

STATEMENT OF GENE VEEDER, EXECUTIVE DIRECTOR,
McKENZIE COUNTY JOB DEVELOPMENT AUTHORITY

BEFORE

UNITED STATES SENATE

COMMITTEE ON THE BUDGET

JUNE 1, 2010

Good morning.

I am Gene Veeder, Executive Director of the McKenzie County Job Development Authority. I am proud to say I am a third generation rancher, the grandson of Norwegian immigrants, operating the same ranch my father and grandfather worked before me. This week, my daughter and son in law made the move to the family ranch as the fourth generation to set permanent roots in this part of the state. As Mayor Pelton has stated, the Theodore Roosevelt Expressway follows a route of historic note in developing the agricultural, energy and tourism industries in western North Dakota. As a community member, economic development director and President of the Theodore Roosevelt Expressway, my priorities are to develop and sustain a diversified community and maintain a quality of life for our residents.

Senator Conrad, I want to thank you for bringing this Congressional Budget hearing to Watford City and giving me the opportunity to testify regarding the importance of transportation infrastructure to the communities along the Highway 85 corridor.

More importantly, we want to acknowledge your strong support over the years for U.S. Highway 85 and the Theodore Roosevelt Expressway--which is part of a larger corridor known as the Ports-to-Plains Alliance Corridor. You have been a champion of transportation investment in North Dakota and rural America. You truly understand the importance of this investment and what it means in terms of safety and economic development for America's rural heartland. Thank you!

Our message today is quite simple: keep up the good work. As Congress considers the reauthorization of federal transportation programs, we urge you to do everything you can to ensure that adequate resources are made available for rural transportation in general, and for U.S. Highway 85, the Theodore Roosevelt Expressway and the Ports-to-Plains Alliance Corridor in particular.

As I mentioned at the outset, U.S. Highway 85 and the Theodore Roosevelt Expressway are part of a larger corridor known as the Ports-to-Plains Alliance Corridor. This larger corridor is made up of three congressionally-designated High Priority Corridors on the National Highway System. As you can see from the map on the poster, it connects North Dakota with a common north-south

corridor reaching domestically across nine states from Texas to Montana and internationally to markets in Canada and Mexico.

The Alliance corridor is a corridor of national significance. It provides the backbone to a common economy of energy and agriculture that is so critical to the security and economic vitality of the United States. Consider these facts:

- Six of the Top Ten Oil Producing States are in the corridor.
- Five of the Top Ten Natural Gas Producing States are in the corridor.
- Seven of the top ten U.S. states for installed and wind energy potential are in the corridor.
- The corridor contains North America's agricultural heartland, producing \$44.3 billion of agricultural goods, or 25% of the U.S. total; it contains 6 of the top 10 farm states; and Canada and Mexico are the top two export markets for U.S. farm products.
- Nearly 25% of U.S. ethanol refining capacity, with 33 existing refineries and more underway, are in the corridor.
- Domestic trade between these states by truck is valued by the 2007 Commodity Flow Survey at \$156 billion which has increased 82% since 2002.
- International Trade with Mexico by truck was valued in 2008 at \$87 billion up 25% since 2008.
- International Trade with Canada by truck was valued in 2008 at \$32 billion up 55% since 2008.

Highway 85, the Theodore Roosevelt Expressway and the Ports-to-Plains Alliance Corridor are currently inadequate to meet these demands. A substantial investment is necessary to upgrade these facilities to modern, safe highways capable of serving local, regional and national needs.

It is for this reason that the next federal transportation reauthorization bill is so important. This legislation must provide the necessary resources to make significant progress in upgrading this corridor of national significance.

On behalf of the Ports-to-Plains Alliance, I would like to submit for the record a document, titled *SAFETEA-LU Reauthorization Recommendations of the Ports-to-Plains Alliance*. The key components of these recommendations are:

- Rural Connectivity and Mobility – The new legislation should include a major focus on upgrading and modernizing the transportation infrastructure that provides connectivity and mobility for America's small communities and rural areas, especially federally-designated High Priority Corridors on the National Highway System.
- Freight Transportation – The new legislation should also include a major focus on freight movement, including freight corridors in rural areas, especially high priority corridors on the National Highway System.
- Border Infrastructure -- Border infrastructure is critical to promote the safe, efficient movement of goods, facilitating trade and supporting jobs in America.
- Rural Safety -- The new legislation should include a major focus on highway safety, especially safety on two-lane rural roads which often have fatality rates well above urban interstates.

- Freight Pilot Program -- We support a freight pilot program for upgrading and modernizing the Ports-to-Plains Corridor, the Heartland Expressway, and the Theodore Roosevelt Expressway.
- Permitting Pilot Program -- We support a pilot program for streamlined transport of overweight and oversize equipment along the Ports-to-Plains Corridor, the Heartland Expressway and the Theodore Roosevelt Expressway.

There are two final points I would like to make regarding the new transportation legislation.

First, the Federal Highway Trust Fund must have adequate resources to meet the needs of rural areas as well as small, medium and large metropolitan areas.

And second, it is imperative that the transportation bill, as well as any climate change legislation Congress might enact, be balanced. It must recognize that rural areas are different than major metropolitan areas and that additional capacity in rural America is critical if these areas are to be tied into the national network and the 21st Century global economy.

Thank you for considering these recommendations. Not only are they important for Watford City and the communities along U.S. Highway 85, the Theodore Roosevelt Expressway and the Ports-to-Plains Alliance Corridor, they are important for the safety, security and economic vitality of our Nation and its citizens.