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**BEFORE THE
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
UNITED STATES HOUSE OF REPRESENTATIVES**

Progress Report: Hurricane Sandy Recovery—One Year Later

NOVEMBER 14, 2013

Chairman Shuster, Ranking Member Rahall, and Members of the Committee, thank you for the opportunity to testify today regarding Federal Highway Administration (FHWA) Hurricane Sandy response efforts.

Our country has experienced a number of devastating disasters over the past year—from Hurricane Sandy to the recent Colorado floods. What nature destroys in seconds can take weeks, months, or even years to rebuild.

The Obama Administration is committed to helping Americans recover from the damage caused by these and other natural disasters. Although lives lost from such disasters can never be replaced, programs like FHWA's Emergency Relief (ER) program play a pivotal role in helping communities rebuild critical transportation infrastructure. Restoring vital transportation links in the wake of a disaster requires immediate attention so people can travel safely and return to their daily routines and activities. In addition to implementing the ER program, FHWA is looking ahead to determine how we can deliver projects more quickly and how we can help our infrastructure better withstand natural disasters consistent with the Executive Order President Obama recently signed aimed at "Preparing the United States for the Impacts of Climate Change."

The Emergency Relief Program

The ER program provides funding to States for the repair and reconstruction of Federal-aid highways and roads on Federal lands that have suffered serious damage as a result of natural disasters or catastrophic failures from an external cause. Examples of natural disasters include hurricanes, floods, earthquakes, tornadoes, severe storms, and landslides. A catastrophic failure is defined as the sudden failure of a major element or segment of the highway system. In addition, the cause of the catastrophic failure must be determined to be external to the facility. The May 23, 2013 collapse of a section of the Interstate 5 bridge over the Skagit River in Washington State after being struck by a tractor-trailer is an example of a catastrophic failure from an external cause. Failures due to gradual and progressive deterioration or lack of proper maintenance do not qualify for assistance under the ER program.

Congress has funded the ER program through a permanent annual authorization of \$100 million since 1972. When ER program needs exceed available funding, Congress has often provided supplemental appropriations to cover the ER program needs. On January 29, 2013, the President

signed the Disaster Relief Appropriations Act of 2013, providing FHWA with \$2.022 billion¹ in ER funding to be used for both Sandy and non-Sandy relief.

In the Moving Ahead for Progress in the 21st Century Act (MAP-21), which the President signed into law in July 2012, Congress made some changes to the ER program, and FHWA acted quickly to issue ER implementing guidance to States prior to the Act becoming effective on October 1, 2012. We coordinated with the Federal Emergency Management Agency (FEMA) prior to issuing our guidance, since MAP-21 clarified responsibility for debris removal costs for Stafford Act events under FHWA's program. The Department also acted quickly to issue a MAP-21 rulemaking establishing a new categorical exclusion for emergencies. We have already used this authority to help expedite the delivery of critical transportation projects in emergencies.

Eligibility

Two major categories of repair are eligible under the ER program: emergency repairs and permanent repairs. Emergency repairs include repairs needed to restore essential traffic, minimize the extent of damage, or protect the remaining facilities. Emergency repairs can begin immediately following a disaster without prior approval from FHWA. Permanent repairs are those repairs that permanently restore a highway facility to its pre-disaster condition. FHWA approval and authorization is required prior to permanent repairs.

Funding under the ER program is intended to aid Federal, State, and local highway agencies with an unusually heavy expense of repairing serious damage to Federal-aid highways and roads on Federal lands resulting from natural disasters or catastrophic failures from an external cause. The ER program provides for repair or reconstruction of a comparable facility meeting current geometric and construction standards required for the types and volume of traffic that the facility will carry over its design life. ER funds are not intended to replace other Federal-aid, State, or local funds for new construction to increase capacity, correct non-disaster related deficiencies, or otherwise improve highway facilities.

Generally, all elements of the highway cross section damaged as a direct result of a disaster are eligible for repair under the program. This includes elements such as pavement, shoulders, slopes and embankments, guardrails, signs and traffic control devices, bridges, culverts, cribbing or other bank control features, bike and pedestrian paths, fencing, and retaining walls. When a pedestrian or bicycle trail that is within the right-of-way of a Federal-aid highway is damaged, that damage is eligible for ER funding whether or not the roadway itself is damaged. Incidental costs resulting from a disaster, such as project delay costs or lost toll revenues, are not eligible expenses because ER funds are intended to cover only repair work that exceeds heavy maintenance, is extraordinary, and will restore pre-disaster service.

Federal Share

If accomplished within the first 180 days after the disaster occurs, emergency repair work to restore essential traffic, minimize the extent of damage, or protect the remaining facilities may be

¹ This amount was subsequently reduced by \$101.1 million in accordance with the Presidential Sequestration Order dated March 1, 2013, pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (BBEDCA), 2 U.S.C. 901a.

reimbursed at 100 percent Federal share. For the costs of permanent restoration work, and the cost of all repairs incurred after the first 180 days, the Federal share is based on the type of Federal-aid highway that is being repaired. For Interstate highways, the Federal share is 90 percent. For Federal-aid facilities that meet the definition of a Federal lands access transportation facility, the Federal share is 100 percent. For all other Federal-aid highways, the Federal share is 80 percent. MAP-21 provided authority for the Secretary to extend the 180-day period for 100 percent Federal share of emergency repair work if there is a delay in the State's ability to access the site.

Oversight

The Federal-aid highway program is a Federally-assisted, State-administered partnership between the FHWA and the States. FHWA's Division Offices, located in every State, are available to brief State and local officials on the ER program; offer advice regarding the eligibility of repairs for funding; assist in performing on-site damage surveys and preparing estimates of the costs of repairs; expedite the flow of ER funding and the advancement of projects; provide technical assistance on the design of repair projects; and coordinate damage surveys with other Federal agencies.

FHWA manages ER projects in accordance with typical Federal-aid project requirements. Contracts for both permanent repair work and emergency repairs must incorporate all applicable Federal requirements. ER program project oversight is performed in accordance with the FHWA stewardship agreement with the State.

Release of Funds

Decisions regarding whether to seek ER program assistance rest with the States. Local highway agencies apply through the States, and States determine whether to seek ER funding for repair of either State-owned or local-agency-owned Federal-aid highways.

State and local transportation agencies are empowered to begin emergency repairs immediately to restore essential traffic service and to prevent further damage to Federal-aid highway facilities. FHWA reimburses States for properly-documented costs upon the States' formal requests for ER funding and FHWA Division Administrator determinations of ER funding eligibility.

There are two methods for developing and processing a State request for ER funding: the "traditional" method and the "quick release" method. The traditional method follows the typical process used to develop a funding request. The quick release method is intended to provide an immediate infusion of funds to a State in order to start helping communities with the recovery process soon after an event. Quick release funds act as a down payment on additional ER requests a State may make as it assesses the full extent of damage following a large-scale disaster.

The Emergency Relief for Federally Owned Roads Program

The Emergency Relief for Federally Owned Roads (ERFO) program assists Federal agencies and Tribes with emergency repairs on Federal and Tribal lands. The ERFO program is authorized and funded under the ER program, typically receiving approximately 10 percent of the ER

program funds, which is the average relative share of needs on Tribal and Federal roads compared to State-administered needs.

FHWA manages ERFO projects in accordance with typical Federal-aid project requirements. Contracts for both permanent repair work and emergency repairs must incorporate all applicable Federal requirements. Federal Lands Division Offices perform ERFO program project oversight, and Division Engineers approve requests from Federal agencies.

Federally- or Tribally-owned roads, trails, and transit systems included in the Federal Lands Transportation Program inventory and the Tribal Transportation Program inventory are eligible for the ERFO program at 100 percent Federal share. Federally-owned roads maintained for usage by standard passenger cars that are not in the inventory are also eligible, subject to a local match.

FHWA Hurricane Sandy Emergency Relief

Transportation infrastructure plays a critical role in maintaining mobility for the American public, supporting our residents, our businesses, and our economy. The importance of our infrastructure comes into its sharpest focus after a natural disaster, like Hurricane Sandy. When a natural disaster or catastrophe strikes, FHWA's ER program is available to provide assistance to clear a roadway and reopen highways to traffic and to make permanent repairs to restore a damaged highway facility.

From the moment Hurricane Sandy hit in late October 2012 along the East Coast from North Carolina to Maine, particularly impacting New York and New Jersey, Federal, State, and local agencies worked together with an unprecedented level of cooperation to help impacted States rebuild and recover. I am proud to say that the Department and FHWA have been front and center in that effort. Our priority was to provide needed aid quickly to help get the region back on its feet and moving again by restoring the transportation system—roads, bridges, subways, railroads, and airports.

At FHWA, our response started less than 24 hours after the storm made landfall as we began to process the region's first requests for ER funding to rebuild roads and bridges. Less than 48 hours after Sandy made landfall, FHWA made available the first quick release funds: \$10 million to New York and \$3 million to Rhode Island. Days later, FHWA made additional quick release funds available: \$4 million to North Carolina, \$10 million for New Jersey, and \$2 million for Connecticut. About a month later, we provided an additional \$20 million to New York and an additional \$10 million to New Jersey. These funds represented a down payment on our commitment to the States affected by Hurricane Sandy.

We are keeping our commitment, and to date, FHWA has provided nearly \$671 million in ER funding to States and for Federal lands impacted by the storm. This includes funding to reopen a nationally significant landmark, Liberty Island, as well as funding for critical coastal routes, including 15 miles of Ocean Parkway on New York's Long Island and 12 miles of Route 35 along the coast of New Jersey.

We provided \$39 million for the Ocean Parkway project, including the total cost of the repairs

and the temporary detours. The Ocean Parkway is vital to the quality of life and the economy on Long Island, providing access to the beach and jobs for many people in stores and shops bustling with summer tourists. FHWA assistance helped Ocean Parkway fully reopen on April 25 just in time for the summer on the South Shore.

The State of New Jersey used \$235 million in ER funds for Route 35, the gateway to many of the barrier islands that make up the Jersey Shore. Route 35 opened to traffic in February with temporary lanes, and permanent repairs are progressing, including features to protect it against future storms.

These are just a few examples of how States have used ER funds in the past year to restore important transportation facilities damaged by Hurricane Sandy. Emergency Relief funds are helping States across the country undertake the massive job of restoring damaged roads and bridges so that the public can travel safely and communities can rebuild. For example, in response to the recent flooding across Colorado, FHWA made an initial allocation of \$5 million in ER funds on September 13, followed by a second allocation of \$25 million on September 19. FHWA will provide additional funds in the future as the State identifies permanent repairs and completes its cost estimates.

In addition, on February 12, FHWA provided \$28 million through the ERFO program to repair roads and bridges in Federal parks and recreation areas located in New York and New Jersey that were damaged by Hurricane Sandy. Of that amount, \$6 million was made available to the National Park Service for the Statue of Liberty National Monument to begin dock repairs at Liberty Island. In total, we have allocated approximately \$15 million to replace all the docks at Liberty Island destroyed by the storm, helping the park reopen in time for Independence Day 2013.

Enhancing Resiliency and Accelerating Project Delivery

In addition to implementing the ER program, FHWA is looking ahead to determine how we can help our infrastructure better withstand natural disasters and how we can deliver projects more quickly. We need to provide transportation agencies with better information, new designs, and tools to enhance the resilience of their infrastructure where economically justified to prevent future recurring damage. We are engaged in activities across the country to identify vulnerable highway infrastructure and minimize the effects of natural disasters and catastrophic events on the infrastructure.

In collaboration with State and local transportation agencies in Connecticut, New Jersey, and New York, we have launched an initiative that will assess the damage from Hurricane Sandy on the region's transportation systems and enhance their resiliency to extreme weather in the long term. The initiative will leverage lessons learned from Sandy and other recent storms, as well as future climate projections, to develop feasible, cost-effective strategies to reduce the transportation system's vulnerability to future extreme weather events. To date, FHWA has established a group of State and local project partners and, in coordination with the Federal Transit Administration and Federal Railroad Administration, this group is currently working to collect and analyze information on transportation assets damaged by Hurricane Sandy and to identify specific assets for further study. Additionally, FHWA is complying with the

recommendation of the Hurricane Sandy Task Force by requiring States to use the best available flood risk design standard – the Advisory Based Flood Elevation plus one foot standard developed by FEMA – for all Sandy-related highway rebuilding projects that are using FHWA ER funding.

FHWA is actively working to develop the information and tools transportation decision makers in all areas of the country need to enhance the resiliency of our infrastructure. For example, we have developed a climate resilience framework that State and local agencies in 19 locations are currently implementing. These agencies are evaluating the vulnerability of transportation assets to a wide range of climate stressors—from extreme surface temperatures and dust storms in Arizona to heavy precipitation and sea level rise in Maine—and identifying ways to increase resilience to these threats. In addition, FHWA has been working with transportation agencies in the Mobile, Alabama region to better understand the potential impacts on specific critical components of infrastructure and to develop risk management tools to help determine which systems and assets to protect and how to do so. These tools are intended to be transferable to other regions throughout the country.

We have also made some changes to our financial management practices and quick release process to help States receive ER funds even more quickly. FHWA has coordinated with States to implement a full spectrum of mitigation methods (including enlarging culverts, relocating roadways, lengthening or raising bridges, and other protective measures) to secure roadways from future extreme weather events. We also have a focused research and development program to create further hazard mitigation technologies and methodologies to improve the capability of our highway bridges and structures to resist flooding and scour, storm surges, and wind hazards. In addition, we will work with our State partners to explore creative solutions to address flood and storm risks in vulnerable repetitive loss locations as well as evaluate transportation infrastructure for latent defects.

FHWA also provides States with access to the Freight Analysis Framework modeling tool, which can help States prepare for freight traffic shifts resulting from major road closures after natural disasters. Knowing the potential changes in regional freight travel patterns in times of crisis helps States establish detours, prepare alternative routes to handle additional traffic, and adjust signals and message signs. It can help ensure traffic continues to flow smoothly and safely for travelers on the highways. The tool works by removing the closed or damaged highway from the network model, rerouting the freight traffic on undamaged highways, and then displaying routes the freight traffic likely would take.

As we look for ways to enhance the resiliency of our Nation’s highways and bridges, we also need to utilize innovative technologies and methods to deliver projects faster and allow the public to enjoy the benefits of upgraded infrastructure sooner. This becomes particularly important in an emergency event. FHWA’s Every Day Counts (EDC) initiative is designed to further increase innovation and improve efficiency, effectiveness, and accountability in the planning, design, engineering, construction and financing of transportation projects. Getting projects completed sooner helps reduce congestion and improve air quality. EDC promotes making greater use of technologies—like assembling bridges from prefabricated elements as was done to rebuild the I-5 bridge in Washington State earlier this year—to allow critical parts of our infrastructure to be built more quickly and with much less disruption to the traveling public.

Conclusion

In the year since Hurricane Sandy struck, the FHWA has stood shoulder-to-shoulder with our Federal, State, and local partners to help restore highway infrastructure in the region. As we continually brace for new natural disasters and catastrophic failures, FHWA remains committed to helping States repair and reconstruct infrastructure damaged by such events. We will continue to explore innovative technologies and other tools to help highway infrastructure better withstand the effects of extreme weather events.

I thank you for the opportunity to discuss FHWA's Hurricane Sandy response efforts. I will gladly answer any questions at this time.