Chairman DeFazio, Ranking Member Graves, Subcommittee Chairman Lipinski, Subcommittee Ranking Member Crawford and Distinguished Members of the Subcommittee:

I am Mark Christoffels, Chief Engineer for the San Gabriel Valley Council of Governments (SGVCOG), a California joint powers authority made up of representatives from 30 cities, three Los Angeles County Supervisorial Districts and three municipal water districts located in the San Gabriel Valley, a region of 2 million residents in eastern Los Angeles County.

In response to a grade crossing study of the Alameda Corridor-East (ACE) Trade Corridor in Southern California, the SGVCOG established the ACE Construction Authority in 1998. This single-purpose construction authority was charged with implementing a rail crossing improvement program intended to mitigate vehicle delays, collisions and other community impacts at 55 at-grade rail-roadway crossings in anticipation of growing freight rail traffic in the San Gabriel Valley. This initiative has developed into a comprehensive $1.8 billion program of rail-roadway grade separations and crossing safety improvements along the ACE Trade Corridor, which is among California’s and the Nation’s busiest rail corridors.

The transcontinental rail lines that comprise the ACE Trade Corridor accommodate significant, and growing, freight carried between the American heartland and our nation’s busiest port complex in the San Pedro Bay. Together, the ports of Los Angeles and Long Beach handle more than 40 percent of all shipping containers arriving by ocean vessel on our shores and 25 percent of America’s exports. These cargo volumes
result in more than 180 Union Pacific Railroad and BNSF trains per day traversing the ACE Trade Corridor, carrying 16% of all the Nation’s waterborne containerized freight (See Exhibit 1). In addition, dozens of daily Metrolink regional commuter trains operate on the freight rail mainlines under shared-use agreements.

The ever-increasing freight train traffic along the ACE Trade Corridor has resulted in traffic queueing and delays at at-grade crossings as well as deaths and injuries from crossing collisions. Twenty years ago, the ACE Trade Corridor crossing improvement plan evaluated all at-grade crossings in the San Gabriel Valley and proposed building grade separations, where the road goes under or over the railroad, at the most congested and hazardous crossings. These improvements would enhance crossing safety, eliminate vehicle delay throughout the local roadway network and locomotive horn noise, and reduce vehicle emissions in Southern California, a Federal air quality nonattainment area (see Exhibit 2). In response, the ACE Construction Authority created a comprehensive strategy to fund and implement the study’s recommendations.
Armed with this plan of action, the SGVCBOG and the ACE Construction Authority came to Capitol Hill in 1998 during consideration of the Transportation Efficiency Act for the 21st Century (TEA-21) legislation to request Federal funding for the implementation of the ACE Program. In the context of the recently ratified North American Free Trade Agreement and the resulting need to improve our Nation’s goods movement infrastructure, Congress recognized the importance of the ACE Program to this effort by designating the ACE Trade Corridor as a National High Priority Corridor and awarding approximately $133 million for the proposed rail-roadway improvements.

In 2005, Congress continued its strong support for the ACE Program in the next transportation reauthorization (SAFETEA-LU) by designating the ACE Trade Corridor as one of only 25 Projects of National and Regional Significance and providing $67 million in funding. In addition, $17 million in funding was allocated to ACE projects during the
annual appropriations process between 2000 to 2010, as well as an additional $28 million in other Federal funding.

This Federal recognition and funding served as an important catalyst for the substantial subsequent investment of more than $1.5 billion in California state and local funding which has made the full funding of the $1.8 billion ACE Program achievable in the near term, if we are able to secure approximately $70 million to complete a programmatic funding shortfall.

Chairman DeFazio may recall touring the ACE Trade Corridor by helicopter in early 2009, along with representatives of the SGVCOG, the Ports of Los Angeles and Long Beach and the Alameda Corridor Transportation Authority, during a visit to the Los Angeles region for a joint field hearing hosted by this Subcommittee and the Highways and Transit Subcommittee. That hearing was titled “Confronting Freight Challenges in Southern California.”
We are pleased to report significant progress since the Chairman’s visit. As of today, we have completed and opened to traffic 14 grade separations, are currently under construction on another three grade separations and are preparing to award construction contracts for our final two grade separations this year or next year (see Exhibits 3 and 4). We have also closed or eliminated three grade crossings and installed safety measures at the remaining crossings, such as four-quadrant gates or center medians to deter motorists from driving around lowered crossing gates.

There have been 128 collisions at the 19 crossings which already are or will be grade separated in eastern Los Angeles County, according to our review of Federal Railroad Administration (FRA) crossing collision records. These collisions resulted in at least 26 fatalities and 46 injuries. Grade separations will eliminate crossing collisions at these busy streets as well as a total of more than 2,000 vehicle-hours of daily delay at the San Gabriel Valley’s blocked crossings, including for emergency responders.

We are grateful for the strong support of Congress and the Federal Government for our ambitious plan to mitigate the substantial and negative impacts of ever-increasing freight rail traffic through the San Gabriel Valley. While this support has been instrumental in initiating the ACE Program, as the state of California and the County of Los Angeles have subsequently provided robust freight project funds, the share of our Federal contribution has declined to less than 15 percent, or $244 million of the $1.8 billion secured. This stands in stark contrast to the traditional 80 percent Federal to 20
percent State or local funding ratio for such infrastructure improvements. The substantial national economic benefits of an efficient goods movement network and the resulting negative impact on our local communities warrant a much higher level of Federal assistance for programs like the ACE Program.

In this context, we helped establish the Coalition for America’s Gateways and Trade Corridors (CAGTC) nearly 20 years ago to advocate for sufficient funding in Federal legislation for trade corridors, gateways, intermodal connectors and freight facilities. We were pleased that Congress established a national freight program and authorized the expenditure of substantial funding to support freight infrastructure improvements in the Moving Ahead for Progress in the 21st Century (MAP-21) Act of 2012 and the Fixing America's Surface Transportation (FAST) Act of 2015.

Concurrent with this decades-long effort, the ACE Program has annually sought to secure Department of Transportation (DOT) discretionary grant funding for our grade separation projects without any success, including multiple applications for BUILD (Better Utilizing Investments to Leverage Development -- formerly known as TIGER) and INFRA (Infrastructure for Rebuilding America -- formerly known as FASTLANE) grants. I believe there are a number of reasons for our lack of success, including the substantial cost of real estate in urban areas which adds significant additional cost and adversely affects the benefit-cost ratios for our projects.

This lack of success in securing Federal discretionary funding over the last decade has been frustrating, especially given that our Program has long been considered a top Federal priority. Consequently, we have had to disproportionately rely on state and local funding to support our construction projects that address Federal, state and regional transportation priorities.

In the context of reauthorization and other transportation infrastructure-related legislation, we respectfully request that the Subcommittee consider the following policy recommendations that would increase the availability of much needed Federal funding for freight and grade separation and crossing safety projects.

**Support the enactment of robustly funded transportation infrastructure legislation**

I am excited that both the Majority and Minority Members of the full Committee have recently recommended transportation and other infrastructure principles. This is an important first step toward the enactment of a robustly funded transportation
authorization bill that will seek to address our Nation’s substantial transportation infrastructure needs. It is my hope that any such legislation will prioritize safety improvements, nationally and regionally significant highway and multi-modal projects, and freight infrastructure. The Majority’s infrastructure framework in our view importantly prioritizes funding freight projects of national and regional significance with focused eligibility criteria to guide final discretion over project selection and seeks to ensure that freight projects across all modes are eligible for Federal investment.

Provide $12 billion a year for a discretionary freight grant program and prioritize safety

We stand with the more than 60 agencies and organizations across the nation who are members of CAGTC in advocating for $12 billion annually in Federal funding to be provided to all modes of freight projects via a merit-based discretionary grant program. Our experience has shown that the INFRA program authorized in the FAST Act has tremendous potential to help build a strong national multimodal freight network, but the $800 million to $900 million in annual funding made available is inadequate. In fact, DOT reports receiving $12 in unique requests nationwide for every $1 available made available through the INFRA program.

We also recommend Congress require greater transparency for the project discretionary selection process and provide additional direction and guidance for this process. For instance, Congress should direct that project evaluation through the discretionary grant process prioritize safety as an outcome. Members of this panel with crossings in their districts know well the devastating human toll that results from crossing collisions. Yet, in benefit-cost analyses we have prepared for grade separation projects submitted for Federal grant funding, the quantification of reduced deaths and injuries yield relatively minor benefits when compared to project costs, especially in built-out urban areas with high real estate costs. Congress should direct that projects that enhance safety are made commensurate to, or at least competitive with, projects that improve efficiency, capacity or throughput.

Create a discretionary grant program for rail-roadway crossing improvements

The Federal Highway Administration (FHWA) and FRA are the primary Federal agencies responsible for grade crossing safety across the country, with FHWA administering the Section 130 formula program and FRA providing safety oversight of both freight and passenger rail. We applaud Congress for continuously authorizing the Section 130
program for almost three decades. It is the primary program intended to provide Federal assistance to localities seeking to implement at-grade improvements to reduce the number, severity and potential of hazards to motorists, bicyclists, and pedestrians at crossings. The Section 130 program is authorized at between $200 million and $350 million annually with these funds apportioned to the States by formula.

In California, the Section 130 program is administered by the California Public Utility Commission, which regulates rail crossings, and the California Department of Transportation (Caltrans). We are currently working with both state agencies to secure an award of Section 130 funds for a project to install railroad right-of-way fencing and pedestrian crossing gates in the City of Pomona, where upwards of 80 freight trains a day traveling on multiple main line tracks have resulted in alarming rates of pedestrian deaths and injuries. Approximately $1 million to $3 million will be made available in Section 130 funds for our project which has a total cost of $24 million, or a Federal contribution of less than 13 percent.

It is clear to us that the Section 130 funds made available to California are insufficient, a situation likely experienced by other states with ambitious crossing safety programs, while we are informed that some states may not make full use of their annual allotments. Congress should consider establishing a new, nationally competitive discretionary grant program that is dedicated to providing funding to the most nationally and regionally significant rail-roadway improvement projects in the Nation. Unused annual Section 130 state allotments could supplement this program or could be directed to a separate “pool” for distribution to meritorious projects through a nationally competitive process.

Bolster the CRISI program and better define applicant eligibility

We applaud Congress for authorizing the Consolidated Rail Infrastructure and Safety Improvements (CRISI) program funded at about $240 million per year to improve the safety, efficiency, and reliability of passenger and freight rail. We support the Majority proposal to direct $55 billion over five years toward freight and passenger rail infrastructure, and respectfully recommend that a significant portion be dedicated to grade separations. With grade separations in urban areas in our experience costing an estimated $100 million each, additional CRISI funding is warranted.

In addition, we contend the definition of eligible applicants in the CRISI authorizing statute is problematic and respectfully request that it be amended. The statute defines
eligible applicants as “political subdivisions of a State,” a term not clearly defined in Federal law and a category without clearly enumerated eligible entities. As an example of the negative impact of this lack of clarity, consider that when ACE Construction Authority applied for funds from the similarly structured Rail Line Relocation and Improvement Capital Grant Program, FRA legal counsel opined that we were ineligible to apply. This was despite the fact that ACE Construction Authority was a California joint powers authority comprised of 30 cities and Los Angeles County, and had been delegated all powers, such as eminent domain and others, necessary to implement a $1.8 billion grade crossing safety program. FRA counsel said that ACE Construction Authority lacked two attributes common to a political subdivision of a State: first, a police force and, second, taxing authority. However, neither attribute is necessary to implement a program of crossing improvements, as we have been doing for nearly 20 years. We urge Congress to expand the definition of eligible applicants in this program, preferably modeled after the more expansive definition used in the statute authorizing the INFRA program.

Consider effects of railroad contribution to grade separation projects

As you know, Federal law limits the railroad contribution to a grade separation project to no more than 5 percent of cost, with a further restriction that the contribution level be based on a project’s theoretical, as opposed to actual, cost. Railroad contributions have averaged about $3 million per each ACE Trade Corridor grade separation, which typically cost more than $100 million.

Congresswoman Grace Napolitano represents the San Gabriel Valley and has long been a leading champion of the ACE Program in Congress. She has strenuously urged the railroads to increase their grade separation contribution to be commensurate to the benefits realized. Although we truly appreciate Congresswoman Napolitano’s advocacy, we have not taken a position on this matter, and instead have focused on ensuring our working relationship with Union Pacific Railroad remains cooperative and cost-effective in implementing the ACE Program. If Congress decides to revisit the issue of the railroad contribution, we do offer the observation that the Federal contribution limit creates a disincentive to use minor Federal funding on a grade separation in a state like California where the railroad contribution is set at 10 percent if the project is solely funded from state or local sources. We have, in fact, deprogrammed Federal funds from two of our grade separation projects that are currently under construction because the presence of those funds would have had the effect of halving the railroad contribution.
In closing, I thank the Chairman and Members of the panel for this opportunity to offer testimony regarding the ACE Program and our recommendations for improvements to Federal funding programs. I would like to express my appreciation to Congresswoman Grace Napolitano for her advocacy for the ACE Program for more than two decades. She is a strong champion of improving grade crossing safety on behalf of our communities and I thank her for her service.