROW, Todd, thanks for coming and helping us out on short notice. I appreciate that. And I wanted to give you an opportunity to talk a little bit about Island County or Island Transit service. I think it might have been kind of glossed over quickly. Island Transit, by virtue of its name, it's an island. In fact, it's two islands, not just one island. It's two separate islands unconnected by a bridge. You have to go around into other counties to get to the other island.

So, you have some unique challenges, but you are trying to update service, expand service, extend hours. And of course, you moved to Sunday. From a rural transit perspective, what were the challenges and what are the challenges you are facing doing that?

Mr. MORROW. Yes, thank you very much, Congressman.

One of the main challenges right now—and I think it exists in pretty much every industry, of course—is having the workforce available to do the things that are needed. In our case, we just started another class of driver trainees. That's great, but we still need more. And in order to complete our transition that you al-

luded to, to what we call Island Transit Maximized, to expand service, to really meet all the needs throughout the day, we need to add a couple of hours to the end of the day. And that's the last thing that we need to do, and it's going to take us probably about 7 to 10 more drivers in order to do that. So, it's going to be several months off. We had hoped to do it last year. So, that is always challenging.

Operating costs are definitely always higher in rural environments, and that's something that all of us that provide transit across America in particularly rural situations know. But just because we are in a rural environment doesn't mean that those people deserve any less the services that all Americans enjoy.

Mr. LARSEN OF WASHINGTON. So, on extending hours to the end of the day, why is that so important?

Mr. MORROW. Well, we have essential workers, for instance, that rely on transit because their transportation costs are so high. Transit allows them to save money. And these are the people that work, for instance, at Walmart, one of our busiest commercial entities on the island that serves the people that are there. Their hours are until 11 o'clock at night, and so, those workers that work those shifts are not currently able to use us because we don't have those hours. That is what our goal is to add those hours so that we can support those workers.

Mr. LARSEN OF WASHINGTON. And then do you have specific service? You mentioned Naval Air Station Whidbey Island, which is the, I should note, home of half of the P-8 fleet and all of the Growler fleet, the electronic attack aircraft. So, you are welcome, America. Do you have any specific service for NAS Whidbey Island?

Mr. MORROW. Yes, thank you for asking. We actually have on-demand direct service, where individuals who are properly credentialed, including servicemen and servicewomen, as well as civilians that are there, we take them from their neighborhoods directly on base. And the wonderful thing about it is it avoids the congestion at the gate and leading up to the gate, and it saves them money. Many of them are a single-car household, and so, this frees up the car to be used by the spouse that's not working there.

Mr. LARSEN OF WASHINGTON. You mentioned a challenge, or maybe you didn't see it as a challenge, but the service you provide for folks who are disabled or homebound or otherwise—about 13 percent of your ridership.

Mr. MORROW. Correct.

Mr. LARSEN OF WASHINGTON. Is that right?

Mr. MORROW. Yes, exactly, yes. Thirteen percent of our service is paratransit service. Obviously, that's expensive because you are providing a door-to-door service. So, what we try to do is batch together as many trips as possible. There is software that we use. This is something rural transportation providers have been doing forever, is figuring out ways to efficiently transport people where they need to go. But it is more expensive. We have combined it now with our on-demand service in other areas, so that we can do all of those things together more efficiently.

Mr. LARSEN OF WASHINGTON. How does that compare to, say, your neighboring transit agencies?

Mr. MORROW. Well, on-demand service is something that is starting to be seen more and more across the country. We have just started it. There are some that still do not have it.

And then, if you are getting to the point of how do we connect up with other systems, we have arrangements and we do connect both our paratransit and our fixed-route scheduled service so that people can make those connections.

However, if you are a veteran and you need to go and—to Veteran Affairs or medical services, that can be harder in a rural area like ours, because there are no direct bus routes off the island to take people. So, there are actually social service agencies that provide that service with our help. We provide them the van, the training, we maintain that van so they can do that.

Mr. LARSEN OF WASHINGTON. Thank you. Thanks very much. Thanks for making the trip out, and hopefully we will see you at home.

Mr. MORROW. Thank you.

Mr. LARSEN OF WASHINGTON. I yield back.

Mr. CRAWFORD. The gentleman yields. Mr. Mann.

Mr. MANN. Thank you, Mr. Chairman, and Mr. Chairman, thanks for having this hearing to really zone in on the needs of our rural communities.

So, I represent the First Congressional District of Kansas, which is 60 counties in the mostly central and western part of the State. I am from a rural community. My hometown, 800 people. My driver's ed coach was also my basketball coach, which, if you are from a rural community, you understand that. And he used to load us up when we would drive 60 miles to the big city of Hays—because there are stoplights in Hays, and there is no stoplight in our county—as we were learning how to drive.

Our family has a farm and a feed yard, and I remember—that my dad and brother still operate—middle of the night, a cattle truck rolls in, you unload them, those cattle may have been on the road from Kentucky, Tennessee, Texas, Florida. Incredibly important. And repeatedly, the driver's number-one priority was safety and also caring for those animals. And then they would put their own needs last, because that's just the makeup of that industry.

And Mr. VanderWal, I have a handful of questions for you. And this continues to come up, this hours-of-service exemption. And it keeps coming up this morning because it is so incredibly important to the industry. So, would you just further expand upon the importance of the exemption, but also possible ramifications, or what are the effects if we do not continue this exemption in the future?

Mr. VANDERWAL. Well, thank you for that question.

It all comes down to flexibility, again, like I said before. I will use the example of loading cattle in Montana. That can vary by a couple of hours. And it's so important, especially in hot times when you are hauling livestock, you have to keep moving to make sure that the air moves through the trailer to keep livestock cool. And they can't just be sitting along the edge of the road.

So, like I said earlier, that may limit a person's ability to sell where he wants to sell, or it could just be a situation where we are not treating the livestock right, and that's not what we are after

at all. First is safety of the people driving the truck and the vehicles around it, but also animal welfare.

Mr. MANN. That's exactly right. What could Congress do to improve upon the exemption?

And should we consider codifying it or making it permanent?

We forget, you know, we have to make an exemption every year. I would be for just making this flexibility permanent, but what are your thoughts on that issue?

Mr. VANDERWAL. Well, first of all, we very much appreciate the exemption, because it has solved some problems and given us flexibility. But it would be nice to have it permanent, because we always have to have our antennas up to make sure we are out there advocating to get that renewed again.

Mr. MANN. Yes, and it just provides more uncertainty to an industry that is plagued with uncertainty given market conditions and all the travails of trying to raise and care for, feed, and eventually produce livestock to produce meat.

Last question. How can Congress ensure that our rural infrastructure is prioritized at a time when it seems like many times the administration overlooks rural America? In your view, Mr. VanderWal, what is the administration and what ought we be doing to focus more on the rural communities all across our country, from a transportation standpoint?

Mr. VANDERWAL. Well, that's a great question, and I think it really comes down to recognizing the importance of rural America in producing our food for our country and for the world, and also energy and fiber.

I always say when I give a speech: food security is national security. As long as we can feed ourselves, no matter what happens around the world, we'll be OK. But if we get to the point where we have to depend on other countries for our food supply, that's a serious problem.

Mr. MANN. I wholeheartedly agree. Mr. Chairman, thank you again for having this hearing, thank you all for being here. And I yield back the balance of my time.

Mr. CRAWFORD. The gentleman yields.

Mrs. Foushee.

Mrs. FOUSHEE. Thank you, Mr. Chairman, and thank you to the witnesses for your testimonies.

In my district, North Carolina's Fourth Congressional District, the Research Triangle Park is growing, thanks to investments in rural class research centers and businesses big and small. But as it grows, the lack of affordable housing has pushed those who work in the Triangle to move farther and farther out into the more rural areas. That's why it has become more important for regional transportation to reach rural areas like those in Granville, Person, and Orange Counties, for example.

Mr. Morrow, how can we better mitigate traffic on the major local roadways to ease access for those who commute long distances daily?

Mr. MORROW. Thank you very much for that question.

Invest more in transit because, as Island Transit does, we have services that run from one of our islands into another county just

for that exact reason. Every time you have more transit, more people can use it, and that takes cars off those roads.

And in many cases, those commutes are pretty awful, I am imagining, in your district, and it is a far better way to ride comfortably in a bus, and not have to worry about that congestion.

And you are benefiting all the other users of that highway, as well, because you are actually increasing the carrying capacity of those roadways without spending millions of dollars to add more lanes by instead putting people who choose to on buses.

So, it's a win-win for everybody. We have a great relationship with our State department of transportation in Washington State. They very much support the work of transit because they know, the more that people use transit, it increases the capacity of those facilities and lessens the burden on them to expand and increase them at even higher rates.

Thank you for the question.

Mrs. FOUSHEE. Thank you. I also have a concern about the difficulties that small, rural municipalities face in applying for grant funding, like a lack of time, staff, and experience. What resources or educational systems could a congressional office provide to these municipalities to better equip them to apply and compete for funding with larger cities?

And this question goes to both Mr. Morrow and Mr. Koles.

Mr. MORROW [to Mr. Koles]. Want to go first?

Mr. KOLES. The challenge for local, small communities is real. You are having a community of a couple of hundred people, a couple of thousand people that don't have the staff or the financial resources to hire out for grant writers, and they are competing with, in some of these grants, communities that are hundreds of thousands of people. So, it's really a David and Goliath situation.

From a strategy standpoint, what could we do in a congressional office? Yes, I think it is about education, but some of these grants are so complex to write that education of some of our local officials—who are salt of the Earth people but they just don't operate in that arena—might work in some cases, but more likely the better strategy is to actually provide some funding to hire grant writers so that those folks that do not have the resources to even buy a ticket to the ballpark can get a ticket to the ballpark.

Absent doing that, with these grants—and we have moved to a very grant-oriented system—you are just going to leave them out, leave them out of the option to apply and obtain those grants.

Mr. MORROW. So, I was just going to add ditto, but also funding the various national programs that help create the capacity for people to learn how to write those grants. CTAA, for instance, has an annual conference where people can come and learn how to do that.

But probably the most important thing that you and your office can directly do is just let the agencies know when these grant opportunities come, and that will really help them. In our case, at my agency, our grant writer also serves as the clerk of the board and my assistant. So, we all wear lots of hats. And so, any help that you and your staff can provide is always greatly wanted. Thank you.

Mrs. FOUSHEE. Thank you.

Mr. Chairman, I yield back.

Mr. CRAWFORD. The gentlelady yields. Mr. Kean.

Mr. KEAN OF NEW JERSEY. Thank you, Mr. Chairman, and thank you to our witnesses for being here today.

Mr. Greteman, as you know, New York City is in the process of finalizing details related to the Central Business District Tolling Program, a first-of-its-kind, incredibly destructive congestion pricing scheme that unfairly hurts New Jerseyans. Under the plan, this program will impose significant tolling costs on daily commuters and charge between \$24 and \$36 per bus to companies that regularly bring visitors into the city. This will most surely include charter bus routes for school field trips into New York City.

Each year, hundreds of school field trips from my district in New Jersey travel to the city to visit the various museums and landmarks. How do you think this congestion pricing plan will impact the price of a school field trip, and how will it affect ABA members operating these routes?

Mr. GRETEMAN. Yes, thank you for the question, Mr. Kean.

It is—when you think about the origin of the congestion pricing, it is to reduce congestion in the central business district. And whether that congestion is reduced by a private motorcoach, a private bus, or a publicly funded city bus, a Government-contracted commuter bus, the bus is inherently reducing congestion, whether it's private or public. The fact that private buses are having to pay the tax and public buses are not doesn't make sense.

At the end of the day, it's not necessarily about reducing congestion, it feels more like a tax. And it does affect the school kids that are going to New York City to sightsee and spend money. It does affect the seniors that are going to see a play and spend money at a restaurant. And at the end of the day, to me, to the ABA, it appears more like it is just another tax that is only being applied to private operators, whether you are riding in a privately owned bus or a Government-owned bus.

Mr. KEAN OF NEW JERSEY. OK. Mr. Greteman, I also understand that the MTA has announced plans to exempt personal vehicles of people who have disabilities from the congestion pricing scheme, as well as city-run paratransit vehicles, which is commendable. Given the role and capabilities of your members' buses, how could this impact people who have disabilities from areas like my district who might want to visit New York, but may not want or be able to drive?

Mr. GRETEMAN. Yes, I believe that it will positively affect these people. There is no reason why a private operator won't be able to transport someone with disabilities. Most of the private motorcoaches are equipped with ADA lifts which will accommodate that.

But at the end of the day, it still boils down to why are certain exemptions out there for private versus Government buses?

Mr. KEAN OF NEW JERSEY. So, the cost will go up.

Mr. GRETEMAN. The cost will go up, the cost will go up for the riders, the cost will go up for the bus companies. And again, it is just another tax that—it is not necessarily about reducing congestion, it seems to be a tax.

Mr. KEAN OF NEW JERSEY. And then, on a different issue, you have referenced in your testimony the difficulties the intercity bus

operators have in accessing train stations and other local transit centers to drop off or pick up passengers. Can you expand on how these problems affect ABA members, and specifically, their passengers?

Mr. GRETEMAN. Yes, absolutely. So, when a private operator is not allowed to use a publicly funded transit center for pickups and dropoffs, it creates a bottleneck in the national transportation system, as far as making meaningful connections for passengers. A lot of times, people that are riding intercity buses may not have the means to connect to the intercity bus carrier without going through a transit, without riding the bus, without riding a city bus to get to the intercity bus.

If the intercity bus station in some scenarios is in a nondesirable or it's in an industrial area where there is poor access, it makes riding intercity buses less attractive and less convenient. And what it ends up doing is not allowing certain members of the traveling public to be able to get to the bus station to get to where they need to go.

Mr. KEAN OF NEW JERSEY. Thank you.

I yield back.

Mr. CRAWFORD. The gentleman yields. Mr. Johnson.

Mr. JOHNSON OF GEORGIA. Thank you, Mr. Chairman, for holding this hearing, and thank you to the witnesses for your testimony today.

I filed some legislation back in January, the Stronger Communities Through Better Transit Act. It has 104 cosponsors. And what it would do would be to create a grant program, \$80 billion over 4 years, \$20 billion a year, to support operational costs, as opposed to capital costs, for transit in underserved and unserved urban and rural communities.

And with respect to rural communities, it would increase the Federal share for operating cost to 80 percent, which would be something very important, to extend transit to rural communities, rural people living in rural communities.

Is that legislation something that you gentlemen can support?

Mr. MORROW. Well, Todd Morrow from Island Transit, we are part of our broader organization, CTAA, who can give you more information about that, of course. But what I can tell you from our agency perspective, investment in transit is good and important, so, thank you for that.

I can also say that, when it comes to operational funding, it's critical that we know that that operational funding will continue. So, it can't be a time-limited bill, because if that's the case, it's hard for a transit provider, whether for-profit or nonprofit, or a governmental agency, to plan. If you provide service and then the money runs out, you have to cut the service. And there's nothing more horrible in our world than having to reduce service.

So, for us, we would always want something to have the promise of continued payment. We welcome any investment, thank you.

Mr. JOHNSON OF GEORGIA. Thank you.

Mr. GRETEMAN. Yes, yes, Mr. Johnson. Would private operators, private transit operators be eligible for these grants?

Mr. JOHNSON OF GEORGIA. Well, I would think that contracts with public agencies to provide transit to underserved areas would

be covered. I would have to go back and check it. If it's not, it should be.

Mr. GRETEMAN. Absolutely, I agree. And it would be great. And I think that 80 percent level is an appropriate amount and would be great for both private and public entities.

Mr. JOHNSON OF GEORGIA. Yes, it doesn't take a great big bus to go into a small city or small community and pick up two or three people. It can be a van, ideally. Or it could even be some other vehicle, but just a way of getting people in rural areas to the pharmacy, to the doctor's office, to school, to the community college, or to visit a sick relative. Those things are important to people who live in urban areas and people who live in rural areas.

Mr. Koles, do you have anything to say about it, and Mr. VanderWal?

Mr. VANDERWAL. Well, thank you. I apologize, I don't know the details of the bill. But from a general standpoint, when there is a need in a rural community, which all of South Dakota is, it's usually appreciated.

Having said that, we always have to watch out for what the strings that might be attached are. So, I am not sure what our policy would be on that, so, I will have to leave it with that. But thank you.

Mr. JOHNSON OF GEORGIA. And no strings attached that I know of, just really offering service to unserved and underserved areas, both urban, suburban, and rural.

Mr. Koles.

Mr. KOLES. In our rural areas in our State, we use shared-ride taxi as our focus for rural transit. So, if those rural taxis could be supported in a way that increases the percent so that they are more viable operations and create more access, certainly that would be a good thing.

Mr. JOHNSON OF GEORGIA. So, well, thank you all for your thoughts about it.

This is an idea whose time has come, but unfortunately mired in gridlock. We have 104 cosponsors, but all of them are Democrats. But we need to work hard to try to make this bipartisan legislation.

And to your point, Mr. Morrow, this is an issue that is not going to be served in 4 years. We won't cure the problem or the challenge. This is a challenge that we will continue to have, and I appreciate that viewpoint.

Thank you, and I yield back.

Mr. CRAWFORD. The gentleman yields.

Mr. Van Orden.

Mr. VAN ORDEN. Thank you, Mr. Chairman.

Mr. Koles, in your written testimony, you mentioned that approximately 19 percent of the population lives in rural areas, but about 68 percent of the Nation's roads are in those areas. You mentioned the critical structural failure of our culvert in Farmington, which is being—the construction starts in August on that.

About how many of these culverts—I know you can't pin it across the country. Do you have an idea of how many of these culverts, which is essentially a bridge less than 20 feet, there are in the State of Wisconsin?

Mr. KOLES. The national number is not known, and we are—because we don't know exactly where they are, you are doing estimates based on waterways and surveys. And there have been three estimates, one by our association, one by the Wisconsin County Highway Association, and one by the Wisconsin DOT, and everybody comes to a number right in that 20,000 to 25,000 range.

So—and that's not culverts. That's from 6 feet to 20 feet. There would be a vastly higher number for anything under 6 feet, as well.

Mr. VAN ORDEN. OK. It's going to cost about \$400,000 to fix that culvert. That's a lot of money when you are talking about Farmington. People don't understand. They are responsible for maintaining all of their roads, and to apply, essentially, what is it, 4 years' worth of their budget, about, to fix a single culvert. I am just not OK with that.

In your testimony also, you mentioned that our rural communities, the definition is 200,000 for rural. Well, Eau Claire has got 69,737 people in it. That's the largest city in our district. La Crosse has got 51,380 people in it. And if you tell someone from Potosi in Grant County—it's a population of 647, and the second oldest brewery in the State of Wisconsin, by the way—or Richland Center, that has got 5,114 people, or people from Adams-Friendship that have—the village has got 639 people in there, you tell them that Eau Claire and La Crosse are rural, they are going to laugh you out of a cornfield.

So, I really appreciate the fact that Mr. Stauber, my great friend from Minnesota, who is sitting behind me, and Mr. Finstad, also a Member—well, he is from Minnesota, but he is still a good guy, don't hold that against him—I am very proud that we introduced the Protecting Infrastructure Investments for Rural America Act. And that is going to lower that threshold to 20,000 folks for the definition of rural in relationship to these roads.

Can you tell us what type of effect it would have, do you think, nationwide, being the former chairman of the National Association of Towns and Townships, and now Wisconsin Towns Association—what effect would that have?

Mr. KOLES. We appreciate all the folks that are on that bill, appreciate your sponsoring that, as well as Mr. Stauber's.

The definition of 200,000, as you noted, it's not rural, and we have a Rural Surface Transportation Program now that has \$2 billion allocated into it out of the IIJA. And you have communities of 200,000 that are competing with the smallest town in Wisconsin. If they had the resources to muster a grant application—they have 36 people.

Mr. VAN ORDEN. Right.

Mr. KOLES. Those towns often have one person in charge of roads. In our State, 50 miles of road is the average roadway, so, they are plowing all the roads, they are mowing 100 miles of roads, because you have got to mow the ditches on both sides. They are doing all the summer maintenance, and they just don't have the time or the expertise to write a grant application.

Contrast that with even the city of Eau Claire. They have a public works director, an entire public works department, an engineer, and perhaps even have a grant writer. And if they don't, they have the resources to hire it out.

By decreasing that to something that is really, truly rural, you are going to even the playing field so you don't have that David and Goliath situation, and really open up the opportunities for smaller communities to access those grants.

Mr. VAN ORDEN. Thank you for that. I have limited time, but I have got to tell you what, man. I wanted to have a grant writer on my staff, and the House Ethics Committee said I could and then I will be in jail in 5 minutes after that. So, we don't have a grant writer on our staff, but we do have a guy named John Spiros who is responsible for talking to guys like you, and getting these community-directed programs going. We can point you in the right direction, we just can't write it for you, and here is why. Washington, DC, sends money to Madison, Madison sends money to Madison and to Milwaukee, and they forget about us. And we are not doing that anymore.

So, if you can get the word out again to all your folks, get your community-directed spending projects to my office ASAP, we are going to help shape those to make sure that we can get money directly to the small communities that require these funds because they can't afford it themselves. Because, as we said, the vast majority of roads in the United States of America run through small towns and middle America, and we are feeding the world. So, please, when you get done with this committee, let's go talk and make sure that you are on board. Thank you.

Mr. KOLES. I appreciate that.

Mr. VAN ORDEN. Mr. Chairman, I yield back.

Mr. CRAWFORD. The gentleman yields. Ms. Hoyle.

I am sorry—Mr. Stanton. You got in here just in time.

Mr. STANTON. Thank you very much, Mr. Chairman; thank you for the witnesses for joining us today.

Transportation networks, they are essential for the movement of people and goods across my home State of Arizona. Many of the rural routes across Arizona are interconnected with interstate highways. And when an accident occurs on one of those interstates, these rural routes become the alternative route for traffic.

Rural reliever routes need to be adequately maintained and serviced to handle the surge of traffic volume intended for multilane interstates, even for short periods of time. Moving traffic onto a reliever route instead of it sitting idle in extended traffic is important not only to the frustrated commuter and for the flow of goods from rural and urban areas, but also for safety.

State Route 347 in Arizona is a four-lane, nondivided rural highway with no street lights and only stop signs at interchanges. This is just one example of rural roads across Arizona, and particularly on the Navajo Nation in Arizona, that I have visited and I have driven on that struggle to maintain a level of service that we could expect from other areas of the State.

Mr. Koles, in your testimony, you talk about low-cost, common-sense safety measures like rumble strips that would be a game-changer for rural and Tribal communities. How can Congress be a better partner and work with our local and Tribal communities to implement these types of safety measures?

Mr. KOLES. Thank you for the question. Yes, there are, as I said, rural roads. The ones you described are a lot more dangerous, and there are a number of low-cost safety mechanisms.

You mentioned the undivided highway. Dividing that, even with barriers down the middle, eliminates those head-on collisions. That is one of the potential strategies.

Another strategy, the rumble strips. In the rural areas, we travel a lot longer distances. So, there is a tendency to be distracted, a little sleepy. Rumble strips have been shown to wake you up when you hit them, get that attention going again.

How can you be helpful? I think in two ways. First of all, you have got to have the funding to do it. And I think we have increased funding in IIJA and the FAST Act to try to address some of these things. The key is to get it down to the local level. That's the challenge, is we haven't designed the Federal system to think about the capillaries, as I called them. We have really developed the Federal system to look at only the heart.

But we can't have—well, it's not something I would hope we would allow for, to have this high safety concern, high death rate. And instead, we would start to get some of that money down to those local levels.

Mr. STANTON. I really appreciate that. You also mentioned in your testimony rural roads are often Tribal roads, and these roads must be maintained, must be maintained much better than we have in Arizona and across the United States of America.

In Arizona, we are in the middle of a historic drought that is impacting many of the rural roads that run through our Tribal communities. Many of these rural roads are dirt, so, the drought can create sand dunes. When we finally do get rain, the water creates clay that acts like ice. This mud can trap vehicles, delaying travel and keeping families from attending work, school, doctor's appointments, et cetera.

While rain can seem to be a minor inconvenience to those in urban areas, on rural Tribal roads, it can mean the difference between getting somewhere or being stuck at home. I have heard from one county that says that sometimes when mud is particularly bad, the only option is to try and place tumbleweeds under the tires to attempt to gain some traction.

Our Tribes and Tribal governments are equal nation-to-nation partners. I know much of this maintenance falls on the Department of the Interior under the Committee on Natural Resources, but I would ask my colleagues here today and the stakeholders on the stand to consider the needs of our Tribal partners as we make important decisions on the local, State, and Federal level. Our Tribes deserve safe roads that their families can enjoy, and roads that can safely transport goods across our State.

I yield back. Thank you, Mr. Chair.

Mr. CRAWFORD. The gentleman yields. Mr. Stauber.

Mr. STAUBER. Thank you, Chair Crawford, for holding this really important meeting, and to all of our witnesses who have really talked about what is really the heart of the issue, is the rural communities and the rural voice in Washington, DC.

I want to commend my good friend, Representative Van Orden. He and Representative Tiffany, we work closely on these issues be-

cause we represent rural—I represent northeastern Minnesota, rural Minnesota. Rural Wisconsin, rural Minnesota, it's the same group of great people, same struggles, OK?

I just—I am going to kind of—I am not going to follow my notes, because this—I am passionate about this. That IJA, Mr. Koles, that you talked about, 200,000 people or less? In Minnesota, it's just Saint Paul and Minneapolis. So, that means our small communities in northeastern Minnesota have to fight: Edina, Bloomington, Wayzata, Roseville and such. It's the same in Wisconsin. And we have talked about that.

My mother was born in Glidden, Wisconsin, in the town of Jacobs, Ashland County. How is Glidden, Wisconsin, and Ashland County, the town of Jacobs, supposed to fight with Milwaukee or Madison? It is not fair. That bridge over the Chippewa River in Glidden, when it needs to be fixed, it should be fixed because those people in small-town America deserve the respect and the appreciation of this town.

And it's on both sides of the aisle. My rural colleagues on the Democratic side and my rural colleagues on the Republican side, we get it, and we are pushing in one voice to make it happen.

Mr. Koles, you bring up the—talk about grants. You are exactly right. We have legislation to reduce the grant from 500 pages to 20 for our rural communities.

Mr. VanderWal, I agree with you, sometimes people aren't taking these grants because there are so many strings attached by this town. They have no idea. They have no idea your struggles, and your needs and wants, your desires, and what works in your community.

And I think that, in a healthy balance, my colleagues, my rural Representatives on both sides of the aisle, we hear you and we are working to change this now. It didn't get this way overnight, and I don't think it is going to go back to where we need. But I can tell you that the rural Members that spoke today are one and the same on this issue.

I mean, had the IJA—I am the only Federal Representative on the Transportation and Infrastructure Committee for the State of Minnesota. I had zero input on that. They just came and said, "Here it is." You can bet, had we had a look on that, we would have found that 200,000 or less. It would have been changed.

Representative Finstad and I, along with Representatives Van Orden and Tiffany, we are signed on to that legislation to bring it down to 20,000, something reasonable, because rural America, as my good friend in Arizona, Mr. Stanton, just mentioned, it matters. It matters. And we have to look beyond, because I think the foundation of this country is the heartland, is our rural communities. We have to have a fair shot. We have to make it work with the folks you have in place.

Mr. Koles, I served in small-town government and county commission. So, we are in the wheelhouse together on this. I hear what you are saying. When you have to have—literally, some of these major urban areas, they have the money to hire several grant writers. That's not right, because the rural America is neglected.

So, in my last 45 seconds here I just want to share—I just want to thank you all for your comments and spending your time and

money coming here to help educate all of us and those Members that represent the more urban areas, to let them know of our concern. Everything that you talked about in regards to rural transportation and a rural America has hit home. You have hit a home run today. And so, this legislation and some of the changes that we need to do, you can bet we are going to fight with every fiber in our body because we represent our constituents, our rural Minnesota and rural Wisconsin.

And I yield back.

Mr. CRAWFORD. The gentleman yields. Mr. Carbajal.

Mr. CARBAJAL. Thank you.

Mr. VanderWal, trucking is a critical mode of transportation for rural America. Heavy trucks carry 70 percent of the agricultural and food products in the United States. And we also know that these heavy truck trips begin and end on local, rural roads and bridges that don't receive direct Federal support. Can you comment on the state of rural infrastructure as it relates to the efficient movement of goods?

How important is it to America's agriculture sector that local roads and bridges networks are in a state of good repair?

Mr. VANDERWAL. Well, thank you for that question.

Our local roads are hugely important to us, and we have found that, just in the last few years now, they are starting to deteriorate. And the local governments are really struggling to keep up because of inflation, higher costs, higher contractor costs, and all those things.

And if you think about it, every road we have is crucial, even a township road that has gravel on it. In South Dakota, there is a tremendous number of those. But to the people that farm beside those roads, they are hugely important, because that's how they get their products to market.

So, we struggle a bit—in South Dakota, in particular—with those local and township roads getting to the State roads. But it is all part of the system that we are dealing with, and it is hugely important.

Mr. CARBAJAL. Thank you. Having served in local government, I have represented urban and rural communities, so, thank you very much for that.

Mr. Koles, much of America, including many communities in my home State of California, are rural and face capacity constraints. From your perspective, have you experienced financial and personnel capacity limits?

If so, how do these limits impact your ability to meet your local infrastructure goals and responsibilities?

Mr. KOLES. Certainly, there are capacity issues in our small, rural communities. Personnel is lacking. We squeeze blood out of a turnip, from a budget standpoint. So, the staff has everything they can do to take care of the roads, let alone think about how do we improve safety, how do we get a grant, et cetera.

Because you can't often afford personnel to be able to do that, then you can't afford to hire a grant writer. In addition to not being able to afford a grant writer, we have a number of areas of the country where grant writers just aren't available. If you are a private-sector grant writer, you are not going to exist in an area that

has a low-density population. So, even if you were blessed with the money to try to purchase a grant writer, they are not available. That lack of access creates a real inequity between rural communities and urban communities.

Mr. CARBAJAL. Thank you.

Mr. MORROW, a lot of folks in smaller communities feel like public transit access is simply out of reach. Can you share any rural transit best practices other stakeholders might benefit from?

Mr. MORROW. Thank you for the question. Yes, the on-demand mode of service, where you don't just run a bus or rely on buses to be constantly running but respond when someone wants a trip, is a cost-effective way to meet that demand. And actually, that's happening today across America in many of our rural communities and urban communities, as well. And that seems to work well to help.

The other piece of it is just all of us work together, including those of us who are here, but back in our communities and State to try to have more funding and, if there isn't funding available, work with nonprofits or others so that they have the vehicle so that they can step in if the public transit agency can't do that work themselves.

So, there are other partnership opportunities. Thank you.

Mr. CARBAJAL. Thank you, Mr. Morrow, as a followup question, we know that 3.6 million people in the United States do not obtain medical care due to transportation issues. This includes lack of vehicle access, inadequate infrastructure, long distances to reach needed services, and transportation costs. In short, transportation issues can impact a person's ability to access healthcare and become a social detriment to their health.

What are some of the policy recommendations we should consider to ensure equitable access to transportation for all communities?

Mr. MORROW. Well, funding, that's what it comes down to in most cases. And in fact, a big part of our paratransit business, the work that we provide, is helping people get to dialysis, for instance, which is an important thing. So, I would ask for consideration of more funding for those trips, because they are the most expensive that we all do. Thank you.

Mr. CARBAJAL. Thank you.

Mr. Chair, I am out of time, I yield back.

Mr. CRAWFORD. The gentleman yields. Mr. Collins.

Mr. COLLINS. Thank you, Mr. Chairman. I kind of want to preface my questions, first of all: I am in the trucking business, and so, we use a lot of the interstates and the highways across this country every day. And, Mr. Koles, I want to get right into this thing. Do you all see commercial truckdrivers on local roads?

Mr. KOLES. Absolutely.

Mr. COLLINS. And I don't think I have to ask you what the impacts are on those local roads. And I think the reason is because they are using these driver apps, or these Google Maps, or whatever map app that they are using to get through, to get to their destination.

Rural towns, do they have mass transit?

Mr. KOLES. The only transit we have in rural towns is shared-ride taxi in the State of Wisconsin, so, we aren't, in our State, using bus service at all.

Mr. COLLINS. I have got over 20 counties. We don't have mass transit in any of them, except for Athens, Georgia, for the University of Georgia. Mass transit in our rural towns is a mom with a boatload of kids, taking them to the recreation department or wherever she may be taking them for the day.

I would like to ask just one more quick question. Would you prefer a bypass or a bypass around small towns?

Mr. KOLES. A bypass or a bypass?

Mr. COLLINS. Bypass or a bike path.

Mr. KOLES. Oh, a bypass.

Mr. COLLINS. How about electric charging stations or maybe passing lanes on these rural highways?

Mr. KOLES. Passing lanes.

Mr. COLLINS. Yes, sir. I would agree 100 percent.

There is a reason, Mr. Chairman, that you are seeing these commercial trucks on these local highways. It is because our interstates are jampacked daily all across the United States. And it is getting worse, forcing these commercial truckers to have to go off and try to use these local highways in these local towns to make their deliveries on time.

And there is a reason for that, you all. We have got an administration and we have got a Department of Transportation that is focused on DEI initiatives that are focused more on electric vehicles and mass transit, this fantasy that they want to push across all of America. They don't even want a rural America, actually. They would much rather see us piled up in some metropolitan areas, where they figure that you will actually be dependent on them. So, that is why they keep pushing for more Federal funding, that free money that they want to give you, the reason we are \$34 trillion in debt.

Actually, rural Americans thrive on being self-sufficient. They can provide for their families. They know how to get to the doctor, the grocery store, the pharmacy. We have done it ever since this country was created. And we will continue to do it tomorrow.

With that, Mr. Chairman, I yield back.

Mr. CRAWFORD. The gentleman yields. Ms. Hoyle.

Ms. HOYLE OF OREGON. Thank you very much.

My district, Oregon's Fourth Congressional District, is a largely rural district that includes Oregon's south coast and the Willamette and Umpqua Valleys. It is Willamette like damn it, so, if anyone asks you. We have two major issues.

The first is, like most rural areas, we have an extreme backlog of infrastructure investments. For instance, in two of the six counties that I represent, Lane and Douglas County, each one of which is about the size of Connecticut, we have 700 bridges, the vast majority of which were built in the 1950s and 1960s, that are in dire need of repair or replacement.

We have also been relying on the Highway Trust Fund to fund these projects, which is facing insolvency because we are relying on a gas tax. We need to figure out how to deal with that as we move away from fossil fuel. That's a conversation for a different day, but

an urgent and important one. The fact is the Highway Trust Fund is becoming insolvent.

So, I have two questions. One is, there are clear economic benefits we see from investing in rural roads and bridges. How can Congress help spur more investment in rural bridges, especially the off-system bridges, those owned by counties and cities? Because, according to what I am hearing from my rural counties, the Federal cost-benefit analysis tends to prioritize higher traffic volumes, higher population densities, which disadvantages rural transportation projects and makes their needs less competitive.

And again, we are shipping. We are feeding the world. We are feeding the country. What we grow, what we raise, what we catch, everyone else needs to eat, right?

So, my question is, what benefits should we consider when discussing rural projects?

I know there are grants, but as everyone has said, rural communities don't have giant grant writing parts of the—everybody does everything in small communities.

The second major issue is a lack of workforce, specifically in busdrivers and truckdrivers, which is exacerbated in rural communities as the job is more difficult, and we again have great need to move the food we grow, raise, and catch.

In your views, what are the main reasons why recruitment and retention of busdrivers and truckdrivers are so difficult?

And what are your views on utilizing the apprenticeship programs to recruit, train, and retain busdrivers and truckdrivers?

Because again, this is an issue. I will start with Mr. Morrow, but I will open it up in the 2½ minutes we have left.

Mr. MORROW. Thank you very much. I wish I had the answers to those questions about recruitment because, if we did, we would be implementing them.

Obviously, pay is top of mind, and we work through a collective bargaining agreement to address that. Other benefits, retention, hiring bonuses, all of those sorts of things, referral bonuses, things like that, but also the benefits that we can offer, we try to share that because in a governmental setting, we are fortunate to have some really strong benefits that support families, as well as the employee, things like that.

And then we try to reach out to the veterans community, others to find good talent. It's difficult. I think it's difficult everywhere.

Ms. HOYLE OF OREGON. So, I think the first part is also that we have difficulty recruiting CDL drivers everywhere, but in rural communities, where they are driving buses and they are driving trucks, it is really difficult because the infrastructure is crumbling. So, if they can pick riding in a city and sitting in traffic, they will do that.

And we desperately need to get the investment. So, how do we deal with the weight that's given to the urban, more populous areas?

And how do we recruit and retain more people?

Anybody.

Mr. GRETEMAN. Thank you for the question. I believe right now there is an issue with getting CDL drivers—getting an actual CDL. There is a waiting period, there is a 14-day waiting period after a

driver actually takes and passes the written exams before they can come and do the driving test. And then oftentimes, due to limited availability of CDL testing, you can't get an appointment to do that for another 2 to 3 weeks. So, all of a sudden, you are looking at a—

Ms. HOYLE OF OREGON [interrupting]. I hate to interrupt, but it is short. But the key thing is we don't have the infrastructure. So, dealing with how do rural communities compete against urban areas, when we are feeding the country and the world.

Mr. Koles, you look like you want to say—

Mr. KOLES [interrupting]. I will be really brief, because your time is about to expire. Formula funds are better than discretionary grants.

In our State, our secretary chose to take almost all of the bridge formula program funds that came in IIJA and send it to off-system bridges. It has been a huge help.

The other thing that you talked about, cost-benefit analysis, ADT is not necessarily the right metric because it doesn't measure type or weight.

Mr. CRAWFORD. The gentlewoman's time has expired. Mr. LaMalfa.

Mr. LAMALFA. Thank you, Mr. Chairman. Kind of following up on that thought here a little bit, I have been thinking about this grant writing situation here a little bit, and for a long time, but it has been a hot topic today. And Mr. Koles was speaking with Ms. Hoyle about that.

And would you expand a little bit on what—I mean, we could just, we are almost alone here now, we can talk. If we just eliminated the grant writers and that grant writing process and—the terminology used a second ago—on a more direct route of funds there, I mean, how do you think we could really aggressively move towards that?

Because every small county, small town, small jurisdiction, they can't compete with somebody somewhere else with great, big grant writers and a big budget for all that. So, talk a little about what would that look like if we could just wipe the slate and say—

Mr. KOLES [interrupting]. Just—so, we are talking discretionary versus formula. We would much prefer formula funds because it allows the State's discretion to distribute it in a much more flexible manner.

A couple of things that we could do with regard to the surface transportation program, and we actually have an example of this. In the FAST Act, we allowed the States to use 15 percent of their lowest cohort. So, STP—Surface Transportation Fund—is distributed amongst cohorts. The two lowest cohorts, you could take 15 percent of that and get it down to local roads and minor collector roads. That's where the action is at. Those are the farm fields and the forest entrances and the quarry entrances. We could expand upon that in the surface transportation program by increasing that percentage.

We can also have a scenario where you look at how those cohorts are distributed differently. Right now it's based on population, rather than lane-miles.

Mr. LAMALFA. Well, and there is the thing, because in my home State of California, which probably shouldn't be an example, but we are so much getting run over by the needs of the very large cities. It is probably common to most States, but we struggle. We struggle with trying to get at least something equitable in some fashion in our rural areas.

Let me jump to Mr. VanderWal, and I might come back to you, Mr. Koles.

In a recent hearing we talked a lot about at-grade crossings, railroad crossings. And the panel we had that day was big on pushing, the best crossing isn't—eliminate at-grade crossing and have all split-grade. But the price of them we got out of that hearing was at least \$40 million, typically, to build a split-grade crossing where you had an at-grade before. And probably in my home State it is double that because everything has to be so freaking expensive in California. So, \$40 to \$80 million it could be.

So, talking from a rural aspect, especially from a farmer, as a fellow farmer here, if they are really aggressive on eliminating at-grade crossings, what is that going to look like for agriculture, for movement of raw materials, and finished fuel products, and tractors, and all that stuff?

Mr. VANDERWAL. Well, thank you for that question. If I am understanding your question right—I am having a hard time hearing over the echo some. But when you talk about split-grade crossing, you mean the overpasses with interstates, that kind of thing?

Mr. LAMALFA. Well, yes, I mean, even in a small town—like, I picture a town—I have my district called Los Molinos there, which is basically one main crossing in town. If they said, "You've got to come up with 40 million bucks to have a split-grade," they are not going to find that kind of money.

And so—and then all down the line where you have driveways, you have homes, you have small farms that have them even with no lights on them. How are we going to go about—if they are going to be this aggressive on shutting them down just to shut them down, what is that going to do to our sector?

Mr. VANDERWAL. Yes, thank you for the clarification. That would be a major problem, because there are so many of these rural areas we don't even have a road every mile in some cases. And if a person has to drive, let's say, 5 miles around an interchange like that that might disappear, that is a huge economic imposition.

Some areas have put in rotaries. They don't understand semitrucks have to go around those, and they make them too tight, and there are all kinds of issues like that that people from Washington don't understand how it really works in the local areas.

Mr. LAMALFA. Well, we are seeing prime examples of that in California with this high-cost rail—did I say "cost"? High-speed rail system we are putting through the valley that is just cutting off vast areas, and you are seeing farmers—like I got a tractor pulling a folded up disc or a combine with a wide header on it, and I got to go 5 miles up this way whereas you can just jump across at these other crossings. And that is a real impact. It is probably even a safety one. They talk safety all the time, but having to go so much farther with all this equipment. So, I wish I had time to

throw it to Mr. Koles, what he deals with, but maybe in a different comment.

Thank you, Mr. Chairman.

Mr. CRAWFORD. The gentleman yields. Mr. Duarte.

Mr. DUARTE. Thank you, Mr. Chairman, thank you to the panel. Good to have you here today.

Mr. VanderWal, a long-term Farm Bureau member, a board member for 10 years in my local Farm Bureau. We have got an administration that is administering the Tax Cuts and Jobs Act funds to a great extent out of a White House office, not through formulas, not through DOT grants solely, but literally has a White House office to hand this out and, in my opinion, politicize the awards.

In California—I am from a rural county in California—we also have a very blue State government. And that doesn't bode well for red rural counties, in terms of getting our share. The Infrastructure Investment and Jobs Act awards grants that we just saw a few months ago put \$3.1 billion in my district for high-speed rail, which Congressman LaMalfa just touched on, and very little to actual highways that anyone is going to use, any resources the next 20 years.

We look at the electrification, we look at how this Infrastructure Investment and Jobs Act money is being spent. We look at rural communities that produce most of our food here in America, that solve most of our logistics challenges and get that food to market.

Net-net, in your opinion and from your experience, is this administration enhancing food security with these trillions of dollars of investment, or are we moving backwards in food security for the United States?

Mr. VANDERWAL. Well, thank you for that question, and I think it comes down to priorities.

And when you talk about the high-speed rail line, obviously, we can't haul anything on that in regard to ag products. We certainly need to keep priorities in line and remember that the local areas are really best suited to determine what their needs are.

And so, a grant program that is out there, if it comes down with a whole bunch of regulations and requirements and things, that is not very productive. We need to let the local areas have the autonomy to identify their own needs. And if we can then use that money for the productive use that it needs to be used for in local areas, then that is the way to do it.

Mr. DUARTE. Yes. Let's go to the grant writing. That has been a topic. And we just—a few weeks ago, we had a person, Stacey Mortensen from the Altamont Corridor Express, which is an Amtrak enhancement that will move people from Modesto and Stockton and Merced to the bay area for the job market in the bay area. It is a big deal. It is a project I do support, as opposed to high-speed rail, which I think is an endless \$204-million-a-mile boondoggle. The Altamont Corridor Express does hold out hope for being practical.

When you take the Infrastructure Investment and Jobs Act money and apply for grants, you have got to review a Made in America constituent to it, you have got to have a carbon-friendly constituent to the application process. You have got to have a DEI, social justice constituent to the process. And much less than even

knowing how to fill these out or what the standards are, we don't even yet have standards for these. Several years later under the Biden administration, with their own office to deal with this stuff, doesn't yet have clear standards to how these criterion can be met so the grants can be awarded. The money hasn't flowed out to major urban areas, much less rural areas.

Are we on any realistic path with the trillions of dollars in debt America is taking on with the Infrastructure Investment and Jobs Act to actually solve our rural issues in transportation?

Mr. VANDERWAL. Well, I think that is an excellent question, and I am not sure I have a solid answer for it, other than the fact that we are very much opposed to all these requirements being put on. When you have to meet certain tests when you go through this process, it just complicates the whole issue and makes it a lot harder for rural governments, especially, to qualify.

We would go back to what we are already doing, the biofuels that we are raising, and reducing the carbon footprint already. And that's what this Government wants us to do. We have got the solution right here, and we just need to promote that, and maybe even carry it a little further and go toward the sustainable aviation fuels and things like that that we can produce with our products.

Mr. DUARTE. Thank you. I will open those questions and those themes up to the rest of the panel if there is other input.

Mr. KOLES. We have to remember that milk comes from a farm, not from the grocery store. And so, this is about a proportion of the trillions of dollars that were invested proportionately because of the way the Federal system has been designed, getting it down to those local roads and those minor collectors, which are 75 percent of the entire system in rural America. It's just not going to happen. There are limited examples of getting it down to those local roads where the farmers and the loggers and the miners actually do the—

Mr. DUARTE [interrupting]. So, would any members of the panel agree that a formula system by county, similar to COVID relief funds, would be more effective than the grant system?

Mr. CRAWFORD. Quick answer.

Mr. KOLES. Formula funds are always better.

Mr. DUARTE. Thank you.

I yield back. Thank you, Chair.

Mr. CRAWFORD. The gentleman yields. Mr. Burlison.

Mr. BURLISON. Thank you, Mr. Chairman.

Mr. VanderWal, as you well know, farming is one of the most difficult jobs or professions in the United States. But to make matters difficult, farmers now have to wade through regulation after regulation, many of which are being made by people who were not elected. To me, it's a challenge.

People talk about democracy being under threat. There is nothing that threatens democracy more than to have unelected people who represent no one making decisions that affect everyone. And so, this includes initiatives and orders from this administration on climate change, which has hurt our farming and transportation sectors across the country. This includes the methane emission regulations, and then the fuel emission standards that are going to impact all of our vehicles.

So, my question is, do you think that the average farmer is more worried about climate change, or are they more worried about keeping their business going?

Mr. VANDERWAL. Yes, thank you, sir, for that question. There is no question that the average farmer is more focused on remaining profitable and staying in business.

We are in a position right now, just starting a few months ago, where, for corn and soybeans anyway, we are under cost of production. And it comes down to inflation. It comes down to all the costs that we have seen, fertilizer, crop production, chemicals, all those things. And when we have more requirements put on us by the Federal Government, it just increases expenses.

Labor is one really good example, as well. The increased labor that comes along with the H-2A program that a lot of people are forced to use in fruits and vegetables, especially, just adds costs.

And so, certainly, farmers are very insulted by the focus, the laser focus on climate change and what to do about it, and they are sitting here thinking, I am just trying to hold my business together and hopefully my family will have a chance to run it someday.

Mr. BURLISON. Are you familiar with the new EPA proposed rule on meat processing facilities?

Mr. VANDERWAL. I need to ask more questions—

Mr. BURLISON [interrupting]. So, they basically have a new rule related to the waste that's produced and requiring treatment on site of water for these facilities.

In response to that, what I find, Mr. VanderWal, is that Congress ends up playing Whac-A-Mole with all the—most of the laws that are filed are trying to address the Executive orders that have been implemented by someone who was not elected, people that are basically trying to act as though they are the legislative branch.

One of the bills in response that I have sponsored is called the BEEF Act, which would reverse that EPA proposed rule on the meat processing facilities. And another one is this new requirement that cattle ranchers have to get a prescription for the antibiotics to keep their—sometimes their calves alive, which is why I sponsored, along with Representative Brecheen, the Stop Government Overreach in Ranching Act.

These are just two of the most ridiculous new Executive orders that are written by people that have no idea what it is like to be a farmer. Would you agree?

Mr. VANDERWAL. I do agree, and your example of the VFDs for using antibiotics is right on target. We resisted that back when they put it in place, and of course it did go into effect. It is a hassle, though, for a producer to have to call their vet, and typically the vet just writes up the prescription, or the VFD, Veterinary Feed Directive, and you get it done.

If there is a benefit to it, it deepens the relationship between producers and their veterinarians. But we think there would have been a more simple way to do it.

Mr. BURLISON. And how is the agriculture—the farming community impacted by these new transportation regulations?

Mr. VANDERWAL. Well, anything that makes it more difficult and adds burdensome regulations is a very big concern to us.

I think I have said it before, but with these grant programs or whatever the situation is, we need to let our local governments have more autonomy to respond to the local needs that are out there.

Mr. BURLISON. And not to step over you, but I have just a few seconds left and I want to get your comment on do you believe that the Federal Government could use its dollars more wisely?

I know that, for example, we are spending \$7.5 billion to fund electric vehicle charging stations that I think would not benefit rural Missouri whatsoever.

Mr. VANDERWAL. Well, I think you are correct in that, and consumers are telling us what their thoughts are about that through the lack of market for electric vehicles. People just aren't interested in buying them. And I think we need to find a happy medium someplace in there.

Mr. BURLISON. Thank you.

Mr. CRAWFORD. The gentleman yields. Mr. D'Esposito.

Mr. D'ESPOSITO. Well, thank you, Mr. Chairman.

Mr. Greteman, thank you for being here, thank you all for being here.

So, I am not sure if you are familiar with what is going on back in New York, but we have a State legislature and a Governor, all three Democrats, who have been over the last few years known for, really, their overreach. We had their attempt to eliminate local zoning so that they could build housing in communities. Governor Hochul has what is called the RAPID Act, which is proposed, basically taking the local voice out of permitting processes for their green agenda. We have seen the disasters of criminal justice reform and cashless bail, where bureaucrats in Albany decided to give criminals more power than police officers and law enforcement, legitimately taking the handcuffs away from the police and really handcuffing law enforcement from doing their jobs.

And now there is another overreach coming. And for far too long in New York and the tristate area, the MTA has really served as—really, the MTA has become the ATM for the State. And what we are seeing is that they want to impose what is called congestion pricing, and they are selling it as a plan to have people increase ridership on the subways, but the fact is that people aren't riding the subways because they don't want to get either, one, thrown in front of it; or, two, stabbed or shot. It's not because they just want to drive, it's because they are too afraid to be in the subway. But nonetheless, they have decided once again for the people and the hard-working people that live in New York and on Long Island to serve as the ATM for the MTA.

So, we have a motorcoach company that services Long Island from New York City, and they recently sent an email to its riders saying that the company will pay more than 30 percent per week in tolls if congestion pricing goes into effect. And you mentioned in your testimony that the bus companies are already struggling to remain viable post-pandemic, and operators are facing various strains on their operation, whether it's operators, whether it's the ability for the riders to utilize the buses.

Can you talk about how adding costs, and specifically this disaster and overreach of congestion pricing, how it would affect the American Bus Association members in the New York tristate area?

Mr. GRETEMAN. Yes, absolutely, and thank you for the question.

It is going to affect the member bus companies very adversely. It's extra expense. It's extra costs that are really no more than a tax. Motorcoaches, buses, they are already removing cars from the road. Each motorcoach can remove up to 56 cars from the road, and so, we are already doing our part to reduce congestion.

If this is really about congestion mitigation—

Mr. D'ESPOSITO [interposing]. Which it's not.

Mr. GRETEMAN [continuing]. Which it's not, it sounds like it's, from what I know, it's more about the MTA budget shortfalls and how to fund that. And coming up with this plan penalizes private operators like Hampton Jitney and every other private bus operator in New Jersey and New York that does their part to bring people into the city that are spending money at the theaters, at the restaurants, doing sightseeing and whatnot. And all of a sudden, it's just another tax that private operators are forced to foot the bill.

Mr. D'ESPOSITO. And you know what? You said it best when you said it penalizes operators, and it's just another tax.

And when the MTA was asked, and the Governor was asked, well, what is this congestion pricing about, why do you need the money. Because, like you said, it's not about reducing congestion, it's about, so they say, having people ride the subways and the buses, which they don't want to because they are scared—we have spoken to the transit workers union, the transportation workers union, who said they are even afraid for themselves on the trains.

And one of the reasons as to why, and which shows that they are just doubling down and they really don't care about the American people—and in this case, New Yorkers, Long Islanders, and the tristate area—is because they have lost so much money because of theft of service. Why? Because people have no reason to pay to be on the subway, or be on the buses, or to pay for the Long Island Rail Road because there is no reason to, because now you could just jump the turnstile, you can't get stopped, you are not going to get arrested or given a summons. So, why pay?

So, they have created this disaster, and now they are passing it on to operators like you. And like you said, it is just another tax. And if you could, monetize, just in your situation, what this could cost you per year if this goes into effect.

Mr. GRETEMAN. I can't give you an estimate on that. But for the operators in New York and New Jersey, it is in the millions, millions of dollars.

Mr. D'ESPOSITO. Millions of dollars on local business owners who probably, in the situation that you have described, may not even be able to continue in business because they are already facing shortfalls. So, now they are getting, like you said, another tax, an attack on local business with the sole purpose of filling budget shortfalls, not trying to reduce congestion, and certainly not increasing ridership on the subways because no one wants to ride them because they are too scared because of cashless bail and

criminal justice reform that Democrats like Kathy Hochul implemented.

My time is expired, Mr. Chairman, I yield back.

Mr. CRAWFORD. The gentleman yields. And are there any further questions from any other members on the committee?

Seeing none, that concludes our hearing for today. I would like to thank each of the witnesses for your testimony. The committee stands adjourned.

[Whereupon, at 12:13 p.m., the subcommittee was adjourned.]

SUBMISSIONS FOR THE RECORD

Letter of March 21, 2024, to Hon. Eric A. “Rick” Crawford, Chairman, and Hon. Eleanor Holmes Norton, Ranking Member, Subcommittee on Highways and Transit, from Anthony Dimas, Jr., County Manager, McKinley County, New Mexico, Submitted for the Record by Hon. Eric A. “Rick” Crawford

MARCH 21, 2024.

Chairman RICK CRAWFORD,
Ranking Member ELEANOR HOLMES NORTON,
House Committee on Transportation and Infrastructure,
Subcommittee on Highways and Transit.

Hearing on Rural Highway and Transit Challenges and Problems

DEAR COMMITTEE:

Thank you for the opportunity to submit this testimony. I am Anthony Dimas Jr., County Manager for McKinley County, New Mexico. Over the past several years, McKinley County has worked tirelessly with the Navajo Nation to secure funding to repair 36 dilapidated bridges. These bridges are in such a dire state that, without funding and repair, they face imminent closure. Such closures will result in detours of upwards of one hour for residents. As it stands, many of the bridges are unsafe for ambulances, fire trucks, including water tankers (for rural fire fighting) and school buses to cross, endangering residents who rely on these services. The bridge repair effort is complicated by many factors, including a lack of adequate funding and the multitude of property ownership interests at stake. Both the Navajo Nation and McKinley County have strived to secure funding, only to come up short, and both parties are working tirelessly to solve a looming rights-of-way issue that threatens to halt or delay the project. These bridges are located on a variety of properties from Navajo Nation Tribal land, Fee Land, BIA Land, BLM Land, Forest Land, Trust Land to County owned land to private land. The rights-of-way requirements that come with construction on Tribal land and private property have posed a significant obstacle to securing funding.

I write to you today to highlight the funding challenges faced by Tribes and the rights-of-way issues that plague construction and repair projects on Tribal lands. In February 2024, USA Today¹ highlighted the staggering lack of funding in northwest New Mexico, specifically in McKinley County, “it’s exactly the type of disadvantaged place the Biden administration promised would benefit from a massive influx of federal money for safer streets. McKinley County is poor and home to Native communities often left out of such programs. But two years into the Bipartisan Infrastructure Law’s rollout, many places like Gallup (in McKinley County) have received little help even as millions go unused.” McKinley County is in dire need of transportation funding, with some of the highest traffic fatality rates in the country. However, no funding is being awarded to the nation’s poorest and more rural areas.

In addition to the challenges listed above (rights-of-way issues and overlapping property ownership interests), McKinley County, and rural communities like Navajo Nation and Gallup, NM, lack the capacity to complete, submit, and manage onerous federal grants. As a result, poor rural and Tribal communities are losing out on funding to wealthier towns and cities that have the capacity to compete for this funding. This means that some of our nation’s neediest communities, the communities for which transportation grant programs were designed, are going without recognition and without funding.

¹ <https://www.usatoday.com/story/news/investigations/2024/02/20/safe-streets-money-misses-needy-counties-data-investigation/71722408007/>

As noted above, McKinley County, in particular, is facing enormous challenges in securing wide-scale rights-of-way across a multitude of land interests in order to repair and reconstruct dilapidated bridges. In order to proceed with construction, McKinley County and Navajo Nation must secure a traditional right of way to access the land on which the bridge is located. The various land interests at stake in this project across the 36 dilapidated bridges pose a significant obstacle to securing rights-of-way. Rural communities across the country, especially those that overlap with Tribal lands, face similar issues in securing authorization for road and safety improvements. This obstacle threatens to delay or halt critical projects.

As you consider the rural highway and transit challenges as part of today's hearing, please give thought to the funding and access issues faced by many rural and Tribal communities. This is just a small part of the many challenges faced by rural areas in repairing and constructing our nation's transportation infrastructure.

Thank you for your attention and dedication to this topic.

Sincerely,

ANTHONY DIMAS JR.,
County Manager, McKinley County, New Mexico.

Letter and Attachment of March 22, 2024, to Hon. Eric A. "Rick" Crawford, Chairman, and Hon. Eleanor Holmes Norton, Ranking Member, Subcommittee on Highways and Transit, from Jack Waldorf, Executive Director, Western Governors' Association, Submitted for the Record by Hon. Eric A. "Rick" Crawford

MARCH 22, 2024.

The Honorable RICK CRAWFORD,
Chairman,

Subcommittee on Highways and Transit, Committee on Transportation and Infrastructure, House of Representatives, 2165 Rayburn House Office Building, Washington, DC 20515.

The Honorable ELEANOR HOLMES NORTON,
Ranking Member,

Subcommittee on Highways and Transit, Committee on Transportation and Infrastructure, House of Representatives, 2165 Rayburn House Office Building, Washington, DC 20515.

DEAR CHAIRMAN CRAWFORD AND RANKING MEMBER NORTON:

With respect to the Subcommittee's March 21, 2024, hearing, Rural Transportation Challenges: Stakeholder Perspectives, attached please find Western Governors' Association (WGA) Policy Resolution 2021-07, Transportation Infrastructure in the Western United States. This resolution includes Western Governors' collective and bipartisan policy recommendations concerning transportation in the western United States.

Transportation needs in the West differ significantly from those of eastern states. Remote rural communities, underinvested infrastructure, and an increased movement of people and goods have strained the West's network of infrastructure. Western Governors believe there is a strong federal role, in partnership with the states and local governments, for continued investment in our surface transportation network—particularly on federal routes and in multimodal transportation networks throughout the West that are critical to interstate commerce and a growing economy. Specifically, Western Governors believe the current project decision-making role of state and local governments, with meaningful participation from affected communities, particularly tribes and historically underserved communities, in investment decisions should continue. Western Governors desire additional flexibility to determine how and where to deploy investment to maximize the use of scarce resources.

I request that you include this document in the permanent record of the hearing, as it articulates Western Governors' policy positions and recommendations on this important issue.

Thank you for your consideration of this request. Please contact me if you have any questions or require further information.

Sincerely,

JACK WALDORF,
Executive Director, Western Governors' Association.

Attachment

ATTACHMENT

WESTERN GOVERNORS' ASSOCIATION
POLICY RESOLUTION 2021-07
TRANSPORTATION INFRASTRUCTURE IN THE WESTERN UNITED STATES

A. BACKGROUND

Surface Transportation

1. The American West encompasses a huge land mass representing 2.4 million square miles or over two-thirds of the entire country. Over 116 million people live in these states and they reside in large, densely populated cities, smaller cities and towns and in rural areas.
2. Perhaps more than any other region, terrain and landownership patterns in the West underscore the purpose and vital need for a federal role in surface transportation. Western states are responsible for vast expanses of national highways and interstates that often do not correlate with population centers but serve as critical national freight and transportation routes for the nation.
3. Western states ports are national assets, moving needed parts and retail goods into the country, while also providing the gateway for our nation's exports. Although they benefit the entire country, the financial burden of developing, expanding and maintaining them to meet the demands of growing trade is almost entirely borne at the state and local level.
4. The vast stretches of highways and railroad track that connect the West to the nation do not have the population densities seen in the eastern United States.
5. Raising private funds to carry forward infrastructure projects in the rural West will be extremely challenging. The low traffic volumes in rural states will not support tolls, even if one wanted to impose them. Projects in rural areas are unlikely to generate revenues that will attract investors to finance those projects, even if the revenues are supplemented by tax credits. Some western states have implemented or are developing mileage-based fee programs as an additional tool to enhance funding.

Transportation Infrastructure

6. Jobs, the economy and quality of life in the West depend on high quality transportation infrastructure that efficiently, effectively and safely moves goods and people. Western transportation infrastructure is part of a national network that serves national interests. Among other things, transportation infrastructure in the West: moves agricultural and natural resource products from source to national and world markets; carries goods from western ports on western highways and railroad track to eastern and southern cities; and enables travelers to visit the great National Parks and other destinations in the West.
7. The transportation and transit needs in the West differ significantly from our eastern counterparts. Western states are building new capacity to keep up with growth, including new interstates, new multimodal systems including high-speed passenger rail and light rail transit systems, biking and pedestrian options, and increased capacity on existing infrastructure.
8. The infrastructure in the region is under strain from both increased movement of goods and people and from underinvestment in preservation and repair and new infrastructure needed to keep pace with this growth and change. Positive and productive partnerships between state department of transportation offices and their local U.S. Department of Transportation (DOT) Federal Highway Administration (FHWA) office have enabled innovative advances in infrastructure funding and development.
9. Modernizing and maintaining the West's network of infrastructure relies upon permitting and review processes that require close coordination and consultation among state, federal and tribal governments. State, federal and tribal coordination is necessary to ensure that infrastructure projects are designed, financed, built, operated and maintained in a manner that meets the needs of our economies, environment, public health, safety and security. Early, ongoing, substantial, and meaningful state-federal consultation can provide efficiency, transparency, and predictability for states and tribes, as well as prevent delays, in the federal permitting and environmental review process.

10. State and local governments often have the best available science, data and expertise related to natural resources within their borders. In cases where the states have primary management authority, such as wildlife and water governance, states also possess the most experience in managing those resources and knowledge of state- and locality-specific considerations that should inform infrastructure siting decisions.
11. The National Environmental Policy Act (NEPA), since its enactment in 1970, has required that federal agencies consider how proposed federal actions may affect natural, cultural, economic and social resources for present and future generations of Americans. The process by which NEPA is implemented has been defined over time through regulations and guidance issued by the Council on Environmental Quality (CEQ).
12. On April 27, 2021, FHWA issued a guidance document [https://www.fhwa.dot.gov/real_estate/right-of-way/corridor_management/alternative_uses_guidance.cfm], State DOTs Leveraging Alternative Uses of the Highway Right-of-Way Guidance. The guidance encourages FHWA division offices to work with state departments of transportation in order to leverage highway rights-of-way (ROWs) for the siting of renewable energy projects, transmission and distribution assets, broadband infrastructure, and alternative fueling facilities.

Electric Vehicle Infrastructure

13. WGA recently executed the *Electric Vehicles Roadmap Initiative*, its signature policy project for Fiscal Year 2021. The Initiative was principally focused on the planning, siting and coordination of electric vehicle (EV) charging infrastructure in western states and explored a number of federal policy issues that affect the buildout of this infrastructure.
14. Western Governors and states are exhibiting strong leadership on EV infrastructure planning, coordination, and investment. Many western states are actively collaborating with each other via their engagement in the West Coast Electric Highway¹ and Regional Electric Vehicles Plan for the West² (REV West).
15. Western states face a suite of challenges related to planning and siting EV infrastructure, including the unique needs of both underserved and rural communities, vast distances between communities, limited electric grid infrastructure in sparsely populated areas, and a patchwork of federal, state, and private lands ownership boundaries. These factors combine to make EV infrastructure installations more logistically challenging and costly, regardless of whether the infrastructure is funded by public or private sources or a combination of the two.
16. Many western states have engaged with and submitted corridor nominations to the FHWA's Alternative Fuel Corridors Program. The Program assigns "Corridor-Pending" and "Corridor-Ready" designations for interstate, U.S. route, and state highways.
17. In order to meet the "Corridor-Pending" and "Corridor-Ready" metrics, charging or alternative fueling infrastructure must be sited every 100 or 50 miles, respectively, along the proposed corridor. A number of western states have experienced challenges in meeting these defined metrics due to lacking electric infrastructure and suitable charging locations in sparsely populated areas.
18. 23 U.S.C. 111 prohibits Interstate System rest areas built after January 1, 1960, from offering commercial services such as fuel and food on the Interstate System right-of-way. Due to this prohibition, EV charging stations may be sited at Interstate System rest areas, but no fee may be charged for the electricity that is dispensed. This significantly complicates the business case for siting EV charging infrastructure at these rest areas. Western Governors support amending 23 U.S.C. 111 to allow commercial EV charging at all rest areas along the Interstate, but we would note that western states are especially affected by the current prohibition because many rest areas in the West are located far from communities or businesses that could offer suitable locations for EV charging.

¹ California, Oregon and Washington are members of the West Coast Electric Highway.

² Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming are members of the REV West.

19. Western states contain many public federal lands, including areas managed by the Bureau of Land Management, National Park Service and U.S. Forest Service. Many of these federal lands serve as regional tourism attractions and support economic development in rural western communities. Creating and implementing efficient practices for permitting and siting EV infrastructure on federal lands will help support continued tourism and economic opportunities across the West.
20. Private investments in zero-emission vehicle (ZEV) charging and fueling infrastructure can be aided by supportive investment tax credit structures. The current Alternative Fuel Vehicle Refueling Property Investment Tax Credit could be enhanced to improve the business case for private sector investment in ZEV charging and fueling infrastructure.
21. The U.S. Department of Energy's (DOE) Vehicle Technologies Office manages the Clean Cities Coalition (CCC) Program, which has active members across the West. CCCs often serve a crucial role at the local level by leading EV infrastructure planning and implementation projects.
22. The COVID-19 pandemic highlighted disruptions to domestic supply chains across many sectors. On February 24, 2021, President Biden signed an Executive Order on America's Supply Chains (EO 14017 [<https://www.govinfo.gov/content/pkg/FR-2021-03-01/pdf/2021-04280.pdf>]). The EO launches a comprehensive review of certain U.S. supply chains and directs federal departments and agencies to identify ways to secure U.S. supply chains against a wide range of risks and vulnerabilities. Two supply chains included in the review are critical minerals, including rare earth elements, and large capacity batteries such as those used in electric vehicle production.
23. Battery EVs require a number of critical minerals in their production, including lithium, nickel and cobalt, among others. Consumption of these critical minerals essential to EV supply chains will rise as more EV batteries are produced. EVs sold in 2019 alone accounted for more than one quarter of the total battery capacity deployed nationwide.³ With increasing demand for EVs, it is projected that demand for these minerals will concurrently increase in coming decades.

Aviation

24. Lack of reliable air service is a significant barrier to fulfilling the needs of rural communities in the West. Air service is essential infrastructure for connecting many remote communities. It is important not only to recreation and emergency services, but to economic, social and cultural needs. In some communities it is the only way to bring doctors or other non-local workers in and out of where they work but may not live.
25. The DOT Essential Air Service (EAS) Program was put into place in 1978 to guarantee that small communities served by certificated air carriers before passage of the Airline Deregulation Act maintained a minimum level of scheduled air service. This is generally accomplished by DOT subsidizing two round trips a day with 30- to 50-seat aircraft, or additional frequencies with aircraft with 9 seats or fewer, usually to a large- or medium-hub airport. The Department currently subsidizes commuter and certificated air carriers to serve communities in Alaska and in the lower 48 contiguous states that otherwise would not receive any scheduled air service.⁴
26. Of the communities that participate in EAS, 63 percent are in the West, illustrating the rurality of these areas and their need for connectivity. EAS has a significant economic effect on rural communities. A 1 percent increase in traffic to an EAS airport results in a 0.12 percent increase in income for the entire community, and an 8 percent increase in traffic results in a 1 percent income increase. Businesses need connectivity to the national and global economy to succeed and rural communities with good air service are more attractive to remote workers.⁵
27. The Small Community Air Service Development Program (SCASDP) is a DOT grant program designed to help small communities address air service and airfare issues. SCASDP's eligibility criteria are broader than EAS and provide

³ <https://www.ucsusa.org/sites/default/files/2021-02/ev-battery-recycling-fact-sheet.pdf>

⁴ DOT Essential Air Service Program <https://www.transportation.gov/policy/aviation-policy/small-community-rural-air-service/essential-air-service>

⁵ WGA *Reimagining the Rural West* Initiative Appendix https://westgov.org/images/editor/FINAL_RTRW_Appendix_2020.pdf

a grant applicant the opportunity to self-identify its air service deficiencies and propose an appropriate solution compared to an EAS direct subsidy.⁶ Air service started by the SCASDP often continues without further funding once the grant is over, exemplifying that the service proves itself to be commercially viable beyond its value to the community and the public.⁷

B. GOVERNORS' POLICY STATEMENT

Surface Transportation

1. Western Governors believe there is a strong federal role, in partnership with the states and local governments, for the continued investment in our surface transportation network—particularly on federal routes and in multimodal transportation networks throughout the West that are critical to interstate commerce and a growing economy. These routes and networks traverse hundreds of miles without traffic densities sufficient to either make public-private partnerships feasible or allow state and local governments to raise capital beyond the historic cost share.
2. Western Governors believe the current project decision-making role of state and local governments, with meaningful participation from affected communities, particularly tribes and historically underserved communities, in investment decisions should continue. Western Governors desire additional flexibility to determine how and where to deploy investment in order to maximize the use of scarce resources.
3. Western Governors believe that a viable, long-term funding mechanism is critical to the maintenance and expansion of our surface transportation network and encourage Congress to work together to identify a workable solution that adequately funds the unique needs of the West.
4. Western Governors believe in enhancing the ability to leverage scarce resources by supplementing traditional base funding by creating and enhancing financing mechanisms and tools that are appropriate for all areas of the United States, including those with low traffic densities where tolling and public private partnerships are not feasible.
5. Western Governors believe using the historic formula-based approach for the distribution of funds would ensure that both rural and urban states participate in any infrastructure initiative and it would deliver the benefits of an infrastructure initiative to the public promptly.
6. Western Governors believe the Highway Trust Fund (HTF) and the programs it supports are critically important to success in efforts to maintain and improve America's surface transportation infrastructure. Currently, the HTF will not be able to support even current federal surface transportation program levels and will not meet the needs of the country that will grow as the economy grows. Congress must provide a long-term solution to ensure HTF solvency and provide for increased, sustainable federal transportation investment through the HTF.
7. Western Governors strongly encourage western states port operators and their labor unions to work together to avoid future work slowdowns by resolving labor issues well before contracts are set to expire. In recent years, protracted disagreement in bargaining between parties has had an adverse effect on the American economy that should not be repeated.
8. Western Governors believe modern ports infrastructure is essential to strong national and western economy and urge Congress to fully fund the Harbor Maintenance Trust Fund and to reform the Harbor Maintenance Tax to ensure western ports remain competitive. Furthermore, Western Governors believe the federal government must work collaboratively with states, along with ports, local governments and key private sector transportation providers like the railroads, to ensure the necessary public and private investments to move imports and exports efficiently through the intermodal system, as well as community organizers and the Environmental Protection Agency's National Environmental Justice Advisory Council to effectively mitigate environmental and public health impacts to port communities.

⁶DOT Small Community Air Service Development Program <https://www.transportation.gov/policy/aviation-policy/small-community-rural-air-service/SCASDP>

⁷WGA *Reimagining the Rural West* Initiative Appendix https://westgov.org/images/editor/FINAL_RTRW_Appendix_2020.pdf

Transportation Infrastructure

9. Western Governors believe regulation accompanying federal transportation programs should be evaluated and if necessary, revised to encourage expediting project delivery and streamlining the environmental review process without diminishing environmental standards or safeguards.
10. The federal infrastructure permitting and environmental review process must be transparent, predictable, accessible and consistent for states, project developers, and affected community stakeholders. Federal processes must ensure that agencies set, and adhere to, timelines and schedules for completion of reviews and develop improved metrics for tracking and accountability.
11. Federal programs that increase bottom-up coordination among agencies, state and local governments and that foster collaboration among project proponents and diverse stakeholders, particularly rural communities, underserved communities, and tribes can create efficiency and predictability in the NEPA process, including reducing the risks of delays due to litigation.
12. Western Governors encourage consistency in the implementation of NEPA within and among agencies and across regions. The federal government should identify and eliminate inconsistencies in environmental review and analysis across agencies to make the process more efficient.

Electric Vehicle Infrastructure

13. Western Governors emphasize western states' collaborative efforts to improve the planning and siting of EV charging infrastructure to promote equitable access, particularly along highway corridors, rural areas, underserved communities, or anywhere that users do not have the ability to charge at home. We encourage Congress and the Administration to leverage these state partnerships when designing federal programs and allocating surface transportation and infrastructure funds focused on EV infrastructure. Coordinating with these multi-state groups would help promote targeted investments and partnerships that expand cohesive, regional EV charging networks.
14. Western Governors request that FHWA promote additional flexibility within the Alternative Fuel Corridors program to recognize the unique geographic and infrastructure conditions in western states. Western Governors and states are eager to work with FHWA to ensure that western states are not adversely affected by federal funding opportunities that are tethered to Alternative Fuel Corridors "Corridor-Pending" and "Corridor-Ready" designations.
15. Western Governors support legislative measures that address prohibitions within 23 U.S.C. 111 that limit the siting of EV charging stations at Interstate System rest areas and the issuance of a fee for the use of that infrastructure.
16. Promoting visitation to federal public lands and state parks is a high priority for Western Governors. Western Governors would welcome the opportunity to work with state and federal land management agencies to address challenges that affect the permitting and siting of EV charging infrastructure on state and federal public lands.
17. Western Governors support legislative efforts that seek to extend and expand the Alternative Fuel Vehicle Refueling Property Investment Tax Credit and improve the business case, especially in rural and underserved areas, for private investment in ZEV charging and refueling infrastructure.
18. Western Governors emphasize the important functions that Clean Cities Coalitions have served in coordinating and implementing ZEV infrastructure projects across the West and encourage Congress to provide funding support for the DOE Vehicle Technologies Office and Clean Cities Coalition Network.
19. Western Governors support strengthening domestic supply chains of critical minerals vital to electric vehicle battery production without compromising environmental and health and safety standards. Governors also support development of emerging tools and technologies that address barriers to mineral supply chain reliability, including technologies that help recycle or reuse existing critical mineral resources for use in electric vehicles and other clean energy technologies.

Aviation

20. Western Governors encourage the executive branch to include full funding for the EAS and SCASDP programs in the President's annual budget request.

Western Governors also support legislative actions to maintain and secure the longevity of these programs.

C. GOVERNORS' MANAGEMENT DIRECTIVE

1. The Governors direct WGA staff to work with Congressional committees of jurisdiction, the Executive Branch, and other entities, where appropriate, to achieve the objectives of this resolution.
2. Furthermore, the Governors direct WGA staff to consult with the Staff Advisory Council regarding its efforts to realize the objectives of this resolution and to keep the Governors apprised of its progress in this regard.

This resolution will expire in June 2024. Western Governors enact new policy resolutions and amend existing resolutions on a semiannual basis. Please consult <http://www.westgov.org/resolutions> for the most current copy of a resolution and a list of all current WGA policy resolutions.

APPENDIX

QUESTIONS FROM HON. ERIC A. “RICK” CRAWFORD TO JEFF GRETEMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER, WINDSTAR LINES, ON BEHALF OF THE AMERICAN BUS ASSOCIATION

Question 1. In your testimony you referenced difficulties that intercity and charter bus operators are facing regarding access to intermodal facilities. As you described it, disrupting or prohibiting this access means many operators are faced with less than desirable options for passenger pick up and drop off as well as a lack of passenger transit accessibility during their travel.¹

Question 1.a. What steps, if any, would you advocate to address this problem?

ANSWER. Thank you for the question. Yes, as referenced in both my oral and written testimony, bus operators are losing access to key facilities and destination points providing intermodal connections. These facilities are often publicly funded facilities, such as transit stations, Amtrak stations and airports. From a public policy standpoint, buses serving the public should have access to these facilities. Intermodal connections provide efficiency from a customer standpoint as well as a transportation network standpoint, and sustain all modes involved. There is also the environmental benefit of promoting intermodal connections, thereby eliminating the need for additional, less climate friendly, modes of transport to fill the gap such as taxis or car services.

Federal law explicitly directs publicly funded facilities to permit access to such facilities by intercity bus operators. Yet, owners of these facilities have found ways to get around the statute due to gaps in the law or interpretive guidance. For example, title 49 U.S.C. 5323(r), states that a recipient of federal transit funding cannot deny intercity buses from accessing federally funded public transportation facilities. However, because “reasonable” is not defined in the statute or through guidance, these recipients have used the ambiguity to delay or simply ignore requests for access, or creatively deny access through other means by trying to impose unreasonable conditions such as excessive rent. Further, as with both 49 U.S.C. 5323(r) and Section 47107(a) concerning airports, there are no enforcement procedures for either provision and because private buses are not their concern, both the Federal Transit Administration and the Federal Aviation Administration have demonstrated either little to no interest in ensuring their funding recipients comply with the law or, alternatively, they claim the law provides them insufficient means to take action. This has left bus operators with nowhere to turn for assistance. To address:

Step 1. Provide for enforcement mechanisms under both the FTA and FAA statutory provisions to address non-compliant grantees, and establish a definition for “reasonable” in the FTA statute. Ensure these changes are incorporated into agency guidance for implementing the statutes.

- a. Statutory language should apply to recipients and subrecipients, and in both urban and rural settings, to ensure states, regions and localities and any other public authorities, are subject to the provision.
- b. Ensure there is a process established for access requests, providing procedures for both grant recipients/subrecipients and operators, and include firm deadlines for responses.
- c. Non-compliance enforcement penalties should include denials of access based on frivolous and discriminatory reasons. Also, it should be clarified that intercity bus service is not an “incidental” use of the facility.

¹*Rural Transportation Challenges: Stakeholder Perspectives: Hearing Before the Subcomm. on Highways and Transit of the H. Comm. on Transp. and Infrastructure, 118th Cong. (Mar. 21, 2024), (written testimony of Mr. Jeff Greteman, President, Windstar Lines, Inc.).*

- d. To ensure transparency and assist enforcement, requests for access should be made public, along with a recipient's/subrecipient's determination on whether to deny or grant such access.
- e. Conditions of access should not be unduly burdensome, economically infeasible, or have a discriminatory effect.
- f. Pertinent federal agencies should have power to review access determinations by recipients/subrecipients, and rectify improper outcomes, including overruling denials and withholding of grant funds from non-compliant recipients/subrecipients.

Step 2: Develop a similar provision and program for the passenger rail statutory framework, to ensure application across the modes and use of public facilities.

Similarly, bus operators are increasingly facing restrictions from local jurisdictions they are trying to serve, in terms of pick-up/drop-off points. Due to the changing business environment forcing the closing of numerous bus stations, rural operators have sought to relocate²; however, many localities are restricting or prohibiting these efforts. For example, rather than working with bus operators and the public to relocate to areas that are safe and provide amenities and meaningful connections to other transportation services, localities are instead restricting bus operations to areas with few amenities and no intermodal access, such as industrial areas. There are also instances where localities tried to prohibit stops at all within their jurisdiction. These efforts result in less attractive bus service, hurting the traveling public who relies on the service, the bus operator, and the entire transportation network.

This is entirely contradictory to longstanding Federal policy intended to preserve rural intercity bus service. In 1991, ISTEA established the 5311(f) program specifically to assist with maintaining rural intercity service and ensure the sustainability of such service. In 2004, Congress directed the U.S. Department of Transportation (DOT) to study the problem of declining intercity bus service, including rural bus service, and make recommendations, demonstrating a continuing interest in preserving intercity bus service. However, as first identified in the 2005 issued DOT report³ and through to today, intercity bus service continues to decline, particularly rural bus service despite federal efforts. Greyhound is again going through restructuring and has exited various markets and sold or closed various terminal facilities, seeking stable economic footing to remain sustainable. This, in turn, has particularly affected rural bus operators with the loss of facilities. Several of these regional bus operators replaced services formerly provided by Greyhound; however, with the loss of viable pick-up/drop-off locations, their services are becoming even less economically feasible.

The 5311 program has not kept pace with current realities and localities are frustrating the effort. It is counterintuitive for recipients of 5311 funding, funding intended to sustain rural transportation services, including bus services, to turn around and create obstacles to making such services economically viable.

The 5311(f) program needs to be updated to reflect current economic circumstances facing the intercity bus industry if the program is to remain effective.

Step 3: The 5311(f) program should be reviewed to assess its effectiveness.

- a. *The current 50% limit on federal operating subsidy under the 5311(f) program needs to be increased.* Under the current program, no more than 50% of a project cost or service can be covered by a federal operating subsidy (e.g. 5311(f) funds), with the remainder required to be covered by non-federal match, which most often means by the bus operator. However, these projects or services generally run at a deficit, making it economically unsustainable for the bus operator to continue bearing the remaining 50% cost, particularly if it has no other traffic feeding into it and/or the service is unattractive to passenger travel. Bus operators providing these rural services simply cannot survive under this model; at best, if they are able to break even in terms of cost, which is unlikely, it is insufficient to sustain an intercity bus business. The federal operating subsidy for supporting rural service under 5311(f) needs to be increased if rural intercity service is to remain viable.
- b. *Increased capital subsidy matches for buses that must comply with Buy America requirements.* Currently, under 5311(f), the federal subsidy for capital

²Chaddick Institute, DePaul University, *Back on the Bus—2024 Outlook for the Intercity Bus Industry in the United States*, J.P. Schwieterman, B. Chesney, and A. Das, February 6, 2024. Note: Prediction 2, p. 17. <https://las.depaul.edu/centers-and-institutes/Documents/2024%20Outlook%20for%20the%20Intercity%20Bus%20Industry%20Feb%202023.pdf>

³U.S. Department of Transportation, *Study of Intercity Bus Service*, report to Congress, July 2005. <https://www.transportation.gov/sites/dot.gov/files/docs/Intercity%20Bus%20Service%20Report%20%20Final.pdf>

projects can be 80–85%, with the bus operator covering the remaining 15–20%. However, Buy America compliant vehicles are becoming too costly, with significant increases in recent years due to a reduction in OEMs, supply chain issues and labor. If the Federal Government requires Buy America compliant vehicles for use under the program, it needs to increase the federal subsidy portion. Alternatively, increased flexibility for granting waivers under the Buy America program could be helpful.

- c. *Consider establishment of a federal low-interest loan program for the bus operator portion of vehicle purchases.* Private financing for vehicles is difficult to obtain because the Federal Government or the State DOT puts a first lien on the vehicle, as opposed to private purchases with financing, where the bank or financial institution requires the first lien on the asset. In the case of capital investments using 5311(f) funds, the intercity bus operator needs to fund its portion of the transaction with cash or encumber other assets to fund vehicles for public use.

Step 4. Reconsider several recommendations from the 2005 Study of Intercity Bus Service. Specifically worth reconsidering:

- a. Increased funding for the 5311(f) program;
- b. Strengthen and add transparency to the 5311(f) certification process;
- c. Fund and ensure access to intermodal passenger facilities, ensure such infrastructure allows for bus ticket counters, proper bus loading/unloading areas, access to amenities and common areas for bus passengers;
- d. Rural feeder service/coordination;
- e. State, Regional AND local coordination;
- f. Integrated traveler information; and
- g. An “Essential Transportation Services” program.

Step 5. In addition to the recommendations outlined in the report, there are several other steps that should be considered.

- a. Include stronger statutory language under 5311, in conjunction with 5323(r), to limit any recipient or subrecipient of federal transit funding from adopting measures, through zoning ordinances or otherwise, that would prohibit access to federally funded transportation facilities. Access to federal funding should be restricted if such inappropriate actions are pursued.

Question 1.b. Are there policies that can be advanced that would remedy the issue?

ANSWER. Policies already exist to support the sustainability of rural intercity bus service and non-discriminatory practices, if they are followed. As noted above, Congress has established strong policy in support of intercity bus service and, for that matter, intermodal transportation. However, a culture of competition between modes for public funding and services has put the private bus industry at a distinct disadvantage and the 5311(f) program requires increased funding. Also, without mechanisms and incentive to ensure compliance with current law in support of established federal policy goals to support rural intercity bus service, efforts will continue to thwart the policy goals. The ideas outlined above, provide a strong platform for discussion in preparation for the next surface reauthorization, and the industry would welcome the opportunity to work with the Committee to improve efforts to meet the established policy goals for sustaining the rural intercity bus industry.

Question 2. In late 2023, the Federal Highway Administration (FHWA) released its final rule to create a greenhouse gas performance measure, forcing state departments of transportation and metropolitan planning organizations to set declining targets for carbon dioxide emissions associated with vehicles and travel along the National Highway System, or as your drivers might describe it, their workplace.⁴ On March 27, 2024, the United States District Court for the Northern District of Texas vacated the rule.⁵ Additionally, on April 1, 2024, the United States District Court for the Western District of Kentucky issued an opinion finding the rule exceeds FHWA’s statutory authority and is arbitrary and capricious.⁶ However, the

⁴National Performance Management Measures; Assessing Performance of the National Highway System, Greenhouse Gas Emissions Measure, 88 Fed. Reg. 85364 (Dec. 7, 2023), available at <https://www.govinfo.gov/content/pkg/FR-2023-12-07/pdf/2023-26019.pdf>.

⁵State of Texas v. U.S. Dep’t of Transp., Final Judgment, No. 5:23-cv-304-H, (N.D. Tex. 2024).

⁶Commonwealth of Kentucky v. Fed. Highway Admin., Opinion & Order, No. 5:23-cv-162-BJB (W.D. Ky. 2024).

Biden Administration has said it is considering next steps as the legal process continues.⁷

Question 2.a. Would implementation of the rule as finalized by FHWA help or hurt transportation operations in small and rural communities across the country?

ANSWER. Thank you for the question. The FHWA rule would not be helpful to transportation operations in small and rural communities. Rural states have very different transportation needs than states with large urban regions, just as western states have very different needs from eastern states, and so on. One of the hallmark principles of the federal surface transportation program is to ensure federal funding, collected through gas taxes, is returned to the states for making transportation investments that best meet their needs—recognizing local discretion is paramount, because local authorities are in the best position to know their needs and how best to address them. The FHWA rule flies in the face of this principle by restricting state and local decision making.

By implementing the rule, states and small and rural communities will put much needed federal transportation funding at risk if they choose projects to meet local needs but may not comply with the Administration's policy goals. The rule directly targets roadway vehicles and roadway capacity, the most relied upon form of transportation for small and rural communities whose transportation choices are often limited. The purpose of the rule, like other non-FHWA Administration policy initiatives, is to tackle climate change by limiting emissions from roadway vehicles through promotion of investment in alternative, "emissions reducing" transportation projects, such as public transit, streetscaping or bike lanes. However, the transportation needs of small and rural communities are not always suited to these alternative projects, and in some cases such alternatives could instead further contribute to emissions and other harmful outcomes, as well as waste scarce federal resources.

Question 2.b. Does a Federally mandated one-size-fits-all approach to this issue work in Iowa, where Windstar is based, or in many of the surrounding rural states where you run routes?

ANSWER. Windstar is very troubled by the Federal Government's approach imposing a broad mandate on all states and territories without providing the necessary flexibility for states and local planning organizations to independently make decisions that best meet their needs. The Federally mandated policy is clearly intended to force states and rural communities to make decisions about critical transportation funding against their interests or risk losing access to federal funding.

For example, Highway 30 runs from the east to west borders of Iowa, and is one of the most traveled roadways in the state, connecting major cities such as Cedar Rapids and Ames, serving over 550,000 of Iowa's 3.1 million population. However, over 80 miles of it remains two-lane, which causes safety concerns, congestion, and operational inefficiencies for businesses like Windstar. Highway 30 needs to be modernized, including increasing its capacity to make it a 4-lane highway. However, the FHWA rule would discourage Iowa from considering this type of project because it involves increasing highway capacity. Instead, the FHWA rule would encourage Iowa to consider alternative actions, such as adding more transit or bike lanes, to comply with efforts to reach declining GHG targets. This outcome would do nothing to address the Highway 30 safety and congestion related concerns and may even exacerbate them. Alternatively, if Iowa determined to pursue the Highway 30 project and/or could not find suitable other emissions reducing alternatives, even though the rule refrains from imposing explicit penalties for missing GHG targets, the state risks losing out on future federal funding opportunities for being noncompliant.

States with vast open ranges and numerous rural communities dependent on surface infrastructure and vehicles are put at a distinct disadvantage under the FHWA rule. The rule's "one-size-fits-all" approach makes no provision for the varying and unique transportation challenges facing the varied regions of this nation, the fundamental reason why the federal highway program was intentionally designed to leave investment decisions in the hands of local experts. Windstar and the bus industry do not support the FHWA rule.

Question 3. The Biden Administration has devoted significant effort and funding towards incentivizing a transition of the transportation sector to electric vehicles (EVs), including within the bus industry.⁸ How do electric buses compare to tradi-

⁷E-mail from Acting Cong. Affairs Team Leader, Fed. Highways Admin. to Staff, H. Comm. on Transp. and Infrastructure, (Mar. 29, 2024, 4:42 PM EST) (on file with Comm.).

⁸See e.g., THE WHITE HOUSE, FACT SHEET: BIDEN-HARRIS ADMINISTRATION TAKES ACTION TO ACCELERATE AMERICA'S CLEAN TRANSPORTATION FUTURE, (Dec. 14, 2023), available at <https://www.whitehouse.gov/briefing-room/statements-releases/2023/12/14/fact-sheet-biden-harris-administration-takes-action-to-accelerate-americas-clean-transportation-future/>; Press Release, U.S.

tionally fueled buses in terms of range, reliability, and production and maintenance costs?

ANSWER. Thank you for the question. Windstar is very concerned about the increasing regulatory and policy pressures, not incentives, to transition the heavy-duty vehicle industry to zero-emission vehicles, including over-the-road buses. Although we certainly support the need to address climate change concerns, we are frustrated that our industry is not recognized for being one of the “greenest” modes of transportation currently operating. Buses remove cars from the road, with some motorcoaches accommodating 57 passengers. Our engines are clean, producing the least amount of carbon emissions per passenger and using less fuel per passenger mile than all other modes of transportation. Our engines use ultra-low sulfur diesel fuels, as mandated by federal rules, and are equipped with particulate filters that capture 98% of particles in diesel exhaust, with the lowest particulate matter emission rate among all on-road transportation modes. Yet, in policy discussions and regulatory proceedings, rarely are these contributions to reducing the transportation industry’s carbon footprint taken into account. As part of the heavy-duty (HD) transportation sector, motorcoach operators, along with other heavy-duty commercial motor vehicles operators, are under intense pressure to transition to zero-emissions vehicles or ZEVs.

Candidly, ZEV transition is just not possible for our industry at this time, for a number of reasons. First, the ZEV technology for HD vehicles is still under development, with no clear path forward on whether electric powered buses or BEVs, or hydrogen fuel cell powered buses or some other technology will prevail.

Although BEV vehicles are in use in limited settings today, they cannot provide a 1:1 replacement for diesel powered internal combustion engine (ICE) motorcoaches. The nominal range for a BEV, which is likely greater than actual operating range, is 150–300 miles, depending on battery size, compared to +/- 1500 miles for an ICE powered motorcoach. However, once actual operating conditions are factored in, such as a 20%+/- loss in range (only 80% of the battery is generally available for use, as battery life is severely shortened by repeated charging to 100%), temperatures/climate, geography, auxiliary loads (e.g. heating/AC, ventilation etc.), and other factors, the actual operating range is lower, realistically in the range of 150–200 miles. There are tradeoffs for consideration, where range could be extended; however, this would involve using larger batteries that would require increased space to house the battery pack, longer “refueling” time and less space for money-generating passenger capacity. Also, from what we are seeing in the real-world deployment of BEVs in the transit arena, BEVs are simply not as reliable as an ICE vehicle for service—particularly in more extreme climates—there are weight issues and durability issues, with more breakdowns and longer shop times than expected⁹. Simply put, BEVs are not a one for one replacement for diesel ICE buses.

Recharging time to “refuel” a BEV is also an issue, particularly with a shortened vehicle range. Currently, it takes about 3–4 hours to recharge a BEV, depending on battery size, as opposed to 20–30 minutes to refuel an ICE vehicle. This time cost is entirely unrealistic for long distance passenger travel. Additionally, the charging infrastructure to support commercial motorcoach travel does not yet exist and will require significant investment.¹⁰ (See study) Although the Administration is heavily investing in charging infrastructure buildout, there remain a number of challenges that will take time to overcome. BEVs require enroute charging infrastructure that will be sufficient to charge HD engines and provide adequate space to accommodate large vehicles. To date, investment in charging infrastructure has focused primarily on personal vehicles, with no thought to the space needs or standards to ensure sufficient charging capacity. Charging capacity for HD vehicles requires costly utility service upgrades to support high-capacity chargers. This type of buildout for HD electric vehicles will not be a short-term undertaking, it will require time and sufficient power supply.

The alternative technology of hydrogen powered fuel-cells shows promise because this technology offers longer driving ranges, shorter fueling times, and space effi-

DEPT OF TRANSP., FEDERAL TRANSIT ADMINISTRATION, *Biden-Harris Administration Announces Availability of \$1.5 Billion in Federal Funding to Modernize Bus Fleets and Deploy Clean Transit Buses Across America*, (Feb. 8, 2024), available at <https://www.transit.dot.gov/about/news/biden-harris-administration-announces-availability-15-billion-federal-funding-modernize>.

⁹ TransitCenter, *Electric Buses Are the Future. Agencies Are Still Right to be Cautious*, April 25, 2003. <https://transitcenter.org/electric-buses-are-the-future-agencies-are-still-right-to-be-cautious/>

¹⁰ Clean Freight Coalition study, *Forecasting a Realistic Electricity Infrastructure Buildout for Medium- & Heavy-Duty Battery Electric Vehicles*, Roland Berger, April 2024. https://www.cleanfreightcoalition.org/sites/default/files/2024-03/RB%20Study%20Report_final%5B11225%5D.pdf

ciencies in terms of vehicle housing for the fuel cell technology. However, there are no bus OEMs producing hydrogen fuel cell buses currently for use in the U.S. Also, hydrogen fuel is in limited supply, costly to produce and not as efficient (having to be converted to provide electricity, affecting its efficiency), thus it is likely to be a costly fuel source to use and maintain. Hydrogen fueling stations and site locations are dependent on how hydrogen is produced, delivered and stored on site, and require a sizeable footprint. Due to these challenges, hydrogen fueling infrastructure at this point in the U.S. is even less accessible than charging infrastructure, with almost all sites located in California.¹¹ As well, there are also safety considerations to take into account in using hydrogen, with many of the standards and best practices in the current use of hydrogen adapted from other industries and not yet updated to apply to use of hydrogen for surface transportation.

Finally, there are significant costs involved for bus operators with transitioning to HD ZEVs, either battery-powered or hydrogen fuel cell-powered. In terms of vehicles, the current cost of a BEV is around \$1.2 million in comparison to the \$600,000 cost of an ICE motorcoach, and the price is even higher for a hydrogen fuel cell vehicle, up to \$2 million (based on transit buses, as motorcoaches are not even available in the U.S.) In addition to vehicle costs, there are additional costs required to invest in on-site fueling infrastructure, including both financial costs and time costs to obtain permits and coordinating with power suppliers. This is not a simple undertaking for an industry dominated by small, family-owned businesses. Also, drivers and maintenance staff will need training to work with and maintain the new vehicles and technology, and our industry is already in the midst of a driver and mechanic shortage.

These are extremely complex and heavy economic burdens for the private motorcoach industry as a whole, and pose a serious threat to an already struggling rural intercity bus network. Further, although the Federal Government has prioritized transitioning the HD vehicle industry to ZEVs and provided sizable subsidies to support the transition, including significant grant funding to the public transit industry which is often a direct competitor of private bus operators, it has not provided funding assistance to help the private bus industry. There are no incentives, instead, federal rules and, by default, California Air Resource Board rules continue to press on bus manufacturers and bus operators. These actions will force bus operators to make timely choices between investing in clean, reliable technology that will provide cost recovery: or costly, nascent technology still under development, which may not provide a return on investment and could induce financial hardship.

Question 4. Windstar buses traverse across many parts of this country, and specifically many rural regions. Does the charging infrastructure exist to make long range electric bus travel feasible for costs or travel schedules?

ANSWER. Currently, Windstar is not operating any electric buses or BEVs, and the lack of infrastructure is just one of many reasons why we have not pursued investing in these vehicles. However, based on information shared by bus OEMs and other bus operators using electric vehicles, the infrastructure is not in place to support commercial BEV operations.

Most existing charging infrastructure was designed and built to support personal vehicle operations. These facilities often cannot accommodate large vehicles, and the charging equipment—when it is working—is not high-capacity charging equipment to fast charge HD vehicles. Further, there are insufficient charging stations available to support long distance bus travel, and what is available rarely provides sufficient amenities to support bus passengers. At this time, there is very little incentive for private bus operators to pursue or invest in electric buses if their operations involve distance travel. Another concern is simply the space requirements within the vehicle for the battery package. The amount of space needed requires removal of the majority of space currently reserved for passenger luggage. Long distance travel requires a significant amount of space for customer luggage. With electric buses, the current luggage space is now filled with large batteries, leaving no space available to accommodate luggage for 56 passengers. Simply put, the technology is not there yet for over-the-road motorcoach companies to operate electric buses given the current battery capacity and size requirements, along with range limitations and the lack of charging infrastructure along the route. Together with the significant cost investment required for these vehicles, the industry is hard pressed to consider transitioning to BEVs at this time.

¹¹U.S. Department of Energy, Alternative Fuels Data Center. <https://afdc.energy.gov/fuels/hydrogen-stations#:~:text=As%20of%202023%2C%20there%20are,planned%20for%20the%20northeastern%20states>

ATTACHMENT

Study of Intercity Bus Service, Report of the Department of Transportation to the
United States Congress Pursuant to House Report 108-671, July 2005

The 40-page report is retained in committee files and is available online at [https://
www.transportation.gov/sites/dot.gov/files/docs/Intercity%20Bus%20Service
%20Report%20%20Final.pdf](https://www.transportation.gov/sites/dot.gov/files/docs/Intercity%20Bus%20Service%20Report%20%20Final.pdf)

