

## Senator Rounds' Opening Statement

Subcommittee On Housing, Transportation, And Community Development

*"Advancing Public Transportation in Small Cities and Rural Places through the Bipartisan Infrastructure Law."*

Thank you, Madame Chair, and thank you to our witnesses for taking the time to attend today's hearing and share your expertise.

Last year, President Biden signed into law the Infrastructure Investment and Jobs Act, which allocated an unprecedented amount of taxpayer dollars to transit systems across the country. This law provided a 67 percent increase in annual federal funding for public transportation when compared with the annual amount provided in the previous authorization. This is not including the \$69.5 billion for transit in response to COVID-19 nor the \$340 million provided through the Public Transportation Relief Program. Of the \$108 billion authorized and appropriated through the Infrastructure Investment and Jobs Act for public transportation, it is important to note that just \$4.56 billion was allocated for the Rural Formula Program. All the while, states like New York and California are estimated to receive \$11 billion and \$10 billion respectively.

With this investment comes a need for critical oversight to make certain that this money is spent on fixes that will make the most impact. Therefore, as we move to implement this legislation, it is important to discuss the challenges facing rural communities in offering safe, affordable and reliable methods of transportation.

Rural areas cover 97% of US land area and most rural residents still rely on their own vehicles as their main means of transportation. Overall, rural residents travel about 33 percent more, rural workers travel 38 percent more and lower-income rural workers 59 percent more annual miles than those in urban areas. Rural residents spend more time and money on transportation and are more vulnerable to transportation problems like vehicle maintenance issues, they lose their ability to drive or fuel prices spike as they are now.

Therefore rural roads are heavily traveled and critical for maintaining the way of life in South Dakota and the rest of rural America. The frequency of travel on some of these rural roads has further increased over the past years as tourism has become a growing business in the rural U.S. Most of the country's national parks are located in rural regions, like Mount Rushmore in South Dakota, which draws a large number of visitors each year. In addition, with agriculture dominating most rural communities, much of the nation's food industry relies on the transportation of products over long distances on rural roads and highways. The safety and structural integrity of these roads is important to maintain an interconnected transportation system.

With few communities in South Dakota having an actual fixed-route bus system, a majority of rural transit offerings are modes of paratransit which provide transportation for the elderly and/or persons with disabilities. Roughly 31% of the populations in rural communities are either elderly or disabled and these two demographics within a community often need transportation services for doctor's appointments or to complete grocery shopping.

Due to the need to travel long distances, driver shortages and lower ridership, providing on-demand rides in rural areas can be extremely expensive. As we implement the Infrastructure Investment and Jobs Act, I think we should explore ways to utilize public-private partnerships to make local, state and federal dollars go further. We should also be looking at new ways to use technology. For instance, in in Sioux Falls, South Dakota, the Sioux Area Metro, known as SAM, is trying out a "SAM on-demand" phone app – which allows riders to request rides on their smartphones to increase ridership and efficiency.

During implementation of the infrastructure law, it is also critical to reduce the regulatory burden as much as possible for the truly small communities around the country. In South Dakota, our rural transit agencies servicing small towns do not have the capacity to wade through endless red tape. Rural communities must have the freedom to use the funding in ways that serve them, not be forced into a one-size-fits-all approach.

To manage these issues, resources must be allocated to the most vital areas of the transport system and I think our subcommittee should remain focused on the oversight of those resources. I look forward to hearing from our witnesses today and learning more about ways rural America can best utilize the resources from the infrastructure law.