

MARK DESAULNIER
11TH DISTRICT, CALIFORNIA

COMMITTEE ON EDUCATION AND
THE WORKFORCE

COMMITTEE ON TRANSPORTATION AND
INFRASTRUCTURE

COMMITTEE ON OVERSIGHT AND
GOVERNMENT REFORM

Congress of the United States
House of Representatives
Washington, DC 20515

115 CANNON HOUSE OFFICE BUILDING
PHONE: (202) 225-2095
FAX: (202) 225-5609

3100 OAK ROAD, SUITE 110
WALNUT CREEK, CA 94597
PHONE: (925) 933-2660
FAX: (925) 933-2677

440 CIVIC CENTER PLAZA, 2ND FLOOR
RICHMOND, CA 94804
PHONE: (510) 620-1000
FAX: (510) 620-1005

May 22, 2018

The Honorable Elaine L. Chao
Secretary
United States Department of Transportation
1200 New Jersey Avenue, SE
Washington, D.C. 20590

Dear Secretary Chao:

I am writing to urge you to reconsider your priorities for transportation infrastructure funding to address a problem of increasing severity facing metropolitan regions in the United States—excessively long commute times that many middle class families and low-wage workers must endure on a daily basis. The cost of congestion, and time lost by workers, is ballooning in the United States: nationwide, the average American wastes more than a full work week (41 hours) stuck in traffic each year.¹ The lack of affordable housing at a reasonable distance to job locations—a particularly acute problem for my constituents in the Bay Area—exacerbates the congestion problem. The strain on workers in our metropolitan areas is a threat to the dynamism and innovative potential of our urban regional economies, which, in turn, drives down the competitiveness of the American economy overall.

The Trump Administration appears to be turning its back on workers struggling to maintain jobs and families in these urban regions. In your announcement of the latest round of TIGER grants, your goal of supporting rural areas seems linked to a dramatic reduction in support for transit and multi-modal projects. In FY2017, only 4% of funding went to transit projects, whereas in the previous three fiscal years, transit received more than 20% of funding. In each of the 8 years from FY2009 to FY2016, California, representing an eighth of the U.S. population and a seventh of the U.S. GDP, received between 6.9% and 10.1% of the TIGER grants awarded. In FY2017, California's share dropped to 1.8%.²

This abrupt change suggests that the Administration is formulating policy with an intent to reward certain rural regions and punish urban centers based on political factors. In your response to my questions at the March 6th Transportation and Infrastructure Committee hearing to discuss the Administration's infrastructure proposal, you advanced a view that so-called "rich" parts of the country have unfairly benefited from federal funding and that you will focus on correcting this perceived imbalance by favoring rural areas. This is a gross and deliberate misrepresentation of how federal funds are distributed in order to pursue a political agenda.

¹ INRIX. 2018. <http://inrix.com/press-releases/scorecard-2017/>.

² Eno Center for Transportation. 2018. "Department of Transportation 'TIGER' Grants – Fiscal Year 2017 Statistical Analysis."

First, to claim that urban areas have received an unfair share of federal support is inaccurate. As you know, historically the level of contributions to the Federal Highway Trust Fund through gas taxes determined the level of funding that states receive back for the upkeep of highways. Because the allocations are made to States, which contain both rural and urban areas, any claim by this Administration that rural areas have been shortchanged is a condemnation of State decision-making. The reality is that in the last decade, gas tax receipts have not been sufficient to meet expenditure needs for transportation, and Congress has transferred approximately \$140 billion from the General Fund to the Highway Trust Fund.³ According to 2010 Census data, 80 percent of America's population resides in urban areas, and large US cities generated almost 85 percent of the country's Gross Domestic Product in 2010.⁴ Taxes paid by residents and businesses in urban areas contributed the lion's share of the General Fund revenues that have supplemented surface transportation funding over the last decade.

Second, to characterize urban, metropolitan regions as uniformly wealthy is grossly inaccurate. In reality, both urban and rural areas comprise both rich and poor residents. According to the U.S. Census, poverty rates are higher in urban areas (16 percent) than rural ones (13.3 percent), and urban areas have higher levels of income inequality.⁵ There are nearly five times as many people in urban areas living below the poverty level than in rural areas. Urban regions are home to a diverse mix of people from across the socio-economic spectrum. Punishing so-called rich, urban areas would instead punish many poor communities located within metropolitan regions that are nevertheless generating much of the country's wealth and economic growth.

I am concerned that the flawed framework for understanding urban and rural areas is shaping your policy decisions. At a time when so many workers in our metropolitan regions are suffering from intolerably long commutes, these drastic measures to cut them off from federal investment seem especially punitive and politically-calculated. Without a more thorough explanation of your intentions behind the sudden change in TIGER grants, the Administration's "commitment to supporting the country's rural communities"⁶ runs the risk of punishing workers in outlying areas of metropolitan regions—areas that are traditionally rural, but are now the communities providing housing for workers employed in urban-center jobs.

In recent years, major news reports have highlighted the plight of workers in California who are spending 90 minutes or more traveling to and from work. This time is a strain on mental and physical health that is sure to impact the economy at large, because long commutes are depriving our workers of rest and quality time with family. In August of last year, the *New York Times* wrote of California's predicament, "long commutes are a byproduct of the region's tech boom, which has given rise to a full-blown housing crisis. As home prices have escalated beyond middle-class reach, areas far inland have become an oasis of (relative) affordability." Last

³ Congressional Research Service. 2018. "Funding and Financing Highways and Public Transportation," <http://www.crs.gov/reports/pdf/R44674>.

⁴ McKinsey & Co. 2012. "Urban America: U.S. Cities in the Global Economy," <https://www.mckinsey.com/featured-insights/urbanization/us-cities-in-the-global-economy>.

⁵ U.S. Census Bureau. 2016. "A Comparison of Rural and Urban America: Household Income and Poverty," <https://www.census.gov/newsroom/blogs/random-samplings/2016/12/a-comparison-of-rura.html>.

⁶ U.S. Department of Transportation. 2018. "U.S. Department of Transportation Announces Half a Billion Dollars in Infrastructure Investments to 41 Projects in 43 States," <https://www.transportation.gov/briefing-room/dot1818National>.

month, the *San Jose Mercury News* reported that, “[a]cross the Bay Area, workers are spending more time sitting in bumper-to-bumper traffic or squeezed into crowded trains and buses – further evidence of the intensifying struggle to balance a well-paying job with an affordable place to live.” Families are commuting to the Bay Area from suburbs like Stockton, Modesto, and Tracy, but under your shift in policy these suburban and exurban communities have little to no hope for any federal transportation improvements.

I am open and ready to work with you on policy to address infrastructure needs and mobility challenges that are at the heart of working families’ struggles in our metropolitan regions. To do so, we must move beyond the inaccurate and counterproductive urban-versus-rural, rich-versus-poor framework.

I hope you will reconsider your approach for funding transportation infrastructure investments and give this issue your urgent attention, and I would appreciate the courtesy of a response by June 12, 2018.

Thank you for your attention to this matter. I look forward to your response.

Sincerely,



Mark DeSaulnier
Member of Congress