



Testimony of Sarah Galica
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Before the U.S. House Committee on Transportation &
Infrastructure

Full Committee Field Hearing Titled:

**America Builds: The State of the Nation's Transportation
System**

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Chairman Graves, Ranking Member Larsen and Members of the Committee:

Thank you for the opportunity to testify on behalf of The Home Depot, the world's largest home improvement retailer, and share our perspective on the critical role infrastructure investments play in enabling commerce and serving the needs of businesses and communities.

My name is Sarah Galica, and I serve as The Home Depot's Vice President of Transportation. In this role, I have unique insight into our complex supply chain which spans all modes of transportation, from our direct imports with ocean carriers to domestic trucking and rail.

I personally saw the power and resilience of our supply chain firsthand during the pandemic when we were able to quickly adapt to meet the high demand from our millions of customers across the U.S.

The Home Depot operates more than 2,300 retail stores across North America and Puerto Rico, with over 2,000 in the U.S., employing over 465,000 associates. The Home Depot's online business is the 5th largest U.S. based e-commerce retailer, and the company is one of the largest importers of containerized goods in the country.

Our top goal is to get our product to our customers and their communities when and how they need it and at the lowest cost.

To do this, we've invested over a billion dollars to open over 100 buildings in the U.S. that set new standards for inventory and delivery speed. These facilities have improved both our operational efficiency and customer service, allowing us to better serve individual markets and customer categories. For example, our flatbed distribution centers (FDCs) stock large, bulky merchandise like lumber, roofing shingles and other building materials, allowing pros to order job lot quantities of the products they need to complete their entire projects, delivered directly to their job sites from our network of final mile delivery fleets. Most of these FDCs have rail service where we unload vendor freight from both box and flatcars inside the distribution center.

With these innovative supply chains, The Home Depot relies on a third-party carrier base including ocean carriers, van and flatbed carriers, rail, and parcel providers to support our business. As we work with these carriers to continue to improve service, reduce costs, and enhance safety, The Home Depot has a unique perspective on the importance of interconnected multimodal investments in transportation infrastructure. We strive to invest in these modes and in our supply chain to reduce costs for customers and drive down the overall cost of housing inputs.

We appreciate the work Congress has done over the past several years to ensure that appropriate funding is directed towards our nation's infrastructure. As this committee looks toward the next Surface Reauthorization Bill, we ask you to consider the following items.

America depends on its highway system for economic productivity. For The Home Depot, access to efficient and modern highways is essential for replenishing our stores and meeting customer needs. However, outdated infrastructure compromises this system's effectiveness. We support immediate investments to modernize roadways, pave deteriorating surfaces, and strengthen bridges to ensure they serve the demands of today and tomorrow.

The Home Depot's dedicated network of reputable carriers servicing our stores and customers has highlighted to us that truck parking and congestion are the most significant infrastructure issues their industry is facing. The critical shortage of truck parking negatively impacts drivers, safety, and the supply chain. According to the American Trucking Association, there is only one truck parking spot for every eleven truck drivers along key corridors. Congestion negatively impacts all carriers and causes increased operational costs, higher fuel consumption, reduced driver productivity, delayed deliveries, and ultimately, a negative effect on overall supply chain efficiencies.

We recommend that Congress appropriate more funding for truck parking spaces and fund new infrastructure projects that add lanes to address congestion, rather than only repairing existing infrastructure. The American Transportation Research Institute top 100 bottleneck study highlights critical areas. Texas, California, Florida, New York and Georgia make up the top states as it pertains to congestion cost.

Ports are a vital component of our supply chain and the broader U.S. economy. They enable importers to transport products from global suppliers to our stores and customers efficiently. At The Home Depot, we utilize 65 origin ports across nine global ocean carriers and serve 15 ports of entry in the U.S. and Canada, with 74% of our import volume coming through the "four corners" of the country.

However, ports are often hindered by aging infrastructure, including rail and truck congestion in and out of ports and the challenges of handling modern mega-vessels. Recurring shutdown threats and labor disputes create costly bottlenecks that disrupt the flow of goods. Those delays don't just affect our operations—they impact consumers, businesses, and the economy at large.

The Home Depot is committed to finding sustainable solutions across our supply chain. We are working closely with shipping partners to encourage and adopt more environmentally responsible practices, such as optimized truckloads and the use of low-carbon fuels like green methanol and green ammonia. Additionally, we partner closely with ocean freight carriers who actively support global goals set by the International Maritime Organization (IMO) to measure and improve carbon emission performance.

On domestic trucking, we are aware of existing and pending state and federal regulations designed to reduce carbon emissions by mandating use of battery-electric trucks. While our carriers are also committed to reducing carbon emissions, there are legitimate concerns about the feasibility of electric trucks as it relates to charging stations and the associated strain on the nation's electric grid, as well as the readiness

and availability of technological upgrades needed to adapt battery-electric vehicles to satisfy deliveries to our stores and to our customers.

Our supply chain is not only designed to meet everyday demands but also provides critical support during emergencies and natural disasters. The Home Depot leverages the resources and partnerships of states and the Commonwealth of Puerto Rico to address road closures, truck weight exemptions, and hours-of-service adjustments that allow immediate shipment of urgent supplies. The agility of our supply chain network ensures that we can respond to crises swiftly, assisting impacted communities with the products they need to rebuild their lives—all while coordinating with local and federal agencies.

Infrastructure is the backbone of commerce, and modernization is critical to ensuring America remains a leader in global trade. To support businesses like The Home Depot and the communities we serve, Congress must invest in updating our ports, highways, and trucking systems. We urge Congress to prioritize:

- **Enhancing Highways:** Invest in paving and expanding lanes on roads, reinforcing bridges, expanding parking for trucks, and reducing congestion.
- **Modernizing Port Fluidity:** Improve infrastructure and labor stability to reduce costly supply chain disruptions.
- **Sustainability Goals:** Continue to foster partnerships and invest in the nation's electrical grid and scalable technologies to create an environmentally responsible, future-focused supply chain.

By working together, we can create a more efficient, resilient, and sustainable supply chain and drive down costs. After years of high inflation, American consumers need relief from increasing costs, especially in the housing segment. An efficient and reliable supply chain will help us keep costs low for consumers and help reduce the burden of rising housing costs.

Thank you, and I welcome any questions.

Sarah Galica

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