



United States House of Representatives Committee on Rules

Written Testimony: Article I: Effective Oversight and Power of the Purse

January 18, 2018

James Bass, Executive Director, Texas Department of Transportation

Introduction

Chairman Sessions and Ranking Member Slaughter, thank you for inviting me to be here today. The Texas Department of Transportation (TxDOT) welcomes the opportunity to testify before the United States House of Representatives' Committee on Rules to provide the TxDOT's perspective on Article I: Effective Oversight and the Power of the Purse.

The Texas Legislature has mandated that the chair of the Texas Transportation Commission (Commission), working with the Governor of Texas, shall maximize federal funding for transportation¹. TxDOT takes this charge seriously and is accountable to the people of Texas to ensure no funding opportunity is ignored.

TxDOT is best able to serve our customers when we have reliable funding that allows for long-term planning and project development. With the recent passage of two statewide propositions² directing additional funds to TxDOT, voters have stated their expectation that Texas must invest in current and future transportation infrastructure facilities regardless of political funding decisions. As Texas Transportation Commission Chairman J. Bruce Bugg, Jr. stated last month at the December 2017 Commission meeting, "We are indifferent about the sources of funding streams, but not indifferent to our commitment to building new roads to meet our mandate from the people of the State of Texas to address the transportation needs of Texas. This Commission will continue to execute, as we have in the past, to deploy all available funding sources to build new roads to meet the needs of all Texans."

TxDOT Overview

It is TxDOT's mission, through collaboration and leadership, to deliver a safe, reliable and integrated transportation system that enables the movement of people and goods. The employees and leaders of TxDOT take our roles as public servants seriously. We know that the public, the Texas Legislature and Congress have entrusted TxDOT with its state and federal resources, and we must use those resources in a responsible and efficient manner.

TxDOT manages and maintains a vast and comprehensive transportation system that includes:

- Approximately 80,325 centerline miles and 195,300 total lane miles, the most in the nation and of which over 82% are in good or better condition;
- Nearly 500 million vehicle miles traveled on the state system each day;

¹ Texas Transportation Code § 201.053(b)(7)

² Texas voters overwhelmingly approved constitutional amendments that provided for Proposition 1 and 7 funds in 2014 and 2015, respectively.

- More than 53,000 bridges, of which over 80% are in good or better condition;
- 292 airports-the largest air system in the nation;
- 406 miles of the Gulf Intracoastal Waterway, which is approximately 40% of GIWW total miles; it is the nation's 3rd busiest inland waterway, and it plays a critical role in the state's economy;
- Over 2,900 transit vehicles in operation that receive capital funds through TxDOT; and
- 2.1 million customers served by Travel Information Centers

TxDOT is structured to meet its goals and service the state transportation system with 25 geographical districts throughout the state and 32 divisions that support the districts with programs, policies, procedures, guidelines and functional expertise. Headquartered in Austin, members of TxDOT administration lead TxDOT and oversee all districts and divisions.

TxDOT is governed by the five-member Texas Transportation Commission and an executive director selected by the Commission, a role in which I am privileged to serve. Commission members serve overlapping six-year terms and are appointed by the governor with the advice and consent of the Texas Senate.

Texas Population Growth

Texas' population is projected to double from 27.7 million people to 54 million people by 2050³. No other state has seen the explosive growth we have. According to U.S. Census Bureau statistics released on December 20, 2017, between 2016 and 2017 Texas grew by more people than any other state, adding more than 399,000 people during that timeframe. The U.S. Census Bureau also reports that four of the top five fastest-growing cities in the United States are in Texas.

Also noteworthy is Texas' place as the 10th largest economy in the world ahead of Canada, Australia and Russia. Austin, San Antonio and Dallas-Ft. Worth are in the top five large metros with the highest growing Gross Regional Product.⁴

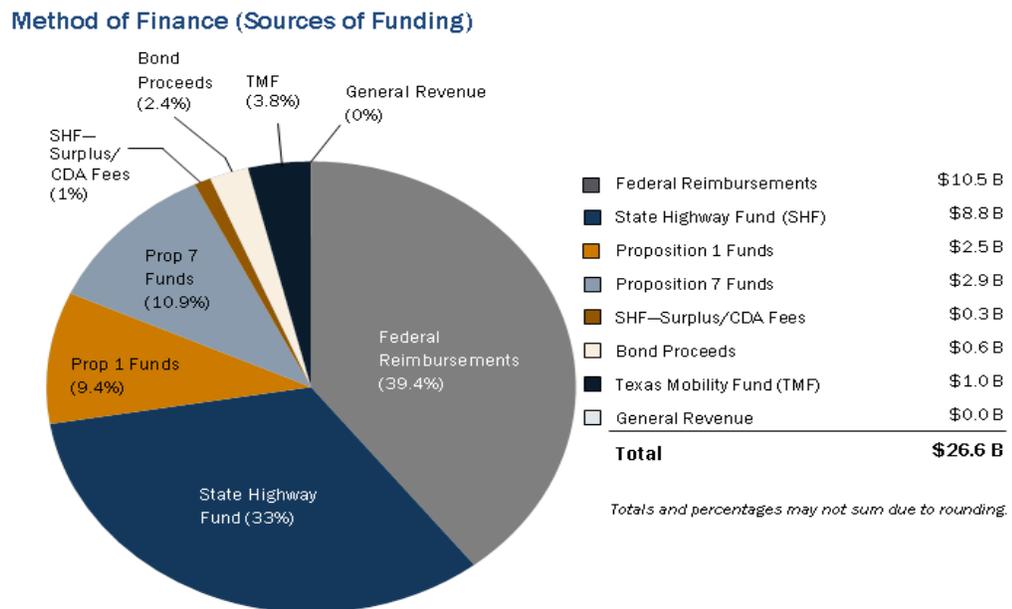
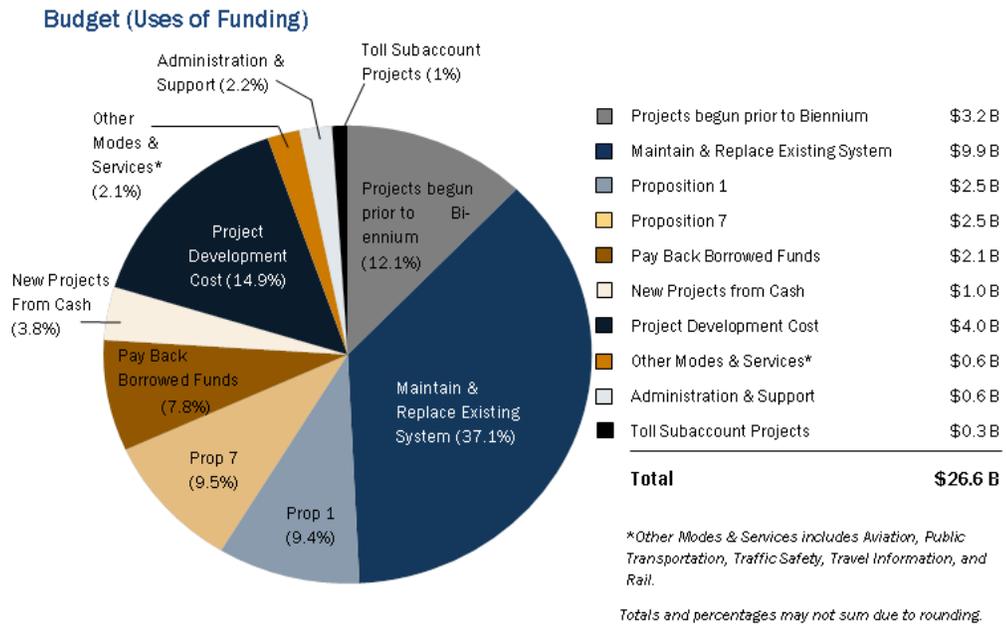
The tremendous growth in Texas comes with tremendous transportation and infrastructure needs. This is why Governor Greg Abbott, working with the Legislature, has prioritized ensuring that Texas has transportation funding to meet the growing needs of our state.

³ Source: Texas State Demographer

⁴ Source: Headlight Data, December 15, 2017

TxDOT Funding

TxDOT's FY 2018-2019 biennial budget is \$26.6 billion with federal reimbursements representing less than 40 percent of the total budget. The charts below illustrate TxDOT's funding uses and sources for FY 2018-2019.



TxDOT Discretionary Grant Program

Overview

Texas has the nation's largest transportation system and the fastest growing population. In response to the growth of federal discretionary grant programs, particularly the Transportation Investment Generating Economic Recovery (TIGER) program, TxDOT chartered an internal working group in 2010 to review and analyze funding opportunities, conduct internal project selection processes, collaborate with the Commission and department leadership and submit grant applications. Managed by certified project management professionals within the agency's government affairs staff, the working group implements an inclusive process involving input from all modal divisions and all districts to suggest candidate projects and assist with the development of applications.

Due to growing federal application requirements, the amount of staff time and departmental resources devoted to competing for discretionary grants has also grown. With the addition of the Fostering Advancements in Shipping and Transportation for the Long-Term Achievement of National Efficiencies (FASTLANE), now known as the Infrastructure for Rebuilding America (INFRA) grant programs, TxDOT had to supplement available resources with consultant contracts to assist with application development and economic analysis in order to deliver competitive applications.

While TIGER, FASTLANE and INFRA grants are among the largest of the United States Department of Transportation's (USDOT) discretionary grant programs, there is also the smaller Advanced Transportation and Congestion Management Technologies Grant (ATCMTD) program. The ATCMTD program was authorized in the Fixing America's Surface Transportation (FAST) Act to fund advanced technologies that will improve mobility and safety for drivers and enhance the performance of the nation's highway system.

Stakeholder Involvement

TxDOT has consistently demonstrated strong levels of stakeholder support and involvement in all discretionary grant applications submitted to date. Included with TxDOT's applications are letters of support from government partners who share project responsibility; elected officials at the local, state, and federal levels; and letters from private business entities. Collaboration will always be instrumental to TxDOT's success and this initiative is no exception.

Application Strength

TxDOT ensures that only candidate projects meeting or exceeding funding criteria are considered and submitted. TxDOT leadership prioritizes projects that demonstrate the following:

- Strong financial leverage;

- Inclusion in state planning documents
- Significant completion of design elements, engineering and the environmental approval process; and
- Strong support from project stakeholders

USDOT Outreach

TxDOT maintains a best practice of following up with USDOT program staff after award announcements for analysis and review of unsuccessful applications. The purpose of these meetings is to gain insight into weaknesses, to identify components for improvement and to determine if projects are worth investing in for future funding opportunities.

TxDOT Awards-By the Numbers

The share of funds awarded to TxDOT through the lives of various discretionary grant programs remains very small. As detailed in Table 1, TxDOT has received 1.3 percent of total funds awarded throughout the life of the TIGER program, 0.8 percent of total funds awarded through the FASTLANE program and 13 percent of total funds awarded through the ATCMTD program. INFRA award announcements are pending. TxDOT has submitted three applications for both of the current TIGER and INFRA rounds, respectively.

Table 1: TIGER, FASTLANE, ATCMTD Grant Funds Awarded to TxDOT

Program	Total Awards to Date	Total TxDOT Awards to Date	TxDOT Percentage of Total Funds Awarded to Date	Total Texas Awards to Date	Texas Percentage of Total Funds Awarded to Date
TIGER	\$4,227,974,000	\$54,802,400	1.3%	\$206,652,443	4.9%
FASTLANE	\$838,000,000	\$7,000,000	0.8%	\$7,000,000	0.8%
ATCMTD	\$110,200,000	\$15,000,000	13%	\$15,000,000	13%
TOTALS	\$5,176,174,000	\$76,807,400	1.5%	\$228,652,443	4.4%

State Perspective Recommendations

Increased Transparency

As a public agency, TxDOT is accustomed to engaging the public. We understand the benefit of public involvement, and we strive to operate in a manner that is transparent, accessible and responsive. Similarly, we would encourage USDOT to provide additional public

information as awards are announced for each Notice of Funding Opportunity (NOFO). Public information regarding winning applications is often limited to a general project description and award information. It would be useful for all applicants to have access to additional information regarding the attributes of successful applications and how their project components met the NOFO criteria.

In conjunction with increased transparency, USDOT could consider publicizing additional information related to the prioritization of specific aspects of the criteria, including scoring criteria that are heavily weighted.

All applicants are required to meet minimum statutory requirements to advance in the selection process. Clear requirements, such as minimum project costs, project type and project location, help TxDOT in both our internal project selection process and in providing certainty that our applications will compete at a basic level. By providing additional information to the public, USDOT may assist applicants as they endeavor to address selection criteria beyond the stated minimum requirements.

Finally, it may benefit Congress and USDOT to review whether the implementation of discretionary grant programs aligns with legislative intent, whether the selected projects will achieve the desired objectives of the programs and whether the distribution of awards are fair and equitable considering national performance needs.

Performance Based Distribution of Awards

In the Moving Ahead for Progress in the 21st Century Act (MAP-21), Congress mandated that states implement performance based requirements. TxDOT welcomes the move to performance based decision making and believes these principles should also apply to federal funding decisions, both formula and discretionary.

Formalize Debrief Process

To increase partnership and collaboration, USDOT could consider publishing guidelines for entities wishing to conduct application debrief meetings. It would also be useful for USDOT to provide applicants with application scoring information and constructive feedback related to the specific deficiencies of each application.

Simplify Application Process

TxDOT, along with numerous other entities, has invested significant resources in application development. Regardless of whether the current selection process stands or more transparency is implemented, public entities would benefit from a simplified and streamlined application process. For some entities, the requirements regarding economic analysis result in an added burden for staff or necessitate the added costs of hiring of consultants and contractors. With additional guidance from USDOT, applicants can similarly demonstrate a project's benefits and impacts with more simplified or standard analysis.

Increased Coordination

TxDOT and the Federal Highway Administration Texas Division work and partner together on a daily basis on a wide range of issues. Congress could allow for collaboration on grant applications so states can benefit from the knowledge and expertise of federal officials directly familiar with regional strengths and challenges.

Conclusion

TxDOT is proud of the work we do and of the strong partnerships we enjoy with USDOT, Congress, the Texas Legislature and our stakeholders. There are many parallels in the state and federal decision making processes, and we stand ready to work together to develop and implement constructive improvements to benefit our transportation systems.

Thank you for the opportunity to provide testimony from a large state perspective on current federal discretionary grant programs.

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Committee on Rules

“TRUTH IN TESTIMONY” DISCLOSURE FORM

Clause 2(g) of rule XI of the Rules of the House of Representatives and the Rules of the Committee on Rules require the disclosure of the following information. A copy of this form should be attached to your written testimony.

1. Name: James Bass	2. Organization or organizations you are representing: Texas Department of Transportation
3. Business Address and telephone number: 125 E. 11th St Austin, TX 76701 (512) 305-9507	
4. Have you received any Federal grants or contracts (including any subgrants and subcontracts) since October 1, 2015 related to the subject on which you have been invited to testify? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	5. Have any of the organizations you are representing received any Federal grants or contracts (including any subgrants and subcontracts) since October 1, 2015 related to the subject on which you have been invited to testify? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
6. If you answered “yes” to either item 4 or 5, please list the source and amount of each grant or contract, and indicate whether the recipient of such grant was you or the organization(s) you are representing. You may list additional grants or contracts on additional sheets. 2015 - TIGER - \$20,802,400 (Tx DOT) 2016 - ATCMTD - \$8,100,000 (Tx DOT) 2017 - ATCMTD - \$6,100,000 (Tx DOT)	
7. Signature: 	

Please attach a copy of this form to your written testimony.