Coalition for America’s Gateways and Trade Corridors

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CAGTC Applauds Senate Passage of Landmark Multimodal Freight Policy and Funding in DRIVE Act

Six-year bill provides nearly $15 billion for critical freight investments

WASHINGTON, DC (July 30, 2015) – The Coalition for America’s Gateways and Trade Corridors (CAGTC) applauds the U.S. Senate for passing today the Developing a Reliable and Innovative Vision for the Economy (DRIVE) Act. The six-year surface transportation reauthorization bill creates a national freight program and multimodal freight policy, complete with freight-specific funding to target and address system needs. Senate passage of this proposal occurs at a critical time, given that freight volumes are projected to increase 45 percent by 2045. To accommodate this growth, targeted system improvements and expansions are needed.

“The DRIVE Act’s freight program is a tremendous step forward and I commend the leadership of Chairmen Inhofe and Thune, as well as Ranking Members Boxer and Nelson. If passed into law, the legislation would provide the nation’s first-ever multimodal freight policy and dedicated freight funding,” said Sharon Neely, CAGTC Chairman. “This bill demonstrates the Senate’s deep understanding of the linkage between freight mobility and global economic competitiveness. The DRIVE Act’s multimodal freight policy and programs echo conclusions by the bipartisan House of Representatives’ Special Panel on 21st Century Freight Transportation, and we look forward to working with the House to ensure these shared priorities become law.”

Addressing the vast and varying freight system needs across the United States, the DRIVE Act includes both a freight formula program and two merit-based grant programs, the Assistance for Major Projects Program – or AMPP – and the Assistance for Freight Projects Program. Since its creation in 2001, CAGTC has advocated a competitive grant approach to funding large-scale multimodal freight projects, which often include more than one mode, cross multiple jurisdictions and are difficult to fund through existing programs. The DRIVE Act’s competitive grant programs advantage projects with multiple sources of capital financing, including public-private partnerships, significantly leveraging the federal investment.

“Freight mobility is essential to the wide spectrum of commerce in the United States. Manufacturing, agriculture and retail all depend on the efficient and reliable movement of goods to market. In passing the DRIVE Act, the Senate has made a commitment to supporting our nation’s economic engine through improved policy and unprecedented freight funding,” said John Greuling, CAGTC Board Member and President and CEO of Will County Center for Economic Development. “Senate passage of this bill marks a tremendous achievement, recognizing that America’s multimodal freight network is a priority and is uniquely positioned to move our economy forward.”
The DRIVE Act recognizes that many modes of transportation work together in moving freight and calls for designation of a multimodal national freight network, designed to inform transportation planning and improve investment decision-making.

“The DRIVE Act advances freight policy and programming by recognizing that freight does not move by highways alone. To increase efficiency and meet growing demand, all modes must work together and connect seamlessly,” said Bob Ledoux, Senior Vice President, General Counsel and Corporate Secretary at Florida East Coast Railway and CAGTC Board Member. “I commend the Senate for committing to bolstering our goods movement system through sound multimodal policy and investment, including investment in rail and ports, benefiting our economy now and in the future.”

The DRIVE Act’s freight formula program provides states with $11.65 billion over a six-year period to improve freight mobility on the national highway freight network. Freight-focused AMPP provides $2.1 billion over six years to support megaprojects. The DRIVE Act also creates the first multimodal, freight-only competitive grant program, the Assistance for Freight Grant Program, which is authorized to receive $1.2 billion through the annual appropriations process over a period of six years. Senators Maria Cantwell, Patty Murray, Cory Booker, and Edward Markey recently introduced legislation, the National Multimodal Freight Policy and Investment Act (S.1680), which included such a multimodal investment strategy and was incorporated into the DRIVE Act’s multimodal freight program.

“To keep up with our growing economy, we need to invest in our national infrastructure. The DRIVE Act will do just that,” said Port of Seattle Commissioner John Creighton, who also serves on the CAGTC Board of Directors. “Thanks to Senator Murray, Senator Cantwell and others for making sure the bill includes significant funding for multimodal freight programs.”

The DRIVE Act aims to address the large – and growing – number of infrastructure needs going unmet under current programs. Just today, the United States Department of Transportation announced applications for the seventh round of Transportation Investment Generating Economic Recovery (TIGER) grants totaled $9.8 billion, almost 20 times the amount of funds available. Further demonstrating the large number of projects that stand to benefit from a freight competitive grant approach, CAGTC published in April a booklet titled “Freight Can’t Wait.” The booklet contains a sampling of significant freight infrastructure projects that stand to benefit from federal resources, such as those provided by the DRIVE Act.

CAGTC looks forward to working with the House of Representatives to ensure that the Senate’s freight proposal and recommendations by the House of Representatives’ Special Panel on 21st Century Freight Transportation are reflected in final law.

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About the Coalition

The Coalition for America’s Gateways and Trade Corridors (CAGTC) is a diverse coalition of more than 60 public and private organizations dedicated to increasing federal investment in America’s intermodal freight infrastructure. In contrast to single mode interests, CAGTC’s main mission is to promote a seamless goods movement transportation system across all modes to enhance capacity and economic growth. For more information on the Coalition for America’s Gateways and Trade Corridors, please visit [www.tradecorridors.org](http://www.tradecorridors.org).