

Statement of the Honorable Elaine L. Chao
Secretary Designate – Department of Transportation
U.S. Senate Committee on Commerce, Science and Transportation
January 11, 2017
10:15am

Chairman Thune, Ranking Member Nelson, and members of the committee,

Thank you for the opportunity to appear before you today. I also want to thank my home state Senators for their kind introductions. I'm pleased to have the support of Senator Paul, and I will be working to "lock in" the Majority Leader's support tonight over dinner.

I am pleased to introduce my father, Dr. James S.C. Chao. He and my late mother are the foundation of who my sisters and I are today. He grew up in a small farming village of just ten families in China. His parents believed in education so he earned many scholarships to enable him to continue his studies. My father left everything familiar behind to build a better life for our family. Our family was separated for three long years before we were able to come to America, traveling by cargo ship on an ocean journey that lasted 37 days. There were many challenges during those early years especially since we didn't speak English. I didn't receive my citizenship until I was 19 years old. But, my parents never doubted that America was the land of opportunity.

Also here today is one of my sisters, May Chao and her twin daughters, Miranda Mei Chao Hwang and Jessica Ruth Chao Hwang, from New York City. May is the daughter whose name symbolizes America. My mother was seven months pregnant with May when my father left for America. He didn't see May until she was three years old.

My executive career in government began at the U.S. Department of Transportation. During my career, I have had the privilege of leading large, complex organizations in the public and non-profit sectors, as Deputy Secretary of Transportation, Director of the Peace Corps, President and CEO of the United Way of America, and U.S. Secretary of Labor. In each of these positions, my goal has been to help others access opportunity and build better lives for themselves and their families by supporting policies that foster job creation and workforce competitiveness.

Our country's transportation infrastructure is the underpinning of our world-class economy—one of the most productive, flexible and dynamic in the world. It is a key factor in productivity growth, which has provided millions of hard working Americans with a standard of living that is the envy of the world. And it has provided us with unprecedented mobility, safety and security. Yet today, these gains are jeopardized by infrastructure in need of repair, the specter of rising highway fatalities, growing congestion, and by a failure to keep pace with emerging technologies.

The U.S. Department of Transportation has a rare opportunity to shape the transformation of our critical infrastructure. The chance to lead the Department at this historic time is a great honor. First and foremost, safety will continue to be the primary objective. Regulatory decisions should be rooted in analysis derived from sound science and data, with risk-based analysis that prevents accidents before they happen, and considers both the costs and the benefits of new rulemakings. Railroads, automobile manufacturers, airlines, aircraft manufacturers, pipeline operators, transit agencies and hazardous material shippers should be deploying comprehensive approaches to safety.

The Department will also work with states to ensure that billions of dollars of federal funds are focused on improving transportation system performance and project delivery. Our rail and air traffic operational efficiency, which is so important to America's competitiveness, need to be continually improved. I look forward to working with this Committee on the FAA's transition to 21st century air traffic control technologies known as NextGen. Eight months remain before FAA reauthorization, so it's important to start the collaborative process soon, to provide air travelers with a system second to none.

Another major challenge is to unleash the potential for private investment in our nation's infrastructure. As we work together to develop the details of President Trump's infrastructure plan, it is important to note the significant difference between traditional program funding and other innovative financing tools, such as public-private partnerships. In order to take full advantage of the estimated trillions in capital that equity firms, pension funds, and endowments can invest, these partnerships must be incentivized with a bold new vision. We look forward to working with you to explore all the options, and to create a mix of practical solutions—both public and private-- that provide the greatest cost-benefit to the public.

It's also important to recognize that the *way* we build and deliver projects is as important as *how much* we invest. We want to seek your advice in identifying and addressing unnecessary bottlenecks in the processes that govern project development and delivery, as well as the manufacturing processes we oversee. And finally, we want to work with you to address the unique transportation needs in rural America, as well as the challenges that major metropolitan areas face.

Looking to the future, we also have a unique opportunity to address the exciting new technologies transforming travel and commerce. The private sector is driving this innovation. They are working with cities and states to demonstrate improvements in the safety and efficiency of autonomous cars and trucks. Drones are poised to become a major commercial force. The federal role in these sectors is still in its infancy. We want to work with Congress to position the federal government as a catalyst for safe, efficient technologies, not as an impediment.

In summary, the Department of Transportation has a key role to play in modernizing our transportation systems, strengthening our country's competitiveness, and improving our quality of life. I look forward to working with you to rebuild, refurbish and revitalize America's infrastructure, so our economy can continue to grow, create good paying jobs for America's working families and enhance our quality of life.

Thank you.

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