



COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE  
BILL SHUSTER, CHAIRMAN

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February 11, 2013

**SUMMARY OF SUBJECT MATTER**

**TO:** Members, Committee on Transportation and Infrastructure  
**FROM:** Staff, Committee on Transportation and Infrastructure  
**RE:** Full Committee Hearing on “The Federal Role in America’s Infrastructure”

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**PURPOSE**

The Committee on Transportation and Infrastructure will meet on Wednesday, February 13, 2013, at 11:00 a.m. in Room 2167 of the Rayburn House Office Building to receive testimony related to the Federal role in America’s infrastructure. At this hearing, the Committee will underscore the importance of infrastructure to the U.S. economy and examine the role of the Federal Government in providing safe, efficient, and reliable infrastructure. The Committee will hear from the President and CEO of the U.S. Chamber of Commerce, the former Governor of Pennsylvania and current Co-Chair of Building America’s Future, and the General President of the Laborers’ International Union of North America.

**BACKGROUND**

*The Federal Role in Infrastructure*

Infrastructure provides a strong physical platform that facilitates economic growth, ensures global competitiveness, and supports national security. Providing the Nation with this platform has long been recognized as a Federal responsibility that is shared with States and local governments.

Adam Smith, one of the most influential thinkers in the history of economics and the author of the *Wealth of Nations* (1776), argued the three essential duties of government are to provide security, preserve justice, and erect and maintain public works to facilitate commerce. Smith believed the government must play this role because an individual or group of individuals could not pay to build these public works on their own. On the other hand, a government could construct such infrastructure, and those facilities would pay for themselves by facilitating commerce.

The Founding Fathers also understood the importance of connecting the country through trade and travel. They recognized that robust infrastructure is necessary to achieve that goal. However, one of the greatest weaknesses of the Articles of Confederation was that it provided no means for Congress to regulate commerce between the States. This weakness was underscored by a dispute between Maryland and Virginia regarding navigation rights on the Potomac River. This dispute prohibited the Nation from connecting the country through a coordinated system of canals and portage roads across the Allegheny Mountains. The Founders remedied this weakness by clearly tasking Congress with fulfilling this obligation in the Constitution. Article 1, Section 8 of the Constitution directs Congress to establish post roads and to regulate interstate commerce.

The two Supreme Court cases of *Monongahela Navigation Company v. United States*, 148 U.S. 312 (1893) and *Wilson v. Shaw*, 204 U.S. 24 (1907) have further highlighted the role and responsibility of Congress in providing public infrastructure. *Monongahela Navigation Company* held, in part, that the Federal Government has the power to regulate commerce between States even if it means condemning and appropriating a lock and dam on a navigable waterway, and *Wilson* held that the Commerce Clause of the United States Constitution authorizes Congress to establish an interstate highway system. These cases settle any question as to the constitutionality of Federal investment in the Nation's infrastructure.

From the Transcontinental Railroad to the Panama Canal to the Interstate Highway System, Congress has continued to invest in infrastructure to ensure the connectedness of the Nation and to support the needs of the American people.

### *The U.S. Transportation System*

Today, the Nation's transportation system is an extensive network of highways, airports, railroads, public transit systems, waterways, ports, and pipelines that provide a means for taxpayers to travel to and from work and to conduct business. Over 4,059,399 miles of public roads connect with 19,782 airports, 161,195 miles of railroad, 242,306 miles of public transit route miles, 1,735,237 miles of pipeline, 25,320 miles of navigable waterways,<sup>1</sup> and 360 commercial ports.<sup>2</sup>

The United States transportation system provides businesses and consumers with access to goods and services and creates jobs and generates revenue. Transportation-related goods and

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<sup>1</sup> U.S. Department of Transportation, Bureau of Transportation Statistics, *Pocket Guide to Transportation*, January, 2013.

<sup>2</sup> American Association of Port Authorities, *U.S. Public Port Facts*, February 8, 2013.

services made up 10.2 percent of the Nation's gross domestic product in 2011, or \$1.6 trillion.<sup>3</sup> Transportation-related expenditures accounted for 16.7 percent of spending by the average American household in 2011, which is second only to housing expenditures.<sup>4</sup> Over 12,086,000 jobs in the United States were transportation related in 2010.<sup>5</sup> The role of the transportation system in each person's life cannot be overstated.

The importance of the Nation's transportation system can be better appreciated by observing how the system is utilized by people and businesses. In 2010, the system carried over 2.9 trillion vehicle miles (including cars, trucks, motorcycles, and buses), over 564 billion passenger miles by air, over 35 billion passenger miles by rail (including transit and Amtrak), and over 2.5 billion passenger miles by other modes of public transit.<sup>6</sup>

The assertion that the transportation system is the lifeblood of the Nation's economy is evidenced by the enormous amount of goods that travel on the system. In 2011, the system carried over 1.47 billion tons of merchandise (including imports and exports) by waterways, over 8.2 million tons of merchandise by air, over 207.8 million tons of merchandise by truck, over 142 million tons of merchandise by rail, and over 122.9 million tons of merchandise by pipeline.<sup>7</sup>

### **WITNESS LIST**

The Honorable Edward G. Rendell  
Co-Chair  
Building America's Future

Thomas J. Donohue  
President and CEO  
U.S. Chamber of Commerce

Terry O'Sullivan  
General President  
Laborers' International Union of North America

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<sup>3</sup> *Ibid.*

<sup>4</sup> *Ibid.*

<sup>5</sup> *Ibid.*

<sup>6</sup> *Ibid.*

<sup>7</sup> *Ibid.*