

TESTIMONY OF DOUGLAS R. HOOKER

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on

Driving the Road to Recovery: Rebuilding America's Transportation Infrastructure

before the

Committee on Commerce, Science, and Transportation

UNITED STATES SENATE

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Chair Cantwell, Ranking Member Wicker, and Members of the Committee, thank you for inviting me here to discuss the Atlanta Regional Commission's perspectives on the current challenges in developing our transportation infrastructure at the local, state, and federal level, and how investment in transportation infrastructure can help boost our economy, support a more equitable community, and advance interstate commerce. My name is Doug Hooker, and I am the Executive Director of the Atlanta Regional Commission (ARC). My Board Chairman, Kerry Armstrong, joins me in thanking you for this opportunity to have the ARC's voice heard.

In 1947, the Metropolitan Planning Commission (MPC), was created in Atlanta and became the first publicly supported, multi-county planning agency in the United States. Ultimately renamed the Atlanta Regional Commission, the agency's responsibilities include: 1) being designated by the state of Georgia as a Metropolitan Area Planning and Development Commission as well as a Regional Commission; 2) the federally designated *Metropolitan Planning Organization* (MPO) that is responsible for developing a multi-modal, financially constrained transportation plan; 3) the federally designated *Area Agency on Aging* for the Atlanta region, providing services and policy guidance to improve the quality of life of older adults; 4) planning staff to the Metropolitan North Georgia *Water Planning District*, which develops comprehensive regional and watershed-specific water resources plans; 5) the administrative agency for the Atlanta Regional *Workforce Development Board*; and 6) the local administrative agency for the Atlanta *Urban Area Security Initiative* (UASI), which prepares and coordinates the region's response and recovery to homeland security issues. ARC's transportation planning area includes all or part of 20 counties and serves a population of 5.8 million people.

ARC's perspectives on meeting the infrastructure challenge and the need for investment to boost our economy and improve the transportation system.

The Nation's MPOs, in partnership with local communities, states, and other regions are in a unique position to work with our federal partners to address and implement national transportation and interstate commerce goals.

The Nation's MPOs convene diverse groups of stakeholders that range from mayors, county commission chairs, local and state government staffs, business and community leaders, and federal stakeholders, to address the pressing public challenges facing regions. These discussions cover a variety of questions: from 'How do we fix dangerous intersections so freight trucks can safely get to warehousing districts?'; to 'What are the best strategies to lower vehicle emissions to improve air quality and reduce greenhouse gases?'; to perhaps the most important questions we must wrestle with: 'How can we best design a transportation system that supports our economy while furthering equitable growth in our 20-county region?' 'How do we design a system that works well to meet the needs of all of our residents?'

Only a partnership among the local, regional, state, and federal government officials can advance solutions to these challenges. This convening role is where regional planning agencies excel, including providing vital support as part of our mission for the under-resourced communities that exist within our region. The ARC is proud to play a supporting and coordinating role across many city, county, and state agency jurisdictions.

In this capacity, the ARC and many other large MPOs have already started addressing the needs that are important to this Committee, such as providing funds for goods movement projects, planning for resilient transportation systems, factoring into our decisions the need to combat climate change, and strengthening equity considerations in the selection of the region's transportation investments. The ARC

is closely monitoring the development of these policies by committees of Congress and the Administration, and hopes to work with you to fashion, strong, reasonable, and implementable changes in the Nation's transportation policies that serve our region and its people. We welcome the added emphasis to address these areas more thoroughly and comprehensively. MPOs will need additional resources beyond their current funding levels to implement these federal priorities that advance interstate commerce, national economic competitiveness, and fairness at home.

We have shared with staff from the Senate's Environment and Public Works Committee a list of our recommendations for planning provisions in the FAST Act reauthorization. That document is appended to this written testimony.

We note that last year's House bill provided a 41% increase in funding resources for MPO planning to successfully address these national goods movement, equity, and environmental challenges. It is up to the Congress to decide what that number should be, but we strongly encourage that you make available the additional resources needed to implement any new responsibilities required of the Nation's MPOs.

Along these lines, a reauthorized FAST Act can be strengthened by lowering the required non-federal match for MPO planning programs, from the existing 20% level to a maximum of 10% or even eliminating this match requirement.

Further, the ARC supports creating the Metro Performance Program concept, for high-performing MPOs that direct funding to local communities, to advance transportation-focused investments that support federal priorities related to goods movement, equity, congestion relief, climate change, and infrastructure resiliency.

We note that a core goal of the Senate Commerce Committee is furthering the Nation's economic competitiveness through interstate and international commerce. We are extremely proud that Georgia was named in September 2020 as the "Top State for Doing Business" by the magazine *Area Development*. This was the 7th consecutive year that our State received this recognition. While there are many factors that led to this recognition, Georgia's strong goods movement and logistics sector – including the ability to cost-effectively transport goods both throughout the nation and to international markets - is a core foundation of our community's economic success. The Georgia legislature continues to prioritize supporting interstate commerce, with the creation in 2019 of the Georgia Commission on Freight & Logistics. This legislative initiative emphasizes finding solutions to the challenges being faced by industries supporting interstate commerce.

The state of Georgia has significantly increased transportation funding since 2015, with the passage of the *Transportation Funding Act* (HB 170). This action has doubled transportation revenues for the state. Local governments have also increased revenue to support transportation funding for both transit and roadways, including the transit funding referendums in both the City of Atlanta and Clayton County. It is critical that our federal partners also identify strategies to increase transportation revenues.

Interstate goods movement is critical to Georgia and the Atlanta region's economy.

Nearly one-third of the jobs in Metro Atlanta are in industries that rely on freight transportation. These jobs comprise \$514.8 billion, or 38%, of our region's economic output. The Atlanta region's total freight tonnage will increase by 43% over the next 25 years. By 2050, the economic contribution of the goods movement sector will increase to \$1.2 trillion.

The Atlanta region has a close economic relationship with states and regions throughout the Nation, but the most critical goods movement partner is the Port of Savannah. The largest container

terminal in the western hemisphere and the Nation's top export gateway, the Port of Savannah is a critical part of the Nation's interstate commerce. For example, while metro Atlanta is the Port's largest intermodal trade partner, the Memphis region is Savannah's No. 2 trading partner and is responsible for one out of every five containers. The Port of Savannah is one of the primary drivers of goods movement in the United States.

The location of metro Atlanta, relative to the Port of Savannah, allows for the transportation of goods to metro Atlanta and back to the Port in one business day. This has allowed metro Atlanta – and Georgia – to become a major center for warehousing and distribution for the Southeastern United States. Georgia continues to emphasize development of inland ports, including the Appalachian Regional Port, the Bainbridge Terminal, and the Northeast Georgia Inland Port that is scheduled to open later this year. The Georgia Ports Authority continues to assess the feasibility of additional future inland ports.

The port's current annual capacity is four million TEUs, or twenty-foot equivalent units. By 2028, the Port of Savannah will have a capacity eight million TEUs.

The Atlanta region and other MPOs need the Committee's leadership to help our Nation's goods movement and logistics sector to succeed. The current USDOT National Highway Freight Program has helped states to improve goods movement bottlenecks. Additional funding is needed in this program to address the Nation's most significant freight movement bottlenecks. Two of the Nation's top five trucking bottlenecks are in the Atlanta region: #3 at the I-285 North / I-85 North interchange (DeKalb County) and #4 at the I-285 West / I-20 West interchange (Fulton County).

Without the necessary rail and roadways improvements, our Nation's economy will be at a disadvantage when competing globally. The ARC, in partnership with the Georgia Department of Transportation and local communities, conducts freight cluster plans to identify needed transportation

improvements for our largest manufacturing and distribution centers. One outcome identified in these studies is that insufficient funding is available for the critical “last mile” freight connections that support interstate commerce. We recommend that the next transportation reauthorization bill not only increase freight program funding for states, but also provide the Nation’s largest MPOs a suballocation of the National Highway Freight Program to fund needed improvements for these essential “last mile” freight bottlenecks.

Within the Atlanta region, examples of these “last mile” freight improvements include two intersection operations projects on SR 6 (Camp Creek Parkway), south of Atlanta. These projects will improve safety and reduce congestion along a corridor that serves an Amazon distribution center and numerous other industrial businesses, while connecting to three interstate highways and Hartsfield-Jackson Atlanta International Airport. Northeast of Atlanta, in the Gateway 85 area of Gwinnett County, several intersection projects have been identified that will add turn lanes, increase the turning radius on corners, and shift the location of stop bars at intersections so that trucks can turn left more easily. While these “last mile” projects are not as high profile as our largest interstate program projects, they are among the most critical needs identified by our trucking partners that use our roads.

ARC has conducted a truck parking study of needs within the Atlanta region. Most interstate commerce corridors in our region suffer from truck parking shortages, with this shortage forecast to worsen in the future. To support the Nation’s interstate commerce, the trucking industry needs safe and accessible parking. We ask that you keep these critical truck parking considerations on the agenda for your Committee. Safe and accessible truck parking is not just a local issue, the needs cross state boundaries. A national program is needed that focuses on interstate commerce corridors and addresses the unmet needs for safe and accessible truck parking.

We need a strong national vision that encourages strategies to shift more of our Nation's interstate goods movement from trucking to rail. ARC often hears this desire from local and state officials. Increasing the share of interstate goods movement from trucks to rail is a strategy that would reduce crashes and congestion, lower truck-related NOx and VOC emissions, and reduce greenhouse gases. Increased federal assistance is needed to upgrade rail infrastructure and at-grade rail crossings in both rural communities and metropolitan areas. Due to economic factors associated with the rail industry, it is likely that train lengths will increase in the future and place additional delays at existing grade-crossings. To further community safety at these at-grade rail crossings, it is essential that the federal Railway-Highway Crossings program be expanded well beyond the current \$250 million per year.

As the Committee continues deliberations on the necessary policies and investments needed to support interstate commerce and advance prosperity, we must always keep one item in mind. This leads to my third point.

Recognize the critical role that quality-of-life considerations play in building a strong economy.

One of the challenges we face is increasing housing costs for our workforce, the most important resource we have in our communities. No community can succeed in supporting interstate commerce without a diverse and affordable housing supply that meets the needs of our residents. We are rapidly losing housing affordability throughout the nation, and the Atlanta region is no exception.

The Atlanta region has been long recognized across the nation as having relatively affordable housing costs. Historically, this housing cost advantage helped fuel the region's growth, allowing workers in critical interstate commerce industries to achieve the American Dream: shifting from renting to ultimately owning a home. But quality, affordable, housing is becoming more difficult to find in our

region: and not only affordable housing, but quality, affordable renting as well. This threatens our quality of life by reducing our residents' ability to improve their economic prospects in an equitable manner, because they fail to fully share in in the region's prosperity. In metro Atlanta, about one-third of homeowners and half of renters are now considered "cost burdened" – that is, they spend least 30% or more of their income on housing or 50% or more on housing and transportation combined.

Over the past five years, rents have increased almost 27% in Atlanta, which is the largest five-year increase among the Nation's 11 largest metros. Rents have increased by 37% since 2011, but earnings have only increased 20%. Overall, housing prices in the Atlanta region are among the most reasonable among our peers, but once you add the cost of transportation, we are worse in terms of overall affordability than Seattle, New York, Chicago, and San Francisco, to name a few major metros.

Most of our workforce cannot afford housing close to where they work. High construction costs make it difficult to rehab existing housing stock and residential building permits are at about 1/3 the levels before the "Great Recession." Housing costs near major employment centers have soared, forcing many employees to undertake long and expensive commutes that further congest our roadways and adversely impact interstate commerce. If a historically lower housing cost region such as the Atlanta region is experiencing these challenges, this is an item that must be a national priority for our nation to compete globally in commerce.

To further economic competitiveness and interstate commerce, ARC has developed multimodal transportation programs to address these needs through our pioneering Livable Centers Initiative. This program utilizes transportation investments to equitably plan for the development of mixed-use centers that reduce greenhouse gas emissions, support equitable growth, increase transit ridership, reduce congestion, and encourage housing to be constructed in a variety of price ranges. In moving forward, federal programs should consider equity and its role in supporting economic mobility.

Congress can support these core federal objectives by continuing to provide funding assistance to programs that clean our air and support resiliency goals. Funding for the Congestion Mitigation and Air Quality program should be expanded and dedicated exclusively to initiatives and projects that clean the air. This includes removing the current provision that permits 50% of program funding to be redirected to other programs.

Transit operators in the Atlanta region are in the planning, engineering, and environmental review phases of several major transit expansions. Many of these projects are supported by sales tax programs, such as those in the City of Atlanta and Clayton County. Examples of these projects range from expanded bus services, such as Bus Rapid Transit (BRT), to potential rail expansions such as streetcars in the City of Atlanta and rail on the Clifton Corridor connecting the MARTA rail network to the Emory and CDC area.

It is critical that the federal government be major partners in these transit expansion programs, including having adequate funding through the FTA Capital Investment Program. Increases in transit funding will allow MPOs to meet the critical needs of our transit systems, which have suffered significant financial challenges because of the pandemic.

This leads to my fourth point.

Leverage the capacity of MPOs to convene broad groups from the public sector (local, state, federal) and the private sector, to plan for the electrification of the transportation sector.

One of the great challenges – and one that directly impacts interstate commerce – is the future electrification of our transportation sector. This transformation is being led by the private sector, for example with General Motors phasing out vehicles using internal combustion engines by 2035. Another example is FedEx recently committing to deploying electric-only vehicles by 2040. The trucking

industry is evaluating clean energy technologies and major breakthroughs are expected in the coming years. We must prepare now to support this transition to electrification of the transportation sector.

High capacity MPOs can use their unique convening powers to bring together the public and private sectors to meet the needs of interstate commerce and the traveling public. Because of the expected challenges in meeting the future demand of the evolving power grid – and one for which our communities were not originally designed to meet - federal leadership is also needed in identifying best practices for communities to follow in addressing this challenge. Opportunities will exist in the coming decade to co-locate broadband, power, and charging stations. This can support equitable outcomes for all residents that live in underserved communities, both in metropolitan areas and rural areas, ensuring they share in the benefits from electrification and expanded broadband services. However, achieving these goals will require federal policy and federal investment that help lower barriers to public-private cooperation and reduce the risk of innovation in this frontier.

The pandemic exposed the critical importance of broadband to our nation. Due to the outstanding broadband availability in many parts of our region, ARC staff was able to work remotely. However, many rural and under-resourced communities lack these broadband resources, adversely impacting prosperity in our Nation. Creating synergy by co-locating broadband and electrification improvements alongside transportation projects provides the opportunity to advance equitable outcomes that span multiple needs.

One of the core missions of the Commerce Committee is the support of new transportation technologies. In the rapidly evolving arena of technology, what was once a state of the practice technology can be obsolete the next year. However, local governments and states need some stability to plan for and invest in needed transportation-related safety investments.

An example of this challenge is within the arena of connected vehicles. The Georgia Department of Transportation (GDOT) and ARC are pursuing a connected vehicle (CV) program called CV1K+. With a \$10 million budget, the initiative is a significant investment for the region. The goal is to equip over 1,000 intersections with CV technology that allows safety messages and signal timing information to be shared between vehicles and traffic signals. This will be the Nation's largest deployment of connected vehicle technology in one region. One of the great challenges in pursuing this project, which supports interstate commerce and safety, has been the rapidly evolving regulatory environment at the FCC in recent years regarding the 5.9 GHz safety spectrum. While we understand that the FCC must respond to the introduction of new technologies and changing needs, a stable regulatory environment is essential. While the project is now underway, instability in knowing what technologies will be allowed to use the 5.9 GHz safety spectrum created delay and uncertainty in implementing the program.

One item we have learned during the advancement of this technology program is the critical role of capacity-building. However nationally, many communities and smaller MPO's lack the technical capacity to do this. Our federal partners need to emphasize capacity-building as a core element when designing federal programs, allowing equitable outcomes to be achieved by all communities - metropolitan and rural – to advance our Nation's competitiveness.

There is one final point I want to share with you.

Design federal programs that permit communities to invest in what is most needed for the community vs. pursuing federal programs that are narrow and limit solution options.

Local communities best know their needs and what constitutes a priority investment. In the past the way federal funding programs were funded prejudiced some decisions. An example is the federal interstate program which permits funding as high as a 90% federal share with a 10% non-federal match.

Transportation projects off the interstate system historically have been largely funded with at an 80% federal share and a 20% non-federal match. The FAST Act included a rail title for the first time, leveling the playing field. The economic competitiveness of the nation depends on having resources to support intermodal goods movement, including by rail. It is critical to provide funding for rail in future federal bills.

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I commend the Committee for its focus on ensuring that the billions of dollars being spent on transportation support our Nation's interstate commerce in a way that benefits all Americans – including those in those under-resourced communities. These under-resourced communities exist both in our Nation's large metropolitan regions - such as the Atlanta region – and rural America. MPOs such as the Atlanta Regional Commission are working to help find solutions to our important interstate commerce goals. Your leadership is needed in helping us build an equitable transportation system that not only supports the nation in competing – but thriving – in international commerce. Please view ARC as a resource as you continue the critical work of this Committee. Thank you again for inviting me here today, and we look forward to working with you on these important issues.