Coalition for America's Gateways and Trade Corridors

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Alameda Corridor-East Construction Authority

> Broward County's Port Everglades

California Department of Transportation

> Cambridge Systematics, Inc.

Canaveral Port Authority

Cascadia Center

Chicago Metropolitan Agency for Planning

City of Chicago

COMPASS – Community Planning Association of Southwest Idaho

Dewberry

Economic Development Coalition of Southwest Indiana

> Florida Department of Transportation

> > Florida East Coast Railway

Florida Ports Council

Freight Mobility Strategic Investment Board (Washington State)

Gateway Cities Council of Governments

HERZOG

HNTB Corporation

Illinois Soybean Association

Intermodal Association of North America

Kootenai Metropolitan Planning Organization

Los Angeles County Metropolitan Transportation Authority

Majestic Realty Co.

Maricopa Association of Governments

Memphis Chamber of Commerce

> Metropolitan Transportation Commission

Moffatt & Nichol

President's Inaugural State of the Union Cites Infrastructure Deficits, Calls on Congress to Produce Investment Plan

National Freight Coalition Calls for Increased Federal Funding for Goods Movement Projects to Support Economic Growth

WASHINGTON, DC (January 30, 2018) – Joining efforts underway in Congress to address the nation's infrastructure deficit, tonight, in his inaugural State of the Union address, the President called on Congress to produce a bill that generates at least \$1.5 trillion "for the new infrastructure investment we need." The Coalition for America's Gateways and Trade Corridors (CAGTC) commends the President for prioritizing infrastructure investment and urges the Administration and Congress to increase direct Federal investment with an emphasis on multimodal freight infrastructure. In his address, the President forecasted that 2017's tax reform law will yield increased economic activity – but without sufficient Federal investment in goods-moving infrastructure, these positive returns may not fully be realized. Our nation's five major economic sectors – manufacturing, retail, agriculture, natural resources, and transportation – represent 85 percent of our national economy and rely on the efficient and cost-effective movement of goods. Moreover, goods movement projects, both highway and multimodal, reduce congestion for all motorists.

"For years, Federal freight infrastructure investment has lagged while our population and national economy grow. This financial burden cannot be shouldered by states, localities and the private sector alone, and we welcome President Trump's commitment to driving an investment plan at the Federal level," said CAGTC President Leslie Blakey. "Existing programs are oversubscribed. The freight-focused INFRA program, for example, saw \$13 of requests for every \$1 available in its first round. We encourage the Administration to commit significant resources above current funding levels and dedicate a minimum of \$2 billion annually to freight projects."

The freight system moves 55 million tons of goods daily, worth more than \$49 billion. That's roughly 63 tons per person annually; meanwhile, the U.S. population is expected to increase by 70 million by 2045. To capitalize on this growing consumer base, our infrastructure network must be up for the task.

"Infrastructure investment is a bipartisan issue at its core," said CAGTC Chairman Tim Lovain, of Crossroads Strategies. "I commend the Administration and Congress for prioritizing infrastructure in 2018. Freight movement across all modes is expected to grow nearly 42 percent by 2040 – without a strategic campaign of investment, this opportunity has potential to overburden infrastructure and create a drag on our national economy. CAGTC and its membership look forward to working with lawmakers to develop a plan that will strengthen freight infrastructure and deliver economic returns for years to come."

CAGTC calls on the Administration and Congress to include in any infrastructure proposal the following elements:

1) A national strategy that guides long-term planning: A national "vision" and investment strategy that prioritizes and guides investment in the nation's freight infrastructure system with active coordination among states, regions, and localities is needed.

National Railroad Construction and Maintenance Association

NASCO – North American Strategy for Competitiveness

The Northwest Seaport Alliance

Nossaman LLP

Ohio Kentucky Indiana Regional Council of Governments

Orange County Transportation Authority

Oregon Department of Transportation Parsons

Port Authority of New York & New Jersey Port Newark Container Terminal Port Houston Port of Hueneme Port of Long Beach Port of Los Angeles Port Miami Port of Oakland Port of Portland, OR Port of San Diego

Port of Vancouver USA Prime Focus, LLC

Port Tampa Bay

Puget Sound Regional Council

RAILCET

SANDAG - San Diego Association of Governments

Southern California Association of Governments

Tampa Hillsborough Expressway Authority

Tennessee Department of Transportation

Washington State Department of Transportation

Will County Center for Economic Development WSP

- 2) Dedicated, sustainable, and flexible funding: A long-term, sustained investment program dedicated to multimodal freight infrastructure is necessary to ensure that public agencies can invest in their most critical goods movement needs regardless of mode. Adequate Federal funding should incentivize and reward state and local investment and leverage the widest array of public and private financing.
- 3) Merit-based criteria for funding allocation: Projects should be selected through the use of merit-based criteria that identify and prioritize projects with a demonstrable contribution to national freight efficiency. Modally-blind funds should be available to support multi-jurisdictional and multi-state projects, selected on the basis of objective measures designed to maximize and enhance system performance.
- 4) Partnership with the private sector: Federal funding should leverage private participation and provide transportation planners with the largest toolbox of financing options possible to move freight projects forward quickly and efficiently. Private sector funding will not replace or diminish the need for Federal resources, but in many instances can be used to augment system expansion.

"It is good news for Southern California to hear that the Administration and Congress will consider significant additional resources for sorely needed transportation infrastructure improvements that are essential for our national economy," said Southern California Association of Governments (SCAG) President and Duarte Councilmember Margaret Finlay. "Southern California civic leaders, business leaders, and residents – representing 191 cities and six counties – together developed a \$70 billion goods movement infrastructure program. The program is designed to ensure the 15.3 billion tons of freight estimated to move through the national transportation system in 2035 reaches intended markets. Federal funding is critical to eliminate congestion chokeholds and guarantee that goods movement-dependent industries in Southern California continue to provide 2.9 million jobs and contribute \$249 billion to the gross regional product."

To view a compilation of the nation's most critical freight infrastructure projects, please see CAGTC's <u>Freight Can't Wait</u> <u>booklet</u>. These meritorious freight projects stand to benefit the nation if supported by a strategic national campaign of investment. Without Federal action, these needs will continue to mount and imperil economic growth.

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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.