

TESTIMONY OF STEVE HEMINGER
MEMBER, NATIONAL SURFACE TRANSPORTATION POLICY
AND REVENUE STUDY COMMISSION

BEFORE THE
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION
UNITED STATES SENATE
APRIL 22, 2008

Chairman Inonye, Vice Chairman Stevens and members of the committee. My name is Steve Heminger, and I am executive director of the Metropolitan Transportation Commission (MTC). MTC is the metropolitan planning organization for the nine-county San Francisco Bay Area. It allocates more than \$1 billion per year in funding for the operation, maintenance, and expansion of the region's surface transportation network. MTC also serves as the Bay Area Toll Authority (BATA) responsible for administering all toll revenue from the seven state-owned bridges that span the Bay. BATA has a "AA" credit ratings and has issued over \$5 billion in toll revenue bonds to finance bridge, highway, and transit construction projects.

I was appointed to the National Surface Transportation Policy and Revenue Study Commission by House Speaker Nancy Pelosi. It was a rare privilege to serve on that commission, just as it is a distinct honor to appear before this committee today to discuss our commission's findings and recommendations. In my brief testimony, I would like to describe two of the ten new federal surface transportation programs which we propose to replace the 108 different spending categories in current law. These two new programs meet the rigorous test we developed for a new beginning in U.S. surface transportation policy: that the federal investment strategy should be performance-driven, outcome-based, generally mode-neutral, and refocused to pursue objectives of genuine national interest.

1. Congestion Relief

The first of these new federal investment programs has the working title of Metropolitan Mobility. In simple terms, it is designed to decongest our major urban areas. The Census Bureau tells us to expect 120 million more fellow citizens by the year 2050. From a transportation point of view, that kind of growth wouldn't be too tough to handle if it were spread across our vast country. But it won't be. Most of these new Americans will live where most of today's Americans already live: in metropolitan areas. These urban centers are the economic engines of the nation, and they are bound to become even more vital as America's population continues to urbanize and cluster near large cities.

In our commission report, *Transportation for Tomorrow*, we have focused on major metropolitan areas with more than 1 million residents (see Exhibit 1). These 50 or so areas account for about 60% of the nation's population and GDP – that's impressive enough. But these same areas capture an astonishing 90% of national market share for three key transportation indicators: traffic congestion, transit ridership, and population exposure to auto-related air pollution (see Exhibit 2). In a nutshell, these major metros are where the action is.

In 1982, only Los Angeles experienced congestion levels that exceeded 40 hours per year for the average commuter. Today, that level of traffic delay has spread to nearly 30 urban areas across the country (see Exhibit 3). We think the nation should set ambitious targets to reduce traffic congestion in these areas – not just slow the rate of increase. In order to do so, metropolitan officials will need more resources. But they will need more authority as well – to implement market-based strategies like congestion

pricing to help unclog some of our key commute and freight corridors. And with the added resources and authority should come accountability – to meet the mobility targets they set. That’s what our commission report means when we say “performance-based” and “outcome-driven”. We believe it’s time to stop complaining about traffic congestion, and start doing something about it. As former Transportation Secretary and former Congressman Norm Mineta has said: “Congestion is not a fact of life.”

A principal cause of traffic congestion in our metropolitan areas is that trucks carrying goods and autos carrying commuters are competing for the same scarce road space. In addition, several major urban areas – including my own – are home to the nation’s largest seaports where containerized cargo enters and exits the United States (see Exhibit 4). That is why our report advocates strategies to grow the market share of both freight and passenger travel that occurs on the nation’s rail network. It is also why the linkage between the Metropolitan Mobility Program and the new Freight Transportation program we recommend will be so critical to the success of reducing urban traffic congestion.

2. Saving Lives

Put bluntly, our track record on highway safety in America is a national tragedy. Every year 40,000 of our fellow citizens die on the nation’s highways – that’s equivalent to a 9/11 every month, month after month, year after year (see Exhibit 5). In addition to the horrible human cost, the economic consequences are enormous. According to a study released just last month by the American Automobile Association, the annual cost of traffic crashes in lost earnings, medical bills, and other economic impacts is nearly two

and a half times the annual cost of traffic congestion in the nation's urban areas -- \$164 billion for traffic crashes vs. \$68 billion for congestion.

We constantly hear federal officials claim that safety is Job #1, and the current transportation act is even named SAFETEA, yet the carnage continues. With the exception of many rural roads that need to be upgraded, our highways themselves are pretty safe – it's the drivers who are dangerous. Driver behavior is where we need to devote much more attention than we have in the past, just as countries very similar to ours – like Great Britain and Australia – have done so and achieved much lower fatality rates than our own (see Exhibit 6).

Every state should have a primary seat belt law, but only half do. Every state should have a motorcycle helmet law, but only 20 do. Every state should have an ignition interlock law that prevents repeat drunk drivers from starting their car if they're not sober, but less than a handful do. And once those laws are passed, they need to be vigorously enforced to ensure compliance.

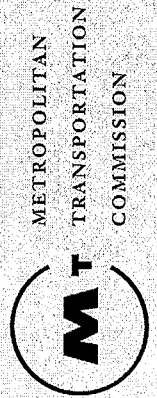
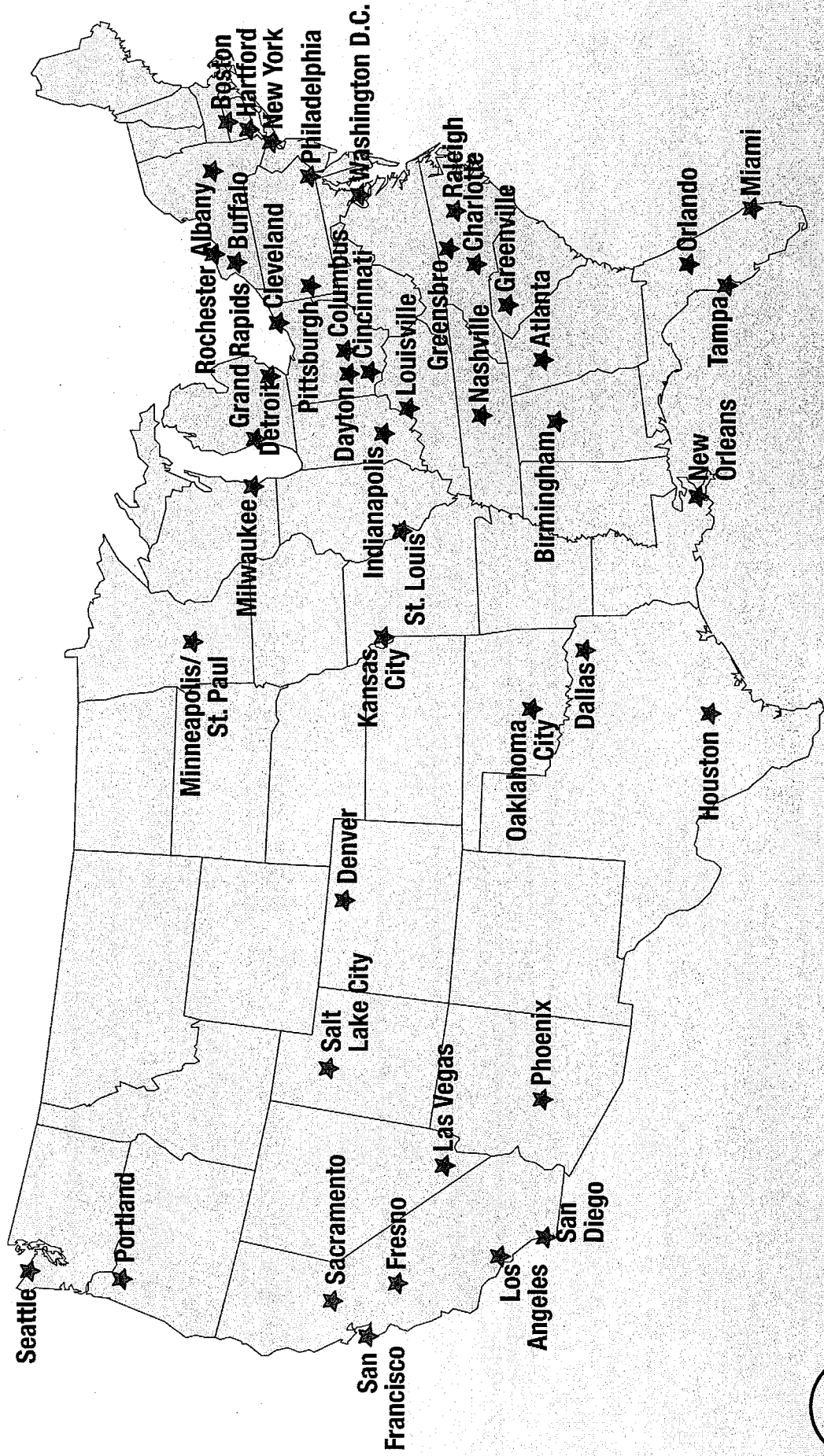
Our commission report proposes an aggressive but achievable goal of cutting traffic fatalities in half by 2025. We can reach that goal, but only if the combined might and muscle of our federal, state, and local governments are brought to bear. If we do reach that goal, it would mean 20,000 more Americans every year would be able to tell their loved ones about their drive home from work each day.

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Again, I appreciate the opportunity to testify before the committee. My commission colleagues and I feel a great sense of urgency in the message we convey to you today about the worsening condition of the nation's transportation infrastructure.

The inefficiencies and underinvestment that plague the nation's transportation network aren't just about concrete, asphalt, and steel. They jeopardize our national security, damage our ability to compete in a global economy, and harm our enviable quality of life. We simply cannot afford to pass this problem onto the next generation. The time to act is now.

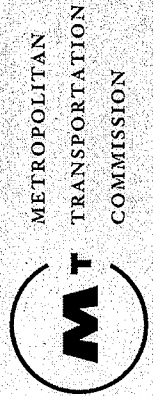
Metro Areas Greater Than 1 Million



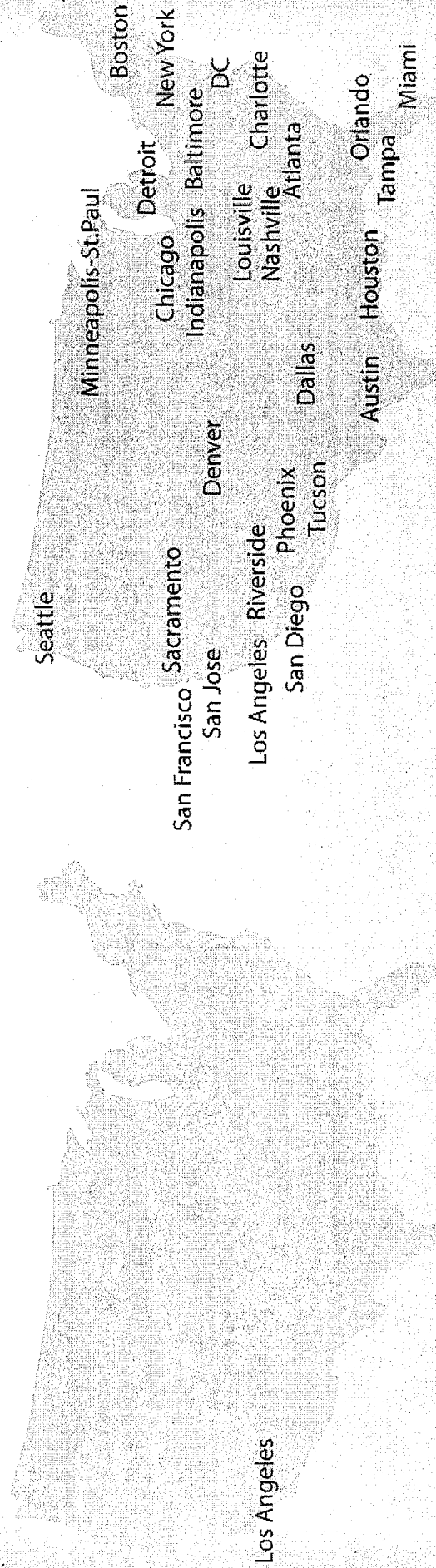
Metros Capture Huge Market Share

	10 Megaregions	Metro Areas >1 Million
1 Share of U.S. Population	68%	58%
2 Share of Traffic Congestion	92%	97%
3 Share of GDP	78%	61%
4 Share of Transit Ridership	93%	92%
5 Share of Population Exposure to Criteria Pollutants	94%	88%

Sources: U.S. Census, Texas Transportation Institute, U.S. Conference of Mayors, EPA

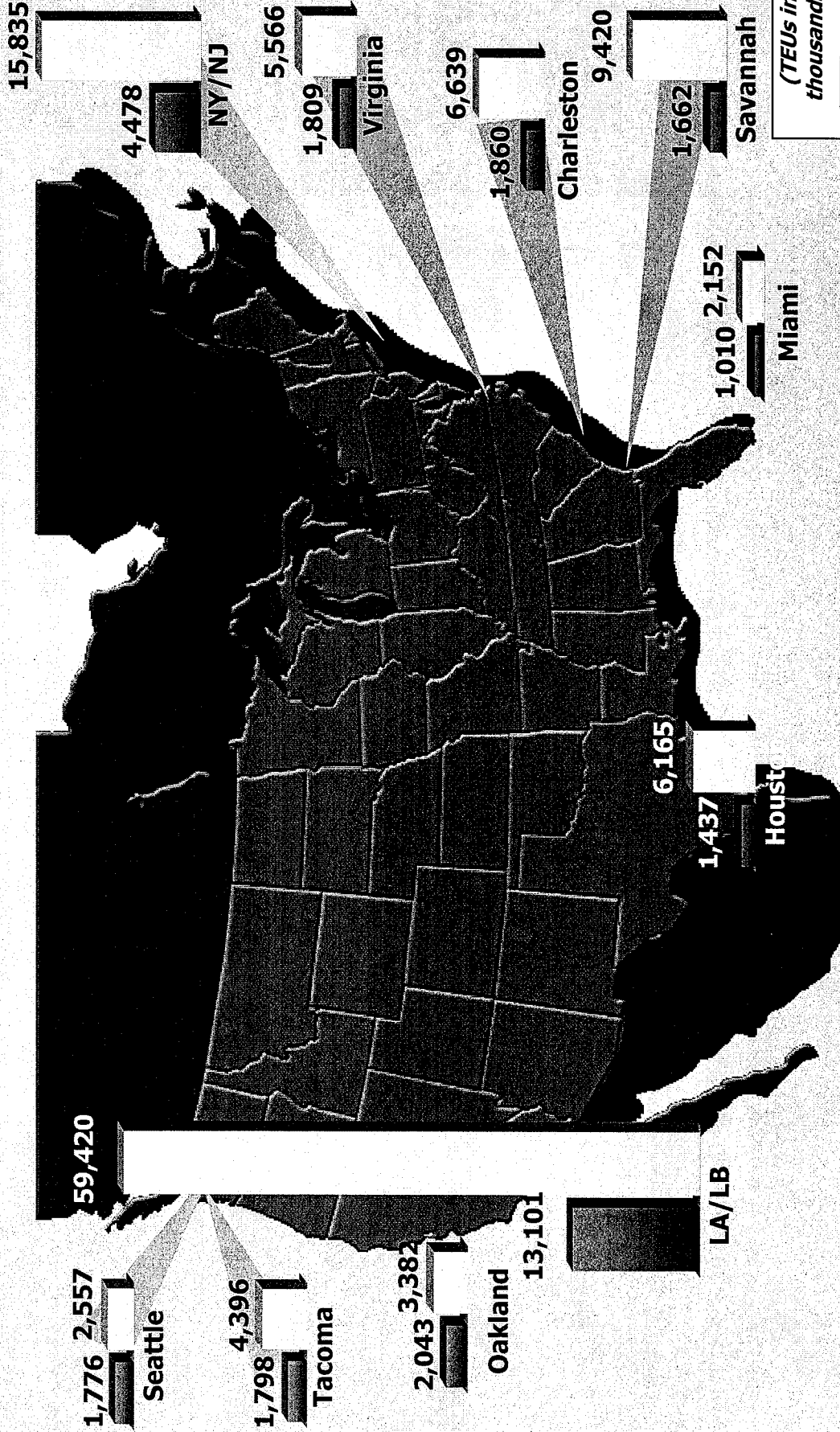


In Congestion for At Least 40 Hours Annually



Dramatic Increase in U.S. Maritime Trade

Volume of trade: 2004 and 2020

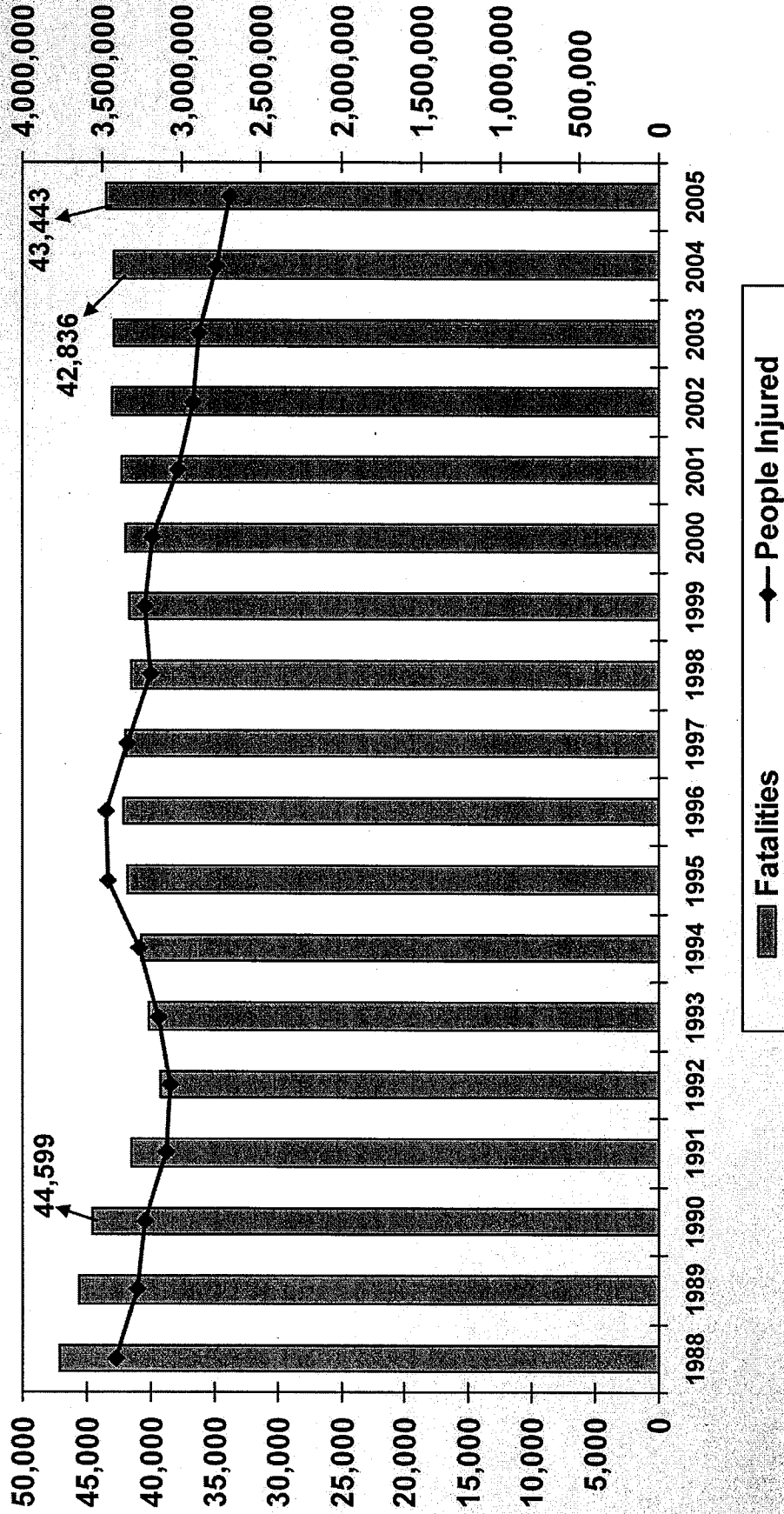


(TEUs in thousands)
 2004
 2020

Forecast figures based on 10-year linear regression

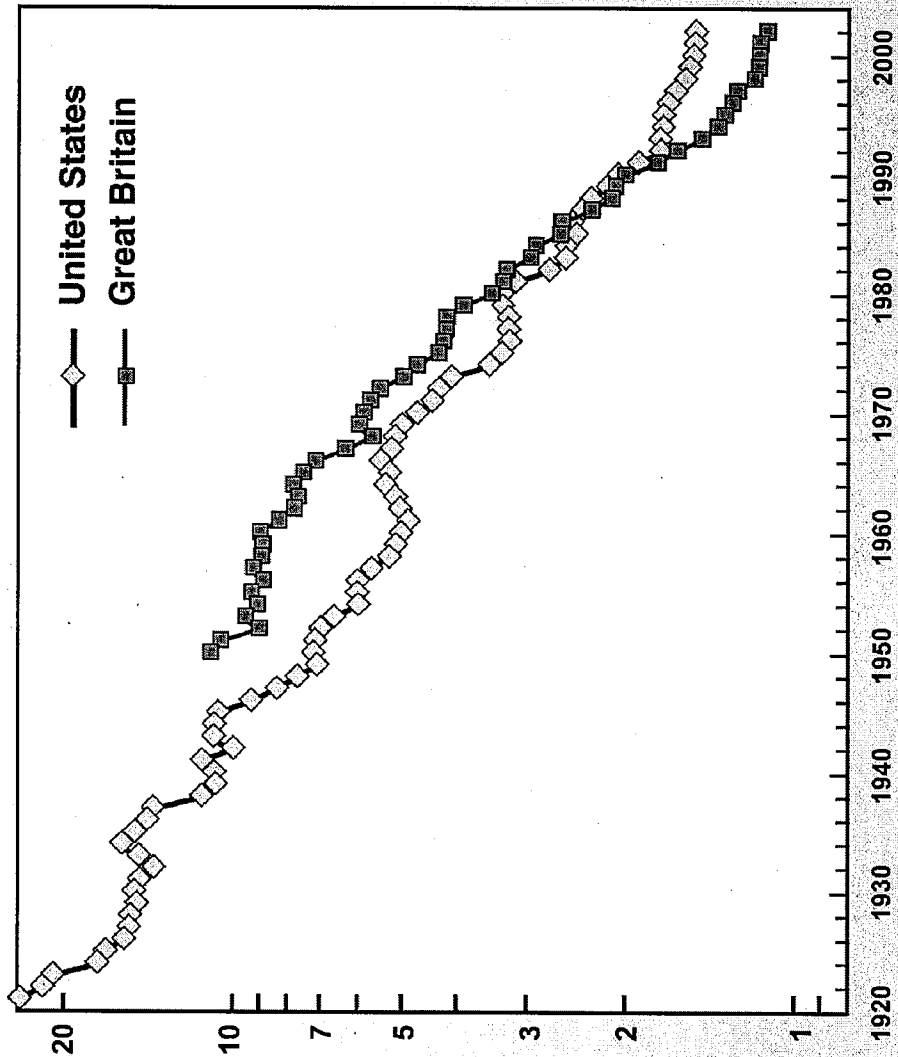
Source: U.S. DOT

People Killed and Injured In Traffic Crashes, by Year



Source: FARS

U.S. and G.B. Traffic Fatalities Per 100 Million VMT



Source: Leonard Evans, Traffic Safety, 2004

