

| Associated General Contractors of Maine | 188 Whitten Road, Augusta ME 04330 | www.agcmaine.org | 207-622-4741 |

TESTIMONY OF MATTHEW MARKS IN SUPPORT OF LD 1552 An Act To Authorize Multiple General Fund Bond Issues To Improve Highways, Bridges and Multimodal Facilities

Joint Committee on Appropriations and Financial Affairs 128th Maine Legislature, First Regular Session July 17, 2017

Good afternoon Senator Hamper, Representative Gattine, distinguished members of the Joint Standing Committee on Appropriations and Financial Affairs. My name is Matt Marks, I am a resident of Cape Elizabeth and here today in my capacity as Chief Executive Officer of the Associated General Contractors of Maine. I am here to testify IN SUPPORT OF LD 1552, An Act To Authorize Multiple General Fund Bond Issues To Improve Highways, Bridges, and Multimodal Facilities.

For legislators who are not familiar with AGC Maine, we are statewide commercial construction trade association with members throughout the state. Our motto is skill, responsibility, integrity, and safety in the construction industry. We are a Chartered Member of AGC America with 92 Chapters across the country and 26,000 member firms nationally. Each Chapter operates independently, and in Maine, we represent all highway, industrial, energy, site and vertical construction markets.

AGC America was founded when contractors met with President Woodrow Wilson to develop ideas to kick-start our nation's economy. From that discussion, the interstate highway system was born and shortly after, in 1918, AGC America was founded. Since that time state chapters like ours have worked on infrastructure advocacy and awareness. Unfortunately, much of the discussion has centered around our aging infrastructure instead of the collaborative ideas that started our organization so many years ago.

In Maine, we have a tremendous obligation to maintain the complex network of roads, bridges, and ports. Our road system is so large that it would nearly wrap around the earth's equator. Even though we have to primarily use funds for keep those structures operational the Maine Department of Transportation has found ways to integrate economic opportunity and transportation whenever possible. The success of Eimskip and the Maine Marine Terminal, and not just the beer box, is an international trade advantage for Maine that is made possible by innovative use of transportation funding bringing together port, rail road and air transportation.

While I wish we could repeat those scenarios with more funding, we have a continued obligation to ensure that our system is safe for travelers, adequate for commerce and meeting the expectations of Maine residents.

In a recent report by a national transportation research group, it stated that rural roads and bridges in Maine have significant deficiencies. Nineteen percent of Maine's rural roads are rated in poor condition - the 15th highest rate in the nation - and 20 percent are rated in mediocre condition. Fifteen percent of Maine's rural bridges are rated as structurally deficient, the 10th highest rate in the nation. The rate of traffic fatalities on Maine's non-Interstate, rural roads - 1.51 fatalities per 100 million vehicle miles of travel - is more than triple the fatality rate on all other roads in the state.

That has a significant burden on travel and business in our state. In the report, a quote was included from Aroostook's Smith's Farm Inc which is the largest commercial producer of broccoli east of the Mississippi. Emily Smith, president of Smith's Farm Inc, said "At the height of the summer harvest, up to 120 tractor trailer loads a week are leaving Aroostook County on Interstate 95. The fresh vegetables are coming from 5,000 acres in 10 townships to a centralized cooling and packing facility. During the growing season, large farm equipment and trucks with significant load are navigating rural roads and bridges to grow and harvest a perishable commodity. Time, speed, and safety are vital factors to the success of our agricultural business. Our bottom line is affected by the rural roads that connect the fields, the farms, and the cooler to the ultimate 'stag brand' broccoli consumers buy at supermarkets up and down the east coast."

Lastly, Maine is continuing its economic recovery and construction was walloped by the great recession. We lost nearly ten thousand skilled workers in a very short period of time. It couldn't have been worse timing as the industry had started efforts to recruit and train the next generation of skilled workers. This year we have made more gains, a 5% increase in employment since last year, finally reaching 29,400 construction workers edging closer to pre-recession employment. Construction workers' pay in Maine averaged \$45,700, 11% more than all private sector employees in the state. We are also small businesses, Maine had 4,700 construction firms in 2014, of which 95% were small (<20 employees).

I encourage a vote today to continue investment in Maine's infrastructure and continue moving Maine's economy forward. Thank you, I am happy to answer any questions.





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Report available at: www.tripnet.org

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MAINE'S RURAL ROADS AND BRIDGES HAVE HIGH RATES OF DEFICIENCIES; STATE'S RURAL TRANSPORTATION SYSTEM IN NEED OF MODERNIZATION TO BETTER SUPPORT ECONOMIC GROWTH AND CONNECTIVITY

Eds: This report contains data for all 50 states for the percentage of rural roads in poor condition, the percent of deficient rural bridges, rural traffic fatality rates and the number of rural traffic fatalities. Click here for infographics.

Washington, D.C. – America's rural transportation system is in need of repairs and modernization to support economic growth in the nation's Heartland, which is a critical source of energy, food and fiber. Rural America is home to an aging and increasingly diverse population that is heavily reliant on the quality of its transportation system. This is according to a new report released today by <u>TRIP</u>. The report, <u>Rural Connections: Challenges and Opportunities in America's Heartland</u>, evaluates the safety and condition of the nation's rural roads and bridges and finds that the nation's rural transportation system is in need of improvements to address deficient roads and bridges, high crash rates, and inadequate connectivity and capacity. TRIP is a national non-profit transportation research group based in Washington, D.C. The chart below shows the states with the highest rate of rural pavements in poor condition, states with the highest share of structurally deficient rural bridges and those with the highest fatality rates on non-Interstate, rural roads.

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Rank	STATE	Roads in	STATE	Deficient	STATE	per 100M	per 100M
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salsy le sa		Condition	entral transfer	Bridges =	and Shekking Education	Rural Roads	Other Roads
1	Rhode Island	41%	Rhode Island	22%	South Carolina	3.82	1.03
2	Connecticut	39%	Iowa	22%	California	3.19	0.66
3	California	38%	Pennsylvania	22%	Kentucky	2.98	0.72
4	Hawaii	28%	South Dakota	20%	Mississippi	2.93	0.70
5	Mississippi	25%	West Virginia	17%	Montana	2.81	0.86
6	New Mexico	25%	Nebraska	16%	Nevada	2.77	1.06
7	Vermont	24%	Oklahoma	16%	Arizona	2.70	1.15
8	Pennsylvania	22%	North Dakota	16%	North Carolina	2.69	0.65
9	Arkansas	22%	Louisiana	15%	Oregon	2.68	0.64
10	Oklahoma	22%	Maine	15%	Arkansas	2.56	0.90
11	Missouri	21%	Missouri	14%	Virginia	2.46	0.51
12	Washington	21%	Mississippi	13%	Louisiana	2.46	1.16
13	Alaska	20%	New York	13%	Texas	2.43	1.09
14	Virginia	20%	New Hampshire	13%	Tennessee	2.35	0.91
15	Maine	19%	Michigan	13%	Georgia	2.35	0.96
16	Wisconsin	19%	North Carolina	11%	Pennsylvania	2.33	0.83
17	Louisiana	18%	New Jersey	11%	Wyoming	2.30	0.92
18	Michigan	17%	South Carolina	11%	Illinois	2.28	0.70
19	West Virginia	17%	Wyoming	11%	West Virginia	2.24	0.81
20	Iowa	15%	Idaho	10%	Kansas	2.24	0.50
21	Idaho	14%	Alaska	10%	Indiana	2.24	0.61
22	South Dakota	14%	Massachusetts	10%	Oklahoma	2.21	0.91
23	Texas	14%	Wisconsin	10%	Washington	2.20	0.64
24	Massachusetts	13%	Kansas	9%	Michigan	2.19	0.59
25	Minnesota	12%	Montana	9%	Colorado	2.09	0.83

The report finds that rural roads and bridges in Maine have significant deficiencies. Nineteen percent of Maine's rural roads are rated in poor condition - the 15th highest rate in the nation - and 20 percent are rated in mediocre condition. Fifteen percent of Maine's rural bridges are rated as structurally deficient, the 10th highest rate in the nation. The rate of traffic fatalities on Maine's non-Interstate, rural roads - 1.51 fatalities per 100 million vehicle miles of travel - is more than triple the fatality rate on all other roads in the state.

"Rural roads are far too often overlooked. With fatality rates rising, repairing and maintaining the nation's roads must be a top priority for legislators," said Pat Moody, manager of public affairs AAA Northern New England. "By investing in improvements for today and tomorrow, we can deliver safer experiences for motorists and save tens of thousands of lives."

"Crumbling bridges, poorly maintained roads and congested highways discourage travel, threatening the entire U.S. economy," said Erik Hansen, vice president of government relations for the U.S. Travel Association. "Lawmakers have signaled their interest in finding solutions for America's surface transportation, as evidenced in passage of the FAST Act and the formation of the NACTTI advisory board. However, far more is needed--and fast--to finish the job."

The quality of life in America's small communities and rural areas, and the health of the nation's rural economy, is highly reliant on the quality of the nation's transportation system, particularly its roads, highways and bridges. America's rural transportation system provides the first and last link in the supply chain from farm to market while supporting the tourism industry and enabling the production of energy, food and fiber. Rural Americans are more reliant on the quality of their transportation system than their urban counterparts.

"Smith's Farm Inc in Maine is the largest commercial producer of broccoli east of the Mississippi," said Emily Smith, president of Smith's Farm Inc. "At the height of the summer harvest, up to 120 tractor trailer loads a week are leaving Aroostook County on Interstate 95. The fresh vegetables are coming from 5,000 acres in 10 townships to a centralized cooling and packing facility. During the growing season large farm equipment and trucks with significant load are navigating rural roads and bridges to grow and harvest a perishable commodity. Time, speed, and safety are vital factors to the success of our agricultural business. Our bottom line is affected by the rural roads that connect the fields, the farms, and the cooler to the ultimate 'stag brand' broccoli consumers buy at supermarkets up and down the east coast."

The TRIP report finds that the U.S. needs to implement transportation improvements that will improve rural transportation connectivity, safety and conditions to provide the nation's small communities and rural areas with safe and efficient access to support quality of life and enhance economic productivity. The nation's ability to address its rural transportation challenges will be greatly enhanced if Congress is able to provide a long-term, dedicated, user-based revenue stream capable of fully funding the federal surface transportation program.

"We applaud the president, the new administration, and members of Congress for leading the conversation on an issue of critical importance to our 21st century economy: rebuilding America's infrastructure," said U.S. Chamber's Executive Director for Transportation Infrastructure Ed Mortimer. "The American business community looks forward to developing and implementing a long-term plan that will bring our nation's rural and urban infrastructure up to speed and spur economic growth. Now is the time to take action and to get the job done."

"The safety and quality of life in America's small communities and rural areas and the health of the nation's economy ride on our rural transportation system. The nation's rural roads and bridges provide crucial links from farm to market, move manufactured and energy products, and provide access to countless tourism, social and recreational destinations," said Will Wilkins, executive director of TRIP. "Fixing the federal Highway Trust Fund with a long-term, sustainable source of revenue that supports the transportation investment needed will be crucial to the modernization of our rural transportation system."