

southern california National Freight Gateway Collaboration



federal transportation reauthorization summary of state and regional goods movement priorities

OUR NATION'S TRANSPORTATION INFRASTRUCTURE is suffering from severe under-investment and there is much that needs to be done both to bring it into a state of good repair and to expand its capacity to meet the commercial and transport needs of the country. The primary source of funding for transportation investment is the federal motor fuel tax, which has not been raised in many years and is not able to replenish the Highway Trust Fund (HTF) at adequate levels to meet the demand for transportation investments.

The National Surface Transportation Infrastructure Policy and Revenue Study commission has reported that the nation faces a \$140 billion annual shortfall to maintain existing transportation assets and expand our road and transit systems to handle future growth. In Southern California, this under-investment represents an unfunded need of approximately \$50 billion in the six-county region.

SCAG FEDERAL REAUTHORIZATION PRIORITIES

The Southern California Association of Governments (SCAG) has adopted federal reauthorization priorities to address the goods movement needs of the region. These priorities, which were adopted in collaboration with regional and statewide transportation stakeholders include

- ***Creation of a National Freight Trust Fund to improve goods movement and mitigate goods movement-related air quality impacts.*** Southern California is the nation's 'loading dock', handling 43% of all waterborne container trade in the U.S. The lack of an adequate federal policy addressing goods movement funding has created an "unfunded federal trade mandate" resulting in severe congestion, air quality, and safety impacts on Southern California residents and businesses.

A National Freight Trust Fund should be a dedicated, firewalled funding program based on a combination of new sources as determined by Congress to fund only goods movement projects based on national need, performance, and merit.

- ***Provide new funding programs for a cleaner environment.*** Investment in our transportation future should be accompanied by development of technologies designed to reduce greenhouse gases, reduce our dependence on foreign oil and improve air quality. Funding incentives should be provided rather than further regulation.

CALIFORNIA CONSENSUS FEDERAL REAUTHORIZATION PRIORITIES

California transportation agencies statewide support a common consensus on federal reauthorization, which call for the establishment of goods movement as a national economic priority and include the following basic tenets:

- Create a new federal program and funding sources dedicated to relieving growing congestion at America's global Gateways;
- Give states that make substantial investment in nationally significant goods movement projects priority for federal funding;
- Include adequate funding to mitigate the environmental and community impacts associated with goods movement.

MOBILITY 21 FEDERAL REAUTHORIZATION PRIORITIES

SCAG has participated with the regional transportation commissions and other key stakeholders in developing the Southern California national policy priorities for federal reauthorization, which for goods movement includes:

- Establishment of national goods movement program funding by a "Freight Trust Fund" that is firewalled, contains defined freight corridors, is performance-based, and is completely separated from the HTF so that it supplements HTF funding and does not supplant or commingle with it.

Likewise, the Mobility 21 reauthorization priorities give strong support to improving and protecting transportation-related environmental impacts, including:

- Federal funding to states and regions taking proactive measures to curb non-attainment pollutants, toxic diesel exhaust and greenhouse gases, and linking land use to transportation planning.

THE SURFACE TRANSPORTATION AUTHORIZATION ACT (STAA) OF 2009

House Transportation and Infrastructure Committee Chairman James L. Oberstar (D-MN) has released the Surface Transportation Authorization Act of 2009 for consideration 2010. The goods movement/freight provisions of Chairman Oberstar's bill include the following provisions:

- Consolidates the majority of funding into 4 core highway funding formula categories –
 1. State of good repair for highways and bridges;
 2. Highway safety;
 3. Capacity improvements and improved congestion;
 4. Air quality improvement and reduce GHG emissions/climate change.
- \$50 billion for newly created Metropolitan Mobility and Access program to unlock congestion in major

metropolitan regions, including \$20 billion to be awarded to up to 10 metropolitan regions (MPOs) over 1 million population;

- \$25 billion to Projects of National Significance program to enhance competitiveness by improving goods movement and freight mobility;
- Freight Improvement: provides state formula grant funding for freight and goods movement projects and for improving states' ability to conduct freight planning. States are to receive formula apportionments funded by contract authority derived from the Highway Trust Fund. In addition, 10 Freight Corridors of National Significance would be selected for additional federal funding.

CONCLUSION

The release of the companion Senate bill is pending. Likewise, the Administration has signaled their support for freight infrastructure investment; but has not yet released any details on principles of reauthorization legislation.

Since it appears that the re-authorization of transportation funding legislation will be extended, there is continued opportunity to work with the Administration and Congressional leaders to incorporate the concepts noted above to establish a defined federal freight role and funding partnership.