

Testimony of

Jim Roberts

President and CEO

My name is Jim Roberts and I am President and Chief Executive Officer of Granite Construction Incorporated. Granite is a California-based company that over the past 90 years has built thousands of roads, tunnels, bridges, airports and other infrastructure-related projects used by millions of people

Account would be unable to fund any new transit obligations in FY 2015. These are real problems independent of the TIFIA program that Congress must address. While it is not central to this hearing, the funding uncertainty weighs heavily on the minds of the thousands of AGC members like Granite who

which the owner has submitted a TIFIA Letter of Intent. In each of these events, the design-build team feels confident in committing to the project because the discipline imposed by the TIFIA process assures that the Owner will fully fund the project.

In order to get the best proposals from the industry, it is important that there is some certainty that projects will move forward. AGC believes that TIFIA reduces the uncertainty and therefore adds to the likelihood that P3 projects will move forward. Streamlining the approval process using concurrent reviews as proposed in other sections of MAP-21 would enhance project delivery.

Despite the clear priority that was given to the TIFIA program in MAP-21, AGC is concerned that there has been a noticeable slowdown in the award of TIFIA financing since MAP-21 was enacted. It appears that DOT is being extremely cautious in approaching the approval of TIFIA financing. AGC recognizes that DOT must take seriously its fiduciary responsibility in managing the funds in this program and overseeing projects that are awarded TIFIA financing. Awarding financing to a project that ultimately has financial problems and puts the government at risk for a financial loss is not in the best interest of the program. However, it is equally problematic to be overly cautious, slow, and bureaucratic in making the financing decision. The past success of the TIFIA program and the promise that it provides in the future should not be undermined by an inefficient process. AGC believes some adjustments can be made to the program so that it operates more efficiently, such as:

- DOT should redirect more personnel to the TIFIA review team.

- DOT should not hold all decisions on TIFIA awards until a record of decision on the project has been issued. This, in particular, seems to be contrary to the concurrent review requirement that is found elsewhere in MAP-21.

- More states need to take part in this program. DOT should develop educational tools and train technical advisors that will help states in applying for this assistance.

- There must be full transparency in the project selection process to encourage states to continue to continue applying. If there are any credibility concerns with project selection, it will undermine the entire program. Also, project selection should not be overly politically influenced.

- There should be a one

requests that is quick enough to both protect the public and provide critical infrastructure. We hope that the rural component builds up a track record that shows that the program is not too cumbersome for small projects. We also hope that the transparency of the project selection process works to enhance the credibility of the program.

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economy and create jobs by moving vital projects to construction and addressi
overwhelming transportation needs. While it is still critically important that Congress and the
Administration address the long-term solvency of the Highway Trust Fund, we must also assure that
programs like TIFIA, which provide the financing to fill some of the funding shortfall, are operated as
efficiently as possible.