

**Chairman Susan M. Collins Opening Statement
Committee on Appropriations Subcommittee on Transportation,
Housing and Urban Development, and Related Agencies**

Review of the FY2018 Budget Request for the U.S. Department of Transportation

July 13, 2017

(As prepared for delivery)

The subcommittee will come to order. Today I am pleased to welcome the Secretary of Transportation, Elaine Chao. She is perhaps the most experienced and qualified Secretary in the Department's history, having previously served as Secretary of Labor, Deputy Secretary of Transportation, Deputy Maritime Administrator, and Chairman of the Federal Maritime Commission.

I am also pleased to be joined today by my friend, and our Ranking Member, Senator Jack Reed, as we continue the subcommittee's work on the fiscal year 2018 appropriations bill.

This year is going to be particularly challenging due to the budget caps under current law, which are lower than the budget caps for fiscal year 2017. Moreover, the President's budget request proposes to set them even lower. The Administration's \$76 billion request for the Department of Transportation includes more than \$3 billion in cuts to its programs.

While I am encouraged that the Administration provides increases for highway, transit and safety programs, funded by the highway trust fund, I am disappointed in several of the reductions in the President's request. In particular, the elimination of the highly effective and popular TIGER program, for which I have advocated consistently since its creation nearly a decade ago, is a mistake. TIGER has the flexibility to fund a wide range of transportation projects that promote economic development and job growth on a regional basis. This program offers an otherwise unavailable resource for vital infrastructure needs at the local level. TIGER has provided essential funding to develop bridge, port and rail projects in Maine, and EVERY member on both sides of the aisle has seen TIGER projects in their home states, improving our transportation infrastructure for Americans everywhere.

I am also disappointed by the changes being proposed to the Essential Air Service program that keeps much of rural America connected to the transportation network. Under the Administration's proposal, many small and rural communities would be eliminated and no longer receive air service as a result. In Maine, we benefit greatly from the E.A.S. program that facilitates air travel to smaller communities.

With regard to Amtrak, I am concerned about the impact that elimination of long-distance service would have on shared infrastructure with state-supported routes, such as the Downeaster in Maine. Similarly, the Administration's decision to prevent transit "New Starts" from moving forward could hurt cities and communities that have already committed local funding in the hope of securing federal funding for projects. The Secretary recently signed one full-funding grant

agreement under the New Starts program, and I hope she will continue to move forward with other projects for which Congress has already provided funding.

The budget also proposes a \$200 billion infrastructure initiative over 10 years. The proposal leverages \$200 billion into \$1 trillion by incentivizing non-federal spending, reducing costs of federal projects, and leveraging private sector investment. I look forward to learning the details of this initiative, such as expanding the TIFIA program, lifting the cap on private activity bonds, and allowing tolling on existing highways, that may be helpful for dense or high volume areas.

I remain concerned, however, that these proposals would be of little to no use for rural areas such as Maine. As Maine's Transportation Commissioner Bernhardt testified before this subcommittee in March, private equity firms have told him that anything less than \$100 million is not worth even talking about for private investment in transportation. That eliminates virtually every transportation project in my state and many others.

For the Maritime Administration, the budget proposes to reduce funding for the Maritime Security Program, which is critical for our nation's domestic sealift capabilities, as well as training for merchant mariners at the U.S. Merchant Marine Academy and the six state maritime academies. I am dismayed to see no request or support in the budget to replace the aging training vessels at the state maritime academies. Without training vessels, merchant mariners cannot graduate and will not be able to work in our domestic maritime industry.

I do want to acknowledge that the budget provides funding to address sexual assault and sexual harassment at the U.S. Merchant Marine Academy, an issue that Senators Reed, Murray, and I are very committed to seeing addressed.

Finally, I am troubled by the \$250 million reduction for the Federal Aviation Administration, the agency that keeps our aviation system the safest and most efficient airspace in the world. The proposed reductions would result in a reduced workforce, the elimination of important programs such as the Contract Weather Observers Program, and would prevent projects such as tower construction from moving forward.

The current F.A.A. authorization expires at the end of this fiscal year, and the President has put forth a set of principles for shifting the air traffic control function to an independent, non-governmental organization. I continue to have serious reservations about reforming a system that is not broken.

The public would also not be well-served by exempting any part of the F.A.A. from annual Congressional oversight. Congressional oversight ensures the F.A.A. maintains a system that works across the aviation industry, including general aviation and small and rural communities. Rural states represented by members on this Committee benefit greatly from services that connect rural America with the larger transportation network.

NextGen is modernizing our air traffic control system, and it is happening today. This progress is due to the collaborative efforts of the F.A.A. and industry. More than \$3 billion in savings

have been achieved to date. Breaking up the F.A.A. at such a critical period of technological advancement would jeopardize further progress.

I also want to highlight that the Department's Bureau of Transportation Statistics recently found that the number one cause of delays in our air traffic system is neither the F.A.A. nor weather, but rather the airlines themselves.

We continue to hear that budget constraints and sequestration are primary reasons to privatize. I led the effort in 2013, when sequestration occurred, to ensure the F.A.A. was provided additional funding to keep the agency fully operational. More important, this Committee has protected F.A.A. funding by providing, on average, 103 percent of the agency's requests over the last decade. So I would have to disagree that budget constraints have been a problem for our nation's air travelers.

Madam Secretary, I look forward to working closely with you on these issues. I now turn to Senator Reed for his opening statement.

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